



WHEREAS: The Intergovernmental Panel on Climate Change's [2018 report](#) finds that "rapid, far-reaching" changes are necessary in the next 10 years to avoid disastrous levels of global warming. Specifically, it instructs that net emissions of carbon dioxide must reach "net zero" by 2050 to maintain warming below 1.5 degrees Celsius.

If warming is kept to 1.5 versus 2 degrees, [studies report](#) savings of \$20 trillion to the global economy by 2100. Recently, 215 of the biggest global companies reported almost [\\$1 trillion at risk](#) from climate impacts, some within five years.

The transportation sector is the largest greenhouse gas-emitting sector in the United States. Transport-related companies like Hertz contribute significantly to climate change through emissions from gasoline combustion. Despite this, Hertz provides few specifics about plans to mitigate the climate change impact of its sizeable fleet beyond citing to an existing average of 32 mpg in its fleet.

Assessing the feasibility of adopting clean transportation and energy goals will serve as a practical step towards aligning Hertz's business operations with global efforts to limit climate change. Fortuitously, greenhouse gas-reducing measures are not only impactful, but also feasible and often cost-effective. One promising strategy for lowering Hertz's significant fleet-related greenhouse gas emissions is through the increased adoption of electric vehicles.

The current capital cost difference between electric and gasoline vehicles is [expected to drop](#) as electric technology improves, more models become available, cars are produced at greater scale, and [battery costs](#) continue to decrease. From an environmental standpoint, the [benefits of electric vehicles are clear](#): they have a smaller life-cycle greenhouse gas impact regardless of the fossil fuel intensity of the electricity source.

Hertz' standard rental car business currently has only three hybrid electric vehicle options at select locations for consumer rentals, with no all-electric vehicles. While Hertz has taken steps to improve energy efficiency for its operational facilities, the impact of the company's fleet remains insufficiently addressed. Investors seek to understand how the company is assessing the potential benefits of electric vehicle adoption from reputational gains to cost savings.

BE IT RESOLVED: Shareholders request that Hertz issue a report, at reasonable cost and omitting proprietary information, on potential climate change mitigation strategies available for reducing the significant carbon footprint of its vehicle rental fleet in alignment with Paris goals.



SUPPORTING STATEMENT: In the report, shareholders seek information, among other issues at board and management discretion, on the relative benefits and drawbacks of integrating the following actions:

- Adopting company-wide goals for growing the company’s electric or other low or zero emission vehicle fleet;
- Adopting significantly greater fuel economy standards for its rental fleet;
- Adopting overall greenhouse gas emission reduction targets for the company's vehicle rental fleet greenhouse gas footprint.