



**avis** budget group

# Corporate Social Responsibility Report 2019



# Our Story



Chapter 1  
**Message from Our CEO**



Chapter 2  
**Strategy and Highlights**

Our Company, Stakeholders and Focus Areas  
Materiality and UN Sustainable Development Goals  
Roadmap for Sustainable, Inclusive Mobility



Chapter 3  
**People**

Diversity and Inclusion  
Health, Safety and Well-Being  
Employee Engagement and Development



Chapter 4  
**Future**

Environmental Footprint  
Sustainable Operations  
Sustainable Fleet



Chapter 5  
**Life**

Inspiring Change  
Partnerships and Collaborations



Chapter 6  
**Responsible Business**

Corporate Governance and Risk Management  
Ethics, Integrity and Human Rights  
Public Policy Participation  
Customer Satisfaction and Data Privacy Protection



Chapter 7  
**Connecting You To More**



Chapter 8  
**GRI Content Index**



## Chapter 1

# Message from Our CEO



**“Our goal is to leverage technology to become a leading global provider of end-to-end mobility for consumers, businesses and cities in a future world where personal transportation is delivered as a service.”**

**Larry D. De Shon,  
President and Chief  
Executive Officer**

For more than 70 years, long before it was called “corporate social responsibility”, the underlying principles of responsibility and service have been embedded into the fabric of our history and culture.

Today, the principles of responsibility and service resonate with Avis Budget Group more than ever. We recognize that being a successful organization means not only evaluating where we have been, but looking to the future and understanding how our actions today can have an impact tomorrow.

We are also conscious of how our actions not only benefit our customers and our employees, but our communities and our environment as well. Mobility services are undergoing shifts which provide exciting and transformative opportunities for society and our business.

As we work to innovate, reinvent vehicle rental and develop new business models that support sustainable, inclusive mobility, we have an opportunity to help advance solutions to critical challenges facing our world.

Currently, vehicles are believed to account for at least 15% of global greenhouse gas emissions and are the greatest source of air pollution in large cities. Vehicle accidents are among the top ten largest causes of death and disability worldwide.

As we do our part to solve these challenges, we also have a tremendous opportunity to create shared value. Mobility is a critical backbone of economies, and a powerful accelerator to the quality of life and well-being for all. Through our corporate social responsibility programs, we can strengthen our organization and support our ability to deliver on the promises of tomorrow.

At Avis Budget Group we offer a unique proposition to both our prospective employees and our current employees. We believe that working here is much more than taking care of customers and cars. We promise a connection. We connect our employees to each other, to their careers and rewards, and to their communities and environments. We do that by making clear our promise of “Connecting You To More” and organizing and communicating our offerings and programs around the pillars of “People, Future, and Life”. This clear course allows us to move 30,000 employees in a way that is not only good for our employees, customers, and shareholders, but for our communities and environment as well. We have made much progress in these three areas and are proud to connect you to our accomplishments throughout this report and beyond.

Thank you for your interest in learning more about corporate social responsibility at Avis Budget Group.

**Larry D. De Shon  
President and Chief Executive Officer**



Chapter 2

# Strategy and Highlights

"We are committed to innovation and moving the future of mobility forward."

## Our Company, Stakeholders and Focus Areas

### Who We Are

We are a leading global provider of mobility solutions, operating three of the most recognized brands in the industry through Avis, Budget and Zipcar, the world's leading car-sharing network.

Together our brands offer a range of options, from car and truck rental to on-demand car sharing, that bring vehicles closer to where and when customers need them, by the minute, the hour, the day or longer.

Our brands represent a mobility ecosystem of approximately 11,000 locations in approximately 180 countries. With more than 70 years of experience and one of the largest fleets of connected vehicles in the world, we are committed to innovation and are moving the future of mobility forward.



**70+ Years**

Experience managing global fleets



**11,000**

Locations across 27 corporate and 150 licensee countries



**30,000**

Employees worldwide



**648,000**

Vehicles in our fleet



**165,000**

Connected vehicles in our fleet

"The company is investing in new technology to keep growing and make our future even more sustainable."









Seraphina Kaiser, Rental Sales Agent, Barcelona Airport





## Whom We Serve

Since our humble beginnings in 1946, our success has been predicated on building strong, mutually beneficial relationships with stakeholders across our value chain. Through our corporate social responsibility platform, we are able to build upon our strengths and deepen the spirit of partnership to advance the future of mobility.

| Our Stakeholders   | How We Engage   |
|--|---|
|  <b>Employees</b>           | We strive to maintain a strong pulse on the needs and expectations of our employees through our annual Voice of the Employee survey and career development programs.                                    |
|  <b>Customers</b>           | Our Customer Led, Service Driven™ program focuses on continually improving the overall experience – it’s powered by our research of customer service practices and improved customer insights.          |
|  <b>Shareholders</b>        | We aim to deliver sustainable, responsible growth to our shareholders, demonstrating our commitment to best-in-class environmental, social and governance (ESG) practices.                              |
|  <b>Suppliers</b>           | Guided by the expectations set forth in our Third Party Standards of Conduct, we actively partner with suppliers to manage risks and create shared value.   |
|  <b>Licensees</b>           | We provide licensees with economic opportunities and resources to support our company and its brands’ commitment to corporate citizenship.  |
|  <b>Communities</b>       | We partner with government agencies and non-profit organizations to strengthen community resilience and improve community prosperity.   |
|  <b>Mobility Partners</b> | We have entered into partnerships with innovators, including Lyft, Via, Waymo and Uber, to leverage our fleet and data capabilities to promote ride sharing, reduce congestion and make cities smarter. |
|  <b>Industry Peers</b>    | We help to develop industry opportunities through active partnerships in trade associations, including the American Car Rental Association and Truck Renting and Leasing Association.                   |



## Our Approach to Corporate Social Responsibility

We take our responsibilities as a corporate citizen seriously. We remain aware of how our actions can benefit the community and are sensitive to the needs of the environment, our customers and our employees. We organize our work and rally our employees around the pillars of People, Future, and Life.

**“What makes  
Avis Budget Group a  
great place to work?  
Our ideology of being part of  
a more environmentally-  
friendly solution to  
transportation.”**

**Dianne Vinton,  
Associate Rental Sales,  
Orlando, US**



**“We recognize that  
being a successful  
organization means our  
progress is measured not  
only in economic terms,  
but also in the many ways  
we impact the world  
around us.”**

**Joe Ferraro, President, Americas**



# CONNECTING YOU TO MORE



## People

Connecting you to a collaborative and supportive environment

### Diversity and Inclusion<sup>1</sup>

- Launched #PowerofWOMEN to identify and advance initiatives in support of our belief that everyone is equal
- Women represented 40% of new hires globally and 35% of our total workforce
- 58% of our employees are diverse
- Continued our Billion Dollar Roundtable membership, based on \$1+ billion spend with minority- and women-owned businesses
- Named one of America's Top Corporations for Women's Business Enterprises for the 18th consecutive year
- Launched #PowerofVETERANS to demonstrate our commitment to supporting military and veterans in both the workplace and our communities
- Recognized as a Military Friendly® Employer and a Military Friendly® Spouse Employer

### Health, Safety and Wellness

- Achieved reductions of 11% in recordable injury rates and 28% in long-term injury rates over a two-year period
- Continued to develop our global wellness programs to support employees and their families

### Employee Engagement

- 77% of our employees feel proud to work for Avis Budget Group
- Enhanced the employee experience by investing in state of the art tools such as an employee communications app, digital learning, and a 24/7 online employee support center
- Created a simple and frequent process that puts goal setting, feedback, and career conversations in the hands of our employees
- Enhanced our pay for performance program to clearly link higher performance and higher pay



## Future

Connecting you to activities that reduce our environmental impact

### Sustainable Operations

- Continued our emissions reduction efforts through fleet optimization and maintenance programs
- Global focus on reducing and recycling waste (including motor oil, glass, tires, paper, plastic and e-waste)
- Continued the transition to a fully connected fleet to enable more enhanced operations

### Sustainable Fleet

- We have one of the largest hybrid fleets in our industry with 19,000+ hybrid vehicles globally
- 25% of our fleet in Norway and Sweden is hybrid and electric
- Currently 74% of our fleet in the United States received U.S. EPA Smart Way and/or Smart Way Elite Certification
- 1 million+ Zipcar members reduce their CO2 footprint by up to 1,600lbs per year
- Zipcar has the largest, publicly-available electric vehicle (EV) fleet in the UK

### Environmental Footprint

- Advanced our partnerships with mobility innovators (Lyft, Uber, Waymo and Via) and government agencies in Kansas City and London to reduce congestion and emissions
- Avoided nearly 17,000+ metric tons of CO2e through our carbon offset program for corporate customers
- Recognized by the U.S EPA ENERGY STAR® for superior building performance at our world headquarters in the United States

### Energy Efficiency

- Continued to install energy saving systems in our locations, guided by leading certifications, such as LEED® and ENERGY STAR®

### Reducing Waste to Landfill<sup>2</sup>

- 105,000+ tires recycled or repurposed
- 4,000+ windshields repaired and 525+ tons recycled
- 100+ tons of paper saved annually through paperless transactions
- 280+ tons of paper securely shredded and recycled



## Life

Connecting you to inspire change and strengthen our communities

### Inspiring Change

- Launched our global community involvement program "Inspire the World" to challenge employees to volunteer with the community
- Collaborated with numerous organizations across the globe that support children's health and communities

### Corporate Partnerships and Collaborations

- Supported causes that are close to our employees' hearts such as Make-A-Wish®, Susan G Komen, Alex's Lemonade Stand Foundation, Age UK and R U OK?
- Assisted emergency relief efforts during the 2018 hurricane season and wildfire events in California
- Zipcar donated over \$100,000 to local non-profit organizations that combat homelessness, green our cities, and promote equality
- Zipcar revealed its "special edition" Pride month cars which donate \$1 per hour to LGBTQ organizations across the United States

### Community Involvement

- We launched our global community involvement program "Inspire the World" to challenge all employees around the globe to volunteer with the community

### ISO Certifications

- Spain, Norway and Sweden received ISO 14001 certifications
- Spain received ISO 9001 certification for quality and was one of the first companies to implement and be certified on ISO 39001 standards - this standard focuses on a series of training and management control systems that aim to reduce incidents and the risk of serious injury related to road traffic accidents



<sup>1</sup> For the United States and other countries that report this information

<sup>2</sup> These numbers reflect services in the United States provided by our primary vendors



# Materiality and United Nations Sustainable Development Goals

We are focused on advancing our strategy, programs and reporting in areas where we can drive the greatest impact. Guided by insights gained from engaging with our stakeholders, we have prioritized a set of corporate social responsibility topics that we believe are most material to Avis Budget Group.

## Our Corporate Social Responsibility Materiality Matrix

|                                |           |   |  |   |
|--------------------------------|-----------|---|--|---|
| Importance to our Stakeholders | Very High | <ul style="list-style-type: none"> <li>Biodiversity and Ocean Conservation</li> <li>Responsible Marketing</li> </ul>      | <ul style="list-style-type: none"> <li>Local Economic Benefits</li> <li>Greenhouse Gas Emissions</li> </ul>  | <ul style="list-style-type: none"> <li>Customer Experience</li> <li>Diversity and Inclusion</li> <li>Mobility Innovation and Partnerships</li> <li>Vehicle and Road Safety</li> </ul> |
|                                | High      | <ul style="list-style-type: none"> <li>Waste</li> <li>Supply Chain Responsibility</li> </ul>                              | <ul style="list-style-type: none"> <li>Human Rights</li> <li>Community Engagement and Investments</li> </ul> | <ul style="list-style-type: none"> <li>Inclusive Mobility</li> <li>Employee Engagement and Benefits</li> </ul>  |
|                                | Medium    | <ul style="list-style-type: none"> <li>Public Policy Participation</li> <li>Labor and Management Relationships</li> </ul> | <ul style="list-style-type: none"> <li>Employee Training and Development</li> <li>Water</li> </ul>           | <ul style="list-style-type: none"> <li>Occupational Health and Safety</li> <li>Ethics, Anti-Corruption and Compliance</li> </ul>  |
|                                |           | Medium  | High   | Very High   |

Relevance to our Company's Business Model



## Advancing the UN Sustainable Development Goals

As the leading provider of mobility solutions worldwide, we play an important role in helping the international community reach the United Nations Sustainable Development Goals (UN SDGs) – a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030.

The UN SDGs are a normative outlook on the world, meaning that it sets the goals to which the world should aspire to help guide the future course of economic and social development. The UN SDGs call for economic progress to be widespread, extreme poverty to be eliminated, social trust to be encouraged through policies that strengthen the community, and for the Earth's physical environment to be protected from human-induced degradation.



These are the 17 UN SDGs.

Source: [www.un.org/sustainabledevelopment/sustainable-development-goals/](http://www.un.org/sustainabledevelopment/sustainable-development-goals/)

## We are aligning our actions to meaningfully support the UN SDGs in the following areas:



### Vehicle and Road Safety

Partnering to help reduce the number of injuries and casualties globally



### Inclusive Economic Growth

Leveraging the power of mobility to create local jobs and economic opportunity for all



### Women and Girls

Empowering women and girls across our value chain



### Sustainable Mobility

Partnering with government agencies and mobility innovators to relieve congestion and make cities smarter



### Water

Protecting community access to clean, potable water



### Climate Change

Advancing low carbon mobility solutions and community resilience



## Roadmap for Sustainable, Inclusive Mobility

We're actively evolving our business to meet the present and future needs of our customers and partners. Our goal is to leverage innovation and build on our position as a leading global provider of mobility solutions for consumers, businesses and cities. That's why we're building on our core experience, data intelligence, and technology to extend our offerings and capabilities.



**“We envision a world where personal mobility is completely connected, integrated and on-demand for all.”**

**Gerard Insall, EVP and Chief Information Officer**





**"What excites me is thinking about what's next in the mobility ecosystem. In the next five years, we'll change more as a company than we have in the last 70 years, all enabled by technology."**



**Jen Cruse, Director, International IT Relationship Management**

### **A Fully Connected Fleet**

We're en-route to digitize our entire business. This initiative encompasses making our global car rental fleet fully connected, as well as implementing new internal systems to streamline processes, optimizing customer experiences and moving mobility forward.

Having a fully connected fleet will allow us to streamline operations and reduce costs, including more sophisticated tracking of idle vehicles and employing more dynamic fleet planning. Critical data, including mileage, fuel level and vehicle condition, can also be shared in real-time, resulting in a more efficient workforce and better maintained vehicles.



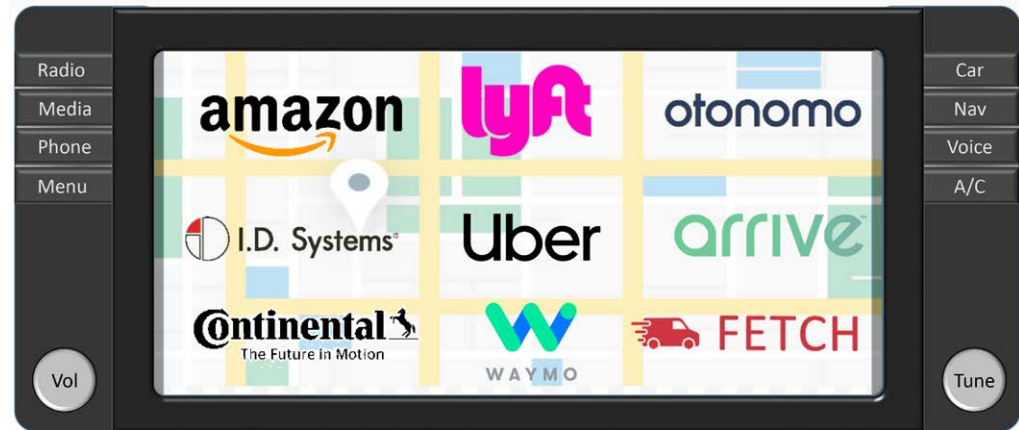


## Our Mobility Lab in Kansas City

We launched our first-ever "Mobility Lab" which serves as a test bed for fully connected vehicles and operations in the greater Kansas City, Missouri area.

**The Mobility Lab comprises 20 Avis Car Rental locations and features a fleet of approximately 5,000 connected vehicles.**

This connectivity allows for seamless communication with our fleet management platform and the Avis mobile app. The Mobility Lab also positions us to collaborate with municipalities around the globe as they move forward with Smart City initiatives.



## Partnering with Leading Mobility Innovators

We will continue to look for partnership opportunities as we evolve our business to meet a future where mobility is completely connected, integrated, on-demand and shared, and is delivered to both consumers and businesses as a service.

We have partnered with **Lyft** to add thousands of vehicles to the Lyft Express Drive program in cities across North America. Through this partnership, and a digital integration enabled by our Next Generation platform's APIs, Lyft drivers are able to seamlessly and quickly reserve an Avis rental vehicle in select cities from within the Lyft app.

This year, we announced our new partnership with **Uber** to expand our ride-hail fleet initiative. This initiative continues to provide opportunities within the mobility industry for our customers while improving profitability.

We offer fleet support and maintenance services for **Waymo's** self-driving car program in Phoenix, Arizona. This partnership allows us to accelerate our knowledge and hands-on experience of autonomous vehicles, preparing us for a future when they become available in the marketplace. This is an implicit demonstration of how we can leverage our physical properties, global workforce and platforms to drive new business models.

We also partnered with **Via**, whose purpose is to find a workable solution to remove traffic congestion in urban areas- we provide fleet management services in the United States and United Kingdom as part of their global expansion.

We have also partnered with and made a small investment in **Fetch**, a promising Peer-2-Peer technology - based truck rental solution, enabling customers in Florida to rent Budget trucks through their platform.





## Partnering with Customers to Provide Low Carbon Services

Through carbon offset credits, we help corporate customers make their car rental programs 100% carbon neutral. Carbon offset credits are created through projects that remove or reduce greenhouse gas emissions in various ways, such as renewable energy generation, energy efficiency, and reforestation programs.

We have an alliance with NextEra Energy Resources, the largest generator of wind and solar power in North America and a provider of carbon offset programs. Through NextEra, we offer corporate customers the option to invest in sustainable energy projects that offset, or neutralize, their emissions.

We are also able to calculate the greenhouse gas emissions for our corporate customers with the ability to drill down for specific locations, countries or globally, over any particular time period. Once our customers determine their annual greenhouse gas emissions reductions goals with respect to their car rental use, we offer the opportunity to further partner with them to achieve their goals.

**"We are proud to give back to the community – and that includes implementing initiatives to improve the environmental profile of our fleet and reduce our consumption of natural resources."**

**Kaye Ceille, SVP, Operations,  
Support and Planning**





## Chapter 3

# People

## Connecting you to Diversity and Inclusion

From our inception, we have been passionate about providing our employees, customers and members with the very best experiences. It is our rich diversity of backgrounds, cultures and viewpoints that supports this passion, drives our success and ensures we live up to our full potential.

As an equal-opportunity employer, we are proud to provide an inclusive workplace that embraces and celebrates demographic, cultural and lifestyle differences. We maintain a significantly diverse employee population in the United States;

**We are proud that 58% of our employees are diverse, and women comprise 35% of our total workforce. In addition, 32% of management are women and 30% are diverse and we continually look to improve our diversity.**

**"History teaches us that the great breakthroughs and ideas that shape our world come from people of all different backgrounds, and it is through inclusion that we nurture innovation, create a welcoming workplace and develop strong leaders."**

John North, CFO



**"Gender equality matters to all of the leaders in our business, because not only is it right, it also makes good business sense. We are a people business and having a culture which reflects our global customer base and the world in which we operate is core to our success."**

Beth Kinerk,  
SVP, Sales, Americas



**“Being able to bring your whole self to work is enormously important. I have never felt it necessary to hide any part of my life at work, or that in any way my sexual orientation has been a factor in my ability to progress my career.”**

**Dan Coxhead,  
Organisational Development  
Manager, International**



## Driving Gender Equality

A key component of our ongoing commitment to diversity and inclusion is our motivation to improve diverse representation across all functions in the business. Reaching this goal will inspire current and future employees, and the next generation of workers to our organization.

Our first initiative in this space, **#PowerofWOMEN**, has ambitious aims to create sustainable and impactful results in our workplaces and communities, and is designed to recognize, celebrate, develop and support women of all levels across the globe.

There was a demonstrable appetite from our employees to do something tangible in this area. For many years, individuals across the company have been celebrating the success of their female counterparts and getting involved with events that champion women, such as International Women’s Day. We wanted to establish an official channel through which to drive gender parity across the entire organization.

But we will not stop there. Our objective is to forge a global environment where all employees feel empowered to reach their full potential, and we are currently working on many exciting projects that will ensure we reach this goal.

## Recruitment

Our talent strategy is solidly rooted in attracting and retaining a diverse workforce. We run scores of recruitment programs that aim to give back to our local communities by reaching out to diverse, underrepresented and minority groups. Our Talent Acquisition teams work with organizations that support – to name a few - veterans and applicants with disabilities.

Our methods of recruiting are as diverse as the groups we seek to reach and engage. We understand there are many ways to find and apply for job vacancies, so we utilize methods to make our vacancies as accessible as possible. We coach, support, encourage and enable everyone to feel empowered to realize their potential and understand how their skills, experiences and training can be transferred to a variety of roles. We want people to view us as a company they can flourish with and make an impact to our success.







## Supporting Our Veterans and Military Families

We advertise our vacancies across 600+ employment and diversity sites and 15,000+ local organizations, including many that target veterans, disabled vets, and their spouses. We prioritize their applications to ensure each candidate is considered. We host veteran hiring events, where we promote jobs in which we know our vets will flourish and help them understand about transferable skills. Our local teams have relationships with unemployment and Department of Labor programs, and help homeless, unemployed, and underemployed vets with job seeking, networking, developing resumes, and practicing interview skills.

We are committed to hiring veterans and providing them with opportunities to work for a company that honors their service and supports their transition back into the workforce. We understand and appreciate the unique skillset that veterans bring to our company and are humbled when they choose to bring these talents to our team. We have former military staff working within all levels of the organization, and have won numerous awards for our efforts to recruit and support veterans.

**We are proud to be recognized as a Military Friendly® Employer and a Military Friendly® Spouse Employer.**

## Supplier Diversity

At Avis Budget Group, we have a long-standing culture of embracing diverse suppliers. Year after year, we are recognized with high honors from supplier diversity industry associations based on our achievements in supporting diverse enterprises for our commitment to our communities.



### Highlights:

The U.S. Veterans Magazine recognized us as one of the **Best Top Supplier Diversity Programs**

The Minority Business News USA recognized us as one of the **Best of the Decade** due to our commitment to minority business development and inclusion

The Women's Business Enterprise National Council (WBENC) has honored Avis Budget Group as one of **America's Top Corporations** for women's business enterprises for 18 consecutive years

Avis Budget Group has been a member of the exclusive **Billion Dollar Roundtable (BDR)** since 2009, with continued distinction as the only member from the Travel Industry and the only car rental company - BDR mandates that all corporate inductees spend at least one billion dollars per annum with certified minority and women-owned businesses on a first tier basis



## Connecting you to Health, Safety and Well-Being

At Avis Budget Group, our people are our most valuable asset. Our core belief is that Health and Safety is every employee's responsibility, not only for our employees but for our customers, vendors, and all community stakeholders.

Our customers consistently tell us that it is our people's professionalism, calm and friendly demeanor, and desire to go above and beyond that makes Avis Budget Group a great company to deal with. This is what makes them return to us time and again. It is imperative that our people bring their best selves to work every day. This is why we take their health, safety and well-being so seriously.

### How We Execute

Our safety programs are strongly rooted in a behavioral-based safety philosophy that focuses on the identification and elimination of at-risk behaviors and at-risk conditions. We have a goal of zero incidents and work to create a culture where employees take ownership of safety.

We accomplish our improvements through learning, proactive activities, our global incident reporting system and continuous improvement process.

Continuous improvement is at the core of our safety programs. We conduct comprehensive reviews of processes and operational practices used across the company to identify and address risks and opportunities. We continue to provide targeted, ongoing training across our company.

All employees receive safety training as part of their onboarding and introduction to the company. Additionally, all managers receive ongoing safety training to ensure that our actions align with our intentions.



**"As a company, we consider our people to be our most valuable asset. We believe we are at our best when our people are at theirs! And we strive every day to provide a safe and healthy environment for not only our employees, but for our vendors, customers and all other community stakeholders."**

Keith Rankin,  
President, International



### Our Performance<sup>1</sup>

| Key Performance Metrics               | 2018        | 2017        | 2016        |
|---------------------------------------|-------------|-------------|-------------|
| <b>Total recordable incident rate</b> | <b>2.67</b> | <b>2.28</b> | <b>2.96</b> |
| <b>Lost-time incident rate</b>        | <b>0.93</b> | <b>0.88</b> | <b>1.19</b> |

<sup>1</sup> Performance is based on our United States operations which represents our largest employee population. These incident rates are calculated per 100 Full Time Equivalent (FTEs). Regrettably in 2018, there was one employee fatality in North America and was an isolated weather related incident.



## Well-Being

At Avis Budget Group we take a holistic approach to well-being. We understand that to deliver our best performance, our employees need to be healthy and happy in all areas of their lives.

Our Live Well program focuses on helping our people achieve all aspects of well-being through habits and activities that promote physical, financial and emotional wellbeing.

### Physical

In addition to our health plans, we offer a number of other ways for employees and their families to get and stay physically healthy. **Preventive care** is available through all of our health plans. **GlobalFit's Get Active** program is designed to help our employees get connected with fitness and nutrition resources, often at discounted prices. **Wellness challenges** are offered through the year for extra support in keeping those healthy habits. Whether it's focusing on getting more active during the "Maintain, Don't Gain" campaign to avoid the holiday weight gain, or trying out a new gym in the "New Year, New You" campaign. Our wellness challenges are focused on helping employees achieve their wellness goals in a fun and supportive way.

### Financial

Money worries can be a huge cause of mental, and subsequently physical, anguish. Avis Budget Group offers employees access to **financial consultation** for matters such as reducing debt and **retirement planning**. We have also developed programs to educate and ensure that employees are well aware of the benefits and resources available to them and their families, such as pension options, saving plans and discounts.

### Emotional

Unfortunately, social stigmas about mental health still exist. We are seeking to break down the barriers around mental health by providing employees not only with services to mitigate mental distress, but also to provide them with the tools to recognize warning signs in themselves and others. Employees have access to **professional counseling** which can help with emotional issues such as stress and anxiety, depression and sadness, marital, relationship and family concerns, and substance abuse and addiction.



**"Building on our Live Well pillars, bespoke well-being initiatives are run locally across the world to energize, support and empower our employees to bring their 'A' game to work every day."**

**Ned Linnen,**  
EVP and Chief HR Officer



### Highlights:

In Australia, our colleagues have partnered with R U OK? This is a national organization that aims to **get people talking about mental health**. The partnership encourages employees to develop resources and build skills and confidence in navigating conversations with anyone they might be worried about their well being.

Our 'Fun Factory' team in our Budapest Service Center runs a comprehensive program that includes wellness initiatives, diversity workshops, fun activities and team-building projects to **forge a sense of well-being, inclusion and acceptance**.

In the UK and US, **our colleagues run a series of well-being initiatives throughout the year**. Each month is dedicated to a specific topic – such as 'maintaining a healthy weight' or 'men's mental health' and events occur throughout the country to promote and celebrate them.

**We have 250 volunteer Care Captains** across our locations that meet regularly to discuss and drive awareness with their fellow employees because they care.



## Employee Benefits

We care about our employees and their families. We strive to offer them comprehensive and high-value benefits programs that take care of their health and financial needs.

As a global company with 30,000 corporate employees in 27 countries, our benefits programs vary by country to reflect local practices and cultures; but our philosophy to provide our employees with competitive and comprehensive benefits is consistent across the world. At Avis Budget Group we believe that taking care of our employees and their families is one of the most important things we do as a company. That is why ensuring we provide meaningful benefit programs and resources across the globe is an integral part of how we reward employees and part of our commitment to connecting our employees to more.

In the United States, where approximately 17,000 of our employees are located, our benefits programs cover a variety of health, retirement, wellness, discount, and support programs that include:



**“We have a comprehensive benefits package that is flexible and competitive. Our commitment to providing employees and their families a meaningful and valuable benefits package is something we are very proud of.”**

Kevin Richards,  
VP, Global Total Rewards

### Healthcare

Eligible employees can select from a variety of medical, pharmacy, dental, and vision plans, giving them the flexibility to select the coverage that best supports theirs and their families' needs. In-network preventative care is fully covered and we offer flexible savings accounts (FSAs) including healthcare, dependent care, and commuter FSAs to make sure their pre-tax dollars go further.

### Retirement

All employees at all levels are eligible to participate in the 401k savings plan, with a dollar-for-dollar company match up to six percent of salary. Employees are automatically enrolled at one percent and education is provided that focuses on the importance of saving for the future and encourages higher contributions. Both employee and company contributions are 100 percent immediately vested.

### Tiered Healthcare Contributions

We value every employee and recognize that all roles contribute to the success of our company. While we cover the majority of the cost sharing, to ensure that all of our employees have affordable healthcare, we have five contribution tiers based on income. Those that earn more pay more for healthcare, and those that earn less pay less.

### Voluntary Benefits

We offer voluntary benefit programs including Legal Assistance, Identity Theft Protection, and Accident Insurance. These voluntary benefit programs are available to all employees at discounted group rates.

### Discounts

Employees have access to an array of discounts including discounts on car rentals, car purchases and shopping memberships. Our Education Assistance Program provides tuition reimbursement support for undergraduate and postgraduate courses.

## Highlights:



Our reward philosophy is applied consistently across the organization at all levels and all countries. **Our goal is to provide a total rewards package that is fair, equitable and competitive within local marketplaces.**

We provide a competitive base salary and many of our employees are eligible for some form of short-term incentive compensation, whether it is a bonus or commission. Incentives are designed to motivate employees and recognize individual performance by rewarding more to those with higher levels of contribution and performance.





**“When our people told us they didn’t have the tools to connect with each other and the company, we listened. In 2018, we introduced NGage, our new employee communication app. In a short time, NGage has quickly become a valuable tool for our employees, connecting them to each other and what’s going on across the company.”**

**Simon Robinson, VP,  
Employee Communications**



## **Connecting you to Development and Employee Engagement**

At Avis Budget Group we want to take each of our 30,000 employees with us on our journey. To do this, we engage them with our strategy, listen to what they have to say and connect them to more. We empower and enable our people to bring their 'A' game every day through modern, bespoke and accessible learning and development programs and an innovative employee communication app. We run a comprehensive employee survey every year to gauge how people feel about working at Avis Budget Group and act on the results.

### **Development**

We believe that our 30,000 employees possess a wealth of knowledge that could and should be shared with others. So we launched a bespoke digital learning platform to encourage and enable this.

This platform has transformed the way we produce, manage and share learning. It puts the employee in control of their career and development through personalized learning journeys, and enables others to benefit from their colleagues' skills and experience.

We have forged a modern, engaging learning culture that has enhanced employee-to-employee collaboration; over 10,000 of our people are engaged with the new platform and over 500 lessons have been created and shared globally since its inception less than a year ago. This is in addition to our wealth of established training courses and talent programs that support our employees to develop, grow and bring their 'A' game every day.



## Employee Engagement

At Avis Budget Group, we believe that we are only as good as our people say we are. They are our biggest advocates; to our customers, prospective customers and future employees. How they feel about working at our company is of the utmost importance to us, and their feedback and suggestions for how we can make Avis Budget Group THE place to work is the foundation on which all employee initiatives are built.

Every year, we run a global employee survey – Voice of the Employee (V.O.T.E.) – to give our employees an opportunity to say why they like working at Avis Budget Group and what we can do to make it even better. V.O.T.E. runs for one month, is available in over 20 languages and is completely confidential, ensuring everyone across the company feels confident and comfortable in taking part.

**Our employees want to talk to us. In 2018, 81% of our people took part in our employee survey, 17 points above the global best practice, with 77% of respondents saying that they feel proud to work for Avis Budget Group.**

Their feedback drives action across the organization. In 2017's survey, our people told us they wanted more communication and less complexity. They wanted the ability to communicate with their peers and leaders across the world and have access to the latest company news as it happened.

We listened. And we acted. In 2018, we invested in a bespoke employee app, NGage, a one-stop-shop comprising a newsroom, social media zone, chat function, global community and gateway to other regularly used sites. Company, local and industry news is now accessible 24/7 at the touch of a screen, so all employees have equal access to the same information.

The best thing about NGage? It's connected our people together. Every day, employees from around the world share their and their teams' achievements, celebrations and accolades – from team building activities, birthday parties and charity fundraising events, to shouting out to colleagues who have helped them out.



**"It's great to see recognition of all our hard-working Avis Budget Group employees on NGage!"**

**Théo Ferreira, Associate Rental Sales, Roissy Airport, France**



**"When you look at some of the work we've done in terms of the way we're looking at managing our fleet, it's nice to see we're at the forefront of tech when it comes to engaging with our employees as well."**

**Karen Thorn, Rental Sales Agent, Bracknell, UK**





## Chapter 4 Future

As a responsible corporate citizen, at Avis Budget Group, we are committed to monitoring, measuring and managing our environmental impact, and working to reduce it where practicable on an ongoing basis. This enables us to meet customer expectations while building a resilient business for generations to come.

## Connecting you to our Environmental Footprint

Through our continuous improvement approach, we work proactively to address the environmental challenges that impact our business. Guided by our Environmental Policy, we focus on the environmental issues most important to us and our stakeholders.

### Energy and Emissions

Vehicles are believed to account for at least 15% of global greenhouse gas emissions and are the greatest source of air pollution in large cities. To reduce our energy consumption and greenhouse gas emissions, we are focused on fleet optimization, which includes leveraging our connected vehicle technology, introducing more fuel efficient vehicles, and expanding our car sharing solutions through our Zipcar brand and initiatives such as our Via partnership.

For the 2018 reporting year, we calculated our corporate energy consumption and greenhouse gas emissions inventory for the first time (excluding licensees). The vast majority of our emissions fall under Scope 1 emissions and are derived from consumer use of fuel for rented vehicles. Our Scope 2 emissions are based on purchased electricity for our offices and rental locations and represented around 1% of our overall greenhouse emissions inventory.



### Our Carbon Footprint

| 2018 Scope 1 and 2 Emissions <sup>1</sup> | CO <sub>2</sub> -e (metric tons) | Percentage  |
|---|----------------------------------|-------------|
| Scope 1 Emissions                         | 6,827,371                        | 99%         |
| Scope 2 Emissions                         | 45,043                           | 1%          |
| <b>Total</b>                              | <b>6,872,414</b>                 | <b>100%</b> |

| 2018 Scope 1 Emission Breakdown by Activities | CO <sub>2</sub> -e (metric tons) | Percentage  |
|---|----------------------------------|-------------|
| Rentals                                       | 6,594,304                        | 97%         |
| Non-rentals                                   | 233,067                          | 3%          |
| <b>Total</b>                                  | <b>6,827,371</b>                 | <b>100%</b> |

<sup>1</sup> The Greenhouse Gas Protocol Corporate Standard classifies Scope 1 emissions as direct emissions from owned or controlled sources while Scope 2 emissions as indirect emissions from the generation of purchased energy



## Water

Water represents a precious resource for the world, and for Avis Budget Group, a clean car ready for our customer is vital for our business and customer satisfaction. Limited or irregular water supply can have an impact on our operations. Therefore, we are focused on being responsible, efficient stewards of local water resources. To minimize our water footprint, we are targeting our greatest impacts, which includes consumption and wastewater associated with cleaning and maintaining our vehicles. We are also prioritizing reductions and efficiency measures at our operating locations with the highest level of water stress and scarcity risks.

In 2018, we continued to maintain and install new car wash systems at our facilities - these recycle and reuse up to 80% of their wastewater. As another example, in Australia, we explored other ways to conserve water, which included installing rainwater collection tanks connected to the roofs of our facilities, providing water for landscaping and other purposes.

## Waste

At Avis Budget Group, we strive to reduce waste to landfill from our own operations. To execute toward this vision, we work hard to generate less waste, we recycle, we repair and reuse whenever possible. Through our procurement services, we engage with our vendors to recycle materials across each of our waste streams, which mainly includes paper, vehicle tires, windshields, vehicle parts and used motor oil.

At Avis Budget Group, we continue to promote best practices across our brands and locations. For example, Avis Budget New Zealand has implemented the "EcoFocus" program within headquarters to reduce waste and promote recycling. Similarly, all our offices have programs to reduce use of paper, recycle electronic waste, and provide a full range of recycling bins for all recyclables throughout our office areas. Many of our car wash bays also have recycling bins nearby to help divert recyclable material left in vehicles.

## Our Performance<sup>1</sup>



**105,000+**

tires recycled or repurposed



**525+**

tons of windshields recycled



**94,000+**

windshields repaired



**280+**

tons of paper securely shredded and recycled



**100+**

tons of paper estimated to be saved annually through paperless transactions



<sup>1</sup> These numbers reflect services in the United States provided by our primary vendors





**"Maintenance is an important aspect in reducing the environmental impact from rental car use. Newer, well-maintained vehicles have been shown to be more energy-efficient than older or poorly maintained vehicles."**

Valerie Chenivresse, Fleet Services Director, International

## Connecting you to Sustainable Operations

At Avis Budget Group, we are driving the efficiencies needed to reduce our environmental impact and enhance the sustainability of our operations. These are mainly driven by improvements on our vehicle's preventive maintenance, the incorporation of green building practices and by complying with all environmental regulations.

### Fleet Maintenance and Optimization

**Most vehicles in our fleet are less than 18 months old, meaning that our vehicles have much newer technology than the average car on the road.**

At Avis Budget Group, we place a strong emphasis on vehicle maintenance for customer safety and satisfaction. We employ fully certified Service and Maintenance Managers and have developed specialized training and programs for our technicians. With advanced dealer-level diagnostic equipment and a detailed safety checklist per vehicle, our certified technicians perform the preventive maintenance to our fleet at intervals that meet or exceed manufacturer guidelines.

The digitalization of our fleet is also driving efficiencies in our preventive maintenance operations. Our new time-saving digital dashboard reports critical data in real-time to our fleet managers, such as tire pressure, engine oil life, vehicle condition, and other measures that help ensure our fleet is running at maximum fuel efficiency.



## Green Buildings

At Avis Budget Group, we actively work to incorporate best practices to increase energy efficiency at our locations of operation and utilize leading ratings and certifications, including LEED®, ENERGY STAR® and ISO 14001, to guide our progress.

Our world headquarters in New Jersey has received the U.S. Environmental Protection Agency's ENERGY STAR® recognition for superior energy performance. The Business Support Center in Budapest has received LEED® Platinum certification, making it one of the greenest office buildings in Hungary.

**In 2018, our International Headquarters, located in Bracknell, England, experienced significant energy savings derived from a whole building retrofit. This included a changeover into an open space workplace concept, a replacement of the entire lighting system into LED technology, and the installation of a new HVAC system. The overall energy savings in 2018 are estimated at 15%, compared to the energy costs before the building retrofit, which concluded in 2017. In 2018, we also completed a series of lighting retrofits at our Springfield, VA location which is estimated to save more than 500,000 kWh annually.**

Our maintenance facilities at major locations in the Northeast United States are heated by clean-burning furnaces built to run on used motor oil. These facilities no longer have to ship used oil to recycling facilities, thus avoiding the risk of spills and also eliminating the need to consume external energy for heating. In addition, these facilities have been equipped with high-speed doors to minimize warm air leakage and enhance the efficiency of the clean-burning furnaces.



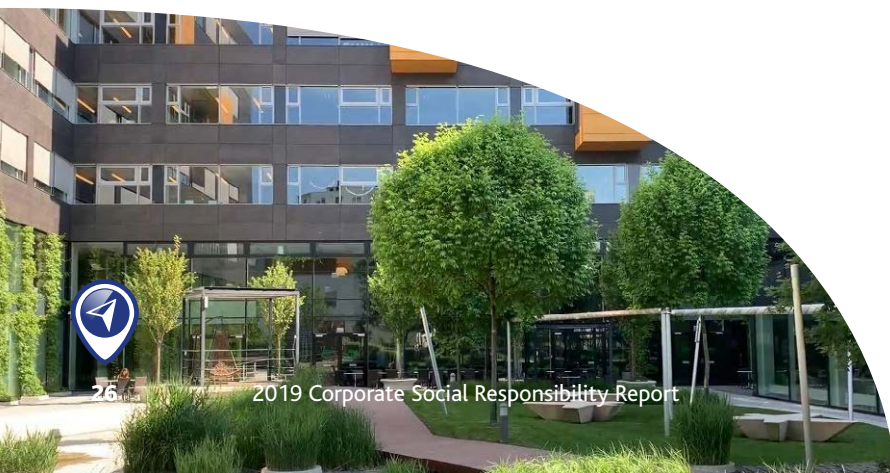
### Highlights:

At our Spain and Scandinavia locations, we **measure and manage our environmental impact** through our Environmental Management System in accordance with ISO 14001 guidelines. ISO 14001 is a set of international standards used by businesses to **establish, implement, maintain, and improve** environmental management systems.

During 2018, by leveraging our EMS program, all our offices, rental locations and facilities in Spain and Scandinavia **earned ISO 14001 certification**.

Through this process, **we assess each location across more than 100 different potential environmental impacts**, from how we dispose of tires and motor oil to our purchasing initiatives to introduce more fuel efficient vehicles.

In other parts of the world, we leverage EMS programs in accordance with the **ISO 14001 framework** as our guide.



## Compliance and Environmental Protection

As a global company, one of our goals is to meet or voluntarily exceed the requirements of all federal, state, and local health, safety, and environmental protection laws.

Measures that we have taken to ensure regulatory compliance and also protect employee safety include:

- We responsibly handle and dispose of regulated waste in compliance with all applicable regulations and global best practices
- Special technology, equipment and systems are used to prevent petroleum products from being released from storage tanks
- To prevent spills or overfilling during fuel storage tank refilling, double wall or secondary containment overfill protection is used, along with corrosion-resistant tank materials
- Redundant fuel leak detection methods include automatic line leak detectors, inventory control and reconciliation procedures, and remote leak detection systems
- Vapor recovery controls, under-dispenser pans and inventory controls minimize air emissions – all of which were installed prior to being required by law
- Spill Prevention Control and Countermeasure (SPCC) plans have been implemented to prevent fuel spills from storage tanks and/or during fuel dispensing activities at our facilities - employees are trained in SPCC plans and procedures and, where applicable, locations are equipped with spill kits which are located near fueling islands to manage spills
- In the United States, a special spill hotline is staffed 24/7.

## Consumer Outreach and Carbon Offset Program

At Avis Budget Group, we are committed to helping educate both consumers and travel professionals on their environmental impact from rental car use and on how that can be reduced. We also work closely with our corporate customers to help them achieve their environmental impact reduction targets.

At Avis Budget Group we offer our customers a wide range of solutions to help reduce the environmental impact from their car rentals, for example, in 2018, we generated nearly 17,000 metric tons in carbon credits through our partnership with NextEra Resources.



### Highlights:

#### GPS:

Our global positioning system (GPS) devices provide turn-by-turn navigation assistance that ensure drivers can take the **fastest or shortest route, saving time, lowering fuel expense and reducing emissions**. This service can easily be included in travelers' Avis Preferred profiles.

#### e-Toll:

Electronic toll collection services are offered to our customers in North America and parts of Europe. Studies show that paying for tolls electronically **significantly reduce or eliminate idling** and traffic back-ups at toll booths, and thus **reduces greenhouse gas emissions**.

#### Carbon Offset Credits:

Through carbon offset credits, we offer our corporate customers the option to help make their car rental program **100% carbon neutral**. Carbon offset credits are created through projects that remove or reduce greenhouse gas emissions in various ways, such as **renewable energy generation, energy efficiency and reforestation programs**.

#### Driver Education:

We have created a list of tips on smart driving habits that is available to the public on our website. The tips promote **fuel efficiency techniques** which help lower fuel consumption and greenhouse gas emissions.

#### Eco Friendly Vehicles and Car Sharing:

Hybrid or fuel-efficient vehicles are available to customers at almost all our locations. With a total of **19,000+ hybrid vehicles** in our fleet, hybrid rentals are popular due to their fantastic fuel efficiency and lower environmental impact.

Also, our Zipcar members enjoy a worldwide fleet of **12,000 vehicles**. Members report reducing their yearly vehicle miles traveled, which results in a reduction of carbon emission of approximately 1,600lbs.

#### Carbon Footprint Calculations:

Carbon Footprint Calculations: for corporate customers, we partner to calculate their business travel impacts and meet their emissions goals. Our emissions calculator is used to determine a benchmark and track emissions reductions over time. The calculator can drill down **information by car class, miles driven, by country or globally over any particular time period**.





**Zipcar is the world's leading car-sharing network, boasting the largest, publicly available electric vehicle fleet in the United Kingdom. Since Zipcar introduced approximately 325 eGolfs to its fleet in 2018, 16,000 members have taken over 125,000 trips and driven over 650,000 miles.**

## Connecting you to Sustainable Fleet

At Avis Budget Group, we have been actively anticipating and driving the change in mobility. Connected and autonomous vehicles are likely to become a common feature worldwide, along with an increase use of electric and shared vehicles. That's why we're building on our core experience, data intelligence and technology to develop entirely new lines of business and extend our offering and capabilities for our customers, businesses and cities.

### Car Sharing

When our Zipcar brand was founded 19 years ago, the vision was bold: to provide vehicles for people who want to pay for the trip, not the car. Our prediction was that in the future, there would be a shift towards access over ownership, and that consumers would want more flexibility and simplicity than ever before. Today, that prediction has come to fruition and Zipcar is the world's leading car-sharing network, boasting the largest, publicly-available electric vehicle (EV) fleet in the United Kingdom, with approximately 325 VW eGolfs available to its London members. Our unique mission-driven business model is financially sustainable and built upon an unwavering commitment to public partnerships. We share a vision with cities and policy makers across the globe - that it is not only possible to live car-free or car-lite - but such priorities make our lives easier, our cities less congested, and our planet more sustainable.

Our Zipcar car sharing technology was designed and built for our car sharing business and has been continually refined and upgraded. More than 1 million Zipcar members currently share approximately 12,000 vehicles worldwide. In addition to taking thousands of vehicles off the road and reducing congestion, car sharing members report notable reductions in their own driving behavior after joining.



After joining, round-trip car-sharing members drive **40% fewer miles** than they did previously.<sup>1</sup>



If car sharing wasn't available, members **would drive 26% more** than their current levels.<sup>2</sup>



Car-sharing members **reduce their CO<sub>2</sub> footprint** by up to 1,600lbs per year.<sup>3</sup>



**77% of Zipcar's North American fleet are SmartWay certified vehicles, with lower than average greenhouse gas emissions and smog ratings. Cleaner fleet = Cleaner drive.**

<sup>1</sup> Shaheen/Impact of Carsharing on Household Vehicle Holdings,

<sup>2</sup> Shaheen/Impact of Carsharing on Public Transit and Non-Motorized Travel,

<sup>3</sup> Shaheen/Greenhouse Gas Emissions



## Connected Vehicles and Smart Cities

In 2019, we have surpassed the 165,000 connected vehicle threshold and we are working toward full fleet connectivity.

Connected car technology is allowing us to collect critical data which is automatically available as soon as the vehicle is returned to our rental locations. This includes mileage, fuel level and vehicle service needs. Better information, delivered automatically in real-time, results in a more efficient inventory process, a more efficient workforce, better maintained vehicles and increased fuel efficiency.

Real-time anonymized data collected from our thousands of vehicles and millions of trips can also be leveraged to help urban developers plan smarter cities. Data from connected cars can report road conditions, provide data insights like traffic congestion, air quality and parking usage. Similarly, this data can enable us to share route details with our customers for a safer and more fuel efficient trip. Connected vehicles also support our ability to reduce emissions through a steadfast focus on fleet maintenance and optimization.

**“The connected car program is one of the most important and exciting initiatives our Company has ever committed to and taken the lead on. I’m looking forward to seeing it evolve.”**

**Nina Bell, Managing Director,  
Northern Region**



## Mobility Partnerships in Action

At Avis Budget Group, our goal is to leverage innovation and build on our position as a leading global provider of mobility solutions for consumers, businesses and cities. We're building partnerships that contribute to making smart cities smarter, roads safer, traffic flow and parking more efficient, driving more enjoyable and overall, transportation more sustainable.



**"As much as we're leveraging digital technology for partnerships, we're also helping move mobility forward by enabling partners to benefit from other core competencies. Partnership is a key accelerator for us to reach our goals."**

Jessica Saperstein,  
SVP Strategy



**Kansas City Mobility Lab.** We have launched our first-ever "Mobility Lab" that serves as a test bed for fully connected vehicles and operations in the greater Kansas City area. The lab comprises more than 20 rental locations, including the Kansas City International Airport and Nebraska's Eppley Airfield and Lincoln Airport, and features a fleet of approximately 5,000 connected vehicles. The Mobility Lab is setting the stage on how we can collaborate with municipalities around the globe as they move forward with their smart city initiatives to reduce congestion and cut greenhouse gas emissions.



**Waymo Partnership.** Since 2017, we have partnered with Waymo to offer fleet support and maintenance services for their self-driving car program. This partnership is allowing us to accelerate our knowledge and hands-on experience as new mobility services become available in the marketplace. It's believed that fully autonomous vehicles have the potential to highly reduce congestion and greenhouse gas emissions.



**Via Transportation, INC.** Through our partnership with Via, we are providing Avis vehicles in Seattle, WA, Newton, MA and Fort Worth, TX in the United States and in Milton Keynes in the UK. As Via provides urban residents with an alternative transport service that groups multiple passengers into one shared vehicle, we also play an active role in moving forward an eco-friendly mobility solution that reduces congestion and greenhouse gas emissions.

**"In Kansas City, Missouri our vehicles – and therefore our customers – are entirely connected with the city. When a customer rents with us in Kansas City, they get customized messages based on their preferences and interests, making for an overall greater experience."**

Arthur Orduna,  
Chief Innovation Officer



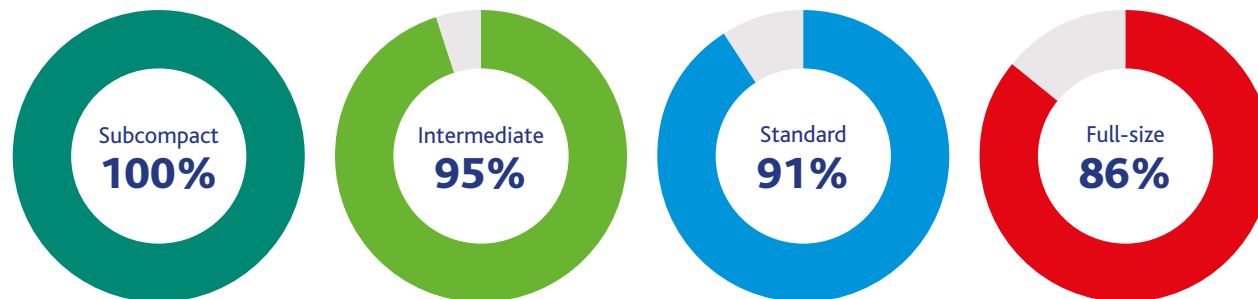
## Fleet Efficiency

At Avis Budget Group, we offer our customers the opportunity to choose from a wide variety of vehicles, including hybrids, electric or fuel efficient vehicles at almost all of our locations. Our fleet consists primarily of vehicles from the current and immediately preceding model year - this ensures the highest possible standards of air emissions control. Our hybrid fleet is one of the largest in our industry with 19,000+ hybrid vehicles globally.

In the United States, 74% of our fleet is rated "green" by the U.S. Environmental Protection Agency (EPA) under the EPA SmartWay certification. Across Europe and Asia Pacific, we offer customers a fuel-efficient, low-emission or electric model every time they rent a car. In Sweden and Norway 25% of our fleet is hybrid and electric, making it the largest fuel efficient rental option in the region.

## SmartWay Certified Vehicles %:

Car Class



### The Netherlands:

The Netherlands fleet includes the Volkswagen e-Golf which is 100% electric and offers a zero-tailpipe emission option



### New Zealand:

New Zealand introduced the Electric BMW i3 model into their fleet and continues to offer their Toyota Corolla and Camry Hybrid options



### Sweden and Norway:

In Sweden and Norway, 25% of our rental fleet is hybrid or electric vehicles



### Belgium:

Our fleet in Belgium offers the Lexus CT-200 Hybrid, among other fuel-efficient options



### France:

France offers the Toyota Corolla Hybrid model among other fuel-efficient rental options



## Chapter 5 Life

With over 30,000 employees in 27 countries, we help and encourage our employees to connect to the communities in which they reside. Every day employees live our core value of responsibility by volunteering to care for the needs of our communities. Whether we work individually or as a team, doing the right thing and supporting our communities help employees see their work as more than a job and make them feel proud to be part of the Avis Budget Group family.

### Connecting you to our Employee Volunteering Program - 'Inspire the World'

Avis Budget Group team members have huge hearts and have devoted thousands of hours to supporting our communities. During 2018, we launched our global volunteer program "Inspire the World". Through this program we challenge our employees to dedicate an hour of their time to a local cause or charity close to their hearts. Throughout our locations we have designated "Care Captains", who help roll out corporate philanthropy initiatives and also tailor their own local community activities. Care Captains are dedicated to helping others and ensuring that employees are involved and engaged.



#### Highlights:

**Our Head Office team in Budapest helped INOUT** - a local hostel that recruits and supports people with disabilities - with some much-needed repairs.

Members of Bracknell Head Office **supported a local community land-share** that uses the power of gardening to positively change people's lives, by clearing land for new crops.

Budget Los Angeles International Airport employees participated in **Cheer L.A.** which aims to fight the **HIV/AIDS epidemic.**

Employees in Singapore helped prepare and **package meals for Willing Hearts**, one of the area's largest soup kitchens that delivers food to the homeless and others in need.

Employees in our Australia Head Office volunteered their time at Ronald McDonald House, **cooking dinner for families with sick children in the hospital so they could enjoy a meal together.**

# INSPIRE THE WORLD



**"Avis Budget Group recognizes the need to balance work with time for family and getting involved in our communities."**

Patricia Lang, Associate Rental Sales Lead, Orlando, US

In addition to the Inspire the World program, our locations are incredibly active in their local communities, supporting local, national and international initiatives throughout the year. For example, for Earth Day, Zipcar employees in Boston volunteered at the Charles River Clean-up. In London, the Zipcar team covered a week's night shifts for the Felix Project, a charity that collects unsold food from supermarkets and distributes it to homeless shelters across the city.





"Each day we have the opportunity and a responsibility to make a positive difference in someone's life, to impact our environment and the communities where we live and work. I am inspired and humbled each and every day at the lengths to which our people go to make that difference."

Jon Schenk,  
VP Health & Safety



## Connecting you to Partnerships and Collaborations

As well as empowering our employees to volunteer in their local communities, Avis Budget Group is committed to helping a variety of causes and charities that support people in crisis situations and who live with life-threatening illnesses. Those we support were chosen because our employees told us that charities that support women and children are the most important to them.

As a proud sponsor of Make-A-Wish®, R U OK?, Susan G Komen and Alex's Lemonade Stand Foundation, we have raised tens of thousands of dollars through sponsored walks, employee donations and bake sales; have held countless events to promote the charities and subsequently helped innumerable children and their families. We also offer opportunities to our customers to support our charity partners through promotional codes.

Make-A-Wish®

Avis Budget group is a national sponsor of Make-A-Wish®, providing both financial and in-kind support to help grant the wishes of children with critical illnesses in order to enrich the human experience with hope, strength and joy.



"I wish to have a beach experience at South Seas Resort"

Jocelyn, 3  
Cancer

Wish granted in 2018 with support from Avis and Southwest.

susan g. komen®



Avis Budget Group is a proud partner of Susan G. Komen® in its fight to end breast cancer. Susan G. Komen® is the only breast cancer organization that addresses breast cancer on multiple fronts such as research, community health, global outreach and public policy initiatives in order to make the biggest impact against this disease.

People count on us in times of crisis and we do what we can to take care of them when they need it most. Between terrorist attacks, hurricanes, floods and wildfires, the past few years have been challenging times around the globe. To efficiently deploy our support, we partner alongside disaster response agencies at the nearest point of contact to a crisis event.



## Being Prepared When Disaster Strikes

Over the past seventy years, we have developed strong competencies in how we are able to respond when significant business disruptions occur. Whether the disruption is man-made or an extreme weather event such as a hurricane, flood or wildfire, Avis Budget Group's business continuity programs are central on how we respond in times of crisis.

Our program's focus is on preparing and protecting our people, property and infrastructure. We utilize an "all hands on deck" approach within our incident management and command structure to ensure that we respond as rapidly and effectively as possible. For example, we are able to quickly coordinate our teams to handle incident demand calls from our customers. We have also developed longstanding partnerships with leading national disaster response agencies, which strengthen our ability to provide support to affected customers, employees and communities.



**Consistent with our "all hands on deck" approach, our teams across the globe provide vehicles, resources, and volunteer time to help communities recover from hurricanes, floods, wildfires and other disasters throughout the year.**

Additionally, we provide the processes, tools and training to our managers, to mitigate risks to our assets by effectively preparing our people, property, and infrastructure for such events. We also mitigate risks to our fleet by self-insuring vehicles against property damage. The insurance policies supplement those that our customers also have in place for rented vehicles. Once the event has passed, we take pride in our business continuity motto which is "first to market – remain in market" to ensure that we are there for all stakeholders when they need us the most.

**"What I love about working here is the spirit for helping our communities, both national and local."**

**Santos Vera, Associate Select  
& Go Lead, Newark, N.J.**





## Chapter 6

# Responsible Business

## Connecting you to Corporate Governance and Risk Management

Our Board of Directors is committed to monitoring the effectiveness of policy and decision making with a view to enhancing long term value.

Avis Budget Group Corporate Governance Guidelines, together with the charters of the Audit, Compensation, and Corporate Governance Committees, provide the framework for effective governance.



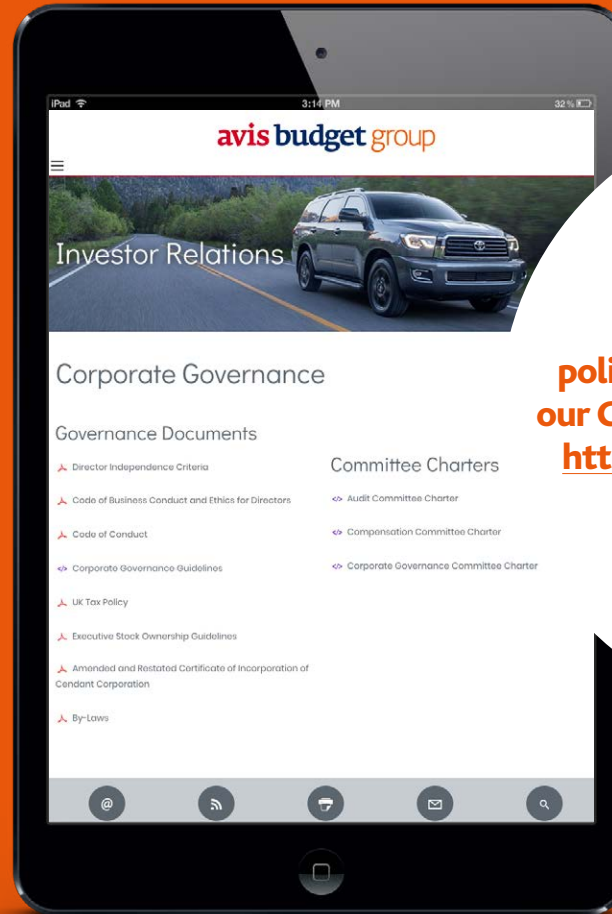
### Highlights:

**More than 80% of our Board members are independent**

Our Chief Executive Officer is the only management director. The Chairman of our Board is independent as well as all members of the Compensation, Corporate Governance and Audit Committees.

### Diversity of Board Members

Our Board seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. As part of the assessment process for evaluating Board candidates, our Corporate Governance Committee considers the background, diversity, age, skills and experience of candidates in the context of the needs of the Board. We maintain an ethnically diverse Board, including two women Board members.



Learn more about our policies and practices by visiting our Corporate Governance website <http://ir.avisbudgetgroup.com/corporate-governance>

### Corporate Social Responsibility Oversight

Our Corporate Social Responsibility team led by our EVP and Chief HR Officer, provides updates to our entire Board and leadership team on our strategy, performance and objectives.



**“We believe strong corporate governance is essential to support our corporate social responsibility programs.”**

Jean Sera, SVP Corporate Secretary & Global Programs



## Risk Management

Our Board provides additional oversight, acting directly and through its Committees:

| Committees                            | Focus Areas   |
|---------------------------------------|---|
| <b>Audit Committee</b>                | <ul style="list-style-type: none"> <li>• Financial risks</li> <li>• Information technology and cyber security</li> <li>• Legal and regulatory compliance</li> </ul> |
| <b>Compensation Committee</b>         | <ul style="list-style-type: none"> <li>• Compensation policies and practices</li> <li>• Executive compensation</li> </ul>   |
| <b>Corporate Governance Committee</b> | <ul style="list-style-type: none"> <li>• Risks associated with corporate governance</li> </ul>  |

Our full Board of Directors receives reports from the Committees at every regular Board meeting. The entire Board also receives regular reports from members of senior management that include discussion of the risks and exposures involved in their respective areas of responsibility. Our management teams are tasked with assessing risk and for day-to-day risk management activities.

## Vehicle Safety

The safety of our customers and employees is at the forefront of our business. We ensure that all our vehicles meet federal and local safety standards across all locations. Our current fleet consists of vehicles from the world’s leading motor vehicle manufacturers, ensuring we offer our customers the highest possible standards of vehicle safety, air emissions control and technology.

At Avis Budget Group, our policies and procedures regarding the handling of vehicles that are the subject of a manufacturer’s recall notice is a prime example of how we put our customers’ safety first. Periodically, automobile manufacturers provide notices of issues relating to their vehicles. These notices range from minor issues to recall notices relating to vehicles that may pose a risk to the safety of the driver, passengers and the general public.

In the United States, when we receive a safety recall notice from a vehicle manufacturer under the Motor Vehicle Safety Act, we identify the affected vehicles and take action to address the manufacturers recall.



**Learn more about our safety recall handling by visiting our CSR website**  
<https://avisbudgetgroup.com/csr/>





**"The goal of the Avis Budget Group Business Ethics and Compliance program is to provide employees with the tools and information they need to make good decisions, and to ensure they know where to go for help when they need it."**

**Michael Tucker, EVP, General Counsel and Chief Compliance Officer**



## Connecting you to Ethics, Integrity and Human Rights

We view our commitment to ethics and integrity as a competitive differentiator for Avis Budget Group that has supported our success for over 70 years.

### Driven by Values

We consider being a values-driven organization to be one of the core strengths of our Company. Central to our core values is a commitment to integrity, where we strive to display integrity at all times in the business decisions we make and the manner in which we conduct our professional relationships. We support that sense of doing what's right through a culture of open communications and a spirit of teamwork.

By adhering to our core values at all times, our employees work every day to achieve our vision to be a leader in the vehicle services industry.

## Our Code of Conduct

Avis Budget Group is committed to the highest standards of ethics, integrity, and compliance in all aspects of our business. Our Code of Conduct is the foundation on which our commitment is built, and is available in 15 languages.

**Our Code of Conduct is framed around our core values of commitment, integrity and responsibility. The Code of Conduct is also designed to be a valued reference guide that anticipates potential real world scenarios and helps our employees make the right choices in any given situation.**

Our Code of Conduct applies to all officers and employees of the Company, its subsidiaries, and affiliates regardless of date of hire or association through merger or acquisition. We also maintain a separate Third Party Standards of Conduct, for suppliers, agents and business partners. Our Third Party Standards of Conduct is available in multiple languages.



## Learning and Accountability

All of our employees are required to complete our Code of Conduct learning module and related policies, including those pertaining to anti-corruption and data privacy protection. Our learning content emphasizes situational decision making. Managers also complete the "Receiving and Escalating Concerns" module. Additionally, we conduct awareness programs to support a "See Something, Say Something" culture across our organization. We have also developed a Compliance Leader Network whose members serve as liaisons between local operations and our management teams.

On each page of our Code of Conduct, we provide a link to our Integrity Hotline where employees and stakeholders can report potential concerns or grievances, or ask questions about ethics or compliance. Our Integrity Hotline is available 24/7 and is a completely confidential channel for reporting serious concerns and complaints. Employees can reach the Integrity Hotline through dedicated phone lines or on the web. We maintain a non-retaliation policy that prohibits threats of retaliation or other discrimination directly related to any report made by an employee. All reported concerns are investigated, and the Audit Committee receives annual reports.

We actively monitor compliance risks across regions in real-time using a dashboard that monitors the following potential risk categories: Corruption and Bribery, Competition and Anti-Trust, Conflicts of Interest, Data Privacy and Information Protection, Third Party Risk and Internal Fraud.

We actively monitor compliance risks across regions in real-time using a dashboard that monitors the following potential risk categories: Corruption and Bribery, Competition and Anti-Trust, Conflicts of Interest, Data Privacy and Information Protection and Third Party Risk and Fraud.

## A Strict Stance Against Corruption and Bribery

Avis Budget Group prohibits all forms of corruption and bribery. Our Code of Conduct and Anti-Corruption Policy are designed to support compliance with the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and all other applicable anti-corruption and anti-bribery laws. Additionally, we provide guidance should employees receive a request for a facilitation payment.

Our procedures and controls to manage bribery and corruption are managed and assessed by our Internal Audit department, which is structurally independent from other business lines and is overseen by our Board's Audit Committee.



**Our Integrity Hotline is available 24/7 and is a completely confidential channel for reporting serious concerns and complaints.**

## Respecting and Protecting Human Rights

Supported by our Human Rights Policy Statement, we strive to conduct our business in a manner consistent with the United Nations Guiding Principles on Business and Human Rights and the International Labor Organization's Fundamental Conventions. Central to our policy statement is the belief that child labor, human trafficking or other illegal, abusive or forced labor practices have no place within our operations or our supply chains, anywhere in the world.

We are focused on creating a culture and a business environment based upon transparency, inclusion, mutual respect, responsibility, and understanding.

**We are committed to following all employment laws and regulations. We provide equal employment opportunities without regard to personal characteristics such as race, color, religion, gender, sexual orientation, gender identity or expression, age, national origin, ancestry, citizenship status, marital status, veteran status, disability, medical condition, genetic information or any other legally protected category. We have zero tolerance for unlawful discrimination or harassment of any kind.**

We also respect our employees' rights to voluntarily organize and choose a labor organization for purposes of collective bargaining. Where we have employees who are already organized, we have implemented mechanisms to resolve internal industrial disputes, such as grievances and other employee complaints, which ensure effective, open and respectful communication between employees, their representatives and management.

To support compliance with the human rights standards set forth in our Third Party Standards of Conduct, our partners and suppliers are encouraged to periodically conduct self-evaluations to ensure that they are, along with their subcontractors, complying with our human rights standards. We also expect our suppliers and partners to consider their impact on local communities, including indigenous peoples, and to engage openly and honestly with local governments and communities to improve the educational, cultural, economic and social well-being of the communities in which they live and serve.



## Connecting you to Public Policy Participation

At Avis Budget Group, we are committed to providing transparency into our public policy participation and helping to promote important issues facing our industry and the communities that we serve.

### Governance and Oversight

Our General Counsel and Chief Compliance Officer is responsible for the review and oversight of the Company's legislative affairs and public policy engagement strategy, while our Vice President of Government Affairs provides the Company with regular updates, at least annually, concerning the Company's strategy and support of key United States policy objectives. The briefing includes information related to stakeholder relationships, elected official outreach, lobbying, political giving and our commitment to governance compliance.

For the 2018 fiscal year, the Avis Budget Group Political Action Committee (PAC) has made contributions totaling \$14,000. No corporate funds were used for political contributions during 2018.

### Key Issues

Our public policy participation efforts are focused on issues relating to taxation of the rental car industry, policies and regulations relating to autonomous vehicles, data security and privacy issues, insurance, and various general business tax regulations. We engage primarily through participation in trade associations:

- Our federal initiatives are focused on Autonomous Vehicle Legislation, collaborations with federal and state law enforcement authorities on security issues and a proposal to end states from inappropriate taxation on the Rent a Car industry for Non-Rent a Car industry purposes.
- On the state level, our focus is on insurance reforms, tax, and consumer protection. Zipcar local initiatives relate to local ordinances regarding on street parking, local tax issues, and local government procurement practices.



## Industry Associations

At Avis Budget Group, we leverage industry resources on common issues to maximize efficiency while minimizing costs. Our Vice President of Government Affairs, maintains a leadership role in industry trade associations as follows:

- Serves as the Vice President and member of the Board of Directors of the American Car Rental Association (ACRA) where he also chairs the Nominating, Bylaws and Security Committees and also serves on the Legal and Legislative and PAC Committee
- Serves as the industry liaison through ACRA to the Department of Homeland Security (DHS) as an Executive Board Member of the Critical Infrastructure Coordinating Council - this is a public-private partnership designed to act as a conduit of information between the Government and private industry to assist in times of crisis and address emerging issues
- Serves on the Board of the Truck Rental and Leasing Association and its Government Affairs and Security Committees

Internationally, we are also members of The British Vehicle Leasing Association as well as corresponding associations in European and Pacific countries. Additionally, we are part of regional associations such as Leaseurope in the Euro zone.

## Taking the Lead to Make Communities Safer

We are proud of our legacy of taking proactive steps to truly make a difference in the safety of communities. In collaboration with consumer advocacy groups, we have played a pivotal role as the face of our industry to make mandatory safety recalls national law in the United States. We also continue to partner with the Department of Homeland Security and the Federal Bureau of Investigations to mitigate and respond to terrorist attacks. In 2018, we partnered with these agencies to develop a training module for our rental sales agents to help them identify potential red flags among parties that may seek to weaponize our vehicles for terrorist activities.





## Connecting you to Customer Satisfaction and Privacy Protection

Our commitment to delivering a consistently high level of customer service across all of our brands is a critical element of our success and business strategy.

### Customer Led, Service Driven™

Our commitment to delivering a consistently high level of customer service across all of our brands is a critical element of our success and business strategy. Our Customer Led, Service Driven™ program focuses on continually improving the overall customer experience based on our research of customer service practices, improved customer insights, executing our customer relationship management strategy, delivering customer centric employee training and leveraging our mobile applications technology.

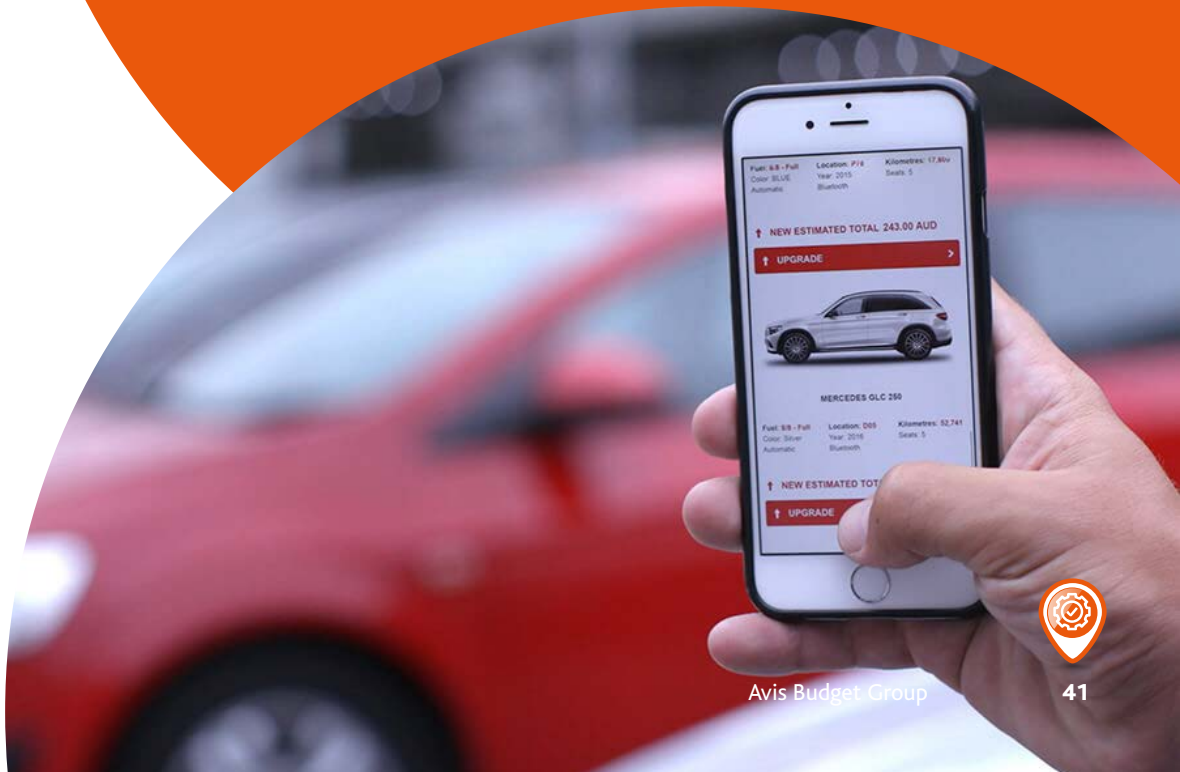
### Reinventing Rental

We have embarked on a journey to reinvent the rental experience we offer customers by making it more transparent, convenient, personalized and seamless. Since launching our award winning Avis mobile app, we have surpassed two million app transactions, and the overwhelming majority of users have told us they are very satisfied with their experience. This satisfaction is translating into substantial improvements in our net promoter scores by app users, signaling that we are exceeding our customers' expectations and contributing to stronger loyalty.

**"Since launching our award winning Avis mobile app, we have surpassed two million app transactions, and the overwhelming majority of users have told us they are very satisfied with their experience."**



Beth Gibson, VP,  
Ancillary Revenue, Americas





## Tracking Our Progress

At Avis Budget Group, we hope all our customers have an enjoyable and stress-free car rental experience each time they rent with us. We welcome customer feedback through our Voice of the Customer survey because it gives us an opportunity to recognize our best employees for good work, or learn how we can serve our customers better.

The surveys allow us to continuously track customer satisfaction levels. After each rental, customers are asked to evaluate key elements of their rental experience and the likelihood to recommend our brands. Results are analyzed in aggregate and by location to help further enhance our service levels to our customers.

## Knowing Each Customer, Analyzing Our Performance

We strive to provide exceptional customer service. If customers are unsatisfied with their rental experience for any reason, our employees at rental locations are trained and empowered to address and resolve most customer issues in a quick and efficient way. If, for any reason, our employees are unable to resolve their issue, customers can contact customer service where a representative is available to meet their needs.

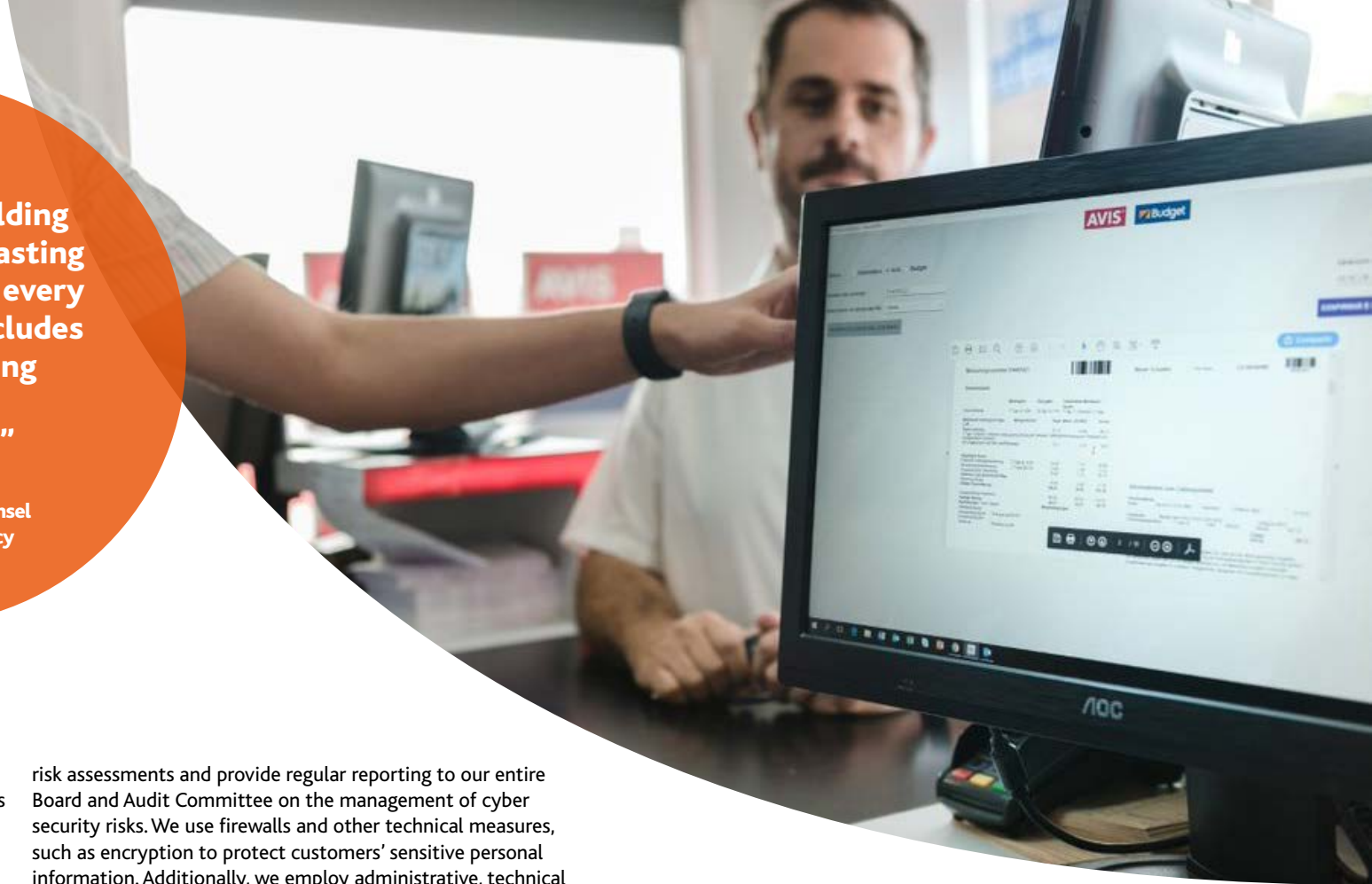
When customers contact us, their feedback and comments are captured and analyzed to determine the root cause of problem to prevent them from happening again. Every interaction is important and through customer feedback we are able to better identify our areas of strength and opportunities for improvement.





**“We are dedicated to building a rewarding and lasting relationship with every customer. This includes the safeguarding of personal information.”**

**John Podesta,  
Associate General Counsel  
and Director of Privacy**



## Protecting Customer Privacy

At Avis Budget Group, we strive to ensure that we give our customers a stress-free experience every time they do business with us.

Our customer privacy and information security programs are designed to comply with data privacy laws and align with best practices. Our policy is to only use or disclose personal information in compliance with applicable privacy legislation. We minimize the use of personally identifiable information, regularly destroy data that is no longer needed and restrict access to data within our organization based on the principle of least privilege (only providing access to those that need it to perform their work). All of our brands post privacy notices to inform and engage with customers on our practices.

Executive oversight of our privacy and information security programs is provided by our General Counsel and Chief Compliance Officer. We conduct regular enterprise-wide

risk assessments and provide regular reporting to our entire Board and Audit Committee on the management of cyber security risks. We use firewalls and other technical measures, such as encryption to protect customers' sensitive personal information. Additionally, we employ administrative, technical and physical safeguards to protect their personal information from unauthorized access, modification or disclosure.

Across our organization, we have developed robust training programs, including mandatory privacy and information security training programs for all employees that handle personal information. We also conduct privacy and data security awareness campaigns to reinforce the importance of data security and empower employees to detect threats and report concerns.





## Chapter 7

# Connecting You To More

We are excited to be embarking on a multi-decade journey to advance our corporate social responsibility strategies of People, Future, and Life. We are committed to truly making a difference in the lives of our employees, in our communities, and in our environment. By harnessing the passion, strength and problem solving ability of our 30,000 employees globally, we know we will not fail.

## Connect With Us

We look forward to continued partnership and collaboration with our key stakeholders to further our programs and strategies. We invite you to connect and partner with us on our journey. For more information, visit our website at [www.avisbudgetgroup.com](http://www.avisbudgetgroup.com).





## Chapter 8

# Global Reporting Initiative (GRI) Content Index

To facilitate stakeholders in understanding and benchmarking our corporate responsibility performance, we used the Global Reporting Initiative (GRI) disclosure framework, which includes an internationally recognized set of indicators for economic, environmental and social topics of business performance. (For additional information on the GRI Standards, please visit [www.globalreporting.org](http://www.globalreporting.org).)

In the GRI Context Index, we provide references to locate content in this report as well as provide direct answers to indicators and direct readers to external sources on our corporate website.

## I. General Disclosures:

| Indicator              |  |  |
|------------------------|--|--|
| Organizational Profile |  |  |
| 102-1                  | Name of the organization                                     | Avis Budget Group, Inc. ("Avis Budget Group" or "ABG")   |
| 102-2                  | Activities, brands, products, and services                   | Who We Are, page 5<br><a href="#">2018 Annual Report and 10-K Filing</a> , page 3 of 10-K ("Overview")<br><a href="#">Our Brands</a>   |
| 102-3                  | Location of headquarters                                     | Our corporate headquarters are located 6 Sylvan Way in Parsippany, New Jersey.   |
| 102-4                  | Location of operations                                       | Who We Are, page 5<br><a href="#">2018 Annual Report and 10-K Filing</a> , page 3 of 10-K ("Overview")   |
| 102-5                  | Ownership and legal form                                     | Avis Budget Group, Inc (Ticker: "CAR") is a publicly-traded corporation on the New York Stock Exchange.  |
| 102-6                  | Markets served   | Who We Are, page 5<br><a href="#">2018 Annual Report and 10-K Filing</a> , page 3 of 10-K ("Overview")   |
| 102-7                  | Scale of the organization                                    | Who We Are, page 5<br><a href="#">2018 Annual Report and 10-K Filing</a> , page 3 of 10-K ("Overview") and page 40 of 10-K ("Selected Financial Data")   |
| 102-8                  | Information on employees and other workers                   | Who We Are, page 5   |
| 102-9                  | Supply chain   | In addition to purchasing vehicles within our fleet, our supply chain includes fleet maintenance purchases (including tires, oil, windshields and parts for repairs), information technology (including computers and servers) and other operational purchases (including cleaning supplies and uniforms). |
| 102-10                 | Significant changes to the organization and its supply chain | None during the reporting period   |
| 102-11                 | Precautionary Principle or approach                          | Connecting You To More, page 8<br>Roadmap for Sustainable, Inclusive Mobility, pages 11-14<br>Future, pages 23-31  |
| 102-12                 | External initiatives   | Advancing the UN Sustainable Development Goals, page 10<br>Respecting and Protecting Human Rights, page 39<br><a href="#">Human Rights Policy Statement</a>  |
| 102-13                 | Membership of associations                                   | Industry Associations, page 40   |

## I. General Disclosures:

| Indicator                   | Description   | References   |
|-----------------------------|---|--|
| <b>Strategy</b>             |   |  |
| 102-14                      | Statement from the most senior decision-maker                 | Message from Our CEO, page 4   |
| 102-15                      | Key impacts, risks, and opportunities                         | Advancing the UN Sustainable Development Goals, page 10<br><a href="#">Moving Mobility Forward</a><br><a href="#">2018 Annual Report and 10-K Filing</a> , pages 1-5 of Annual Report ("Shareholder Letter") and pages 22-34 of 10-K ("Risk Factors")<br><a href="#">Investor Overview Presentation</a> (May 2019)   |
| Indicator                   | Description   | References   |
| <b>Ethics and Integrity</b> |   |  |
| 102-16                      | Values, principles, standards, and norms of behavior          | Ethics, Integrity & Human Rights, pages 37-36<br><a href="#">Code of Conduct</a><br><a href="#">Human Rights Policy Statement</a>  |
| 102-17                      | Mechanisms for advice and concerns about ethics               | Ethics, Integrity & Human Rights, pages 37-38<br><a href="#">Code of Conduct</a><br><a href="#">Integrity Hotline</a>  |
| Indicator                   | Description   | References   |
| <b>Governance</b>           |   |  |
| 102-18                      | Governance structure of the organization                      | Corporate Governance & Risk Management, pages 35-36<br><a href="#">Governance Documents and Committee Charters</a><br><a href="#">2019 Proxy Statement</a>   |
| 102-22                      | Composition of the highest governance body and its committees | <a href="#">Board of Directors</a><br><a href="#">Committee Composition</a>  |
| 102-23                      | Chair of the highest governance body                          | <a href="#">2019 Proxy Statement</a> , pages 13 ("Board Leadership Structure")   |
| 102-24                      | Nominating and selecting the highest governance body          | Corporate Governance Guidelines, pages 1-2 ("Composition of Board of Directors")<br><a href="#">Director Independence Criteria</a><br><a href="#">Corporate Governance Committee Charter</a> , pages 1-2 ("Authority and Responsibilities of Corporate Governance Committee")<br><a href="#">2019 Proxy Statement</a> , pages 15-16 ("Director Nomination Procedures") |



## I. General Disclosures:

| Indicator                     | Description  | References  |
|-------------------------------|--|---|
| <b>Governance (Continued)</b> |  |   |
| 102-25                        | Conflicts of interest                                      | <a href="#">Code of Business Conduct and Ethics for Directors</a>   |
| 102-28                        | Evaluating the highest governance body's performance       | <a href="#">Corporate Governance Guidelines</a> , page 5 ("Assessing Board Performance")  |
| 102-36                        | Process for determining remuneration                       | <a href="#">2019 Proxy Statement</a> , pages 22-37 ("Executive Compensation")   |
| Indicator                     | Description  | References  |
| <b>Stakeholder Engagement</b> |  |   |
| 102-40                        | List of stakeholder groups                                 | Whom We Serve, page 6   |
| 102-41                        | Collective bargaining agreements                           | <a href="#">2018 Annual Report and 10-K Filing</a> , page 16 of 10-K ("Employees")<br><br>As of December 31, 2018, approximately 27% of our employees were covered by collective bargaining or similar agreements with various labor unions |
| 102-42                        | Identifying and selecting stakeholders                     | Whom We Serve, page 6   |
| 102-43                        | Approach to stakeholder engagement                         | Whom We Serve, page 6<br><br>Customer Satisfaction and Privacy Protection, pages 41-42  |
| 102-44                        | Key topics and concerns raised                             | Whom We Serve, page 6<br><br>Our Corporate Social Responsibility Materiality Matrix, page 9   |
| Indicator                     | Description  | References  |
| <b>Reporting Practice</b>     |  |   |
| 102-45                        | Entities included in the consolidated financial statements | <a href="#">2018 Annual Report and 10-K Filing</a> , page F-50 of 10-K ("Guarantor and Non-Guarantor Consolidating Financial Statements")   |
| 102-46                        | Defining report content and topic boundaries               | Our Corporate Social Responsibility Materiality Matrix, page 9  |
| 102-47                        | List of material topics                                    | Our Corporate Social Responsibility Materiality Matrix, page 9  |
| 102-48                        | Restatements of information                                | Not applicable during the reporting period  |
| 102-49                        | Changes in reporting                                       | This Report includes disclosures on social and governance topics  |
| 102-50                        | Reporting period   | Our reporting period is calendar year 2018  |
| 102-51                        | Date of most recent report                                 | <a href="#">2018 Global Environmental Initiatives Report</a>  |
| 102-52                        | Reporting cycle  | Annual  |
| 102-53                        | Contact point for questions regarding the report           | Get in Touch  |
| 102-56                        | External assurance   | Not applicable during the reporting period  |



## II. Specific Disclosures:

### Management Approach Disclosures and Indicators

| Material Topics           | GRI Indicators |  | References   |
|---------------------------|----------------|--|--|
| <b>Economic</b>           |                |  |  |
| Economic Performance      | 103            | Management approach disclosure   | <a href="#">2018 Annual Report and 10-K Filing</a><br><a href="#">Investor Overview Presentation</a> (May 2019)                              |
|                           | 201-1          | Direct economic value generated and distributed  | <a href="#">2018 Annual Report and 10-K Filing</a> , page 40 of 10-K ("Selected Financial Data")<br>Life, pages 32-33                        |
|                           | 201-2          | Financial implications and other risks and opportunities for the organization's activities due to climate change | Sustainable Fleet, pages 28-31<br>Being Prepared When Disaster Strikes, page 34<br><a href="#">CDP Climate Change Response</a> , Question C2 |
|                           | 201-3          | Coverage of the organization's defined benefit plan obligations  | <a href="#">2018 Annual Report and 10-K Filing</a> , pages F-41 to F-44 of 10-K ("Employee Benefit Plans")                                   |
| Indirect Economic Impacts | 103            | Management approach disclosure   | Roadmap for Sustainable, Inclusive Mobility, pages 11-13<br>Life, pages 32-33<br><a href="#">New Mobility Models</a>                         |
|                           | 203-1          | Infrastructure investments and services supported  | Roadmap for Sustainable, Inclusive Mobility, pages 11-13<br>Life, pages 33-34<br><a href="#">New Mobility Models</a>                         |
| Anti-Corruption           | 103            | Management approach disclosure   | A Strict Stance Against Bribery and Corruption, page 38  |
|                           | 205-1          | Operations assessed for risks related to corruption  | A Strict Stance Against Bribery and Corruption, page 38  |
|                           | 205-2          | Communication and training on anti-corruption policies and procedures  | A Strict Stance Against Bribery and Corruption, page 38  |

| Material Topics      | GRI Indicators |  | References   |
|----------------------|----------------|--|--|
| <b>Environmental</b> |                |  |  |
| Energy               | 103            | Management approach disclosure             | Energy and Emissions, page 23<br>Fleet Maintenance and Optimization, page 25<br>Green Buildings, page 26<br>Sustainable Fleet, pages 28-31 |
|                      | 302-1          | Energy consumption within the organization | Energy and Emissions, page 23  |





## II. Specific Disclosures:

### Management Approach Disclosures and Indicators

| Material Topics                   | GRI Indicators      | References   |
|-----------------------------------|---------------------|--|
| <b>Environmental (Continued)</b>  |                     |  |
| Water                             | 103                 | Management approach disclosure<br>Water, page 24   |
|                                   | 303-3               | Water withdrawal by source<br>We are currently in the process of developing a credible, enterprise-wide baseline for future reporting.   |
| Emissions                         | 103                 | Management approach disclosure<br>Highlights, page 8<br>Energy and Emissions, page 23<br>Sustainable Fleet, pages 28-31  |
|                                   | 305-1               | Direct greenhouse gas (GHG) emissions (Scope 1)<br>Energy and Emissions, page 23   |
|                                   | 305-2               | Energy indirect greenhouse gas (GHG) emissions (Scope 2)<br>Energy and Emissions, page 23<br>Fleet Maintenance and Optimization, page 25<br>Sustainable Fleet, pages 28-31                               |
|                                   | 305-3               | Other indirect greenhouse gas (GHG) emissions (Scope3)<br><a href="#">CDP Climate Change Response</a> , Question C6.5<br>In 2018, Scope 3 emissions from business travel were 1,044 metric tons of CO2e. |
|                                   | 305-4               | Greenhouse gas (GHG) emissions intensity<br><a href="#">CDP Climate Change Response</a> , Question C6.10   |
|                                   | Effluents and Waste | 103  |
| 306-2                             |                     | Waste by type and disposal method<br>Waste, page 24<br>This indicator is partially reported.   |
| Environmental Compliance          | 103                 | Management approach disclosure<br>ISO 14001 Certifications, page 8<br>Compliance and Environmental Protection, page 27   |
|                                   | 307-1               | Non-compliance with environmental laws and regulations<br>No material instances during the reporting period  |
| Supplier Environmental Assessment | 103                 | Management approach disclosure<br>Fleet Efficiency, page 31<br><a href="#">Third Party Standards of Conduct</a>  |
|                                   | 308-1               | New suppliers that were screened using environmental criteria<br>Fleet Efficiency, page 31<br><a href="#">Third Party Standards of Conduct</a>   |



## II. Specific Disclosures:

### Management Approach Disclosures and Indicators

| Material Topics                 | GRI Indicators |   | References   |
|---------------------------------|----------------|---|--|
| <b>Social</b>                   |                |   |  |
| Employment                      | 103            | Management approach disclosure  | Employee Engagement, pages 21-22<br>Employee Benefits, page 20<br><a href="#">Careers</a>  |
|                                 | 401-2          | Benefits  | Employee Benefits, page 20<br><a href="#">Careers</a>  |
| Labor/Management Relations      | 103            | Management approach disclosure  | Respecting and Protecting Human Rights, page 39<br><a href="#">Human Rights Policy Statement</a><br><a href="#">2018 Annual Report and 10-K Filing</a> , page 17 of 10-K ("Employees") |
|                                 | 402-1          | Minimum notice periods regarding operational changes  | Notice periods and other terms vary across agreements.   |
| Occupational Health & Safety    | 103            | Management approach disclosure  | Connecting You To More, page 8<br>Health, Safety & Well-Being, pages 18-19   |
|                                 | 403-1          | Workers representation in formal joint management-worker health and safety committees   | Workers are represented in joint management-worker health and safety committees in all applicable jurisdictions.   |
|                                 | 403-2          | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | Our Performance, page 18<br>Regrettably in 2018, there was one employee fatality in North America, which was an isolated weather incident.   |
|                                 | 403-3          | Workers with high incidence or high risk of diseases related to their occupation  | Not applicable to operations.  |
| Training and Education          | 103            | Management approach disclosure  | Employee Engagement, pages 21-22   |
|                                 | 404-2          | Programs for upgrading employee skills and transition assistance programs   | Employee Engagement, pages 21-22   |
| Diversity and Equal Opportunity | 103            | Management approach disclosure  | Connecting You To More, page 8<br>Diversity & Inclusion, pages 15-17   |
|                                 | 405-1          | Diversity of governance bodies and employees  | Diversity & Inclusion, pages 15-17<br>Diversity of Board Members, page 35  |



## II. Specific Disclosures:

### Management Approach Disclosures and Indicators

| Material Topics            | GRI Indicators |   | References   |
|----------------------------|----------------|---|--|
| <b>Social (Continued)</b>  |                |   |  |
| Human Rights Assessment    | 103            | Management approach disclosure  | Respecting and Protecting Human Rights, page 39<br><a href="#">Human Rights Policy Statement</a><br><a href="#">Third Party Standards of Conduct</a> |
|                            | 412-2          | Operations that have been subject to human rights reviews or impact assessments             | Respecting and Protecting Human Rights, page 39  |
|                            | 412-2          | Employee training on human rights policies or procedures                                    | Learning and Accountability, page 38   |
| Local Communities          | 103            | Management approach disclosure  | Life, pages 32-34  |
|                            | 413-1          | Operations with local community engagement, impact assessments, and development programs    | Life, pages 32-34  |
| Supplier Social Assessment | 103            | Management approach disclosure  | Supplier Diversity, page 17<br>Respecting and Protecting Human Rights, page 39<br><a href="#">Third Party Standards of Conduct</a>                   |
|                            | 414-1          | New suppliers that were screened using labor practices criteria                             | Respecting and Protecting Human Rights, page 39-40<br><a href="#">Third Party Standards of Conduct</a>   |
| Public Policy              | 103            | Management approach disclosure  | Public Policy Participation, pages 39-40<br><a href="#">Code of Conduct</a> , pages 71-72 ("Political Activity" and "Lobbying")                      |
|                            | 415-1          | Political contributions   | Public Policy Participation, page 39-40  |
| Customer Health and Safety | 103            | Management approach disclosure  | Vehicle Safety, page 36<br>Taking the Lead to Make Communities Safer, page 39  |
|                            | 416-1          | Assessment of the health and safety impacts of product and service categories               | Vehicle Safety, page 36<br>Taking the Lead to Make Communities Safer, page 39  |
| Customer Privacy           | 103            | Management approach disclosure  | Protecting Customer Privacy, page 42<br><a href="#">Privacy Notice</a>   |
|                            | 418-1          | Substantiated complaints regarding breaches of customer privacy and losses of customer data | None during the reporting period   |
| Socioeconomic Compliance   | 103            | Management approach disclosure  | Ethics, Integrity & Human Rights, pages 37-39<br><a href="#">Code of Conduct</a>   |
|                            | 419-1          | Non-compliance with laws and regulations in the social and economic area                    | No material instances during the reporting period  |

