

大成 DENTONS

avis budget group

Human Rights Saliency Report (Norway)

June 2023

Grow | Protect | Operate | Finance



Introduction

Avis Budget Group (**ABG**) is committed to championing human rights. ABG has a historic social strategy and culture that is founded on shared values, the strength of relationships and creating inclusive growth and the business prioritises promoting diversity, equity and inclusion withing its workforce, consumer base, communities and its supply chain.

ABG's overall approach to managing human rights issues is informed by external principles. For example, in 2021, ABG became the first global U.S based vehicle rental company to sign onto the United Nations Global Compact, which provided a framework for the business to align its operations with the core principles in relation to human rights, labour, environment and anti-corruption.

To continue to focus its efforts and further enhance its approach to managing human rights risks in **Norway**, ABG has completed a **Human Rights Saliency Assessment**. This assessment aims to identify the **“salient”** human rights to the business in Norway, which are those human rights that are at risk of the most severe negative impact on people as a result of the activities of ABG's business and its business partners.

When identifying the salient human rights, the focus is placed on the **greatest actual or potential risk to people**, rather than where there is greatest risk to the business. ABG acknowledges that it has a continued responsibility to respect all human rights, but by identifying its most salient risks through this assessment, they can focus on mitigating and preventing the risks that are greatest to people.

This assessment is aligned to the frameworks contained in the following instruments:

- [Universal Declaration on Human Rights](#)
- [International Covenant on Civil and Political Rights](#)
- [International Covenant on Economic, Social and Cultural Rights](#)
- [International Labour Organisation's Declaration on Fundamental Principles and Rights at Work](#)
- [International Labour Organization's core conventions](#)

Methodology

ABG has worked with Dentons and a range of internal stakeholders to identify, examine and prioritise its salient human rights risks arising from its business in Norway, using the frameworks set out in key international human rights conventions and principles.

Stage 1 – Identification

The first stage was to understand the range of actual and potential human rights impacts that ABG could be connected to through its value chain in Norway. To do this, ABG gathered input from key business units to examine:

- Risks associated with the geographies ABG operates in;
- Risks associated with the provision of ABG’s services;
- Risks associated with ABG’s leased vehicles; and
- Risks associated with ABG’s business model, including its sub-contracting and sub-licensing structure.

ABG considered the extent to which a broad range impacts associated with fundamental human rights, health safety and environment in the workplace, and/or living wage, could apply to its business.

Stage 2 – Prioritisation

In the second stage ABG prioritised the human rights impacts identified in Stage 1 to result in a list of ABG’s human rights with the greatest actual or potential risk to people, its “salient” human rights.

This involved a deep analysis of the severity and likelihood of each potential human rights impact in ABG’s value chain arising from its business in Norway. ABG considered how serious the adverse human rights impact would be both directly and indirectly, how many people could be affected and the likelihood of the risk occurring.

ABG also considered at this stage the extent of remediability: what processes does ABG have in place or plan to have in place in relation to preventing or mitigating the likelihood of the human rights impact taking place.

Stage 3 – Reporting and verifying

We have recorded the five priority salient human rights for ABG’s Norwegian business in this Human Rights Saliency Report.

The Report will be reviewed and verified by ABG.

Executive summary

Salient human rights



SALIENT HUMAN RIGHTS





Sustainable livelihoods

- Sustainable livelihoods refers to the right held by workers to earn a wage or an income that is sufficient to afford a **decent standard of living** for themselves and their families. In law, this right is referred to as the right to a “living wage”.
- “Living wage” is a moving definition. For instance, the gap between the legal minimum wage and the “living wage” is constantly increasing in line with the cost of living.
- ABG manages this risk in the context of its own business in Norway but is exposed to the risk in the context of its sub-contracted workers in the supply chain. There is a risk that sub-contractors could adversely impact the rights of their employees if they:
 - Pay a wage that does not allow workers to **decently support themselves** and their **family**.
 - Pay a wage that does not consider **social security contributions and benefits**.
 - Pay a wage that does not align to the **level of wages in Norway** and relative **living standards** (including consideration of housing).
 - Pay a wage that does not align to the **national cost of living**.
 - Allow workers to be employed without **documentation** required by national law.
 - Have **inadequate procedures** to detect workers providing work or services without living wage in their supply chain.



HSE in the workplace

- Workers in ABG's Norway business and workers in the supply chain are exposed to risks which could impact their right to a **safe and healthy working environment**.
- Risks that ABG's employees, contractors and/or third parties may face include:
 - Sub-standard working conditions in locations where ABG or its contractors provide services. For instance, there is a risk of impacting workers' rights to a healthy working environment where car washing service operations are located in areas / buildings where there is **insufficient access to light and air**.
 - **Adverse noise impacts** on workers or people in the community caused by ABG or sub-licensee operations, for example in car preparation areas.
 - **Security incidents** where workers are interacting with members of the public.
 - **Health and safety** at car fuelling locations, such as a Gardermoen.
 - **Safety incidents** during the provision of any other services in the supply chain, such as car transporting and tyre storage / changing.
 - Security and safety relating to **high risk geographies** (Sub-licensee operating near Russian border).



Forced labour

- Forced labour is any work or service that is **exacted from a person without their consent**. It includes situations where people, including children, are coerced to work through the use of violence or oppression or by debt bondage, retention of personal documentation or restricting workers' access to adequate housing.
- Forced labour is also associated with other labour violations such as excessive working hours and degrading or cruel treatment of workers, including domination in the workplace, bribery and corruption.
- Whilst there is a relatively low risk of forced labour in ABG's Norwegian business or supply chain, ABG is exposed to risk in relation to:
 - The **right to work** of supply chain / outsourced workers, where ABG does not have visibility of workers' documentation and residency.
 - The **working hours** of supply chain / outsourced workers, particularly because sub-licensee companies are often family-run businesses and their employees are likely to be working long hours outside of the legislative requirements.
 - The **treatment of workers**, including their right to adequate food, clothing and water / sanitation in the workplace.
 - Outsourced workers from **high risk geographies** for forced labour.

Land rights



- Land rights refer to the right for people to have their **rights to land recognised and protected**. Indigenous communities rely particularly on their land for their livelihood, safety, culture and identity.
- There is a risk of adversely impacting people's right to land by a business's **acquisition of land or forced eviction** in order to use the land for its operations.
- ABG's sub-licensees may need to consider their impact on indigenous communities in the north of Norway. The **Sami people** are indigenous to northern Norway and ABG are aware of a number of disputes involving the Sami community in relation to land use. Some of ABG's sub-licensees operate in a **high risk area**.

Discrimination



- Discrimination **adversely impacts a person's right to be treated equally**, regardless of their gender, race, ethnicity, national origin, sexuality, disability, etc.
- The contexts of ABG's Norwegian business, both nationally and in the supply chain, do not give rise to a high risk of discrimination. However, ABG may be at risk of adversely impacting workers' rights to be treated equally if they do not have visibility over outsourced workers and workplaces in relation to:
 - **Equal treatment** and **inclusivity**
 - Respect of workers' **religious / customary beliefs**
 - **Recruiting** procedures
 - **Accessibility** of workplaces