

2023

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT

avis budget group



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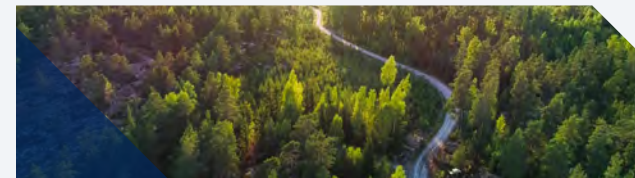
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INTRODUCTION



A MESSAGE FROM OUR PRESIDENT AND CEO

Over the past several years, and in 2022, we set a new standard for what excellence means at Avis Budget Group (ABG).

We continue to strengthen our environmental, social, and governance (ESG) strategies, make progress on our 2030 targets, and further integrate and execute on our ESG program. Our executive-led ESG Steering Committee and Environmental Subcommittee, comprised of global leaders throughout the company, are integral to supporting and driving our future progress.

Supporting the Transition to a Low-Carbon Future

As a provider of global transportation solutions, ABG is focused on supporting the transition to a low-carbon future. We believe the road to electrification rests on a foundation of charging infrastructure, and that an optimal charging framework is a necessary condition to support our growing global fleet of electric vehicles (EVs).

Integrating Electric Vehicles

To fully integrate EVs into ABG's business, the company developed a three-pronged approach focused on the customer journey, infrastructure, and technology.

Earlier this year, we partnered with SK Group's EverCharge, a leading provider of large-scale charging devices and systems, to launch a significant number of EV charging stations at the George Bush International Airport (IAH) in Houston, Texas. These stations will power our fleet of EVs and plug-in hybrid electric vehicles (PHEV) that are available for rent at the airport. Over the coming years, we will continue to add to our global low-carbon fleet at scale, while also supporting the necessary infrastructure for these vehicles.

Beyond our fleet, we are also investing in renewable energy and evaluating opportunities to increase efficiencies and reduce energy, water, and waste at our facilities.

Advancing Diversity, Equity, and Inclusion

At ABG, we are proud to foster a culture of inclusion, while continuing to work toward change internally and within our communities. Through our #PowerofDIFFERENT strategy, we focus on education to build awareness and foster an equitable and inclusive workplace where everyone feels valued and respected. To support these efforts, we launched the #PowerofDIFFERENT Scholarship Program to provide employees from different backgrounds the opportunity to further their education and advance their careers.

We also aim to support diversity beyond the four walls of our company. Since 2021, we have invested over \$5 billion with diverse suppliers.

Looking Ahead

I am incredibly proud of our ~24,500 employees who continue to bring their best, day in and day out. Their focus and dedication drives our success. In this Report, we invite you to read about our ESG progress and learn more about how we are moving the future of transportation forward.



Joseph Ferraro
President and CEO
Avis Budget Group

ABOUT THIS REPORT

REPORT BOUNDARY

ABG's 2023 Environmental, Social, and Governance Report (Report) covers information and data from January 1 – December 31, 2022, unless otherwise stated. Data and information represent all of ABG's operations, excluding licensees, unless otherwise stated. Metrics in this Report may be rounded.

All financial metrics included in this Report are reported in U.S. dollars.

As part of our reporting process, ABG aligns the company's efforts with standards and frameworks, including:

- Global Reporting Initiative (GRI) Standards
- Sustainable Accounting Standards Board (SASB) Standards
- Task Force for Climate-Related Financial Disclosures (TCFD) Recommendations
- United Nations Sustainable Development Goals (SDGs)
- United Nations Global Compact (UNGC)

FORWARD-LOOKING STATEMENTS

ABG operates in a continuously changing business environment. This Report contains forward-looking statements, regarding, among other things, our ESG strategies, targets, goals, commitments, and plans. Forward-looking statements should not be relied upon as a prediction of actual results. Moreover, ABG does not assume responsibility if future results are materially different from those forecasted or anticipated. Other factors and assumptions, including those discussed in our Annual Report, on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission, may contain forward-looking statements and involve uncertainties, which could cause actual results to differ materially from those projected.

Although ABG believes that the assumptions in this Report are reasonable, any or all of our forward-looking statements may prove to be inaccurate, and the company can make no guarantees about future performance. Should unknown risks or uncertainties materialize, or underlying assumptions prove inaccurate, actual results could differ materially from past results and/or those anticipated, estimated, or projected. ABG undertakes no obligation to release revisions to forward-looking statements, to report events, or to report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.



COMPANY OVERVIEW

ABG is a provider of global transportation solutions through three of the most recognized brands in the industry – Avis, Budget, and Zipcar.

Together, ABG's brands offer a range of options, from car and truck rentals to on-demand car-sharing, that bring vehicles closer to where and when customers need them. The company also has one of the largest fleets of connected vehicles in our industry and is committed to moving the future of transportation forward. On average, ABG's global rental fleet totaled approximately 655,000 vehicles in 2022.

During 2022, the company completed more than 36 million vehicle rental transactions worldwide and generated total revenues of approximately \$12 billion. ABG's brands and transportation solutions have an extended global reach with nearly 10,250 rental locations throughout the world, including approximately 3,900 locations operated by licensees.

2022 GLOBAL PERFORMANCE



~ **180**

Countries with ABG or licensee operations



nearly 10,250

Rental locations across the globe



~ **655,000**

Vehicles in global rental fleet



36+ MILLION

Rental transactions



~ **24,500**

Employees worldwide



~ **\$12 BILLION**

Generated in total revenues

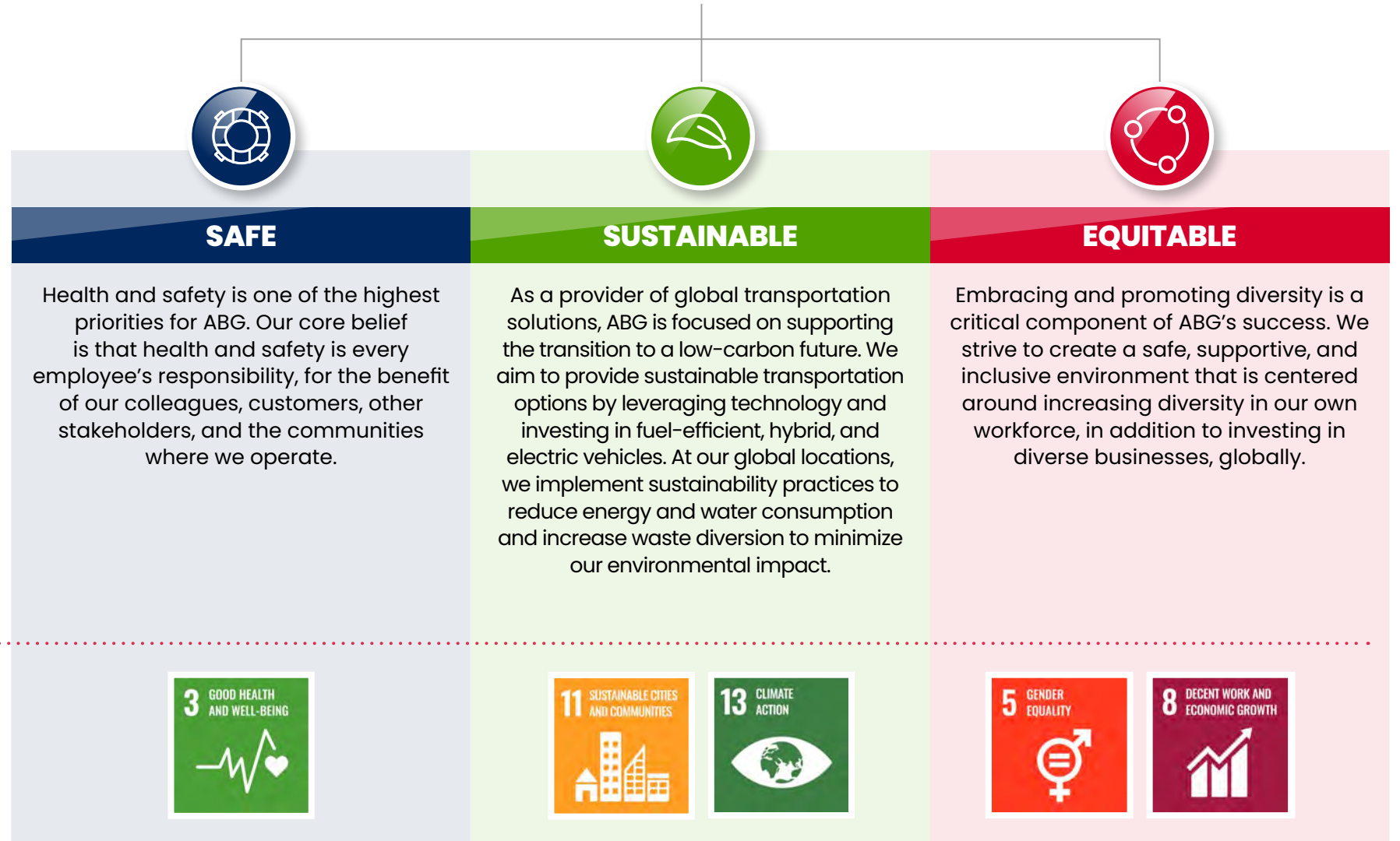
OUR ENVIRONMENTAL, SOCIAL, AND GOVERNANCE STRATEGY



SAFE, SUSTAINABLE, AND EQUITABLE TRANSPORTATION

Avis Budget Group’s (ABG) environmental, social, and governance (ESG) strategy is an extension of the company’s commitment to move the future of transportation forward. This includes supporting a world where transportation is completely connected, and operating our business in a way that is safe, sustainable, and equitable.

ABG’s commitment to move the future of transportation forward



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs):

MATERIALITY AND STAKEHOLDER ENGAGEMENT

MATERIALITY

To inform the company's ESG strategy, ABG conducted an assessment to identify the issues most pressing for the company and our stakeholders.

In 2024, ABG plans to conduct an updated assessment to further align our ESG strategy with topics that have the most impact on the company.



IMPORTANCE TO STAKEHOLDERS



RELEVANCE TO AVIS BUDGET GROUP

STAKEHOLDER ENGAGEMENT

ABG actively engages with a variety of stakeholders to execute on the company's ESG strategy. This includes developing forums to listen to and understand ESG-related concerns, and identifying opportunities to create value and manage risk.



Employees

ABG values every employee globally whose talent, skill, and personality have helped to establish the company as a provider of global transportation solutions. We engage with employees to understand their needs and expectations through employee surveys, two-way communication channels, regular manager check-ins, and career development programs.



Customers

ABG continuously innovates to meet the changing needs of customers, globally. We routinely seek feedback from customers to improve their overall experience and are committed to supporting their environmental goals through our company's carbon offset program.



Communities

ABG and its employees engage with organizations to provide support and strengthen community resilience. Our employees are also dedicated to helping others, and invest their time through volunteerism activities around the globe.



Transportation Partners

ABG establishes partnerships with innovators in the transportation industry. Through partnerships, such as those that promote ridesharing, we seek to minimize negative environmental impacts by reducing emissions and traffic congestion.



Suppliers

ABG aims to engage with like-minded suppliers to collectively reduce our environmental impact. We also partner with diverse suppliers to provide opportunities to underrepresented organizations.



Shareholders

ABG aims to deliver sustainable, responsible growth to our shareholders, while demonstrating our commitment to best-in-class ESG practices. The company also participates in ESG-related surveys that assess the company's ESG performance.

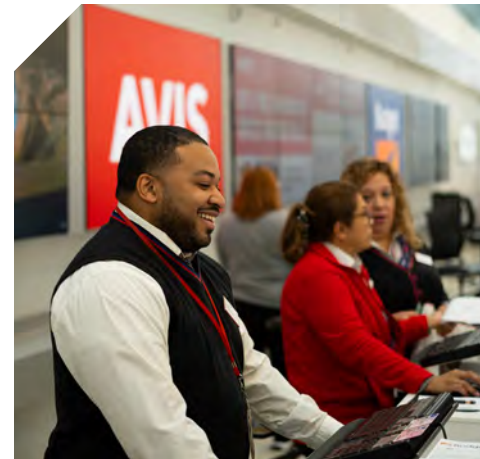


Industry Organizations

ABG supports the development of industry opportunities through active partnerships in trade associations, including the American Car Rental Association (ACRA), the Truck Renting & Leasing Association (TRALA), and the Global Business Travel Association (GBTA).

2030 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE TARGETS

ABG’s 2030 targets represent the company’s goal to move the future of transportation forward by increasing sustainable practices and contributing to a safe and equitable environment, globally.



2030 Targets	Status	Progress in 2022
Reduce absolute Scope 1 and 2 GHG emissions by 30% from 2018 base year		17% reduction since 2018
Reduce total water consumption by 30% from 2018 base year, prioritizing water-stressed locations*		12% increase since 2018**
Achieve zero waste-to-landfill for tires, windshields, motor oils, and car batteries*		Zero waste-to-landfill maintained
Maintain 100% gender pay equity at all levels of the organization		3 percentage points higher for women
Maintain at least 50% diversity throughout the workforce*		65% of the company’s U.S. workforce is diverse
Invest \$10 billion with diverse suppliers*		\$5+ billion invested since 2021
Train 100% of rental agents on human trafficking awareness		Preparing to launch training to all rental agents

* The scope of these targets covers ABG’s U.S. operations only.

** In 2022, water consumption increased 12% compared to 2018 base year, primarily due to strong demand for vehicle rentals.



On Schedule



Ahead

ENVIRONMENTAL STEWARDSHIP



AVIS BUDGET GROUP FLEET

THE FUTURE OF TRANSPORTATION

Avis Budget Group (ABG) actively anticipates and responds to changes in transportation around the globe. As connected and autonomous vehicles become increasingly more common, ABG aims to enhance the company’s core capabilities, including data intelligence and technology to develop new lines of business. The company’s long-term investments in connectivity, mobile digital user experience, and new technology partnerships help position ABG for future growth in an evolving transportation world.

SmartWay Certified Vehicles

U.S. Environmental Protection Agency designated SmartWay vehicles are equipped with advanced technologies to reduce emissions, improve fuel economy, and lower maintenance costs. In 2022, ABG’s fleet of SmartWay vehicles increased by approximately 6%, compared to 2021. Additionally, 100% of ABG’s European fleet complies with the current Euro 6 emissions standards.

SmartWay Vehicles	2022 Performance
Compact	100%
Intermediate	95%
Standard	43%
Full-Size	45%
Standard SUV	37%
Minivan	86%
Hybrid	100%



Enhancing the Customer Experience Through Technology

As ABG prepares for the future, the company aims to leverage technology to improve the customer experience. For example, the company’s data-driven vehicle management system communicates in real-time with customers, vehicles, and operations teams to improve the overall rental experience.

At select locations, customers can skip the line and get on the road with a contactless, automated, and express experience. The Digital Key technology feature in the ABG app enables customers to lock and unlock vehicles using their phones, eliminating the need for physical keys and key fobs for some vehicle models.



In Italy, we partnered with OCTO Telematics, a provider of advanced telematics services and technology solutions for insurance, fleet management, and smart mobility. The collaboration will allow vehicles to perform the role of an urban ecosystem’s ‘mobility sensor’, and provide urban developers with new knowledge in order to plan smarter cities and better infrastructure.





In 2022, ABG's EVs were driven ~ 23 million miles.

OPERATING A SAFE, GREEN, AND SMART FLEET

Integrating Electric Vehicles

As the demand for hybrid and electric vehicles expands, ABG continuously engages with Original Equipment Manufacturers (OEMs) to optimize product lines for our fleet.

To fully integrate electric vehicles (EVs) into ABG's business, the company developed a three-pronged approach focused on the customer journey, infrastructure, and technology.

- **CUSTOMER JOURNEY:** Launch strategic partnerships to improve access to EV charging stations; and enhance training for customer-facing employees.
- **INFRASTRUCTURE:** Build optimal EV charging infrastructure at ABG locations.
- **TECHNOLOGY:** Enhance systems to deliver a seamless customer experience; and integrate connected vehicles with EV partners and services.

INVESTING IN HYBRID AND ELECTRIC VEHICLES

ABG continues to provide customers with a wide-range of low-emissions vehicles, globally.

On average, there are more than 45,000 hybrid and electric vehicles in the company's global fleet. In Scandinavia, 60% of the company's fleet is either hybrid or electric, with Norway operating a rental fleet of 55% battery and plug-in electric vehicles.

Budget Trucks

Over the past two years, ABG has continued to order all-electric Ford E-Transit Vans for our Budget Truck business. The E-Transit has a battery range of nearly 126 miles on a single charge, making the vehicles ideal for zero-emission home deliveries.

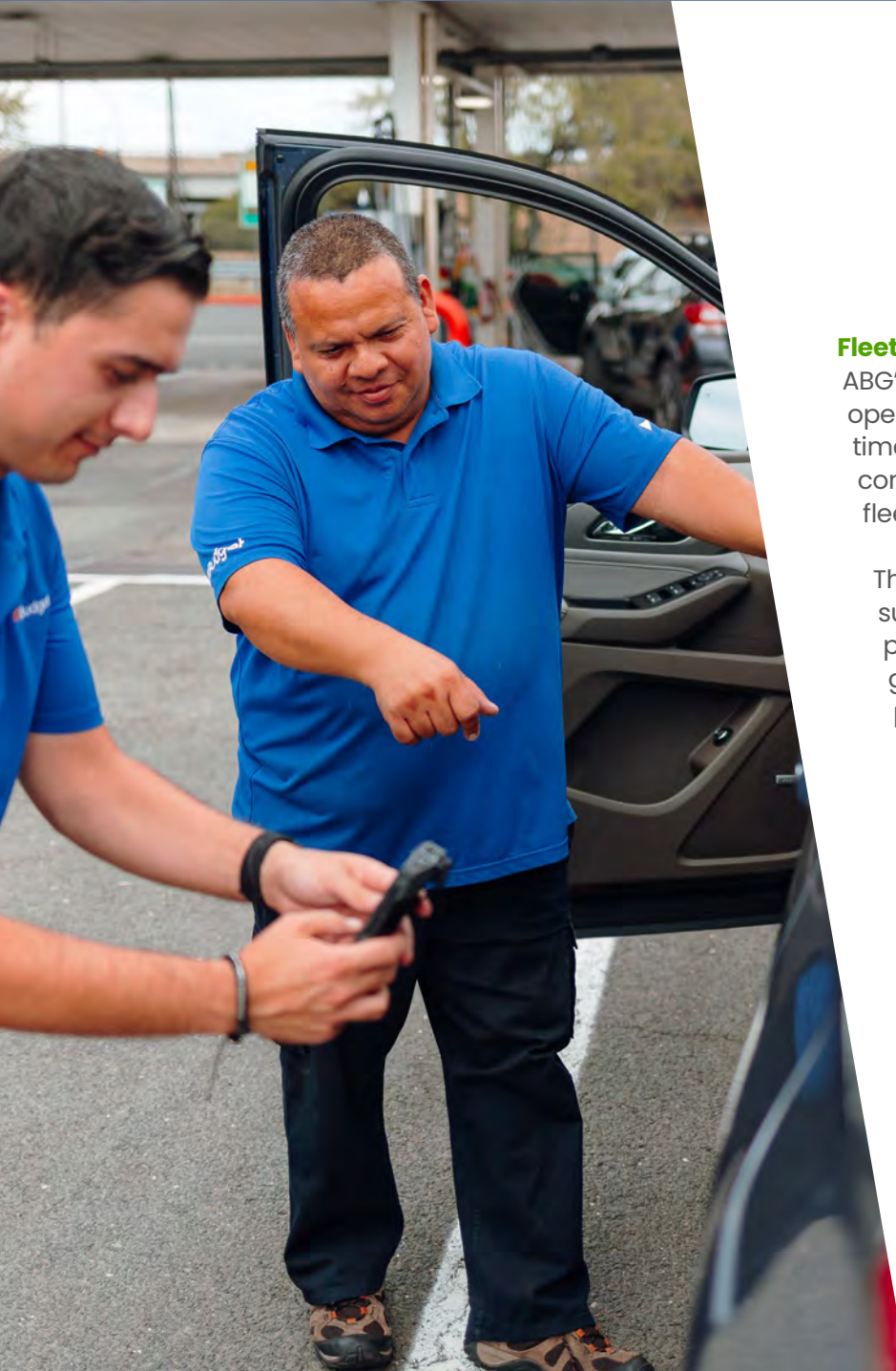
Building EV Infrastructure

At ABG, we believe the road to electrification rests on a foundation of charging infrastructure; and an optimal charging framework is a necessary condition to support our growing global fleet of EVs.

ABG has installed approximately 180 chargers throughout Europe and nearly 40 chargers in our Asia Pacific region. Additionally, in the U.S., ABG installed nearly 500 Level 2 and 3 chargers at over 100 locations.

In early 2023, ABG and SK Group's EverCharge – a provider of large-scale EV charging devices and management systems – partnered to launch a significant number of EV charging stations at the George Bush International Airport (IAH) in Houston, Texas, U.S. Partnerships like this are key to ensuring ABG has optimal charging solutions for our growing global fleet of plug-in hybrid and electric vehicles.





Fleet Maintenance and Optimization

ABG's digitalization of the company's fleet drives significant operational efficiencies. When ABG locations receive critical real-time data, such as preventative maintenance, tire pressure, vehicle condition, and mileage alerts, employees can respond to ensure the fleet is running at maximum fuel efficiency.

The company prioritizes high-quality vehicle maintenance to support customer safety and satisfaction. ABG technicians regularly perform preventative maintenance to meet or exceed manufacturer guidelines. The company also has established policies and procedures to promptly address manufacturer recalls.



In Scandinavia, the ABG team is exploring opportunities to leverage vehicle-to-grid technology. This technology would enable EVs to not only charge their batteries at night (when electricity prices are lower), but also feed back energy into the grid through a 2-way charger.



In 2023, ABG began training European maintenance teams on how to operate, drive, service, and repair high-voltage vehicles.

 In 2022, Zipcar launched EV car-sharing in Boston, Massachusetts, U.S., providing EVs for city residents through a partnership with the City of Boston, Harvard University, and private parking operators.

PROMOTING LOW-CARBON AND ACCESSIBLE TRANSPORTATION

More than 10 years ago, ABG acquired the Zipcar brand. Since then, we have continued to use the car-sharing network to enable simple and responsible urban living, while eliminating the need for personal cars. As of year-end 2022, Zipcar's North American fleet consisted of more than 30 EVs and nearly 500 hybrid vehicles.

Shared Transportation Solutions

In London, U.K., the Zipcar Flex solution allows members to take one-way rentals, by picking up and dropping off the vehicle anywhere in the home zone. This home zone now covers 15 boroughs throughout the city, and pick-up and drop-off locations at Heathrow and Gatwick airports. In three of London's boroughs, Zipcar partnered with municipal leadership and local business associations to launch an electric van service for small businesses. This program reduces the number of high-emission delivery vehicles, minimizes parking demand, and enables small businesses to operate in current and expanding ultra-low emission zones.

Our Community CarShare

In 2022, Zipcar and the Sacramento Metropolitan Air Quality Management District, through Our Community CarShare (OCCS), provided EVs to community members. In addition to raising awareness about the benefits of zero-emission transportation, the program aims to improve general air quality and strengthen local economies by supplying low-cost transportation to residents of low-income communities. Currently, seven low-income communities in the Sacramento region offer OCCS to their residents. The program also provides vehicles at the Sacramento Amtrak Station, including a wheelchair-accessible plug-in hybrid minivan. OCCS participants drove more than 72,000 zero-emission miles in 2022.

Via Transportation

Through a partnership with Via, the global leader in public-private microtransit, ABG supplies vehicles to underserved transit routes. In the U.K. and the U.S., both municipal and independent contract

drivers rent Via vehicles to meet the transportation needs of the cities and agencies. The Via Microtransit initiative serves three main customers: riders located in transit desert areas, riders with disabilities, and corporate and university shuttles.

Uber

In 2022, ABG continued growing our partnership with Uber by offering low-emission vehicle choices for thousands of their drivers in cities across North America. This partnership reduces emissions, saves money, and avoids additional wear-and-tear that would reduce the value of a driver's personal vehicle.

Uber and ABG also partnered to support drivers in transitioning to EVs in cities throughout the U.S., including San Francisco, Los Angeles, Chicago, Boston, Detroit, and Dallas. In 2023, ABG continued to expand our EV program with Uber by offering an increasingly diverse fleet of EVs.



600 EVs

In 2022, Zipcar's U.K. fleet expanded to nearly 600 EVs.



29 Locations

In 2022, ABG expanded our partnership with Via to 29 locations across 20 markets in North America.

HELPING CORPORATE CUSTOMERS REDUCE THEIR IMPACTS

ABG aims to support corporate customers to reduce their own greenhouse gas (GHG) emissions and meet carbon reduction targets.

The Company's Carbon Offset Program

Through the company's Carbon Offset Program, ABG quantifies the GHG emissions associated with our corporate customers' rental car transactions.

At ABG, we engage with carbon offsetting experts to offer corporate customers the option to minimize the environmental impact of their car rental activities. Based on corporate customer's use of ABG's vehicles and associated carbon emissions within a calendar year, ABG offsets those carbon emissions through cost-efficient projects. In 2022, our carbon offset credits were generated through projects that removed or reduced GHG emissions through renewable energy generation, electric rail systems, or improved cook stoves.



In 2022, ABG's corporate customers offset nearly 50,000 metric tons of CO₂e through our Carbon Offset Program.



SUSTAINABLE LOCATIONS AND GREEN BUILDINGS

ENVIRONMENTAL COMPLIANCE

ABG's aim is to meet or exceed health and safety requirements, and comply with environmental protection laws at all locations, globally. The company's Corporate Design and Construction Team oversees ABG's environmental compliance program and monitors compliance with all federal, state, and local regulations.

In the U.S., the company engages with teams of environmental consultants to manage regulatory environmental programs. These programs relate to Spill Prevention, Control, and Countermeasure (SPCC), Stormwater Pollution Prevention Plan (SWPPP), car wash wastewater management, underground and aboveground storage tanks, and hazardous waste and materials. Additionally, the company maintains a spill hotline, 24 hours a day, seven days a week.

In the U.S., ABG's environmental compliance program is centered around training and risk assessments.



TRAINING:

All of ABG's sites with underground storage tanks have on-site trained operators. As of year-end 2022, the company has trained and certified over 130 operators.



RISK ASSESSMENTS:

In the U.S., ABG conducts mandatory annual fuel storage tank system compliance testing. The testing ensures that all storage tanks' emergency/monitoring systems are functioning properly.

INCREASING SUSTAINABILITY AT ABG LOCATIONS

Energy Efficiency

ABG incorporates industry best practices to increase energy efficiency at locations (office spaces, rental locations, parking lots, and maintenance facilities), and uses ratings and certifications, including Leadership in Energy and Environmental Design (LEED), ENERGY STAR, and ISO 14001, to guide progress.

The company's ongoing efforts are focused on upgrading exterior and interior lights to LED lighting, as well as utilizing LED lighting for all ABG-branded signage. Across the U.S., ABG migrated select airport car rental locations into Consolidated Car Rental Facilities (ConRACs), where tenants are required to align with airport and local code requirements to achieve lower energy ratings. As of year-end 2022, 19 ABG locations are LEED certified or have been designed to comparable LEED standards.

ABG's major U.S. maintenance facilities are heated by clean-burning furnaces that are built to run on used motor oil. As such, these facilities are no longer required to transport used oil to recycling facilities or consume external energy for heating purposes.



At four locations in Barcelona, Spain, ABG installed onsite solar panels that are projected to reduce reliance on traditional energy sources by 65%.

Water Reduction

ABG strives to be responsible, efficient stewards of local water resources in the communities where we operate. To minimize ABG's water footprint, the company focuses on reducing water consumption associated with cleaning and maintaining vehicles. In 2022, we installed 10 water-saving car wash systems across our major facilities in the U.S., which recycle and reuse up to 80% of their wastewater.

Closed Loop Car Washing in Denmark

ABG's location in Copenhagen, Denmark piloted the installation of a closed loop carwash. Through this system, 100% of the location's water is recirculated and purified in a closed loop, saving approximately 265,000 gallons (1 million liters) of water, annually.

Each year, the company conducts a water risk assessment to support its efforts to reduce water consumption in areas of high-water stress. According to this assessment, approximately 30% of water consumed from ABG's operating locations was from regions with high- or extremely-high baseline water stress, as of year-end 2022.

Waste Diversion

ABG aims to reduce operational waste by decreasing waste generated, increasing recycling, and repairing and reusing materials whenever possible. The company's investments into a newer, more connected fleet, together with a data-driven maintenance program, also support our waste reduction efforts.

Many of ABG's waste streams, including motor oil, tires, car batteries, and windshields require special handling and disposal to comply with local regulations. As such, the company works with certified waste service providers to ensure these waste streams are treated appropriately. At rental and office locations, ABG encourages employees to sort waste to help divert materials from landfill.

Responsible Supply Chain

ABG aims to maintain a responsible supply chain. The company's suppliers are expected to conduct business in an environmentally friendly and responsible manner. Third parties should endeavor to reduce and minimize the environmental impact of all their operations in the short-term, and plan for long-term sustainability.

In Europe, ABG is preparing to launch a supplier ESG questionnaire, with plans to expand the survey globally. This will be a major step forward in beginning to assess the company's inbound supply chain.

**Vehicle Maintenance and Waste Reduction**

Throughout the company's operations, ABG utilizes strategies including fleet maintenance to reduce waste. For example, ABG monitors and maintains tire pressure to extend the life of vehicles' tires, thereby reducing the number of parts that need to be recycled or repurposed. Quick detection of windshield damage can also reduce the need for replacement. Where possible, we also use a PDR (Paintless Dent Repair) technique, which is a technique to reduce environmental impacts.

**Procuring Car Cleaning Supplies**

ABG's locations in Denmark, Sweden, and Norway have each signed a framework agreement to procure car cleaning chemicals that are assessed, eco-classified, and tested to reduce health and environmental hazards.

ENVIRONMENTAL IMPACT AND PERFORMANCE

ENERGY AND GREENHOUSE GAS EMISSIONS

With approximately 99% of ABG’s global emissions attributed to the company’s fleet, the transition to hybrid and electric vehicles is key to achieving our GHG reduction target.



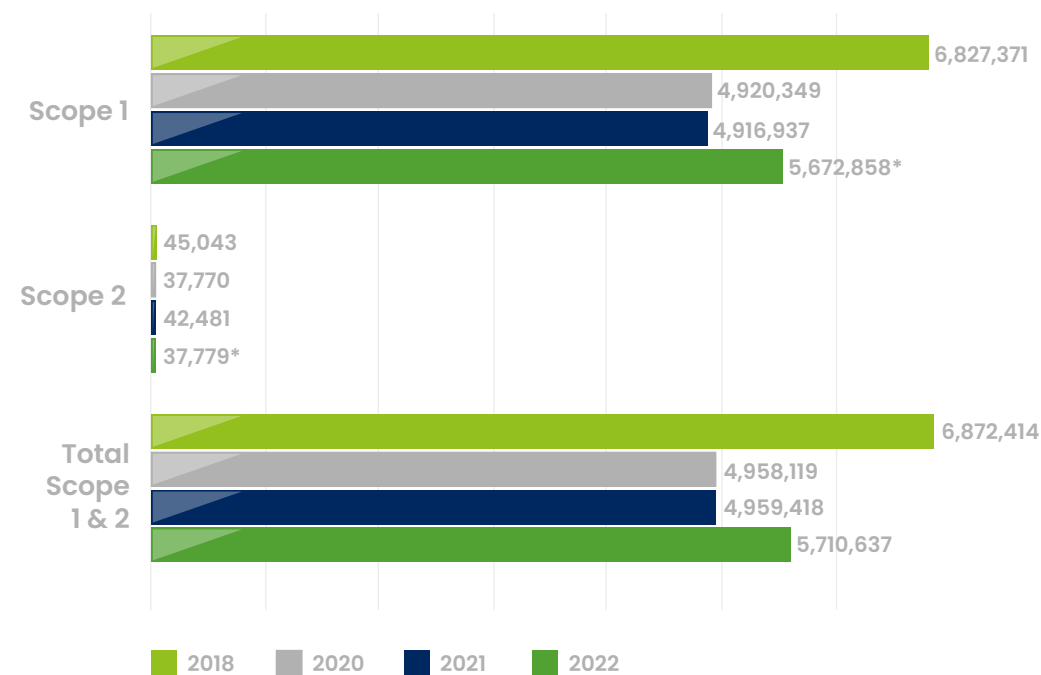
GHG Emissions Reduction Target

By 2030, ABG aims to reduce absolute GHG emissions by 30% from a 2018 base year.

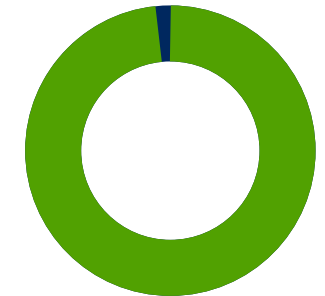
To execute on this goal, ABG continues to invest in hybrid and electric vehicles, and increase energy efficiencies at locations, globally.

17% reduction since 2018.

GHG EMISSIONS (CO₂e METRIC TONS)*



GHG EMISSIONS BY ACTIVITY



CAR AND TRUCK RENTAL

98.7%

5,638,448

GHG Emissions (metric tons)

PHYSICAL LOCATIONS

1.3%

72,189

GHG Emissions (metric tons)

- * 2022 Scope 1, Scope 2, and Scope 3 (waste and business travel) GHG emissions data was assured by ERM CVS (third party data assurance firm). Our GHG emissions inventory is calculated using the EPA Center for Corporate Climate Leadership tool which is aligned with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
- Reporting period: 1st January 2022 – 31st December 2022.
- Reporting Boundary: Operational Control. Our GHG inventory excludes licensees’ operations.
- Scope 1 GHG emissions (fleet): Scope 1 emissions are calculated based on customers’ miles driven and fuel consumption – which is calculated using car manufacturers’ city miles per gallon specifications. In 2022, we identified that miles driven for non-connected cars were

overestimated. To address all rental transactions with 1,000+ miles driven per day were adjusted to 132 miles (average miles driven per day in 2021).

- Scope 1 GHG emissions (non-fleet): This includes emissions from stationary combustion sources namely natural gas, propane, and fuel oil usage in U.S tracked by the Engie Impact platform and certain European sites. Refrigerant usage is currently excluded, as activity is immaterial relative to fleet emissions.
- Scope 2 GHG emissions are based on purchased electricity at our owned, rented, and operated locations. For leased facilities in the U.S. (approx. 11%), electricity consumption was derived from the average price of kWh paid in 2022 (14.5 cents per kWh).

WATER

ABG's global water footprint is mainly attributed to car washing and maintenance at our locations. In 2022, water consumption in the U.S. increased by 12% compared to 2018 due to strong demand for vehicle rentals. To offset this increase, ABG will continue to explore opportunities to reduce water consumption through water efficiency practices and technologies.



Water Reduction Target

By 2030, ABG aims to reduce water consumption in the U.S. by 30% from a 2018 base year.

12% increase since 2018.

WASTE

ABG complies with waste regulations across all global operations, which may require recycling or repurposing of car batteries, used oil, windshields, and tires.



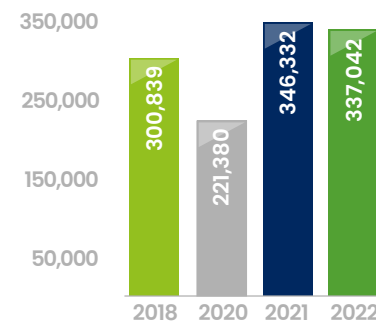
Waste Reduction Target

ABG aims to achieve zero waste-to-landfill in the U.S. for all tires, windshields, motor oils, and car batteries by 2030.

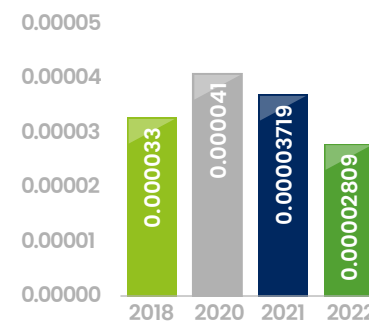
Zero waste-to-landfill maintained.

WATER FOOTPRINT (U.S.)

Water Consumption (kGal)

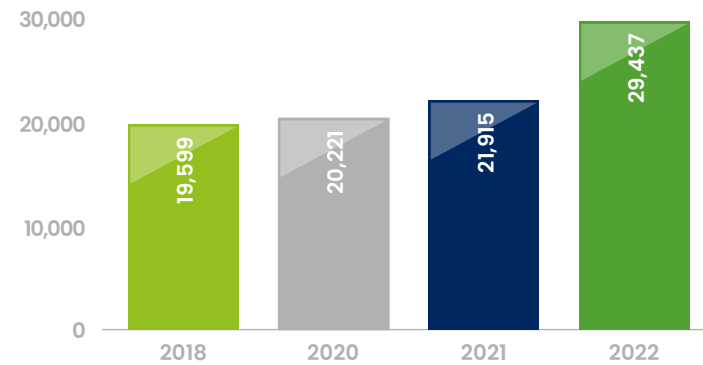


Water Intensity (kGal/revenue)



NON-HAZARDOUS WASTE (U.S.)

Municipal Solid Waste Generated (metric tons)



2022 REGULATED WASTE STREAMS (GLOBAL)



903,361 Gallons of used motor oil recycled or repurposed



357,505 Tires recycled or repurposed



32,834 Car batteries recycled



27,840 Windshields repaired



72,741 Windshields recycled

SUPPORTING PEOPLE AND COMMUNITIES



DIVERSITY, EQUITY, AND INCLUSION

ADVANCING DIVERSITY AND EQUITY

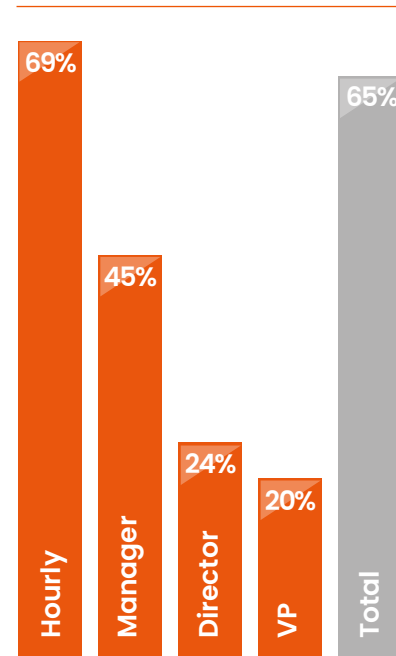
Avis Budget Group (ABG) embraces and promotes diversity and inclusion within the company’s workforce, consumer base, communities, and supply chain. We value each employee, whose talent, skills, and personality has helped to establish the company as a provider of global transportation solutions.

#PowerofDIFFERENT

ABG is committed to building a diverse and inclusive work environment where employees feel valued for their uniqueness, recognized for their diverse talents, and where they can bring their whole selves to work.

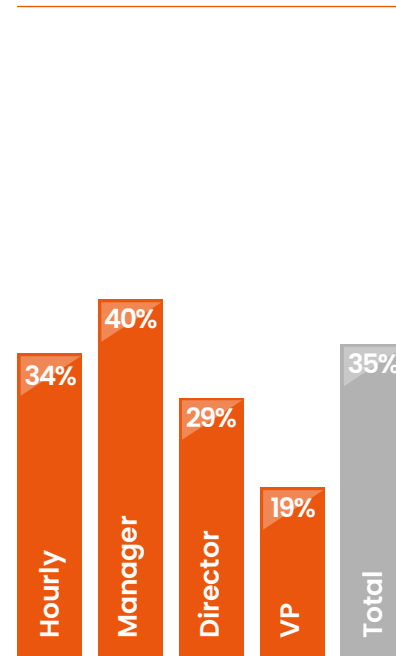
Through the company’s #PowerofDIFFERENT strategy, we embrace and celebrate the demographic, cultural, and lifestyle differences of our employees. In 2022, ABG launched the #PowerofDIFFERENT Scholarship Program to provide employees from different backgrounds with the opportunity to further their education and advance their careers.

U.S. MINORITY REPRESENTATION



JOB CATEGORY 2022

GLOBAL WOMEN REPRESENTATION



JOB CATEGORY 2022



Diversity in the Workplace Target

By 2030, ABG aims to maintain at least 50% diversity in the company’s workforce.

65% of the company’s U.S. workforce is diverse as of year-end 2022.



Gender Pay Equity Target

By 2030, ABG aims to maintain 100% gender pay equity globally.



As of year-end 2022, women had a salary

3 percentage points higher

on average, than men in comparable roles.

ABG's Unconscious Bias Training is made available to all hiring managers and recruiters across the globe.

Recruitment

Part of ABG's talent strategy is to attract and retain a diverse workforce. The company's recruiters are accountable for developing the skills necessary to understand how to attract and recruit underrepresented candidates into the organization. This includes posting open positions to specific websites aimed at diverse talent, and networking with organizations with diverse groups of potential candidates.

Unconscious Bias Training

In 2022, ABG continued to enhance our Unconscious Bias Training, and launched the second installment, Unconscious Bias in Hiring. To ensure all employees feel their best every day, ABG continues to provide tools to adjust automatic patterns of thinking that can be detrimental to the employee experience.

Gender Pay Equity

Gender pay equity is an integral part of ABG's diversity and inclusion strategy.

The company maintains global compensation programs and policies to drive pay equity through standardized reward programs across all countries. An established global bonus program provides equal incentive pay opportunities for all employees in the same or similar positions around the world; and the company uses global guidelines and standards to make compensation decisions for all new employees and promotions.

For all managers, ABG evaluates base salary placements relative to internal salary ranges, regardless of gender. For our frontline, hourly workforce (non-management employees), all employees begin at the same start rate based on their location and position, and the company applies annual pay increases based on tenure.

Employee Resource Groups

To provide a channel for voices to be heard, ABG established four employee resource groups (ERGs) under the #PowerofDIFFERENT strategy. The ERGs are comprised of employees from diverse backgrounds and advocate for equity, look for advancement opportunities, and facilitate discussions to promote a more equitable and inclusive workplace.

Every ERG focuses on three strategic areas:

	<p>EDUCATION AND AWARENESS: Building on collective experiences, knowledge, and expertise to create an equitable and inclusive workplace.</p>
	<p>INCLUSIVE TALENT AND CULTURE: Ensuring the talent acquisition and development strategy focuses on maintaining a diverse workforce and grows talent in ways that recognize, celebrate, and leverage our differences.</p>
	<p>CONNECTIONS AND PARTNERSHIPS: Creating opportunities to connect, not only with each other internally, but through key external partnerships that align with the company's philosophies and beliefs.</p>



#PowerofWOMEN:

Fostering the careers of women through programs that focus on increasing representation in the workplace and supporting women at ABG and in our communities.



#PowerofCOLOR:

Encouraging open discussion among all employees, promoting awareness of the unique experiences of people of color, and supporting opportunities that remove barriers.



#PowerofVETERANS:

Providing career support and opportunities that address the unique needs of current and former service members and promoting involvement in veteran-friendly programs that benefit these employees, their families, and their communities.



#PowerofPRIDE:

Promoting a positive and inclusive environment through education, advocacy, and networking, which celebrates our LGBTQ+ community, with the aim of being an employer of choice for LGBTQ+ individuals and their allies.

SUPPLIER DIVERSITY

ABG is an industry leader in supporting diverse suppliers and investing into Minority and Women-Owned Business Enterprises (MWBES).

The company continues to be recognized as one of America's Top Corporations for MWBEs by the Women's Business Enterprise National Council (WBENC) – the only vehicle rental company to earn a spot on the annual listing since 1999.

ABG has been an active member of the exclusive Billion Dollar Roundtable (BDR) since 2009, with the continued distinction as the only vehicle rental company representative from the travel industry. BDR mandates that all corporate inductees spend at least one billion dollars annually with certified minority and women-owned businesses on a first-tier basis.

Working with Diverse Suppliers

ABG continues to work with critical diverse suppliers. For example, the company works with Leslie Saunders Insurance Agency Inc., an African American-owned business. By engaging with this insurance agency, ABG is also able to support the company's objective to increase spending with Airport Concessions Disadvantaged Business Enterprises (ACDBEs).

**Supplier Diversity Target**

By 2030, ABG aims to invest \$10 billion in aggregate with diverse suppliers, from a 2021 base year.

Over \$5 billion

Since 2021, ABG has invested over \$5 billion with diverse suppliers.

The company will continue to engage with diverse suppliers to increase spend with MWBEs. Additionally, ABG will begin placing a larger importance on investing with Disadvantaged Business Enterprises (DBEs) and ACDBEs.



EMPLOYEE HEALTH, SAFETY, AND WELL-BEING

A CULTURE OF SAFETY

The health and safety of ABG's employees, customers, suppliers, and communities is one of our highest priorities. As such, the company is committed to implementing policies, procedures, and trainings to mitigate safety risks and maintain a healthy and safe work environment. To execute on this commitment, ABG encourages managers and employees to participate in safety meetings and regular workplace inspections.

Training to Reduce Workplace Injuries

Across all operations, ABG provides general and job-specific training for all work groups. In the company's Americas division, ABG enhanced its training and developed new safety training courses, ranging from general safety policies and practices to chemical safety. The company's new motor vehicle safety training course also helps to support the United Nations 2030 Road Safety initiative to reduce motor vehicle-related fatalities.

HEALTH AND SAFETY MANAGEMENT SYSTEM ELEMENTS



Conduct safety risk assessments in all countries for locations operated by ABG.



Implement risk management procedures to reduce workplace injuries and eliminate hazards.



Develop health and safety compliance objectives.



Comply with relevant health and safety legal requirements throughout all operations, regardless of country.



Continuously improve the company's health and safety management system.



SUPPORTING EMPLOYEE WELL-BEING

ABG’s employee benefits vary by country to reflect local practices and cultures; however, the company’s commitment to providing comprehensive and meaningful benefits and resources is consistent across the globe. Our Driving Well-being, Together Program is aimed at helping our people achieve all aspects of wellness through encouraging habits that promote physical, emotional, and financial well-being.

EMPLOYEE WELL-BEING PROGRAM PILLARS



PHYSICAL



EMOTIONAL



FINANCIAL

Physical Well-being

Physical well-being is the ability to maintain a healthy quality of life that allows us to get the most out of daily activities without undue fatigue or physical stress. ABG recognizes our employees need to be physically healthy and have healthcare options for them and their family to free them from worry and bring their whole selves to work. ABG offers a comprehensive set of healthcare plans covering medical, dental, and vision, in addition to accident, disability, and life insurance coverage for life’s unexpected moments. In some countries, benefits provided through the company are primary, while in others they may complement the government’s healthcare system. These benefit programs are flexible and competitive, and many healthcare plans also include additional benefits, such as discounted access to gyms, health coaches, and digital care options to fit a busy lifestyle.

Examples of ABG Benefits



FRANCE

In France, the company offers a competitive benefits package including meal vouchers, extra holidays, and a health insurance program. Employees also have access to vehicle rental discounts and work council benefits, including discounted theater tickets, shopping and leisure vouchers, and various travel and entertainment discounts.



SPAIN

In Spain, the company offers flexible benefit programs for employees to personalize their package and prioritize their choices based on individual needs. Experiential benefits include lunch vouchers, extra holidays, free car rentals, and rental discounts. Employees are rewarded for their hard work with the provision of additional vouchers and team activities.



UNITED KINGDOM

In the U.K., the company provides healthcare coverage for its entire U.K. workforce, including a health cash-plan for frontline employees, allowing them to save on routine healthcare such as dental checkups and treatment, eye examinations and prescription eyewear, physiotherapy treatment, and 24/7 access to doctors and counseling services. ABG also partners with Perkbox, a benefits platform that provides employees with access to a wide range of deals, discounts, and free products.



UNITED STATES

In the U.S., ABG’s healthcare programs include free preventative care. Employees can elect to participate in many voluntary benefit programs at low group rates, including accident, critical illness, and hospital indemnity insurance, ID theft protection, pet insurance, auto insurance, and home insurance. The programs also cover a broad range of medically necessary services, such as Transgender Health Benefits including coverage of mental health, hormonal therapies, and surgical treatments. Same or opposite sex domestic partners are eligible for dependent benefit coverage. Employees can also choose a dependent-care flexible spending plan, which allows for reimbursement of dependent-care costs with tax-free dollars.

Emotional Well-being

Emotional well-being is as important as physical well-being. Employees that feel emotionally supported by their employer, including through benefits, are more connected to their workplace and their communities. ABG seeks to break down barriers around mental health by providing employees with services to mitigate mental distress, as well as other tools.

In the U.S. and Canada, and in some other countries, ABG provides free access to an Employee Assistance Program (EAP) to assist employees and their family members with work/life issues and to help resolve any personal matters. This can include programs ranging from mental and emotional well-being support, to assistance with financial and legal matters.

A flexible work policy is also available at certain locations in the U.S., Europe, and Asia Pacific. This new policy applies to employees who can work remotely and includes provisions for flexible working hours to accommodate employee needs.

Examples of ABG Benefits



AUSTRALIA

In Australia, ABG partners with R U OK?, an organization that raises awareness about the importance of mental health and well-being. R U OK? provides training to ABG's Australian employees on how to identify and have conversations with team members who may be struggling with mental health.



UNITED STATES

In the U.S., ABG added a new digital emotional well-being program powered by Neuroflow to help strengthen mind and body connection through interactive activities, and provide education for overall well-being. In addition, those needing additional emotional health and wellness support have access to free virtual therapy from BetterHelp.

Financial Well-being

Meeting current and ongoing financial obligations and feeling secure in one's financial future is an important aspect of well-being. ABG provides competitive retirement plans that complement government retirement systems to help employees plan for the future and life after work. These retirement programs include a variety of educational and support tools, such as online resource centers and access to a licensed financial advisor.

ABG believes it is important for employees to benefit from the industry they work in. The company therefore provides them, their friends, and their family with access to an array of discounts on vehicle rentals and vehicle purchases from our fleet.

To help employees' pay checks go further, ABG also provides a variety of local perks and discounts designed to appeal to our teams in each country where we operate.

EMPLOYEE ENGAGEMENT AND DEVELOPMENT

ENGAGEMENT

At ABG, our people are our strength, fueling our purpose-driven performance. Through our employee engagement and development programs, we are committed to listening, inspiring, and advocating for our employees' future success.

Vision and Values

In October 2022, ABG unveiled our new vision and core values.

The company marked the occasion by holding over 700 employee appreciation events around the globe. Over the course of two weeks, employees participated in a variety of celebrations to better understand our vision and recognize individuals and teams for exemplifying our core values.

Global Pulse Survey

In November, the company introduced a new approach to measuring employee engagement. The Global Pulse Survey (G.P.S.) takes place twice a year and measures the extent to which employees believe we are living our vision and values. We do this by asking a few quick questions.

Global Pulse Survey



70%
of employees
responded to
the survey



79%
of responders agreed
or strongly agreed
that they would
recommend ABG as a
Great Place to Work

Seventy percent of employees responded to the first survey, with 79% of responders agreeing or strongly agreeing that they would recommend ABG as a Great Place to Work.

Employee Applications

ABG developed two innovative employee apps, Driven (available to employees globally) and WorkJam (available to U.S. employees) to keep front line employees informed. Teams are kept engaged with targeted and two-way communications, surveys, mobile learning, and our 'I'm Driven' recognition program to publicly recognize teams and individuals.

Employee Value Proposition

To further engage employees globally, we refreshed our Employee Value Proposition (EVP). Our EVP boldly states that, at ABG we're a team of driven people, performing with purpose.

The three pillars of our EVP – People, Performance, and Purpose – are fully integrated into all aspects of what we do. From our people driven values and our culture of driving performance, together – to providing safe

and sustainable transport solutions that make a difference to the lives of our colleagues, customers, and communities.

LEARNING

ABG coaches, supports, encourages, and enables every employee to realize their potential and learn how their skills, experiences, and training can be adapted and applied to other roles.

To promote learning, ABG provides access to a variety of on-demand digital learning and on-the-job, leader-led, and peer-to-peer development experiences that are engaging, inspiring, and valuable. Through the company's "Driving Performance, Together" program, ABG sets performance and development targets, and provides a quarterly employee review process.

COMMUNITY SUPPORT

GIVING BACK

With operations around the world, ABG is committed to supporting local communities and charities. These community engagement activities occur both at the corporate and individual employee levels. For example, employees may dedicate time to a local cause or charity close to their hearts. At a corporate level, ABG sponsors and partners with several organizations, including Make-A-Wish, R U OK?, Susan G. Komen, and Toys for Tots.

Supporting Community Resilience

For 75 years, ABG has developed strong competencies in responding to business disruptions. The company's business continuity programs are centered around preparing and protecting people, properties, and infrastructure. ABG utilizes an "all hands on deck" approach within the company's incident management strategy to respond to incidents effectively. The company has also developed longstanding partnerships with national disaster response agencies, to enhance the company's ability to provide rapid support to affected customers, employees, and communities.

Taking the Lead to Make Communities Safer

ABG aims to engage with stakeholders to support community safety. For example, in collaboration with consumer advocacy groups, the company was pivotal in shaping safety recall legislation applicable to the industry. ABG also continues to partner with the U.S. Department of Homeland Security and the Federal Bureau of Investigation to identify and prevent threats of violence, fraud, and other scams that may impact consumers.



Supporting R U OK? in Australia

ABG continues to support R U OK?, a public health promotion charity that encourages people to stay connected and have conversations that can help others through difficult times in their lives.

In 2022, ABG provided a vehicle for the R U OK? Community Engagement Partner to use to access remote indigenous communities in Australia. ABG also raised nearly **\$35,000** for R U OK? through a charity event.

HUMAN RIGHTS

HUMAN RIGHTS COMMITMENT

As a provider of global transportation solutions, ABG understands our responsibility to protect human rights. As such, ABG is committed to operating in a manner that is consistent with the UN Guiding Principles on Business and Human Rights and the International Labor Organization's Fundamental Conventions.

Guided by the company's Human Rights Policy Statement, ABG focuses on creating a culture and business based on transparency, inclusion, mutual respect, responsibility, and understanding. This includes the belief that human trafficking, forced labor, and child labor have no place within our company's operations and supply chains.

Human Rights and Supply Chains

To support compliance with the human rights standards set forth in the company's Third Party Standards of Conduct, ABG encourages partners and suppliers to periodically conduct self-evaluations to ensure that they, along with their subcontractors, are in compliance with our human rights standards.

Labor Rights

ABG recognizes the right of all employees to voluntarily organize and choose a labor organization for the purposes of collective bargaining. Where existing labor organizations have been established, the company has implemented mechanisms to promote effective, open, and respectful communication between employees, their representatives, and management.

ABG aims to adhere to all applicable employment laws and regulations in all locations around the world. The company provides equal employment opportunities without regard to 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. There is a zero-tolerance policy for unlawful discrimination or harassment of any kind at the company.

Human Trafficking Awareness Training Target



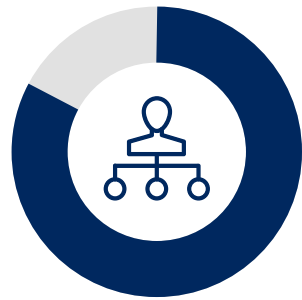
By 2030, ABG aims to train 100% of rental agents on human trafficking awareness.

To execute on this goal, ABG is **preparing to launch human trafficking awareness training** to all rental agents in late 2023.

GOVERNANCE AND BUSINESS CONDUCT



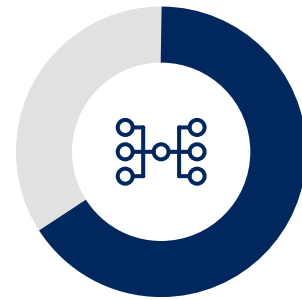
BOARD OVERSIGHT



83%
of directors are diverse by gender, ethnicity, or race



100%
of the Compensation, Corporate Governance, and Audit Committee members are independent



66%
of Board Committees are chaired by diverse directors

BOARD OF DIRECTORS

Avis Budget Group's (ABG) Board of Directors is committed to monitoring the effectiveness of policy and decision-making to support the enhancement of long-term shareholder value.

The company's corporate governance guidelines, committee charters, Code of Conduct, and other documents inform ABG's corporate governance practices, including responsibilities for establishing and maintaining the most effective leadership structure.

ABG's current Board leadership structure consists of an Executive Chairman of the Board, Vice Chairman of the Board, as well as fully independent Compensation, Corporate Governance, and Audit Committees.

OVERSIGHT OF ENVIRONMENTAL, SOCIAL, AND GOVERNANCE MATTERS

The Board of Directors and ABG's senior leadership team recognize the importance of prioritizing an environmental, social, and governance (ESG) strategy across the organization. The Board's Corporate

Governance Committee has direct oversight of ESG matters, including reviewing and discussing emerging best practices, trends and key issues related to ESG, and overseeing the company's ESG strategy and governance, including by advising the full Board of Directors with respect to such matters.

ESG GOVERNANCE STRUCTURE

BOARD OF DIRECTORS (CORPORATE GOVERNANCE COMMITTEE)

The Corporate Governance Committee reviews significant ESG policies, processes, and commitments; and provides updates to the full Board of Directors at least annually.

ESG STEERING COMMITTEE

The ESG Steering Committee is comprised of ABG's President and CEO and his direct reports, and provides oversight of the company's global ESG strategy.

ENVIRONMENTAL SUBCOMMITTEE

The Environmental Subcommittee is comprised of leaders from disciplines throughout the company, and develops the company's strategy to measure and reduce environmental impacts. This subcommittee typically provides quarterly updates to the ESG Steering Committee.



ETHICS AND COMPLIANCE

DRIVEN BY VALUES

ABG's commitment to ethics and integrity is core to the company's success. Through a culture of open communication and teamwork, employees support ABG's vision.

Code of Conduct

ABG's Code of Conduct is centered around the company's core values. The purpose of the Code of Conduct is to promote (1) honest and ethical conduct; (2) full, fair, accurate, timely, and understandable disclosure in periodic reports required to be filed by the company; and (3) promote compliance with all applicable rules and regulations that apply to the company and its officers and directors.

The Code of Conduct applies to all ABG's officers and employees, including the company's principal executive officer, principal financial officer, and principal accounting officer. The company's Board of Directors has also adopted a Code of Business Conduct and Ethics for Directors, which outlines the ethical responsibilities of Board members.

Integrity Hotline

To report concerns related to ethics and compliance, ABG's confidential Integrity Hotline is available to employees 24/7, and can be accessed through a dedicated phone line and website. The company's non-retaliation policy prohibits threats of retaliation or other discrimination directly related to any report made by an employee.

All concerns reported through the Integrity Hotline are investigated. The Board, through its Committees, also receives annual updates on Integrity Hotline reports.

Anti-Corruption and Bribery

ABG prohibits all forms of corruption and bribery. The company's Code of Conduct and Anti-Corruption Policy support company compliance with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and all other applicable anti-corruption and anti-bribery laws.

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

ABG also provides additional employee guidance regarding anti-bribery and corruption, when necessary.



The Code of Conduct is translated into 14 languages.



All employees are required to complete the Code of Conduct learning module.



Managers are required to complete additional training, including the "Receiving and Escalating Concerns" module.

Third Party Due Diligence Processes

Fostering sustainable relationships with ABG's business partners, agents, consultants, suppliers, and other third parties is important to the company's success.

ABG's approach to engagement with third parties is centered around a risk-based screening to gauge their ability to comply with the Third Party Standards of Conduct, as well as with applicable laws on corruption and bribery, competition and anti-trust, conflicts of interest, data privacy, and fraud. The company's Third Party Due Diligence process applies to franchisees and licensees, suppliers, and intermediaries.

Third Party Due Diligence by ABG may be conducted for the following reasons:

-  When considering new business partners.
-  Before renewing a multi-year agreement.
-  60 months from completion of the previous due diligence.
-  Upon knowledge of significant contract changes.
-  Upon knowledge of significant changes to the business partner status.
-  Upon knowledge of regulatory or criminal investigation of the business partner or its principals.



DATA PRIVACY AND CYBERSECURITY

DATA PRIVACY AND INFORMATION SECURITY PROGRAMS

ABG's Data Privacy and Information Security Programs are designed to comply with data privacy laws and align with both ISO 27001 controls and the National Institute of Standards and Technology (NIST) framework.

The company's Data Privacy and Information Security Programs include the following practices:

- Only use or disclose personal information in compliance with applicable privacy legislation.
- Minimize the use of personally identifiable information.
- Regularly destroy data that is no longer needed.
- Restrict access to data within the organization based on the principle of least privilege (only providing access to those that need it to perform their work).

Firewalls and other technical measures, including encryption and guarding customers' sensitive personal information, are also part of ABG's Data Privacy and Information Security Programs. The company employs administrative, technical, and physical defenses to protect personal information from unauthorized access, modification, or disclosure.

Governance and Oversight

ABG's Vice President, Platforms, Infrastructure, and Cybersecurity directly oversees the company's Data Privacy and Information Security Programs. This Vice President provides reports to the Audit Committee on a quarterly basis, including information on current control audits, risk assessments, and activities undertaken to protect information technology assets.

Audits and Risks Assessments

ABG's Data Privacy and Information Security policies and procedures, including employee training, third party risk reviews, penetration testing, and other related controls are audited annually. This includes an annual assessment of relevant IT SOX controls and Payment Card Industry (PCI), and Data Security Standard reviews performed both by external PSI Qualified Security Assessors (QSAs) and authorized Information Security team members. Additionally, the Information Security department reviews technical controls on a regular basis, conducts penetration testing and vulnerability assessments of the company's systems.

Employee Training and Awareness

Across the organization, ABG has robust employee training, including mandatory Data Privacy and Information Security training programs for all individuals that handle personal information. The company regularly conducts privacy and data security awareness campaigns to reinforce the importance of data security and empower employees to detect threats and report concerns.



100%

of ABG's information security team members are certified by relevant security certification programs.



100%

of ABG's operational sites are PCI compliant.

PUBLIC POLICY

PARTICIPATING IN THE PUBLIC POLICY PROCESS

ABG believes in transparency and ensuring the company's voice is heard on policy issues that matter most to customers, employees, and the industry. Through participation in public policy, the company aims to facilitate informed debates and constructively contribute to the policymaking process.

Governance and Oversight

ABG's Senior Vice President, General Counsel, Chief Compliance Officer, and Corporate Secretary is responsible for overseeing the company's legislative affairs and public policy engagement strategy. This includes providing updates to the full Board of Directors regarding the company's strategy and support of key policy objectives in the U.S.

To further support U.S. policies, one of the company's Vice Presidents of Government Affairs maintains the following roles in industry organizations:

- Board member of the American Car Rental Association (ACRA)
- Liaison between ACRA and the U.S. Department of Homeland Security
- Board member of the Truck Rental and Leasing Association (TRALA)

Internationally, ABG is a member of the British Vehicle Rental and Leasing Association (BVRLA), in addition to corresponding associations in European and Asia Pacific countries. The company is also a member of regional industry associations, including Leaseurope in the Eurozone and Associated Canadian Car Rental Operators in Canada.

Key Policy Topics

In 2022, ABG's public policy efforts were concentrated largely on delaying the scheduled phaseout of the full expensing tax provisions, and the development and deployment of electric vehicle (EV) infrastructure.

At a federal level, ABG's Government Affairs team joined with other companies and business organizations to advocate for delaying the scheduled phaseout of the full expensing tax provisions. Also known as "Bonus Depreciation," full expensing allows businesses to immediately deduct the full cost of certain investments in new or improved technology, equipment, or buildings. Beginning in 2023, full expensing is scheduled to phase out over five years. Thus, for 2023, companies are only permitted to expense 80% of capital investments, with the percentage continuing to step down 20% per year until expensing is fully phased out beginning in 2027. ABG also focused on federal government assistance to support the expansion of EV deployment, including the expansion of EV infrastructure across the country and at U.S. airports.

On a state level, the company's priority areas included EV infrastructure development, as well as tax and insurance policy.

At the local level, ABG maintained its focus on municipal regulations, including on-street parking provisions and transportation pilot programs, in coordination with our Zipcar subsidiary.



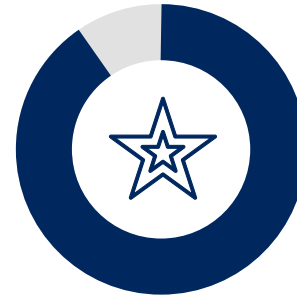
CUSTOMER SAFETY AND ENGAGEMENT

COMMITMENT TO SAFETY

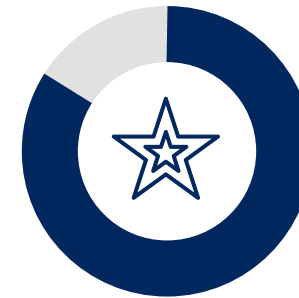
The health and safety of ABG’s employees, customers, supplier, and communities is our highest priority. The company places a strong emphasis on the quality of vehicle maintenance for customer safety and satisfaction. To accomplish this task, ABG has developed and continues to evolve specialized training programs for the company’s technicians. ABG’s Supply Chain department reviews, distributes, and makes accessible Original Equipment Manufacturer (OEM) technical service bulletins that can be retrieved electronically at repair locations. Additionally, policies and procedures are implemented to promptly address manufacturer recalls as part of ongoing maintenance and repair efforts to maximize the customer experience.

The company’s current fleet consists of vehicles from leading manufacturers, that support our commitment to providing customers with high standards for vehicle safety, air emissions control, and technology. All vehicles in the company’s fleet also meet or exceed federal and local safety standards.

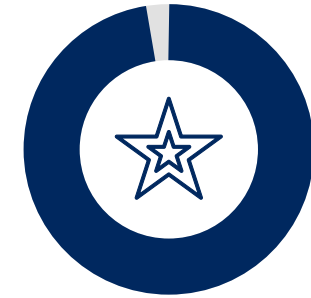
2022 Fleet Safety Metrics



90%
of the U.S. fleet was rated four or five stars by the National Highway Traffic Safety Administration



84%
of the fleet was rated four or five stars by Euro New Car Assessment Program



98%
of the Asia Pacific fleet was rated four or five stars by the ANCAP Program



11%
of the U.S. fleet was affected by OEM recalls



0.6%
of the International fleet was affected by OEM recalls

Customer Satisfaction

ABG's commitment to delivering a consistently high level of customer service across all our company's brands is a critical business strategy element. The company's Customer Led, Service Driven™ program focuses on continually improving the overall customer experience.



The employees at ABG's company-operated locations are trained and empowered to resolve most customer issues at the location level. Customer satisfaction metrics are continuously tracked by sending location-specific surveys to recent customers. These location-specific surveys ask customers to evaluate their overall satisfaction with their rental experience and the likelihood that they will recommend ABG's brands, as well as key elements of the rental experience. The surveys also include specific questions to learn more about individual preferences and find innovative ways to better serve and anticipate customers' needs.

Engaging with Customers

The Avis Car Rental app provides customers with a convenient way to control elements of their rental experience without the need to visit the rental counter. This includes tracking Avis's shuttle buses, finding rental locations, locating their rental vehicle, and locating nearby gas stations and parking facilities.



Over 40 countries

ABG was recognized by the World Travel Awards, as being a Leading Car Rental Company in over 40 countries and/or territories in 2022.

APPENDICES



PERFORMANCE TABLES*

GENERAL COMPANY AND FINANCIAL

	2022	2021	2020
Number of Locations	10,250	10,400	10,600
Average Global Rental Fleet	655,000	529,000	533,000
Revenue	\$12 billion	\$9.3 billion	\$5.4 billion

EMPLOYEES

	2022	2021	2020
Total	24,500	21,000	20,000
Covered by Collective Bargaining Agreements (%)	28%	27%	21%
Turnover Rate** (%)	45%	36%	57%

*Metrics in these Performance Tables may be rounded.

**includes involuntary and voluntary employee termination.

EMPLOYEES – GLOBAL GENDER REPRESENTATION (WOMEN)

Job Category	2022	2021	2020
Hourly	34%	34%	33%
Manager	40%	40%	40%
Director	29%	27%	29%
VP	19%	20%	23%
Total	35%	35%	34%

EMPLOYEES – U.S. MINORITY REPRESENTATION

Job Category	2022	2021	2020
Hourly	69%	66%	59%
Manager	45%	41%	38%
Director	24%	22%	22%
VP	20%	19%	16%
Total	65%	61%	55%

BOARD MEMBERS

	2022	2021	2020
Women Board Members	33%	33%	17%
Diverse Board Members	83%	83%	83%

HEALTH AND SAFETY*

	2022	2021	2020
Total Recordable Incident Rate	2.58	2.99	2.23
Lost-Time Incident Rate	0.97	1.02	1.07
Fatalities	0	0	0

* Performance is based on our U.S. operations, which represents our largest employee population. These incident rates are calculated per 100 Full Time Equivalent (FTEs). In 2022, there were 0 work-related fatalities in North America.

ENVIRONMENTAL – GREENHOUSE GAS (GHG) EMISSIONS (CO₂e METRIC TONS)

	2022	2021	2020	2018
Scope 1	5,672,858	4,916,937	4,920,349	6,827,371
Scope 2	37,779	42,481	37,770	45,043
Total Scope 1 and 2	5,710,637	4,959,418	4,958,119	6,872,414
GHG Emissions Intensity (kg / revenue)	0.000475	0.000533	0.000919	0.000753
Scope 3** (waste generated in operations)	16,997	12,635	-	-
Scope 3** (business travel)	805	218	-	-

** Scope 3 GHG emissions are comprised of waste generated in operations and business travel. Scope 3 – Category 5 – Waste data is based on our total waste generated in the United States at facilities operated by Avis Budget Group. 11% of sites in the U.S. were excluded from our calculation. These sites are leased buildings where data was not provided by the landlord. Scope 3 – Category 6 – Business travel emissions data is based on air, rail travel and hotel stay information in the United States, Canada, and most of Europe, tracked by Egencia, our business travel vendor. Egencia accounts for 50% of all travel bookings. Two low-cost airlines in our booking system – Spirit and Frontier – are excluded from this calculation. Also, Spain, Australia, and New Zealand are excluded from our main booking system.

SCOPE 1 EMISSIONS BREAKDOWN BY GHG EMISSIONS (CO₂e METRIC TONS)

	2022	2021	2020	2018
Carbon Dioxide (CO ₂)	5,658,814	4,903,634	4,905,151	6,803,066
Methane (CH ₄)	2,369.6	2,105.6	2,139	6,714.4
Nitrogen Dioxide (N ₂ O)	11,674.9	11,197.4	13,059	17,590.5

ENVIRONMENTAL – U.S. WATER CONSUMPTION (KGAL)

	2022	2021	2020	2018
Water Consumption	337,042	346,332	221,380	300,839
Water Intensity (kGal / revenue)	0.00002809	0.00003719	0.000041	0.000033

ENVIRONMENTAL – U.S. NON-HAZARDOUS WASTE GENERATION (METRIC TONS)

	2022	2021	2020	2018
Municipal Solid Waste Generated	29,437	21,915	20,221	19,599

SASB INDEX

To support investors and stakeholders, Avis Budget Group has provided the following disclosures based on the SASB Standards for Car Rental and Leasing Companies.

TOPIC	METRIC	CODE	REFERENCES
Customer Safety	Percentage of rental fleet vehicles rated by NCAP programs with an overall 5-star safety rating, by region	TR-CR-250A.1	Customer Safety and Engagement, page 40
	Number of vehicles recalled	TR-CR-250A.2	<p>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.</p> <p>In the U.S., when we receive a safety recall notice from a vehicle manufacturer under the Motor Vehicle Safety Act, we identify the affected vehicles in our fleet and place them on a “hard hold” in our reservations system, which prevents them from being rented. We then do not rent these vehicles until we are able to implement a remedy that has been approved by the manufacturer and the National Highway Transportation and Safety Administration (NHTSA).</p> <p>When vehicles in ABG’s fleet become subject to a safety recall, the company uses a third party vendor that automatically calls customers within 24 hours after it is confirmed that the vehicle they have out on rent has been recalled. Each customer who has rented a vehicle that is subsequently subject to a recall will receive a message providing specific instructions as to how, where and when the vehicle may be returned for an exchange. If no valid telephone number has been provided, a written notice will be sent to the renter’s residential address.</p> <p>Customer Safety and Engagement, page 40</p>
Fleet Fuel Economy and Utilization	Rental Day-Weighted Average Rental Fleet Fuel Economy, By Region	TR-CR-410A.1	In 2022, our weighted average rental fleet fuel economy was 26 miles per gallon in the U.S. and 198 grams CO ₂ /km internationally.
	Fleet Utilization Rate	TR-CR-410A.2	10-K Filing , Page 11 (Fleet Utilization)

ACTIVITY METRICS

METRIC	CODE	REFERENCES
Average vehicle age	TR-CR-000.A	Our fleet consists primarily of vehicles from the current and immediately preceding model year. 10-K Filing , page 10 (Our Fleet)
Total available rental days	TR-CR-000.B	In 2022, there were 365 total available rental days as we maintain continuous operations on weekends and holidays.
Average rental fleet size	TR-CR-000.C	10-K Filing , page 4 (Overview)

GRI INDEX

To facilitate stakeholders in understanding and benchmarking our corporate responsibility performance, we used the Global Reporting Initiative (GRI) Standards, 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.) In this 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.

GRI 2: GENERAL DISCLOSURES

INDICATORS	DESCRIPTIONS	REFERENCES
THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1	Organizational details	Company Overview, page 6 10-K Filing , pages 6-19 (Business) About Our Brands
2-2	Entities included in the organization's sustainability reporting	Unless otherwise stated, this Report covers Avis Budget Group's entire operations, for which the company has operational control over for calendar year 2022.
2-3	Reporting period, frequency and contact point	Our reporting period is calendar year 2022; and we publish an ESG Report, annually. Get in Touch
2-4	Restatements of information	None during the reporting period.
2-5	External assurance	External Assurance Statement, page 66
ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	Company Overview, page 6 Stakeholder Engagement, page 10 Avis Budget Group Fleet, page 13 10-K Filing , pages 6-19 (Business) 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).

INDICATORS	DESCRIPTIONS	REFERENCES
2-7	Employees	Diversity, Equity, and Inclusion, page 24 Performance Tables, page 43 10-K Filing , pages 17-18 (Our Human Capital Resources and Management)
2-8	Workers who are not employees	Diversity, Equity, and Inclusion, page 24 Performance Tables, page 43 10-K Filing , pages 17-18 (Our Human Capital Resources and Management)
GOVERNANCE		
2-9	Governance structure and composition	Board Oversight, page 35 Governance Documents and Committee Charters Corporate Governance Guidelines , pages 1-3 (Composition of Board of Directors) 2023 Proxy Statement , pages 14-15 (Board Leadership Structure); pages 17-18 (Committees of the Board of Directors)
2-10	Nomination and selection of the highest governance body	Corporate Governance Guidelines , pages 1-3 (Composition of Board of Directors) Corporate Governance Committee Charter , pages 1-2 (Authority and Responsibilities of Corporate Governance Committee) 2023 Proxy Statement , pages 18-19 (Director Nomination Procedures)
2-11	Chair of the highest governance body	Board of Directors 2023 Proxy Statement , page 24 (Executive Officers)
2-12	Role of the highest governance body in overseeing the management of impacts	Board Oversight, page 35 2023 Proxy Statement , pages 18-19 (Committees of the Board of Directors)
2-13	Delegation of responsibility for managing impacts	Board Oversight, page 35 2023 Proxy Statement , pages 18-19 (Committees of the Board of Directors)
2-14	Role of the highest governance body in sustainability reporting	Board Oversight, page 35 Avis Budget Group's Board of Directors are provided the opportunity to review the Company's ESG Report.
2-15	Conflicts of interest	Code of Business Conduct and Ethics for Directors Code of Conduct 2023 Proxy Statement , page 16 (Codes of Conduct)

INDICATORS	DESCRIPTIONS	REFERENCES
2-16	Communication of critical concerns	Board Oversight, page 35 2023 Proxy Statement , page 16 (Communicating with the Board of Directors)
2-17	Collective knowledge of highest governance body	2023 Proxy Statement , pages 9-11 (Biographical Information for Nominees)
2-18	Evaluation for the performance of the highest governance body	Corporate Governance Guidelines , page 5 (Assessing Board Performance)
2-19	Remuneration policies	2023 Proxy Statement , page 26-28 (Executive Compensation)
2-20	Process to determine remuneration	2023 Proxy Statement , page 26-38 (Executive Compensation)
2-21	Annual total compensation ratio	2023 Proxy Statement , page 44 (CEO Pay Ratio)
STRATEGY, POLICIES, AND PRACTICES		
2-22	Statement on sustainable development strategy	A Message from Our President and CEO, page 4
2-23	Policy commitments	Ethics and Compliance, page 36 Human Rights Policy Statement Slavery and Human Trafficking Statement Code of Conduct Third Party Standards of Conduct
2-24	Embedding policy commitments	Ethics and Compliance, page 36 Code of Conduct
2-25	Processes to remediate negative impacts	Ethics and Compliance, page 36 Employee Health, Safety, and Well-being, page 28
2-26	Mechanisms for seeking advice and raising concerns	Ethics and Compliance, page 36 Code of Conduct Integrity Hotline
2-27	Compliance with laws and regulations	In 2022, Avis Budget Group had no known material instances of non-compliance with environmental laws and regulations.

INDICATORS	DESCRIPTIONS	REFERENCES
STAKEHOLDER ENGAGEMENT		
2-29	Approach to stakeholder engagement	Stakeholder Engagement, page 10
2-30	Collective bargaining agreements	Ethics and Compliance, page 36 10-K Filing , pages 17-18 (Our Human Capital Resources and Management) Human Rights Policy Statement

GRI 3: MATERIAL TOPICS

INDICATORS	DESCRIPTIONS	REFERENCES
3-1	Process to determine material topics	Materiality, page 9
3-2	List of material topics	Materiality, page 9

MATERIAL TOPICS: ECONOMIC

INDICATORS	DESCRIPTIONS	REFERENCES	
ECONOMIC PERFORMANCE			
GRI 3	3-3	Management of material topics	Community Support, page 52 10-K Filing Investor Presentations
GRI 201	201-1	Direct economic value generated and distributed	10-K Filing
	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Index, page 60 2022 CDP Climate Change Response
	201-3	Coverage of the organization's defined benefit plan obligations	10-K Filing, pages F-42-F45 ("Employee Benefits Plans")

INDICATORS	DESCRIPTIONS	REFERENCES
INDIRECT ECONOMIC PERFORMANCE		
GRI 3 3-3	Management of material topics	Community Support, page 32 Developing New Models
GRI 203 203-1	Infrastructure investments and services supported	Community Support, page 32 Developing New Models
ANTI-CORRUPTION		
GRI 3 3-3	Management of material topics	Ethics and Compliance, page 36 Code of Conduct , pages 27-30 (“We Do Not Tolerate Bribery or Corruption”)
GRI 205 205-1	Operations assessed for risks related to corruption	Ethics and Compliance, page 36 Code of Conduct , pages 27-30 (“We Do Not Tolerate Bribery or Corruption”)
	205-2 Communication and training on anticorruption policies and procedures	Ethics and Compliance, page 36 Code of Conduct , pages 27-30 (“We Do Not Tolerate Bribery or Corruption”)

MATERIAL TOPICS: ENVIRONMENTAL

INDICATORS	DESCRIPTIONS	REFERENCES
ENERGY		
GRI 3 3-3	Management of material topics	Avis Budget Group Fleet, page 13 Sustainable Locations and Green Buildings, page 18 Environmental Impact and Performance, page 21 Environmental Policy Statement 2022 CDP Climate Change Response
GRI 302 302-1	Energy consumption within the organization	Avis Budget Group Fleet, page 13 Sustainable Locations and Green Buildings, page 18 Environmental Impact and Performance, page 21 2022 CDP Climate Change Response

INDICATORS		DESCRIPTIONS	REFERENCES
WATER AND EFFLUENTS			
GRI 3	3-3	Management of material topics	2030 Environmental, Social, and Governance Targets, page 11 Environmental Impact and Performance, page 21 Environmental Policy Statement 2022 CDP Water Security Response
GRI 303	303-1	Interactions with water as a shared resource	2030 Environmental, Social, and Governance Targets, page 11 Environmental Impact and Performance, page 21 Environmental Policy Statement 2022 CDP Water Security Response
	303-3	Water withdrawal	Environmental Impact and Performance, page 21 Environmental Policy Statement 2022 CDP Water Security Response
EMISSIONS			
GRI 3	3-3	Management of material topics	Avis Budget Group Fleet, page 13 Sustainable Locations and Green Buildings, page 18 Environmental Impact and Performance, page 21 TCFD Index, page 60 Environmental Policy Statement 2022 CDP Climate Change Response
GRI 305	305-1	Direct (Scope 1) GHG emissions	Environmental Impact and Performance, page 21 2022 CDP Climate Change Response
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental Impact and Performance, page 21 2022 CDP Climate Change Response
	305-3	Other indirect (Scope 3) GHG emissions	Environmental Impact and Performance, page 21 2022 CDP Climate Change Response
	305-4	GHG emissions intensity	Environmental Impact and Performance, page 21 2022 CDP Climate Change Response

INDICATORS		DESCRIPTIONS	REFERENCES
WASTE			
GRI 3	3-3	Management of material topics	2030 Environmental, Social, and Governance Targets, page 11 Environmental Impact and Performance, page 21 Environmental Policy Statement
GRI 306	306-2	Management of significant waste-related impacts	2030 Environmental, Social, and Governance Targets, page 11 Environmental Impact and Performance, page 21 Environmental Policy Statement
	306-3	Waste generated	Environmental Impact and Performance, page 21
	306-4	Waste diverted from disposal	Environmental Impact and Performance, page 21
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 3	3-3	Management of material topics	Sustainable Locations and Green Buildings, page 18 Ethics and Compliance, page 36 Third Party Standards of Conduct
GRI 308	308-1	New suppliers that were screened using environmental criteria	Sustainable Locations and Green Buildings, page 18 Ethics and Compliance, page 36 Third Party Standards of Conduct

MATERIAL TOPICS: SOCIAL

INDICATORS		DESCRIPTIONS	REFERENCES
EMPLOYMENT			
GRI 3	3-3	Management of material topics	Employee Health, Safety, and Well-being, page 28 Employee Engagement and Development, page 31 Jobs
GRI 401	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Health, Safety, and Well-being, page 28 Jobs
	401-3	Parental leave	Employee Health, Safety, and Well-being, page 28
LABOR/MANAGEMENT RELATIONS			
GRI 3	3-3	Management of material topics	Ethics and Compliance, page 36 10-K Filing , pages 17-18 (Our Human Capital Resources and Management) Human Rights Policy Statement
GRI 402	402-1	Minimum notice periods regarding operational changes	Notice periods and other terms vary across agreements.
OCCUPATIONAL HEALTH AND SAFETY			
GRI 3	3-3	Management of material topics	Employee Health, Safety, and Well-being, page 28
GRI 403	403-1	Occupational health and safety management system	Employee Health, Safety, and Well-being, page 28
	403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Health, Safety, and Well-being, page 28 Workers are represented in joint management-worker health and safety committees in all applicable jurisdictions.
	403-6	Promotion of worker health	Employee Health, Safety, and Well-being, page 28
	403-9	Work-related injuries	Employee Health, Safety, and Well-being, page 28

INDICATORS		DESCRIPTIONS	REFERENCES
TRAINING AND EDUCATION			
GRI 3	3-3	Management of material topics	Employee Engagement and Development, page 31
GRI 404	404-2	Programs for upgrading employee skills and transition assistance programs	Employee Engagement and Development, page 31
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 3	3-3	Management of material topics	2030 Environmental, Social, and Governance Targets, page 11 Diversity, Equity, and Inclusion, page 24 Employee Engagement and Development, page 31 Board Oversight, page 35
GRI 405	405-1	Diversity of governance bodies and employees	2030 Environmental, Social, and Governance Targets, page 11 Diversity, Equity, and Inclusion, page 24 Board Oversight, page 35
	405-2	Ratio of basic salary and remuneration of women to men	2030 Environmental, Social, and Governance Targets, page 11 UK Gender Pay Gap Report
CHILD LABOR			
GRI 3	3-3	Management of material topics	2030 Environmental, Social, and Governance Targets, page 11 Human Rights, page 33 Human Rights Policy Statement Slavery and Human Trafficking Statement Third Party Standards of Conduct
GRI 408	408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights, page 33 Human Rights Policy Statement Slavery and Human Trafficking Statement Third Party Standards of Conduct

INDICATORS		DESCRIPTIONS	REFERENCES
FORCED OR COMPULSORY LABOR			
GRI 3	3-3	Management of material topics	2030 Environmental, Social, and Governance Targets, page 11 Human Rights, page 33 Human Rights Policy Statement Slavery and Human Trafficking Statement Third Party Standards of Conduct
GRI 409	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights, page 33 Human Rights Policy Statement Slavery and Human Trafficking Statement Third Party Standards of Conduct
LOCAL COMMUNITIES			
GRI 3	3-3	Management of material topics	Community Support, page 32 Code of Conduct , page 69 (“We Are Good Neighbors”)
GRI 413	413-1	Operations with local community engagement, impact assessments, and development programs	Community Support, page 32
SUPPLIER SOCIAL ASSESSMENT			
GRI 3	3-3	Management of material topics	2030 Environmental, Social, and Governance Targets, page 11 Sustainable Locations and Green Buildings, page 18 Diversity, Equity, and Inclusion, page 24 Human Rights, page 33 Third Party Standards of Conduct
GRI 414	414-1	New suppliers that were screened using labor practices criteria	Sustainable Locations and Green Buildings, page 18 Human Rights, page 33 Third Party Standards of Conduct

INDICATORS		DESCRIPTIONS	REFERENCES
PUBLIC POLICY			
GRI 3	3-3	Management of material topics	Public Policy, page 39 Code of Conduct , page 70 (“Political Activities”); page 71 (“Lobbying”)
GRI 415	415-1	Political contributions	Public Policy, page 39
CUSTOMER HEALTH AND SAFETY			
GRI 3	3-3	Management of material topics	Customer Safety and Engagement, page 40 Code of Conduct , page 38 (“Product/Service Safety and Quality”)
GRI 416	416-1	Assessment of the health and safety impacts of product and service categories	Customer Safety and Engagement, page 40
CUSTOMER PRIVACY			
GRI 3	3-3	Management of material topics	Data Privacy and Cybersecurity, page 38 Privacy Notice Code of Conduct , pages 21-22 (“We Respect the Privacy of Others”)
GRI 418	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	None during the reporting period.
SOCIO-ECONOMIC COMPLIANCE			
GRI 3	3-3	Management of material topics	Ethics and Compliance, page 36 Code of Conduct
GRI 419	419-1	Non-compliance with laws and regulations in the social and economic area	No material instances during the reporting period.

TCFD INDEX

ABG's Task Force on Climate-related Financial Disclosure (TCFD) Report is aligned with the four sections of the TCFD framework: (1) governance, (2) strategy, (3) risk management, and (4) metrics and targets.

GOVERNANCE: DISCLOSE THE ORGANIZATION'S GOVERNANCE AROUND CLIMATE-RELATED RISKS AND OPPORTUNITIES.

DESCRIPTIONS	RESPONSES/ REFERENCES
<p>Board's oversight of climate-related risks and opportunities</p>	<p>The Board and its committees are actively involved in overseeing our risk management. The full Board routinely assesses our major risks and mitigation measures, in order to promote our shareholders' and other stakeholders' interests in our business continuity, long-term resilience, financial strength, and overall success.</p> <p>The Corporate Governance Committee oversees our strategy and governance of, and advises with respect to environmental, social, and governance (ESG) matters.</p> <p>References:</p> <p>Board Oversight, page 35</p> <p>Charter of the Corporate Governance Committee, page 3</p> <p>2022 CDP Climate Change Response</p>
<p>Management's role in assessing and managing climate-related risks and opportunities</p>	<p>ABG's Chief Human Resources Officer oversees our global ESG strategy, reports to the President and CEO, and collaborates with the subject matter experts throughout the company to implement the company's strategy.</p> <p>References:</p> <p>Board Oversight, page 35</p> <p>2022 CDP Climate Change Response</p>

STRATEGY: DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION'S BUSINESSES, STRATEGY, AND FINANCIAL PLANNING.

DESCRIPTIONS	RESPONSES/ REFERENCES												
Climate-related risks and opportunities identified over short-term, medium-term and long-term horizon	ABG's defines time horizons for climate risks and opportunities as: short-term (1-2 years), medium-term (3-6 years), and long-term (7-10 years).												
	CLIMATE-RELATED RISKS												
	<table border="1"> <thead> <tr> <th>CATEGORIES/TYPES</th> <th>RISK DESCRIPTIONS</th> <th>TIME HORIZONS</th> </tr> </thead> <tbody> <tr> <td>Transition/Market</td> <td>Changing Consumer Behavior: The competitive environment for ABG's industry is generally characterized by intense price and service competition among global, local, and regional competitors. This can result in decreased revenues due to reduced demand for products and services. In addition, competition is also influenced strongly by brand reputation. Increasing attention to climate change, increasing societal expectations on companies to address climate change, and potential consumer and customer use of substitutes may result in reduced demand for products and reduced profits.</td> <td>3-6 years</td> </tr> <tr> <td>Transition/Market</td> <td>Uncertainty in Market Signals: Weakness in travel demand or general economic conditions, and/or a significant increase in fuel costs, can adversely impact the business, most notably revenues and operating costs. Likewise, any significant increases in fuel prices, a severe protracted disruption in fuel supplies or rationing of fuel could discourage customers from renting vehicles or reduce or disrupt air travel, which could also adversely impact results of operations.</td> <td>3-6 years</td> </tr> <tr> <td>Physical/Acute</td> <td>Increased severity and frequency of extreme weather events such as cyclones and floods: Increases in the frequency and severity of extreme weather events, such as hurricanes, floods, and wildfires, could impact travel demand in specific markets, lead to supply chain interruptions, and may cause damage to physical assets required for business continuity.</td> <td>3-6 years</td> </tr> </tbody> </table>	CATEGORIES/TYPES	RISK DESCRIPTIONS	TIME HORIZONS	Transition/Market	Changing Consumer Behavior: The competitive environment for ABG's industry is generally characterized by intense price and service competition among global, local, and regional competitors. This can result in decreased revenues due to reduced demand for products and services. In addition, competition is also influenced strongly by brand reputation. Increasing attention to climate change, increasing societal expectations on companies to address climate change, and potential consumer and customer use of substitutes may result in reduced demand for products and reduced profits.	3-6 years	Transition/Market	Uncertainty in Market Signals: Weakness in travel demand or general economic conditions, and/or a significant increase in fuel costs, can adversely impact the business, most notably revenues and operating costs. Likewise, any significant increases in fuel prices, a severe protracted disruption in fuel supplies or rationing of fuel could discourage customers from renting vehicles or reduce or disrupt air travel, which could also adversely impact results of operations.	3-6 years	Physical/Acute	Increased severity and frequency of extreme weather events such as cyclones and floods: Increases in the frequency and severity of extreme weather events, such as hurricanes, floods, and wildfires, could impact travel demand in specific markets, lead to supply chain interruptions, and may cause damage to physical assets required for business continuity.	3-6 years
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CLIMATE-RELATED OPPORTUNITIES													
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DESCRIPTIONS	RESPONSES/ REFERENCES	
CATEGORIES/TYPES	OPPORTUNITY DESCRIPTIONS	TIME HORIZONS
	<p>Products and Services Shift in consumer preferences: As ABG’s corporate and leisure customers are becoming increasingly aware and concerned about pollution and congestion caused by vehicles, ABG aims to lead the way in sustainable transportation solutions and join global efforts to reduce energy consumption and GHG emissions from transport. ABG offers customers the opportunity to choose from a wide variety of vehicles, including hybrids, electric, or fuel-efficient vehicles at virtually all of ABG’s locations. The company’s fleet consists primarily of vehicles from the current and immediately preceding model year. This also ensures the highest possible standards of air emissions control.</p> <p>References:</p> <p>Avis Budget Group Fleet, page 13</p> <p>Sustainable Locations and Green Buildings, page 18</p> <p>Environmental Impact and Performance, page 21</p> <p>2022 CDP Climate Change Response</p>	<p>3-6 years</p>
<p>Impact on businesses, strategy, and financial planning</p>	<p>Business and Strategy Impact: As a result of climate-related risks and opportunities, ABG has implemented strategic decisions for products and services, supply chain and operations. This includes investing in: (1) business continuity; (2) partnerships to support ride-sharing and smart cities and programs; and (3) initiatives to reduce Scope 3 emissions for corporate customers.</p> <p>Financial Planning Impact: The most significant risks identified as having a potential impact to ABG’s revenue is related to shifts in preferences from retail and corporate customers. However, the management of these risks also present potential opportunities to increase revenue through competitive differentiation. The most significant risk identified as having a potential impact on operating costs is changes in the cost of fuel, energy, and commodities, in addition to broader uncertainty in market signals associated with climate change.</p> <p>Access to capital is a potential climate-related opportunity for ABG. The company’s climate change mitigation and adaptation performance is frequently used by specialized research firms to generate ratings and rankings that help to inform investor decision making. ABG is focused on continuing to advance sustainability programs.</p> <p>References:</p> <p>2022 CDP Climate Change Response</p>	

DESCRIPTIONS	RESPONSES/ REFERENCES
<p>Impact of different scenarios, including a 2°C scenario</p>	<p>ABG set a target to achieve a 30% absolute reduction in Scope 1 and 2 GHG emissions from 2018–2030. This 2030 target is based on a decarbonization pathway in the excess of the 2.5% annual decreases expected for alignment with the 2-degree level of ambition for science-based targets using the Science-Based Targets initiative’s absolute-based approach. Central to the execution on this target will be expected transition to predominantly electric, hybrid, and/or more fuel-efficient vehicles in ABG’s fleet over the next decade.</p> <p>References:</p> <p>Environmental Impact and Performance, page 21</p> <p>2022 CDP Climate Change Response</p>

RISK MANAGEMENT: DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION’S BUSINESSES, STRATEGY, AND FINANCIAL PLANNING.

DESCRIPTIONS	RESPONSES/ REFERENCES
<p>Process for identifying and assessing climate-related risks</p>	<p>At the company level, ABG’s ESG Steering Committee maintains strategic oversight to identify and manage risks and opportunities related to climate change that may impact the company’s reputation, profitability, and access to capital.</p> <p>At the location-based asset level, ABG identifies and assesses climate-related risks and opportunities by actively tracking environmental performance and energy-related expenditures. At the vehicle-based level, ABG identifies and assesses climate-related risks and opportunities within the business and innovation processes to support the company’s strategies.</p> <p>Additionally, ABG’s business continuity processes enable the company to identify and assess physical climate risks (include those associated with hurricanes and extreme weather events) at both the location-based and vehicle-based levels.</p> <p>References:</p> <p>2022 CDP Climate Change Response</p>
<p>Processes for managing climate-related risks</p>	<p>To manage climate-related risks, ABG engages with subject matter experts, consultants, and industry experts to develop the company’s strategy. This includes reducing emissions, energy usage, and water consumption and continuing to invest in sustainable mobility solutions.</p> <p>References:</p> <p>Avis Budget Group Fleet, page 13</p> <p>Sustainable Locations and Green Buildings, page 18</p> <p>Environmental Impact and Performance, page 21</p> <p>2022 CDP Climate Change Response</p>

DESCRIPTIONS	RESPONSES/ REFERENCES
Integration into overall risk management	<p>ABG's process for identifying, assessing, and responding to climate-related risks and opportunities is integrated into the company's multi-disciplinary company-wide risk management process at both the company and asset levels. For example, acute and chronic physical risks are identified and assessed across the company with leadership driven by Business Continuity and Enterprise Risk Management teams. Additionally, the Audit Committee of the Board of Directors oversees all of the company's risks, including those related to energy costs and business trends associated with the transition to a low-carbon economy.</p> <p>References:</p> <p>2022 CDP Climate Change Response</p>

METRICS AND TARGETS: DISCLOSE THE METRICS AND TARGETS USED TO ASSESS AND MANAGE RELEVANT CLIMATE-RELATED RISKS AND OPPORTUNITIES.

DESCRIPTIONS	RESPONSES/ REFERENCES
Metrics used by the organization to assess climate-related risks and opportunities	<p>In addition to monitoring and reporting on Scope 1, 2, and 3 GHG emissions, ABG also monitors energy usage. To support efforts to reduce water consumption at operating locations with the highest level of water stress and scarcity risks, ABG monitors water consumption and locations in areas with high baseline water stress.</p> <p>ABG also monitors on the number of hybrid and electric vehicles in the company's fleet.</p> <p>References:</p> <p>Avis Budget Group Fleet, page 13</p> <p>Sustainable Locations and Green Buildings, page 18</p> <p>Environmental Impact and Performance, page 21</p> <p>2022 CDP Climate Change Response</p>
Scope 1, 2, and 3 GHG emissions	<p>ABG's 2022 Scope 1, 2, and 3 GHG emissions data is on pages 21 and 45 of this Report.</p> <p>References:</p> <p>Environmental Impact and Performance, pages 21 and 45</p> <p>2022 CDP Climate Change Response</p>

DESCRIPTIONS	RESPONSES/ REFERENCES
Targets used and performance against targets	<p>To assess and manage relevant climate-related risks and opportunities, ABG aims to reduce absolute Scope 1 and 2 GHG emissions by 30% from 2018–2030. As of year-end 2022, ABG achieved a 17% reduction in absolute Scope 1 and 2 GHG emissions since 2018.</p> <p>References:</p> <p>2030 Environmental, Social, and Governance Targets, page 11</p> <p>Environmental Impact and Performance, page 21</p> <p>2022 CDP Climate Change Response</p>

EXTERNAL ASSURANCE STATEMENT

Independent Limited Assurance Report to Avis Budget Group, Inc.

ERM Certification & Verification Services Incorporated (“ERM CVS”) was engaged by Avis Budget Group, Inc. (“ABG”) to provide limited assurance in relation to the selected information set out below and presented in ABG’s 2023 ESG Report (the “Report”).

Engagement summary	
Scope of our assurance engagement	<p>Whether the 2022 data for the following selected disclosures are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.</p> <ul style="list-style-type: none"> ▪ Total Scope 1 GHG emissions [metric tonnes CO2e] ▪ Total Scope 2 GHG (location based) emissions [metric tonnes CO2e] ▪ Scope 3 GHG emissions [metric tonnes CO2e] comprised of the following categories: <ul style="list-style-type: none"> - Category 5: Waste Generated in Operations [metric tonnes CO2e] - Category 6: Business travel [metric tonnes CO2e] <p>Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.</p>
Reporting period	January 1, 2022 – December 31, 2022
Reporting criteria	<ul style="list-style-type: none"> • WBCSD/WRI Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004, as updated January 2015) • ABG’s internal reporting criteria and definitions.

Assurance standard and level of assurance
Respective responsibilities

We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Standards Board.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

ABG is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the selected information.

ERM CVS’ responsibility is to provide conclusions to ABG on the agreed scope based on our engagement terms with ABG, the assurance activities performed and exercising our professional judgement.

Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the 2022 data and information for the disclosures listed under ‘Scope’ above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Emphasis of matter

Without affecting our conclusion, which is not modified, we draw attention to the explanatory notes provided by ABG in the Environmental Impact and Performance section of the Report relating to mileage data uncertainties identified within its rental database this year during the calculation of its GHG emissions, which should be read in conjunction with the data.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Report, a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Assessing the appropriateness of the reporting criteria for the Report.
- Interviews with management representatives responsible for managing the selected issues.
- Interviews with relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the selected disclosures.
- A review at corporate level of a sample of qualitative and quantitative evidence supporting the reported information.
- An analytical review of the year-end data submitted by all locations included in the consolidated 2022 group data for the selected disclosures which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary.
- Assessing the conversion and emission factors and assumptions used.
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

The limitations of our engagement

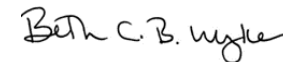
The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating, or estimating the underlying information. It is important to understand our assurance conclusions in this context. We did not undertake source data verification at any operated facilities.

Our independence, integrity, and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence, and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems, and processes, and provides no consultancy related services to ABG in any respect.



Beth Wyke
Head of Corporate Assurance Services
Malvern, PA

July 25, 2023

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