



EUROPCAR GROUPE

SOCIAL AND ENVIRONMENTAL REPORT FINANCIAL YEAR ENDED 31 DECEMBER 2012

INTRODUCTION

► Context

Europcar is well aware of the critical importance of Social and Environmental Responsibility for value creation as well as for the Group's reputation. Its commitment is reflected in the many initiatives taken in this area in recent years.

This is our first annual Social and Environmental Report pursuant to Articles L.225-102-1 and R.225-105-1 of the French Commercial Code. Its purpose is to measure and manage the medium and long term impact of governance and environmental performance on labour relations and society, by comparing years, evaluating progress and identifying action plans needed to improve results.

► Scope

This report covers Europcar Groupe S.A., its operational subsidiaries Europcar International S.A.S.U. (France), Europcar France S.A.S. (France), Europcar Autovermietung GmbH (Germany), CLA Trading Pty Ltd (Australia), Europcar S.A. (Belgium), Europcar IB, SA (Spain), Europcar Italia SpA (Italy), BVJV Ltd (New Zealand), Europcar Internacional Aluguer de Automoveis, SA (Portugal), Europcar Group UK Ltd (Great Britain), PremierFirst Vehicle Rental Franchising Ltd (Great Britain), and their own subsidiaries.

► Data

This Social and Environmental Report (SER) sets out the employment, environmental and governance indicators for the financial year ended 31 December 2012 required by the French Commercial Code.

► Coverage ratio

The employment and governance data in this Report cover all employees within the scope of the structure formed by Europcar Groupe S.A. and its subsidiaries except for the training information, which covers 81% of the overall structure.

The environmental data reflect on average 76% of the consolidated sales of Europcar Groupe S.A.

► Audit

The process underlying Europcar's SER was reviewed by an independent firm, PricewaterhouseCoopers, as part of the audit ordered by Eurazeo, Europcar's majority shareholder. This review confirmed the quality of Europcar's SER process.

1. EMPLOYMENT INFORMATION

Europcar focuses on two key objectives: initiatives to bolster employee commitment and initiatives to strengthen management.

Starting 2011, focus was on employee motivation, corporate values, enhancement of human resources and performance management. A vast internal motivation survey conducted in the fourth quarter sparked a series of local and global actions in early 2012.

Certain initiatives were implemented to strengthen Europcar's corporate culture, including the definition of 5 key values: commitment, confidence, safety, flexibility and diversity. In the ensuing months, the HR teams launched programmes to build management skills and to ensure that managers throughout the Group set the example by personifying these values on a daily basis.

The creation of a performance management system designed to identify potentials and developing succession plans also strengthened management expertise within the Group. Rolled out for General Management in 2011, this system was extended to middle management in 2012 and will be deployed throughout the Group in 2013.

Lastly, a comprehensive management assessment system was developed in 2011 and deployed in 2012 with the assistance of a single service provider for the whole world.

1.1 Employment

1.1.1 Total workforce and breakdown of employees by gender, age and geographical area

Europcar's global workforce including France amounted on 31 December 2012 to 6,756 employees. Senior managers and managers account for 26% of the overall workforce, including 11% women and 15% men. Women account for 41% of senior managers and managers worldwide, versus 59% men.

BREAKDOWN OF WORKFORCE			
scope: the entire workforce of the Europcar Group (France and the World)			
		World	France
Total workforce on 31 December 2012		6,756	1,614
	Women	3,448	805
	Men	3,308	809
Average monthly workforce in FTE (Full Time Equivalent)		6,284	1,621
Workforce < 18 years employed on 31/12		4	0
Workforce 18-25 years employed on 31/12		583	68
Workforce 26-44 years employed on 31/12		4,223	1,133
Workforce > 45 years and over employed on 31/12		1,946	413

1.1.2 Recruitment and departures

On 31 December 2012, new recruits accounted for 20% of the global workforce, including 9% under permanent and long term contracts and 11% under short term contracts.

On 31 December 2012, Departures accounted for 22% of the global workforce. 18% of departures was due to dismissals including layoffs while the remainder was voluntary. Layoffs accounted for 78 % of dismissals.

Overall personnel departure was 21% in 2012.

RECRUITMENT AND DEPARTURES			
scope: the entire workforce of the Europcar Group (France and the World)			
		World	France
New recruits		1,368	326
	Permanent contracts (> 18 months)	670	184
	Short-term contracts (< 18 months)	690	142
Departures		1,494	309
	Permanent contracts	1,034	186
	Short-term contracts	460	123
	Senior managers and managers	213	80

1.1.3 Remunerations

Europcar's total payroll amounted to €231,190,934 on 31 December 2012. The ratio between the monthly average of the 10 highest gross monthly remunerations and the lowest monthly wage is 10.6 (World) and 9 (France only).

REMUNÉRATIONS (€)		
	World	France
Payroll <i>scope: entire workforce of the Europcar Group</i>	231,190,934	61,418,784
Gross monthly remuneration compared with the average monthly workforce (FTE) <i>scope: World 54% / France 97%</i>	3,074	3,176
Average gross monthly remuneration of male senior managers and managers <i>scope: World 99% / France 97%</i>	4,819	5,500
Average gross monthly remuneration of female senior managers and managers <i>scope: World 99% / France 97%</i>	4,354	5,344
Average gross monthly remuneration of male non-managers <i>scope: World 99% / France 96%</i>	2,076	2,260
Average gross monthly remuneration of female non-managers <i>scope: World 99% / France 96%</i>	2,017	2,164
Monthly average of the 10 highest gross remunerations of the year <i>scope: World 99% / France 97%</i>	11,069	13,045
Lowest gross monthly remuneration of the year <i>scope: World 99% / France 97%</i>	1,042	1,449
Lowest gross monthly remuneration of the year compared with the average monthly workforce (FTE) of the lowest remuneration <i>scope: World 99% / France 97%</i>	1,042	1,449

1.2 Work organisation

1.2.1 Organisation of working time in France

Europcar's Organisation of Working Time Agreement, applicable in France, provides for a 35-hour working week. Working time is organised and managed differently for managers and non-managers.

► Non-managers

The population of non-managers (office workers and supervisors) have a 35-hour working week spread over 5 days a week, from Monday through Friday. The average working day of non-managers may not exceed 10 hours while a working week may not exceed 48 hours. Every employee has daily rest of at least 11 consecutive hours and weekly rest of 35 consecutive hours.

In order to ensure uninterrupted service, certain non-managers may be required to work on Saturday (according to a predetermined planning) provided they can first recover another day in the same week in order to limit their working week to 5 days.

The schedules of this population are determined individually (as opposed to collective schedules). Employees arrange their working hours (time of arrival and departure) according to their personal organisation, subject to the constraints of their department.

Employees with personalised schedules have flexible time slots during which their presence is optional and fixed time slots during which they are required to be present.

Moreover, non-managers may be entitled to one day off (recovery) per month provided they have accumulated at least 7 working hours in addition to the legal minimum. No overtime is paid for such working hours.

About ten non-managers work in a repetitive 9-week cycle of staggered shifts. This cycle is organised to ensure that the average working week of a complete cycle is 35 hours. To ensure uninterrupted service,

employees assigned to cycles must be available 7 days a week. Work may start at 6 a.m. or end at 11 p.m. No working period may exceed 13 hours.

► Managers

A distinction is made between senior managers with a fixed number of working days and executive managers without fixed working days.

The work of senior managers with a fixed number of working days (FNWDs) is organised over 212 days per year. Because of their functions and responsibilities, FNWDs are allowed to organise themselves their working hours and are therefore not subject to legal rules on maximum working hours (provisions on maximum daily and weekly working hours). This said, they are entitled to daily rest (11 consecutive hours) as well as weekly rest (35 hours).

For the benefit of senior managers with a fixed number of working days, the French law on reduced working hours created 17 days known as "reduced working hours", one of which is deducted as part of the solidarity day (a separate agreement on the solidarity day has been negotiated). These additional days of rest must be taken during the year.

Senior managers without fixed working days are not concerned by a shorter working week since their responsibilities call for a highly independent organisation of their working hours. The provisions in the French Labour Code on maximum working hours do not apply to them.

Under the law on reduced working hours, senior managers without fixed working days are entitled to 5 additional days of holiday per year (30 in total) as well as one orientation day per month.

1.2.2 Organisation of working time elsewhere in the Europcar Group

In other countries, depending upon the applicable regulation, working hours are regulated by law, the employment contract or special agreements.

WORKING HOURS AND ABSENTEEISM <i>scope: the entire workforce of the Europcar Group</i>		
	World	France
Working hours		
Theoretical number of hours worked per year (contractual, including contractual overtime)	10,888,664	2,634,110
Percentage of overtime hours in the theoretical number of hours worked per year	2.49%	2.02%
Absenteeism		
Total number of hours of absence	511,148	129,189
Total absenteeism rate	5%	5%

1.3 Labour relations

1.3.1 Organisation of social dialogue, particular personnel information and consultation procedures and negotiations

The social dialogue takes the form of periodic meetings organised by the Human Resource department and the personnel representation bodies. Such meetings are held regularly in many countries where the Europcar Group is established (60% of Europcar's overall structure).

Moreover, negotiation meetings have been held for particular issues, reflecting local regulations.

1.3.2 Collective bargaining agreements

In 2012, the following collective negotiations were conducted and agreements signed:

- In France, annual wage negotiations, complementary health cost negotiations and ongoing negotiations on the Group Committee for France;
- In Italy, agreement on the protection of mothers at work and measures to facilitate the return of employees after maternity leave; agreement on specific medical insurance for all employees;

- In Spain, collective employment agreement for 2012.

1.4 Health and safety

1.4.1 Health and safety conditions at work

Each operational subsidiary of Europcar has a Health, Safety and Working Conditions Committee (HSWCC) except the units in Portugal, Australia and New Zealand. The HSWCC meets regularly to discuss occupational health and safety conditions.

In 2012, as part of the drive to improve conditions at work, the employees of the IT and customer service departments of Europcar's French entities moved into new premises, supported upstream and downstream from the move by a Move Committee staffed by employees, personnel representatives and the occupational health unit.

In France, negotiations were launched to help prevent hardship in operational units, particularly for employees responsible for preparing vehicles.

At Europcar's subsidiaries, management implemented various measures to prevent and improve health and safety conditions, including training in first aid on the job, the installation of defibrillators, fire evacuation exercises and suggestion and complaint boxes for employees.

In 2012, Europcar recorded within the Group 81 occupational accidents with sick leave (including commuting accidents). The occupational accident frequency indicator was 12.9 per thousand within the Group. Lastly, 4 occupational diseases were reported in 2012 within the Group.

1.4.2 Occupational health and safety agreements signed with unions or personnel representatives

In 2012, no company of the Europcar Group signed an occupational health and safety agreement with the unions or personnel representatives.

1.5 Training

1.5.1 Training policies

Europcar's training policy is closely tied to the Group's strategy. Each year, management develops individual and collective training actions.

Individual training actions reflect the needs created by particular projects or additional skills requirements. In 2012, 81% of all employees did training.

In 2012, the following collective training programmes were deployed within the Europcar Group:

- Compliance Programme: this programme was introduced to raise the awareness of Europcar employees of compliance risks, especially as regards conflicts of interest, fraud, private information and competition law.
- Performance Management Programme: all managers and directors were training in management and performance principles and the new annual performance assessment interviews.

1.5.2 Total number of training hours

TRAINING	
<i>(This table covers at least 80% of the total workforce (France and International) within the structure formed by Europcar Groupe and its consolidated subsidiaries)</i>	
Employees with at least one training course	5,506
Percentage of employees with at one training course in the physical workforce on 31 December	81%
Total number of training hours	98,757
Fraction of annual training budget in payroll	2%

1.6 Equal treatment

1.6.1 Measures taken to promote gender equality

Europcar endeavours to promote and preserve gender equality, helped by specific procedures at all subsidiaries in Europe and elsewhere in the world.

► *Please see the recruitment and remuneration indicators above.*

In France, the Group issues an annual report on gender equality. In 2012, this report did not reveal any inequality.

1.6.2 Measures taken to promote the employment and integration of disabled people

Europcar is committed to the fight against discrimination. Diversity is one of the Group's key values.

Europcar employs 128 disabled people, i.e. 2% of the physical workforce on 31 December 2012, within at least 80% of the overall Group.

In France, the HR partners participate in specialised employment fairs and organise meetings with specialised temporary employment firms and representatives of local CAP EMPLOI offices.

► For other Europcar subsidiaries, please see paragraph 3.2.2.

1.6.3 Policy on the fight against discrimination

► Please see paragraph 1.6.2.

2. ENVIRONMENTAL INFORMATION

2.1 General environmental policy

As a car rental company, Europcar has always granted priority to environmental protection. It decided early on to position itself as a sustainable development pioneer in its sector. Europcar is committed to a greener future and sustainable mobility, reflected in the development of an Environmental Protection Chart in 2007, which was certified in June 2008 by Bureau Veritas, and again in 2011.

Europcar tries to offer consumers cars with the lowest possible impact on the environment, not only by means of extremely efficient maintenance programmes and a fleet with a very low average age, but also by offering vehicles with alternative energy sources, such as hybrids and electric cars. In 2012, Europcar took many initiatives with its partner car makers, as part of which the Group began to offer the *Nissan Leaf* and *Opel Ampera*, both electric cars, in order to promote more environmentally friendly driving habits. This initiative was supported by a special reservation site and materials to raise customer awareness of these new technologies. Europcar wants to democratise access to "green" solutions to give every consumer the benefit of this new type of mobility.

Europcar wants to minimise the pollution and greenhouse gas produced by its fleet and is therefore steadily building up its green fleet, in line with European emission standards. Every year, management launches strategic actions to forward the commitments accepted in the areas of environmental protection and sustainable development.

Europcar also endeavours to match energy consumption to its needs, as explained in paragraph 2.3.3 below.

In partnership with Paprec - La Corbeille Bleue, Europcar has moreover implemented a paper recycling programme for its holding companies in France.

In 2012, Europcar was elected, for the fourth consecutive year, "Best Eco-Responsible Transport Company" and received the "Responsible European Tourism" award at the World Travel Awards.

2.1.1 Factoring in environmental issues and managing environmental evaluation and certification programmes

Europcar's Environmental Protection Chart was certified by Bureau Veritas in 2008 and again in 2011. Europcar has also received ISO certificate 14001 for all European subsidiaries. Europcar has appointed at

least one correspondent at each operational subsidiary to manage and monitor environmental issues and to manage environmental evaluation and certification programmes.

EVALUATION OR CERTIFICATION

(this table covers at least 91% of the consolidated sales of the 'Europcar Group')

Environmental certification (granted or renewed)	8
Number of sites certified	205
Percentage of sites certified	31%

2.1.2 Environmental protection training and awareness programmes for employees

Europcar has implemented the following environmental protection training and awareness actions:

- Training in ISO 14001 (environmental management system) at all European subsidiaries
- Training in the Carbon Balance in France and Great Britain
- Intranet programme to raise employee awareness in connection with the Environmental Protection Chart and availability of a virtual ideas box (email address for employees dedicated to environmental protection)
- Sessions on driving simulators to raise the awareness of responsible conduct among Europcar International and Europcar France employees
- Sessions to help employees discover the electric car, made available for employee test drives.

2.1.3 Resources to prevent environmental risks and pollution

Europcar has launched a major investment programme to modernise its facilities and reduce the impact of its activity on the environment. Europcar rents out recent models (no older than 6 months) with an increasingly low pollution index and more and more innovative environmental protection and safety solutions.

2.2 Pollution and waste management

2.2.1 Measures to prevent, reduce or recycle air, water and soil waste with a serious environmental impact

In all countries where Europcar is established, all carwashes managed by Europcar are fitted with state-of-the-art equipment to recycle water and isolate hydrocarbons.

► Also see paragraph 2.4.1 on greenhouse gas emissions.

2.2.2 Measures to prevent, recycle and eliminate waste

Most cars in the Europcar fleet (averaging 83% for the Group and 90% for France in 2012) are bought from car makers under unconditional repurchase agreements. The remainder (average 13% for the Group and 10% for France in 2012) represents a risk. By ensuring that cars are taken back by the car manufacturers, Europcar anticipates the recycling of most of its fleet.

Cars representing a risk are recycled through various channels, depending upon their condition. Cars in good condition are offered for sale to businesses and private customers. Accident-damaged cars are auctioned off in lots or bought directly by companies specialised in recycling cars.

2.2.3 Noise pollution and all other forms of pollution connected with a particular activity

As part of the ISO 14001 audits, compliance of the Europcar sites with pollution standards was verified and approved.

2.3 Sustainable use of resources

2.3.1 Water consumption and water supply according to local constraints

Europcar is concerned about water consumption and has taken several local initiatives to limit waste:

- In the Mediterranean countries it has implemented sea water desalination systems;
- In France and Belgium it has installed rainwater harvesting tanks;
- Water is recycled at most carwashes;

- It has installed taps with infrared detectors.

WATER CONSUMPTION

(This table covers at least 74% of the consolidated sales of the Europcar Group)

Total water consumption (m ³)	332,478
Waste water volume (m ³)	301,302
Treated water volume (m ³)	74,039
Fraction consumed water treated	22%

2.3.2 Consumption of raw materials and measures taken to use them more efficiently

Europcar does not directly consume raw materials. The specific measures adopted to improve driving performance and fuel consumption are discussed in paragraph 2.2.2 above and paragraph 2.3.3 below.

2.3.3 Energy consumption, measures adopted to improve energy efficiency and recourse to renewable energy

Europcar has launched a campaign to raise customer awareness (tips on www.europcar.com) of social and responsible driving in order to protect the environment, contribute to traffic safety and limit fuel consumption.

It has further adopted the following measures in order to improve energy efficiency and promote the use of renewable energy:

- Installation of solar panels in certain countries (Spain)
- Purchase of renewable energy (Germany, Italy, Portugal)
- Optimisation of energy consumption: migration to LED technology (United Kingdom and France) and systematic efforts to reduce power consumption (motion detector switches).

ENERGY CONSUMPTION

(This table covers at least 74% of the consolidated sales of Europcar Group)

Energy excluding fuel

Power consumption (MWh)	16,479
Consumption of power from renewable energy (MWh)	5,137
Consumption of renewable energy excluding renewable electricity (MWh)	1,002
Natural gas consumption (MWh)	6,421
Total energy consumption (MWh)	29,039
Fraction of renewable energy in total energy consumption	21.5%

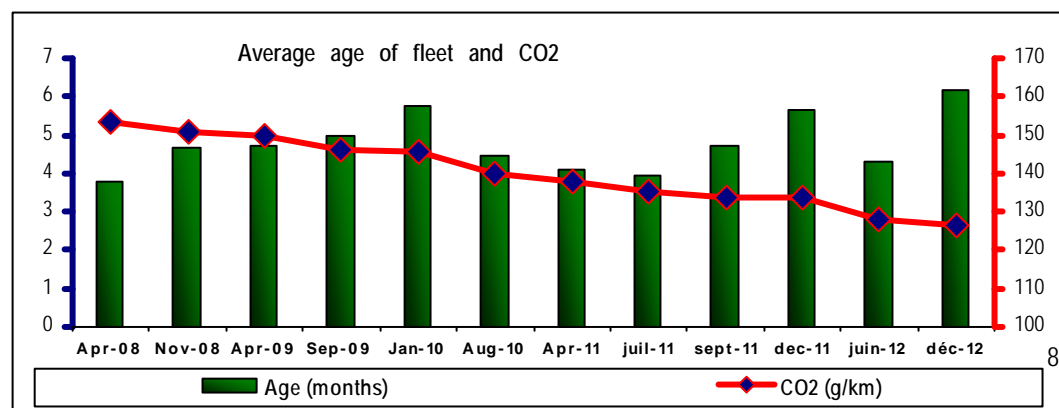
Fuel

Gasoline purchases (Litres)	10,187,300
Diesel purchases (Litres)	19,802,202

2.4 Climate change

Greenhouse gas emissions

In 2012, Europcar managed to lower the average carbon dioxide emission for its entire fleet to a record 127 grams per kilometre driven, up by about 1 gram from 2011, helped by an effective carbon emission compensation programme and an average fleet age of under 6 months since 2008 (see the graph below).



29% of all vehicles purchased by Europcar in 2012 had an Eco Label (BlueMotion, Eco2, etc.). The Europcar fleet was enriched with 814 hybrids and 21 electric vehicles.

Europcar also helps customers select cars with an online "eco-friendly" rating based upon carbon emission rates. The CO₂ emission rate is further shown in the invoices of Europcar customers.

2.5 Protection of biodiversity

Measures adopted to preserve or enrich biodiversity

Because of its activity, Europcar has little impact on biodiversity and therefore has not taken any significant measures in this area.

3. INFORMATION ABOUT COMMITMENT TO SUSTAINABLE DEVELOPMENT IN SOCIETY

3.1 Territorial, economic and social impact of the Group's activity on employment and regional development and on the local population

In line with its chart of values, Europcar has signed the United Nations Global Compact. Europcar is committed to adopting and promoting, within its sphere of influence, a set of core values in the area of human rights, labour standards, environmental protection and the fight against corruption.

3.2 Relations with people and organisations interested in social activity, particularly integration associations, educational institutions, environmental protection associations, consumer associations and local populations

3.2.1 Conditions of the dialogue with these people and organisations

Europcar has teamed up with ClimateCare to offer customers the possibility to offset their CO₂ emissions when renting a Europcar car. The funds collected are used to finance sustainable energy projects.

The inclusion of this carbon emission compensation programme from the moment when the car is reserved encourages active involvement of Europcar customers to the Group's environmental policy.

► Also see paragraph 3.1.

3.2.2 Partnerships and sponsorships

At the end of 2012, certain departments of Europcar International organised a successful action to collect clothes and spectacles for the Order of Malta.

The subsidiaries of the Europcar Group have taken a number of partnership and sponsorship initiatives, particularly:

- Europcar France sponsored the training and apprenticeship centre of Drancy (CFAI de l'AFORP) as part of its annual participation in the Shell Eco-Marathon (rental of cars at discount rates, donation of €2500);
- The employees of Europcar Group UK Ltd were granted the possibility of a remunerated day off to do volunteer work or donate blood. In 2012, Europcar Group UK supported the automotive industry charity, BEN, and Marie Curie cancer care centre. Europcar branches in the United Kingdom further engaged in local charity activities;
- Europcar IB, SA (Spain) offered study grants to disabled students, promoted integration for people with employment difficulties (disabilities, women victimised by marital abuse and elderly people (over 40); ran environmental actions (voluntary participation of employees and their family in cleaning green spaces on solidarity day) and traffic safety programmes (participation in symposiums and accident prevention at schools in partnership with Aesleme); participated in actions to assisted elderly

disabled people. Lastly, in 2012 Europcar Spain sponsored Mr Albert Llovera, a disabled rally pilot, and the Paracycling World Cup.

These local actions reflect Europcar's commitment to corporate social responsibility and demonstrate its integration in the lives and work of its employees.

3.3 Outsourcing and suppliers

Social and environmental issues reflected in procurement policy

Europcar's supplier selection policy factors in environmental, health, safety and ethics commitments in the following areas:

- water recycling
- waste and hydrocarbon recycling
- the use of non-toxic products
- the fight against counterfeiting
- a code of ethics

Europcar has taken specific initiatives to prevent all forms of corruption and to improve transparency within the Group. In 2012, employees at all subsidiaries of the Group received training in ethics and corruption awareness and a chart of Europcar values was adopted.

Other actions were conducted to minimise health and safety risks for Europcar customers, including the following:

- On www.europcar.com, Europcar customers can pick up handy tips;
- In France, at least 5 cars are inspected each week at every branch in order to check compliance with the quality, cleanliness and safety standards required for the Single Document, a regulatory report on risk evaluation and prevention;
- Since 2008, the subsidiaries in all countries inspect at least 5 cars per month at each branch. As part of this procedure, cars are selected at random and an audit report is included in a report entitled "International Car Audit Form", which must be attached to the weekly report of the Station Manager;
- In Spain, all cars are prepared according to the standards of the Quality Programme, which includes safety inspections during the vehicle preparation process. The health and safety management systems of Europcar Spain have been audited and granted the OSHAS 18001 certificate by DNV, an independent audit firm. Moreover, customers travelling with children are regularly offered deals and discounts on safety equipment for children. Lastly, in collaboration with AESLEME, Europcar Spain participates in traffic safety campaigns at schools.

Europcar is currently developing a sustainable development chart for suppliers. Deployment of this chart is scheduled for 2013. Europcar suppliers who adopt this chart will accept a number of commitments to promote human rights, labour standards, health and safety and environmental protection.

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