Avis Budget Group - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Avis Budget Group is leading global provider of mobility solutions through our three most recognized brands, Avis, Budget and Zipcar, as well as several other brands, well recognized in their respective markets. Our brands offer a range of options, from car and truck rental to car sharing. We license the use of the Avis, Budget, Zipcar and other brands' trademarks to licensees in areas in which we do not operate directly. We and our licensees operate our brands in approximately 180 countries throughout the world. We generally maintain a leading share of airport car rental revenues in North America, Europe and Australasia, and we operate a leading car sharing network, and one of the leading commercial truck rental businesses in the United States.

On average, our global rental fleet totaled approximately 655,000 vehicles in 2022. We completed more than 36 million vehicle rental transactions worldwide and generated total revenues of approximately $12 billion during 2022. Our brands and mobility solutions have an extended global reach with nearly 10,250 rental locations throughout the world, including approximately 3,900 locations operated by our licensees.

FORWARD LOOKING STATEMENTS: Certain statements contained in this CDP 2023 Climate Change disclosure may be considered "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained herein are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by any such forward-looking statements. Forward-looking statements include information concerning our future financial performance, business strategy, projected plans and objectives. These statements may be identified by the fact that they do not relate to historical or current facts and may use words such as "believes," "expects," "anticipates," "will," "should," "could," "may," "would," "intends," "projects," "estimates," "plans," and similar words, expressions or phrases. The following important factors and assumptions could affect our future results and could cause actual results to differ materially from those expressed in such forward-looking statements.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
No

Select the number of past reporting years you will be providing Scope 1 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for
<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Argentina
Australia
Austria
Belgium
Canada
Denmark
France
Germany
Italy
Luxembourg
Netherlands
New Zealand
Norway
Poland
Portugal
Puerto Rico
Singapore
Spain
Sweden
Switzerland
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	CAR

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	The highest level of responsibility within Avis Budget Group Corporation for the management of climate-related issues is held by the Corporate Governance Committee of our Board of Directors. The Corporate Governance Committee's responsibilities include (1) reviewing and discussing emerging best practices, trends and key issues related to ESG matters and (2) overseeing the Company's strategy and governance of ESG matters and to advise the Board on such matters. The Corporate Governance Committee also oversees the Company's risks and disclosure related to ESG and annual ESG reporting, which includes climate-related risks. In addition, the Corporate Governance Committee conducts periodic reviews of the Company's programs, policies and procedures in the area of ESG. This includes, among other things, directing senior management to report to the Corporate Governance Committee, on a periodic basis, assessments and progress against both longer- and shorter-term key objectives, metrics and program enhancements set by senior management and reviewed by the Committee. A climate-related decision made by the Corporate Governance Committee, includes their support of the company to set a GHG emissions reduction target, to reduce GHG emissions by 30% by 2030. Further oversight on climate-related issues is provided by our Audit Committee, which is tasked with oversight for (1) our major financial risk exposures (including energy costs and business trends associated with the transition to a low-carbon economy) and (2) the steps management has undertaken to control these risks.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing value chain engagement Reviewing and guiding the risk management process	<Not Applicable>	The Corporate Governance Committee of our Board of Directors is tasked with oversight of specific risks including climate change and material ESG issues. Our Corporate Social Responsibility team provides updates to our entire Board on our progress against annual milestones and key objectives. The Corporate Governance Committee conducts periodic reviews of the Company's programs, policies and procedures in the area of ESG. This includes, among other things, directing senior management to report to the Corporate Governance Committee, on a periodic basis, assessments and progress against both longer- and shorter-term key objectives, metrics and program enhancements set by senior management and reviewed by the Committee. Additionally, the Audit Committee oversees risks related to energy costs and business trends associated with the transition to a low-carbon economy. Our full Board of Directors receives reports from our Committees (including our Audit and Corporate Governance Committees) at every regular Board meeting, and receives regular reports from members of senior management that include discussion of the risks and exposures involved in their respective areas of responsibility. Such reports are provided in connection with and discussed at Board meetings. For example, topics covered in these reports may include energy costs, business continuity and strategic initiatives (including sustainable mobility) to support with the transition to a low-carbon economy.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Important but not an immediate priority	Competence on climate-related issues is important, but not an immediate priority. Avis Budget Group will plan to address including a Board member with competence on climate-related issues within the next two years.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Other C-Suite Officer, please specify (Chief Human Resources Officer)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The monitoring of climate-related issues is supported by oversight from our entire executive leadership team, which receives strategic updates from our Team. Our Chief Human Resources Officer also serves as the executive sponsor of Avis Budget Group's overarching corporate social responsibility platform. In addition to setting and monitoring progress against climate-related targets, ABG's Chief Human Resources Officer also managed value change engagement and assesses and monitors climate-related risks and opportunities.

Position or committee
General Counsel

Climate-related responsibilities of this position
Monitoring progress against climate-related corporate targets
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
Our General Counsel is responsible for guiding our Company's ESG strategy, including progress against our climate-related goals and targets.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Progress toward Avis Budget Group's climate and broader corporate ESG strategy is directly linked to compensation for our Chief Human Resources Officer, Senior Vice President, General Counsel, Chief Compliance Officer & Corporate Secretary, Vice President of Global Organizational Development and Sustainability Manager. Progress toward Avis Budget Group's climate strategy – notably our focus on advancing the future of sustainable mobility solutions – is indirectly linked and highly correlated to compensation for our company's named executive officers, including our Chief Executive Officer. Variable compensation is based on key financial metrics, including EBITDA and free cash flow and individual performance goals.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Other C-Suite Officer

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target
Other (please specify) (Strategy, execution and communication of environmental and overarching corporate social responsibility initiatives)

Incentive plan(s) this incentive is linked to
Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)
Part of the annual objectives for our Chief Human Resources Officer is to oversee and advance our strategy and communication of ABG's environmental initiatives and overarching corporate ESG platform.

In 2021, we launched a re-designed incentive program, which includes utilizing a 'scorecard' approach with key ESG-related metrics with measurable targets. These key metrics include increasing the transparency and quality of ESG disclosures.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
This incentive directly contributes to ABG's climate commitments, including our GHG emissions reduction target (reduce absolutely GHG emissions by 30% by 2030).

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	2	We consider the 1-2 year time horizon when defining short-term objectives and monitoring near-term climate-related risks and opportunities.
Medium-term	3	6	We consider the 3-6 year time horizon when defining medium-term objectives. We also consider the 3-6 year time horizon when evaluating associated climate-related risks and opportunities from a medium-term time horizon.
Long-term	7	10	We consider the 7-10 year time horizon when defining long-term objectives (including our sustainable mobility strategies). We also consider the 7-10 year time horizon when evaluating associated climate-related risks and opportunities (notably those related to physical climate risks and broader socioeconomic impacts) from a long-term time horizon.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

SUBSTANTIVE FINANCIAL OR STRATEGIC IMPACT: We define risk as having a substantial financial and strategic impact using both qualitative and quantitative measures. Qualitative measures consider correlations to our business model, mission and value chain.

QUANTIFIABLE THRESHOLDS: Quantitatively, we generally consider a risk to be substantive based on a scenario where approximately 1% of our net income could be impacted. In our CDP 2023 Climate Change response, this threshold was approximately $25 million.

QUALITATIVE FACTORS: The criteria used to determine our priorities with regards to climate change risks and opportunities is based on the degree of potential market, physical, regulatory and/or business model impacts to Avis Budget Group. We also consider our value chain impacts, industry trends and level of stakeholder interest among our employees, investors, customers, and affiliates.

Please note, the thresholds in this CDP response do not correspond with the definition of "material" noted by the SEC.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Avis Budget Group's process for identifying, assessing and responding to climate-related risks and opportunities is integrated into multi-disciplinary company-wide risk management process and occurs at all stages of the company's value chain. The Corporate Governance Committee also oversees the Company's risks and disclosure related to ESG and annual ESG reporting, which cover matters such as the environment, human rights, labor, health and safety, workforce diversity, supply chain, governance and similar matters affecting our stakeholders. We consider the following time horizons in our risk identification and assessment process: We consider the 1-2-year time horizon when defining short-term objectives and monitoring near-term climate-related risks and opportunities; we consider the 3–6-year time horizon when defining medium-term objectives; and we consider the 7–10-year time horizon when defining long-term objectives (including our sustainable transportation strategies).

PROCESSES AT COMPANY LEVEL: At the company level, our ESG team maintains daily strategic oversight to identify and manage risks related to climate change that may impact our Company's reputation, profitability and access to capital. Key methods include (1) engagement with subject matter experts within our organization, (2) engagement with consultants and industry experts, and (3) reviewing sustainability-related questionnaires and assessment criteria from the investor community and our corporate purchasers.

PROCESSES AT ASSET LEVEL: Our processes at the asset level are both location-based and vehicle-based. At the location-based asset level, we identify and assess climate-related risks and opportunities by actively tracking environmental performance and energy-related expenditures. At the vehicle-based level, we identify and assess climate-related risks and opportunities within our business and innovation processes to support our strategies to increase fleet fuel efficiency and transition to 100% connected cars. Additionally, our business continuity processes enable us 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.

DETERMINATION OF SIZE AND SCOPE OF RISKS: We consider all markets where our brands (including affiliate-managed operations) have a presence . We also consider global environmental and socioeconomic trends, which may impact the value of our assets in addition to revenue and costs in our key markets, including those in the Americas (North America, South America, Central America and the Caribbean) where we generated over 90% of our Budget annual revenues in 2022.

For example, increasing fleet fuel efficiency and having a fully connected fleet has been prioritized due to (1) cost savings and risk mitigation opportunities, (2) importance to our stakeholders and (3) alignment with our Company's commitment to innovation and moving the future of mobility forward. Our goal is to leverage innovation and build on our position as a leading global provider of mobility solutions for consumers, businesses and cities.

CASE STUDY/EXAMPLE OF HOW PROCESS IS APPLIED:

Transition
Situation: In our updated ESG materiality assessment, we identified greenhouse gas emissions was identified as "very high" priority by our stakeholders. Additionally, our corporate customers continuously evaluate opportunities to partner with companies that support their ESG and climate-related goals.

Task: To meet the needs of our stakeholders, and ensure we are addressing high priority topic areas, Avis Budget Group needed to establish processes to support reducing greenhouse gas emissions associated with our rental fleet.

Action: Through carbon-offset credits, we support corporate customers to make their car rental programs 100% carbon neutral. Carbon offset credits are created through projects that remove or reduce greenhouse gas emissions in various ways, such as renewable energy generation, energy efficiency, and reforestation programs. We also calculate greenhouse gas emissions for our corporate customers with the ability to drill down for specific locations, countries or globally, over any particular time period.

Result: We are able to support our corporate customers' climate goals related to their Scope 3 emissions from business travel, which has a direct correlation to maintaining and increasing our Company's revenues. For example, in 2022, commercial customers represented approximately 44% of revenues within our Avis brand, for which we generate the majority of our revenues.

Physical
Situation: 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.

Task: A failure or interruption that results in the unavailability of any of our information systems, or a major disruption of communications between a system and the locations it serves, could cause a loss of reservations, interfere with our fleet management, slow rental and sales processes, create negative publicity that damages our reputation or otherwise adversely impacts our ability to manage our business effectively. Therefore, we must prepare for these situations.

Action: Avis Budget Group's business continuity processes are central to how we execute. Our #1 focus is on protecting our people, property, and infrastructure; and we utilize an "all hands-on deck" approach to ensure that we can respond as rapidly and effectively as possible. For example, we are able to quickly respond through our crisis management team to mitigate risks and impacts that may disrupt our operations. We have also developed longstanding partnerships with leading national disaster agencies, which strengthen our ability to provide support to affected customers, employees and communities. Consistent with our "all hands on deck" approach, our teams across the globe provides vehicles, volunteer time and even blood donations to help communities recover from hurricanes, floods, wildfires and other disasters throughout the year.

Additionally, we manage risks to our fleet by self-insuring vehicles against property damage. The insurance policies supplement those that our customers also have in place for rented vehicles.

Result: Annually, we typically incur expenditures in excess of $10 million associated with our insurance programs, business continuity processes and disaster response and relief efforts.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We consider potential risks and opportunities associated with current regulations. Examples of the type of risks considered include regulations pertaining to fuel efficiency and emissions standards for vehicles. At the current time, potential risks associated with current regulations have not identified as substantive to our Company. These types of regulations would apply to our car manufacturers, and not directly to our Company. Although these regulations may not directly apply to our Company, we aim to ensure our fleet is compliant. For example, across Europe, our fleet complies 100% with the current Euro 6 emission standards (Euro 6, Euro 6c and Euro 6d-TEMP).
Emerging regulation	Relevant, always included	We consider potential risks and opportunities associated with emerging regulations. For example, should rules establishing limitations on greenhouse gas or other emissions or rules imposing fees on entities deemed to be responsible for greenhouse gas emissions, or rules establishing bans on diesel or fuel vehicles from entering certain locations become effective in the countries in which we operate, demand for our services could be affected, our fleet and/or other costs could increase, and our business could be adversely impacted. We also view emerging regulations associated with renewable energy and the transition to connected, electric vehicles to be an opportunity across our brands. These types of regulations can support our vision for mobility as a service that is completely connected, integrated, and on-demand for our customers and other businesses.
Technology	Relevant, always included	We consider potential technology risks and opportunities in the context of industry trends that might impact the future of mobility and the travel and tourism industry. We view technological shifts associated with the transition to a low-carbon economy as an opportunity for our Company to leverage emerging innovations to reduce our value chain emissions and further integrate sustainable mobility into our business model. For example, connected and autonomous vehicles are likely to become a common feature worldwide, along with the increased use of electric and shared vehicles. This is an opportunity for our company to build on our core experience, data intelligence and technology to develop entirely new lines of business and extend our offering and capabilities for our customers, businesses and cities.
Legal	Relevant, always included	With support from our Legal department, our Corporate Social Responsibility team monitors relevant legal risks include those which may be associated with our management of climate change and/or broader ESG topics. Examples of potential climate-related legal risks could include potential liabilities associated with our disclosures on emissions reduction strategies and performance. We do not believe that climate-related legal risks are currently substantive to our business.
Market	Relevant, always included	Our Environmental, Social, Governance team actively monitors market risks associated with climate change. Examples of potential climate-related market risks that are relevant to our Company include (1) changing customer behavior (due to increased interest in sustainability from our corporate and retail customers), (2) uncertainty in market signals (due to the broader potential socioeconomic impacts associated with climate change), and (3) variability in the price of raw materials (most notably potential correlations between fuel and commodity costs). With regards to changing customer preferences, we view this trend as more of an opportunity than a risk for our Company, as we remain committed to offering the greenest, smartest and safest fleet in our industry.
Reputation	Relevant, always included	Our Corporate Social Responsibility team actively monitors reputation risks associated with climate change. Examples of potential climate-related reputation risks that are relevant to our Company include those associated with increased investor and lender interest in and consideration of ESG performance to inform decision making.
Acute physical	Relevant, always included	Acute physical risks are identified and assessed across our Company with leadership driven by Business Continuity and Enterprise Risk Management teams. Examples of acute physical risks that are relevant to our Company include hurricanes and wildfires.
Chronic physical	Relevant, always included	Chronic physical risks are identified and assessed across our Company with leadership driven by Business Continuity and Enterprise Risk Management teams. Examples of chronic physical risks that are potentially relevant to our Company include rising sea levels, rising mean temperatures, changes in precipitation patterns (including droughts) and extreme variability in weather patterns (including cancellations associated with severe storms, snow and ice). We consider chronic physical risks in the context of revenue implications as demand for travel and tourism can be influenced by weather patterns in key markets.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description
Vehicle electrification refers to a range of technologies that uses electricity to propel a vehicle and includes hybrid, plug-in, extended range and battery electric vehicles, as well as autonomous vehicles. We believe that the vehicle industry will continue to experience significant change in the coming years, in particular as it relates to vehicle electrification. Worldwide demand for electric and hybrid vehicles continues to increase, and manufacturers continue to invest more time and cost into producing these types of vehicles in an effort to reduce fuel consumption and greenhouse gas emissions, as mandated by various governmental standards and regulations. If Avis Budget Group is not adequately prepared to meet consumer demand for electric, hybrid and autonomous vehicles as such demand develops, including if we are unable to attain an optimal and consistently reliable charging infrastructure and systems, which will require substantial capital investment, our financial condition or results of operations could be adversely impacted, which may include decreased revenues or impacts to income.

Case Study:
Task: ABG must continue to meet the demand for safe, green, and smart vehicles, with customers increasingly requesting access to EVs, including infrastructure. Including reducing revenues.

Situation: If ABG is unable to keep up with the demand for EVs, including infrastructure, this could negative impact the company's financial condition.

Action: In order to meet this demand, ABG continues to actively invest in EVs. This includes launching strategic partnerships to improve access to EV charging stations.

Result: As of result of our efforts, ABG purchased over 2,400 EVs for the company's European fleet, and approximately 4,000 EVs for the U.S. ABG has installed approximately 180 chargers in Europe and nearly 40 chargers in Asia Pacific. Additionally, in the U.S., ABG energized nearly 500 Level 2 and 3 chargers in over 100 locations. In early 2023, ABG and SK Group's EverCharge – a leading 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 in Houston, Texas.

Time horizon
Long-term

Likelihood
Unlikely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
50000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Estimated financial impact assumes the potential for an approximate 2% decrease in 2022 net income if we are not adequately prepared to meet consumer demand for electric, hybrid and autonomous vehicles as such demand develops. This could result in a potential financial impact of approximately $50 million.

Cost of response to risk
10000000

Description of response and explanation of cost calculation
As the demand for hybrid and electric vehicles expands, ABG continuously engages with Original Equipment Manufacturers (OEMs) to optimize product lines for EVs. To fully integrate EVs into ABG's business, the company developed a three-pronged approach focused on the customer journey, infrastructure, and technology. (1) CUSTOMER JOURNEY: Launch strategic partnerships to improve access to EVs charging stations and enhance training for customer facing employees; (2) INFRASTRUCTURE: Build optimal charging infrastructure at ABG locations; (3) TECHNOLOGY: Enhance systems to deliver a seamless customer experience and integrate connected vehicles with EV partners and services.
ABG actively anticipates and drives changes in transportation, worldwide. 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.

Case Study:
Task: ABG continues to invest in hybrid & electric vehicles and the required infrastructure.
Situation: As the company continues to integrate EVs and hybrids into the company's fleet, it is necessary to also invest in the required EV infrastructure.

Action: 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 electric vehicles. ABG also invests in the digitalization of the company's fleet. 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 car experience.

Result: ABG has installed approximately 180 chargers in Europe and nearly 40 chargers in Asia Pacific. Additionally, in the U.S., ABG energized nearly 500 Level 2 and 3 chargers in over 100 locations. In early 2023, ABG and EverCharge – a leading 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 in Houston, Texas.

COST CALCULATION: We estimate annual expenditures in excess of $10 million associated with investments and management time to support our fleet management, innovation initiatives, and partnership activities that help to manage and respond to this risk.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient modes of transport

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
At Avis Budget Group, the opportunity for our customers to choose from a wide variety of vehicles, including hybrids, electric or fuel-efficient vehicles (more efficient modes of transport) at virtually all of our locations are part of a significant revenue generation opportunity across our brands and the markets we operate. We envision a world where personal mobility will be completely connected, integrated and on-demand. As part of this vision, we see tremendous opportunity to reduce emissions and traffic congestion and be part of the expected shift toward electric vehicles worldwide (i.e., use more efficient modes of transport). We believe mobility in the long-term will be offered as a service and that fleet management capabilities will become extremely valuable for any sustainable mobility company.

Our goal is to leverage innovation and build on our position as a leading global provider of mobility solutions for consumers, businesses and cities. That is why we are building on our core experience, data intelligence & technology to extend our offering and capabilities today. Having a fully connected fleet will also allow us to streamline operations and reduce costs, including more sophisticated tracking of idle vehicles and employing more dynamic fleet planning. Critical data including mileage, fuel level, and vehicle condition can also be shared real-time, resulting in a more efficient workforce, better maintained vehicles, and an overall better customer experience.

Case Study:
Task: ABG must continue to meet the demand for safe, green, and smart vehicles, with customers increasingly requesting access to EV charging stations.

Situation: To meet the needs of our customers, we must not only implement a strategy to increase our offerings of hybrid and electric vehicles.

Action: In early 2023, ABG and SK Group's EverCharge – a leading 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 in Houston, Texas.

Result: These partnerships proved key to ensuring ABG has optimal charging solutions for its growing global fleet of plug-in hybrid and electric vehicles. Following the launch at the Houston airport, ABG and EverCharge plan to extend this partnership to additional airport locations this year.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
25000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Estimated financial impact assumes the potential for an approximate 1% increase in 2022 net income due to our partnerships and innovations to support our strategy to transition to more efficient modes of transport. This could result in a potential financial impact of approximately $25 million.

Cost to realize opportunity
10000000

Strategy to realize opportunity and explanation of cost calculation
Avis Budget Group we believe that connected vehicles are likely to become a common feature worldwide, along with an increased use of electric vehicles (EVS), which is why we are building on our core experience to extend our offering for our customers. We offer our customers the opportunity to choose from a wide variety of vehicles, including hybrids and EVs at almost all of our locations. Our fleet consists primarily of vehicles from the current and immediately preceding model year - this ensures the highest possible standards of air emissions control. As the demand for hybrid and electric vehicles expands, ABG continuously engages with Original Equipment Manufacturers to optimize product lines for EVs.

ABG supports customers with a wide range of low-emissions vehicles, globally. In 2022, ABG purchased over 2,400 EVs for the company's European fleet, and approximately 4,000 EVs for the U.S. Globally, hybrid and EVs represent more than 14% of the company's fleet. In Scandinavia, 60% of the company's fleet is either hybrid or EV, with Norway operating a rental fleet of 55% battery and plug-in electric vehicles. 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.

Case Study:

Task: ABG must continue to meet the demand for safe, green, and smart vehicles, with customers increasingly requesting access to EV charging stations.

Situation: To meet the needs of our customers, we must not only implement a strategy for EV vehicles, but also EV charging stations.

Action: ABG has installed approximately 180 chargers in Europe and nearly 40 chargers in Asia Pacific. Additionally, in the U.S., ABG energized nearly 500 Level 2 and 3 chargers in over 100 locations. In early 2023, ABG and EverCharge partnered to launch a significant number of EV charging stations at the Houston airport in Texas.

Result: This partnership proved key to ensuring ABG has optimal charging solutions for its growing global fleet of electric vehicles. Following the launch at the Houston airport, ABG plans to extend this project to additional airport locations this year.

COST CALCULATION: We estimate annual expenditures in excess of $10 million associated with investments and management time to support our fleet management, innovation initiatives, and partnership activities that help to capitalize on this opportunity.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan
<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan
<Not Applicable>

Description of feedback mechanism
<Not Applicable>

Frequency of feedback collection
<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)
<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
We have set a greenhouse gas target to achieve a 30% absolute reduction in Scope 1 and 2 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 our provisional target will be expected transition to predominantly electric, hybrid and/or more fuel-efficient vehicles in our fleet over the next decade.

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA 2DS	Company-wide	<Not Applicable>	IDENTIFICATION OF SCENARIOS: Avis Budget Group identified and evaluated two climate-related scenarios based on a 2-degree scenario (the accepted limitation of temperature growth to avoid significant and potentially catastrophic changes to the planet) and 4-degree scenario (which will likely lead to sea-level rise and increase severity of extreme weather events). INPUTS, ASSUMPTIONS AND ANALYTICAL CHOICES: Avis Budget Group's climate-related scenarios analysis utilized the TCFD risk and opportunity categories. This includes the transition scenario – IEA 2DS. BOUNDARY AND TIME HORIZONS: We consider our entire value chain, and we primarily focus on our vehicle fleet because consumer use of our vehicles currently comprised 99% of our combined Scope 1 and 2 emissions. We consider risks and opportunities within and beyond the 10-year time horizon used for reporting on risks and opportunities. The geographic areas considered includes all locations where our Company, subsidiaries and affiliates operate with a focus on Americas (North America, South America, Central America, and the Caribbean) where we currently generate approximately 76% of our annual revenues.
Physical climate scenarios RCP 2.6	Company-wide	<Not Applicable>	IDENTIFICATION OF SCENARIOS: Avis Budget Group identified and evaluated two climate-related scenarios based on a 2-degree scenario (the accepted limitation of temperature growth to avoid significant and potentially catastrophic changes to the planet) and 4-degree scenario (which will likely lead to sea-level rise and increase severity of extreme weather events). INPUTS, ASSUMPTIONS AND ANALYTICAL CHOICES: Avis Budget Group's climate-related scenarios analysis utilized the TCFD risk and opportunity categories. This includes the physical scenario – RCP 2.6. BOUNDARY AND TIME HORIZONS: We consider our entire value chain, and we primarily focus on our vehicle fleet because consumer use of our vehicles currently comprised 99% of our combined Scope 1 and 2 emissions. We consider risks and opportunities within and beyond the 10-year time horizon used for reporting on risks and opportunities. The geographic areas considered includes all locations where our Company, subsidiaries and affiliates operate with a focus on Americas (North America, South America, Central America, and the Caribbean) where we currently generate approximately 80% of our annual revenues.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

What will have the largest impact on Avis Budget Group's climate results?
What climate related risks are likely to have the largest impact on Avis Budget Group?
What is most likely to influence Avis Budget Group's future climate strategy?

Results of the climate-related scenario analysis with respect to the focal questions

The results of the scenario analysis found that Avis Budget Group's (ABG) ability to transition its vehicle fleet will likely have the largest impact on the company's climate results. As our corporate and leisure customers become increasingly aware and concerned about pollution and congestion caused by vehicles, we aim to provide sustainable transportation solutions by leveraging connected vehicle technology and introducing more fuel efficient and low emission vehicles. We are actively anticipating and driving changes in mobility. Connected and autonomous vehicles are likely to become a common feature worldwide, along with an increased use of electric and shared vehicles, which is why we are building on our core experience, data intelligence and technology to develop entirely new lines of business and extend our offering and capabilities for our customers, businesses and cities. For example, we continue to invest in low-emissions vehicles, globally, and in 2022, ABG purchased over 2,400 EVs for the company's European fleet, and approximately 4,000 EVs for the U.S. Globally, hybrid and EVs represent more than 14% of the company's fleet.

Climate-related risk include: increasing attention to climate change, increasing societal expectations on companies to address climate change, and potential consumer and customer use of substitutes to our products may result in increased costs, reduced demand for our products, reduced profits, increased investigations and litigation, reputational harm and negative impacts on our stock price and access to capital markets. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters.

Customer and stakeholder preferences as well as laws and regulations are most likely to influence Avis Budget Group's future climate strategy. For example, ABG aims to support with corporate customers to reduce their own greenhouse gas (GHG) emissions and meet their carbon reduction targets. Through the company's Carbon Footprint Calculation Program, ABG can calculate GHG emissions data for corporate customers and gather additional information about specific locations or countries for any time frame, such as vehicle type, miles driven, and fuel consumption. The company's Carbon Offset Program supports corporate customers who want to minimize the environmental impact of their car rental programs. Carbon offset credits are generated through projects that remove or reduce GHG emissions through renewable energy generation, electric rail systems, or improved cook stoves.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Based on our scenario analyses, identified potential risks associated with product and services (most notably the rental of cars and trucks within our fleet) include extreme weather events and shifts in consumer preferences. Strategic decisions influenced these risks include our (1) investments in business continuity, (2) investments in innovation and partnerships to support ride-sharing and smart cities, and (3) programs and initiatives to reduce Scope 3 emissions for our corporate customers (including our emissions calculator and carbon offsets program). The management of these risks also present the opportunity for Avis Budget Group to increase operational efficiency and establish competitive advantages. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our revenue and operating costs) over the next 1-10 years.
Supply chain and/or value chain	Yes	Based on our scenario analyses, identified potential upstream risks associated with our supply chain include changes in the cost of fuel, energy, and commodities in addition to broader uncertainty in market signals associated with climate change. For example, pricing in the vehicle rental industry is impacted by the size of rental fleets and the supply of vehicles available for rent, which could be impacted by fuel costs and uncertainty in market signals associated with climate change. Downstream potential risks within our value chain (notably our customers' use of cars and trucks within our fleet) include those associated with extreme weather events and shifts in consumer preferences. The management of risks may also present the opportunity for our Company to increase long-term revenue growth and establish competitive advantages by engaging customers on sustainability and partnering with them by low-carbon products and services (including our carbon offsets program). Strategic decisions influenced these risks include our (1) fleet procurement and maintenance strategies, (2) purchases of derivative instruments to hedge against increases in gasoline costs and (3) investments in business continuity; carbon reduction programs for customers; and the future of mobility. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our revenue and operating costs) over the next 1-10 years.
Investment in R&D	Yes	We do not currently make any investments, which are classified as research and development expenses, in our financial disclosures. However, we have prioritized innovation initiatives to support our vision for mobility as a service that is completely connected, integrated, and on-demand for our customers and other businesses We view the transition to a low-carbon economy is an important opportunity for our Company. Led by our company's Innovation team, we are focused on advancing low-carbon solutions as part our strategies to make mobility greener, safer, and smarter. We believe that we are well positioned to take advantage of the development of new mobility models as we leverage our fleet management capabilities to provide fleet management services to the public sector, as well as other companies. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our revenue and operating costs) over the next 1-10 years.
Operations	Yes	Based on our scenario analyses, identified potential risks associated with operations (most notably the rental of cars and trucks within our fleet) include potential increases in the price of fuel and the associated emissions generated from vehicles. Potential opportunities include further decreasing the fuel and emissions intensity within our fleet of over 590,000 vehicles. Strategic decisions influenced these risks and opportunities include through our: (1) decision to have a fully connected fleet, (2) procurement of more fuel-efficient vehicles, (3) investments to fleet optimizations projects, (3) investments in innovation and partnerships to support ride-sharing and smart cities, and (4) programs and initiatives to reduce Scope 3 emissions for our corporate customers (including our emissions calculator and carbon offsets program). We maintain a steadfast focus on managing and improving our fleet decisions to better optimize and drive the purchase, deployment, and disposition of our fleet. For example, in North America, our rental car brands provide customers a variety of fuel efficient options including (1) hybrids and (2) standard vehicles rated "green" by the U.S. Environmental Protection Agency (EPA) at virtually all of our locations. In the United States, 40% of our fleet is rated "green" by the U.S. EPA under the EPA SmartWay certification. Across Europe our fleet complies 100% with the current Euro 6 emission standards (Euro 6, Euro 6c and Euro 6d-TEMP). Globally, ABG's hybrid and electric vehicles represent more than 14% of the company's fleet and in Scandinavia, 68% of our fleet is hybrid and electric (up from 25% in 2020), making it the largest fuel-efficient rental option in the region. In 2019, Avis Sweden (AS) set out to reduce their emissions per kilometer from 100 grams CO_2 to 60 by 2025. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our revenue and operating costs) over the next 1-10 years.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Access to capital Assets	REVENUES: The most significant risk identified as having a potential impact to our revenues is related to shifts in customer preferences as retail customers (particularly millennials and Gen Z consumers) and corporate customers. The management of these risks also presents the potential opportunity to increase revenue through competitive differentiation. Examples of how these risks and opportunities have been integrated into our financial planning process include (1) our investments in fleet optimization, innovations, customer solutions; and (2) additional expenses associated with our ESG responsibility programs. We continue to advance our programs to engage and partner with customers to promote sustainability and provide low-carbon products and services. For example, we partner with our corporate customers to calculate and reduce their Scope 3 emissions form business travel. Our emissions calculator is used to determine a benchmark and track emissions reductions over time. We provide corporate customers with the opportunity to make their car rental program 100% carbon neutral through the creation of carbon offset credits, which are generated from renewable energy and reforestation programs. In addition to providing hybrid and "green" vehicle selection options for customers, we are invested in giving a fully connected fleet, which will also allow us to streamline operations and reduce costs, including more sophisticated tracking of idle vehicles and employing more dynamic fleet planning. We have also been a global first-mover in the car-sharing space through our acquisition of Zipcar in 2013. Today, Avis Budget Group now operates the world's leading car-sharing network through our Zipcar brand, which provides "wheels when you want them" to urban consumers across nearly 500 cities and towns and nearly 500 university campuses. In addition to taking thousands of cars off the road and reducing congestion, car sharing consumers report notable reductions in their own driving behavior after joining. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our current revenue and total assets). DIRECT & INDIRECT COSTS: The most significant risk identified as having a potential impact to our operating costs is changes in the cost of fuel, energy and commodities in addition to broader uncertainty in market signals associated with climate change. For example, pricing in the vehicle rental industry is impacted by the size of rental fleets and the supply of vehicles available for rent, which could be impacted by fuel costs and uncertainty in market signals associated with climate change. Potential opportunities associated with managing this risk include further increasing the fuel and emissions efficiency within our fleet of over 590,000 vehicles. Examples of how these risks and opportunities have been integrated into our financial planning process include (1) purchases of derivative instruments to hedge against increases in gasoline costs, (2) fleet procurement decision to "green" and make our fleet fully connected, and (3) investments in fleet optimization and the future of mobility. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our current operating costs and total assets). CAPITAL EXPENDITURES & ALLOCATIONS: The most significant climate-related risks identified as having a potential impact to our capital expenditures are the need to respond to shifts in consumer preferences and increased demand for low-carbon product and services. Potential opportunities associated with managing this risk include competitive differentiation and mitigate our business exposure to increases the price of fuel and impacts from extreme weather events and other physical climate risk. Examples of how these risks and opportunities have been integrated into our financial planning process include our investments in (1) "greening" our fleet, (2) having a fully connected fleet and (3) advancing partnerships, capabilities and service offerings to provide low-carbon products and services (including ride sharing and smart cities initiatives). The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our current operating costs and total assets). ASSETS: The most significant risks associated with the value of our assets (notably our vehicles) is extreme weather events (particularly hurricanes and wildfires). In 2021, we recorded over $14 billion in assets under vehicle programs. While mitigated by our business continuity plans and insurance programs, we cannot fully eliminate all risks associated with property damage from extreme weather events. Examples of how these risks have been integrated into our financial planning process include investments in business continuity plans and our insurance programs. Please note that the insurance policies that we purchase supplement those that our customers also have in place for rented vehicles. The potential magnitude of these risks and opportunities are currently considered to be medium (in the context of our current operating costs and total assets). ACCESS TO CAPITAL: We believe that increased access to capital is a potential climate-related opportunity for our Company. Our performance with regards to climate change mitigation and adaptation is frequently used by specialized research firms to generate ratings and rankings that help to inform investor decision making. We are focused on continuing to advance our sustainability programs and increase the quality of our disclosures on our climate change strategy and performance. Examples of how these risks and opportunities have been integrated into our financial planning process include investments associated with our corporate ESG programs and disclosures. The potential magnitude of this opportunity is currently considered to be medium (in the context of our total assets).

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Is this a science-based target?
Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Target ambition
2°C aligned

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Location-based

Scope 3 category(ies)
<Not Applicable>

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
6827371

Base year Scope 2 emissions covered by target (metric tons CO2e)
45043

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
6872414

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
30

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
5672858

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

37779

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
5710637

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
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.

Plan for achieving target, and progress made to the end of the reporting year
Our goal is to position ourselves as the best vehicle rental company in the world. Establishing sustainable processes throughout our organization will play a critical role in our future success, which is why we established a formal Environmental, Social and Governance (ESG) strategy in 2020. We charted a 10-year plan to achieve a 30% reduction in greenhouse gas emissions by 2030, and central to the execution is our work toward the future of mobility by preparing ourselves to introduce electric vehicles at scale. In 2022, due to the global shortage in semiconductors production, vehicle supply has continued to be low, but we have been steadily adding electric and connected vehicles to our fleet. The focused management of our fleet inventory and cautious, deliberate purchasing decisions will be focal to the achievement of our target. We will be actively moving forward in the electric vehicle scenario as the semiconductors issue improves in the near future. As of year-end 2022, we have reduced total Scope 1 and 2 emissions by 17%.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	1	27
Implemented*	1	125441
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Transportation	Company fleet vehicle replacement

Estimated annual CO2e savings (metric tonnes CO2e)
125441

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
52213712

Investment required (unit currency – as specified in C0.4)
134832000

Payback period
1-3 years

Estimated lifetime of the initiative
1-2 years

Comment
In 2022, our hybrid and electric fleet was one of the largest in our industry with nearly 45,000 hybrid and electric vehicles globally. The adoption of these hybrid fleet required an additional investment of around $3,000 per vehicle. Using the hybrid vehicle comparison tool provided by the U.S. Energy Department there is an estimated $1,273 per vehicle in annual fuel savings which are mainly captured by our Avis Budget Group customers when refuelling our vehicles before checkout. In 2022, our hybrid fleet CO2kg per miles was around 33% lower than same non-hybrid car class.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	When considering investments in emissions reduction activities, we consider internal rates of returns and payback period for specific projects at our owned and operated locations. For example, lighting retrofits have been prioritized because they present an attractive return on investment. In additional to financial optimization calculations, we also consider efficiency investments to accompany end-of-life replacements for HVAC systems, chillers, boilers and other equipment. With regards to the procurement of vehicles within our fleet, fuel efficiency is one of numerous factors that we consider. For example, 54% of our fleet in the U.S. is rated 30 miles per gallon (highway) or better, and 40% are U.S. EPA SmartWay certified.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Carbon neutral vehicle program)

Type of product(s) or service(s)

Other	Other, please specify (Carbon neutral vehicle program)

Description of product(s) or service(s)

Corporate vehicle rental programs (including 100% carbon neutral program).

For Avis Budget Group’s corporate customers, we partner to calculate and reduce their Scope 3 emissions form business travel. Our emissions calculator is used to determine a benchmark and track emissions reductions over time.

We provide corporate customers with the opportunity to make their car rental program 100% carbon neutral through the creation of carbon offset credits, which are generated from renewable energy and reforestation programs.

Avis Budget Group has an alliance with leading global offset providers such as) Climate Impact Partners.

In 2022, commercial customers represented approximately 40% of revenues within our Avis brand, for which we generate the majority of our revenues.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify (Based on revenues from commercial customers)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

8.78 grams of C02 per gallon of motor gasoline

Reference product/service or baseline scenario used

Not applicable

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

44526

Explain your calculation of avoided emissions, including any assumptions

Annual fuel usage of the commercial customers that participate in our carbon offsets program is converted into carbon emissions using the carbon emission factor for motor gasoline of 8.78grams of CO2 per gallon used. We have 9 commercial customers participating in our carbon offset program who have voluntarily chosen to offset 100% of their car rental usage for business travel.

Once we estimate their annual carbon emissions, we purchase the carbon offset credits through our carbon offset partner. For 2022, Climate Impact Partners retired the carbon offsets credits generated in their global renewable portfolio, the electric rail system in New Dehli, India and clean cookstoves in Guatemala.

Through our carbon offset program, we do not generate any revenue for Avis Budget Group. All money accrued throughout the calendar year to offset emissions, is used to purchase carbon offset credits through our carbon offset provider. The transaction is processed at cost and there are no surcharges passed to our commercial customers.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in boundary	Scope 1 GHG emissions (fleet): Scope 1 emissions are calculated based on customer's miles driven and fuel consumption – which is calculated using car manufacturer's city miles per gallon specifications. In 2022, we identified that miles driven for non-connected cars were overestimated due to operation teams overwriting miles in our booking system. To address this and correct our system, all rental transactions with 1,000+ miles driven per day were adjusted to 132 miles (average miles driven per day in 2021). Miles driven in our 2021 and 2022 calculations were adjusted.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	Please note, this change included above did not impact our base year emissions.	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

6827371

Comment

The majority of our emissions are derived from consumer use of fuel for rented vehicles. Scope 1 GHG emissions (fleet): Scope 1 emissions are calculated based on customer's miles driven and fuel consumption – which is calculated using car manufacturer's city miles per gallon specifications

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

45043

Comment

Please note that in 2018 our Scope 2 emissions represented less than 1% of our combined Scope 1 and 2 emissions.

Additionally, while outside of our data boundary, around 17,000 metric tons of CO2e were offset through our carbon offset program for corporate customers.

Our Scope 2 emissions are based on purchased electricity at our owned/rented and operated locations.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

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).

We do not currently track associated emissions from suppliers as defined in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Our capital goods primarily consist of the vehicles within our fleet. We do not currently calculate the full life cycle emissions of our fleet.

Emissions during the use phase are currently captured within our Scope 1 emissions. We also work to reduce end-of-life emissions through our focus on optimizing our salvage costs.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We have not identified any relevant fuel and/or energy-related activities that are not already covered within our Scope 1 and 2 emissions boundaries.

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not calculate, but we do consider the life cycle emissions the associated with transportation and distribution of goods that we procure (notably the vehicles that we purchase within our fleet).

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

14039

Comment

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 United States were excluded from our calculation. These sites are leased buildings where data was not provided by the landlord.

We remain focused on recycling and reducing solid and liquid waste across our operations. Examples where we drive impact including avoiding motor oil, glass, tires, paper, plastic and e-waste from entering landfills.

Scope 3 category 6: Business travel

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

2270

Comment

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 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not believe that Scope 3 emissions from employee commuting would reach the threshold for relevance. In 2020, emissions from employee commuting were even lower during the COVID-19 pandemic.

Avis Budget Group strives to help support our employees who are owners of electric vehicles by providing charging stations at corporate headquarters and select locations

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to leased properties are currently included as part of our Scope 1 and 2 emissions based on our boundary of operational control.

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to downstream transportation and distribution are currently captured within our Scope 1 and 2 emissions.

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to the processing f sold products (notably our customers' use of cars and trucks within our fleet) are currently captured within our Scope 1 and 2 emissions.

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to the use of sold products (notably our customers' use of cars and trucks within our fleet) are currently captured within our Scope 1 and 2 emissions.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to the end-of-life treatment of sold products are generally not relevant to our business model as a rental company that provide mobility solutions.

Also, where we retire fleets from our fleet, they are usually within 3-4 years from their model year and still have a useful life of the time of sale.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to downstream leased assets (notably our customers' use of cars and trucks within our fleet) are currently captured within our Scope 1 and 2 emissions

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Third-party licensees are relevant to our business model across brands. For example, nearly 50% of our total Avis brand locations are operated by licensees.

We do not currently track Scope 3 emissions from relevant licensees and/or independent operators. However, we believe that licensees' relationships are a significant source of our overall Scope 3 emissions.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Emissions related to investments (notably our investments in new vehicles and in new lighting systems or HVAC systems) are currently captured within our Scope 1 and 2 emissions

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We have not identified any other upstream Scope 3 emission sources at this time.

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We have not identified any other downstream Scope 3 emission sources at this time

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

5672858

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

The majority of our emissions are derived from consumer use of fuel for rented vehicles. Scope 1 emissions are calculated based on fuel consumption using manufacturer miles per gallon specifications.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment
Please note that in 2022 our Scope 2 emissions represented less than 1% of our combined Scope 1 and 2 emissions.

Additionally, while outside of our data boundary, 44,526 metric tons of CO2e were offset through our carbon offset program for corporate customers.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
37779

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
Please note that in 2022 our Scope 2 emissions represented less than 1% of our combined Scope 1 and 2 emissions.

Additionally, while outside of our data boundary, 44,526 metric tons of CO2e were offset through our carbon offset program for corporate customers. Our Scope 2 emissions are based on purchased electricity at our owned/rented and operated locations.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
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).

We do not currently track associated emissions from suppliers as defined in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Capital goods

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Our capital goods primarily consist of the vehicles within our fleet. We do not currently calculate the full life cycle emissions of our fleet.

Emissions during the use phase are currently captured within our Scope 1 emissions. We also work to reduce end-of-life emissions through our focus on optimizing our salvage costs.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We have not identified any relevant fuel and/or energy-related activities that are not already covered within our Scope 1 and 2 emissions boundary.

Upstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We do not calculate, but we do consider the life cycle emissions the associated with transportation and distribution of goods that we procure (notably the vehicles that we purchase within our fleet).

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
16997

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
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 United States were excluded from our calculation. These sites are leased buildings where data was not provided by the landlord.

We remain focused on recycling and reducing solid and liquid waste across our operations. Examples where we drive impact including avoiding motor oil, glass, tires, paper, plastic and e-waste from entering landfills.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
805

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
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.

Employee commuting

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We do not believe that Scope 3 emissions from employee commuting would reach the threshold for relevance.

Avis Budget Group strives to help support our employees who are owners of electric vehicles by providing charging stations at corporate headquarters and select locations.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to leased properties are currently included as part of our Scope 1 and 2 emissions based on our boundary of operational control.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to downstream transportation and distribution are currently captured within our Scope 1 and 2 emissions.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to the use of sold products (notably our customers' use of cars and trucks within our fleet) are currently captured within our Scope 1 and 2 emissions.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to the use of sold products (notably our customers' use of cars and trucks within our fleet) are currently captured within our Scope 1 and 2 emissions.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to the end-of-life treatment of sold products are generally not relevant to our business model as a rental company that provide mobility solutions.

Also, where we retire vehicles from our fleet, they are usually within 1-3 years from their model year and still have a useful life of the time of sale.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to downstream leased assets (notably our customers' use of cars and trucks within our fleet) are currently captured within our Scope 1 and 2 emissions.

Franchises

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Third-party licensees are relevant to our business model across brands. For example, nearly 50% of our total Avis brand locations are operated by licensees.

We do not currently track Scope 3 emissions from relevant licensees and/or independent operators. However, we believe that licensees' relationships are a significant source of our overall Scope 3 emissions.

Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions related to investments (notably our investments in new vehicles and in new lighting systems or HVAC systems) are currently captured within our Scope 1 and 2 emissions

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We have not identified any other upstream Scope 3 emission sources at this time.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We have not identified any other downstream Scope 3 emission sources at this time.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000475

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
5710637

Metric denominator
unit total revenue

Metric denominator: Unit total
11994000000

Scope 2 figure used
Location-based

% change from previous year
11

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
In 2022, our revenues were approximately $12 billion, 22% higher compared to 2021 (from $9.313 billion to $11.994 billion) reflecting increased business activity following the increase in cutomer demand for rental vehicles.

Our emissions per revenue decreased by 11% (from 0.000533 to 0.000475).

The decrease in 2022 emissions per unit of total revenue compared from previous year was most notably due to our continued focus on introducing more hybrid and electric vehicles and our focus on fleet maintenance and optimization.

Intensity figure
0.000328

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
5710637

Metric denominator
Other, please specify (Assets under vehicle programs)

Metric denominator: Unit total
17428000000

Scope 2 figure used
Location-based

% change from previous year
7

Direction of change
Decreased

Reason(s) for change
Please select

Please explain
In 2022, the recorded value of our assets under vehicle programs decreased by approximately 1% (from $14.019 billion to $17.428 billion).

Our emissions relative to the value of assets under vehicle programs increased by 7% (from 0.000354 to 0.000328). This decrease was most notably due to our continued focus on introducing more hybrid and electric vehicles and our focus on fleet maintenance and optimization

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C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	5658814	IPCC Sixth Assessment Report (AR6 - 100 year)
CH4	2369.6	IPCC Sixth Assessment Report (AR6 - 100 year)
N2O	11674.9	IPCC Sixth Assessment Report (AR6 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	4246446
Other, please specify (Rest of the World)	1426412

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Car and Truck Rentals	5481169
Zipcar Rentals	53571
Corporate and Other	138118

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	26031	
Other, please specify (Rest of the World)	11748	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Car and Truck Rentals	0	
ZipCar Rentals	0	
Corporate and Other	37779	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	In 2022, changes in renewable energy consumption did not impact our emissions performance. Please note than less than 1% our combined Scope 1 and 2 emissions was from purchased electricity. Our Scope 1 and 2 emissions are principally derived from our customers' use of our fleet for vehicle rentals.
Other emissions reduction activities	125441	Decreased	3	In 2022, we estimated a 3% reduction due to our emissions reduction activities, which includes our emphasis on fleet management and optimization. For example, our hybrid and electric fleet is one of the largest in our industry with 44,944 hybrid electric vehicles globally in 2022 (15,000 increase compared to the previous year). The numerator used in the calculation is 125,441 MT CO2e and the denominator is Avis Budget Group's 2021 Scope 1 and 2 emissions, which were 4,959,418 MT CO2e.
Divestment	0	No change	0	In 2022, no divestments affected our emissions performance.
Acquisitions	0	No change	0	In 2022, no acquisitions affected our emissions performance.
Mergers	0	No change	0	Mergers were not applicable during the reporting period.
Change in output	751219	Increased	15	In 2022, we estimated a 15% increase in our annual emissions primarily due to strong demand for vehicle rentals due to the end of COVID-19 restrictions globally. This resulted in an increase in global travel demand compared to pre-pandemic levels and a 22% increase in revenues compared to year 2021. The numerator used in the calculation is 751,219 MT CO2e and the denominator is Avis Budget Group's 2021 Scope 1 and 2 emissions, which were 4,959,418 MT CO2e.
Change in methodology	0	No change	0	Changes in methodology were not applicable during the reporting period.
Change in boundary	0	No change	0	In 2022, changes in our data boundary did not impact our performance.
Change in physical operating conditions	0	No change	0	We do not currently identify a correlation between physical operating conditions, such as weather variations, because less than 1% of our Scope 1 and 2 emissions are from buildings. Potential impacts from weather to business demand for our mobility solutions would be captured as a factor contributing to our annual change in output.
Unidentified	0	No change	0	In 2022, there were no unidentified drivers that impacted our performance.
Other	0	No change	0	In 2022, we have not identified any other drivers that impacted our performance.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	22743300.78	22743300.78
Consumption of purchased or acquired electricity	<Not Applicable>	0	97366	97366
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	22840667	22840667

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
During the reporting period, we did not identify any instances where low-carbon energy was purchased or generated online at our owned and/or operated locations. Please note that our Scope 2 emissions comprise a very small percentage of our total Scope 1 and 2 emissions. The vast majority of our emissions are from fuel consumption within our fleet of vehicles (for which we offer carbon offset programs for customers).

Other biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
During the reporting period, we did not identify any instances where low-carbon energy was purchased or generated at our owned and/or operated locations. Please note that our Scope 2 emissions comprise a very small percentage of our total Scope 1 and 2 emissions. The vast majority of our emissions are from fuel consumption within our fleet of vehicles (for which we offer carbon offset programs for customers)

Other renewable fuels (e.g. renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
During the reporting period, we did not identify any instances where low-carbon energy was purchased or generated online at our owned and/or operated locations. Please note that our Scope 2 emissions comprise a very small percentage of our total Scope 1 and 2 emissions. The vast majority of our emissions are from fuel consumption within our fleet of vehicles (for which we offer carbon offset programs for customers).

Coal

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
In 2022, there was no consumption of coal for heating generation

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
6802.65

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Heating oil consumption occurs for heating purposes at some owned and/or operated locations.

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
179741.77

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Natural gas consumption occurs for heating purposes at some owned and/or operated locations.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
532.96

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Propane consumption occurs for heating purposes at some owned and/or operated locations.

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
22743301

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
0

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Please note that Scope 1 stationary combustion emissions subcategory comprise less than 1% of our total Scope 1 and 2 emissions. The vast majority of our emissions are from fuel consumption within our fleet of vehicles (for which we offer carbon offset programs for customers).

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
United States of America

Consumption of purchased electricity (MWh)
70402

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
53794

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Canada

Consumption of purchased electricity (MWh)
1598

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Hungary

Consumption of purchased electricity (MWh)
310

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
10253

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Austria

Consumption of purchased electricity (MWh)
269

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
10253

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Germany

Consumption of purchased electricity (MWh)
6684

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
20505

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Italy

Consumption of purchased electricity (MWh)
1872

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
10253

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Spain

Consumption of purchased electricity (MWh)
3842

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
20505

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Portugal

Consumption of purchased electricity (MWh)
736

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
10253

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
France

Consumption of purchased electricity (MWh)
3321

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
20505

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)
2301

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
10253

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Sweden

Consumption of purchased electricity (MWh)
320

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
3417

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Norway

Consumption of purchased electricity (MWh)
321

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
3418

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Denmark

Consumption of purchased electricity (MWh)
320

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
3417

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Czechia

Consumption of purchased electricity (MWh)
14

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Poland

Consumption of purchased electricity (MWh)
87

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Switzerland

Consumption of purchased electricity (MWh)
1061

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
10253

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Netherlands

Consumption of purchased electricity (MWh)

65

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Australia

Consumption of purchased electricity (MWh)
2589

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
New Zealand

Consumption of purchased electricity (MWh)
1254

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Energy usage

Metric value
22840667

Metric numerator
Total MWhs (direct and indirect)

Metric denominator (intensity metric only)

% change from previous year
15

Direction of change
Increased

Please explain
Energy usage increased 15% compared to 2021, primarily due to strong demand for vehicle rentals, driven by an increase in global travel following the lift of COVID-19 travel restirctions globally.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for ABG_CDP 2023 .pdf

Page/ section reference
All

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for ABG_CDP 2023 .pdf

Page/ section reference
All

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Waste generated in operations
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for ABG_CDP 2023 .pdf

Page/section reference
All. ERM CVS assurance covers Total Scope 3 GHG emissions:17,802 [metric tonnes CO2e] comprised of Category 5 –Waste Generated in Operations and Category 6 – Business travel. ABG is not reporting data for the other Scope 3 categories.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Other, please specify (We partner with Original Equipment Manufacturers (OEMs) to increase and ensure a diversified fleet of hybrid and electric vehicles.)

% of suppliers by number
50

% total procurement spend (direct and indirect)
13

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
The reported supplier coverage is based on (1) our environmental initiatives (notably the "greening" of our fleet). We partners with both our OEM partners to optimize a product line for electric vehicles and also with infrastructure partners to tackle logistical hurdles and absorb electric vehicles at scale We aim to partner with suppliers that share our commitment to protecting the environment and are able to support Avis Budget Group's environmental goals and strategies by providing products and services with environmental attributes that lower our impact across our value chain. Most notably the introduction of electric and hybrid vehicles. Through our Third Party Standards of Conduct, we set forth our expectations for suppliers to reduce and minimize the environmental impact of all of their operations in the short-term, and also plan for long-term sustainability. We engage with our car manufacturers to ensure our brands offer a variety of options. This includes electric and hybrid vehicles rated "green" by the United States Environmental Protection Agency (EPA) under the EPA SmartWay certification. Additionally, across Europe, we aim to maintain compliance with the current Euro 6 emission standards (Euro 6, Euro 6c and Euro 6d-TEMP).

Impact of engagement, including measures of success
Specific to each country of operation, we identify metrics to measure our success to "green" our fleet and reduce our environmental impact. For example, we track the total number of miles driven by our electric vehicles globally. In 2022, electric vehicle miles increased 360% to 23,000,000 from 5,000,000 miles in 2021. This represented a reduction of around 2% of our annual global greenhouse gas emissions. Also, in the United States (which is our largest market), we track the percentage of U.S. EPA SmartWay or SmartWay Elite Certified vehicles. In the United States, 40% have received this certification. Across Europe and Asia Pacific, we offer customers a fuel-efficient, low-emission or electric model every time they rent a car. For example, 68% of fleet vehicles in Scandinavia are hybrid or electric Additionally, across Europe our fleet complies 100% with the current Euro 6 emission standards (Euro 6, Euro 6c and Euro 6d-TEMP).

Comment
We also engage with our car manufacturers to support our commitment to have a fully connected fleet, which is expected to reduce emissions through enhanced fleet maintenance and optimization. Currently, we have approximately 200,000+ fully connected vehicles globally which have help us enhance our vehicle maintenance operations and also our travelers' experiences.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number
100

% of customer - related Scope 3 emissions as reported in C6.5
0

Please explain the rationale for selecting this group of customers and scope of engagement
Coverage is based on providing Avis and Budget customers (both rental and corporate) with the options to (1) rent fuel efficient vehicles and (2) purchase carbon offsets. Coverage also includes our Zipcar business, which is now the world's leading car-sharing network. In addition to taking thousands of cars off the road and reducing congestion, car sharing members report notable reductions in their own driving behavior after joining. In addition to offering "green" vehicles (including hybrid vehicles) for customers, we provide customers with the opportunity to make their car rental program 100% carbon neutral through the creation of carbon offset credits, which are generated from renewable energy and reforestation programs. For Avis Budget Group's corporate customers, we partner to calculate and reduce their Scope 3 emissions form business travel. Our emissions calculator is used to determine a benchmark and track emissions reductions over time. Additionally, we continue to pilot electric vehicle rentals in select markets within the United States and Europe. We are also partnering with Uber to help Uber drivers transition to zero-emissions vehicles.

Impact of engagement, including measures of success
Metrics that we use to measure our success and impacts to reduce global greenhouse gas emissions include (1) avoided emissions through carbon offset programs and (2) reductions in our corporate customers' Scope 3 business travel emissions that we are able to partner with them to achieve (using our emission calculator). For example, in 2022, we have purchased 50,000 metric tons of carbon-offset credits through our partnership with NextEra Energy Resources. Through the company's Carbon Footprint Calculation Program, ABG can calculate GHG emissions data for corporate customers and gather
additional information about specific locations or countries for any time frame, such as vehicle type, miles driven, and fuel consumption. The company's Carbon Offset Program supports corporate customers who want to minimize the environmental impact of their car rental programs. Carbon offset
credits are generated through projects that remove or reduce GHG emissions through renewable energy generation, electric rail systems, or improved cook stoves.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

Per ABG's Third Party Standards of Conduct, Third Parties are encouraged to conduct business in an environmentally friendly and responsible manner. Third Parties should endeavor to reduce and minimize the environmental impact of all of their operations in the short term, and plan for long-term sustainability, and have in place a suitable environmental management system. Third Parties will comply with all applicable environmental laws, including, but not limited to, international treaties. Third Parties shall have processes to identify, monitor and understand applicable laws and regulations and the additional requirements imposed by these Standards. Third Parties must strive towards the continual identification of environmental, health, safety, business ethics, labor, human rights, and legal compliance risks associated with their operations. Third Parties should periodically conduct self-evaluations to ensure that they are, along with their subcontractors, complying with these Standards. This ongoing risk assessment should be used by Third Parties to determine the relative significance of each risk, and implement appropriate procedures / controls to ensure that these risks are mitigated. If a Third Party identifies a risk that cannot be mitigated, which has the potential to impact the products and/or services it has provided to Avis Budget Group, Third Parties must notify Avis Budget Group of this risk in writing.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Our processes to ensure that indirect activities are consistent with our overall climate commitments and/or climate transition plan are as follows: (1) Prior to entering into new affiliations or expanding the scope of current affiliations, an organization's policy positions are among the several factors that we would consider. (2) Through membership and participation, we would be able to monitor whether their activities are consistent with our climate and energy strategy. (3) Additionally, we utilize our annual disclosures to the CDP Climate Change program as an opportunity to further review and assess whether the public policy positions of trade associations for which Avis Budget Group has an affiliation are consistent with our own climate change strategy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (American Car Rental Association (ACRA))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
ABG's position is consistent with the mission of the American Car Rental Association (ACRA). The ACRA mission is dedicated to the "betterment of the industry by supporting and promoting sensible legislation that will benefit all its members". ACRA activities include (1) publishing legislative reports and analysis of developments in federal, state, and local laws that affect the vehicle rental industry; and (2) producing presentations from governmental officials, industry analysts and consumer advocates on matters of interest to the vehicle rental industry and its consumers. Climate change adaptation and mitigation is not currently a central regulatory and legislative priority for the ACRA.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
30000

Describe the aim of your organization's funding
Through this funding, we aim to influence the ACRA's mission to help drive growth and innovation in mobility services on behalf of its members. This includes monitoring legal, public policy and legislative issues affecting our company and industry. As a member of ACRA (and also through our funding), we benefit from expert representation in the halls of government on matters of vital importance; education on the impact on operators from pending or proposed new laws or taxes; providing avenues for growth, continuous improvement and networking through industry events and conventions; and providing support services including access to certified vendors offering discounts and specialized services.

Our Vice President of Government Affairs serves on the Board of Directors for ACRA and provides advisory and direction in his capacity as a Board member. Our Vice President of Government Affairs also chairs the Nominating, Bylaws and Security Committees and serves on the Legal and Legislative and PAC Committee. Additionally, our Vice President of Government Affairs Serves as the industry liaison through ACRA to the Department of Homeland Security (DHS) as an Executive Board Member of the Critical Infrastructure Coordinating Council. This Council is a public-private partnership designed to act as a conduit of information between the Government and private industry to assist in times of crisis and address emerging issues.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Truck Renting and Leasing Association (TRALA))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
ABG's position is consistent with the mission of the Truck Renting and Leasing Association (TRALA). TRALA's mission is to foster a positive legislative and regulatory climate within which companies engaged in leasing and renting trucks and trailers, as well as related businesses, can compete without discrimination in the United States. TRALA's government relationship program is designed to support its mission. Climate change adaptation and mitigation is not currently a central regulatory and legislative priority for TRALA. However, TRALA does engage to support compliance with associated laws and regulations. For example, TRALA has worked with the Canada Revenue Agency to seek guidance on how renting and leasing companies should comply with its new carbon tax.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
33100

Describe the aim of your organization's funding
Through this funding, we aim to influence the TRALA's mission to foster a positive legislative and regulatory climate within which companies engaged in leasing and renting vehicles and trailers, as well as related businesses, can compete without discrimination in the North American marketplace.

Our Vice President, Government Affairs serves on the Board of Directors for TRALA and provides advisory and direction in his capacity as a Board member. Our Vice President of Government Affairs also serves on Government Affairs and Security Committees.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
2022 10-K ABG.pdf

Page/Section reference
Pages 15-16 ("Environmental, Social, and Governance (ESG)") of our and pages 28 ("Risk Factors") of our 2022 10-K Filing.

Content elements
Governance
Strategy
Risks & opportunities

Comment
Climate change is listed as a specific risk factor in our 10-K filing.
We also disclose our strategy on monitoring, measuring and managing our environmental impact and our carbon offset program.

Publication
In mainstream reports

Status
Complete

Attach the document
2023 Proxy Statement.pdf

Page/Section reference
Page 19 (“Oversight of Environmental, Social and Governance (“ESG”) Matters”)

Content elements
Governance
Strategy

Comment
Oversight of ESG issues, including climate change in included in our 2022 Proxy Statement.

Publication
In voluntary sustainability report

Status
Complete

Attach the document
ESG-REPORT-2022-Final (3).pdf

Page/Section reference
Page 13 (“2030 Targets”); Pages 25-40 (“Environment”); Pages 17-24; Pages 45-46 (“Environmental, Social and Governance (ESG) Oversight”); Page 56 (“GRI Index”); Pages 67-80; Pages 81-86 (“TCFD Report”)

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
In 2022, we published our comprehensive ESG Report, utilizing the GRI standards, SASB disclosures and TCFD framework.

Publication
In voluntary communications

Status
Complete

Attach the document
ABG-Environmental-Policy-2019 (1).pdf

Page/Section reference
All

Content elements
Governance
Strategy

Comment
Our Corporate Governance Committee Charter outlines the governance of ESG issues (inclusive of climate-change), including Board oversight.

Publication
In voluntary communications

Status
Complete

Attach the document
ABG Corporate_Governance_Committee_Charter.pdf

Page/Section reference
3 (“Environmental, Social and Governance (ESG) Matters”)

Content elements
Governance

Comment

Our Corporate Governance Committee Charter outlines the governance of ESG issues (inclusive of climate-change), including Board oversight.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	UN Global Compact	In 2021, Avis Budget Group became the first global U.S. based vehicle rental company to sign onto the UNGC, an international initiative that encourages businesses to operate in a sustainable and socially responsible manner. It provides a framework for businesses to align their operations with 10 core principles in the areas of human rights, labor, environment, and anti-corruption. We joined more than 16,000 member companies working to effect change, making UNGC one of the largest corporate responsibility programs in the world. UNGC provides an inclusive platform for businesses to connect and share strategies for operating in a more sustainable and socially responsible way.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	The highest level of responsibility within Avis Budget Group Corporation for the management of ESG-related issues is held by the Corporate Governance Committee of our Board of Directors. The Corporate Governance Committee's responsibilities include (1) reviewing and discussing emerging best practices, trends and key issues related to ESG matters and (2) overseeing the Company's strategy and governance of ESG matters and to advise the Board on such matters. The Corporate Governance Committee also oversees the Company's risks and disclosure related to ESG and annual ESG reporting, which includes climate-related risks. In addition, the Corporate Governance Committee conducts periodic reviews of the Company's programs, policies and procedures in the area of ESG. This includes, among other things, directing senior management to report to the Corporate Governance Committee, on a periodic basis, assessments and progress against both longer- and shorter-term key objectives, metrics and program enhancements set by senior management and reviewed by the Committee.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
Please select	<Not Applicable>	<Not Applicable>

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director, Global ESG	Environment/Sustainability manager

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	11994000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Other, please specify	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms