



McGrath RentCorp  
Sustainability, Environmental, Safety

## About McGrath RentCorp

Founded in 1979, McGrath RentCorp is a diversified business-to-business rental company with corporate headquarters and a state-of-the art sales and inventory center located in Livermore, California. Through its divisions, McGrath RentCorp (NASDAQ:MGRC) offers three distinct product groups:

- *Modular offices, classrooms, storage units and other portable buildings.*

Under the trade name Mobile Modular, the company rents and sells relocatable modular buildings to fulfill customers' needs for temporary and permanent classroom and office space needs. In addition to Mobile Modular Management Corporation and Mobile Modular Portable Storage, Enviroplex, Inc. manufactures its broad variety of building types including libraries, restrooms, childcare facilities, administrative buildings and Division of State Architect approved modular classrooms for schools in California.

- *Testing, monitoring and measuring equipment for electronic, environmental and other applications.*

TRS-RenTelco is one of the leading rental providers of general-purpose test and measurement equipment as well as telecommunication test equipment in the Americas.

- *Tanks and containers for transporting and storing hazardous and non-hazardous liquids and solids.*

Adler Tank Rentals supplies rental containment solutions for hazardous and non-hazardous liquids and solids in both planned and emergency applications in various manufacturing plants, oil and gas field services, and environmental and construction industries.

## Our Core Values

### **We do what we say we will do**

Our promise is our word. We act on every level with integrity and we honor our commitments to our customers, and each other.

### **Exceptional customer experiences are our lifeblood (internal & external)**

Our goal is to exceed your expectations, every day and with every interaction. We are passionate about serving our customers and each other.

### **YOU matter**

We value you and truly believe that each person at McGrath RentCorp has great things to contribute and that you are the key to our success. Your enthusiasm and commitment are instrumental to providing an exceptional experience for our customers.

### **Our personal best is put forth in everything we do**

We give it our all. We go above and beyond whenever we can and expect excellence in each other.

### **To lead in our markets we adapt, renew, innovate**

We pay close attention to our markets and make choices that support long-term growth. We aim to lead. From the ground up, we embrace the need to change in order to adapt to the challenges at hand.

### **EQ is as important as IQ**

Emotional intelligence, or EQ, is a crucial element in working in a collaborative team environment. Excellent interpersonal skills combined with a bright, inquisitive, "can-do" attitude equal career success at McGrath RentCorp.

### **We value getting it right vs. being right**

We challenge and upgrade each other to arrive at the best solution, regardless of whose idea it might be. We do this respectfully and with the aspiration to solve a problem.

### **Relationships are built with open, honest, and direct communication**

We challenge ourselves to navigate relationships with open, honest, and direct communication. Over the long term, this maximizes both resources and time, and builds high trust with those involved. We call this "courageous conversation."

### **We have a flywheel mentality**

Pushing a very large wheel in small increments time and time again eventually gets the wheel spinning faster and faster. Continuous improvements and incremental gains, no matter the size, are like pushes on the flywheel and this creates great momentum in our business.

# McGrath RentCorp Environmental Policy

McGrath RentCorp is committed to complying with all Federal and State environmental standards in all of our operations and aim to be an environmentally responsible neighbor in the communities where we operate. The products, services, and practices of McGrath RentCorp companies are designed to promote the goals of environmental stewardship and sustainability. We are committed to:

- Comply with all applicable Federal and State requirements no matter where we do business.
- Employ management systems and procedures specifically designed to minimize the use of hazardous materials, energy and other natural resources, to minimize the generation of waste, and to enable recycling and reuse of materials.
- Develop and improve operations and technologies to minimize waste, and other pollution, minimize health and safety risks, and dispose of waste safely and responsibly.
- Ensure the responsible use of energy throughout our business, including conserving energy, improving energy efficiency, and giving preference to renewable over non-renewable energy when feasible.
- We expect that our suppliers adopt effective environmental and socially responsible management practices.
- Continually seek opportunities to improve our environmental performance.

# Environmental Responsibility

As a business-to-business equipment rental company, we are an inherently environmentally sustainable business. By providing our customers with the equipment they need, when they need it, our equipment is used more frequently than purchasing, saving a considerable amount of resources.

In general, our operations do not pose significant risks to our environment, but we have identified environmental risks and take proactive steps to minimize any potential impact to the environment. Those risks include the use of hazardous materials to clean and maintain equipment, disposal of solid and hazardous wastes, air emissions from fleet operations, and the storage and dispensing of petroleum products at some of our locations.

The products, services, and practices of McGrath RentCorp companies are designed, when feasible, to promote the goals of environmental stewardship and sustainability. From our corporate recycling program to our policy of printing marketing collateral on recycled paper, we continually search for new and innovative ways to shrink our ecological footprint.

## Mobile Modular

Through our Mobile Modular division, our modular space solutions incorporate many of the most respected sustainability design features available today, including:

**High-efficiency HVAC and energy systems.** By employing today's latest innovations in energy-saving technologies and systems, our building products save money while helping our customers reduce their impact on the planet's limited energy resources.

**Recycled and recyclable construction materials.** Many of our modular building products utilize recycled building materials in their construction. Likewise, we've implemented construction waste recycling programs for wastes generated from our operations for items such as lumber, cardboard, and tires, wherever feasible.

**Cool roofs, skylights and "green" plumbing.** When feasible, our building

products make good use of natural light, green plumbing systems, and the sun's heat to reduce the building's ecological impact and energy usage.

**"Built to last" design and construction.** Our relocatable work spaces are designed and fabricated to provide reliable, efficient service over long product lifespans. Many of our building systems are built to last for decades.

## Enviroplex

Enviroplex offers its customers environmentally sustainable modular building systems that offer complete compliance with LEED (Leadership in Energy and Environmental Design) certification standards.

The goal of Enviroplex's LEED-compliant building program is to design modular building systems that use resources more safely and efficiently, protect occupant health and offer long term environmental

sustainability without sacrificing utility or cost effectiveness.

Additionally, many of the materials used in the construction of Enviroplex modular buildings, from steel and lumber to insulation and electrical components, are sourced and purchased in the United States and made of 70-95% already-recycled materials.

## **Adler**

Our Adler division supports our commitment to environmental protection by providing safe, reliable environmental remediation tanks and liquid storage solutions for contaminated sites.

Adler Tank Rentals' storage solutions meet stringent local and federal regulations for environmental remediation projects.

We handle containment, pumping, and filtration for applications such as wastewater, soil or sediment remediation. Our products are used in water treatment, oil and water separation, as well as hazardous waste storage and transportation applications.

## **TRS-RenTelco**

Our TRS-RenTelco division, in its daily business of supplying electronic test

equipment solutions, has incorporated several innovative sustainability programs into its regular operations, including:

Comprehensive materials recycling. In addition to recycling all of its cardboard, batteries and unserviceable electronic waste, TRS-RenTelco participates in a sustainability program that includes recovering and recycling materials used to pack delicate electronics.

In addition to our recycling programs, TRS-RenTelco operations have implemented some of the latest energy-efficiency programs available, such as high-efficiency HVAC control systems, programmable thermostats, and LED lighting which help contribute to reducing the division's carbon footprint and ecological impact.

## **Corporate Office**

Our corporate office also participates in and contributes to our environmental commitment through our corporate recycling program. The recycling program includes paper waste, aluminum can, and toner cartridge recycling. Additionally, the corporate office has eliminated the use of disposable cups, and instead provides reusable cups, further eliminating waste to landfill.

# McGrath Safety Policy

McGrath RentCorp's management is fully committed to the principle of "safety first" and providing employees with a safe working environment. "Safety first" means that no job is more important, and no order is more urgent, that it takes precedence over the safety of our employees and workplaces. Our safety performance is measured and reviewed quarterly by the Board of Directors to ensure our continued commitment to the "safety first" principle.

Our supervisors are responsible for emphasizing safe working practices and behaviors, and helping to ensure a safe operation at all McGrath locations and jobsites, at all times.

All of our employees are responsible for compliance with this policy. Our employees must always act in a safe manner, observe all rules of safety and health, and utilize proper safety equipment and technique in carrying out their work assignments.

We also expect that our suppliers demonstrate our same commitment to safety by implementing effective safety management practices and compliance with regulatory requirements.

All of us at McGrath RentCorp understand that nothing is more important than the safety of our employees, contractors, customers, neighbors, and the public. Incidents can result in serious personal injury and property damage, all of which can cause needless human suffering and financial loss. Please join us in helping to prevent incidents and making our workplaces as safe as possible.

# Occupational Health and Safety

Our people are the most vital part of our business, and providing a safe, healthy and sustainable working environment is of fundamental importance.

As part of our commitment to safety, we encourage and expect all employees to report injuries, regardless of severity. Our Environmental, Health, and Safety Management System stands to reinforce the McGrath RentCorp Core Values, integrate a culture of safety, and engage all organizational stakeholders in our safety program. McGrath has had zero work-related fatalities in the 40 years it has been in business, and we continuously seek out opportunities to keep our employees safe.

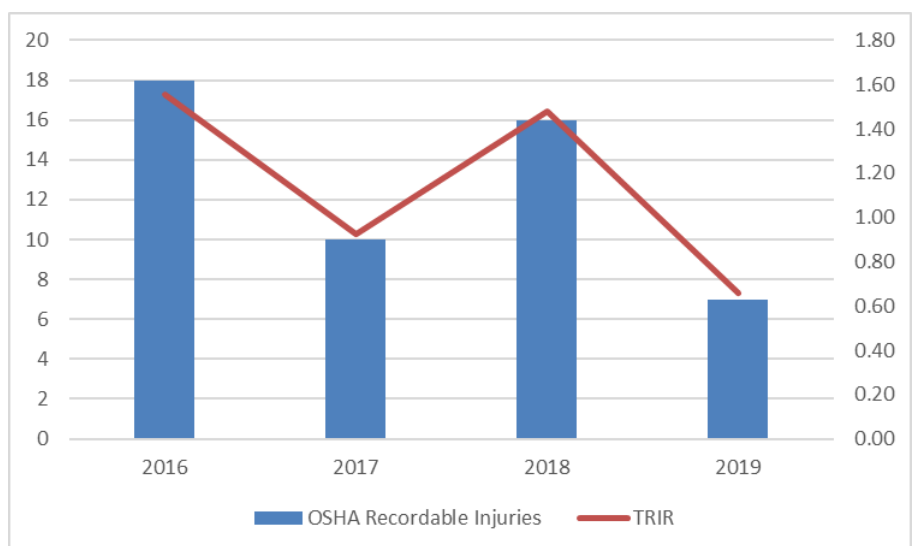
We track our performance with both leading and lagging indicators. We use this information to learn and improve our safety culture. Semi-annually, we review our results and develop business priorities to address the root causes identified in our analysis.

Through this assessment, we have identified three injury focus areas that we concentrate our effort and resources to address. We call this program the Focus 3.

The Focus 3 are:

1. Strains and Sprains: Injuries resulting from lifting, pushing, pulling, and awkward positions.
2. Slips, Trips, and Falls: Injuries resulting from same-level surfaces, elevated surfaces, ladders, or from vehicles or equipment
3. Cuts, Punctures, and Scrapes: Injuries resulting from an employee being struck by or struck against objects, lacerations from tools, sharp surfaces, or materials.

Over the last four years, we have seen an overall reduction in total injuries of 60% (2016-2019). Additionally, our Total Recordable Incident Rate (TRIR) was a record low for our company of 0.66 in 2019. The TRIR describes the number of “recordable incidents” (injuries defined by OSHA) that a company experiences per 100 full-time employees in any given period.



This trend indicates that our efforts around the Focus 3 have been successful in reducing the total number of injuries and



injury rates. That being said, these categories of injuries will remain the key targets of our safety program, as we continue to dedicate effort and allocate resources to reducing these injuries.

### **Driver and Vehicle Safety**

With over 200 vehicles on the road daily, we recognize that driver safety is a critical component of our safety program. As such, we continue to focus initiatives to reduce hazards of our operations to our employees, as well as to other members of our communities.

Our Driver Safety team, made up of a cross-divisional group of EHS team members is focused on enhancing driver safety. A recent EHS commercial driver training initiative focused on new driver training, defensive driving, and unsafe driving practices. Additionally, the recent upgrade of our vehicle telematics system, to include onboard inward and outward facing cameras is providing real-time data and video, allowing leaders and drivers to work together to eliminate unsafe driving behaviors.