

# INDIGO

G R O U P

## CORPORATE SOCIAL RESPONSIBILITY 2018



# INDIGO

G R O U P

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# 1 The Group

## 1.1 The Group in a few words

The Group is a global player in parking and urban mobility, present in 10 countries and employing more than 20,000 people (including the workforce of joint ventures) around the world.

Indigo Group is the only player in the sector to be present on three continents, for all types of parking (off-street, on-street, shared and private), in addition to activities related to parking enforcement. It is also present in the field of soft individual mobility and digital services.

As of 31 December 2018, Indigo Group operates approximately 2,287,000 parking spaces in more than 5,050 car parks and more than 3,000 km of on-street parking around the world.

The Group supports local authorities and private entities (hospitals, shopping centres, train stations, airports, leisure and event spaces, universities, etc.) in their urban mobility strategies and develops customised parking offers for users, while making life in cities smoother and more free-flowing.

It is a player that thinks globally but acts locally. In a booming mobility market, estimated at 100 billion euros in 2025, the Group is a key player in the mobility of the future.

## 1.2 Our story

### 1960-2000: Organising parking

Faced with a growing need for parking in the cities, Indigo, known under the banners GTM and Sogeparc at the time, inaugurated its first 'concession model' car park in 1964, under the Esplanade des Invalides in Paris, followed by the Georges V and Malesherbes-Anjou car parks still in Paris which became Indigo's innovation laboratory. With the development of off-street car parks and on-street parking, toll systems were automated, and electronic payment options were introduced thanks to the use of debit cards. GTM and Sogeparc exported their knowledge all over the world.

### 2001-2014: Offering more than a parking space

The car park, once a single-use space, became a place offering a variety of services: with mobility services, public umbrellas, bicycles and shopping bags, the parking space of the 21<sup>st</sup> century took shape and became a link to urban mobility. In 2001, GTM and Sogeparc merged to create VINCI Park, which focused on the basics (quality, security and customer service) to attract users. The Group continued to grow internationally and operates in 14 countries as of 2014.

### 2015-2017: The digital era

In 2015, VINCI Park became Indigo following its exit from the VINCI Group and positioned itself as a key player in parking and individual mobility, with a new digital service.

As in other consumer sectors, the customer experience was evolving towards more freedom, more choice, and more customisation. In 2016, the Group launched OPnGO, the only app that gives the driver a complete parking experience, including route search, finding the best space at the best price, and providing the smoothest and most efficient customer journey.

In 2017, the Group launched INDIGO®weel, a new shared bike service without any docking stations. At the same time, within the Smovengo consortium, the Group won the "Vélib' 2" call for tenders for the supply of shared, self-service bicycles for 15 years in the Paris metropolitan area. At the end of 2017, the Group is present in 16 countries.

## 2018: The highlights

In November 2018, INDIGO®weel officially launched its self-service electric scooter rental service in Toulouse. INDIGO®weel has no docking station and the shared electric scooter emits no noise or polluting gases. This new vehicle, an excellent alternative to bicycles, makes it possible to meet wider needs and uses, including longer distances, steeper roads, shorter travel times and the possibility of traveling in pairs.

In June 2018, the Group acquired Besix Park, a major player in the Belgian parking market, enabling it to become the leading player in the country in terms of the number of spaces managed. At the same time, the Group is withdrawing from countries in which it cannot position itself as a leader or co-leader in parking and individual mobility solutions: Qatar (February 2018), Russia (April 2018), the United Kingdom, Germany, the Czech Republic and Slovakia (December 2018 to January 2019) are no longer within the scope of the Group. At the end of 2018, the Group is present in 10 countries.

## 2 Business Model

The Group has two key businesses: parking, under the brand INDIGO, and mobility and digital solutions ("MDS"), under the banners INDIGO®weel and OPnGO as well as with the aforementioned company Smovengo, in which it holds 36.38% as of 31 December 2018.

### 2.1 The parking market

#### 2.1.1 Market overview.

The world is changing. Cities are evolving, becoming more connected, bigger and more complex. By 2050, the world's population will reach about 9 billion people, 70% of whom will live in cities.

The car parking sector includes the design, construction and operation of parking facilities. It plays a key role in urban transport policy and in boosting local economies.

The global car parking market includes several domestic/regional markets, with varying levels of maturity and growth prospects. Developed countries have well-defined parking markets, while developing countries have lower levels of maturity but higher growth opportunities.

#### 2.1.2 Market segmentation

The car park market can be segmented according to different criteria:

##### 2.1.2.1 By location

**Off-street parking** includes non-roadside parking spaces that usually have access control (gates). These are underground, multi-storey or enclosed parking spaces (confined space with access control).

While they are often more expensive than on-street parking for short stays, off-street parking spaces are generally less expensive for longer parking periods. Off-street parking spaces are owned by public or private entities.

**On-street parking** refers to parking spaces on public roads, usually roadside. Although many on-street parking spaces are not paid, their number is decreasing and payment,

payment control and financial penalty solutions in case of non-payment have taken their place. Road management is usually the responsibility of local authorities.

#### 2.1.2.2 By economic model

**Infrastructure contracts** include privately owned parking spaces and those under different types of long-term leases or concession contracts. These are contracts with traffic risk: the operator is remunerated through the price paid by the users for their parking time spent or the sale of subscriptions and, depending on the contracts, remunerates the owner with a fixed or variable fee (generally as a function of the revenue). The operator is free to invest in solutions allowing it to improve its income or its margin.

**Short-term contracts** are short-term leases and management contracts. These are contracts with no traffic risk (or limited risk for short-term leases) in which the operator is not dependent on the revenues generated by the parking space. Management contracts may be cost plus fee contracts (this is generally the case in North America) or lump sum contracts in which the contractor assumes the risk associated with its costs. In the context of short-term contracts, the operator has a duty to advise its clients, which may include recommendations encouraging them to invest, but it cannot usually directly implement the recommended solutions.

#### 2.1.2.3 By owner of works

**The public sector** concerns public agencies (local authorities, public institutions, public enterprises).

**The private sector** includes private businesses or individuals.

#### 2.1.2.4 Depending on the nature of revenue generation (depending on length of stay)

**Hourly/daily parking:** revenue related to the payment for parking time spent, usually for short durations of less than 24 hours.

**Subscriptions:** revenue from packages intended for longer-term use, periodic access to parking spaces (e.g. monthly, annual or seasonal), rental of physical spaces (for example, specific spaces rented to an individual user).

### 2.1.3 Market trends

The car park industry is evolving in line with the trends that have an overall positive impact for it. These trends can be divided into macroeconomic factors and factors related to the dynamics of individual mobility.

#### 2.1.3.1 Macroeconomic factors

Some macroeconomic trends are the main drivers of the car parking industry and are expected to continue having a positive impact on the demand for parking:

- Per capita GDP growth, population growth and urbanisation are rapidly transforming individual mobility:
  - The per capita GDP growth increases purchasing power, which is an essential factor

in the growth of car ownership, especially in developing countries;

- Population growth in urban areas increases the global need for mobility and thus the demand for parking in large cities where parking facilities are more extensive and where private operators are present;
- The population density in urban areas has no impact on car ownership unless extreme levels of density are achieved and make the use of cars less attractive.
- Cars remain essential for the future of individual mobility. According to an online survey conducted by the IFOP for Alphabet France in September 2017, 80% of people in France working outside their residential area use their vehicle at some point for their commute. By 2050, approximately 3 billion vehicles will potentially be in circulation around the world, i.e. an increase of 100 million per year.
- The challenge for cities is now to combine existing infrastructures and emerging technologies to increase the efficiency of urban travel.
- Municipalities and other public organisations, as well as private companies, are all wondering about the infrastructure and solutions that will help address these challenges.
- As cities expand, infrastructural costs increase. This is especially true for travel between the suburbs, low density, and the city centre, more compact. The future of cars will reflect in the combined use of personal vehicles and shared solutions, the personal vehicle being used as the main means of transport (e.g. for commute) and shared mobility solutions for other travel needs.

### 2.1.3.2 Factors related to the dynamics of individual mobility:

**City dwellers:** Their habits and their way of moving change quickly. Users want an on-demand mobility option that is most adapted to their needs, simple, flexible and cost-effective. The impact of car sharing on car parking is expected to remain marginal, as this phenomenon is concentrated only in the major western cities, with limited penetration to date. The same goes for self-service cycles, as the latter are used only for short-distance journeys.

**Cities:** Urban spaces are also evolving. Some cities are “compact” (high density) like Paris or London, while others are larger or “multi-centric” like Toronto, Los Angeles, Sao Paulo or Beijing. Each type of city brings its own challenges of mobility and transport infrastructure. Dense and compact cities, with a solid public transport infrastructure, put in place policies to restrict personal vehicles and encourage the transition from on-street parking to off-street parking. But in the low-density suburbs or in the medium-sized cities, which are less served by public transport, cars remain essential for mobility.

**Mobility:** New technologies help solve the recurring problems that vehicles are blamed for: pollution, traffic congestion, low rates of use, and cost. Personal vehicles are eco-friendlier and remain the most efficient mode of transportation for the main daily commuting needs in many cities. Nevertheless, in densely populated inner cities, new alternatives and complementary modes of individual mobility are emerging rapidly (such as bicycle and scooter rental services).

**Technology:** Technology is now playing a major role. Increasing connectivity of vehicles is expected to positively impact the demand for parking by reducing congestion, as cars will be connected to the infrastructure, thus optimising traffic flows. Artificial Intelligence (AI) and blockchain will play a crucial role in mobility. At the same time, user data gives cities and operators a better understanding of people's travel habits.

### 2.1.3.3 Regulatory environment

The parking industry benefits from fairly stable regulation due to the long-term nature of its investments and the sharing of revenues between operators and car park owners.

In France, as of 1 January 2018, the legislation allowed local authorities to entrust service providers with paid on-street parking enforcement, thus offering new growth opportunities to parking space operators eager to tread this path. Municipalities generally consider that parking enforcement is not an essential activity for them and increasingly outsource it to private operators.

Finally, in recent years, local authorities have supported tariff increases and increased the number of paid spaces to support their urban policies and to generate additional revenues to implement them.

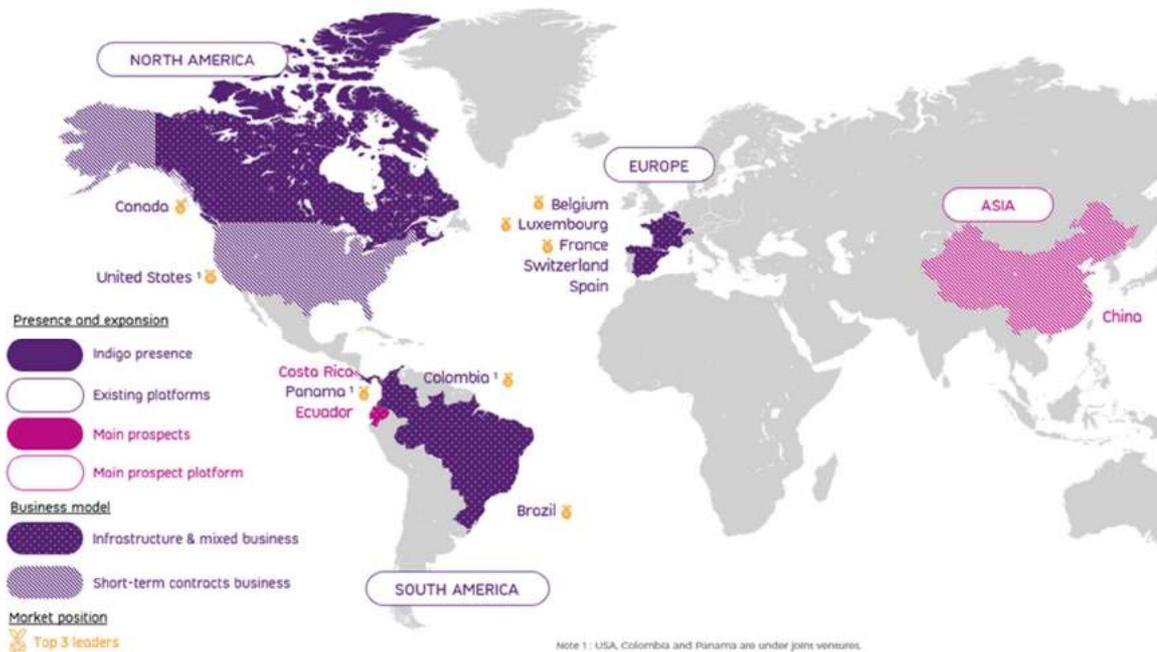
## 2.1.4 INDIGO and the parking market

INDIGO offers comprehensive and innovative parking expertise. Whether it is on-street, off-street or shared parking spaces, the Group operates under various contractual arrangements (full ownership, concessions, leases and management contracts), in a wide range of market segments and in many countries and cities.

### 2.1.4.1 Worldwide presence

Thanks to a carefully targeted acquisition strategy, combined with sustained organic growth, the Group is present in key geographical areas with strong domestic demand.

Today, the Group is the only player in the parking industry to position itself in the global market thanks to its presence in North America, South America and Europe.



#### 2.1.4.2 Off-street parking

**Designing, building, financing and operating:** with experience in all aspects of the parking business, INDIGO has developed rich and diversified expertise that allows it to meet any type of requirement in a customised manner. INDIGO designs, builds, finances and operates customised parking solutions to make city life more convenient and intuitive.

**Offering innovative services:** mobile and online payment, pre-reservation of parking spaces, automatic license plate recognition, guidance parking, smart car park management, and all examples of services that promote a more integrated and seamless customer journey.

**Promoting traffic flow management:** through its business engineering, its know-how of user segmentation, and the diversity of its parking network, INDIGO can advise local authorities and businesses on reducing congestion and optimising urban traffic flow.

#### 2.1.4.3 On-street parking

INDIGO advises and assists local authorities in the management of their on-street parking by offering customised services and tools adapted to their mobility strategies. With enforcement, maintenance, collection, consulting, resident assistance, INDIGO brings its know-how and expertise to meet the challenges of streamlining and revitalising city centres by facilitating the mobility of their users.

The Group's credibility rests on:

- More than 25 years of experience in enforcement and collection for on-street parking in Europe, with notable success in the United Kingdom, Belgium or Spain where high level of compliance rates have been achieved,
- More than 3,000 km of on-street parking entrusted to INDIGO in 7 countries,
- More than 30,000 parking meters installed by INDIGO, often equipped with the latest cashless payment technologies (NFC – contactless),
- More than 150 on-street parking contracts, including one third with parking enforcement.

#### 2.1.4.4 Parking enforcement

In the context of the reform of paid on-street parking in France, from 1 January 2018, through which local authorities have the option of entrusting this activity to private service providers, the Group has created a dedicated entity, Streeteo.

Anticipating this transformation and drawing on the expertise acquired in this field in countries such as Belgium, Spain and the United Kingdom, the Group has won a significant share of tenders in France (market share of approximately 50%), including two out of three contracts in Paris, and thus become a major player in on-street parking enforcement.

## 2.2 The Mobility and Digital Solutions (“MDS”) division

### 2.2.1 OPnGO

Today, 20% of traffic congestion problems are caused by drivers trying to find parking spaces. Smart parking solutions are therefore one of the aspects to be developed in a smart city. By streamlining the user experience, it is possible to optimise the management of parking spaces and their profitability.

In June 2016, Infra Park launched OPnGO, a revolutionary mobile application for both public and private parking. OPnGO makes it easy for city-dwellers to find the best parking space at the best price thanks to geolocation of available parking spaces, automatic access in car parks, mobile payment, and price reductions. OPnGO is the first application to bring together all the public and private parking services in town, on- and off-street. Partnering with Polly, which specialises in predictive guidance, the app offers a new way to park: anywhere, more quickly, less expensively and with less effort, on- and off-street.

At the end of December 2018, OPnGO has an inventory of 510 car parks in Europe, representing 270,000 on- and off-street parking spaces in 185 cities. The app has been downloaded 600,000 times and the service has 200,000 active users. In comparison with 2017, the volume of on-street transactions in 2018 was 16.4 times higher and that of off-street parking was 3.2 times higher.

### **2.2.2 INDIGO®weel**

Making mobility easier for all is central to Indigo Group's strategy. To meet each person's needs and the challenges facing cities, the Group designs innovative and complementary solutions like the new dockless, self-service bicycle solution INDIGO®weel.

INDIGO®weel, a free-floating sharing system (bicycles, scooters, cars in project, etc.), provides a sustainable mobility solution to city centres. Developed in close co-operation with local authorities and their related associations, this new self-service solution is available in addition to the existing transport systems, providing greater flexibility and ease of use. Thanks to a dedicated mobile application, the user can reserve and unlock a bicycle in just a few seconds using a QR code. Once used, the user must simply park the bicycle in an appropriate area: existing infrastructure is sufficient, no terminal or docking station is needed.

In addition to bicycles, INDIGO®weel has developed a similar service with electric scooters. The service was launched in November 2018 in Toulouse, a city where INDIGO®weel was already offering free-floating bicycles.

INDIGO®weel operates in 7 French cities, and its equipment fleet comprises about 5,000 bicycles and 134 e-scooters as of 31 December 2018. In 2018, city dwellers travelled over a million kilometres through approximately 700,000 rentals.

And finally, the Group is expanding its mobility offering with a daily commuting service, in partnership with Faxi, a British start-up.

### **2.2.3 SMOVENGO**

The Group has also invested in the Smovengo consortium, consisting of Indigo Infra, Mobivia, Moventia and Smoove, which offers self-service bikes in the Paris metropolitan area (Velib' 2) for a period of 15 years. This is the largest 'docked' bicycle sharing contract in the world (excluding China).

## **2.3 Strategy**

Initiated in 2014, the Group's strategic plan "Goal 2020" was completed two years in advance. In 2018, a new strategic plan, "Goal 2025" was developed and is being rolled out.

### **2.3.1 Vision**

The Group is a world leader in individual mobility, with strong roots in the parking business and renowned expertise in smart mobility solutions.

This means empowering city dwellers in all their individual journeys, with more freedom, more simplicity, and personalised, smart services.

### **2.3.2 Mission**

The Group is at the heart of the transformation in individual mobility in cities. Its mission is to prepare the future of “smart” cities by capitalising on its assets (parking spaces and on-street parking expertise) and its geographical platforms to offer new mobility services and solutions.

### **2.3.3 Geographical development**

The Group's strategy is based on a strong global presence focused on the most attractive markets. Mobility issues vary according to the types of cities around the world.

Europe is a mature market dominated by incumbent operators. INDIGO's objective is to strengthen its model

- by focusing on concessions, long-term contracts and full ownership,
- while relying on its position as a European leader to maintain its effectiveness across all segments,
- and capitalising on this network to develop its new soft individual mobility activities.

North America is a fragmented market, with many multi-centric cities, offering significant growth opportunities, particularly in the concession market and by external growth.

South America is a less developed and also fragmented market but offers opportunities for rapid growth in all market segments.

Asia is a huge, unstructured market with a vast number of opportunities for new players.

The African market is in its nascent stages in terms of mobility.

### **2.3.4 Development of business segments**

In many cities, cars remain central to urban mobility, connecting the suburbs to city centres in the most convenient and fastest way. For other journeys without cars, shared mobility and public transport are a genuine alternative. Due to the complex nature of public transport (costs, infrastructural complexity, political impact), the Group's development is centred on the role of cars and shared mobility. This is reflected in the Group's strategy, based on two businesses, INDIGO and MDS.

#### **2.3.4.1 INDIGO**

With INDIGO, the Group offers the largest network of parking spaces, with premium locations, and acts as a single point of contact for both public and private customers.

INDIGO is the world leader in parking, operating 3,000 km of on-street parking, nearly 2.3 million off-street parking spaces and associated services in more than 750 cities on three

continents. The Group draws on more than 50 years of experience, particularly under the concessional model.

Furthermore, INDIGO has developed tailor-made offers for each market segment: city centres, hospitals, shopping malls, universities, train stations, airports, leisure and event spaces. It offers a wide range of services for all its customers and makes its parking spaces available to new modes of transport (bicycles, scooters, carpooling vehicles, etc.), while reducing on-street occupation and, thus, congestion in city centres.

These “service hubs” are aimed at motorists, vehicles and neighbourhoods and make it possible to benefit from drop box services, vehicle maintenance and servicing and creation of cultural and event spaces in car parks. INDIGO transforms its parking spaces and revolutionises the user experience, making it more fluid, simpler and more connected.

The Group's expertise in on-street parking (more than 15 years in 7 countries) is based on the maintenance and collection of parking meters, as well as parking enforcement.

The Group brings its know-how and expertise to meet the challenges of streamlining and revitalising city centres by facilitating the mobility of motorists.

#### **2.3.4.2 Mobility and Digital Solutions**

With MDS, the Group relies on technology to make life easier for city dwellers, both in their parking needs and their mobility needs. With the digitalisation of services, the Group offers a comprehensive mobility solution that can be used from numerous interfaces and can be implemented on existing platforms or integrated into personal vehicles.

##### **2.3.4.2.1 OPnGO**

The OPnGO platform offers individuals an “all-in-one” marketplace. It directs motorists to the available spaces and allows them to compare the prices of different parking spaces in public and private car parks, and on-street. Finally, it helps motorists save time and money and offers them more convenience thanks to a single interface and a completely electronic customer experience.

##### **2.3.4.2.2 INDIGO®weel**

INDIGO®weel offers users various shared mobility options in the city: dockless self-service shared bicycle and electric scooter, and plans to offer car-sharing services. These services, available in a single application, make it easy to take advantage of “on demand” urban mobility solutions. The INDIGO®weel service has been successfully launched in several cities in France, providing a non-polluting, individual mobility solution.

One of the key success factors has been the sustainable dialogue initiated with local authorities. Before setting up operations on the territory of a local authority, the INDIGO®weel teams engage in discussions with it: physical coverage of the service in the city, maximum number of bicycles made available, prohibited parking areas, preferred areas with hoops, bicycle maintenance, possible data sharing (number of daily uses, number of bicycles in service or repair). In general, this consultation prior to roll-out allows constructive dialogue between INDIGO®weel and the local authorities, which can then present its opinions, recommendations and requirements on the terms and conditions of roll-out of the service in its territory.

Finally, a code of conduct has been drawn up in order to lay down the rules for constructive collaboration between INDIGO®weel and the authorities, so that the service is rolled out and operated in the best conditions, respectful of the existing uses and persons

required to share the public space. Thus, in addition to the topics of discussion mentioned above, the code addresses the topics of compliance with the Highway Code and local regulations. It also lays down the principles of occupation of public roads (traffic and parking).

As part of collaborations with players in the mobility and parking market, the Group also offers ride-sharing services for commutes by partnering with the British start-up Fxii.

#### **2.3.4.2.3 Smovengo**

The solution deployed by SMOVENGO integrates all the advantages of digitalisation: accessible not just from a computer or a mobile app but also on the spot, the self-service bike rental service with Smovengo docking stations requires the user to simply create an account and start using the service. The mobile app allows the user to refer to the map of stations, bikes and available docks or bicycle paths nearby. It also allows the user to know the number of kilometres travelled or the number of calories consumed.

Finally, in order to facilitate the user experience, the journey is validated directly on the bicycle, whether the latter is mechanical or electric.

### **2.3.5 What makes us different**

- A global leader with strong presence in more than 750 cities and a clear vision of the transformation of individual mobility in the city of tomorrow.
- Renowned expertise in all the Group's businesses, enabling it to support local authorities and private players.
- A wide range of services for motorists, vehicles and neighbourhoods.
- Technological expertise and business intelligence (BI) that allows the Group to analyse the modes of transportation of city dwellers and make the best offers accordingly.

### **2.3.6 Roadmap**

Derived from the strategic plan 'Goal 2025', the Group's roadmap focuses on several areas:

- Consolidating the concession and full ownership model by organic growth in its key countries.
- Intensifying investments by external growth in large countries to maintain or acquire a position as leader or co-leader.
- Using international expertise, by leveraging its existing three platforms (Europe, North America and South America) to penetrate the Asian market.
- Becoming a leader in digital technology and individual mobility by relying on its two entities OPnGO and INDIGO®weel.
- Expanding the range of services offered in its parking spaces for users, vehicles and neighbourhoods.
- Strengthening its competences to cope with the technological and digital transformations that impact the Group's business, and enhancing its attractiveness by improving the quality of management and business expertise.

## 2.4 The Group's financial results

The Group's financial results are presented in its activity report, available on the website <https://www.group-indigo.com>, under the investors/financial results section.

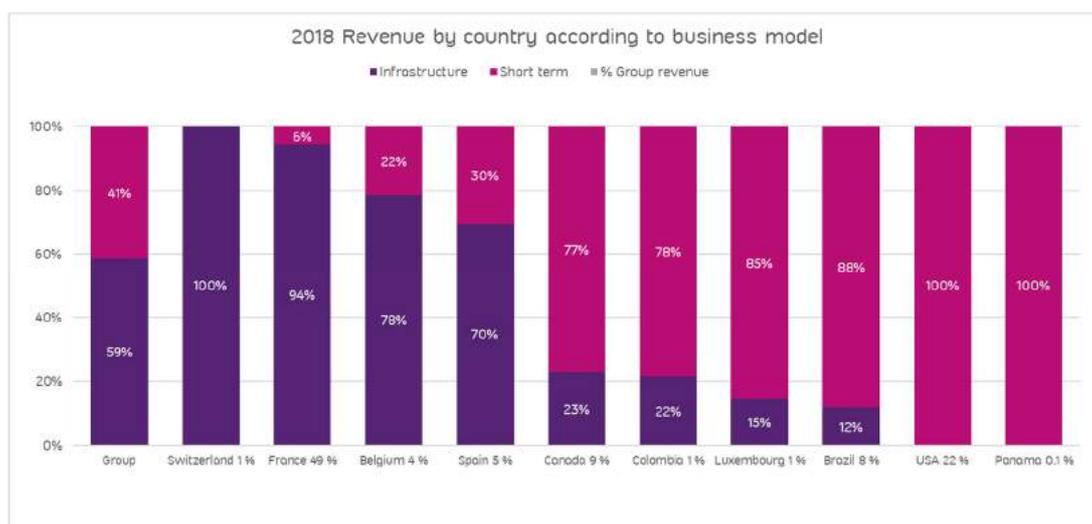
### 2.4.1 Turnover for 2018

The Group's consolidated global proportionate<sup>1</sup> turnover for 2018 came to 961.4 million euros, an increase of +6.2% compared to 2017 at constant exchange rates (+56.0 million euros) and of +3.4% at current exchange rates (+31.5 million euros). The contribution of the MDS division represents 12.3 million euros in 2018 compared to 1.9 million euros in 2017.

All the geographical areas contributed significantly to the growth at constant exchange rates: France increased its turnover by 3.1%, Continental Europe by 10.9%, the North America-United Kingdom area by +6.8% and the Iberia South America area (Spain, Brazil, Colombia and Panama) by +4.4%.

### 2.4.2 Turnover by country according to the type of contract

The table below shows for each country of the Group the breakdown of its turnover according to the types of contract managed. It is also indicated for each country its contribution to the turnover of the parking division. This turnover does not include the countries recently sold by the Group (the Czech Republic, Germany, Qatar, Russia, Slovakia, and the United Kingdom).



<sup>1</sup> The Global Proportionate figures are defined as the IFRS consolidated figures presented in the Group's consolidated financial statements, adjusted by the share of the Group's contribution from its activities in the joint ventures it owns (mainly in the USA, Colombia and Panama) as if they were consolidated by proportional consolidation and not by the equity method applied in accordance with the IFRS standard when preparing the consolidated financial statements.

### 3 Risks

The process of identifying the main extra-financial risks is based on the analysis of the regulatory texts applicable to the Corporate Social Responsibility report, particularly the list of information cited in Decree 2017-1265, on the financial risk matrix, on the matrix for the fight against corruption (in application of the French Sapin II law) as well as on sectoral benchmarks.

The process of assessing extra-financial risks is based on the analysis of the probability of occurrence and severity of each identified risk. In coordination with the Group's Sustainable Development Department, the assessment of each identified risk has been validated by business contributors: General Management, Finance Department, Legal and Insurance Department, Human Resources Department and Technical Department. The matrix of the main extra-financial risks was then approved by the Group's Audit and Risk Committee.

The Group has identified 13 major extra-financial risks, presented below:

Description of the risk	Reference of the corresponding CSR matter
<b>Social</b>	
Degradation of employee health and safety conditions	4.3 Health and safety
Failure in the application of fire regulations	4.3.7 Health and safety of customers
Failure in the consideration of user safety	4.3.7 Health and safety of customers
Discrimination, lack of diversity (including gender diversity)	4.4 Diversity
Increase in absenteeism	4.5 Absenteeism
Inadequate management of competences	4.6 Training and development
Lack of attractiveness and talent retention	4.7 Attracting talents and retaining employees
Degradation of labour relations	4.8 Labour relations
<b>Environmental</b>	
Failure to control energy consumption	5.1.2.1 Reduction of energy consumption
Non-contribution to sustainable individual mobility	5.1.4.1 Soft individual mobility
<b>Societal</b>	
Failure to implement prevention policies for anti-corruption, influence peddling, favouritism and conflicts of interest	6.1.1 Code of conduct
Non-compliance with tax regulations, fraud, opacity of financial and extra-financial information	6.1.2 Compliance with regulations
Failure of a sustainable relationship with upstream customers (public authorities, private owners)	6.2.1 Clients

The information presented in this document reflects the policies put in place to prevent these risks. They go beyond the extra-financial risks presented above to give an overview of the Group's social, societal and environmental matters.

## 4 Social matters

### 4.1 Workforce

The workforce is accounted for in full, including for joint ventures and their subsidiaries (mainly in the United States, Colombia and Panama). That of Smovengo, whose percentage of ownership by the Group on 31 December 2018 was 36.38%, is also included.

As of 31 December 2018, the Group's total workforce stood at 20,953 employees, an increase of 494 (+2.4%) compared to 2017, excluding the restatement of the workforce in six countries (Qatar, Russia, the United Kingdom, Germany, Czech Republic and Slovakia), which the Group sold in 2018 (representing 1,081 employees at the end of 2017). Adjusted for these changes in the scope of consolidation, the workforce grew by 1,575 employees, representing an increase of 8.1%. The United States is the main contributor to this increase, with the number of employees increasing by 1,277 between 2017 and 2018.

Employees Breakdown	31 decembre		Variation		Breakdown
	2017	2018	Var. 18-17	Var. 18-17	
<b>France</b>	<b>1,997</b>	<b>1,920</b>	<b>-77</b>	<b>-3.9%</b>	<b>9.2%</b>
Belgium	258	339	81	31.4%	1.6%
Luxembourg	73	72	-1	-1.4%	0.3%
Switzerland	8	6	-2	-25.0%	0.0%
<b>Continental Europe</b>	<b>339</b>	<b>417</b>	<b>78</b>	<b>23.0%</b>	<b>2.0%</b>
Canada	2,147	2,247	100	4.7%	10.7%
USA	10,323	11,600	1,277	12.4%	55.4%
<b>North America</b>	<b>12,470</b>	<b>13,847</b>	<b>1,377</b>	<b>11.0%</b>	<b>66.1%</b>
Colombia	780	832	52	6.7%	4.0%
Panama	71	73	2	2.8%	0.3%
Spain	616	586	-30	-4.9%	2.8%
Brazil	3,051	3,050	-1	0.0%	14.6%
<b>IBSA</b>	<b>4,518</b>	<b>4,541</b>	<b>23</b>	<b>0.5%</b>	<b>21.7%</b>
<b>TOTAL INDIGO INFRA</b>	<b>19,324</b>	<b>20,725</b>	<b>1,401</b>	<b>7.3%</b>	<b>98.9%</b>
<b>TOTAL MDS</b>	<b>54</b>	<b>228</b>	<b>174</b>	<b>322.2%</b>	<b>1.1%</b>
<b>TOTAL INDIGO GROUP</b>	<b>19,378</b>	<b>20,953</b>	<b>1,575</b>	<b>8.1%</b>	<b>100.0%</b>

The distribution of the Group's workforce of 20,953 employees is as follows: 9.2% in France, 2.0% in Continental Europe, 66.1% in North America (United States and Canada), 21.7% in IBSA (Iberia South America - Spain, Brazil, Colombia and Panama) and 1.1% in the Mobility and Digital Solutions (MDS) division.

The decline in the workforce in France (Indigo Group parking division) follows the implementation of phase 2 of the new operating plans, phase 1 having been initiated in 2015/16, as well as the loss of contracts. The employees of Smovengo, counted in the France workforce of Indigo Infra in 2017, are counted with those of MDS in 2018.

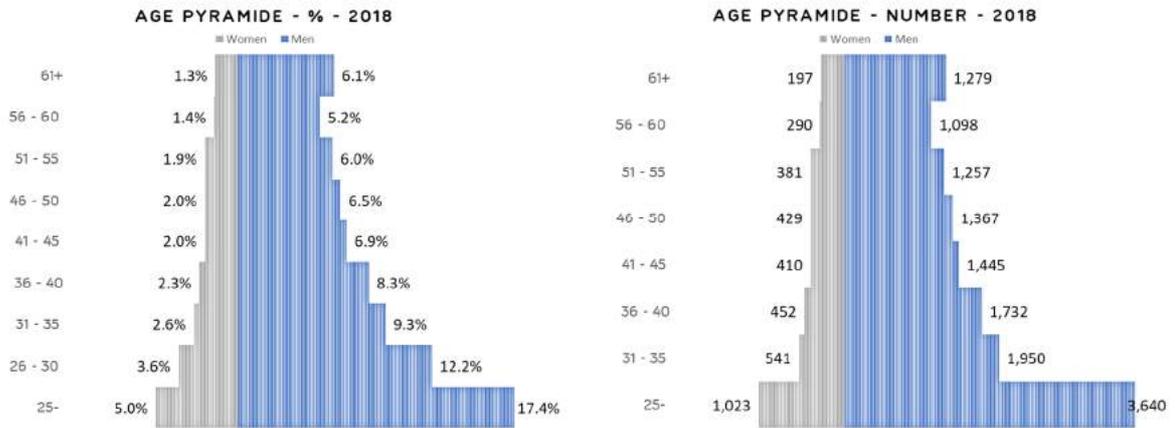
The increase in the workforce in Belgium reflects the acquisition of Besix Park in June 2018, representing 95 employees.

In correlation with the increase in its turnover, the United States has experienced strong growth in their workforce thanks to new contracts.

## 4.2 Age and seniority

### 4.2.1 Average age

The average age of the Group's employees is 38.2 years, 38.3 years for men and 37.8 years for women. The distribution by age group is also very similar between men and women. For Indigo Infra, the average age is 38.2 years while for MDS, it is 35.8 years.



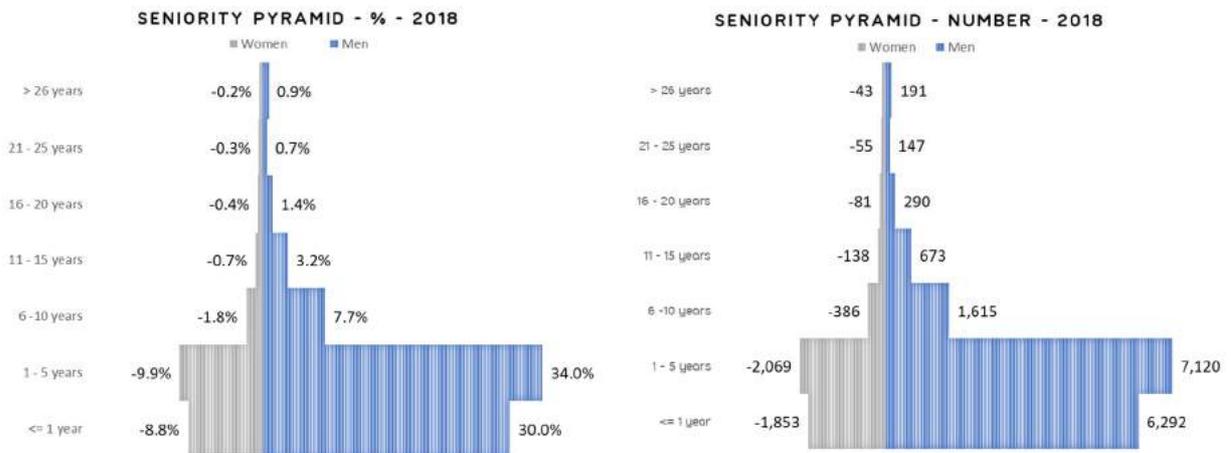
In the parking division, employees under 30 years of age represent 38.2% and over 55 years of age represent 14.2% of the workforce. In the MDS division, these populations represent respectively 35.5% and 2.2% of the workforce.

### 4.2.2 Seniority

The average length of service of the employees of the Group and the parking division is 3.6 years, 3.7 years for men and 3.4 years for women.

There is a wide disparity between countries in the parking division, with an average seniority of 1.4 years in Brazil or 3.3 years in the United States compared to 8.9 years in France.

In the MDS division, comprising companies whose activities started much more recently, the average seniority is 1.6 years.



Employees with less than 1 year seniority represent 39% of the Group's workforce and those with seniority of more than 5 years total 17%.

### 4.3 Health and safety

One of the cornerstones of the Group's social policy is the importance attached to workplace health and safety. The Group firmly believes that the first concern of human resources management is the implementation of measures to protect employees who, through their everyday activities, drive the growth of the different businesses and ensure the success of the Group. Frequency and severity rates are key indicators presented on a quarterly basis for all subsidiaries of both business divisions to the members of the Group's Audit and Risk Committee. The latter is occasionally required to request feedback on Health and Safety action plans, as was the case for France in June 2018.

#### 4.3.1 Frequency rate and severity rate

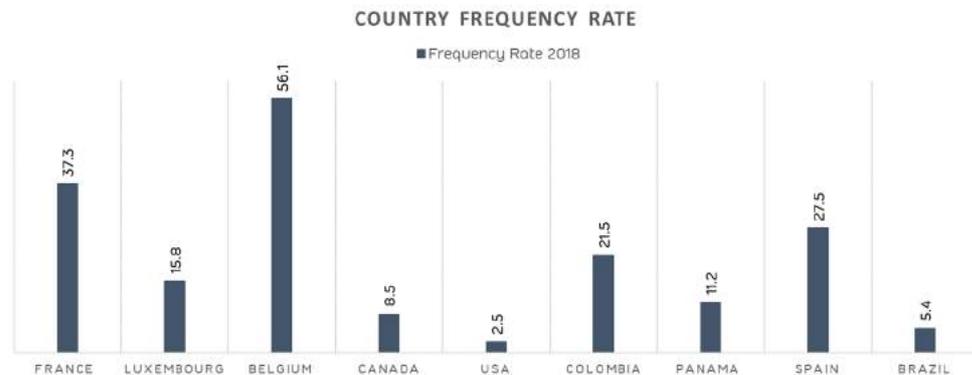
##### 4.3.1.1 Frequency rate

In 2018, the Group's frequency rate<sup>2</sup> is 9.27, with a rate of 8.8 for Indigo Infra and 41.9 for MDS. The levels vary greatly according to the geographical areas, since the rate in North America is 3.13 while it rises to 45.50 in Continental Europe.

##### Frequency Rate 2018 by zone

France	37.28
Continental Europe	45.50
North America	3.13
IBSA	9.64
MDS	41.90
<b>Indigo Group</b>	<b>9.27</b>

This disparity in frequency rates is found within each area. In fact, each country adopts its policy in a local context, where regulations may differ, and the identification of risks may be specific to their activity. The organisational context and developments in the Group's businesses are another contributing factor. The table below shows the frequency rates by country, with the exception of Switzerland, where none of the 6 employees suffered a workplace accident.



In Belgium, despite regular risk awareness and prevention initiatives, the number of employees working on roads and subjected to physical or verbal attacks remains high for several years, representing nearly 41% of work accidents in 2018.

In France, the frequency rates vary according to the activities. For those related to parking, it is 11.39 in 2018, down 25.3% compared to the 2017 rate (15.24). The frequency rate of Streeteo, an on-street parking enforcement activity that started in January 2018, is 187.46, for 78 workplace accidents, including 24 physical or verbal assaults.

In the MDS division, the frequency rate is mainly driven by Smovengo (16 out of 17 workplace accidents in the division).

<sup>2</sup> The frequency rate is defined as the number of work accidents resulting in work stoppage multiplied by 1,000,000 and divided by the number of working hours.

The typology of the causes of accidents with work stoppage is divided into three major categories: slip, trip and fall-related accidents accounting for 46% of the total accidents, handling/posture for 19% and verbal or physical attacks for 13%.

The analysis of these accidents allows the Group to adapt its organisation and procedures. In 2016, for example, France decided to stop manual cash transactions in car parks to reduce the risks of attacks on employees.

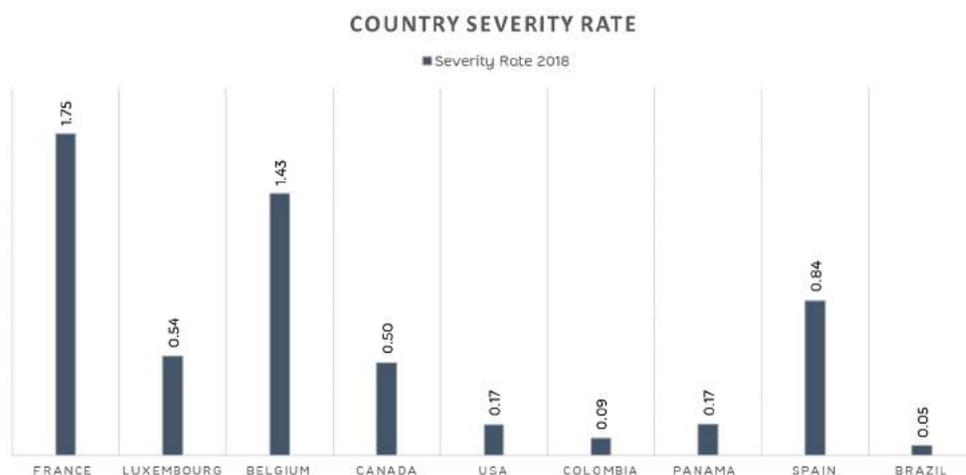
#### 4.3.1.2 Severity rate

In 2018, the Group's severity rate<sup>3</sup> is 0.35, with a rate of 0.34 for Indigo Infra and 1.26 for MDS. Here again the levels are disparate, since the rate found in the IBSA area is 0.13 while it is 1.75 in France.

Severity Rate 2018 by zone

France	1.75
Continental Europe	1.19
North America	0.20
IBSA	0.13
MDS	1.26
<b>Indigo Group</b>	<b>0.35</b>

As with frequency rates, severity rates vary within each area. Switzerland has not had a work-related accident in 2018 and is not presented in the table below.



In France, for the parking activity, the severity rate is 0.53, down almost 60% compared to 2017 (1.31). For Streeteo, the severity rate is 8.84.

For the MDS division, Smovengo has a severity rate of 2.17.

#### 4.3.2 Health and safety prevention

Improving workplace conditions and keeping employees healthy is a major priority for the Group. It is in this spirit that the Group has publicly committed itself through its 2017 Health, Safety and Environment Policy, published on its website, to:

- “Complying with or exceeding, whenever possible, applicable international and local health, safety and environmental regulations,
- Identifying and preventing potential risks for its employees,

<sup>3</sup> The severity rate is defined as the number of days of work stoppage multiplied by 1,000 and then dividing it by the number of hours worked

- Providing its teams with safe workplaces and the necessary equipment and training to prevent accidents.”

Indigo Group firmly believes that the first concern of human resources management should be the implementation of measures to protect employees who, through their everyday activities, drive the growth of the different businesses and ensure the success of the Group. Thus, in most of the Group's countries, many employees, at all levels of responsibility, have objectives and incentive plans based on performance related to safety (operational managerial line, Human Resources Department, members of the Management Board of the Group, President of Indigo Group). In France, the profit-sharing agreement introduced in June 2016 for all Group Economic and Social Unit (ESU) employees, combining the Group's companies whose activity includes the operation of car parks, now includes an objective to improve this frequency rate.

### 4.3.3 Organisation of prevention

Each entity develops locally appropriate health and safety practices under the supervision of local managers, in accordance with local laws and regulations as well as specific risks.

- In France, in accordance with the regulations, the Group has an active Health, Safety and Working Conditions Committee (*Commission Sécurité, Santé et Conditions de Travail - CSSCT*), comprising 6 members as proposed by the Management, instead of 3 required by law, trained in workplace safety and in particular the detection of serious and imminent danger. It meets every three months to discuss and address issues in this area. In addition, the members of this Committee carry out audits (24 in 2018) in workplaces, car parks and offices: the visits are monthly and second on-site examinations are planned to make sure that the comments were fully taken into account by the management. A follow-up of these site visits is regularly commented on during quarterly meetings.

At the same time, the Group has appointed a National Prevention Officer who deals with working and safety conditions in France, with a single objective: their improvement. He relies on the local Prevention-Safety correspondents in the field, the district managers (about 40 in France). They ensure that the national policy is well deployed on all sites in their respective areas and organise training within their territory. Finally, each month, the regional directors (six in France) receive a reporting with key performance indicators and implement corrective actions to improve the health and safety policy in their region.

One of the pillars of safety prevention is the “15-minute Safety Meeting”, a monthly meeting with digital registration and possibility to leave comments. The topics are drawn up by the Prevention Expert, in collaboration with the CSSCT. They are prepared by taking into account the risk analysis from the Risk Assessment Single Document, accident statistics from previous months, or in relation to the current work accidents. The 15-minute Safety Meeting is held by the district manager and is intended for all operational employees.

In addition, in the event of serious incidents, at the initiative of the CSSCT or the Human Resources Department, investigations are carried out by designated members to establish a root cause analysis and propose sustainable corrective solutions.

In the spirit of working together and simplicity, the Group has provided its employees on its computer network in France with a dedicated website for prevention and safety. Each employee can refer to it for information, archives and the 15-minute safety meeting of the current month for the employee can digitally validate his or her participation. Similar initiatives have been deployed in several countries, such as Brazil and Belgium, for example.

- In Belgium, the Group has the equivalent of the CSSCT which, as in France, conducts site audits. It meets monthly to discuss safety issues and define the necessary actions. In accordance with local regulations, a comprehensive five-year prevention plan is put in place and integrated into annual action plans.

- In Spain, the subsidiary is OHSAS 18001 certified, the reference standard for health and safety at work. Thus, all the sites and workstations of the subsidiary are audited annually by an external prevention service in order to identify the risks and improvements to be made during the following year.
- In the United States, the Group appoints a Safety Manager whose prerogatives are identical to those of a Prevention Manager. In addition, Safety Champions have been appointed in each operational region. They are responsible for designing and implementing local measures to reduce workplace accidents. LAZ Parking also requires that, each month, every region conduct safety audits at several sites in order to identify and correct any discrepancies identified: 228 safety audits were conducted in 2018. Finally, the subsidiary publishes a monthly work accident compensation scorecard to demonstrate its safety performance in all regions where it operates.
- In Colombia, a joint committee comprising 12 members, appointed equally by the General Management and the staff representatives, is responsible for monitoring health and safety aspects in the workplace. Meeting on a monthly basis, this committee is particularly in charge of analysing the causes of work accidents and proposing actions to improve safety at work.

Safety is monitored using a dedicated management platform deployed for all sites where the subsidiary City Parking operates. It integrates the identification and assessment of health and safety risks along with the related diagnoses and action plans. It is used to monitor work-related accidents and generate related indicators as well as plan health and safety audits.

Finally, in 2017, the Colombian Ministry of Labour promulgated regulations for the implementation of standards related to health and safety at the workplace. City Parking had set a target in 2018 of achieving an 85% compliance score to reach the best possible level, i.e. the "acceptable" level. In October 2018, an audit conducted by an independent firm certified a compliance level of 88%.

At the same time, since most accidents results from slips and falls, the Group is particularly keen, in all the countries in which it operates, to create awareness among the teams and management in the use of appropriate equipment and in greater vigilance in this regard. Thus, depending on the risks associated with their workstation, employees benefit from Personal Protective Equipment (PPE) adapted and renewed as and when needed, depending on their condition of use. Typically, for the operating staff of the parking spaces, the PPE consists of safety shoes and reflective vests. For employees in charge of parking enforcement, subject to the risk of slips and falls, anti-slip walking shoes with proper cushioning for the heels and special protection for the ankles have been chosen by the subsidiary Streeteo.

#### **4.3.4 Health - Safety training**

Health and safety training accounts for 20% of the total number of training hours delivered within the Group in 2018. It plays an important role in countries with a substantial frequency and/or severity rate: it accounts for 51% of training hours in France and 62% in Belgium. In general, these trainings include fire safety, electrical safety, prevention of attacks and knowledge of the working environment.

Upon arrival in the Group, employees are provided induction safety training. For example, in France, employees have access to the electronic safety notebook, an online platform including all the relevant information about the Group's health-safety risks. The Safety notebook is filled in by the person responsible for each parking space with risks inherent to the layout and context of the site. Each new employee is then informed about the dangers associated with his or her work environment. At the end of the course, a questionnaire containing the main

elements of the training must be validated by the employee.

A follow-up of the initial trainings is carried out, in particular in order to respect the frequency of the trainings which, by regulation, must be regularly renewed like the trainings for electric authorisation, fire safety or first aid.

Some trainings may be decided taking into account the specific situation of certain car parks: thus, in partnership with the association "Coordination toxicomanies" in Paris, training sessions have been organised to prevent accidents and engage with drug users to dissuade them from becoming sedentary. Similar actions were conducted in Bordeaux with the association "La Case".

#### **4.3.5 Employee well-being**

In terms of health and parenthood, Indigo Group developed a guide on parenthood for all its French employees in 2017. The information contained in this guide is part of the agreement on gender equality. It addresses administrative steps that parents must take and rights they are entitled to in relation to maternity and paternity leaves, as well as parental leaves.

Well-being at work in operational conditions is also a priority for the Group. For example, considering the significant share of diesel engines (emitters of fine particles and nitrogen oxides-NOx) in France, the Group has gone beyond regulations by voluntarily equipping facilities with air monitoring systems that trigger, in the event of exceedance of regulatory thresholds, the mechanical ventilation of confined car parks with fewer than 500 spaces and open to the public, which it manages for its own account. Moreover, in these car parks, systems were implemented to renew the air in parking levels at least once a day. And lastly, the operating offices are equipped with an overpressure system to prevent the inflows of exhaust gases.

The Group also promotes solidarity among its employees: in France, Indigo Group signed an agreement relating to 'donating' rest days to establish the terms of 'donation' of rest days among employees whose spouse, child or immediate ascendant is seriously ill, and whose state of health requires their sustained presence.

Local initiatives may also result in additional days of leave, as in Colombia, which has been granting each employee an additional day off for his or her birthday since 2017. In France, the operating staff working in the underground car parks benefit from three days of additional leaves in compensation for working conditions that allow little or no exposure to daylight. Note that given the number of days of leave or rest not taken by its employees (daylight compensation, seniority, days related to the reduction of working hours after the 35-hours workweek law), France has introduced CETs (*Compte Epargne Temps* - time-savings accounts) and PERCOs (*Plan d'Epargne pour la Retraite Collectif* - collective pension savings plan). Thus, to avoid losing days not taken, employees have the opportunity to transfer them to the CET, a bridge between the latter and the PERCO.

#### **4.3.6 Stress support**

All employees can benefit from measures related to work-related stress situations. For example, when an employee in a car park is the victim of a traumatic situation, he is entitled to adapted assistance. Thus, in France, following attacks on employees by customers, psychological support is offered to each employee concerned.

Initiatives to reduce work-related stress also include awareness raising days, training or refresher courses for certain risks (asbestos, lift rescue operation, electrical risk, fire, movement and posture, conflict management at work, management of aggression). In France, awareness is also raised among supervisors for psychosocial risks during management training and explanatory booklets on "work stress" are available on the company's intranet, for employees as well as managers.

Annual assessment interviews are also a good opportunity for managers to assess the work-life balance. Employees are invited to express any difficulties they may be facing in organising their working time (leaves, rest periods, working days) and to estimate if their workload allows them to have a satisfactory work-life balance.

In each country, for any question related to safety and health at the workplace, employees can approach the representatives of the dedicated committees or the Human Resources Departments. For example, in France, CSST representatives have been trained to take psychosocial risks into account. In Canada, an assistance programme is available through a request from the Personnel Department. The Brazilian subsidiary has an online service that offers responses to any questions regarding health and safety at work within 48 hours.

#### **4.3.7 Health and safety of customers**

The actions carried out in the context of health and safety prevention for Group employees benefit users of its parking facilities. For example, fire safety training, which is the first risk listed for off-street car parks, includes preparation for the evacuation of the site with special attention to people with disabilities. Evacuation operations can be facilitated by the use of cameras, on site or in a dedicated remote operation centre, such as in France, Belgium, Luxembourg, Spain, Brazil, Canada and the USA. In case of absence of on-site personnel, alarms indicating the proper functioning of the main technical devices of the car parks, including fire safety, are reported to these centres. Following the initiation of a fire alarm, employees of the remote operation centre may assist emergency personnel (Group employees and/or fire-fighters) with the help of the installed cameras.

In addition, First Aid Officer (FAO) training is provided in most countries, such as France, Belgium, Luxembourg, Switzerland, Colombia, Brazil or Canada. Thus, cumulatively, 4.7% of the workforce in the parking division has received this type of training.

In addition, in France, as of December 31, 2018, 126 employees had a valid national Level 1, 2 or 3 SSIAP diploma (*Service de Sécurité Incendie et d'Assistance aux Personnes* - Fire Safety and Personal Assistance Service), allowing them to intervene in the event of fire, to assist the fire-fighters during the intervention and to help those in danger (FAO training is a prerequisite for SSIAP training). It should be noted that the first level of SSIAP training lasts 12 days.

At the same time, specific training can take place according to country-specific risks, such as in Colombia, where operating personnel are trained in evacuation in the event of an earthquake. In Canada, during winter, the main risk for employees and customers is falling on frozen, wet or snow-covered ground: specific actions are taken to reduce this risk, especially with snow removal companies.

Furthermore, according to local regulations, the air quality inside the car parks is controlled by installations analysing carbon monoxide (CO) and/or nitrogen oxides (NO or NO<sub>2</sub>) content. If certain thresholds are exceeded, it triggers the start of the mechanical ventilation in the car park. Such installations are located in France, Belgium, Luxembourg, Switzerland and Spain. As previously mentioned, France has decided to extend its obligation to install air analysers in all its car parks with more than 500 spaces to those offering fewer spaces than the Group manages for its own account.

Finally, the parking spaces must comply with certain fire safety rules. Local regulatory mechanisms are evaluated by administrations or inspection offices. In case of serious breach, an administrative closure of the site can be declared. In 2018, no car park of the Group was affected by this type of sanction.

As for the MDS division, each INDIGO®weel scooter is equipped with two different-size helmets as well as disposable hygiene caps; for hygiene reasons, gloves are not provided.

## 4.4 Diversity

A company can only thrive if its workforce is thriving. It is the men and women of the Group who guarantee its performance and success. On the basis of this principle, the Group has publicly committed itself to "Promoting gender diversity, non-discrimination and access to skills development, employability and promotion for all its employees, without any distinction".

The Group is thus committed to combating all forms of discrimination against its employees in relation to hiring, working relations and career development, and to promoting equality based on competence and know-how.

In addition, the Group has defined and communicated a fair Human Resources policy, prohibiting any discrimination based on illegal grounds such as gender, age, morals, sexual orientation, race, ethnic origin or nationality, disability, and religious, political or trade union opinions or involvement. This policy is part of the Indigo Group's Code of Conduct, which is available on the Group's website. It applies to all employees of all controlled entities, joint ventures and their subsidiaries (mainly the United States, Colombia and Panama) having been encouraged to implement similar rules.

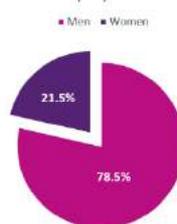
### 4.4.1 Professional equality between men and women

#### 4.4.1.1 Male-female workforce

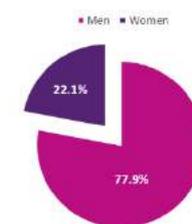
As of 31 December 2018, women accounted for 22.1% of the Group's workforce, or 4,625 employees. They accounted for 21.5% of the workforce in 2017.

The number of employees increased between 2017 and 2018 to 1,575, or 8.1%, of which 1,109 were men and 499 were women, an increase of 7.3% for men and 11.2% for women. This development, particularly driven by awareness campaigns aimed at valuing the work of women in the parking activity, is noted in all zones.

2017 Employee Breakdown



2018 Employee Breakdown



Employees	2017 (*)	2018	Variation 18-17
Men	15,219	16,328	1,109 7.3%
Women	4,159	4,625	466 11.2%
<b>Total</b>	<b>19,378</b>	<b>20,953</b>	<b>1,575 8.1%</b>

(\*) Data adjusted for changes in Group structure

The proportion of women is relatively similar across zones, with two notable exceptions, Panama, where the position of women in the parking profession is culturally dominant, accounting for 83.6% of the workforce and Spain, which has more than 64% of women, mainly in on-street parking and parking enforcement activities. In correlation, Streeeto, a French subsidiary dedicated to this latter activity, accounts for 43.4% of female employees.

	31 decembre 2017		2017 Breakdown		31 decembre 2018		2018 Breakdown		Variation 18-17		Variation 18-17	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
France	1,556	441	77.9%	22.1%	1,464	456	76.3%	23.8%	-92	15	-5.9%	3.4%
Continental Europe	274	65	80.8%	19.2%	325	92	77.9%	22.1%	51	27	18.6%	41.5%
North America	10,082	2,388	80.9%	19.1%	11,122	2,725	80.3%	19.7%	1,040	337	10.3%	14.1%
IBSA	3,265	1,253	72.3%	27.7%	3,226	1,315	71.0%	29.0%	-39	62	-1.2%	4.9%
<b>TOTAL INDIGO INFRA</b>	<b>15,177</b>	<b>4,147</b>	<b>78.5%</b>	<b>21.5%</b>	<b>16,137</b>	<b>4,588</b>	<b>77.9%</b>	<b>22.1%</b>	<b>960</b>	<b>441</b>	<b>6.3%</b>	<b>10.6%</b>
<b>TOTAL MDS</b>	<b>42</b>	<b>12</b>	<b>77.8%</b>	<b>22.2%</b>	<b>191</b>	<b>37</b>	<b>83.8%</b>	<b>16.2%</b>	<b>149</b>	<b>25</b>	<b>354.8%</b>	<b>208.3%</b>
<b>TOTAL INDIGO GROUP</b>	<b>15,219</b>	<b>4,159</b>	<b>78.5%</b>	<b>21.5%</b>	<b>16,328</b>	<b>4,625</b>	<b>77.9%</b>	<b>22.1%</b>	<b>1,109</b>	<b>466</b>	<b>7.3%</b>	<b>11.2%</b>
<b>TOTAL</b>	<b>19,378</b>		<b>100.0%</b>		<b>20,953</b>		<b>100.0%</b>		<b>1,575</b>		<b>8.1%</b>	

The low proportion of women in the Group can be explained mainly by a stereotypical view of the parking professions. However, particularly in view of the measures taken to promote diversity, this situation is gradually improving. For example, in France, in the parking division, the percentage of women went from 18% in 2010 to 22% in 2017 and is close to 23% in 2018.

#### 4.4.1.2 Manager / Non manager

Managers<sup>4</sup> represent 7.5% of the Group's workforce, i.e. 1,580 employees. This percentage is very slightly down compared to 2017, when this population represented 7.6% of the workforce. On average, female managers represent 22.5% of managers worldwide compared to 22.1% of the Group's workforce. In proportion to their respective populations, male managers represent 7.5% of all male employees and female managers 7.7% of all female employees.

	31 decembre 2018			2018 Breakdown		2018 Group Proportion		
	Men	Women	Total	Men	Women	Men	Women	Total
<b>Managers</b>	<b>1,224</b>	<b>356</b>	<b>1,580</b>	<b>77.5%</b>	<b>22.5%</b>	<b>7.5%</b>	<b>7.7%</b>	<b>7.5%</b>
France	170	65	235	72.3%	27.7%	11.6%	14.3%	12.2%
Continental Europe	6	2	8	75.0%	25.0%	1.8%	2.2%	1.9%
North America	961	258	1,219	78.8%	21.2%	8.6%	9.5%	8.8%
IBSA	50	15	65	76.9%	23.1%	1.5%	1.1%	1.4%
MDS	37	16	53	69.8%	30.2%	19.4%	43.2%	23.2%
<b>Non-managers</b>	<b>15,104</b>	<b>4,269</b>	<b>19,373</b>	<b>78.0%</b>	<b>22.0%</b>	<b>92.5%</b>	<b>92.3%</b>	<b>92.5%</b>
France	1,294	391	1,685	76.8%	23.2%	88.4%	85.7%	87.8%
Continental Europe	319	90	409	78.0%	22.0%	98.2%	97.8%	98.1%
North America	10,161	2,467	12,628	80.5%	19.5%	91.4%	90.5%	91.2%
IBSA	3,176	1,300	4,476	71.0%	29.0%	98.5%	98.9%	98.6%
MDS	154	21	175	88.0%	12.0%	80.6%	56.8%	76.8%
<b>TOTAL INDIGO INFRA</b>	<b>16,137</b>	<b>4,588</b>	<b>20,725</b>	<b>77.9%</b>	<b>22.1%</b>	<b>51.7%</b>	<b>51.8%</b>	<b>51.7%</b>
<b>TOTAL MDS</b>	<b>191</b>	<b>37</b>	<b>228</b>	<b>83.8%</b>	<b>16.2%</b>	<b>12.9%</b>	<b>8.6%</b>	<b>11.9%</b>
<b>TOTAL INDIGO GROUP</b>	<b>16,328</b>	<b>4,625</b>	<b>20,953</b>	<b>77.9%</b>	<b>22.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>TOTAL</b>	<b>20,953</b>			<b>100.0%</b>				

#### 4.4.1.3 Remuneration

The remuneration policy is guided by common principles of sharing the fruits of growth, individualisation of remuneration and employee profit-sharing. The individualisation of salaries emphasises the individual responsibilities and performance of each employee at all levels of the hierarchy.

The breakdown of the Group's wage bill partly reflects that of the workforce, since women account for 21.4% of the bill and 22.1% of the workforce, with men accounting for 78.6% and 77.9% respectively.

	Employees %		Wage bill %	
	Men	Women	Men	Women
<b>Indigo Infra</b>	<b>77.9%</b>	<b>22.1%</b>	<b>78.6%</b>	<b>21.4%</b>
<b>MDS</b>	<b>83.8%</b>	<b>16.2%</b>	<b>81.3%</b>	<b>18.7%</b>
<b>Indigo Group</b>	<b>77.9%</b>	<b>22.1%</b>	<b>78.6%</b>	<b>21.4%</b>

<sup>4</sup> Employees with a tangible level of responsibility and autonomy, who must meet targets, are subjected to tangible performance requirements, responsible for managing their own time and resources and/or for the technical and Human Resources management of their teams and/or who have a given technical know-how or expertise in one or several fields.

#### 4.4.1.4 Promotion

The number of promotions in 2018, compared to the Group's total workforce at the end of the year, is 4.0%, or 840 employees who had their responsibilities extended. Note that, since Canada's information systems do not allow the number of promotions to be tracked, the data for this country are excluded from the above percentage.

With regard to their respective populations, 4.2% of men and 3.4% of women were promoted within the Group in 2018; the table here shows the breakdown by Group division.

Promotion	Men	Women
Indigo Infra	4.1%	3.2%
MDS	12.0%	18.9%
<b>Total Groupe</b>	<b>4.2%</b>	<b>3.4%</b>

The table below shows the distribution of promotions by gender and by managers/non-managers.

	2017 Group	2018 Group	2018 Indigo Infra	2018 MDS
<b>Managers</b>	6.1%	5.5%	5.3%	11.3%
Men's promotion	5.6%	5.7%	5.6%	8.1%
Women's promotion	8.5%	4.8%	4.1%	18.8%
<b>Non Managers</b>	6.1%	3.9%	0.0%	13.7%
Men's promotion	4.2%	4.1%	4.0%	13.0%
Women's promotion	3.3%	3.2%	3.2%	19.0%
<b>TOTAL</b>	<b>4.6%</b>	<b>4.0%</b>	<b>3.9%</b>	<b>13.2%</b>

#### 4.4.1.5 Fight against discrimination between men and women

Historically, women are poorly represented in the parking professions. The Group is thus implementing a number of measures to promote equality and, more generally, diversity in the workplace.

The Group's recruitment practices are the first line of non-discrimination and diversity. A recruitment charter is thus integrated on the Group's corporate website, setting out the commitment "to equal treatment of candidates in order to promote equal opportunities and to fight against any form of discrimination".

This commitment continues with equal treatment in the area of remuneration and non-discriminatory access to promotion or training. For example, in France, a report on gender equality is prepared every year and made available to staff representatives. In addition, an agreement on gender equality has been signed, specifying in particular equal pay, access to training, and stipulating that non-compliance with the principles of professional equality is liable to legal and internal sanctions.

In the United States, the state of Massachusetts passed a law in 2018 that requires equal pay for men and women. In order to be certain of complying with these regulations, the subsidiary LAZ Parking called upon a law firm to ensure that its practices and remuneration were the same for everyone.

Globally, the Group's management includes women in operational and functional positions, and an increasing number of women are recruited for managerial or expert positions. For example, in 2016, a woman was appointed to the position of Tax Director of the Group, while another headed the Group's financial systems. Similarly, in recent years, several female representatives have held the position of Human Resources Director, as in Belgium, Brazil, Canada and the United States, or are Directors of operating business sectors in France. Finally, in 2018, within the MDS division, the Group appointed a woman as CEO of OPnGO.

Furthermore, both through their recruitment practices and through internal and external awareness campaigns, the Group's subsidiaries work to promote the work of women

within the Group. For example, in Brazil, a “Diversity Group” was formed. Comprising volunteers, it meets regularly and works to promote and influence the management of the Brazilian subsidiary in this regard.

#### Women in parking (United States)

*To eradicate prejudice and work towards gender equality, the Group's United States subsidiary, LAZ Parking, contributes actively to Women in Parking, the leading association dedicated to promoting the advancement and achievement of women in the parking industry. By organising networking conferences and webinars that help develop networks of women in the parking industry, and providing career outreach opportunities and support to its male and female members, the association promotes both the parking industry and the role of women in it. It is worth noting that LAZ Parking is a platinum corporate sponsor of this association and that the subsidiary's chairman and CEO was also the first man in the board of Women in Parking.*

### **4.4.2 People from all backgrounds**

The Group aspires to reflect the diversity of society and portray this diversity as a significant source of wealth. As such, it operates a proactive policy on equal opportunities. The greatest focus is on combating discrimination in internal practices of the company (recruitment, career development etc.). For example, in France, in the parking division, 40 nationalities were represented as of 31 December 2018, including the French nationality.

### **4.4.3 Age**

Intergenerational relationships are built on the principles of trust, respect and reciprocal knowledge sharing. The Group does not, as a matter of principle, discriminate on any basis either in recruitment, in career development or in relationships between colleagues. These principles apply to the management of all the men and women working in the Group, irrespective of their age. Thus, in the parking division, 57.2% of employees recruited in 2018 were under 30 years and 6.5% of employees were over 55 years.

### **4.4.4 Disability**

The commitment against discrimination also applies to people with disabilities. For example, some countries, such as France or Spain, require by regulation, that companies employ a certain percentage of employees recognised as being disabled workers. The Group complies with these obligations in the two aforementioned countries, particularly in the parking sector, either directly or through subcontractors.

For example, in France, the Group makes occasional use of ESATs (vocational rehabilitation centres) for simple assignments such as mailing and sending correspondence. SEPADEF, a French subsidiary that operates 15 car parks under concession in the La Défense business district near Paris, works in collaboration with Cèdre, which employs persons with disabilities for sorting and disposal of waste. Streeteo, whose parking enforcement activity started in January 2018, called on two organisations, Janus and Arès, specialising in vocational rehabilitation (life-altering accidents, long-term unemployment or disability) for the recruitment of some of its employees. At the end of 2018, Streeteo's workforce included three people recognised as disabled workers.

In Spain, special aids such as micro-vehicles have been put in place to facilitate the movement of employees with motor disabilities.

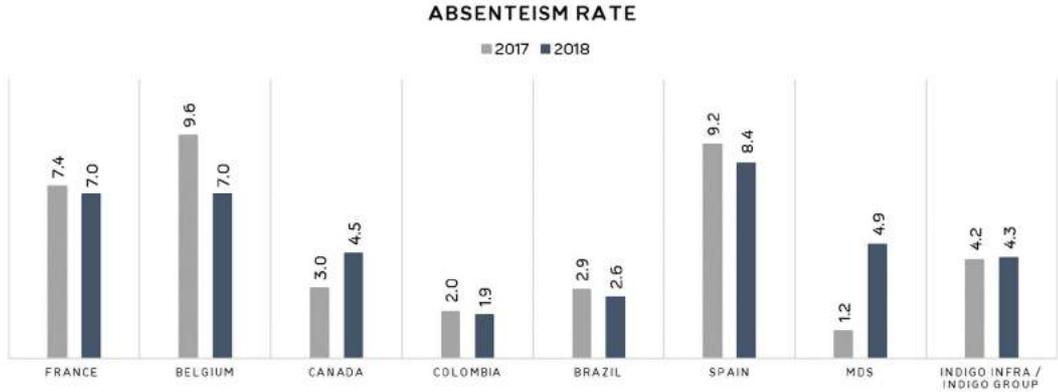
In Colombia, City Parking supports Fundación Ideal with resources, training, and the recruitment of 17 people with disabilities. The integration process includes an analysis of the work environment to ensure that it does not pose a risk to these individuals.

## 4.5 Absenteeism

### 4.5.1 Absenteeism rate

The absenteeism rate for the Group outside the United States is 4.3 in 2018, an increase of 1.2% compared to 4.2 in 2017. Indigo Infra’s absenteeism rate for 2018 is equivalent to that of the Group, while that of MDS is 4.9.

The information system of the American subsidiary LAZ Parking does not count absenteeism. In fact, as about 90% of the workforce is paid according to the hours worked, it is the latter that are taken into account by the software, which relies solely on presenteeism to calculate wages.



Despite a slight deterioration at Group level, an improvement in the absenteeism rate is noted in all countries except Canada and the MDS division, particularly within Smovengo.

### 4.5.2 Fight against absenteeism

The Group is particularly attentive to the changes in absenteeism rates in each of the countries where it operates: like the frequency and severity rates, the absenteeism rate for each entity is presented on a quarterly basis to the members of the Group’s Audit and Risk Committee. Given the disparity in absenteeism rates and local regulations or specificities, each entity sets up its own policy in this regard, particularly to combat frequent short-term absences.

In Luxembourg, in Belgium, as in the French subsidiary Streeteo, absenteeism is one of the criteria taken into account in the calculation of the monthly bonus of officers.

In the US, which accounts for 55% of the Group's workforce, the “Employee Guide” includes a policy devoted to “attendance and punctuality”.

In Brazil, in accordance with the “Operator Manual”, in the event of an unforeseen absence, an employee must provide proof within 48 hours. If the person cannot substantiate his or her absence, a progressive disciplinary policy is implemented starting with a verbal warning.

In France, in the same way as for the frequency rate, the profit-sharing agreement introduced in June 2016 for all Group Economic and Social Unit (ESU) employees of the parking division now includes an objective to improve the absenteeism rate. And, with effect from April 2018, the use related to the subrogation of work stoppages in case of ordinary sickness was

revoked; those resulting from maternity leave, occupational disease or work or travel accidents were not affected by this measure.

In the framework of the Compulsory Annual Negotiation, to fight against absenteeism, the Management and the Staff Representative Bodies agreed to restore, from 1 January 2019, a waiting period of one day in case of sick leave, starting from the second work stoppage in the year; the occupational insurance scheme remains unchanged. Thus, in case of a second sick leave, the salary calculation will start from the second day of illness. The objective of the parties is to reduce overall annual absenteeism to a threshold of 4.5%. As part of its missions, the Safety, Health and Working Conditions Committee will be in charge of the quarterly monitoring of absenteeism and its analysis. If this objective is not achieved by the end of 2019, the parties have agreed to automatically restore a waiting period of 2 days, from the second notice of initial work stoppage, on 1 January 2020.

In parallel, specific procedures are put in place to support the recovery of employees, while training managers to monitor this issue. Awareness initiatives are also organised with the operating teams.

Similar initiatives are taken in Belgium: in addition to a reintegration programme for long-term absentees, a monthly follow-up of absenteeism is carried out and results in summary meetings with the operating managers. An analysis of the recurrence of absences is conducted, specific action plans can then be undertaken to determine the causes of repeated absences.

**4.6 Training and development**

**4.6.1 Training hours**

In accordance with its commitment to “promote gender diversity, non-discrimination and access to skills development, employability and promotion for all its employees, without any distinction”, with around 94,000 hours of training delivered worldwide, including 99.5% at Indigo Infra, the Group ensures the professional development of its employees and contributes to their personal development.

The table here shows the number of training hours per zone and per business division of the Group. It should be noted that the training courses offered in Panama (73 people) and at Smovengo (135 employees) were not recorded in 2018. The same applies to Canada (2,247 employees), with the exception of 320 hours of first aid training.



#### 4.6.2 Equal access to training

At Group level, the distribution of training hours follows that of the workforce: the women, who represent 22.1% of employees, received 22.1% of training hours and the men, accounting for 77.9% of the workforce, received 77.9% of training hours.

The managers, who represent 7.5% of the workforce, account for 5.2% of total training hours, and non-managers, who represent 92.5% of employees, benefitted from the remaining 94.8%.

	Gender		Managers / non-managers	
	Men	Women	Managers	Non-managers
INDIGO INFRA	77.9%	22.1%	5.2%	94.8%
MDS	92.0%	8.0%	20.7%	79.3%
INDIGO GROUP	77.9%	22.1%	5.2%	94.8%

#### 4.6.3 Training topics

At Group level, the management training accounts for nearly 35% of total training hours, business training (technical, administrative and tools) accounts for 33% and that related to safety accounts for 20%.

Training topics vary according to the needs of each country: as previously mentioned, in countries with a high accident rate, priority is given to training courses related to safety. In Brazil, which has a high turnover rate and for which 9% of the workforce was promoted in 2018, the training effort is concentrated on those in the management (65% of the country's training hours in 2018 and in which more than 99% of the beneficiaries are non-managers) in order to consolidate and reinforce the skills of its operating staff. Within the MDS division, technical training accounts for 69.3% of the total training hours.

#### 4.6.4 Types of training

There are two types of training, classroom training, where a trainer shares his or her knowledge with his or her trainees, and e-Learning, or online training, which is accessible online or from the Group intranet. The classroom training hours are counted according to the attendance times of the trainees. For online courses, only those higher than or equal to a quarter of an hour are taken into account.

Not all subsidiaries have the capacity to track online training and, when measured, its proportion varies by country. In France, for example, it represents 18% of the number of training courses completed, 23% in Spain and 95% in Brazil.

#### 4.6.5 Skill development

Thanks to the professional development of its employees, the Group is able to manage the organisational and technological changes that are transforming its business and its organisation. The Group's activities include a strong human component, both in its traditional parking activities (operation and maintenance of car parks or parking meters, parking enforcement) and in the MDS activities (maintenance and management of self-service electric bicycles or scooters, OPnGO technical teams).

Since its creation, the Group has always played its part in upward social mobility: historically, training has always been an issue since few academic institutions offer apprenticeship programs for jobs in the parking industry. In response, the Group created in 2004 an in-house training academy in France, which is now the basis of its training strategy. The ambition of "Campus Indigo" is to promote and retain employees, while developing their skills so that they can progress and make a career in the parking or urban mobility industry. This campus is unique in the parking industry and offers two types of training:

- Qualifying professional courses based on the standards of the professional branch. The Group is a major player in its field of Professional Qualification Certificates (PQC). In the framework of the PQCs, the trainee is awarded a diploma issued by the professional branch which certifies the acquisition of the skills required for a position of operating technician or site manager. In November 2018, a class of 24 employees started this professional course.
- Other training courses, not sanctioned by a diploma, mainly dedicated to business processes and tools.

To ensure that all its employees are adequately qualified and that the quality of the service it provides remains globally consistent, the Group decided to expand Campus Indigo internationally in 2015. So, Brazil created its own Corporate University, offering face-to-face training or e-learning. In the same spirit, the Group has obtained unlimited licenses in a global digital training system allowing the various entities to appropriate it without paying for a subscription. Today used by Brazil, Canada and France, this platform integrates a supervision module and allows the creation of multimedia digital training content, hosting of educational resources as well as the creation of questionnaires or requests.

In addition, to share best practices, processes and tools, countries hold regular meetings with their experts and managers. Thus, the Brazilian and the American teams exchanged their views on team spirit and human resources policies, and the Spanish teams shared with the French teams their experience of parking enforcement before the launch of Streeteo in France.

In addition, individual assessments are conducted in most of the Group's subsidiaries. The assessment interview is an opportunity to ensure that the employee has good understanding of the Group's activity and knows the challenges of his or her position in the organisation, to discuss his or her mobility and the possible next steps in career development, and to review training needs or to define a training plan.

Finally, there have been some key local initiatives in major countries, as in France, where the Group successfully negotiated in June 2017 with the trade unions an agreement on strategic workforce planning in order to manage skills and talents in a context of changes in activities and organisation. The objective of this agreement is to adapt the knowledge and expertise of employees through training, equipment and access to information, allowing them to maintain and improve their efficiency for better employability. This agreement is also important to promote better transmission of knowledge and better intergenerational solidarity.

#### Engagement survey (United States)

*LAZ Parking issues on a quarterly basis an internal magazine, "LAZ Connected", which celebrates the people, culture and accomplishments of the LAZ Parking "family". Therefore, the magazine addresses Human Resources issues such as diversity, career development, or health for employees and their families. The company also organises every two years surveys among employees, which demonstrate an overall engagement score of 75%, far above the North American average of 64%. In addition, this survey also illustrates the impact of the various measures implemented over the past few years: for example, on the item "Training and skill development", the satisfaction rate increased from 65% in 2012 to 72% in 2017.*

#### Mobile Training (Brazil)

*Since 2015, the Group's Brazilian subsidiary has been deploying mobile training as a way to reach all the employees across its vast territory. Ten-person minivans have been transformed into fully-equipped mobile training centres. They are equipped with video and audio systems and Internet connection, and visit different parts of the country every week.*

## 4.7 Attracting talents and retaining employees

Attracting and retaining talents is one of the Group's social priorities. Thus, in addition to initiatives for diversity and equal opportunities, access to training without any discrimination, safety and prevention actions and a fairly calm social environment, Indigo Group strives to play its role as a social ladder and has put in place processes to detect and retain its talents.

### 4.7.1 Internal promotion

The Group favours internal progress as much as possible, whether for operational management or support functions. In many countries, vacancies are available on the local intranets and internal talents are favoured over external recruitment. For example, in Luxembourg, the current CFO started as an accountant in the company. Similarly, in the United States or Canada, many senior executives (Vice Presidents and Senior Vice Presidents) were promoted from their operational functions to their current roles. This is also the case in France where, in addition to the vocational qualification certificate courses already mentioned, many employees have benefited from pathways between the operational and support functions, or have become Regional Directors by promotion.

### 4.7.2 Talent review

In 2015, the Group set up a biennial talent review for around 200 people from all its entities, including joint ventures. The employees targeted occupy key positions within the Group (members of Management Committees and immediate employees, experts).

In addition to the ability to deliver the expected results, line managers assess the potential of each employee to move to a higher position. This assessment is based on interviews with peers and on the annual evaluation of the employee. Persons under 40 years of age and likely to have greater responsibilities within 3 years are referred to as "high potential" prospects. Twelve people were identified in 2017. These employees then benefited in 2018 from a specific path including the discovery of various activities of the Group in several countries. Subsequently, they were led to deliberate collectively about issues specific to the Group. The talent review is also the way for Indigo Group to carry out its succession plan.

### 4.7.3 Evaluation interview

As previously stated, individual assessments are conducted in most of the Group's subsidiaries. Their frequency may vary because of the position held by the employee; it is usually annual for managers and can be biennial for non-managers, as in France for example. These assessments allow a supervisor to formalise with the employee the latter's individual performance for the past year and main targets for the coming year. They also help confirm the employee's suitability for his or her position or plan development actions.

The table opposite shows, by geographical zone, the percentage of evaluation interviews conducted in 2017. As the evaluations are carried out according to the countries at different times of the year, it was decided to publish those of the previous year to present exhaustive data. Brazil, Colombia and Panama are not currently recording evaluation interviews.

<u>Evaluation interview</u>	<u>2017</u>
France	58.3%
Continental Europe	91.2%
North America	15.8%
IBSA	1.4%
<b>Total Indigo Infra</b>	<b>18.3%</b>
<b>Total MDS</b>	<b>44.4%</b>
<b>Total Group</b>	<b>18.3%</b>

In general, the evaluation rate of managers is higher than that of non-managers: without withdrawal of countries not recording the evaluations, nearly 47% of managers received an evaluation in 2017 against 16% for non-managers in the parking division. 72% of female managers were evaluated against 41% of male managers, the rates being respectively 13% and 17% for non-managers.

### 4.7.4 Turnover

The turnover rate (staff turnover) is presented quarterly to the members of the Group’s Audit and Risk Committee.

The turnover rates below are based on the entries and exits of the permanent staff, and do not include employees who have been hired for fixed-term assignments, or equivalent assignments according to local regulations. Taking into account the mode of remuneration in the United States, all the entries and exits of personnel, including fixed-term contracts, are counted for this country. The same is true for Brazil and Canada, which do not differentiate the number of employees hired for fixed-term assignments.

<b>Turnover rates</b>	<b>2018</b>
France	31.4%
Continental Europe	31.3%
North America	74.4%
IBSA	68.4%
<b>Total Indigo Infra</b>	<b>68.2%</b>
<b>Total MDS</b>	<b>61.6%</b>
<b>Total Group</b>	<b>68.2%</b>

The Group's turnover rate was 68.2%, with 70.3% for women and 67.6% for men. In the parking division, the rates are 70.5% for women and 70.5% for men. The turnover rate of the supervisory staff at Indigo Infra is 17.2% while that of non-managers is 72.3%.

There are large disparities in turnover rates between countries, with for example, a rate of 6.4% in Spain, 68.4% in Columbia; that of the United States is 78.0% and that of Brazil of 81.5%. These high rates are not necessarily to be taken as indicators of the social climate because they reflect, in addition to the lack of distinction between short-term contracts and those without fixed duration for Brazil, Canada and the United States, inherent staff turnovers in service companies with a high proportion of young workers.



### 4.8 Labour relations

Indigo Group prohibits any kind of discrimination in its Code of Conduct based on union involvements and recognises union involvement and the rights of employees to join a union organisation. The elected staff representative bodies or unions, depending on the local specificities, are therefore the first point of contact for all employees to discuss in-house issues of the Group such as health, remuneration, working conditions and training without

discrimination. A similar approach is used with employee representatives in the subsidiaries in which the Group operates, as in France, Belgium, Luxembourg, Spain, Brazil, Canada, and the United States. These 7 countries represent in 2018 almost 95% of the Group's workforce (96% of the parking division).

Negotiations with the partners cover at least all the mandatory issues when local regulations so require or address issues particular to each union, such as in Brazil, Canada and the United States. For example, in France, negotiations are based on salaries, professional equality, strategic workforce planning, and on specific agreements concerning the annualisation of working hours, night working hours, donation of rest days or organisation of working hours signed in 2018. In the United States, other than the above mentioned areas, negotiations with unions are based on health insurance. Thus, in 2018, 46 agreements were signed or renewed. Considering the recent establishment of the entities that constitute the Group, the MDS division has still not concluded collective agreements.

Moreover, to promote social dialogue and the respect of freedom of association, the Group has, for several years, adopted in France a specific agreement on the exercise of the right of trade unions, which has been regularly amended and fully revamped in 2016. And at the same time, all employees have access to the agreements signed and information regarding staff representative bodies: employee representatives and trade unions have dedicated spaces and pages on the intranet for free expression and communication.

Finally, other than full compliance with local obligations in terms of consultations and information, the Group is always trying to construct a balanced dialogue with its employee representatives. With that in mind, the Group has adopted an agreement relating to the functioning of the staff representative bodies in France for several years. This agreement was completely overhauled in 2016 to better take into account the developments of the Group, and also to reaffirm the importance of non-discrimination and equality.

Thus, in the context of constructive labour relations, no strikes were held in 2016, 2017 and 2018 anywhere in the world in the parking division.

In the MDS division, a labour movement took place in April and May 2018 at Smovengo. However, taking into account the absence of a notification of strike action, which is mandatory in public service companies, the competent court recognised it as illegal.

## 5 Environmental matters

The Group is first and foremost a car park and on-street parking operator. In France alone, a marginal number of works are affected each year by construction or major renovation works directly supervised by the Group's technical teams.

In contrast, the Group's activities as an operator have a relatively minor impact on the environment. Furthermore, the legislation in France decided in 2005/2006 to remove car parks from the ICPE category (*Installations Classées pour la Protection de l'Environnement* - Facilities Classified for Environmental Protection), which governs activities that present environmental risks, regulated by the French Ministry for the Environment, and to include them in the ERP category (*Etablissements Recevant du Public* - Public Access Buildings). This category is overseen by the Ministry of the Interior and identifies fire as the major risk.

The Group has, nonetheless, developed an environmental approach and remains publicly committed, through its Environment Health-Safety Policy, to "Minimising its environmental impacts by reducing its energy consumption, particularly in its off-street facilities, and implement technologies and solutions that reduce its customers' emissions while facilitating their access to individual mobility that does not depend on fossil fuels."

Post 2006, the Group has been carrying out in France environmental reporting, compliant with the French Grenelle II Act since 2012, and also on its own following its exit from the VINCI Group since 2014. In 2016 and 2017, the Indigo Group also voluntarily carried out environmental

reporting for its subsidiaries operating mainly under concession contracts, long-term leases or full ownership agreements, hereinafter referred to as the “infrastructure model”, in Belgium, Spain, France and the United Kingdom (as a reminder the Group sold its business activities in the United Kingdom in December 2018). This model enables the subsidiaries concerned to take the initiative of voluntarily implement measures that help the reduction of its energy consumptions and, consequently, its Greenhouse Gas (GHG) emissions. Conversely, under the service-delivery model, the Group only has an advisory responsibility, which can include recommendations to upstream clients to invest in equipment that GHG emissions; it cannot, however, implement these recommendations directly given the limited nature of its missions under this model.

Hence, the Group decided to pursue this logic in the context of the Corporate Social Responsibility report by communicating its environmental data for Belgium, Spain and France, countries where the infrastructure model is predominant, as well as in Brazil, Canada and Luxembourg where it exists to a lesser extent. These six countries represent 75.6% of the turnover of the 10 countries where the Group operates as of 31 December 2018 (parking division).

## 5.1 Greenhouse gas emissions

### 5.1.1 Emissions of the Group

The quantification of the GHG emissions is based on ISO scopes 1, 2 and 3 of the international standard ISO 14064. Scope 1 includes emissions resulting from the use of fossil fuels (natural gas and fuels), scope 2 includes emissions from energy purchases, mainly electricity and scope 3 includes all other indirect emissions linked to business activities of the Group’s entities. Emissions are calculated by using country-specific emission factors. For scope 3, the method developed by the ADEME (*Agence De l’Environnement et de la Maîtrise de l’Energie* - French Environment and Energy Management Agency) was used based on the experience of the Group’s French entities that have been using it since 2016 to calculate the CO<sub>2</sub> equivalents of their indirect GHG emissions.

The table below shows the GHG emissions of the six aforementioned countries.

2018 Emissions in Tons of CO <sub>2</sub> equivalent	Belgium	Brazil	Canada	France	Luxembourg	Spain	TOTAL
<b>Scope 1</b>							
Emissions from fossil fuels	309	382	962	1,400	115	80	3,248
<b>Scope 2</b>							
Emissions from electricity	430	369	821	5,845	1,015	40	8,520
<b>Scope 3</b>							
Emissions from business activities	4,178	10,976	9,297	64,410	870	3,232	92,963
<b>TOTAL</b>	<b>4,917</b>	<b>11,727</b>	<b>11,080</b>	<b>71,655</b>	<b>1,999</b>	<b>3,352</b>	<b>104,731</b>

Emissions from the Group’s activities (scope 3), which account for 89% of total emissions in the six countries, include CO<sub>2</sub> equivalents from purchase and investments for 71%, kilometres covered in the off-street facilities for 21%, commuting for 7% and business trips for 1%.

### 5.1.2 Reduction of GHG emissions of the Group

In the face of challenges of climate change, the Group strives to limit its environmental impacts by limiting its own GHG emissions, those of its customers, and by developing new sustainable and carbon-free individual mobility solutions.

#### 5.1.2.1 Reduction of energy consumption

The entities of the Group pay special attention to their energy consumption, particularly electricity, which represents a total of 122,438 MWh for the six above-mentioned countries

in 2018, corresponding to a power consumption per site (car parks and offices) of 149.86 MWh.

The energy consumption is mostly due to the lighting used in car parks. Therefore, the efforts of the Group are naturally focused on optimising the lighting in its off-street facilities.

When a new underground car park is being designed, if the architectural choice so allows, preference is always given to natural lighting: for example, the car park of the Town Hall in Dieppe, inaugurated in 2016, has three skylights with *pinus nigra* planted inside them. With that in mind, when constructing a multi-storey car park, a natural ventilation system enabling daylight to pass through is always favoured if the space layout so allows.

Also, the Group's subsidiaries have, for several years, invested in lighting fixtures using more efficient lighting sources and reflectors than those installed previously (more lumens distributed per Watt consumed). Thus, the Group is gradually replacing the old generation T8 fluorescent tubes by T5 tubes, which are more efficient, or by LED sources.

Furthermore, systems that allow the lighting to be regulated depending on the presence of people in the car parks are installed to optimise energy consumption when fewer people are present.

In addition, in France, remote-controlled power consumption monitors were introduced in strategic car parks for real time recording of any deviation in power consumption, and an annual analysis of the power consumption of the car parks is carried out with the referenced power supplier.

These measures have resulted in a 25.9% reduction in the power consumption (per site) in France (20.8% reduction in total power consumption) between 2014 and 2018, 2014 being the first year of publication of the environmental data of the Group's French entities verified by an Independent Third-party Agency.

### **5.1.2.2 Charging stations for electric vehicles**

To promote e-mobility, the Group encourages the deployment of self-service charging stations for electric vehicles in its car parks. By the end of 2018, Belgium, Brazil, Canada, Spain, France and Luxembourg have made nearly 900 charging stations available to customers who own hybrid or electric vehicles.

The ever-increasing number of charging stations installed in its off-street facilities enables the Group to itself acquire electric vehicles (cars, 2-wheelers) for its own service requirements: for example, in France and Spain, cars and/or electric utility vehicles represent 12.1% and 11.8% respectively, of its vehicle fleet.

Furthermore, for its parking enforcement activities, the French subsidiary Streeteo decided to only use electric vehicles: its fleet comprises about twenty cars and about forty scooters with no GHG emissions.

### **5.1.2.3 Renewable energy**

Since October 2017, the power supplier of the Group's Spanish entities certifies that the energy supplied is "green", i.e. it is produced from renewable energy sources. The same goes for Belgium, where 58% of the power supply comes from "green" electricity. As a result, 1,948 tonnes of emissions of CO<sub>2</sub> equivalents were avoided in 2018.

Furthermore, the Group is considering installing photovoltaic shelters on its parking spaces or photovoltaic panels on the roofs of multi-storey car parks, where the roof is not a used as parking level, making such an installation impossible.

#### **5.1.2.4 Reducing the need for travel**

To reduce the need for national or international travel, the Group's head offices in France and those abroad as well as most of its regional offices were equipped with video-conferencing facilities. The offices of the managers are equipped with a large screen and a web camera to organise such conferences. New electronic communication technologies were also deployed, enabling the organisation of online meetings with employees of the Group or with external contact persons. The management of the Group has given significant priority to video-conferencing to reduce the need for travels and their impacts.

Similarly, France implemented a trips and travels policy in 2016 urging people to opt for the aforementioned communication means to avoid the need for travel, to prioritise public transport particularly in large urban areas and to limit the number of participants when travel is necessary.

In addition, and as mentioned earlier, the e-learning training sessions are growing at a rapid pace in most countries where the Group operates. This is the case, for example, in Brazil, France or Spain. Such training sessions enable the Group to not only reduce the training costs and thus to have more of them, but also to considerably reduce training-related travel, thus proportionally reducing GHG emissions.

#### **5.1.2.5 Sustainable procurement**

In France, the Group incorporates the criterion of sustainable development in its Request for Quotes (RFQs) for goods (tickets, cleaning products etc.) and services (temporary, cleaning and security staff etc.) with an impact on the workforce, society or the environment. RFQs include a 'CSR commitments' section to be filled in by each supplier. In the evaluation of the tenders, this aspect can represent up to 5% of the total score. Depending on the specificity of referencing, each selected supplier commits to CSR indicators specific to it. These may relate to promoting gender equality in the workplace, the inclusion of disabled people or those in difficulty, educating employees about safe and eco-friendly driving practices or using products that do not harm the environment.

Thus, the ticket printers used in off-street or on-street parking facilities in France belong to the Imprim'Vert® network, which ensures that its subscribers engage in proper disposal of dangerous waste and avoid use of toxic products for the manufacture of their products. The two suppliers referenced in France also supply Belgium, Spain and Luxembourg, thus providing these four countries with eco-friendly tickets.

### **5.1.3 Reduction of greenhouse gas emissions by users**

In addition to reducing its own GHG emissions, the Group has implemented technologies in its car parks which limit congestion and streamline user journeys.

Thus, when this proves to be relevant given the number of users of the car park, dynamic guidance systems are installed. They indicate, by colour coding, the spaces taken and available; customers can locate a free space more quickly during peak hours without increasing the number of journeys through congested areas, thereby reducing pollutant emissions.

Similarly, license plate readers accelerate passage into and out of the car park. Customers who have registered locally or who have reserved a spot do not have to stop at the toll gates to collect their tickets at the entrance, to pay for their parking or to insert the payment receipt at the exit.

To assist users in finding a parking spot more quickly, the application OPnGO integrates the algorithms of sPark (which developed the mobile application Polly and in which the Group holds a stake), a specialist in predictive guidance to available spaces on roads or in off-street

facilities around the place of destination.

Lastly, in countries operating mainly according to the management contract business model, the Group raises awareness among its customers about environmental issues. Thus, in the United States, LAZ Parking offers its customers, through an educational guide, targeted recommendations to reduce the carbon footprint of car parks. LAZ Parking is also a founding partner (Platinum level) of the Green Parking Council (GPC), which works for a cleaner and more sustainable environment in car parks. It works within this framework on a variety of programmes related to sustainable development.

## **5.1.4 Reduction of greenhouse gas emissions in city centres**

### **5.1.4.1 Soft individual mobility solutions**

In most major cities, particularly in Europe, heavy use of cars is disapproved and traffic restrictions are implemented. Faced with this issue that concerns it directly as a car park operator, the Group has been grappling since 2014 with the issue of long-term role of cars in metropolitan areas and, more generally, the future of urban mobility. The Group has thus redefined its strategy from wanting to be a market leader in parking to being a market leader in parking and individual mobility, notably by adopting its new name in 2015, INDIGO, which could be short for "INDIVIDUAL GOing".

The Group firmly believes that individual cars remain the most efficient mode of transport in many cities for everyday commutes, with the exception of short commutes to and from the city centre. At the same time, however, the Group expects cities of tomorrow to have no on-street parking, given that vehicles will have available spaces only in off-street facilities, as was decided by Madrid for its 5 km<sup>2</sup> city centre in November 2018. Finally, city dwellers express a strong need for inter-modality solutions for means of transport, for example to use a shared vehicle – two-wheeler or car – from the car park or metro station.

These findings have led the Group to continue to invest and develop its core business, i.e. the operation of parking facilities, and to also move towards soft urban individual mobility, or non-GHG emitting mobility, with the aim of transforming its car parks into urban mobility hubs.

This is why the Group first invested in start-ups promoting responsible mobility, such as Faxe, a car-pooling platform for commuting in the United Kingdom. The Group is also one of the founders of the Smovengo consortium, which bid for the Vélib' self-service bicycle contract in the Paris metropolitan area, and subsequently won it. And finally, the Group created INDIGO<sup>®</sup>weel, a shared bicycle and scooter rental service, which is now available in 7 French cities.

For the public authorities, these new mobility solutions proposed by the Group contribute to the reduction of pollution, streamlining of traffic and decongestion of urban areas.

### **5.1.4.2 Car parks**

Car parks can also contribute to reducing GHG emissions in city centres: along with the Paris municipality, the Group has decided to restore park-and-ride facilities in car parks located on the outskirts of the city. On 1 December 2018, 1,200 parking spaces were opened to Navigo pass holders with a view to encouraging them to use public transport, while leaving their vehicle outside Paris. The Group's car parks account for more than 60% of these spaces.

The Group also incorporates in its off-street facilities new car-related services that facilitate the daily life of its users and also benefit the local population. The Group is thus

complemented by partners that are leaders in their sectors, such as Midas for setting up car care centres, Total Wash for setting up car wash stations or Norauto for the maintenance of two-wheelers in France. Package delivery services are also offered, as in Spain with Correos, the main postal operator in the country. These services, close to their usual or occasional parking spaces, or even their place of residence, allow users and residents to avoid or minimise travel to obtain equivalent services.

Finally, the Group proposes the integration of Urban Logistics Spaces (ULS) in its facilities. A ULS is a kind of urban logistics platform for the temporary storage of packages. The delivery vans no longer deliver to the final recipients, and have only one destination: the ULS. Subsequently, the packages are delivered in the car park periphery by small electric or non-motorised vehicles, which limits congestion in city centres and also pollutant emissions.

## **5.2 Circular economy**

In terms of the circular economy, only the lack of control over energy consumption is a major challenge for the Group, as explained in section 5.1.2.1 of this document. However, the Group is concerned about the management of its waste and the sustainable use of natural resources.

### **5.2.1 Waste management**

Although the Group generates very little waste, it is concerned by the damage it may potentially cause to the environment. This is mainly the case for on-street and off-street parking operations, as well as for office activities.

#### **5.2.1.1 Waste generated by the operation of car parks**

Fluorescent tubes used for lighting car parks contain mercury, which is a recognised pollutant. Therefore, attention is paid to their end-of-life treatment: they are either collected by a recycling service provider or recycled with the help of fluorescent tube suppliers. The Brazilian entity, whose customers include many shopping centres and hospitals, also benefits from the recycling programmes set up by the latter.

The batteries used in parking meters and for the supply of emergency lighting in car parks are systematically collected at the end of their service life by specialised companies. In 2018, 5.5 tonnes of batteries were processed in France and 1.4 tonnes were processed in Luxembourg.

According to the regulations, the waste produced by the customers frequenting the car parks is subject to selective sorting.

#### **5.2.1.2 Sorting of office waste**

At the Group's headquarters, selective sorting of used papers has been put in place and consumables at the end of the service life of the shared printers are returned to the supplier.

Non-recoverable IT equipment is collected by approved companies or donated: thus, in 2018, at the Group's headquarters, about a hundred computers and a dozen servers were donated to two associations and a multi-disciplinary vocational school. The Spanish subsidiary also donates its old computer equipment to schools.

### Raid Indigo

*Every two years, the Group organises a sports event, RAID INDIGO, a gathering of about 250 employees from all the countries where the Group operates. The 2018 RAID took place in Chamrousse, France. One of the contests involved collecting as much waste as possible between the Col de la Balme and the domaine de Bachat (roads, trails and forest), in order to raise awareness among the Group's employees about environmental issues. 350 kg of waste were collected and the Group paid €2,000 to Mountain Riders, an association that organises waste collection campaigns in the mountains, among other activities.*

## **5.2.2 Soil pollution**

Soil pollution is not a major risk for the Group. However, management systems have been put in place to guard against this.

### **5.2.2.1 In the construction phase**

Before the construction of a car park, the Group obtains, according to local regulations, the necessary building and environmental permits, and complies with any related environmental requirements. An analysis audit of the possible pollution of the land to be excavated is carried out. Polluted soil discovered during the construction phase is systematically sent to appropriate landfills.

### **5.2.2.2 In the operation**

Site activities generate wastewater (sanitation, cleaning), runoff water, potentially containing hydrocarbons, and also involve pumping of mine water for underground car parks built at the groundwater level. Depending on the regulations in force, runoff may have to be treated before being discharged into the sewer and mine water may have to be discharged into a separate network.

In France and Luxembourg, for example, as well as in some Belgian car parks with no similar obligation, runoff from underground car parks, from rainwater and groundwater seepage, is decanted into hydrocarbon separators before being discharged into the sewer. At the end of the decantation, the water sent to the public sanitation network is free of hydrocarbon sludge; the water remaining in the tank is collected and treated by specialised companies.

In the area of fire safety, local regulations may require the presence of generators and therefore a fuel tank. In order to avoid accidental soil contamination in the event of tank leakage, the tanks are protected by a sealed external containment.

Finally, as regards regulated pollutants, any removal of asbestos or lead paint, which may occur during the work carried out in the car parks that the Group manages for its own account, are carried out in accordance with the laws in force and are also entrusted to specialised companies.

## **5.2.3 Water**

Domestic water is not an issue for the Group. It is used mainly for cleaning the car parks as well as for testing some sprinkler-type automatic fire-extinguishing systems. The consumption of purchased water in the six countries amounted to 103,195 m<sup>3</sup> for 2018; for Canada, given the absence of water meters, only an estimate of the consumption for offices

is included in this figure.

For groundwater, the new car parks constructed at the groundwater level do not discharge mine water (water taken from the groundwater, whether collected after seepage in the last level of the parking lot or pumped to avoid such seepage). This is, for example, the case of the parking lot on avenue de Madrid, in France in Neuilly-sur-Seine (France), opened in 2018. The construction solutions adopted avoided it. In addition, studies are being carried out to reduce the total volume of mine water discharged by the Group's existing car parks in France: during renovation, if the situation so allows, wastewater and mine water are segregated. Thus, during the renovation of the Lutèce-Cité car park in Paris, a network was created to discharge the groundwater directly into the Seine.

#### **5.2.4 Raw materials**

The use of car parks is a service that does not involve high consumption of raw materials. However, the Group pays special attention to its use of paper.

Consequently, the 47 tonnes of office paper ordered in 2018 in the six countries that reported their GHG emissions, have labels or certifications stating that it is manufactured in an eco-friendly manner or sourced from sustainably managed forests.

The subsidiaries reduce their paper consumption by printing on both sides of the same paper on shared printers, by encouraging archiving and digital communication, and by converting their supplier invoices as well as those issued by them into an electronic form.

### **5.3 Biodiversity**

As car parks are built and operated mainly in urban areas, biodiversity is not a major issue for the Group. However, in order to better understand and anticipate the preservation of fauna and flora of a site on which a car park could be built, the Group has trained project managers from its technical and legal departments in France in biodiversity issues.

### **5.4 Environmental certification**

Certain entities of the Group have decided to initiate an ISO 14001-type environmental certification process, the requirements of which are based on the principle of continuous improvement of environmental performance by controlling the impacts of the company's activity. For example, Spain, and one of the Group's French subsidiaries, SEPADEF, which operates car parks in the La Défense business district, have obtained the ISO 14001 environmental certification.

## **6 Societal matters**

### **6.1 An ethical commitment**

The Group, a world leader in parking and individual mobility, which has several thousand employees in several geographical areas and different sectors, attaches the greatest importance to compliance with the rules applicable in the conduct of its business, whether they are prescribed by law or values that underpin the Group's action. Compliance with these rules is essential for the Group to continue to inspire confidence in its public and private customers, its partners or suppliers, its shareholders or investors, as well as its employees.

### **6.1.1 Code of conduct**

In July 2016, the Group formalised all the standard ethical rules binding on all its employees, in the form of a code of conduct established in all the languages used by all of the Group's subsidiaries. This code of conduct sets out the principles of professional ethics that must, in all circumstances, drive the conduct of its employees and, more broadly, expects irreproachable conduct from each of them, based on probity, loyalty, respect for dignity and individual rights.

In accordance with its commitment "to involve its employees and stakeholders in compliance with the rules of good conduct", the code of conduct has been distributed to all employees of subsidiaries controlled by Indigo Group, and is one of the documents available on its website. As previously stated, the joint ventures (mainly in the United States, Colombia and Panama) have been invited to apply rules similar to those in the code of conduct.

Certain employees in the Group with a management or commercial component to their role are and will be considered potential targets. Awareness-raising activities and training sessions are organised to enable these employees to develop suitable responses.

In order to comply with the French "Sapin II" law of 9 December 2016 on transparency, fight against corruption and modernisation of economic life, a new version of the Code of Conduct has been prepared along with a whistle-blowing procedure. Both documents will be released in the first half of 2019 and the new Code of Conduct will include, among other things, new anti-corruption provisions. In addition to the targeted training mentioned above, broader training activities will take place. Following the publication of the new Code of Conduct, key indicators related to its circulation and related training will be defined.

In recent years, no Group entity has been convicted of bribery or influence peddling.

### **6.1.2 Compliance with regulations**

Indigo Group states in the "Legal compliance" section of its Code of Conduct that "Entities and their employees must comply with applicable laws and regulations in all countries where they operate". This principle applies in all countries and regardless of the activities concerned, without any exception.

As regards accounting and financial audits, independent audit firms annually provide for each subsidiary concerned and on a consolidated basis for the Group a report certifying the fairness, lawfulness and fair presentation of the results of the transactions for the financial year as well as the financial position and assets at the end of the year. This report has not been subject to any reservations since the Group left the VINCI Group in 2014.

It is in this same spirit that this document is drafted, as it has been the case since 2014 for the reports on workforce, environmental and societal data of Indigo Park, the French subsidiary of Indigo Group, until then the only entity of the Group subject to the mandatory publication of the aforementioned information and which presence and fairness have been attested by the authorised Independent Third-Party Agency.

Lastly, in the fight against tax evasion, the Group is committed to paying all the taxes that it owes in countries where it operates and in accordance with all tax laws that apply to the operations. The commitment to paying the appropriate taxes owed is fulfilled by seeking to pay the right amount of tax, at the right rate, in the right place and at the right time. In order to fully achieve this objective, the Group aims ensure that it reports its tax affairs such that they reflect the economic reality of the transactions it undertakes in the course of its business. The Group does not undertake any specific transactions with the sole aim of securing tax benefits that would otherwise not be available to it based on the reality of the transactions undertaken. As a result, the Group companies do not undertake transactions or participate in any arrangement that might involve the application of the French anti-abuse law.

## 6.2 A commitment to customers

### 6.2.1 Clients

#### 6.2.1.1 Attentiveness

Indigo Group is the world leader in parking and individual mobility. This success is based on the trust that its upstream clients (principals) have placed in it, both through contracts related to parking operations and authorisations for setting up self-service bicycle or scooter activities.

In terms of parking, the Group's success in sectors as varied as cities, airports, hospitals, shopping centres, railway stations, leisure and event spaces or universities, is based on tailor-made services, resulting from an international experience but tailored to local specificities.

Regardless of the activity sector concerned, the Group supports its upstream clients by listening to their needs and providing them with assistance as part of a transparent partnership.

Thus, in addition to the informal exchanges required for operations, the Group is developing a co-management approach to operations based on regular meetings as well as an organised and systematic sharing of information. With variable frequency as needed by the clients, technical committees are held to review the technical (breakdowns, various incidents, etc.) and commercial (number of users, sales of subscriptions, etc.) situation of the car parks. At a higher level, steering committees help go a level further vis-à-vis daily activities and share with the client its short and medium-term strategies and plans in a formalised framework. Lastly, strategic committees are set up to present the activity reports and to discuss the main approaches of the contract. For example, faced with the problem of an unsatisfactory filling rate, the Group responded to this challenge by adapting the facility concerned: at the centre of the Villon car park in La Défense, one of its French subsidiaries created a 2,000 m<sup>2</sup> space, managed by a specialised service provider, mixing co-working solutions, event activities, food outlets and exhibitions open to all.

#### 6.2.1.2 Consulting and data access

In terms of consulting, the Group relies on its in-depth knowledge of its locations. In fact, thanks to an operational framework that is as close as possible to the field, the Group is able to get a good understanding of local issues and thus better advise its upstream clients to help them solve their parking problems, such as those related to streamlining and attractiveness of city centres for municipalities. By taking this example, the Group can also engage with local authorities in specific actions, such as those mentioned in section 6.4 - A commitment to citizens.

In the digital age, data access is becoming essential. In North America, for example, in the context of management contracts, the Group assists airport management bodies in their analysis of passenger flows by collecting traffic data and modelling them using business intelligence solutions. Detailed knowledge of the activity makes it possible to maximise the filling rate of the various car parks and to offer better service to customers. In fact, these analyses make it possible to responsively adapt the presence of personnel to the flight plans and to ensure continuous service in case of late arrival or exceptional peak visitor numbers.

In France, the Group also offers its upstream clients the possibility of providing a statistical monitoring tool enabling them to have a real-time view of the activity of the car parks. Thus, by improving the knowledge of the service and the way parking is operated, the Indigo Parking Observatory can enable decision-makers/local authorities to change their mobility policies. The upstream client selects the data that it deems relevant for its

monitoring and the information extracted from the system is provided to it in the form of personalised dashboards. These become unavoidable bases for the various committees mentioned above as well as for the activity reports.

### **6.2.1.3 Transparent partnership**

The satisfaction of users of parking facilities operated by the Group is measured in various ways, particularly through satisfaction surveys. The upstream clients may choose to participate in the preparation of the content of the surveys and the results are presented to them and analysed jointly.

The Group also allows its upstream clients full latitude to organise quality control checks in the car parks: whether periodic or unannounced, conducted by the internal departments of the upstream customer or by a service provider authorised by the latter, the timelines for responses to any deficiencies observed are agreed by contract.

## **6.2.2 User clients**

### **6.2.2.1 Measurement of customer satisfaction**

Having loyal and faithful customers is essential for the Group. The operations and maintenance departments ensure on a daily basis that the services delivered are always optimal in the fundamental areas of cleanliness, lighting and equipment operation. But the satisfaction of the customers can raise other criteria. Thus, the measurement of their satisfaction is an indispensable tool that allows the Group to better understand their expectations and thus, by meeting them, to strengthen its competitiveness.

In general, customer satisfaction with the Group's car parks is measured using three main tools:

- customer surveys,
- audits by a "mystery shopper",
- satisfaction survey terminals for everyone to give his or her feedback.

In order to get an overview of the satisfaction of its users, France in 2018 commissioned a survey from a polling institute. Almost 7,000 customers, both subscribers and occasional customers, were able to express their level of satisfaction with the services offered to them. Consecutive action plans are being drawn up in order to be put in place during 2019. On the other hand, local surveys of customers are likely to be conducted on site, during "normal" period of activity (excluding school holidays for example). The bases of this type of investigation can be determined in collaboration with the upstream client, if it so wishes. In order to better understand the aspirations of users, the questionnaires make it possible to collect their exact opinions (transcripts). Following the analysis of the responses, actions to improve the services can be carried out or new services proposed.

To measure the cleanliness, quality of the reception and adequacy of the service offer of a parking facility, mystery surveys are carried out by an external firm twice a year. The latter is based on a grid that tracks the journeys of pedestrians and vehicle users, thus allowing attention to all potential hurdles for the customer. As with annual surveys, the results are used by the Group to improve the quality of its services and shared with the upstream client.

Finally, satisfaction survey terminals incorporating colour codes and 'smileys' allow users to express their feedback for a given subject, such as "satisfaction on the work done", "satisfaction on a specific service" or "satisfaction on the cleanliness of the car park". The recorded data allows the Group to be alerted very quickly when, for example, satisfaction

drops at the same time each week. And as always, in a spirit of transparency, the results are presented to the upstream client.

#### **6.2.2.2 Making the customer's journey reliable**

As already mentioned, remote operations and assistance centre can, at any time, 24/7, intervene and assist the customer in his or her journey in the car parks thanks to an optimised remote operation system. The operators are connected to the main equipment of the car parks and the different alarms. They intervene in the event of a safety alarm (fire, CO detection, etc.) or technical alarm (equipment malfunction, attempted break-in, etc.) or a customer call at the gates or automatic pay stations. The operators can interact with customers through a network of IP intercoms and connected cameras at key locations in the car park. With each call from a voice point, the customer is put in touch with the on-site staff or with a tele-operator who assists the customer during any incident: query regarding payment, loss of ticket, pedestrian access request or problem related to the vehicle. The operator can also initiate interventions with the internal maintenance departments or external services (emergency services, electricity, gas, lift, etc.). This service is available in France, Belgium, Luxembourg, Spain, Brazil, Canada and the United States.

### **6.3 A commitment to the territories**

As a partner of cities, local authorities, hospitals and universities, our Group is part of the social fabric. In addition to the personnel employed for the management of self-service bicycles or the enforcement of on-street parking, the Group's jobs are mainly related to the operation of the car parks and on-street parking spaces whose management is entrusted to it, for the benefit of local employment. The Group's facilities also require the intervention of local companies for their construction and then their maintenance, which also supports the activity locally. This is also reinforced by the integration of car services (washing, car maintenance), generating even more local jobs. Parking activity is one of the elements of the urban mobility chain and contributes naturally, or via targeted actions, to the attractiveness of city centres by encouraging the preservation of businesses and jobs.

For example, for the third year in a row, in 2018, the Group partnered with the city of Périgueux in France to boost activity in its territory by promoting economic activity in its city centre. In coordination with the city council of Périgueux, the three underground car parks (Francheville, Montaigne and Théâtre) operated by the Group as part of public service delegations, were made free of charge for a day in order to allow the inhabitants of the area to rediscover the shops located in the heart of the city. Similar initiatives were taken in other French cities such as Hyères or Aix en Provence.

Beyond the revitalisation of city centres mentioned above, the Group is also helping to streamline them by promoting sustainable urban logistics through the establishment of Urban Logistics Spaces, mentioned earlier in the document. In the same vein, INDIGO<sup>®</sup>weel's bicycles or electric scooters are a credible alternative to car travel in metropolitan areas that have authorised their operation.

### **6.4 A commitment to citizens**

The Group is committed to the communities in which it operates. Working in partnership with the non-profit sector, the Group supports solidarity initiatives to assist local populations. Thus, depending on the local issues, the Group is involved in various areas such as the promotion of education, health, assistance to the most disadvantaged and to people with disabilities, or culture.

### 6.4.1 Education

Various examples illustrate the Group's actions in the field of education:

- In France, the Group has established a partnership agreement with the engineering school "Ecole des Ingénieurs de la Ville de Paris" to help promote best practices and innovations in the urban area, to contribute to the development of jobs, skills and training in the field of eco-mobility and parking, and to develop research, study projects and training. It is worth noting that after their final internship at the Group's subsidiaries, 2 students from this school were recruited in 2016 and 2017.
- In the United States, the headquarters of LAZ Parking maintains relations with a local establishment to facilitate internships in the IT department.
- In Belgium, the local subsidiary makes occasional contact with university students through the Young Talents programme of Randstad, a temporary employment agency, whose aim, among others, is to offer young people with higher education qualifications additional jobs corresponding to their studies.
- In Spain, the Group has partnered with a local organisation (CEPYME) in Zaragoza to provide internships for students, enabling them to obtain their professional safety certificates.

For 2018, there were 144 interns in the parking division and 4 in the MDS division.

### 6.4.2 Health

At the beginning of 2017, the Group formalised a partnership with the "SAMU Social" in France: the organisation trains employees in Paris to help them communicate and deal with people trying to find shelter in the Group's car parks.

After the success of the first training sessions, the Group extended this partnership to Marseille. In this city and in line with the commitments made with SAMU Social, the Group has chosen to join forces with the association "Règles Élémentaires" so that access to personal hygiene products for homeless and poor women is no longer just a fight but becomes a fundamental right. Donation boxes were installed from October 2018 to February 2019 in four car parks in Marseille and awareness raising posters were put up for motorists in the 16 car parks operated by the Group in the city.

Also, as part of the partnership with SAMU Social, the Group joined the city of Paris for the "Nuit de la solidarité" in February 2018, whose objective is to count the homeless people in the city as well as in the woods of Vincennes, Boulogne and Colline. 27 car parks were included in the scheme, involving about 20 Group employees, who were mobilised from 10 pm to 1 am.

As another example of a health initiative, in September 2018, the Group partnered for the second year the "Children without Cancer" run by offering parking space to the participants. This sporting event, which takes place at the Saint-Cloud park in the Paris suburbs, is intended to fund research programmes on specific, innovative and more effective treatments for children with cancer.

### 6.4.3 Help to the disadvantaged people

The Group is sensitive to the situation of the most disadvantaged people and supports the initiative of its employees in this regard.

The Group's Brazilian subsidiary works with the non-profit association Manobra Solidaria to organise an annual clothes donation drive in Porto Alegre. These donations are collected in the car parks, in dedicated containers, sorted and redistributed to the people in need. In 2018, around 25,000 clothes were donated. A similar initiative is undertaken on the occasion of

“Papai Noel dos Correios”, during which children from disadvantaged families write letters to Santa asking for toys, clothes or school supplies. The local teams in Porto Alegre sent more than 250 letters and the corresponding gifts were given to the postal services, making the Group the second largest contributor in the city.

In the United States, the teams at the LAZ Parking headquarters in Hartford supported the Connecticut Children’s Medical Center in 2018 with a fundraiser (\$3,000 raised) and toys.

Although the Group’s activities are not directly concerned by the French regulations relating to the fight against food wastage, food insecurity, respect for animal welfare and fair, sustainable and responsible food management, it does undertake a number of initiatives in this area. For example, the Group has joined the anti-food wastage action for the benefit of the most disadvantaged people undertaken by the association Le Chaînon Manquant. The latter recovers surplus food from food business operators and redistributes it to the people who need it most. As part of this support, the Group offers a parking space in the Marché Saint-Honoré car park in the centre of Paris to facilitate the mobility of the association’s vehicles.

#### **6.4.4 People with disabilities**

The Group also undertakes initiatives benefiting people with disabilities.

In France, going beyond the regulations applicable to it, the Group has distributed to all its staff an official guide “Welcoming people with disabilities”, describing the right attitudes to adopt towards a person with a physical, visual, auditory or mental disability.

In Switzerland, the company supported the association “Le Copain”, by sponsoring three service dogs to help people with mobility impairment and epilepsy to become more independent.

In the United States, LAZ Parking supports Special Olympics, an international association that strives to enable the greatest number of children, youth and adults with disabilities to play sports and compete in specific Olympics events. Every region organises annual fundraising activities for these games, and by 2018 close to \$96,000 have been raised.

In Colombia, the subsidiary City Parking supports Fundación Ideal, which works for the professional, family and social integration of people in vulnerable situations through education, training and support. City Parking’s contribution comes in the form of resources, training and hiring of people with disabilities.

#### **6.4.5 Culture**

The Group is also committed to promoting culture.

For example, in France, the teams working in the car parks of the business district of La Défense (largest open-air art collection in Europe) support their upstream client to showcase works of art: the Street Art works are created and exhibited initially in the central square of La Défense (Le Parvis), and then exhibited either in temporary or permanent exhibitions along walkways used by the Group’s car park customers. Indigo Group also participated in 2018 in the 4<sup>th</sup> Street-Art session, executed entirely by women this year, bringing together 15 “street-artists” who created and exhibited 15 works of Urban Art for 6 days in the central square of La Défense. Partner of this event since 2015, the Group exhibits 72 street-art works in its car parks.

In Luxembourg, local teams are involved in a cultural patronage arrangement with the MUDAM (Grand-Duc Jean Museum of Modern Art).

## 6.5 A commitment to international conventions

The Group's subsidiaries comply with international conventions, such as those of the International Labor Organization (ILO) or the United Nations Principles on Human Rights, in their day-to-day activities and in their projects.

The Group applies the provisions of the ILO conventions concerning, in particular, respect for the freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labour, and the effective abolition of child labour.

In terms of human rights, the Group's risk analysis did not highlight any particular issues in this area, especially in view of its activity and territories. No actions other than those previously mentioned in this document have been initiated.

## 7 Corporate social responsibility rating

The corporate social responsibility of Indigo Group was last reviewed in March 2018 by the rating agency Vigeo Eiris. The Group has been ranked 1 out of 54 companies in the section "Business Support Services Europe", with an overall rating of 61/100.

## 8 Methodological note

### 8.1 Scope

The scope of social, environmental and societal information is intended to give a representative image of the Group's activities.

#### 8.1.1 Social and societal data

The information presented concerns all Group subsidiaries, as well as joint ventures (mainly in the United States, Colombia and Panama). The data relating to the latter are recorded in their entirety and not according to the percentage of ownership.

Entities joining the Group during the financial year are included as soon as they are acquired, for the Group's control period only. The data of subsidiaries that have left the Group during the year are not reported.

#### 8.1.2 Environmental data

They concern the Group's subsidiaries and joint ventures whose turnover exceeded 10 million euros in the year preceding the year under review and in which the Group is able to act directly on reducing energy consumption and Greenhouse Gas emissions (i.e. the countries in which the dominant activity is carried out under the infrastructure model, see section 2.1.2 Market segmentation).

Entities joining the Group during the financial year by way of creation or acquisition) are not integrated. They will be integrated for the following year if:

- The entity is created or acquired in a country already reporting its environmental data,
- By creating or acquiring the entity, the country that did not meet the conditions mentioned

above becomes eligible for environmental reporting.

- In the case of an entity created or acquired in a country where the Group was not present, it meets the aforementioned turnover and infrastructure model conditions.

Data for entities that left the Group during the year are not reported.

## 8.2 Reporting procedure

Methodological guides presenting definitions common to all subsidiaries have been provided to those in charge of collecting and aggregating data at country level. They are reviewed each year to make them more reliable and to take into account the annual update of the Group's main extra-financial risks.

## 9 Report by the Statutory Auditor, appointed as an independent third party, on the consolidated non-financial statement

For the year ended 31/12/2018

*This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the shareholders,

As an independent third party, we hereby report to you on the non-financial statement (hereinafter the "Statement") of Indigo Group (hereinafter the "Entity") for the year ended 31/12/2018, voluntarily present on its website, pursuant to the legal and regulatory requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

### The Entity's responsibility

Pursuant to legal and regulatory requirements, the Chief Executive Officer of the Entity is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement "8. Methodological Note".

## **Independence and quality control**

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

## **Responsibility of the independent third party**

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax evasion legislation;
- the compliance of products and services with the applicable regulations.

## **Nature and scope of our work**

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code determining the conditions in which the independent third party performs its engagement and with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

Our procedures allowed us to assess the compliance of the Statement with regulatory requirements and the fairness of the Information:

- we obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated with their activities and, where applicable, the impact of these activities on compliance with human rights and anti-corruption and tax evasion legislation, as well as the resulting policies and their outcomes;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti-corruption and tax evasion legislation;
- we verified that the Statement includes an explanation for the absence of the information required under article L. 225-102-1 III, 2 of the French Commercial Code;
- we verified that the Statement presents the business model and the key risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators;
- we verified, where relevant with respect to the principal risks or the policies presented,

that the Statement provides the information required under article R. 225-105 II of the French Commercial Code;

- we assessed the process used to identify and confirm the principal risks;
- we asked what internal control and risk management procedures the entity has put in place;
- we assessed the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented;
- we verified that the Statement includes a clear and reasoned explanation for the absence of policy concerning one or more of those risks;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes<sup>1</sup> that we considered to be the most important, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities<sup>2</sup> the sample selected represents 20% of the headcount considered as a key feature of the social element and cover 87% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we referred to documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that we considered to be the most important<sup>3</sup>;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

## Means and resources

Our work was carried out by a team of 4 people in February and March 2019 and took a total of 6 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted around 10 interviews with the people responsible for preparing the Statement, representing in particular human resources, health and safety, environmental and CSR departments.

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<sup>1</sup> Absenteeism rate; Frequency work accident rate; Severity work accident rate; Female share into the headcount; Percentage of headcount trained to SST; Turnover rate; Electrical intensity per site; Global headcount at 31/12; Number of training hours; Number of strike days; Number of administrative closures for fire safety reason.

<sup>2</sup> Canada, France, Belgium

<sup>3</sup> Individual soft mobility [qualitative review], Code of conduct [qualitative review], Regulations respect [qualitative review], Clients (principals) [qualitative review]

## **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respect.

## **Comments**

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comment:

- For two of the main risks representing the inadequate skills management and the deficiencies into the execution of anti-corruption fight policies, the Entity does not present any key performance indicators.