TORONTO PARKING AUTHORITY

Enterprise Risk Management Update

Audit & Risk Management Committee| June 2025

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Executive Summary

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New Key Risks in 2025	Key Risks with new / updated Detailed Risk Assessments	Total Action Plans as at June 2025	Completed Action Plans since November 2024	New Action Plans since November 2024

In this Board Risk Report, we have provided an update on: 1) Risk Refresh Process, 2) TPA's risk profile, 3) Key Action Plans, and 4) ERM Initiatives.

Over the past 2 months, Management have undergone a **thorough risk refresh process involving key stakeholders** (Board, Management, Directors) with the support of KPMG. This was performed through several sessions, a risk survey, and collective workshops to refresh TPA's risk universe and prioritize the 2025 key risks. Detailed risk assessments were performed with risk owners to identify action plans to manage risks within acceptable levels in line with TPA's strategic objectives.

As an outcome of this process, Management have identified **4 new key risks**: **AI Strategy and Governance, Brand Value and Equity, Partnerships & Collaboration**, and **TPA Parking Inventory Availability/Assets**. These are **key focus areas where the risk exposure can be further managed, in line with our strategic imperatives**: creating the policies and compliance framework that enables the appropriate use of AI in the organization; establishing a crisis communication plan to help maintain and protect the TPA brand; establishment of an integrated Loyalty program for our three business channels; and complete a new corporate strategy to drive a competitive advantage in the marketplace.

In addition, several key risks are **stable due to the proactive efforts** that have been undertaken (**17 completed action plans**) including SOGR investments at key parking facilities, upgrades to LED lighting systems, installation of networked security camera systems, and completion of the talent review for all leadership and exempt roles.

As a Leadership team, we are committed to continue integrating risk in our strategic and business planning processes to make risk-informed decisions and continuously improve our ERM program through the development of risk appetite statements and metrics. These will help set clear boundaries within which risks should be managed.

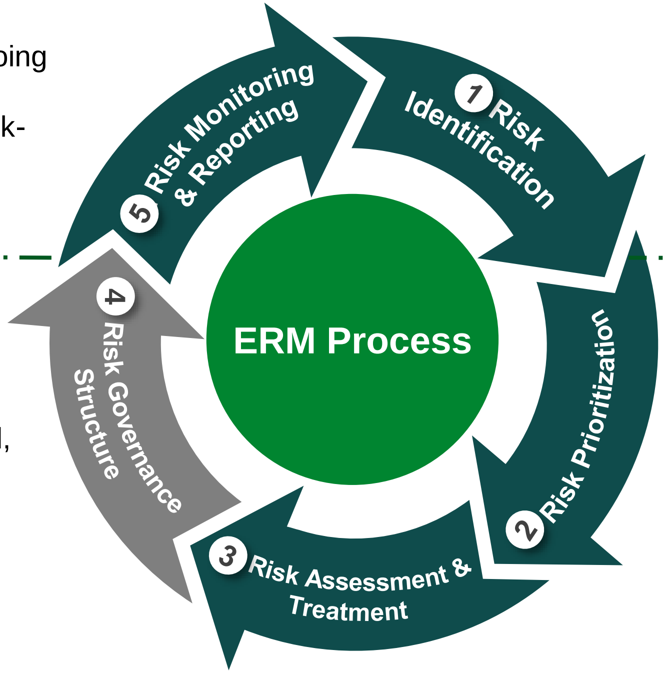
ERM Process

Our Robust ERM Process

Over the past 2 months, Management have undergone a thorough risk refresh process following the same process that was established last year, in line with industry good practices (e.g. ISO 31000:2018, COSO ERM 2017). Our robust five-step ERM process is described below and supported by comprehensive sources of internal and external information.

Step 5

- Updated the **risk reporting** to support the ongoing monitoring of key risks at the Board and Management Team levels and to help make risk-based decisions.



Step 1

- Engaged key stakeholders to understand the risks facing the TPA through **7 sessions with Management in April 2025**
- Relooked at and refined the **comprehensive risk universe** across risk categories and sub-categories.

Step 4 (No Change)

- Formalized **risk roles and responsibilities** across stakeholder groups, including the Board, Management Team, designated ERM Lead.
- Developed an **ERM Policy** to define and communicate ERM objectives, governance structure and process.

Step 2

- Employed **risk likelihood and impact criteria** to provide a common scale to assess and measure risks (both qualitative and quantitative).
- Facilitated a **risk prioritization survey with select Board members, Management, and Directors in April 2025**
- Facilitated a **risk prioritization workshop with Management and 3 Board members in May 2025** to:
  - ✓ Prioritize TPA’s **key risks**.
  - ✓ Appoint **Risk Owners** for each key risk.

Step 3

- Facilitated **11 detailed risk assessments (new and updates to existing DRAs)** with appointed Risk Owners to analyze key risk attributes (risk cause/drivers, consequences and current mitigations) **in May 2025.**
- Defined additional **action plans** to further manage TPA’s key risk exposures.

TPA Risk Profile Updates

Changes to TPA's Risk Universe compared to 2024

As part of the risk refresh process, Management reviewed the Risk Universe for **relevance and completeness**. **3 new risks were identified** and added to the Risk Universe, and also **5 risk definitions were updated** for Talent Attraction, Retention and Succession, Brand Value and Equity, Competition, TPA Parking Inventory Availability/Assets, and Corporate Culture (*refer to Appendix C for details*).

Level 1 Risk Categories

Level 2 Risk Sub-Categories

Strategic

- Change in the City's Direction
- Financial Sustainability
- TPA Parking Inventory Availability
- Competition
- Electric Vehicle Ecosystem Changes
- Parking Equipment / Technology Management
- Macroeconomic Uncertainty
- Prioritization of Initiatives
- Corporate Culture
- Brand Value and Equity
- Internal Scalability
- **Partnerships & Collaborations**
- **Environmental, Social, Governance Program**

Financial

- Pricing Model
- Liquidity
- Credit / Counterparty
- Financial Reporting

Regulatory & Legal

- Regulatory Changes
- Regulatory / External Standards Compliance
- Zoning
- Legal & Contracts
- Disputes & Litigations
- Fraud & Ethics

Operational

- Social Media
- Product Deployments
- Customer Experience
- Natural & Man-Made Emergencies
- Pandemic
- Physical Health & Safety
- Security / Vandalism / Theft
- Vendor Management
- Joint Venture Management
- Parking Lot Management
- Aging Parking Infrastructure
- Talent Attraction, Retention and Succession
- Talent Development
- Evolving Employee Expectations
- Employee & Labour Relations
- **AI Strategy and Governance**
- Outdated IT Infrastructure & Systems
- Information System Downtime
- Data Ownership
- Cyber Security
- Privacy Breach

Legend

- Strategic
- Financial
- Regulatory & Legal
- Operational
- People
- Information Security, Management & Technology

Red text - New Risk

Reputational Impact

Changes to TPA's Key Risks – 2025 vs. 2024

TPA's key risks were reassessed as part of the 2025 risk refresh process. Outlined below are the **changes from TPA's 2024 key risks and 2025 key risks that are critical to our growth and ambitions**. *Refer to Appendix B for TPA Risk Assessment Criteria.*

#	Key Risks	2025 Residual Risk	2024 Residual Risk
1	Change in the City's Direction	20	20
2	Cyber Security	15	15
3	Parking Equipment / Technology Management	15	10
4	Corporate Culture	12	12
5	Brand Value and Equity	12	-
6	Aging Parking Infrastructure	12	12
7	Partnerships & Collaborations	12	-
8	AI Strategy & Governance	12	-
9	Security / Vandalism / Theft	12	12
10	TPA Parking Inventory Availability/Assets	10	-
11	Talent Attraction, Retention & Succession	9	9
N/A	Financial Sustainability	-	20
N/A	Outdated IT Infrastructure & Systems	-	9
N/A	Data Ownership	-	6
N/A	Internal Scalability	-	6

Legend:
Green Text = New key risks in 2025
Red Text = Removed key risks from 2024

Key Highlights

New key risks in 2025

Brand Value and Equity

- There is an increased focus in developing, protecting, and marketing our brand to help grow the existing customer base and build new opportunities

Partnerships & Collaboration

- Strategic partnerships are critical to driving TPA's growth, TNG Bank partnership with BST has been successful and financially beneficial, and there is potential shareholder support for TPA to enter into a public-private partnership to build out the City-wide EV network

AI Strategy and Governance

- There is an opportunity for TPA to accelerate the adoption of AI to increase competitiveness and be at the forefront / lead AI from a Government-entity perspective. However, there is a lack of understanding of AI application and governance which may result in greater impacts in the mid-term

TPA Parking Inventory Availability/Assets

- There are shifting City priorities away from parking (e.g., housing, parks, CaféTO, cycling, etc.) while a strategic city-wide approach to parking remains in flux

Removed key risks from 2024

Financial Sustainability

- There is a new income-sharing agreement

Outdated IT Infrastructure & Systems

- There have been a number of upgrades / replacements of legacy applications

Data Ownership

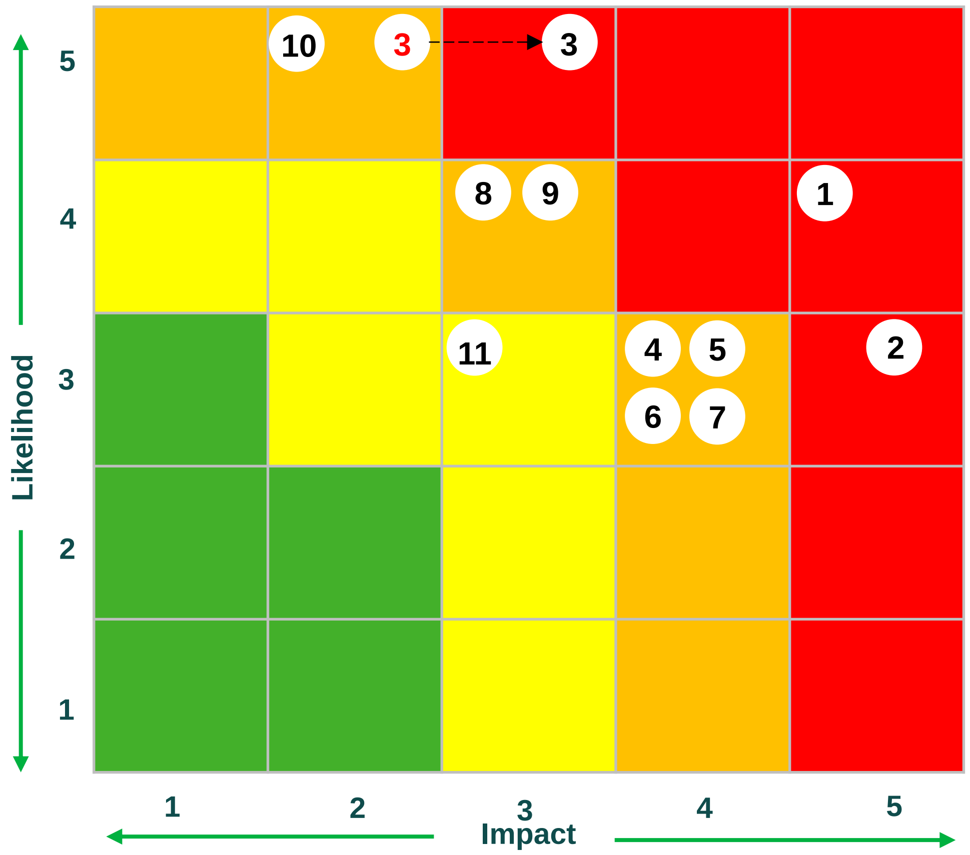
- There have been initiatives providing greater access to data

Internal Scalability

- This is an outcome of other risks (e.g., outdated IT infrastructure & systems)

TPA’s Residual Risk Rating Heatmap

The heatmap below summaries the residual risk ratings that were determined as part of the detailed risk assessments in 2025.



#	Key Risks	2025 Residual Risk	2024 Residual Risk
1	Change in the City’s Direction	20	20
2	Cyber Security	15	15
3	Parking Equipment / Technology Management	15	10
4	Corporate Culture	12	12
5	Brand Value and Equity	12	-
6	Aging Parking Infrastructure	12	12
7	Partnerships & Collaborations	12	-
8	AI Strategy & Governance	12	-
9	Security / Vandalism / Theft	12	12
10	TPA Parking Inventory Availability/Assets	10	-
11	Talent Attraction, Retention & Succession	9	9
N/A	Financial Sustainability	-	20
	Outdated IT Infrastructure & Systems	-	9
	Data Ownership	-	6
	Internal Scalability	-	6

Legend:

Green Text = New key risks in 2025
Red Text = Removed key risks from 2024
------▶ = Change in residual risk rating

TPA's Risk Profile

Legend
⇆ Risk is stable
↑ Risk is trending up negatively
↓ Risk is trending down positively

Risk Name	Risk Owner	Residual Risk Rating As at Nov. 2024	Residual Risk Rating As at Jun. 2025	Period Trend (Nov. 2024 to Jun. 2025)	Outlook (6 Month – Jun. to Nov. 2025)	Outlook (12 Month – Jun. 2025 to Jun. 2026)	Commentary
Change in the City's Direction	President	20	20	⇆	↑	↑	The Change in the City's Direction risk trend is currently stable but trending negative due to limitations on pricing power in Bike Share and On Street channels negatively impacting operating margins. In addition, TPA progress on de-risking EV portfolio via securing external partnerships is facing continued delays potentially impacting capex/margin performance. Lastly, the recently completed City-Wide Parking Strategy lacks clarity in the governance of parking programs and the value that the City places on parking.
Cyber Security	Chief Information Officer	15	15	⇆	⇆	⇆	The Cyber Security risk has remained stable. However, cyber security will likely remain a key risk for most organizations, including the TPA, for the foreseeable future due to the increasing sophistication of cyberattacks that are now leveraging artificial intelligence (AI). The TPA continues to focus on reducing the likelihood of both opportunistic/indiscriminate and targeted cyber attacks. TPA is in progress on executing various initiatives to enhance the organization's cyber resilience, including: • The introduction and implementation of Biometric login (Password less) • The onboarding of internal contractor with relevant cyber security skillsets • The migration of on-prem Security Information and Event Management system (SIEM) to cloud SIEM
Parking Equipment /Technology Management	VP Operations	10	15	↑	⇆	↓	The Parking Equipment and Technology Management risk has shown a negative trend, driven by the pace and limitations of TPA's ability to modernize legacy systems and adapt to evolving industry standards. This constraint directly impacts TPA's growth ambitions and limits our capacity to deliver innovative, customer-centric mobility solutions. To further mitigate this risk, TPA will implement the PARCS modernization program, enhance the Security Operations Centre (SOC), and upgrade software, hardware, and equipment across all parking garages. In addition, on-street parking infrastructure and the systems operations centre will be modernized to improve overall performance and resilience.

TPA's Risk Profile (cont'd)

Legend
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Risk Name	Risk Owner	Residual Risk Rating As at Nov. 2024	Residual Risk Rating As at Jun. 2025	Period Trend (Nov. 2024 to Jun. 2025)	Outlook (6 Month – Jun. to Nov. 2025)	Outlook (12 Month – Jun. 2025 to Jun. 2026)	Commentary
Corporate Culture	President	12	12	⇆	⇆	⇆	The Corporate Culture risk remains stable. On the positive side, staff engagement scores improved markedly in 2024; moreover, there has been a material improvement against the safety and security agenda which has had a positive impact on both staff and brand reputation. Our key focus areas remain consistent with 2024;.continued focus on visible leadership with the front line, prototyping new approaches with the security agenda to create improved work environment for front line staff, modest structural review to improve cross functional collaboration and faster decision making and continued focus on targeted talent upgrades as required to support newly emerging strategic priorities.
Brand Value and Equity	President	-	12	⇆	⇆	⇆	Brand Value and Equity is a new strategic risk. The TPA has developed strong brand recognition over the past 73 years, and we understand the importance of protecting our reputation. Firms with strong brands attract better people. They are perceived as providing more value, which in many cases gives the TPA greater pricing power. Our customers are more loyal and more inclined to buy a broader range of the services and products we offer (i.e., Parking, EV Charging, Bike Share). In short, customers are more likely to trust brands they believe in. In this digital age of pervasive 24/7 social media, there are elevated risks in managing and engaging with customers, stakeholders, and the broader public. Broadly speaking, we must reach people where they are, using the medium they choose. To win in the marketplace, we must be accessible, transparent, and connected. If we do good things, we should talk about them. When we make mistakes, we need to own them and resolve them. Our key focus areas to remediate our risks over the next 24 months are three-fold: 1) accelerating and commissioning our new Security and Operations Centre (SOC) to provide real-time 24/7 oversight of our operations; 2) digitizing and integrating our CX teams into the SOC to provide faster response times to our customers and the public in real time; and 3) developing and launching a new communication strategy, including the development of a Crisis Management Plan to support both management and the Board in telling the TPA story while preparing for the inevitable crisis that will occur.

TPA's Risk Profile (cont'd)

Legend
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↓ Risk is trending down positively

Risk Name	Risk Owner	Residual Risk Rating As at Nov. 2024	Residual Risk Rating As at Jun. 2025	Period Trend (Nov. 2024 to Jun. 2025)	Outlook (6 Month – Jun. to Nov. 2025)	Outlook (12 Month – Jun. 2025 to Jun. 2026)	Commentary
Aging Parking Infrastructure	VP Operations	12	12	⇆	⇆	↓	The Aging Parking Instructure risk has remained stable as a result of major projects and emergency repairs which have been completed in the past year. Additionally, the TPA has conducted building and infrastructure inspections and assessments in order to proactively identify potential issues. To further reduce this risk going forward, a preventative and corrective maintenance plan will be implemented as well as a State of Good Repair (SOGR) Strategy and Plan that will address the short- and long-term key priorities.
Partnerships & Collaboration	VP Growth & Strategy	-	12	↑	↑	⇆	Partnerships & Collaborations is a new key risk as strategic partnerships are critical to driving TPA's growth and staying ahead of competitors. The risk is elevated due to the timing to enter into a public-private partnership to build out the City-wide EV network, which is expected to bring substantial benefits (financial and reputational) to the TPA. Another key focus area for the TPA is to establish a strategy for a Loyalty program, and have engaged an external consultant to support in its development. There are certain established processes to mitigate the risk such as defined partner selection criteria and due diligence, as well as stage-gating check-ins with stakeholders (e.g., Board and City Council) for key milestones on partnership development and performance monitoring.
AI Strategy & Governance	President	-	12	⇆	⇆	↑	AI Strategy and Governance is a new key risk as there is a lack of understanding of AI application and governance, as well as concern with organizational use of 'shadow AI' (i.e., using AI on personal devices for work purposes), which may lead to privacy / data breaches if not well managed. AI also brings opportunities and necessitates an increased focus to allow the TPA to be at the forefront and differentiated from competitors. Our key focus areas are to establish a governance framework to ensure the secure and responsible adoption of AI, educate / train the organization (including Board, Executive Team, and Staff) to raise awareness and understanding of AI, and develop a formalized AI strategy and use-cases.

TPA's Risk Profile (cont'd)

Legend
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Risk Name	Risk Owner	Residual Risk Rating As at Nov. 2024	Residual Risk Rating As at Jun. 2025	Period Trend (Nov. 2024 to Jun. 2025)	Outlook (6 Month – Jun. to Nov. 2025)	Outlook (12 Month – Jun. 2025 to Jun. 2026)	Commentary
Security / Vandalism / Theft	VP Operations	**12**	**12**	⇆	⇆	⇆	The Security/Vandalism/Theft risk has remained stable despite the growing societal challenges related to homelessness within the City of Toronto. The TPA has implemented initiatives to improve the security of the organization's facilities, including upgrading lighting systems, installing networked security camera systems, and reviewing/monitoring the performance of the external security vendor that is used. Through these actions, the TPA has seen a decline in critical security issues, which include thefts and assaults. However, due to the nature/severity of this risk, this could have major reputational damage to TPA. Additionally, the TPA has continued to look at opportunities to partner with different organizations to develop solutions to support homeless individuals. To further reduce this risk going forward, our key priorities include building an in-house security capability in conjunction with the City of Toronto's corporate security.
TPA Parking Inventory Availability/ Assets	VP Growth & Strategy	-	**10**	↑	↑	↑	TPA Parking Inventory/Assets is a new key risk and has a negative outlook due to the shifting City priorities away from parking (e.g., housing, parks, CaféTO, cycling, etc.). Our key focus areas include co-creating a City-Wide Parking Framework long-term parking asset strategy including centralizing the City's commercial parking assets with the TPA, as well as developing a 3-year growth strategy to establish how TPA will drive productivity in its off-street facilities. The TPA actively engages with corporate real estate and CreateTO to secure compensation through the redevelopment of City-owned sites to mitigate the impact of the reduction in inventory/assets. In addition, there is proactive stakeholder engagement to foster alignment on the TPA value proposition including its contributions to community needs.
Talent Attraction, Retention and Succession	VP Human Resources	**9**	**9**	⇆	⇆	⇆	The Talent Attraction, Retention and Succession risk has remained stable as a result of the TPA focus on engagement, talent development and clear priorities. This work includes strengthening and standardizing its recruitment and onboarding processes benchmarking the compensation structure of exempt (non-union) positions to remain competitive, and formalizing talent review process for all leadership/ exempt roles. There will be a continued focused on ensuring the workforce has the necessary skillsets and competences to succeed, now and into the future. Our key priorities include the development of a succession planning/management framework for Senior Leadership while continuing to invest in supervisory skills training and development.

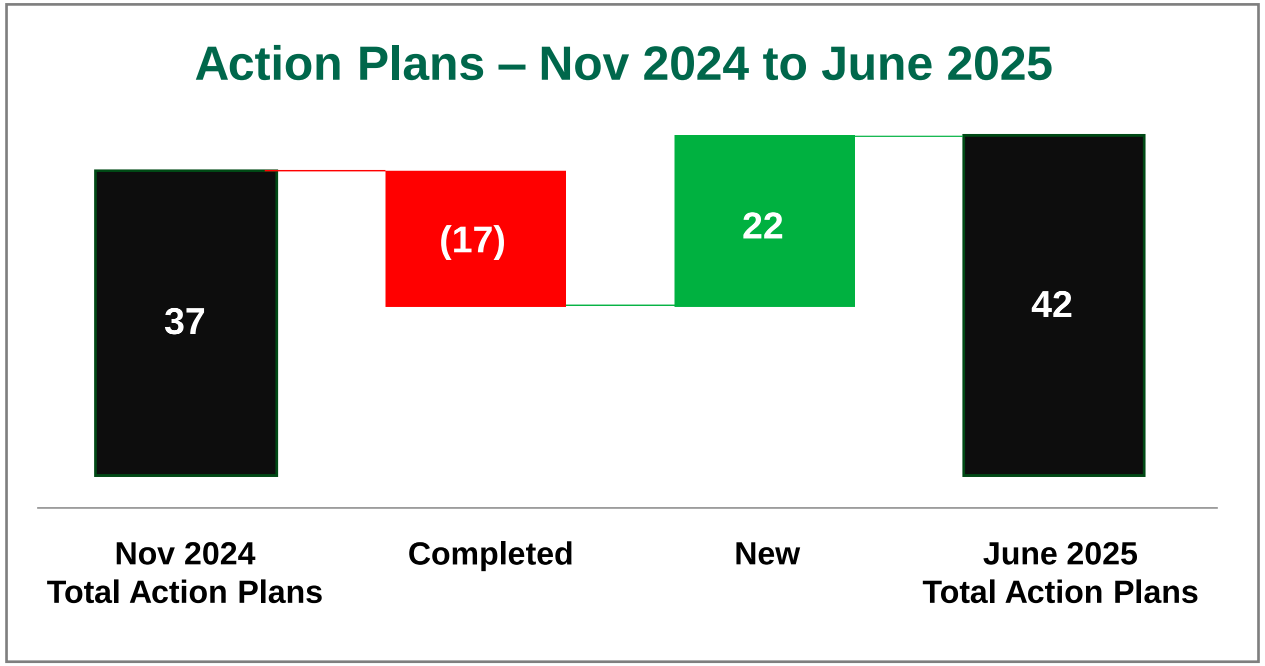
Overall Action Plan Status

Overall Action Plan Status

Key Highlights

There are **42 outstanding action plans** as at June 2025. Significant efforts have been undertaken with **17 completed action plans** mainly relating to **Parking Equipment/Technology Management (7).** There are also **22 new action plans** (14 for new key risks)**.**

Refer to Appendix A for Detailed Key Risk Action Plans.



ERM Initiatives

What are our key priorities for the ERM program?

ERM Initiative	Details	Timeline
Risk Appetite	As a Leadership team, we are committed to continue integrating risk in our strategic and business planning processes to make risk-informed decisions and continuously improve our ERM program through the development of risk appetite statements and metrics. These will help set clear boundaries within which risks should be managed.	**2026**

Appendix A: Detailed Key Risk Action Plans

TPA's Key Risk Action Plans

Ref	Risk Name	Action Plan	Expected Completion Date	Responsible Person(s)	Status
1	Change in the City's Direction	Provide the TPA Board with an update on the City's progress on emerging parking strategy.	Original: ~~March 31, 2025~~ Revised: July 17, 2025	President	In-progress
2		Define and confirm the TPA's role, responsibilities and authority within City-Wide EV charging strategy.	June 30, 2025	President	Complete
3	Cyber Security	Hire additional cyber security personnel	Dec 31, 2024	Chief Information Officer	Complete
4		Implement a new back up solution for Servers and M365	May 1, 2025	Chief Information Officer	Complete
5		Hire additional cyber security contractor personnel	Dec 31, 2025	Chief Information Officer	In-progress
6		Migrating on-prem SIEM to cloud SIEM	Dec 31, 2025	Chief Information Officer	In-progress
7		Introduction of Biometric login (Password less)	Original: ~~Dec 31, 2025~~ Revised: Dec 31, 2026	Chief Information Officer	In-progress
8	Parking Equipment / Technology Management	Updating and modernization the hardware and equipment at each parking garage, along with overhauling the Parking Access Revenue Control Systems (PARCS) software, involves a comprehensive approach that touches various technological and operational improvements: • **Q4 2024:** At minimum, four TPA Facilities to showcase newly deployed PARCS equipment including License Plate Recognition (LPR), digital payment options for Gated Facilities and ticketless entry / exit. • **Q3 2025**: One vendor will be selected as the preferred PARCS vendor. The RFP award will occur in May 2025 with the final Board approval occurring in July 2025. • **Q4 2025:** TPA will co-develop a roadmap with selected vendor outlining parking modernization plan of all parking facilities over the next 3-5 years.	Dec 31, 2024 Original: ~~Mar 31, 2025~~ Revised: Sep 30, 2025 Dec 31, 2025	VP Operations	Complete In-progress Not Started

TPA’s Key Risk Action Plans (cont’d)

Ref	Risk Name	Action Plan	Expected Completion Date	Responsible Person(s)	Status
9	Parking Equipment / Technology Management	On/Off-Street hardware and software service level agreement (SLA) monitoring, enforcement and vendor collaboration: • **Q4 2025:** Integrate all data to TPA Cloud and BI. • **Q4 2024:** All new and renewed contracts to include SLAs.	Original: ~~Sep 30, 2024~~ Revised: Dec 31, 2025 April 30, 2025	VP Operations	In-progress Complete
10		Systems Operations Centre Modernization: • **Q4 2024 - Q1 2025:** Business Transformation (Concept Design & Business Requirements) • **Q3 2025:** Construction Tender and Contract Award • **Q4 2025 - Q3 2026:** Construction, Temp SOC Relocation & Systems Integration	March 31, 2025 Sept 30, 2025 Sept 30, 2026	VP Operations	Complete Not Started Not Started
11		Modernize On-Street Parking: Advanced Hardware, Efficient Equipment, Seamless System Integration with Unified PARCS Software. PbP Meters, Sensors, Payment Integration, & more: • **Q4 2024:** Phase 2 – 500 In Ground On-Street Parking Occupancy Sensors and 400 In Ground Off-Street Parking Occupancy Sensors (900 locations out of 21,500) • **Q4 2025:** Phase 2 – Mobile Only Zone Expansion – (300 locations out of 1000) • **Q4 2024:** Phase 2 – 393 PBP Meters to be deployed into Operation (618 out of 2400) • **Q4 2025:** Phase 3 – 600 PBP Meters to be deployed into Operation (1218 out of 2400)	Dec 31, 2024 Dec 31, 2025 Dec 31, 2024 Dec 31, 2025	VP Operations	Complete In-progress Complete In-progress
12		Mobile CX and Payment Platforms (App 3.0 and Web): **Green P Parking App:** • **Q4 2024:** Introducing Green P App Payment functionality at Gated Off-Street Lots (Scan in / Scan Out Payment abilities) • **Q4 2024:** Consolidated EV / Parking Experience through Green P App (Find and pay for EV Charging and Parking though Green P App) **CX & Payment Platform:** • **Q1 2026:** New Digital Parking and Reservations Platform to accelerate sales of Pass and Permits. **Note:** This will be done in coordination with the selected PARCS vendor.	Dec 31, 2024 Dec 31, 2024 March 31, 2026	VP Operations	Complete Complete In-progress

TPA's Key Risk Action Plans (cont'd)

Ref	Risk Name	Action Plan	Expected Completion Date	Responsible Person(s)	Status
13	Corporate Culture	Develop and implement employee recognition program across the organization.	November 29, 2024	VP Human Resources	Complete
14		Conduct targeted pulse surveys as required	Ongoing	VP Human Resources	In-progress
15		Continue to embed TPA's Rules of the Road and Core Values by organizing: • Annual Executive Management Team led roundtables with all staff; • Semiannual Town Halls; and • Periodic joint (Management/Union) employee events and initiatives (e.g. United Way campaign, employee potluck/appreciation socials, employee recognition events for work anniversaries or new joiners)	Ongoing	VP Human Resources	In-progress
16	Brand Value and Equity	Ensure brand value proposition is integrated and reflected into new growth strategy	Dec 31, 2025	President	In-progress
17		Establish a crisis communication plan	March 31, 2026	President	In-progress

TPA's Key Risk Action Plans (cont'd)

Ref	Risk Name	Action Plan	Expected Completion Date	Responsible Person(s)	Status
18	Aging Parking Infrastructure	Development of a Preventative and Corrective Maintenance Plan. • **Q3 2025** – Phase 1: Developing FM Strategy, Policies, KPIs, training and engagement workshops. • **Q4 2025** – Phase 2: SOPs for critical functions, CMMS Software solution requirement building, Software training.	Original: ~~March 31, 2025~~ Revised: Sept 30, 2025 Original: ~~March 31, 2025~~ Revised: Dec 31, 2025	VP Operations	In-progress In-progress
19		Development of a Formal Asset Management System: • **Q3 2024:** Develop and publish an Asset Management Policy. • **Q1 2025:** Phase 1 - TPA Asset Management Plan, Level of Service Framework, Asset Management Governance & Training, Asset Condition/Risk Framework, Risk Review/Risk Based Decision Making, Investment Strategy, Life Cycle Action Plan. • **Q4 2027:** Phase 2 - Implementation Phase (Change Management plan, Asset Tagging, Measuring current LOS, Lifecycle strategies, software procurement, training, rollout).	Sept 30, 2024 March 31, 2025 Dec 31, 2027	VP Operations	Complete Complete In-progress
20	Partnerships & Collaborations	Developing the strategy for a Loyalty Program.	Dec 31, 2025	VP Growth & Strategy	In-progress
21		Executing EV Partnership • Obtain City Council authority to use public-private partnership for City-wide EV network • Obtaining council approval for EV partnership (if public-private partnership is selected) • Contract negotiation and execution (if public-private partnership is selected)	July 31, 2025 Dec 31, 2025 Sept 30, 2026	VP Growth & Strategy	In-progress Not Started Not Started
22	AI Strategy & Governance	Conduct AI training and education session with Board and Leadership Team	Dec 31, 2025	Chief Information Officer	Not Started
23		Establish a formalized AI strategy aligned with strategic objectives	June 30, 2026	Chief Information Officer	Not Started
24		Establish governance framework around use of AI	Sept 30, 2026	Chief Information Officer	Not Started
25		Conduct AI training across the organization	Sept 30, 2026	Chief Information Officer	Not Started

TPA’s Key Risk Action Plans (cont’d)

Ref	Risk Name	Action Plan	Expected Completion Date	Responsible Person(s)	Status
26	Security / Vandalism / Theft	Build an In-house Security Capability: • **Q4 2025:** Engage Union to discuss opportunities, challenges and future pilot project. • **Q1 2026:** Create job descriptions, training program, and create recruitment plan.	Original: ~~March 31, 2025~~ Revised: Dec 31, 2025 Original: ~~June 30, 2025~~ Revised: March 31, 2026	VP Operations	In-progress In-progress
27		CCTV and Emergency Call Box Installation at Parking Garages (Phase 1 - First 8 Carparks) • **Q4 2025:** Begin network implementation including connecting fibre to approx. 8 sites (pending scope change approval from both TPA and CoT IT groups) • **Q4 2025:** Install local CCTV monitoring availability for on-site guards and ambassadors. *The ability to complete this work is dependent on the network implementation that is being done by the CoT.* • **Q2 2025:** Complete network connectivity at completed non-networked CCTV sites and initiate remote monitoring.	Original: ~~Dec 31, 2024~~ Revised: Dec 31, 2025 Original: ~~Dec 31, 2024~~ Revised: Dec 31, 2025 June 30, 2025	VP Operations	In-progress In-progress In-progress
28		Implementation of Pedestrian Access Control Program – 5 Garages Completed **Note:** Pedestrian Access Control will be implemented in an additional 27 car parks by 2027, focusing on locations that meet specific deployment criteria, such as below-grade parking with limited pedestrian access. This is part of the broader rollout of the new Parking Access Revenue Control Systems (PARCS) software and equipment.	Dec 31, 2024	VP Operations	Complete

TPA's Key Risk Action Plans (cont'd)

Ref	Risk	Action Plan	Expected Completion Date	Responsible Person(s)	Status
29	TPA Parking Inventory Availability/Assets	Co-create a City-Wide Parking Framework that is adopted by City Council. Implement City-Wide Parking Framework Big Moves, including centralizing the City's various commercial parking assets with TPA.	June 30, 2025 Dec 31, 2026	VP Growth & Strategy	In-progress Not Started
30		Collaborate with CreateTO in the review of underutilized City assets to determine what can / should be repurposed.	June 30, 2025	VP Growth & Strategy	In-progress
31		Develop a 3-year growth strategy to establish how TPA will drive productivity in its off-street facilities.	Dec 31, 2025	VP Growth & Strategy	In-progress
32	Talent Attraction, Retention & Succession	Strengthen and standardize recruitment and onboarding processes.	Oct 31, 2024	VP Human Resources	Complete
33		Talent review for all leadership and exempt roles.	Dec 31, 2024	VP Human Resources	Complete
34		Compensation structure and benchmarking of exempt (non-union) positions. Validate and update the compensation structure	March 31, 2025 Dec 31, 2026	VP Human Resources	Complete Not started
35		Issue an RFP in order to obtain external support to assist the development of a leadership management curriculum. Develop the Management development curriculum/ training program	Original: ~~May 30, 2025~~ Revised: June 30, 2025 Dec 31, 2026	VP Human Resources	In-progress Not Started
36		Develop a Succession Planning/Management Framework for Senior Leadership	Nov 30, 2025	VP Human Resources	In-progress
37		Complete Leadership 360 initiative to assess leadership skills across Senior Leadership	Dec 31, 2025	VP Human Resources	In-progress
38		Develop detailed succession plans following the completion of the talent review for leadership and exempt roles.	Original: ~~Dec 31, 2025~~ Revised: Dec 31, 2026	VP Human Resources	Not Started

Appendix B: TPA Risk Assessment Criteria

TPA’s Risk Likelihood Scale

Assessment Level	Description	Occurrence Rate	Probability (The probability the risk materializes in the next year)
Rare (1)	The risk event is extremely unlikely to occur, and may only occur in exceptional circumstances.	Once every > 8 years	0 - 10%
Unlikely (2)	The risk event could occur, but is improbable.	Once every 4 – 8 years	10 – 30%
Possibly (3)	The risk event might occur under some circumstances.	Once every 1 – 4 years	30 – 60%
Likely (4)	The risk event will probably occur in most circumstances as it is inherent to the organization.	Once every 12 months	60 – 90%
Almost Certain (5)	The risk event is expected to occur in most circumstances and potentially multiple times a year.	Multiple times per 12 months	90 – 100%

TPA's Risk Impact Scale

Dimension	Very Low (1)	Low (2)	Moderate (3)	High (4)	Very High (5)
Financial Impact to Costs	• Minimal financial loss of less than $100,000	• Minor financial loss of $100,000-$500,000	• Moderate financial loss of $500,000-$1M	• Major financial loss of $1M – $3M	• Immense financial loss of more than $3M
Operation / Process Disruption	• Events resulting in little or no disruption to the organization's technology platforms, customer usage of TPA's parking spots and bike share program, and/or development activities.	• Events resulting in minor disruptions to the organization's technology platforms, customer usage of TPA's parking spots and bike share program, and/or development activities.	• Events resulting in modest disruption to the organization's technology platforms (<3 hours), customer usage of TPA's parking spots and bike share program (decrease of <5%), and/or development activities (<1 week).	• Events resulting in significant disruption to the organization's technology platforms (3 – 5 hours), customer usage of TPA's parking spots and bike share program (decrease of 5% - 15%), and/or development activities (1 - 4 weeks).	• Events resulting in widespread disruption to the organization's technology platforms (>5 hours), customer usage of TPA's parking spots and bike share program (decrease of >15%), and/or development activities (>1 month).
Health & Safety (Including customers, employees, public)	• Events which require no / minimal first aid treatment or intervention.	• Events resulting in injuries which require first aid treatment or minor intervention only.	• Events which require casualty treatment and professional intervention.	• Events resulting in permanent loss of function or disability.	• Events resulting in single or multiple fatalities or numerous cases of permanent loss of function or disability.
Reputation & Stakeholders (Including customers, media, gov't, public, partners)	• Events have no impact on the relationship between TPA and the City of Toronto. • Events which do not attract attention from the media. • No impact on new or current development projects.	• Events lead to minor strains or tensions in the relationship between TPA and the City of Toronto. • Events subject to incidental coverage by local media that highlights some concerns about TPA. • Insignificant impact on new or current development projects. • Stakeholder trust can be regained quickly (<1 month).	• Events lead to moderate friction between TPA and the City of Toronto, leading to some disruption in the relationship. • Events subject to incidental coverage by regional media that is critical of TPA, including highlighting potential shortcomings or failures. • Considerable impact on new or current development projects. • Stakeholder trust is challenging to regain (1- 2 months).	• Events lead to significant deterioration in the relationship between TPA and the City of Toronto, leading to strained communication, reduced trust and some conflicts. • Events subject to coverage by national media that is critical in nature. • Significant impact on new or current development projects. • Events that may be subject to discussion during annual meetings of the Board / Management. • Stakeholder trust and the organization's image has been damaged (3 – 4 months).	• Events lead to severe breakdown in the relationship between TPA and the City of Toronto, leading to public disagreements and complete breakdown in communication and cooperation. • Numerous critical opinions / investigative reports in national media that leads to a plumet in customer usage and widespread public anger. • Events that may initiate actions against organization's Board. • Serious loss in stakeholder trust, a loss of Board and Management credibility (> 4 months / irrecoverable).
Legal & Regulatory	• Events not subject to regulatory scrutiny / intervention. • Events not triggering disputes of any kind.	• Events may trigger administrative action or investigation against TPA. • Disputes and claims may be resolved without litigation.	• Decisions by relevant regulatory agencies which require non-standard actions be made by TPA to ensure compliance. • Disputes and claims which may require resolution by litigation or arbitration.	• Regulatory sanctions having significant impact on TPA's operations or the overall cost to maintain compliance. • Single case of litigation or arbitration.	• Severe regulatory consequences which cause long term disruption to TPA's operations or very high costs to be incurred to adapt to requirements. • Criminal sanctions against the organization's Board and Management. • Multiple cases of litigation or arbitration, including class action litigation.

Appendix C: TPA Risk Universe

TPA's Risk Universe

Risk ID	Risk Title	Risk Description
Strategic Risks		
1	Change in the City's Direction	New and/or unexpected changes communicated by City Council / employees (e.g. mandate / program expansion (BikeShare & Electric Vehicle), designation of land / buildings for housing vs. parking, construction of new parking facilities, etc.) may require the TPA to readjust its priorities and/or create additional pressures (financially, operationally) for the organization.
2	Financial Sustainability	Insufficient financial resources and/or an inappropriate income sharing agreement may affect the ability to fund long-term plans, meet customer expectations and expand the organization's value proposition.
3	TPA Parking Inventory Availability/Assets	A reduction in TPA's on- and off-street parking facilities due to competing City priorities (e.g., land sales/ housing plans, CafeTO, cycling infrastructure) may negatively impact TPA's operating revenue and/or TPA's ability to develop accurate long-term plans while meeting community needs.
4	Competition	Changing urban mobility patterns (e.g., increase in the use of car sharing programs, micromobility, mobility-as-a-service) and/or competition from private parking operators may result in reduced demand for TPA's parking facilities, which ultimately creates revenue shortfalls.
5	Electric Vehicle Ecosystem Changes	Changes in the electric vehicle industry (e.g. adoption of electric vehicles, introduction of alternative fuel-based vehicles, EV manufacturer charging initiatives, customer charging speed preferences, etc.) may affect the relevance and viability of TPA's electric vehicle program.
6	Parking Equipment / Technology Management	Aging and/or outdated parking equipment (e.g. on-street meters, cameras) that are not aligned with evolving trends / new technologies may affect the customer experience and operational efficiency, which ultimately can result in missed revenue opportunities and/or reputational damage.
7	Macroeconomic Uncertainty	Changing global and / or local macroeconomic conditions (e.g., inflation, interest rates, trade tariffs) may positively and/or negatively influence car ownership patterns, customer travel behavior and operating costs, which ultimately may affect the use of TPA's facilities and the ability to remain financially viable.
8	Prioritization of Initiatives	Ongoing pursuit of too many concurrent strategic initiatives (i.e. Inability to appropriately prioritize initiatives) may result in suboptimal outcomes and/or employee burnout.

TPA's Risk Universe (cont'd)

Risk ID	Risk Title	Risk Description
Strategic Risks (Cont'd)		
9	Corporate Culture	Inability to foster a culture across the organization with common shared values, beliefs, attitudes, practices, and tone at the top that adequately supports our governance growth/ ambitions and ability to meet our strategic objectives.
10	Brand Value and Equity	Failure to adequately define, develop, and proactively protect and market our brand value proposition (e.g., GreenP) may adversely affect TPA's ability to build relationships with prospective and existing customers and result in missed revenue/growth opportunities.
11	Internal Scalability	Underdeveloped internal processes, systems and/or skillsets that are misaligned with TPA's strategic priorities may result in the inability to adequately support / operate the business.
12	Partnerships & Collaborations	Failure to establish and maintain effective partnerships and collaborations may result in missed growth opportunities, reduced competitive advantage, and inability to meet customer demands/preferences.
13	Environmental, Social, Governance (ESG) Program	Failure to adopt and effectively govern an ESG program that is integrated into long-term strategic plans and business operations, which may impact TPA's ability to meet stakeholder expectations and result in reputational damage.
Financial Risks		
14	Pricing Model	Constraints in the ability to adapt / modify existing pricing practices may result in lost revenue opportunities and/or the inability to remain financially viable.
15	Liquidity	Insufficient liquidity to meet short and long term financial obligations as they come due may affect TPA's overall reputation.
16	Credit / Counterparty	Default of a counterparty (e.g. customer, partner) to meet its financial obligations as they come due may create financial constraints for TPA.
17	Financial Reporting	Errors and / or misrepresentation of financial reports and disclosures may adversely affect TPA's reputation.

TPA’s Risk Universe (cont’d)

Risk ID	Risk Title	Risk Description
Regulatory & Legal Risks		
18	Regulatory Changes	Unfavourable changes in laws, regulations and public sector directives applicable to TPA.
19	Regulatory / External Standards Compliance	Breach of / non-compliance with applicable laws, regulations and directives may result in reputational damage, fines, and law suits.
20	Zoning	Delays in the modification of existing zoning classifications of TPA's parking facilities may result in lost opportunities to generate additional revenue.
21	Legal & Contracts	Failure to adequately protect the organization's interests through contractual arrangements.
22	Disputes & Litigations	Breach in contractual agreements and/or third party liability may result in disputes and litigations that may lead to increased costs and damage to reputation.
23	Fraud & Ethics	Intentional fraudulent / illegal acts and / or unethical behaviour (e.g. misappropriation of assets, bribery and corruption, harassment) committed by employees, contractors and / or vendors may affect TPA's reputation.

TPA's Risk Universe (cont'd)

Risk ID	Risk Title	Risk Description
Operational Risks		
24	Social Media	• Increasing public use of social media targeting TPA. • Inappropriate social media use by employees that is associated with the TPA.
25	Product Deployments	Failed deployments of new customer facing initiatives (e.g. application updates) may adversely affect TPA's brand, reputation, and relationships with customers and stakeholders.
26	Customer Experience	Inability to foster a positive and unified customer experience / relationship (e.g., accessibility, technology, etc.) may result in reputational damage that can impact TPA's financial performance.
27	Natural & Man-Made Emergencies	Extreme natural or man-made emergencies and/or events (e.g., extreme weather, terrorist attacks) may result in damage to TPA's physical assets and the health & safety of TPA's people (customers, employees, contractors).
28	Pandemic	Pandemic / epidemic outbreak (e.g. COVID-19, SARS, Zika) may result in adverse impacts to TPA's business operations (e.g. customer demand) and / or employees.
29	Physical Health & Safety	Threats to the physical health and safety of TPA's customers, employees, contractors, and/or general public (e.g., trips, falls, physical hazards) may result in potential liabilities and/or reputational damage.
30	Security / Vandalism / Theft	Increasing frequency of crime related incidents (e.g. vehicle thefts, vandalism, drug usage, squatting) may affect the physical and psychological health and safety of TPA's customers, employees, contractors, and/or general public.
31	Vendor Management	Failure to select (limited, capable vendors in the market) and oversee third parties may result in the inability to sustain operations and / or result in additional costs needing to be incurred.
32	Joint Venture Management	Changes to the financial condition of joint venture partners and/or delays to joint venture projects may result in reduced availability of parking facilities.

TPA’s Risk Universe (cont’d)

Risk ID	Risk Title	Risk Description
Operational Risks (Cont’d)		
33	Parking Lot Management	Unauthorized parking and/or non-payment incidents due to inadequate supervision, technology, and management of parking facilities by employees and/or external vendor may adversely affect TPA's customer relationships, reputation and / or revenue.
34	Aging Parking Infrastructure	Aging parking facility infrastructure may affect the sustainability and growth of TPA’s operations and the physical health and safety of TPA's customers, employees, contractors, and/or general public.
People Risks		
35	Talent Attraction, Retention and Succession	Inability to attract and retain the right talent with the right skillsets and competencies required to be successful within TPA's operational environment and/or the inability to replace key personnel (e.g., unique / specialist skills, institutional knowledge) may result in the inability to achieve strategic priorities.
36	Talent Development	The ability of TPA to groom and / or provide career development opportunities to employees may affect employee morale and retention.
37	Evolving Employee Expectations	Inability to appropriately respond to changing employee demographics (aging and new) as it relates to internal culture and their expectations / demands may affect employee retention.
38	Employee & Labour Relations	Challenges with aligning on union expectations may result in significant labour disruptions by way of strikes and / or work stoppages as well as lead to reduced employee productivity, engagement and overall morale.

TPA’s Risk Universe (cont’d)

Risk ID	Risk Title	Risk Description
Information Security, Management & Technology Risks		
39	AI Strategy and Governance	Opportunity to adequately and timely use and adopt AI to further enable the business and/or failure to govern the use of AI across the organization..
40	Outdated IT Infrastructure & Systems	Aging and/or outdated IT systems may affect the customer experience and increase TPA’s vulnerability to cyber attacks / intrusions.
41	Information System Downtime	Breakdown in internal or external information systems (e.g., availability, reliability) beyond defined acceptable thresholds of downtime may affect TPA’s operations.
42	Data Ownership	Reduced and/or limited accessibility and availability of TPA data may affect the ability to identify opportunities to improve operations and the customer experience.
43	Cyber Security	Internal / external intrusion and / or attack on information systems, which may result in a financial loss, loss / leakage of data, system disruptions and potential reputational damage.
44	Privacy Breach	A privacy breach involving the unauthorized collection, use and disclosure of customer information may result in reputational damage, fines, and lawsuits.