

Corporate social responsibility report

For the last 40 years, Avis has been committed to the 'We try harder.' ethos. As a major employer and the leading car rental company in Europe, Africa, the Middle East and Asia, we believe this fundamental principle has ensured that we are at the forefront of our industry socially, environmentally and ethically.

Regular reporting on our social, ethical and environmental practices is part of the corporate governance process, with the assessment of the risks to the Company's short and long term value being internally monitored. Our social programmes improve the communities in which we operate, while our ethical policies are part of our employee principles and supplier contracts. As a major car rental operator, the environmental impact of our business is a key priority.

Social policy

The 'We try harder.' for the Community campaign is a focus for the Group and its employees to support and become actively involved in community activities.

In the UK, Avis Europe has launched a successful partnership with British Airways to expand the airline's 'Change for Good' programme which supports Unicef, the United Nation's Children's Fund. We are planning to roll this programme out to other Avis locations during 2002. The scheme encourages and enables staff and customers to donate to the charity using special envelopes in rental cars and offices.

Avis Europe staff have a large number of local financial and innovative non-financial initiatives which support the communities in which they work. Avis France supports Les Restaurants du Coeur, an organisation providing food, clothes and housing assistance for those in need. Avis Italy financially supports A.V.I.S., the Italian blood donors' association and also provides internet links from the Avis site, alongside an information campaign to customers. Staff in Avis Germany support a number of cultural events and sporting facilities. Avis South Africa supports a number of wildlife programmes and is a major financial supporter of the World Wildlife Foundation.

Employees from the Group headquarters are continuing a successful mentoring programme in association with the South East Berkshire Education Business Partnership.

Ethical policy

Honesty, integrity and fairness are the Company's business ethics and widely publicised throughout the Group together with a Code of Conduct for all employees. Avis Europe has an ethical policy relating to the employment of staff and the operation of its business within the network of suppliers and countries in which it operates. Local regulations on human rights and employment practices are rigidly adhered to, ensuring we not only meet the minimum standards but also aim to retain and attract loyal staff, suppliers and customers to the Group.

Environmental policy

As a market leader in car rental, Avis Europe has pioneered the way in providing support for integrated transport programmes which aim to reduce traffic congestion and pollution levels whilst enabling and supporting the increasing demand for global travel.

The programme aims to achieve this through local and national environmental initiatives through the 'We try harder.' for the Environment campaign. This includes investing in network, technology and partnerships to provide an integral link in the transport chain while creating cost-effective and practical alternatives to private car use, and contributing to developing integrated transport solutions through joint initiatives with governments and other public and private transport providers.

Global warming is an issue of increasing concern to our stakeholders and customers. The UK government has accepted the Kyoto protocol and set an ambitious target to reduce CO₂ emissions by 12.5% by 2012. The leading environmental management organisation *Future Forests*, in conjunction with the Edinburgh Centre for Carbon Management, have evaluated the level of carbon dioxide produced by Avis' UK operations and, as part of this process, Avis has planted ten public-access forests throughout the UK, establishing it as the first car rental company to become 100% carbon neutral in the UK. This will be extended to all our other corporate operations during 2002. Avis Europe is evaluating ways of reducing carbon emissions on an annual basis from 2003.

In the UK, the Car Club concept to reduce congestion and car usage is being led by Avis CARvenience. Launched in Oxford in May 2000, there are now Car Clubs with Southwark and Sutton councils with funding from The Mobility Services for Urban Sustainability (a European Commission car-sharing programme) and advanced discussions to launch more during 2002, enabling a cross-London car-sharing network. Club members use a pool of Avis cars for an annual fee, plus time and mileage, thereby reducing car ownership, congestion and pollution from unnecessary journeys. St. James' Homes have launched the first new homes scheme, providing free membership to CARvenience, where parking is at a premium.

The Company has an A- rating from the Safety and Environmental Risk Management Rating Agency (SERM) which is ahead of the Transport sector rating of BBB.

Avis Europe's Chairman, Alun Cathcart, is a member of the World Travel and Tourism Council which works with governments to realise the economic and environmental impacts of travel and tourism.