



# Corporate Responsibility Report 2019



## A letter from the CEO



In 2018, Hertz celebrated its 100th year of connecting people around the world. It's a legacy that we're proud of. Building on that heritage of innovation and leadership, we continue to evolve for our customers, employees, partners and communities. We always strive to do more, better - to create a resilient, sustainable future for the next century that provides opportunities for workforce development, embraces environmental stewardship, ensures responsible supply chains and incorporates policies and actions that promote inclusion and proclaim zero-tolerance for bias.

While we have much work to do toward that end, there is a lot to celebrate. In this report, we feature our 2019 achievements as they relate to our people, products, planet and our communities. Employee programs, community partnerships, vehicle safety enhancements, and being named #1 in Customer Satisfaction by J.D. Power are some of the highlights you'll read about. From a business perspective, 2019 was a year of growth and reflected continued strong operating momentum into early 2020.

It's important to re-emphasize that the data, accomplishments and initiatives in this report are as of December 31, 2019. When we provide our next update, it is likely that our business will look dramatically different given the impact of the novel coronavirus. COVID-19 has caused an unprecedented crisis for the Travel and Tourism industry, disrupting working practices, consumer behavior and long-term strategic plans. The pandemic's effect on our business and all the ways we're responding to it will be detailed in subsequent reports.

Despite the COVID-related challenges, we've maintained our priority of supporting our people and our communities. We've implemented enhanced safety measures for both employees and customers, while also offering delivery of vehicles that have been sealed after undergoing our Hertz Gold Standard Clean process. Whether it's a healthcare worker in New York City needing transportation to work, a college student trying to return home to family, or our veteran-led disaster relief partner, Team Rubicon, providing vital community assistance, Hertz is here to get them there, safely.

The pandemic isn't the only crisis our world is facing, though. The need for an enduring commitment to racial equity is as imperative as ever. In the U.S., the recent killings of George Floyd and Breonna Taylor spurred a global outcry for meaningful action and change leadership around racial injustice. Individuals and companies are stepping up, speaking out and demanding a collective effort to do better. We are committed in the fight for equality, and have recently appointed a head of diversity and inclusion (D&I) to elevate and broaden our efforts. While we've exceeded benchmarks in some areas of D&I, we know we can do more – and we will.

At Hertz, we believe that being a successful, responsible business is a never-ending journey – one that we're proud to be on. Since our last report, we've made significant strides in enhancing our Corporate Responsibility program, and while we're still in the early stages of execution, I'm excited to share our 2019 outcomes as we continue to build on them.

Sincerely,

Paul Stone  
President and CEO  
The Hertz Corporation



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# 01 About Hertz

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## About Hertz

The Hertz Corporation, a subsidiary of Hertz Global Holdings, Inc., operates the Hertz, Dollar, Thrifty and Firefly vehicle rental brands from corporate and franchisee locations throughout North America, Europe, the Caribbean, Latin America, Africa, the Middle East, Asia, Australia and New Zealand. The Hertz Corporation is one of the largest worldwide vehicle rental companies, and the Hertz brand is one of the most recognized in the world.



**12,400**  
**CORPORATE & FRANCHISE**  
Locations worldwide

**38,000**  
**EMPLOYEES**  
worldwide

**925,000**  
**VEHICLES**  
**WORLDWIDE**

**\$9.8**  
**BILLION**  
total 2019 revenue

Customers don't have to visit an airport to rent from Hertz – they can visit our neighborhood rental locations worldwide. In addition to convenient rental options, Hertz has partnered with ridesharing companies to offer even more flexible rental options to their drivers.

Additionally, Hertz is one of the top sellers of pre-owned vehicles in the U.S. with more than 80 Hertz Car Sales retail locations. Hertz also offers in fleet management and vehicle leasing options through our Donlen subsidiary.



All figures reported are as of December 31, 2019.

## Corporate Responsibility at Hertz

We believe that managing our businesses ethically and responsibly is critical to our success as well as the right thing to do. We are committed to continuous improvement that drives sustainable innovation and enhances our business performance in four key areas: People, Product, Planet and Our Communities.

To realize this vision, we invest in our people, fleet, and technology systems, and follow best practices to measure and manage our environmental impact. Our people are empowered and encouraged to give back to the communities they call home, and in early 2019, we renewed our commitment to giving back by launching a new Giving strategy. This new strategy is centered around channeling our efforts in a few key areas, education, disaster relief and environment, closely aligned to our business to maximize our overall community impact.

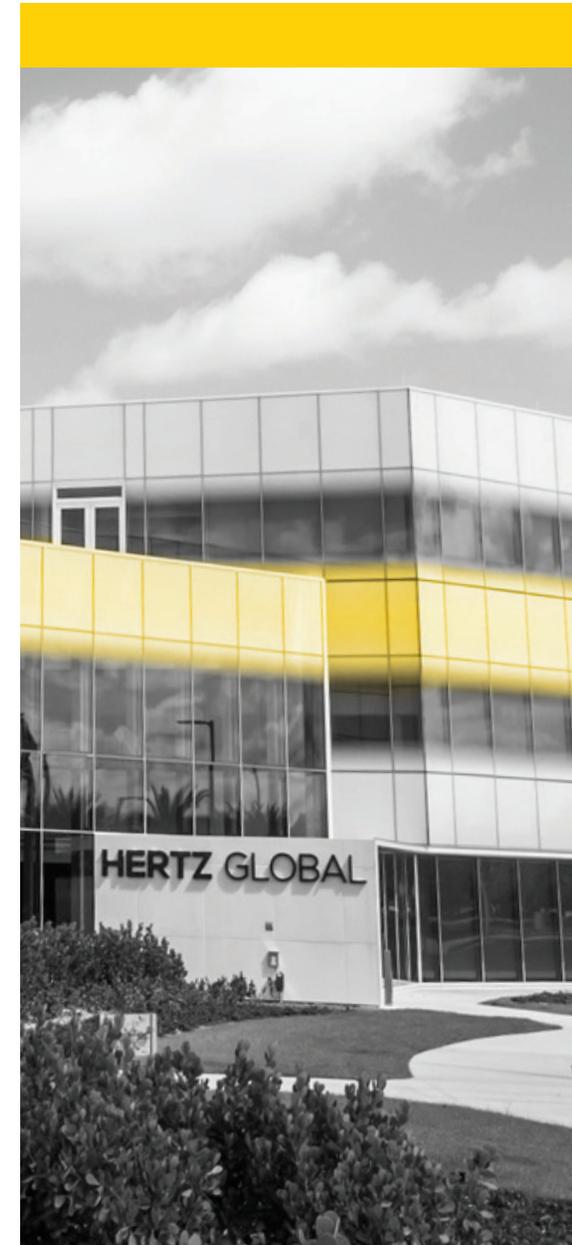
Corporate Responsibility is a never-ending journey, not a destination, and we recognize that we're early in our journey. While we're proud of the significant progress we've made to expand our Corporate Responsibility program, we know that we can do more, and that our customers, employees, communities, and investors are counting on us to be a leader in this space.

## Governance

The Board of Directors has adopted Corporate Governance Guidelines which address, among other things, the composition and functions of the Board, their independence, stock ownership and compensation of Directors, management succession and review, Board leadership, Board committees, and selection of new Directors.

We are committed to operating our businesses with the utmost integrity and ensuring that our values and guiding principles are representative of all stakeholders' interests.

Hertz's Board of Directors is also expected to uphold the Code of Business and Ethics for Directors, as well as the company's Standards of Business Conduct, which are applicable to all employees of the company, including named executive officers. We regularly engage our leaders and employees on these Standards through training and other forms of communication. To learn more about Hertz's Corporate Governance, including Board of Directors composition, oversight committees, related policies and our most recent Proxy statement, visit [ir.hertz.com](http://ir.hertz.com).



## Corporate Responsibility Governance

Hertz's Board of Directors selected the Nominating and Governance Committee to manage oversight of the company's Corporate Responsibility program. To ensure that our Corporate Responsibility strategy is integrated across



Leslie Hunziker  
SVP Investor Relations,  
Communications & Sustainability

our business, the Senior Vice President, Investor Relations, Communications and Sustainability, in partnership with the Corporate Responsibility team, works with functional leaders to establish related strategies, policies and goals. The Corporate Responsibility team provides an annual update to the Nominating and Governance Committee, as required in its charter, and the Committee's feedback and insights on emerging issues influence program priorities for the upcoming year.

In early 2020, Hertz launched a Corporate Responsibility Executive Steering Council to help continue the momentum of Corporate Responsibility across the company. This cross-functional council will meet at least three times per year and will develop strategy, establish key metrics and monitor progress, while guiding performance.

## Governance Structure



## 2019 Compliance Highlights

# 100%

of employees completed Standards of Business Conduct Disclosure Survey

# 97%

of compliance-related courses completed by global employees

# 40

New Compliance Ambassadors trained

### Launched Global Supplier Code of Conduct

Included in third party contracts (as of 4Q 2019)

### Extended Compliance Training to Franchisees

Added Policy & Procedures and International Compliance Attorney to ensure consistent application and understanding across the organization.

## Doing Business Responsibly

Ethics and integrity are the foundation of everything we do, including Corporate Responsibility. Across all areas of the business, we maintain a tight focus on compliance and doing the right thing, no matter what. Our robust compliance program outlines consistent processes for raising and resolving concerns, including a unique Compliance Ambassadors program that leverages passionate employees to help drive ethical behavior in the workplace. In 2019, we trained an additional 40 Compliance Ambassadors, who help us drive compliance across the business.

We view communication as the single-most important tool for maintaining a culture of compliance, and we leverage various channels to help share important messages across the company. In 2019, 97% of assigned compliance-related courses were completed by global employees assigned such courses, a 6 percent year-over-year improvement.

Hertz is committed to operating in compliance with all applicable laws and maintaining the highest standards of ethical conduct. Our expectations may be high, but they are clear. Integrity is essential to every aspect of our business, both in policy and practice. Our Standards of Business Conduct informs when we should ask for further direction to support a policy or procedure and provides information, guidance and references covering a range of topics.

*All figures reported are as of December 31, 2019.*

## Managing Risks

Hertz's Compliance Department in conjunction with Internal Audit oversee a robust risk management program, which includes our Enterprise Risk Management Committee and an assessment process that analyzes organizational risks globally. If an enterprise risk is identified, it is assigned a risk owner and risk champion with specialized expertise to ensure complete understanding and subsequent mitigation or avoidance. We will discuss compliance with environmental and occupational health and safety in later sections.

The following risks, identified through the Enterprise Risk Management Committee will be discussed in this report:

- Maintaining effective employee retention and talent management
- Complying with environmental laws and regulations
- Legal liability to members of the public and employees from other causes (i.e., general liability/workers' compensation); and risk of property damage and/or business interruption and/or increased cost of operating as a consequence of property damage

## Data Protection

Hertz respects the privacy rights of our customers and we're committed to protecting those rights. We have a privacy and data security program that covers the collection, transfer, storage, and use of customer data. Our public-facing Privacy Policy informs customers of our practices related to their personal information, and we provide several options for customers to exercise legal rights with respect to their personal information.

## Responsible Procurement & Supplier Diversity

As a global company, we recognize the influence we have. In addition to an employee Code of Conduct, we maintain a Supplier Code of Conduct. Developed and launched in 2019, our Supplier Code of Conduct is part of all contracts that Hertz executes with third parties, and includes a survey to better understand suppliers' diversity programs and initiatives.

We strive to provide certified small, disadvantaged, minority, and women-owned business enterprises with the opportunity to compete to deliver products and services that support our brands. We are a member of the National Minority Supplier Development Council and many of its local affiliate councils throughout the U.S. In support of our extensive presence at airports, we are also members of the Airport Minority Advisory Council. In 2019, our year-over-year spend with small businesses owned by socially and economically disadvantaged individuals increased by 27 percent.

To learn more about responsible procurement and supplier diversity at Hertz, [click here](#).



## Human Rights

Hertz has zero tolerance for modern slavery and human trafficking in any area of our business or supply chain, and we expect the same from our business partners. If any of our business partners are found to be engaging in slavery or other unethical working practices, we will seek to understand their remediation plan, determine ways to drive improved standards and, if necessary, terminate the business relationship.

We're absolutely committed to respecting human rights, including combating human trafficking and child exploitation. As a prominent part of the worldwide travel industry, we conduct our business in a manner that protects human rights and the rights of children within our sphere of influence. We have adopted responsible workplace practices and strive to conduct our business operations free from complicity in human rights abuses.

Every member of Hertz Global Holding, Inc. is expected to conduct their business with integrity and maintain the set of standards detailed in the Hertz Standards of Business Conduct. Hertz recognizes that a vital component of being a good corporate citizen is to treat everyone in our supply chain with the dignity and respect they deserve.

You can view our 2019 UK Modern Slavery Statement [here](#).

Check out Hertz's Compliance policies below:

[Code of Conduct](#)

[Data Privacy](#)

[Supplier Code of Conduct](#)

[Human Rights](#)

## Stakeholders & Materiality

### Stakeholder Engagement

Continuous and sustained stakeholder engagement is critical to meaningful outcomes, and we continually connect with our stakeholders on economic, environmental, social and governance issues to ensure we're all working towards shared goals.

### Materiality

In 2017, Hertz partnered with the ISOS Group, a specialized non-financial reporting advisory firm, to assess internal and external stakeholder views towards the company's ability to act on issues most relevant to them, both positive and negative. This process followed the Global Reporting Initiative (GRI) Standards Basis for Conclusions.

To engage with our stakeholders, we held a kick-off meeting with key leaders to discuss impacts along the value chain and determine key stakeholder groups with which to engage in the materiality process. We then issued a stakeholder materiality survey to gather input on the significance of selected topics and other areas of importance. The results of the survey were assessed and used to define material topics.

In the following sections of this report, you'll find details on policies and performance related to these issues. We've also provided detailed information in the Performance section based off the Sustainability Accounting Standard Board (SASB)- Car Rental and Leasing standards and GRI reporting. By 2021, we intend to conduct an updated materiality assessment to ensure we continue to align our strategy with stakeholders' evolving priorities.

Many of the environmental and social issues most significant to our business and our stakeholders are discussed in this report, including environmental sustainability, workforce practices, diversity and inclusion, supply chain labor standards, volunteering and charitable giving.



#### Hertz's Top 5 Priorities:

Business integrity and conduct

Financial performance

Employee training / career development

Fair wages / working hours

Safety and service innovation

## 2019 Awards



J.D. Power #1 in Customer Satisfaction



One of World's Most Ethical Companies - Ethisphere



Best Places to Work for LGBTQ Equality - Human Rights Campaign



Women's Choice award for most recommended car-rental brand for women



Ecovadis Silver CSR Rating - Top 25% for sustainability management system



Best and Brightest Companies to Work for in the Nation for the fifth consecutive year – Best and Brightest Companies to Work For®



Best Leisure Car Rental – Global Traveler



Top Veteran-Friendly Company – U.S. Veterans Magazine

All awards were based off 2019 policies, practices and/or performance.

# 02 People

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## What we're proud of

**87%** response rate

on annual Employee Voice Survey

Best Places to Work  
for LGBTQ Equality



by: Human Rights Campaign



Launched MyHertz  
benefits app

All figures reported are as of December 31, 2019.

**100%**

of workforce across all locations with access to  
career- or skills-related training

**~800,000**

total training courses completed  
by employees globally

PROMOTED

**3,883** employees

## Global Employees

We believe that our people are our greatest asset and biggest competitive advantage. Each of our approximately 38,000 global employees individually contributes to Hertz's continued success, and we have a deep sense of responsibility to care for and support our people.

# 38,000

employees worldwide

# 29,000

in North America

~26% are union employees primarily represented by the International Brotherhood of Teamsters and International Association of Machinists.

# 9,000

internationally

Covered by a variety of union contracts and government regulations affecting total compensations and job rights.

*All figures reported as of December 31, 2019.*



## Employee Voice Survey

Taking care of our people starts with understanding what matters most to them – that’s why, for the last three years, we’ve conducted an annual Employee Voice Survey. 2019 represented the third consecutive year that Hertz achieved an 87% response rate, which far exceeds the benchmark for best-in-class and highlights the trust our people have in us to act on their feedback. We’re incredibly grateful for colleagues worldwide who took the time to share their voices with us.

Hertz partners with Mercer | Sirota to administer the confidential survey and create detailed survey analyses used to drive action planning across the organization. Based on feedback from global colleagues, we identified four key areas to focus our 2019 efforts: Getting the Work Done; Senior Leadership Communications; Rewards & Career; and, Caring for Communities. And, to deepen accountability for creating change across the organization, each of the four focus areas was championed by a member of Hertz’s Senior Management Group (SMG).

Based on the Employee Voice Survey feedback, we were able to realize tremendous improvements across our organization in 2019, including:

- Increased communication with Senior Leaders to strengthen relationships and build trust
- New IT tools and process improvements to enhance employees’ ability to be successful in meeting customer needs
- 22,500 hours of volunteer service in our communities, exceeding goal by 13%
- Employee benefit program enhancements
- New Rewards and Recognition portal
- Increased on-site trainings to accelerate career development

The Employee Voice Survey is not the only way we measure what matters, though. As part of our commitment to continuous improvement, we keep a pulse on culture throughout the year via various feedback channels, including surveys to measure the effectiveness of new programs and initiatives, skip-level meetings with our Human Resources team, and Coffee Chats with our Senior Leaders.

## 2019 Employee Voice Survey Highlights

**87%** | **response RATE**

**3** | **point IMPROVEMENT**  
in overall engagement since launching the first survey

**>3,000** | **leaders**  
shared Employee Voice Survey customized results with teams

**150** | **focus groups CONDUCTED GLOBALLY**

**>340** | **action plans COMPLETED**

*All figures reported are as of December 31, 2019.*

## Total Rewards

Hertz is proud to offer an industry-competitive Total Rewards program to support our employees' physical, emotional and financial wellbeing. Our comprehensive program includes a variety of company-sponsored and voluntary health benefits, wellbeing programs, discounts and career development tools to support the full spectrum of employee needs.

### Total Rewards Highlights

- In-network preventative care covered 100% for U.S. employees
- No-cost Employee Assistance Program, a voluntary, confidential counseling program to assist employees and their families navigate life's hardships
- Adoption assistance program
- Paid parental leave
- Tobacco cessation program
- Weight management and wellness coaching
- Free health screenings
- Wellness credits and rewards to offset cost of insurance premiums
- Global Rewards & Recognition portal
- Employee & family rental car and car sales discounts

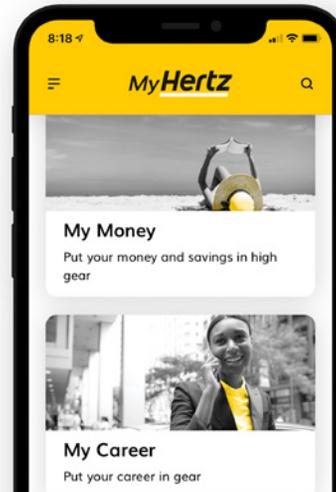
We are committed to offering a Total Rewards program that leverages the best of global benefits but is also tailored by country to reflect local practices and culture. We evaluate our Total Rewards program annually and use feedback from employees to make thoughtful changes to ensure our programs continue to meet the needs of employees.

To learn more about Hertz's Total Rewards program, visit: <http://hertz.jobs/benefits-rewards/>.

## MyHertz App

To make it easier for colleagues to take full advantage of Hertz’s Total Rewards program, we rolled out the MyHertz mobile app. This brand-new, user-friendly app allows Hertz employees to access Total Rewards information anytime, anywhere. From accessing health insurance cards to updating beneficiary information, the MyHertz app is a one-stop shop for Total Rewards information.

The MyHertz app has been especially helpful for frontline colleagues whose jobs require minimal computer use. With the app, these colleagues aren’t dependent upon their time in the workplace to access important information – they can simply open the app at a time that works for them and access the information they need.



“ The MyHertz app lets employees access important information about their benefits whenever and wherever they need it. From discounts and financial tools, to health and community resources, the MyHertz app is a one-stop resource for all the benefits Hertz offers. ”

– Lisa Cummings, SVP Total Rewards



“ Hertz #1 priority is our employees. It is imperative that we stay connected with them no matter the circumstance. Our Global Security Operations Center in partnership with our Corporate Security Managers and Regional Security Managers are committed to keeping our teams safe and out of harms way, while educating them on the latest safety initiatives. ”

– Paul Bos, Sr Dir Corp Safety & Security

## Safety App

It is important that we stay connected with our employees in times of crisis. In 2019, we launched a safety app allowing our North American employees to receive messages and alerts if their location could be in the immediate path of inclement weather or a natural disaster. The messaging system provided guidance and direction on next steps and/or when there is no longer a threat.

Our Safety Team is always looking to evolve and provide our employees with new products and services to keep our employees safe and informed.

## Recognition

Our global colleagues all have two things in common - they want to be recognized for milestones and achievements. We heard them loud and clear on the 2018 Employee Voice Survey and set out to find new ways to celebrate success across the company. We're proud to share that in 2019, we rolled out a brand-new Global Rewards and Recognition portal that allows leaders and peers to recognize colleagues who go above and beyond to make a difference for our customers, the business, and each other. In addition, we launched Recognition Rallies at our corporate offices to celebrate employees' long-tenure milestones and ran an international communications campaign, Hertz Heroes, which celebrates exceptional customer service.

We understand that celebrating success is more than just formal recognition, though. Across the business, people leaders are encouraged to find simple, meaningful ways to recognize their teams, and we thread recognition throughout our company-wide communications to ensure it remains a central part of Hertz's culture.



## Learning & Development

Not only does Hertz's robust Learning & Development program drive continuous improvement across the organization, it also fuels meaningful careers for our people.

### Leadership Development

The employee-manager relationship is the most important relationship in the workplace, and we're committed to developing strong leaders whose primary focus is supporting our people.

Hertz's Emerging Leaders course is one of our newest development programs established to prepare high-potential North American colleagues to transition from an individual contributor role to a people leader role. This instructor-led workshop lasts four days and is hosted at Hertz's world headquarters in Estero, Florida. The curriculum focuses on Hertz's Leadership Values and helps set the foundation for effective leadership.

Our Management Trainee program offers field employees with demonstrated leadership potential the opportunity to take part in comprehensive, hands-on training to support a pathway to management. The program includes exposure to sales, operations, customer service, financial management, fleet management, and, most importantly, people leadership.

### Career Development

From in-person workshops to online courses, Hertz offers a variety of professional development opportunities that fit the individual needs of colleagues around the globe. We utilize an online learning system, Learning Connection, to offer more than 6,000 training and development courses covering topics such as safety, operations, customer service, sales, technology, process improvement, finance and more.

In addition to training opportunities, we utilize an annual Performance Management cycle to promote ongoing, transparent career conversation between employees and leaders. The MyPerformance system allows colleagues to create talent profiles and development actions, as well as create annual performance goals, track performance conversations, and document midterm and annual performance reviews.

## Leadership Spotlight

### Kaneisha Straughter

has realized tremendous success in her 11 years with Hertz, beginning her career as a fleet driver and quickly working her way up (and across the country) to her current role as Hertz Local Edition Operations General Manager in the Central Region. She credits her success to a supportive culture and leadership investment in her development. Now in a leadership role herself, Kaneisha is committed paying it forward by investing in her team's personal and professional development.

A true people champion, Kaneisha empowers and supports her team both inside and outside of the workplace. At the beginning of each year, Kaneisha asks her Branch Managers to think about professional and personal goals for the upcoming year, and then visualize those goals by creating vision boards. Inspired personally by the use of vision boards, Kaneisha believes that visualizing goals increases the likelihood of achieving them, and she encourages her team to share their vision boards with each other to foster deeper accountability and support for each other.

Kaneisha's passion for people paid off big in 2019 – there were more than 30 promotions within her team, which included performance bonuses contributing to 10 employees realizing their personal vision of home ownership.



## Tuition Assistance Program

Colleagues can utilize Hertz's tuition reimbursement program to pursue formal education outside of the workplace. The program is available to eligible global colleagues looking to advance their education outside of working hours through formal study or training. To qualify, employees must be actively employed on a regular full-time basis with at least six (6) months of continuous service accrued prior to the start date of the course. The Tuition Assistance Program also helps cover expenses for obtaining or maintaining Continuing Education credits (CEs) as part of a professional accreditation.

~\$575,000

PAID OUT IN 2019

for Tuition Reimbursement to **317** employees who took advantage of the program in North America.

*All figures reported are as of December 31, 2019.*



## Diversity & Inclusion

Hertz is a global business, and we're proud to have a diverse workforce that represents both the communities where we operate and the customers we serve. While we are proud of our Diversity & Inclusion initiatives, we realize it is a continuous improvement journey - not only in recruiting, but also in retaining and developing employees from diverse backgrounds - in order to create a more inclusive and robust workforce.

### Recruitment & Retention

Ensuring a diverse workforce begins with recruiting and retaining diverse talent. Hertz's talent strategy is rooted in connecting with underrepresented and minority groups, including women, persons of color, individuals with disabilities, and veterans.

**34%** Women in our workforce

**44%** Women on our executive team

**59%** Of our workforce who identify as a person of color

**22%** Of our executive team who identify as a person of color

*All North American figures reported as of December 31, 2019.*

## Employee Resources Groups

Launched in 2016, Hertz's Employee Resource Groups (ERGs) are voluntary, employee-led groups that help foster a diverse and inclusive workplace through grassroots efforts across the organization. ERGs offer unique personal and professional development opportunities, including mentoring and community engagement, and they help influence important policies and programs across the company.



**WOMEN AND ALLIES**



**PRIDE AND ALLIES**



**MULTICULTURAL GROUP**



**VETERANS AND ALLIES**



**YOUNG SPIRITS AND ALLIES**



**WORKING FAMILIES GROUP**



**HUMAN RIGHTS CAMPAIGN FOUNDATION**

**Best Places to Work for LGBTQ Equality**

*Human Rights Campaign's Corporate Equality Index (2018 & 2019)*

### Supporting LGBTQ Equality

2019 marked the second consecutive year that Hertz received a perfect score on the Human Rights Campaign's Corporate Equality Index (CEI) and earned the distinction of Best Places to Work for LGBTQ. The CEI benchmarks corporations in four key areas affecting the LGBTQ community: non-discrimination policies, employment benefits, corporate social responsibility and public commitment to LGBTQ equality, and responsible citizenship (Human Rights Campaign 2019).

## Supplier Diversity

As a global company, we recognize the influence we have. In addition to an employee Code of Conduct, we maintain a Supplier Code of Conduct. Developed and launched in 2019, we encourage all of our suppliers to comply with our Supplier Code of Conduct and have added it to our standard contracting process.

We strive to provide certified small, disadvantaged, minority, and women-owned business enterprises with the opportunity to compete to deliver products and services that support our brands. We are a member of the National Minority Supplier Development Council, the Women's Business Enterprise National Council, and many of their local affiliate councils throughout the U.S. In support of our extensive presence at airports, we are also members of the Airport Minority Advisory Council.

From 2018 to 2019, we increased our spend with suppliers licensed in the Disadvantaged Business Enterprise (DBE) program by 27 percent.

To learn more about responsible procurement and supplier diversity at Hertz, [click here](#)



# 03 Product

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## What we're proud of

### SAFETY



In 2019, Hertz offered a rental and lease fleet of over 925,000 vehicles globally on average, with 745,000 U.S. vehicles and 180,000 International vehicles. Average holding period, or the frequency with which we refresh our vehicle fleet, for a rental vehicle was 18 months in the U.S. and 12 months in our International operations. These frequent periods allows us to respond to changing customer preference on an ongoing basis, offering the latest and newest models with safety features and, in many cases, best in vehicle class for fuel efficiency.

### SERVICE

# Hertz®

## #1 Customer Satisfaction in Rental Cars

For J.D. Power 2019 award information, visit [jdpower.com/awards](http://jdpower.com/awards).



Hertz was named #1 in Customer Satisfaction in the J.D. Power 2019 North America Rental Car Satisfaction Study. This win is a testament to our commitment to providing caring, personalized service to our customers that includes offering top-rated vehicles and investing in customer-centric technologies that enhance travel experiences.

### INNOVATION



Technology is critical to delivering the experience our customers expect from Hertz's digital and logistics initiatives to Donlen's customer-centric and technically advanced financing and fleet management solutions.

## SAFETY

Safety is an absolute priority at Hertz. Over the past two years, we are proud to have more than doubled the percentage of fleet with advanced safety features, which include but are not limited to:

- Adaptive cruise control
- Blind-spot monitors
- Cross-traffic alert and lane departure warning
- Automatic parking
- 100% of 2020 Model Year vehicles are equipped with back-up cameras

We also work closely with vehicle manufacturers to maintain high standards of speed and service when issues arise. Vehicles with manufacturer safety recalls are put on Vehicle Safety Hold within 48 hours of receiving notice of recall. We won't return the vehicles to service until the defect noted in the Safety Recall Notice has been addressed.

Travel can be full of surprises - keys lost or locked in the car, flat tires, running out of gas, etc - we offer a Premium Emergency Roadside Service allowing our customer to rent confidently knowing they are in safe hands. This service protects our customer and provides locksmith, lost key replacement, flat tire repair, and fuel and battery service during a rental and includes a 24/7 hotline with a 90-minute roadside service guarantee. If a breakdown interrupts a customer's travel, this optional plan offers up to \$1,000 Travel Reimbursement if the vehicle is disabled and a replacement vehicle cannot be provided within 3 hours. Our Premium Emergency Roadside Assistance is available at our customers convenience.

A large part of what makes the 2019 fleet our best yet is the enhanced safety it provides our customers.

# 100%

of 2020 model year vehicles have backup cameras

# 2.5X

more vehicles with blind spot monitoring

# 2.0X

more vehicles with lane departure assist

*All figures reported are as of December 31, 2019.*



## SERVICE

Hertz earned the No. 1 overall ranking in the J.D. Power 2019 North America Rental Car Satisfaction Study. By putting our customers first, they made us number one. Hertz employees are relentlessly focused on what matters most to our customers. Our employees are constantly listening to our valued customers and acting on their feedback to improve their overall experience so we continue building on the legacy of superior service that Hertz is known for in North America and around the world.

The Hertz team increased its overall customer satisfaction score more than any other car rental brand in the annual study by J.D. Power over the past six years. Earning the No. 1 overall ranking is a result of Hertz's commitment to delivering caring, personalized service, offering top-rated vehicles, and investing in customer-centric technologies that enhance the travel experience.

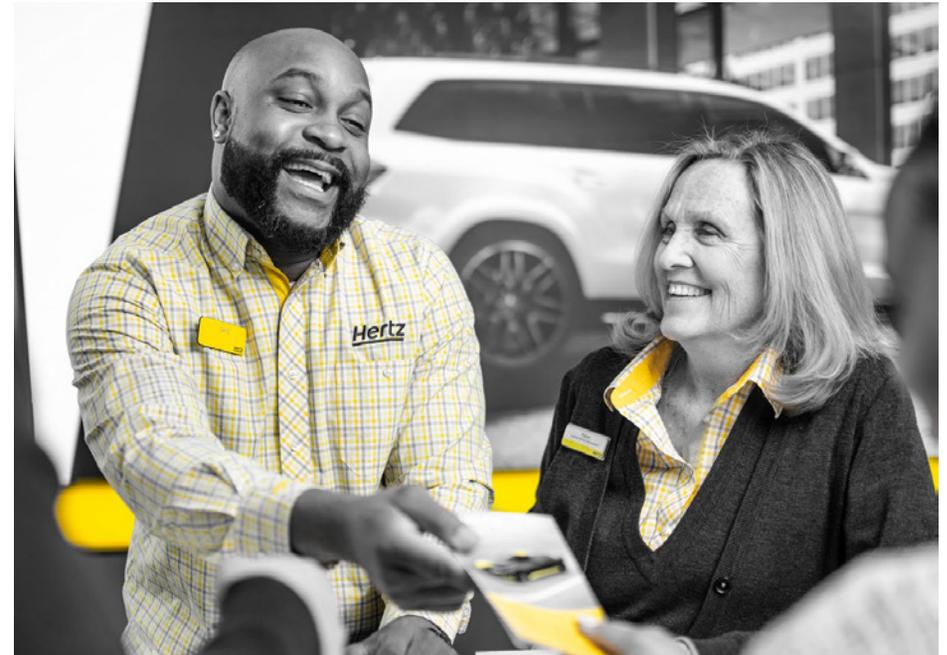
Hertz has made renting a vehicle faster and easier than ever by allowing customers to enjoy unique benefits and expedited service, including skipping the counter with Hertz Gold Plus Rewards complimentary membership and choosing the vehicle they want to drive from Hertz's best fleet ever with Ultimate Choice®. Hertz Gold Plus Rewards' customers skip the line, go directly to the car zone indicated on their reservation and choose their car, selecting from a range of makes, models and colors. This provides our customer with speed, convenience and choice.

# Hertz®

# #1

Customer Satisfaction  
in Rental Cars

For J.D. Power 2019 award information, visit [jdpower.com/awards](http://jdpower.com/awards).



## INNOVATION

### Project One

Technology is critical to delivering the experience our customers expect from Hertz, and we're excited to be in the middle of a business-critical, end-to-end technology transformation initiative we call Project One. An incredibly complex transformation, Project One will elevate every part of our foundational technology to create a seamless and intuitive experience for our customers, employees, and franchisees. We're changing the processes and solutions for how we buy, reserve, rent, and sell vehicles. And, we're eliminating standalone, disconnected systems and evolving to a globally integrated, standardized platform with more digital capabilities.

### Donlen

Donlen has been a leader in innovative fleet management for more than 50 years, providing customers in the United States and Canada with technically advanced fleet solutions to reduce cost, improve efficiency, and increase driver safety and productivity. Leveraging telematics, Donlen provides customers with enhanced visibility and reporting related to driver behavior and vehicle performance, and their highly configurable technology enables quick responses to evolving fleet trends. Donlen's Strategic Consulting Services (SCS) team provides customers with measurable data to reduce fuel spend and CO2 output, with the ultimate goal of curbing environmental impact.



### Donlen Case Study

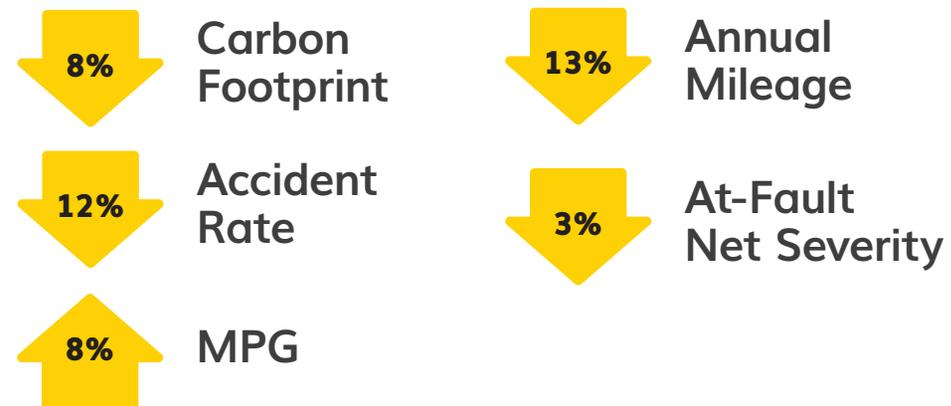
A major U.S. insurance company with a fleet of more than 2,700 vehicles partnered with Donlen to:

- Improve fuel economy to be consistently lower than EPA and benchmark estimates
- Improve accident rate and severity consistently higher than benchmarks
- Gain insight into driver behavior
- Implement tools and metrics to monitor and manage driver behaviors

Donlen's DriverPoint® technology was rolled out to the entire fleet, and within 18 months, the client realized nearly \$1.1 million annualized net savings.



Telematics helps improve the safety of fleets, decrease costs, and manage driver productivity by lowering accident rates, increasing MPG, decreasing mileage and lowering operating costs.



All figures reported are as of December 31, 2019.

# 04 Planet

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## What We're Proud Of

Over

**300,000**

tires diverted from landfills

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Completed water efficiency pilot at select airport locations, identifying a potential savings reduction of

**~60%** water usage per car wash

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Nearly

**95%** of waste diverted

from landfill at Hertz European Service Center

*All figures reported are as of December 31, 2019.*



## Responsible Fleet

As a customer-centric company, we're focused on making sure that our fleets align with regional customer vehicle preferences. Our fleet planning process uses proprietary customer rental data as well as consumer auto purchasing trends -- related to make and model, trim and safety features, and engine types -- to inform our annual buying decisions. Today, we are proud to offer one of the most popular, fuel-efficient fleets in the rental industry. In the U.S., over 70% percent of our fleet averaged greater than 24 miles per gallon (MPG) with more than 30% averaging over 32 MPG. Internationally, we also offer a fleet which averages 5.1 L per 100km. Automakers are continually making improvements to the efficiency of gasoline engines through revolutionary design and technology. Just as we're incorporating their newest safety features into our product offering, we're also adding their most fuel-efficient, preferred models to our rental line up.

When it comes to low- or zero-emission vehicles, worldwide adoption of electric vehicles (EV) still represents only a fraction of the overall light-vehicle market, affected in many regions by risk-averse consumers, high cost, range concerns, long battery-charging times, uncertainties about battery life, limited charging infrastructure, product availability and vacillating government policies and regulations. In 2019, EVs accounted for less than 3% of global vehicle sales, according to the International Energy Agency (IEA).

In Europe, in 2019, the combined share of plug-in hybrid electric vehicles (PHEV) and battery-electric vehicles (BEV) accounted for less than 4% of total car sales. The good news is that sales of PHEVs and BEVs continued to increase due to tightening CO<sub>2</sub>-emission regulations. This likely will lead to significantly larger EV market share across Europe in the coming years. We already are planning to boost our European EV rental offering accordingly.



In the U.S., EV penetration has been driven by the recent strong sales performance of Tesla's Model 3, with this model making up 48% of U.S. EV market share, according to InsideEV's sales estimates. However, total EVs accounted for less than 2% of total U.S. vehicle sales in 2019, a decline from 2018 penetration. Sustainable market growth in North America will depend on profitable EV production for the automakers as well as unwavering regulatory developments.

As we strive to balance customer vehicle preference today with our commitment to offering low-emission rental vehicles to protect the environment, the macro-level barriers to deployment of EVs are our greatest challenge. As improvements in technology and a wider variety of EV models stimulate consumer acceptance, we can respond very quickly to adjust our rental fleet. In the meantime, we continue to work with automakers, industry groups like the Ceres Electric Vehicle Coalition Alliance (CEVA), and policymakers both in Europe and the U.S. to explore ways to support accelerated adoption of electric vehicles.

## Green Business Travel Program

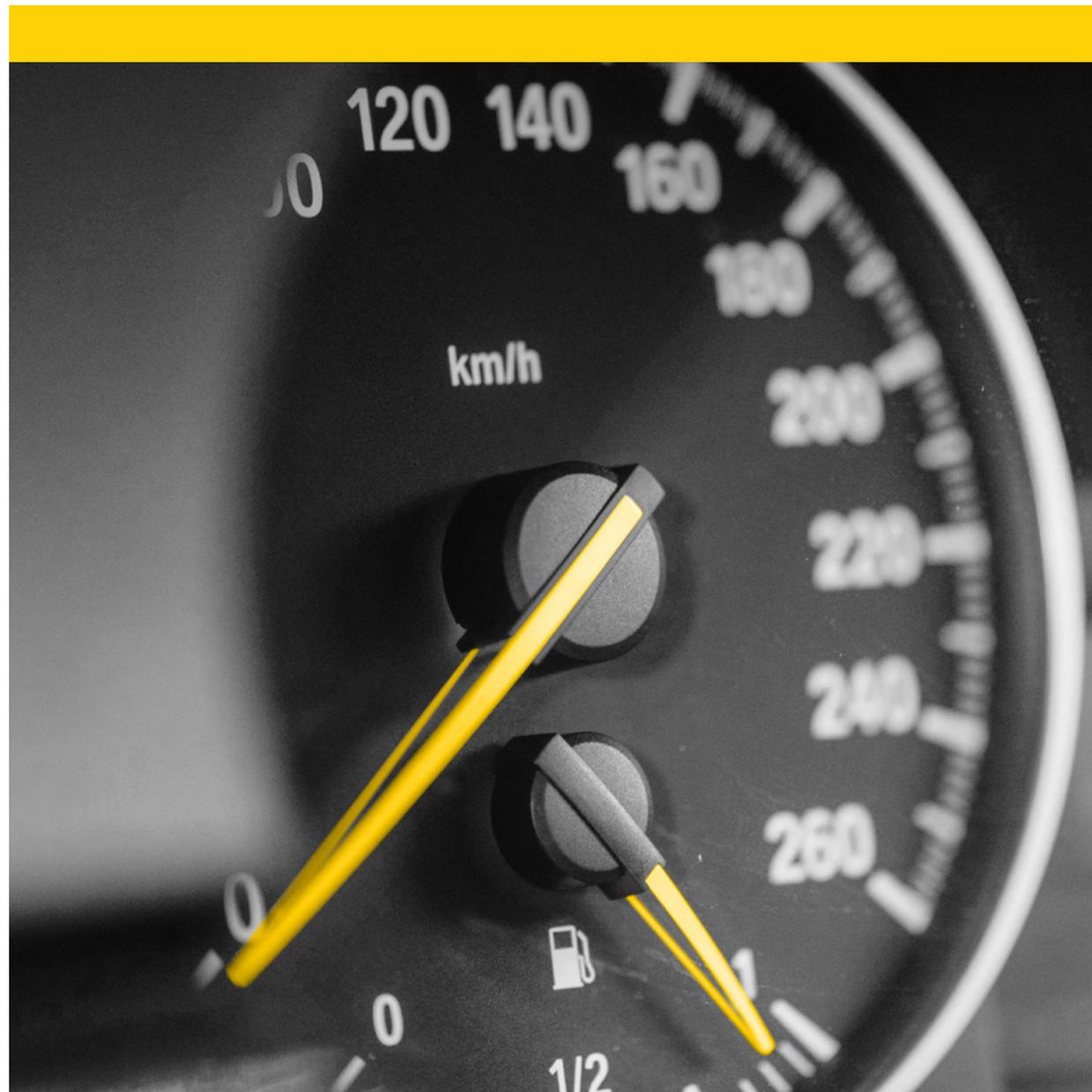
To support our corporate customers' goals of responsible travel, we offer our global Carbon Offsets Program. In partnership with Terrapass, a leading carbon offset provider, Hertz can measure CO2 emissions by Vehicle Identification Number (VIN), and then provide participating corporate accounts with quarterly or annual emission reports. Corporate customers can then visit a personalized Terrapass portal to purchase carbon offsets that support emission reduction projects in communities around the United States. Hertz also provides corporate customers with return-on-investment calculations that highlight the monetary savings of alternative or fuel-efficient vehicles and encourage environmentally responsible choices for business travelers. We're also able to provide customized assistance for corporate customers that need help tailoring green fleet goals to reduce fuel costs and expand use of alternative-fuel vehicles.

In 2019, Hertz provided over

**270** customized  
carbon reports  
to corporate customers globally

**+60%** yoy

*All figures reported are as of December 31, 2019.*



## Environmental Stewardship

Hertz recognizes the effect of our operations on the environment and we're committed to reducing our global environmental impact. We employ a robust environmental management program to ensure that sustainability is integrated across every area of our business – from how we wash cars to how we construct locations. From Senior Leaders to frontline employees, every Hertz colleague is expected to apply best practices for environmental stewardship in the workplace and encouraged to do the same beyond the workplace.

Hertz's operations are conducted in accordance with all regulatory requirements, as well as our Hertz Corporate Standards which are based on years of industry experience and exceed regulatory requirements to further minimize environmental risks. Our robust compliance program enables us to organize and track permits, tests and inspections required for company managed locations across North America.

Our environmental management program, which includes industry benchmarking, also helps us stay environmentally compliant and establishes stretch goals to encourage continuous improvement. Policies, Standard Operating Procedures (SOPs), auditing and training, and tracking results are all initiatives that our program manages to ensure we're set up to be the best possible environmental stewards. Hertz's Environmental Policy applies to all global locations and covers regulatory requirements, inspections, storage of hazardous materials, and spill prevention and control.



The Hertz European Service Center (HESC)

Located in Dublin, Ireland, the Hertz European Service Center (HESC) is a leading example of environmental stewardship. Carrying an ISO 14001 certification since 2010, HESC follows a rigorous management process to ensure efficient use of resources and reduction of waste. HESC also holds an Occupational Health & Safety ISO 45001 certification, which allows for mitigation of factors that could cause employees or the business irreparable harm.

### HESC Highlights - Café:

- No single-use plastics
- Locally sourced suppliers for on-site food services, that provides a 325km carbon footprint reduction
- Disposables replaced with compostable products

## Carbon

For nearly 10 years, we've provided an annual report on our greenhouse gas (GHG) emissions through the Carbon Disclosure Project (CDP), and are proud to have made significant progress in our journey towards a more sustainable future. Hertz reports GHG emissions data using the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard.

Hertz's 2019 CDP score was C, which falls into the "Awareness" category, and was an improvement over our 2018 scoring. This score reflects that Hertz is actively assessing and measuring our role in climate change, and we're working towards mitigation.

Our 2019 GHG emissions data is detailed on this page and has been externally verified, by Apex Companies, to a limited assurance level following standard procedures and guidelines in accordance with ISP 14064.

Our Carbon Footprint		
2019 Scope 1 & 2 Emissions	CO <sub>2</sub> e (metric tons)	Percentage
Scope 1 Emissions	6,528,202	84%
Scope 2 Emissions*	111,610	1%
Scope 3 Emissions	1,158,099	15%
Total	7,797,910	100%

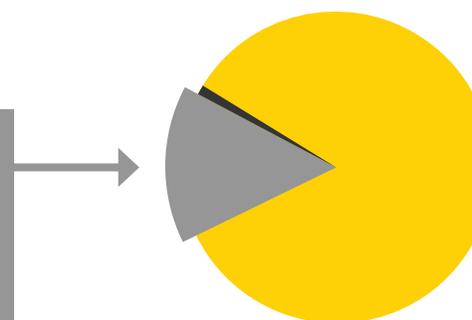
  

2019 Scope 1 Emission Breakdown by Activities		
Activities	CO <sub>2</sub> e (metric tons)	Percentage
Rentals	6,508,466	99.7%
Non-Rentals	19,828	0.3%
Total	6,528,294	100%

\*Scope 2 Emissions are based on Market-Based emissions

### Scope 1,2,& 3 Emissions Profile

Emissions from Scope 3:  
 Business Travel - 0.7%  
 Transportation & Distribution Losses - 0.5%  
 Solid Waste - 0.3%  
 Franchise Vehicles - 98.5%



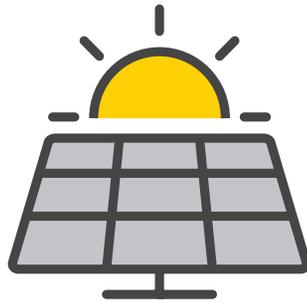
All figures reported are as of December 31, 2019.

■ Scope 1 ■ Scope 2 ■ Scope 3

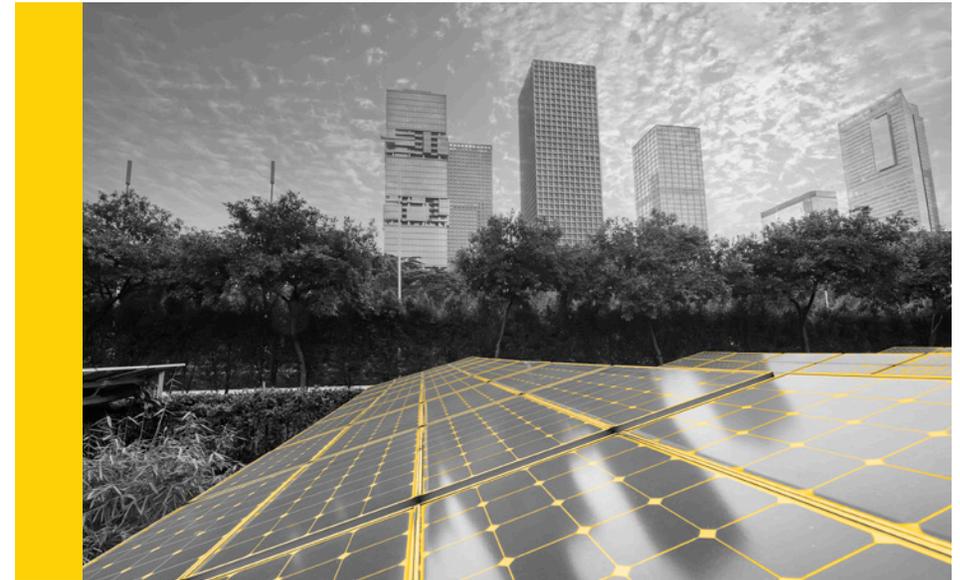
## Energy

Hertz is continuously working to improve our facility's carbon footprint. While fleet is the biggest driver of Hertz's greenhouse gas emissions, we're also cognizant of the impact that our facilities have on our carbon footprint.

To date, we've installed solar panel systems at 8 rental and corporate locations. These locations collectively produce 2,065,000 kWh of electricity annually – that's enough energy to power approximately 190 homes for an entire year!



In 2019, we completed important energy reduction projects at corporate offices located in Estero, Florida and Oklahoma City, Oklahoma. At our world headquarters building in Estero, we upgraded to LED lighting throughout the building, and in Oklahoma City, we applied window tint, installed LED lighting, and improved our HVAC system to increase energy efficiency. Our energy improvement efforts in Oklahoma City generated a rebate from Oklahoma Gas & Electric of nearly \$10,000, further proving that taking care of the planet is good for our bottom line.



Solar power systems derive, pure energy from the sun, helping combat GHGs while reducing dependence on fossil fuel.



Converting lighting systems to LED generates 50 to 80 percent more energy efficiency than incandescent or other fluorescent lighting.

## Green Construction

We incorporate sustainable design and construction practices across the company, based on Leadership in Energy and Environmental Design (“LEED”) standards. LEED is a green building rating system administered by the U.S. Green Building Council and following LEED standards ensures our rental and corporate locations are built in an environmentally sustainable manner. These standards also aim to enhance the health and comfort of building occupants, improve overall building performance and deliver cost savings.

Our world headquarters in Estero, Florida is LEED Gold® certified, and we have six additional Hertz locations including St Louis, Charlotte, Denver, Dulles and Newark airports that are LEED certified.



### Water

We're proud of how we balance customer satisfaction and environmental stewardship, and our water conservation efforts are a testament to that. Hertz's waterless carwashes have saved over 18.5 million gallons of water since 2013 and haven't compromised our commitment to excellence that helped us achieve #1 in Customer Satisfaction by J.D. Power.

At our World Headquarters building in Estero, Florida, runoff from solar panels is collected into 7,500 gallon cisterns and reused around campus, including supplying water for all of the building's restrooms.

### Car Wash Pilot

In 2017, Hertz's water usage topped 840 million gallons in North America, most of which was used to wash vehicles at airport rental locations. To follow through on our commitment to environmental stewardship, we set out to study the car wash process and test best practices that could reduce water usage and cost, while still allowing us to deliver on customer expectations for cleanliness.

In late 2018 and early 2019, Hertz conducted a three-month long car wash study at Southwest Florida International Airport, the closest airport to our world headquarters in Estero, Florida. Initial study results showed an approximate 60% reduction in water usage (or 14.5 gallons per car wash), and a calculated cost savings of \$20,000 per year at Southwest Florida International Airport. With such promising results, Hertz plans to expand the use of the new technology and procedures to other locations across North America.



## Waste

Waste reduction is an important focus across Hertz's global operations. We maintain a Waste and Recycling Policy that provides guidance on how to conserve and properly dispose of all waste at our field locations and corporate offices. And, our Zero Tires to Landfill Policy in the United States ensures that we responsibly recycle all used tires. Internationally, our corporate locations dispose of tires according to local hazardous waste guidelines.

In 2019, we conducted a waste assessment and audit at our world headquarters in Estero, Florida as part of our continuous improvement efforts. From the audit, we've set aggressive goals to improve organics recycling at our corporate locations and increase communications about single stream recycling at our field locations.



1.02 million gallons of oil and solvents recycled



328,292 tires recycled



4,718 tons of waste recycled



32,817 pounds of IT equipment recycled



1,193 tons of paper shred and recycled, equivalent to 20,000 trees preserved

*All figures reported are as of December 31, 2019.*



# 05 Our Communities

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## What We're Most Proud Of



### EDUCATION

Helping people from diverse backgrounds develop meaningful careers.

#### Hertz Scholarships

**150**  
employee dependents and  
community scholarships  
awarded

##### Collision Repair Education Foundation

Supporting expansion of  
educational programs and  
resources to students in the  
collision repair industry

**6** schools awarded  
**\$5,000** grants

##### Hertz Foundation fellowship

sponsoring **1** female  
fellow pursuing a game-  
changing STEM PhD



### DISASTER RELIEF

Fostering resilient communities  
following natural disasters and  
assisting employees during  
unexpected emergencies.

#### Employee Relief Fund

**102**  
employees  
assisted

**\$40,000+**  
donated by employees  
with Hertz 1:1 match

#### Team Rubicon

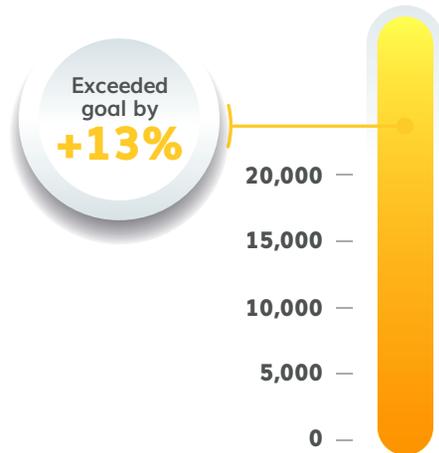
assisted in  
**100+**  
communities affected  
by natural disasters

All figures reported are as of December 31, 2019.

## 2019 Community Impact cont.



2019 Volunteer  
Goal - 20,000 hours



#### Employee hours

**12,500**

April Month of Service  
(Environment)

**10,000**

Education Service  
Campaign and Other

**22,500**  
total

**200+**  
participating  
locations

**10**  
countries

**4,000**  
employees  
globally



### IN-KIND

Through corporate in-kind donations of vehicle rentals, we will create powerful moments and experiences for people in need through select charities across our regions.

#### Make-A-Wish Australia

**123**

wishes granted to  
terminally ill children

#### Recycled Rides

**5**

refurbished vehicles provided to  
disadvantaged community members

#### Jack and Jill Late Stage Cancer Foundation

**56**

WOW Experiences! provided to  
families challenged by cancer



All figures reported are as of December 31, 2019.

## Caring for Our Communities

We know that communities across the globe count on Hertz to be a good corporate citizen, and giving back to the communities where we live and work is something we're passionate about.

In 2019, we rolled out a new global giving and volunteerism strategy focused on channeling our community impact to three key areas - Education, Disaster Relief and the Environment - that most relate to our business and where we feel we can have the greatest impact. We believe that focusing our community outreach efforts enables us to maximize our impact so we can continue the pursuit of creating stronger, healthier places to live and work.

In addition to our community impact areas, we also made an important change to the way we manage charitable giving. Instead of accepting unsolicited donation and sponsorship requests, we've established thoughtful programs and strategic partnerships that align to our focus areas of Education, Disaster Relief and the Environment. This approach helps us to create long-lasting, sustainable relationships that will benefit generations to come.



### Education

Helping people from diverse background develop meaningful careers.



### Disaster Relief

Fostering resilient communities following natural disasters and assisting employees and customers during unexpected emergencies.



### Environment

Preserving and improving the shared natural resources where employees live and work.

## Education

Helping people from diverse backgrounds develop meaningful careers.

### Education Service Campaign

During our inaugural, three-month-long Education Service Campaign, employees invested their time giving back to benefit youth to post-secondary students across the globe. From mentoring and tutoring, to donating backpacks and school supplies, Hertz colleagues made significant contributions with a distinct focus on underserved populations.

Education Service Campaign at a glance:

Over  
**100** locations  
participated  
FROM 10 COUNTRIES

**3,000** employees  
PARTICIPATED

**7,500** hours  
VOLUNTEERED

*All figures reported are as of December 31, 2019.*

### Hertz Scholarship Program

In 2019, we deepened our commitment to investing in future generations by launching the Hertz Scholarship Program. This program offers post-secondary tuition assistance to Hertz employee dependents and community members in the United States and Europe that have demonstrated financial need. These need-based scholarship awards help cover university, community college, and vocational and technical training programs for students aspiring to develop meaningful careers.

**150** scholarships  
awarded  
IN 2019

In 2019, we're proud to have doubled our investment in the Collision Repair Education Foundation (CREF) – an organization that supports collision repair educational programs, schools, and students to help create qualified, entry-level employees and connect them with meaningful career opportunities. By providing CREF with six, \$5,000 grants to extend workforce development curriculum to inner-city high schools we supported more than 100 students.

## The Fannie and John Hertz Foundation Partnership

In 1957, John Hertz – the name forever identified with The Hertz Corporation – created a private foundation with a simple mission: advance groundbreaking applied science and engineering that would benefit the country and humanity. The Hertz Foundation Fellowship supports the nation’s most promising young scientists, engineers, and mathematicians by granting five-year PhD fellowships that offer freedom to pursue innovative research wherever it may lead.

More than 60 years later, the company and the independent foundation have come together in their first partnership to jointly advance John Hertz’s mission. The Hertz Corporation Fellowship provides \$250,000 to ensure that a Fellow’s research is fully funded for five years.

The first recipient of the Hertz Corporation Fellowship is Bailey Flanigan, a 2019 Hertz Foundation Fellow who graduated from the University of Wisconsin-Madison with a degree in biomedical engineering. Bailey began her graduate studies in theoretical computer science at Carnegie Mellon University in fall of 2019. Bailey is a Computer Science PhD student and plans to use her fellowship to work on the interface of theoretical and applied problems in algorithms, machine learning, and game theory.



**the**  
**Hertz**  
FOUNDATION  
*freedom to innovate*



## Disaster Relief

Hertz's commitment to disaster relief represents the global nature of our business and our deep-rooted presence in communities throughout North America. Disasters can strike anywhere, anytime, and we're committed to fostering resilient communities following natural disasters and assisting employees after unexpected emergencies.

### Hertz Employee Relief Fund

The Hertz Employee Relief Fund provides immediate, short-term financial assistance to North America colleagues experiencing unexpected hardship as a result of a natural disaster, medical emergency or other significant event.

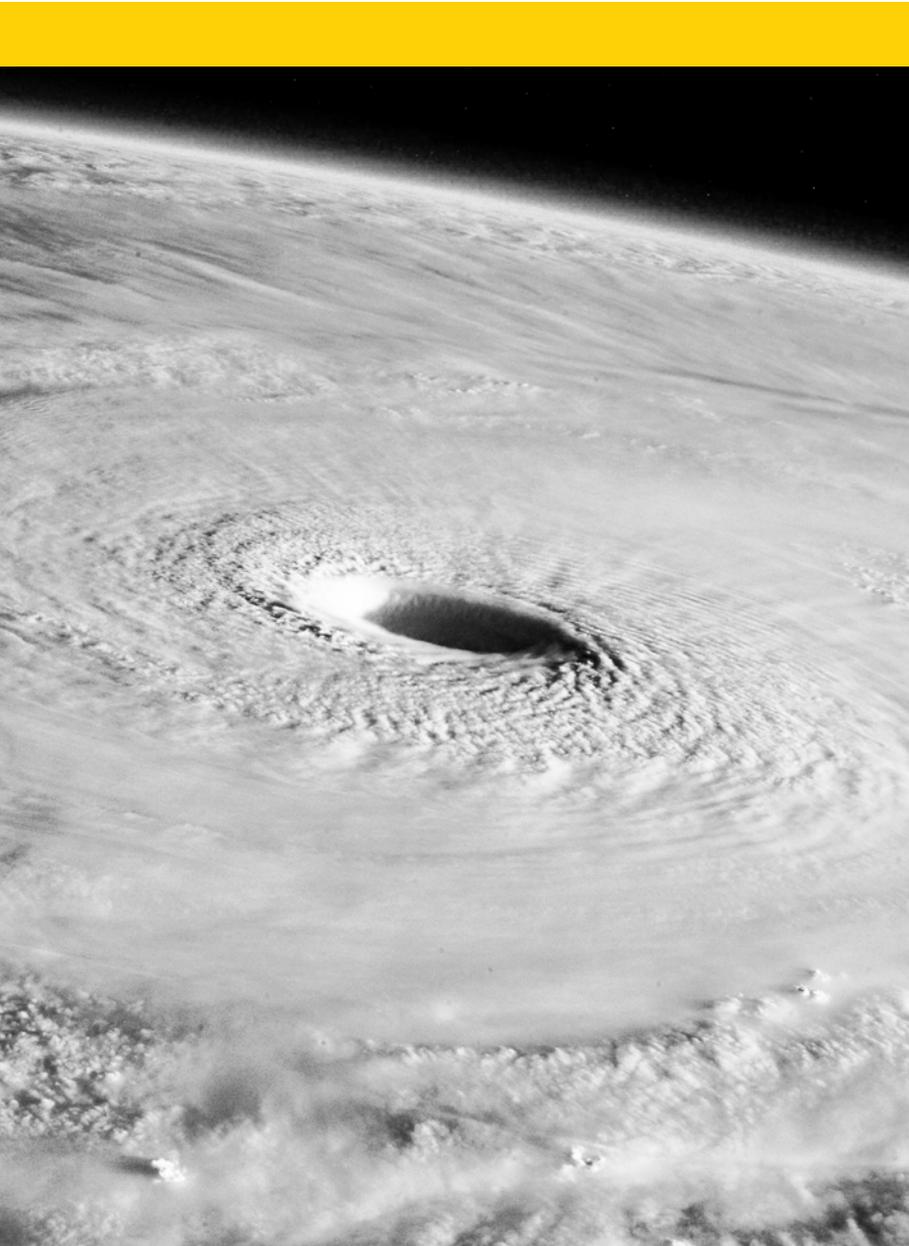
Even in the best of times, unexpected circumstances can alter the lives of our employees, and the Hertz Employee Relief Fund enables colleagues to support each other during times of crisis. Funded by North America employee donations, matched dollar for dollar by Hertz, the Relief Fund was able to assist over 100 North America employees in 2019 by providing more than \$110,000 in grants.

Hertz partners with the Emergency Assistance Foundation, a 501(c)3 organization, to administer the Relief Fund.



▮▮ *The support provided by the Employee Relief Fund, after my home was severely damaged by a terrible accident, made me feel cared for as an employee. Knowing that Hertz employees chose to donate to the fund makes those that benefit feel valued.* ▮▮

- shared by an ERF beneficiary



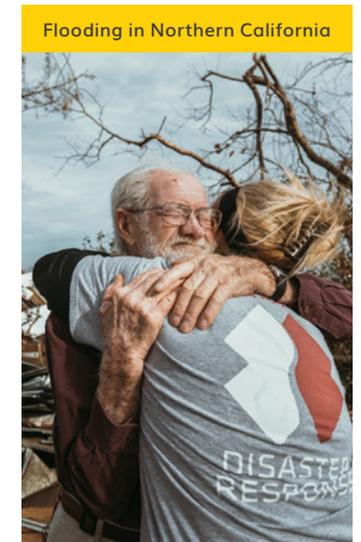
## Team Rubicon Partnership

Hertz is proud to partner with Team Rubicon, a 501(c)3 nonprofit that leverages the skills of military veterans and first responders to serve communities during times of disaster and humanitarian crisis. Hertz is proud to invest in the organization to equip disaster response teams with resources to mobilize – whenever and wherever needed. Since the partnership between Hertz and Team Rubicon was established in 2019, Team Rubicon disaster teams, with Hertz’s assistance, have responded to well over one hundred missions, including to Hurricane Dorian, California wildfires and Tropical Storm Imelda.



“We’d like to thank Hertz for their commitment and support of our mission to help people prepare for, respond to, and recover from disasters and humanitarian crises. Hertz’s partnership and support helps fuel our mission by allowing us to move people, equipment, and resources into and around disaster zones as we support disaster survivors and help storm-damaged communities stabilize and recover.”

- Jake Wood, Team Rubicon’s co-founder and CEO



## Environment

Preserving and improving the shared natural resources where employees live and work.

### Global Month of Service

Grassroots volunteerism is central to Hertz's environmental community outreach, and in April 2019, we held our first-ever Global Month of Service. In celebration of Earth Month, Hertz colleagues around the world donated their time to organizations working to better the environment. Projects included park and beach clean-up, tree planting, roadway clean ups, bird house building, and more.



Being in the mobility industry, it's important to keep a focus on the environment within our giving and volunteering efforts. We want to be good stewards of the environment and help unify our communities. Our Month of Service, corresponding with Earth Month, is a great way for our employees to come together with local nonprofits on environmental issues that are most impactful to our local communities.

- Matt Turner,  
Director Corporate Responsibility



### Earth Month of Service - April 2019



All figures reported are as of December 31, 2019.



## Going the Extra Mile

Our fleet provides us with unique opportunities to create powerful moments and experiences around the globe. In 2019, we were proud to continue to support three legacy charitable partners that create powerful moments and memories to those in need.

### Jack and Jill Late Stage Cancer Foundation

Hertz is proud to partner with the Jack and Jill Late Stage Cancer Foundation to create lasting memories for families with a parent diagnosed with terminal cancer. Through our partnership, Hertz supports Jack and Jill's WOW! Experiences for families navigating unimaginable hardship and facing a future without a loved one.

Hertz's role in the partnership includes providing rental vehicles for WOW! Experiences, as well as providing rental vouchers to caregivers and hospice staff providing in-home care to the patients.

In 2019, Hertz helped provide 56 WOW! Experiences – that's 56 families battling terminal illness who were able to make special memories together one last time.



**Jack & Jill**  
Late Stage Cancer  
FOUNDATION™



## Recycled Rides

For nine years, Hertz has proudly supported Recycled Rides®, a green organization that helps community members in need get back on the road. Recycled Rides® works with the National Autobody Council to recruit auto body shops, insurers, paint suppliers, parts vendors and more, to completely refurbish a vehicle for donation to someone in need.

**W** *These cars have such a profound impact on the recipients' lives and I feel so blessed to be a part of it. Working with partners in the industry, which repair and refurbish these damaged Hertz vehicles, to help families in need of transportation is such a great way to bring all of us together.*

- Kristle Bollans, Hertz Director of Replacement Accounts & Board member for the National Auto Body Council (NABC)

Hertz is proud to have donated five vehicles in 2019 to community members in need. One of those recipients was Paul Linscott, a U.S. Marine Corps veteran and single father. Together, Hertz and Caliber Collision helped Linscott get behind the wheel of a completely refurbished 2014 Hyundai Elantra – his most reliable vehicle in years.

**W** *It's very important," said Linscott of having reliable transportation. "We've had issues where we've broke down a couple times and really didn't know whether or not we were going to be able to fix the car or whether or not it was going to be able to get fixed. Having those problems and having those worries are all gone now. This car will allow me to safely travel to medical appointments and jobs, as well as drive my son to summer camps and school.*



## Make-A-Wish Australia

The Make-A-Wish organization makes dreams come true for children and teenagers battling critical medical conditions. Through wish experiences, recipients gain hope for the future, strength to face the challenges of their illness, and create a special joy-filled memory.

In 2018 and 2019 combined, Hertz Asia Pacific colleagues supported Make-A-Wish Australia through no-cost rentals, employee fundraising and other donations. Their efforts provided nearly 123 Wishlist experiences and contributed more than \$16,000 AUD to support children and teenagers battling critical illness.



# 06 Performance

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## Data and Performance

### Scope

Hertz's 2019 Corporate Responsibility Report updates stakeholders on our progress against environmental, social and governance items most material across the company's global operations.

This report, published in October 2020, reflects our activities and initiatives for our fiscal year ending December 31st, 2019. Certain subsequent events and initiatives that occurred after the end of fiscal year 2019 and prior to publication are also referenced and noted.

Going forward, Hertz is committed to providing an annual Corporate Responsibility update.

### SASB and GRI Reporting Standards

Hertz recognizes the importance for providing stakeholders with transparent updates on Corporate Responsibility topics most relevant to our business. This report has been prepared in alignment with many of the specifications outlined by the Global Reporting Initiative (GRI) standards, as well as the Sustainability Accounting Standards Board (SASB) Car Rental & Leasing sustainability accounting standard.



## GRI

The below index references the GRI Standards and provides information on how the Standards have been applied throughout the report and through other key public disclosures. Page numbers refer to the content in the Corporate Responsibility Report, unless otherwise noted.

### General Disclosures

Disclosure Number	Disclosure Title	Reference
<b>Organizational Profile</b>		
102-1	Name of the organization	The Hertz Corporation
102-2	Activities, brands, products and services	About Hertz, page 5; <a href="#">2019 Form 10-K</a> , pages 1-18
102-3	Location of the organization's headquarters	Estero, FL, USA
102-4	Location of operations	<a href="#">2019 Form 10-K</a> , pages 33 - 34
102-5	Ownership and legal form	<a href="#">2019 Form 10-K</a> , page 1
102-6	Markets served	<a href="#">2019 Form 10-K</a> , page 11 - 12
102-7	Scale of organization	About Hertz, pages 5; <a href="#">2019 Form 10-K</a> , pages 2-3, 8
102-9	Supply chain	Doing Business Responsibly, page 9; <a href="#">2019 Form 10-K</a> , pages 9 - 10
102-10	Significant changes to the organization and its supply chain	There were no significant changes to the organization or our supply chain, during FY 2019.
102-13	Membership of associations	We work with industry groups in many countries in which we operate, including but not limited to, International Tourism and Trade Council (ITTC), Global Business Travel Association (GBTA), the American Car Rental Association and the British Rental Car Association.

Disclosure Number	Disclosure Title	Reference
<b>Strategy</b>		
102-14	Statement from senior decision-maker	CEO Letter, page 2
102-15	Key impacts, risks and opportunities	CEO Letter, pages 2 and Stakeholders & Materiality, page 11
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards and norms of behavior	Doing Business Responsibly, pages 8 - 10 <a href="#">2020 Proxy Statement</a> , pages 16 - 18
102-17	Mechanisms for advice and concerns about ethics	Doing Business Responsibly, pages 8 - 10
<b>Governance</b>		
102-18	Governance structure	About Hertz, pages 6 – 7 <a href="#">2020 Proxy Statement</a> , pages 8 - 16
102-19	Delegating Authority	About Hertz, page 7
102-20	Executive-level responsibility for economic, environmental and social topics	About Hertz page 7 <a href="#">2020 Proxy Statement</a> , pages 16 - 18
102-21	Consulting stakeholders on economic, environmental and social topics	About Hertz, page 11 <a href="#">Corporate Governance website</a>
102-22	Composiiton of the highest governance body and its committees	<a href="#">2020 Proxy Statement</a> , pages 19 – 20 <a href="#">Corporate Governance website</a>
102-23	Chair of the highest governance body	<a href="#">2020 Proxy Statement</a> , page 19 <a href="#">Corporate Governance website</a>
102-24	Nominating and selecting the highest governance body	<a href="#">2020 Proxy Statement</a> , pages 12 - 13 <a href="#">Corporate Governance website</a>

Disclosure Number	Disclosure Title	Reference
102-25	Conflicts of Interest	<a href="#">2020 Proxy Statement</a> , pages 14 - 16
102-26	Role of highest governance body in setting purpose, values and strategy	<a href="#">Corporate Governance website</a>
102-27	Collective knowledge of economic, environmental and social topics	About Hertz, page 11 <a href="#">2020 Proxy Statement</a> , pages 16 - 18
102-29	Identifying and managing economic, environmental and social impacts	About Hertz, page 11
102-30	Effectiveness of risk management processes	About Hertz, pages 8 - 9 <a href="#">2020 Proxy Statement</a> , page 12
102-31	Review of economic, environmental and social topics	About Hertz, page 11 <a href="#">2020 Proxy Statement</a> , pages 16 - 18
102-33	Communicating critical concerns to the highest governance body	About Hertz, page 7 <a href="#">2020 Proxy Statement</a> , page 30
102-35	Remuneration policies	<a href="#">2020 Proxy Statement</a> , pages 19 - 59
102-36	Process for determining remuneration	<a href="#">2020 Proxy Statement</a> , pages 19 - 59
102-37	Stakeholders' involvement in remuneration	<a href="#">2020 Proxy Statement</a> , pages 19 - 59
<b>Stakeholder Engagement</b>		
102-41	Collective bargaining agreements	<a href="#">2019 Form 10-K</a> , pages 13 - 14
102-42	Identifying and selecting stakeholders	About Hertz, page 11

Disclosure Number	Disclosure Title	Reference
102-43	Approach to stakeholder engagement	About Hertz, page 11
102-44	Key topics and concerns raised	About Hertz, page 11
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	<a href="#">2019 Form 10-K</a> , page 94
102-46	Defining report content and topic boundaries	About Hertz, page 6 - 7
102-47	List of material topics	About Hertz, page 11
102-48	Restatements of information	None during this reporting cycle
102-50	Reporting period	2019 (January 1 – December 31, 2019), unless otherwise noted
102-51	Date of most recent report	August 2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	CorporateResponsibility@hertz.com
102-56	External assurance	We did not seek external assurance for this report

## Topic-specific Disclosures

Disclosure Number	Disclosure Title	Reference
<b>Economic</b>		
201-1	Direct economic value generated and distributed	<a href="#">2019 Form 10-K</a> , pages 40-68
201-3	Coverage of the organization's defined benefit plan obligations	<a href="#">2019 Form 10-K</a> , page 64
205-1	Operations assessed for risks related to corruption	<a href="#">2019 Form 10-K</a> , page 23
205-2	Communication and training on anti-corruption policies and procedures	Doing Business Responsibly, pages 8-9
<b>Environmental</b>		
302-1	Energy consumption within the organization	Planet, page 34; <a href="#">CDP Response</a>
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Planet, page 34; <a href="#">CDP Response</a>
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Planet, page 34; <a href="#">CDP Response</a>
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Planet, page 34; <a href="#">CDP Response</a>
305-4	Greenhouse gas (GHG) emission intensity	Planet, page 34; <a href="#">CDP Response</a>
<b>Social</b>		
401-2	Benefits	People, page 17; <a href="#">Hertz Benefits website</a>
401-3	Parental Leave	People, page 17; <a href="#">Hertz Benefits website</a>

Disclosure Number	Disclosure Title	Reference
403-1	Worker representation in formal joint management-worker health and safety committees	Workers are represented in joint management-worker health and safety committees in all applicable jurisdictions.
403-3	Workers with high incidence or high risk of diseases related to their occupation	Not applicable to business operations.
404-2	Programs for upgrading employee skills and transition assistance program	People, page 19 - 21
405-1	Diversity of governance bodies and employees	People, page 22
413-1	Operations with local community engagement, impact assessments, and development programs	Our Communities, page 41 - 42
416-1	Assessment of health and safety impacts of product and service categories	Product, page 25 – 26
417-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	None for reporting period

## SASB

Topic	Metric	Code	Response
Activity Metric	Average vehicle age	TR-CR-000.A	US: 11 months International: 8 months
	Total available rental days	TR-CR-000.B	365 days
	Average Fleet size	TR-CR-000.C	771,600
Customer Safety	Percentage of rental fleet vehicles rated by NACP programs with an overall 5-star safety rating, by region	TR-CR-250a.1	US: 54% International: 74%
Fleet Fuel Economy & Utilization	Number of vehicles recalled	TR-CR-250a.2	76,185
	Rental day-weighted average rental fleet fuel economy, by region	TR-CR-410a.1	US: 27 Mpg Europe: 5.03 L/100km (128g Co2/km) APAC: 7.4 L/100km (176 gCO2/km)
	Fleet utilization rate	TR-CR-410a.2	US: 80% International: 76%

