United Rentals®
Work United™

Sustainability at United Rentals

We're working to reduce our environmental impact and help our customers reduce theirs.

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Overview

At United Rentals, we are committed to building a better future together. We Work United™ with our customers, communities and employees to find solutions with a shared commitment to service and safety. That includes doing our part to protect the planet, including shrinking the carbon footprint of equipment used on construction and industrial worksites.

Renting equipment is often a more sustainable choice compared with purchasing equipment, and our business model is one that supports the sharing economy. But we aim to go further.

Our pursuit of sustainability excellence targets three areas.

> **First,** we're looking inward, focusing on how our company can reduce greenhouse gas emissions from our non-rental fleets, buildings and operations.
>
> **Second,** we're helping our customers reduce their emissions through advances in our rental fleet.
>
> **Third,** we're supporting our customers' efforts to meet their own environmental stewardship goals as a strategic partner with innovative solutions.

Why take these steps? Because it's the right thing to do. By living our core values and putting our customers, people and planet at the heart of our operations and decision-making, United Rentals continues to build long-term value for all stakeholders.

Reducing emissions across our business

United Rentals' commitment to environmental stewardship starts with our own facilities and day-to-day business operations. A focal point of our climate action efforts is reducing our greenhouse gas (GHG) emissions, thereby doing our part to limit global temperature rise.

To understand our total carbon footprint, we first looked at our emissions according to the three scopes of GHG emissions defined by the Greenhouse Gas Protocol:

Scope 1:

Emissions that result directly from the operation of our company facilities and in our non-rental fleet

Scope 2:

Indirect emissions from purchased electricity, steam, heating and cooling for our own use

Scope 3:

Emissions that result from upstream and downstream activities, including suppliers' activities, customers' operation of our rental equipment, employee commuting, business travel and the use of sold equipment

Upon analyzing our scope 1 and 2 emissions, we learned that more than 70% come from our non-rental fleet, including delivery, sales and service vehicles. About 30% of these emissions come from our buildings, including electricity and stationary combustion.

Scope 3 emissions are out of our direct control but within our realm of influence. We are actively evaluating how to mix our rental fleet to incorporate less GHG-intensive options. We are also identifying ways to reduce emissions from third party haulers, which we have included in our GHG intensity metric, through smart decision-making.

After evaluating numerous options for reduction targets, we committed to reduce GHG emissions intensity 35% by 2030, from a 2018 baseline. Our GHG emissions intensity metric measures scope 1 and 2 emissions and scope 3 emissions from third party haulers per million dollars of revenue.

Here are some steps we're taking to work toward reaching our goal.

Our Goal

35%

reduction of GHG emissions intensity by 2030

Decreasing emissions from our vehicle fleet

Reducing emissions from our non-rental fleet is one of our top priorities. Regular turnover of our sales, service and delivery vehicles provides the opportunity to purchase the best available vehicles in terms of design and performance. That increasingly means electric, hybrid and alternatively fueled vehicles.

An agreement we entered into with Ford Motor Company in 2022 marks our first electric pickup purchase, which adds F-150 Lightning trucks and E-Transit vans to our fleet beginning in 2022. The F-150 Lightning has a maximum target range of 300 miles and a maximum towing capacity of 10,000 pounds. The E-Transit, an all-electric commercial cargo van, has a target range of 130 miles. Both models are equipped with intelligent back-up power and an array of connectivity features. Non-rental electric pickups will help us meet our emission reduction goals, while rental electrical vehicles (EVs) will help our customers meet theirs.

As we expand our non-rental fleet to include more EVs, we are working to address the challenge of providing sufficient power availability for charging those vehicles at branches and, for employees who take vehicles home, at homes. Factors to consider as we examine which markets and geographic locations to focus on include the range of the EVs and the availability of electricity.

Electric isn't yet a viable option for all vehicles. Where it isn't a possibility, we're continuing to pursue cleaner choices. For example, we're looking to pilot a propane vehicle in the medium duty sector. Replacing some diesel vehicles in our fleet with propane vehicles could significantly reduce GHG emissions for those vehicles. Additionally, as the industry leader, we are working with equipment manufacturers to explore other sustainable equipment and encourage them to expand their sustainable offerings.

Of course, optimizing fleet logistics remains a key strategy for reducing our carbon footprint. Part of our field automation systems technology (FAST) program includes information to provide optimal delivery and pickup routes and loads while increasing trailer deck space. This reduces the number of miles driven, lowering fuel consumption and the associated costs and emissions.

In addition, we're empowering our drivers to reduce emissions. We track and report indicators such as engine idling time and hard braking so drivers can make adjustments that reduce the environmental impact of driving. We're also developing custom anti-idling stickers for our rental and non-rental fleets to remind drivers to shut off their engines.

Achieving greater efficiency in our buildings and properties

With rental locations in 49 states and around the globe, United Rentals has a powerful opportunity to further reduce GHG emissions by adopting more efficient technologies in our buildings and properties.

For many years we have been retrofitting lighting in our buildings, updating to more efficient technologies as they become available. Our goal: Complete lighting retrofits for 95% of our North American operations by 2025.

Lighting retrofit measures taken in 2020 saved
2,127 metric tons of CO_2e*

That's comparable to removing 463 passenger cars from the road for a year, per the U.S. Environmental Protection Agency

**a standard unit for measuring carbon footprints*

We're also continuing our heating, ventilation and air conditioning (HVAC) preventive maintenance program, which helps increase the efficiency of our corporate office spaces and warehouses.

When it comes to new construction, we conduct a close review of specs with an eye toward greater efficiency, enterprise control systems and onsite energy production.

Given that about 10% of our scope 1 and 2 GHG emissions come from electricity use, shifting to renewable energy sources is another focus. With support from a third party expert, we're developing a renewable energy strategy. Based on our business model and geography, a successful renewable energy strategy will likely require multiple pathways and investments in several programs. Areas of exploration include onsite solar power and virtual power purchase agreements (VPPAs).

Additionally, we have purchased renewable energy credits (RECs). These let us pay for renewable energy production without directly obtaining the energy from renewable sources. We've acquired 25 MWh of RECs so far, which accounts for approximately 25% of company energy use in 2021.

Work United to create change

The passion within our company for doing well by doing good is evidenced by the overwhelming response to the formation of Planet United, an employee resource group (ERG) aimed at making our planet a better place to live. Members of this new ERG will lead and engage other employees in pro-environment activities and drive increased internal dialogue around sustainability.

At the launch meeting in early 2022, hundreds of employees proved eager to brainstorm ways to work toward our company's sustainability goals and to create positive impacts that extend to our customers and to our respective communities.

Planet United is focusing on projects such as providing environmental feedback to relevant departments, holding battery recycling contests, establishing water cooler programs to eliminate single-use plastic water bottles, and engaging with local and national environmental groups.

In addition to creating Planet United, we established a Sustainability Steering Committee. This cross-functional team of senior leaders and subject matter experts from across the company is helping to develop strategies for addressing the current and future sustainability needs of our company and our customers, and to ensure strong coordination in the implementation of those strategies.

Responsible companies lead with purpose. And we believe that when we Work United, our more than 20,000 team members can have a huge impact. As such, and in honor of our company's 25th anniversary, we've designated November 2022 as our Month of Impact. In 2022 the goal is to dedicate 25,000 hours to making a positive difference in our locations and communities.

Helping customers shrink their environmental footprint

As the world's largest rental equipment company, United Rentals has a strong influence across industrial and construction worksites. We're committed to providing solutions that help our customers create lower-emission worksites without compromising safety or productivity.

Our current rental fleet has many low- and zero-emission options. Electric or hybrid units represent about 27% of our rental fleet, and our agreement with Ford Motor Company will add hundreds of new pickup trucks and cargo vans to the EV count.

The sheer number of vehicles and equipment units we purchase affords us opportunities to collaborate with original equipment manufacturers (OEMs). In communicating with these manufacturers, we articulate our sustainability goals and customers' requests for environmentally friendly equipment and look for ways to work together to fulfill their needs.

We announced two exciting advancements in our rental equipment in 2022, both developed out of relationships with OEMs.

First, we worked with Powr2 Energy Solutions to develop **POWRBANK**, a zero-emission portable energy storage solution that integrates with diesel generators. POWRBANK will enable our customers to significantly reduce generator run time and reduce

emissions, noise and fuel waste. Composed of high-density lithium batteries, inverters and load-sensing technology, it absorbs fluctuations in load while providing power, then engages the generator when the batteries are near depletion.

Second, the first 100 units of a new electric compact excavator, the **TB20e** from Takeuchi, will soon be available at select rental locations in North America. This excavator, the first of what will be a full line of electric products from Takeuchi, is 100% battery powered with zero emissions and reduced noise and vibration levels.

We're working with other OEMs to add even more eco-friendly rental equipment to our mix, including more electric, dual fuel or hybrid forklifts, aerial lifts and skid steers, as well as solar-powered and LED light towers.

To stay forward-focused, we'll continue to regularly communicate with OEMs and customers about trends, changing needs and upcoming equipment offerings.

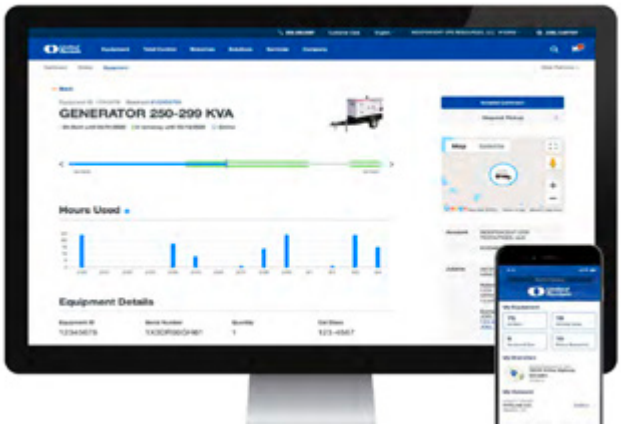
Partnering with customers around their own sustainability strategies

United Rentals knows equipment and worksites. As our customers build plans to achieve their own sustainability goals, we can help them reduce their equipment footprint by assisting with strategies, visibility and tracking.

Expansion of low- and zero-emissions rental equipment options will play a key role. In addition, we are actively pursuing tools to help customers monitor and manage their environmental impact.

In Total Control®, our proprietary cloud-based fleet management system, customers can track engine hours and use that information to help reduce engine idling and improve compliance with company idling policies. Total Control can also track utilization, which helps users right-size their fleet and, in turn, conserve natural resources.

Additionally, customers can now track their rental equipment's GHG emissions through Total Control. The emissions reporting feature calculates estimated emissions based on estimated fuel burn and emissions factor by fuel type. Reports break down the emissions by EPA priority pollutants, including particulate matter, nitrous oxide, hydrocarbons and carbon monoxide.



Achieving greater sustainability requires solving multiple challenges. It's in all of our interests to share what works and where opportunities exist for improvement.

An ongoing investment in our future

Climate change may pose a significant threat to our health, our businesses and our livelihoods. The time to act to lower emissions and conserve and protect our natural resources is now.

As a purpose-driven company committed to continuous improvement, we've set our sights on establishing new, sustainable ways of operating. As an industry leader, we're using our position to support eco-conscious changes on construction and industrial worksites. Together with our customers and OEM partners, we hope to Work United to leave a lighter footprint on the planet and build a better, more sustainable future.