Risk Factors Comparison 2024-02-12 to 2023-02-07 Form: 10-K

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Our business is subject to a number of significant risks and uncertainties, and should be carefully considered along with all of the information in this ~~2022~~ **2023** Annual Report. We believe that the following information identifies the material risks and uncertainties **most likely to** ~~affecting~~ --- **affect** Hertz Global and Hertz; however, these are not the only risks and uncertainties that we encounter in our operations. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, results of operations, financial condition, liquidity and cash flows **in future periods** . In such a case, you may lose all or part of your investment in Hertz Global' s common stock or The Hertz Corporation' s debt securities. You should carefully consider each of the following risks and uncertainties. **You should not interpret the disclosure of any risk factor to imply that the risk has not already materialized.** Any of the following risks and uncertainties could materially and adversely affect our business, financial condition, operating results or cash flow **in future periods** . RISKS RELATED TO OUR ~~BUSINESS~~ **FLEET The mix of program and non- program vehicles in our fleet, as well as declining values of our non- program vehicles, can subject us to an increased residual value risk. We use program and non- program vehicles in our fleet. With program vehicles, vehicle manufacturers agree to repurchase the vehicles at a specified price or guarantee the depreciation rate on the vehicles during a specified time period. Using program vehicles in our fleet can often alleviate our residual value risk because of the terms of our agreements with the vehicle manufacturer for repurchases and guaranteed depreciation on those vehicles. Additionally, program vehicles provide flexibility because we may be able to sell certain program vehicles shortly after having acquired them at a higher value than what we could for a similar non- program vehicle at that time, which is useful in managing demand for vehicles. These benefits diminish when there are fewer program vehicles in our fleet, which has generally been the case in recent years. The significant majority of vehicles in our fleet are non- program vehicles. Overall, the percentage of non- program fleet that we hold exposes us to residual value risk. Decreases in residual values of our non- program vehicles, or the failure of residual values to follow historical patterns, could result in a substantial loss on the sale of such vehicles, or accelerated depreciation while we own the vehicles. Each of these outcomes can materially adversely affect our results of operations, financial condition, liquidity and cash flows. Forward estimates on vehicle residual values have recently declined, subjecting us to greater risk of losses on vehicle sales, increased depreciation or challenges in meeting collateral requirements in our fleet financing facilities. Recent data for used vehicles has shown a sudden downward trend in residual values. This data has also suggested that prices in the used vehicle market could decrease further in 2024. A further reduction in residual values for non- program vehicles in our fleet, or the failure of residual values to improve, could cause us to hold vehicles longer, sustain a substantial loss on the sale for such vehicles or require us to depreciate those vehicles at a more accelerated rate than currently anticipated while we own them. If the market value of the vehicles in our fleet is reduced or our ability to sell vehicles in the used vehicle marketplace were to become severely limited, we may have difficulty meeting collateral requirements under our asset- backed and asset- based financing arrangements, requiring us to either reduce the outstanding principal amount of debt or provide more collateral (in the form of cash, vehicles and / or certain other contractual rights) to the creditors under any such affected arrangement. If we sustain substantial losses on sale of vehicles, depreciation is accelerated, or our access to or the terms of our asset- backed and asset- based debt financing are adversely affected, it could have a material adverse effect on our results of operations, financial condition, liquidity and cash flows. HERTZ GLOBAL HOLDINGS, INC.** AND ~~INDUSTRY~~ **SUBSIDIARIESTHE HERTZ CORPORATION AND SUBSIDIARIESITEM 1A. RISK FACTORS (Continued) We may be unable to purchase adequate supplies of competitively priced vehicles or the cost of the vehicles we purchase may increase significantly without a compensating increase in vehicle rental rates or residual values. Our vehicle purchase strategies have historically been and may in the future be affected by commercial, economic, market and other conditions, including a reduction of supply from auto manufacturers and any rebates or other incentives offered by them for our purchases. Purchases of vehicles from manufacturers are generally made pursuant to master agreement or framework agreements and are generally subject to potential delay or cancellation by manufacturers. Although we work with manufacturers on a continuous basis to gain a mutual understanding of their supply of, and our demand for, vehicles, the process by which we normally purchase vehicles does not always guarantee the availability of the desired vehicles on a timely basis, or provide us with remedies for any unavailability. Used vehicle supply and pricing can be impacted by the same factors relevant to the available supply and pricing of new vehicles, or the new vehicle market itself. Consequently, there is no guarantee that we can purchase a sufficient number of vehicles, whether new or used, at competitive prices and on competitive terms and conditions, or that we would be able to compensate for increased acquisition costs through vehicle rental rates or residual values. In addition, if we are unable to purchase new vehicles at competitive prices to refresh our fleet, increased maintenance costs in relation to our existing fleet may adversely affect our results of operations, financial condition, liquidity and cash flows. We may not be able to effectively dispose of non- program vehicles, at the times or through the channels, that we desire. The significant majority of vehicles in our fleet are non- program vehicles. We sell our non- program vehicles through a variety of channels, including auction, dealer direct wholesale, direct sales to third parties and retail in an effort to maximize sale prices and have access to an array of sales channels to dispose of vehicles in a timely manner. However, there are many factors that can affect the market for used vehicles. Vehicle purchases are typically discretionary for consumers and the market for used vehicles is subject to**

many economic factors, such as demand, consumer interests, inventory levels, pricing of new car models, interest rates, fuel costs, tariffs and other general economic conditions. Any combination of these factors can make it more difficult for us to successfully dispose of vehicles and optimize our fleet mix. Similarly, combinations of these factors may make our retail sales channels less capable of providing stable or desirable vehicle prices compared to the wholesale disposition channels. If we are unable to sell vehicles at our preferred times and through our preferred channels, it may adversely affect our results of operations, financial condition, liquidity and cash flows. Our vehicle carrying costs, customer service scores and ability to dispose of vehicles at acceptable prices and times may be negatively impacted if we lengthen the age of our fleet. In recent years, the average age of our fleet has become longer and the percentage of pre- owned vehicles in our fleet has grown, both as a result of a variety of factors, including COVID- 19 related supply chain challenges, greater customer acceptance of higher mileage vehicles, our strategic revenue initiatives (such as ride share and reinvigoration of our value brands), and choices that we make in light of residual value dynamics at any given time. However, aged vehicles present additional risks to our operations, including the risk of higher maintenance costs while in the fleet and lower customer satisfaction scores. In addition, it may be more difficult for us to sell a highly aged vehicle at reasonable prices, or through our preferred retail channels, or at the time that we prefer. Our inability to rotate aged vehicles for newer vehicles may have an adverse effect on our results of operations, financial condition, liquidity and cash flows. Our business, results of operations and financial condition are dependent on the efficient operation of a complex global supply chain. Disruption in that supply chain may adversely affect our ability to service demand, or do so efficiently. Our supply chain, particularly with respect to access to new vehicles, is complex and reliant on raw goods and finished materials that are obtained from or manufactured by many different market participants, both within and outside the U. S. In addition to lingering impacts from the COVID- 19 pandemic, the global automotive supply chain has been negatively impacted by the military conflict between Russia and Ukraine. Governments in the U. S., United Kingdom, and European Union have each imposed export controls on certain products and financial and economic sanctions on certain industry sectors and parties in Russia. Shortages in materials and increased costs for transportation, energy, and raw ~~material~~ **materials** , particularly with respect to raw materials extracted from, or components produced in, Russia and / or Ukraine, which are important to the vehicle manufacturing industry **,** including the production of **EV** ~~electric vehicle~~ batteries, can impact vehicle production volumes, delivery schedules and costs. In addition, the global supply chain can be impacted by logistics provider capacity issues, ~~inflation~~ **inflationary pressures** , increased freight costs, depleted inventory levels, labor shortages and demand peaks. As a result of the foregoing **and other** factors, various automotive manufacturers have been forced to delay or stall new vehicle production in recent years, which caused limitations in supply and delays in us receiving new vehicles. These conditions may continue, or other global and regional supply chain disruptions may in the future cause similar issues. Consequently, there is no guarantee that we will be able to purchase a sufficient number of new vehicles at competitive prices and on competitive terms and conditions to fulfill demand or to do so efficiently. The ~~ability~~ **failure of a manufacturer of our program vehicles** to **fulfill** ~~attract and retain front- line employees and senior management is~~ **its obligations under a repurchase** ~~critical to the success of our~~ - **or** ~~business. The success of our business depends~~ **guaranteed depreciation program could expose us to losses** on ~~the~~ **those** ~~efforts and abilities~~ **program vehicles. If any manufacturer** of **our program vehicles does not fulfill its obligations under its repurchase** ~~our~~ - **or guaranteed depreciation agreement** ~~ability to hire and retain enough front- line employees and our senior management and other key personnel~~ with **us** ~~the necessary skills to meet demand. We develop and maintain a talent management strategy that defines current and future talent requirements (e. g.~~ , ~~experience~~ **whether due to default** , ~~skills~~ **reorganization** , **bankruptcy** ~~location requirements, timing, etc.) based on our~~ - **or** ~~strategic direction, actively conduct talent reviews and succession planning to be prepared if executives, managers or other key personnel resign, retire or their service is~~ otherwise ~~interrupted~~ , ~~and~~ **then** we ~~strive~~ **would have** to ~~maintain competitive compensation and~~ **dispose of those program vehicles without receiving the** benefits **of the associated repurchase** ~~, employee development and retention~~ programs ~~and build an inclusive culture. However, the labor market has undergone significant change in the wake of the COVID- 19 pandemic. Competition for qualified employees is intense. Changing employee expectations about remote work and workplace flexibility complicate our employee recruiting, retention and talent management strategies~~ . In addition, ~~recent inflationary trends overall have driven market pressure~~ **we could be left with a substantial unpaid claim against the manufacturer with respect to program vehicles that were sold back to the manufacturer but not paid** for ~~increased wages~~ **, or that were sold for less than their agreed repurchase price or guaranteed value. The failure by a manufacturer to pay such amounts could cause a credit enhancement deficiency under our asset- backed and asset- based financing arrangements, requiring us to either reduce the outstanding principal amount of debt or provide more collateral (in the form of cash, vehicles and / or certain other contractual rights) to the creditors under any such affected arrangement** . If **one** ~~we do not succeed in building and maintaining our~~ - **or more manufacturers were to adversely modify** ~~talent pipeline through attracting and retaining qualified personnel, particularly at the management level, our~~ - **or eliminate repurchase** ~~ability to execute our~~ - **or** ~~business plan may~~ **guaranteed depreciation programs in the future, our access to and the terms of our asset- backed and asset- based debt financing could** be adversely affected, which could ~~harm~~ **in turn have a material adverse effect on** our ~~operating~~ results ~~or~~ **of operations,** financial condition **, liquidity and cash flows** . ~~In addition~~ **Manufacturer safety recalls could require costly and time- consuming repairs to our fleet. The Raechel and Jacqueline Houck Safe Rental Car Act of 2015 prohibits us from renting or selling vehicles with open federal safety recalls and requires us to repair or address these recalls. If a large number of vehicles are the subject of a recall at one time, or if needed replacement parts or skilled labor are not in adequate supply** , we may ~~find~~ **not be able to service all of our available demand for a significant period of time. The potential impact of a recall may be particularly severe if** it **impacts** ~~difficult to hire and retain~~ a ~~sufficient number~~ **model that comprises a significant proportion** of ~~qualified front- line employees~~ **our fleet, or parts that are common across numerous model types. These types of disruptions could jeopardize our ability** to ~~meet~~ **fulfill existing contractual**

commitments or satisfy demand **for** ~~at certain locations. Overall, the failure of~~ our **vehicles and** ~~talent management strategies~~ could **also** result in ~~inadequate staffing levels~~ **the loss of business to competitors whose fleets are not similarly impacted. Depending on the severity of any recall** , ~~declines in~~ **it could materially adversely affect, among other things, our revenues, create** customer ~~satisfaction~~ **service problems** , ~~an~~ **present** ~~inability~~ - **liability claims** ~~to execute our business plan~~ , ~~eroding employee morale and productivity,~~ **reduce the residual value of the recalled vehicles** ~~an~~ **and harm our general reputation** ~~HERTZ GLOBAL HOLDINGS, INC~~ . ~~AND SUBSIDIARIESTHE HERTZ CORPORATION AND SUBSIDIARIESITEM 1A. RISK~~ **RISKS RELATED TO OUR BUSINESS** ~~FACTORS (Continued) increase in operating expenses or an inability to achieve internal control, regulatory or other compliance- related requirements.~~ Our vehicle rental business is particularly sensitive to reductions in the levels of business and leisure travel. The vehicle rental industry is particularly affected by changes in the demand for business and leisure travel, especially with respect to levels of airline passenger traffic. Reductions in levels of air travel, whether caused by general economic conditions including inflation, higher airfare costs or other events such as work stoppages, military conflicts, terrorist incidents, civil unrest, ~~cyber security~~ **cybersecurity** incidents, natural disasters, epidemic or pandemic diseases **, government shutdowns** , recessions or other economic or labor market downturns, or the response of governments to any of these events, could have a material adverse effect on the demand for vehicle rentals overall and for our rental vehicles in particular. For example, business and leisure travel were significantly adversely affected in all global markets by the COVID- 19 pandemic and the unprecedented measures taken by governments and businesses in response resulted in a material adverse effect on our results of operations, financial condition, liquidity and cash flows. Some categories of travel, such as business travel, have not yet returned to pre- pandemic levels. Resurgence of the COVID- 19 virus or variants thereof, or other global or regional health crises, could have similar impacts. Similarly, the COVID- 19 pandemic resulted in a significant increase in the use of conferencing and collaboration technology for business, as well as greater shifts to remote work and essential- only travel. A continuation of these trends could result in a prolonged decrease in demand for business- related travel, which could materially and adversely affect demand for our rental vehicles for business travel over the long- term. In addition to being impacted by broad- based travel trends, our results of operations and financial condition are impacted by more local trends. We derive significant revenues from key leisure destinations, including **California,** Florida, ~~California, Texas,~~ Hawaii ~~and~~ **,** New York **and Texas** in the U. S. and major cities in Europe. Travel to leisure destinations is dependent upon the ability and willingness of consumers to travel on vacation, which in turn is impacted by a variety of factors, including weather and climate- related events, geopolitical dynamics in a location and the effect of economic cycles on consumers' discretionary travel. Uncertainty in overall consumer sentiment in the current economic environment, coupled with military conflicts **,** such as between Russia and Ukraine, may adversely affect leisure travel to certain key markets, and thus have a negative impact on our business **.** Our business is highly seasonal and any occurrence that disrupts rental activity during our peak periods could materially adversely affect our results of operations,financial condition,liquidity and cash flows.The second and third quarters of the year have historically been the strongest quarters for our vehicle rental business due to increased levels of leisure travel during the summer months in the geographies where we generate most of our revenue.We seek to manage seasonal increases in demand by increasing our available fleet and staff during peak periods,but we may not always be successful in doing so.Any circumstance,occurrence or situation that disrupts rental activity during our peak periods,or our inability to effectively meet heightened demand in those periods,could have a **materially adverse effect** ~~significant and disproportionate impact~~ on our ~~revenue~~ **results of operations,financial condition,liquidity and cash flows** .We may be unable to accurately estimate future levels of rental activity and adjust the number,location and mix of vehicles used in our rental operations accordingly.Vehicle costs typically represent our largest expense and vehicle purchases are often made weeks or months in advance of the expected use of the vehicle.Accordingly,our business is dependent upon the ability of our management to accurately estimate future levels of rental activity and consumer preferences with respect to the mix of vehicles used in our rental operations and the location of those vehicles.If we are unable to purchase a sufficient number of vehicles,or the right types of vehicles,to meet consumer demand,we may lose revenue or market share to our competitors.If we purchase too many vehicles,our Vehicle Utilization could be adversely affected and we may not be able to dispose of excess vehicles in a timely and cost- effective manner.If our fleet management systems are unable to accurately estimate future levels of rental activity and determine the appropriate mix of vehicles to purchase and maintain in our rental operations,the results may be obsolescence and excessive aging of fleet,the inability to sell fleet at adequate prices,sub- optimal fleet size and utilization,increased fleet costs,lower customer satisfaction,lost or missing fleet assets,reduced margins and cash flows and other unfavorable consequences **,** which may materially adversely affect our results of operations,financial condition,liquidity and cash flows. **Our EV** ~~We are implementing a~~ strategy ~~that focuses on increasing our use of EVs in our fleet,which~~ may not be as successful as we anticipate.We ~~are embarking~~ **have an EV strategy focused** on **electrification and advancing mobility** ~~a strategy that includes significantly expanding our EV rental fleet~~ .There are a number of risks associated with ~~expanding~~ our EV ~~fleet~~ **strategy** ,including but not limited to the following:• **Volatility in** ~~Our ability to secure adequate vehicle supply within~~ the ~~time frame we~~ **pricing of new EVs by manufacturers** , ~~and~~ **which can impact the residual values of EVs in** our **fleet** ~~customers,expect~~ ;• The timeline for the build out of the charging infrastructure that is needed to fully support an increase in EVs generally for the public,our ability to facilitate access to that infrastructure for our customers,and our ability to develop our own charging infrastructure;• Demand for EVs **,** which may be impacted by customer sentiment regarding EVs overall,including with respect to the reliability and safety of EVs and access to charging infrastructure;• **The frequency of damage and collision to EVs,which may be impacted by lack of familiarity by drivers;• Our ability to successfully deploy EVs to ride share drivers;•** Costs associated with maintaining or repairing EVs and related infrastructure **,which may remain elevated until the market for labor and parts for EV and EV infrastructure repair and maintenance matures** ;• ~~The~~ **Our ability to secure adequate EV supply within the time frame we,and our customers,expect;• Our** ability to attract,retain and train talent that is capable of managing an EV fleet;• Risks related to the battery cells on which EVs depend,including the safety of such products and the associated need to maintain and significantly grow access to battery cells and raw materials;• Risks related to the data connectivity and the technology upon which the success of these initiatives will rely,such as risks of unauthorized access to modify or use such technology;and • Possible competition from other vehicle rental providers or mobility industry participants that may implement similar strategies and the possibility that our EV initiatives are not as **successful with** ~~well- received by~~ our consumer base as anticipated.Moreover,although we are sourcing EVs from a growing number of manufacturers,in the near term **,** we remain exposed to a number of risks related to the potential concentration of EV makes and models in our fleet,including the risk that a malfunction,recall or lack of availability of replacement parts **or skilled labor** for a particular EV make and model could have an outsized impact on our ability to offer EVs,or that demand from our customers for the particular EVs we acquire may be lower than we anticipate.We ~~have~~ **generally believe that demand for EVs by ride share drivers is** a **growth opportunity,** ~~partnership with Uber to make Tesla EVs available for their drivers to rent on the Uber network in North America~~ and ~~Europe.The success~~ **that,as a result,ride share rentals are a key element** of **our electrification strategy and also subject to** ~~this initiative will be dependent in part on~~ the factors described above **.Furthermore,the success of our ride share rentals are dependent on continuation of our partnerships with key ride share companies,and any disruption or termination of those partnerships could materially adversely affect ride share rentals and our overall EV strategy** .In addition,the success of our strategic initiatives related to EVs depends,in part,on the economics ultimately associated with EVs,including depreciation rates and residual values of EVs and the cost of financing EVs,which will impact the attractiveness of our EVs to **us and** our customers.These economics are evolving due to the developing nature of the EV market.Outcomes associated with these economic factors could materially impact the success of such initiatives. **In December 2023,we made the decision to significantly reduce the size of our global EV fleet and initiated EV vehicle dispositions,which are expected to take place over the course of 2024.Our decision to reduce our EV fleet resulted in the recognition,during the fourth quarter of 2023,of $ 245 million of incremental net depreciation expense related to the sale.While we expect that this action will better balance supply against expected demand of EVs,position us to eliminate a disproportionate number of lower margin rentals and reduce collision and damage expense associated with EVs,as well as ultimately improve our financial results,we cannot guarantee that we will be able to execute EV dispositions so that the expected benefits of this action will materialize.** If we do not adequately address potential risks related to EVs,our ~~future revenue potential~~ **results of operations,financial condition,liquidity and cash flows** may be **adversely** impacted and our ability to pursue our EV initiatives could be compromised.We may fail to adequately respond to changes in technology that are impacting the mobility industry.The mobility industry has recently been characterized by rapid changes in technology innovation and deployment to address evolving customer demands,improve operational efficiency and disrupt competitive dynamics.Examples include technology solutions designed to:address increasing customer expectations **,** ~~improving~~ **improve** vehicle maintenance and utilization and enable traditional and non- traditional competitors to introduce transportation offerings,consumption models and vehicle platforms,including EVs and autonomous vehicles and other potentially disruptive technologies.Our ability to continually improve our technology platforms,processes and products in this environment is essential to maintain a competitive position in customer satisfaction,market share and cost structure.Due to natural complexity in technology innovation,potentially high costs of certain initiatives,and the competition for talent in the technology space,we may experience technical or other difficulties that could delay or prevent the development,introduction or marketing of new products or enhanced product offerings.These challenges related to emerging technology may result in loss of competitive differentiation,margin erosion,declining market share,inability to achieve our strategic initiatives,inefficient or outdated service delivery platforms,inability to attract or retain key talent and other unfavorable consequences that may materially adversely affect our results of operations,financial condition,liquidity and cash flows ~~.The mix of program and non- program vehicles in our fleet,as well as declining values of our non- program vehicles,can subject us to an increased residual value risk.We use program and non- program vehicles in our fleet.With program vehicles,vehicle manufacturers agree to repurchase the vehicles at a specified price or guarantee the depreciation rate on the vehicles during a specified time period.Using program vehicles in our fleet can often alleviate our residual value risk because of the terms of our agreements with the vehicle manufacturer for repurchases and guaranteed depreciation on those vehicles.Additionally,program vehicles provide flexibility because we may be able to sell certain program vehicles shortly after having acquired them at a higher value than what we could for a similar non- program vehicle at that time,which is useful in managing demand for vehicles.These benefits diminish when there are fewer program vehicles in our fleet.The significant majority of vehicles in our fleet are non- program vehicles.We sell our non- program vehicles through a variety of channels,including auction,dealer direct wholesale,direct sales to third parties and retail.As a result of the factors that can affect the market for used vehicles described below,our retail sales channels may not provide stable or desirable vehicle prices in the future compared to the wholesale disposition channels.For non- program vehicles,there is an increased risk that the~~ . We face intense competition that may lead to downward pricing or an inability to increase prices. We believe that price is one of the primary competitive factors in the vehicle rental market and various factors beyond our control may prevent us from pricing our offerings at a level that we believe is appropriate for the quality and service we offer, or that is necessary to fund reinvestments in innovative offerings for customers. Technology has enabled cost- conscious customers, including business travelers, to compare rates available from rental companies more easily, and for competitors to monitor our pricing decisions in real time. Our competitors, some of whom may have greater resources and better access to capital than us, may seek to reduce prices in order to, among other things, attempt to gain a competitive advantage, capture share in a particular geography or class of rental, or compensate for declines in rental activity. Additionally, pricing in the vehicle rental industry is impacted by the supply of vehicles available for rent. Any significant fluctuations in the supply of rental vehicles available in the market due to unexpected changes in demand, supply chain disruptions, **residual value declines** or actions taken by our competitors could require us to make changes to our pricing. Our ability to compete effectively depends, in part, on our ability to maintain a competitive and agile cost structure. If we cannot maintain our costs at a competitive level and with the ability to adapt to changing circumstances, then our business could be materially adversely affected. We also compete with non-traditional companies for vehicle rental market share, including auto manufacturers, ride- hailing and car sharing companies and other competitors in the mobility industry. To the extent we do not react appropriately to our competition or optimize our revenue and pricing strategies to react to the actions of these competitors, we may experience sub- optimal pricing, sub- optimal asset utilization, poor customer satisfaction, lost revenue and other unfavorable consequences which may materially adversely affect our revenues and results of operations, financial condition, liquidity and cash flows. Our business is highly seasonal and any...... vehicles and harm our general reputation. We rely on third- party distribution channels for a significant amount of our revenues **and adverse changes in our access to, prominence within, cost to participate in, or volume delivered pursuant to these distribution channels could have a material adverse effect on our business** . Third- party distribution channels account for a significant amount of our vehicle rental reservations. These third- party distribution channels include traditional and online travel agencies, third- party internet sites, airlines and hotel companies, marketing partners such as credit card companies and membership organizations and global distribution systems that allow travel agents, travel service providers and customers to connect directly to our reservations systems. Loss of access to or prominence within any of these channels, changes in pricing or commission structures or other terms within these channels, or a reduction in transaction volume through these channels could have a material adverse effect on our financial condition or results of operations, liquidity and cash flows, particularly if our customers are unable to access our reservation systems through alternate channels. If our customers develop loyalty to internet travel intermediaries rather than our brands, our ~~financial results may suffer~~ **business and revenues could be adversely affected** . Certain internet travel intermediaries, such as online travel agencies and third- party internet sites, use generic indicators of the type of vehicle (such as " standard " or " compact ") at the expense of brand identification. In addition, some intermediaries have launched their own loyalty programs to develop loyalties to their reservation system rather than to our brands. If the volume of sales made through internet travel intermediaries increases significantly and consumers develop stronger loyalties to these intermediaries than to our brands, or if our market share suffers due to lower levels of customer loyalty, our business and ~~revenues~~ **our results of operations, financial condition, liquidity and cash flows** could be adversely affected. Our commercial off airport leases and airport concession agreements expose us to **numerous** risks **that could cause our financial results to suffer** . We maintain a substantial network of vehicle rental locations at off airport and airport locations in the U. S. and internationally. If we are unable to continue operating these facilities at their current locations due to the termination of leases or the termination of vehicle rental concessions at airports, which comprise a majority of our revenues, our operating results could be adversely affected. These leases and concession agreements typically include minimum payment obligations that are required even if our volume significantly declines **,** which could increase our costs as a percentage of revenues. In addition, if the costs of these leases and / or concession agreements increase and we are unable to increase our pricing structure to offset the increased costs, our **results of operations,** financial ~~results~~ **condition, liquidity and cash flows** could ~~suffer~~ **be adversely affected** . Maintaining favorable brand recognition is essential to our success, and failure to do so could materially adversely affect our business. Our business is heavily dependent upon the favorable brand recognition that our " Hertz ", " Dollar " and " Thrifty " brand names have in the markets in which they participate. Factors affecting brand recognition are often outside our control, and our efforts to maintain or enhance favorable brand recognition, such as marketing and advertising campaigns, may not have their desired effects. Negative claims or publicity regarding, among other things, our Company or our operations, offerings, practices, or customer service may damage our brands or reputation, even if such claims are untrue. In addition, although our licensing partners are subject to contractual requirements to protect our brands, it may be difficult to monitor or enforce such requirements, particularly in foreign jurisdictions, and various laws may limit our ability to enforce the terms of these agreements or to terminate the agreements. Any decline in perceived favorable recognition of our brands or damage to our reputation could materially adversely affect our results of operations, financial condition, liquidity and cash flows. **RISK RELATED TO OUR EMPLOYEES The ability to attract and retain front- line employees and senior management is critical to the success of our business. The success of our business depends on our ability to hire and retain front- line employees, senior management and other key personnel in sufficient numbers and with the necessary skills to meet demand. We develop and maintain a talent management strategy that defines current and future talent requirements (e. g., experience, skills, location requirements, timing, etc.) based on our strategic direction, actively conduct talent reviews and succession planning to be prepared if executives, managers or other key personnel resign, retire or their service is otherwise interrupted, and we strive to maintain competitive compensation and benefits, employee development and retention programs and build an inclusive culture. Competition for qualified employees is intense, particularly with respect to technology roles that are critical to our strategic and IT initiatives. Changing employee expectations about remote work and workplace flexibility complicate our employee recruiting, retention and talent management strategies. In addition, recent inflationary trends overall have driven market pressure for increased wages, and declines in our share price have impacted the retention value of existing equity awards. If we do not succeed in building and maintaining our talent pipeline through attracting and retaining qualified personnel, particularly at the management level, our ability to execute our business plan may be adversely affected, which could harm our operating results or financial condition. In addition, we may find it difficult to hire and retain a sufficient number of qualified front- line employees to meet demand at certain locations. Overall, the failure of our talent management strategies could result in inadequate staffing levels, declines in customer satisfaction, an inability to execute our business plan, eroding employee morale and productivity, an increase in operating expenses or an inability to achieve internal control, regulatory or other compliance- related requirements.** We may face issues with our union- represented employees. Active labor contracts covering the terms of employment for the Company' s union- represented employees in the U. S. are presently in effect, many of which cover employees at our larger airport locations, primarily with the International Brotherhood of

Teamsters and the International Association of Machinists. These contracts are renegotiated periodically, and we anticipate renegotiating labor contracts with approximately ~~32~~ **45** % of these employees in ~~2023~~ **2024** . Failure to negotiate a new labor agreement when required could result in a work stoppage. Although we believe that our labor relations have generally been good, it is possible that we could become subject to additional work rules imposed by agreements with labor unions, or that contract extensions, work stoppages or other labor disturbances could occur in the future. In addition, our non- union- represented workforce has been subject to unionization efforts in the past, and we could be subject to future unionization, which could lead to increases in our operating costs and / or constraints on our operating flexibility. RISKS RELATED TO INFORMATION TECHNOLOGY, ~~CYBER SECURITY~~ **CYBERSECURITY** AND PRIVACY ~~Cyber security~~ **Cybersecurity** threats continue to increase in frequency and sophistication, and a successful ~~cyber security~~ **cybersecurity** attack could interrupt or disrupt our information technology systems, or those of our third- party service providers, which could, among other things, disrupt our business, force us to incur costs or cause reputational harm. We encounter continuous risk of exposure to cyber attacks and other security threats to our information networks and systems **, as well as those of our third- party service providers,** and the information stored on those networks and systems. Cyber attacks are increasing in their frequency, sophistication and intensity, have become increasingly difficult to detect, and may be exacerbated at any time by escalation of geopolitical tensions. Cyber attacks vary in their form and can include the deployment of harmful malware or ransomware, denial- of- services attacks, and other attacks, ~~all of~~ which are intended to affect business continuity and threaten the availability, confidentiality and integrity of our information. Cyber attacks can also include **fraud,** phishing **or other social engineering** attempts or other methods to cause confidential information, payments or other data to be transmitted to an unintended recipient ~~. Cyber threats can have an external or internal origin~~ . Cyber threat actors also attempt to exploit vulnerabilities through software that is commonly used by companies in cloud- based services, programs and bundled software. Like many other companies, we detect attempts by ~~third parties~~ **threat actors** to gain access to our systems and networks on a frequent basis, and the frequency of such attempts could increase in the future. At this time, we do not ~~believe~~ **have any indication** that any ~~such attempts~~ **cybersecurity incidents** have had a material effect on our business, operations or financial condition. We have invested in the protection of data and information technology, and actively work to enhance our business continuity and disaster recovery capabilities ~~to ensure resilience~~ ; however, there can be no assurance that our efforts will be successful. We monitor our obligations under and compliance with global laws requiring information security safeguards and notification in the event of a security breach. We respond to ~~potential~~ security ~~issues~~ **threats** by utilizing procedures that provide for controls on detecting and addressing ~~cyber security~~ **cybersecurity** threats and communicating information to senior personnel and security representatives that we retain. We have also taken steps to **assess** ~~address cyber security~~ **cybersecurity** ~~threats~~ at third parties **, including service providers, licensees and franchisees,** that handle, possess, process and store our **material** information ~~to mitigate the potential risk to us, including both service providers and licensee and franchisee~~ . **We** ~~Such measures include contractually requiring~~ **require** ~~the~~ **these** third parties to maintain certain ~~data~~ security controls. However, because of the rapidly changing nature and sophistication of security threats, which can be difficult to detect, there can be no ~~assurance~~ **guarantee** that our controls, policies and procedures have or will detect or prevent all of these threats, and we cannot predict the full impact of any past or future incident. ~~Any~~ **A cyber attack of our information or systems, or any** failure by us **or our third- party service providers** to effectively address, enforce and maintain our information technology infrastructure and ~~cyber security~~ **cybersecurity** requirements may result in substantial harm to our business **and financial condition** , including major disruptions to business operations, loss of intellectual property, release of confidential information, malicious corruption of data **or systems, costs related to remediation or the payment of ransom, and litigation including individual claims or consumer class actions, administrative, and civil or criminal investigations or actions** , regulatory intervention and sanctions or fines, investigation and remediation costs and possible prolonged negative publicity. ~~Additionally~~ **Our customers' information** , **including their loyalty account login information, can be a target for cyber criminals. Given customers may share common credentials across multiple sites, a compromise of one site can provide cyber criminals the means to compromise customer accounts of other merchants and any customer information contained therein.** ~~although~~ **Although** we maintain **a cyber** insurance **policy, there** ~~coverage to address cyber security events that we believe~~ is ~~adequate for our business, there can be~~ no ~~assurance~~ **guarantee** that such ~~insurance~~ **coverage** will **be sufficient to address costs, liabilities and damages we may incur in connection with a cybersecurity incident or that such** ~~cover~~ **coverage** ~~substantially~~ **will continue to be available on commercially reasonable terms or at** all ~~situations and all our potential costs and expenses related to cyber security incidents that may happen in the future~~ . Our business is heavily reliant upon information technology systems, some of which are managed, hosted, provided or used by third parties, including cloud- based service providers, and any significant failures or disruptions to these systems could adversely impact our business. Our ability to, among other things, accept reservations, process rental and sales transactions, manage our pricing, manage our revenue earning vehicles, manage our financing arrangements, account for our activities and otherwise conduct our business ~~is dependent~~ **depends** on the performance and availability of our networks and systems, as well as those of third- party cloud **- based providers and other service** providers. We have experienced, and from time to time in the future may experience, a failure or interruption that results in the unavailability of certain information systems. Additionally, our major information technology systems, reservations and accounting functions are centralized in a few locations worldwide. Any disruption, termination or substandard provision of services, including by third- party cloud providers **or other service providers** , whether as the result of localized conditions (e. g., fire ~~,~~ **or** explosion ~~or hacking~~), failure of our systems to function as designed, **as the result of a cybersecurity incident** or as the result of events or circumstances of broader geographic impact (e. g., earthquake, storm, flood, epidemic, strike, act of war, civil unrest or terrorist act), could materially adversely affect our business by disrupting normal reservations, customer service, accounting and technology functions; interfering with our ability to manage our vehicles; delaying or disrupting rental and sales processes; adversely affecting our ability to comply with our financing arrangements; and otherwise impacting our ability to manage our business. These events could, individually or in the aggregate, lead to lower revenues, increased costs or other **adverse** effects on our results of operations, financial condition, liquidity and cash flows, **and reputational harm, any of** which may be material. If we fail to maintain, upgrade and consolidate our information technology systems, our business could be adversely affected. In the ordinary course of our business, we evaluate, upgrade and consolidate our **information technology** systems, including by making changes to legacy systems, replacing legacy systems with successor systems with new functionality, outsourcing certain systems, and acquiring new systems with new functionality. We deploy significant capital expenditures in connection with these activities. If we fail to maintain ~~comprehensive~~ **effective** technology enablement and ~~effective~~ processes, we may be unable to support business growth expectations, and such failure could result in excessive overhead costs, high rates of transaction failures and rework, detrimental impact to customers **, cybersecurity threats or incidents** , excessive write- offs, service quality issues, declining employee morale, loss of key talent and other unfavorable consequences. If we fail to effectively implement system upgrades, system changes or our outsourcing plans, we may negatively impact our ability to manage our business, disrupt our internal control structure, incur additional administration and operating expenses, place undue demands on management time, and experience other negative impacts associated with delays or difficulties in transitioning to new systems. ~~These~~ **Although we have made progress to reduce the number of aged systems, such** risks are elevated when legacy systems and infrastructure updates are delayed or otherwise not made on a timely basis, which can result in a heightened security risk. In addition, the implementation of our technology initiatives and systems, including updates to legacy systems, may cause disruptions in our business operations by severely degrading performance or a complete loss of service and have an adverse effect on our business and operations if not anticipated and appropriately mitigated. The misuse or theft of information we possess, including as a result of ~~cyber security~~ **cybersecurity** ~~breaches~~ **attacks** , could harm our brand, reputation or competitive position and give rise to liabilities which may materially adversely affect our results of operations, financial condition, liquidity and cash flows. In the normal course of business, we regularly collect, process and store ~~non- public~~ information about millions of individuals and businesses, including both **payment** ~~credit and debit~~ card information and other sensitive and confidential personal information. In addition, our customers regularly transmit **personal information and other** sensitive and confidential information to us via the internet and through other electronic means. Despite the security measures and compliance programs we currently maintain and monitor, our facilities, vehicles and systems and those of our third- party service providers may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Unauthorized parties may also attempt to gain access to our facilities or systems, or those of third parties with whom we do business, through fraud, misrepresentation, or other forms of deception **or attack** . We and our service providers may not anticipate or prevent all types of attempts to obtain unauthorized access, and techniques used to obtain unauthorized access to systems change frequently. For example, in recent years, many companies have been subject to high- profile security breaches that involved sophisticated and targeted attacks on the company' s infrastructure and the compromise of non- public sensitive and confidential information. These attacks were often not recognized or detected until after the disclosure of sensitive information notwithstanding the preventive and anticipative measures the companies had maintained. ~~While~~ **Although** we ~~work to continuously~~ evaluate our security throughout our business and make appropriate changes to our operating processes, improve our defenses and implement security measures designed to safeguard our systems and data, our efforts may not meet the ever evolving level of sophistication of the attacks or our measures may not be sufficient to maintain the confidentiality, security, or availability of the data we collect, store, and use to operate our business. Additionally, any failure to manage information privacy in compliance with applicable laws, whether as a result of our own error or the error or malfeasance of others, could result in **significant** regulatory fines and sanctions, litigation, prolonged negative publicity, data breaches, declining customer confidence, loss of key customers, employee liability, and other unfavorable consequences. We may face particular data protection, data security and privacy risks in connection with the European Union' s Global Data Protection Regulation, the California Consumer Privacy Act and other privacy laws and regulations. Our business requires the secure processing and storage of personal information relating to our customers, employees, business partners and others. Strict data privacy laws regulating the collection, transmission, storage and use of employee data and consumers' ~~personally~~ -- **personal** ~~- identifying~~ information are continuously evolving in the European Union, U. S. and other jurisdictions in which we operate. In particular, the European Union' s General Data Protection Regulation (the " GDPR ") imposes compliance obligations for the collection, use, retention, security, processing, transfer and deletion of personally identifiable information of individuals. In addition, countries such as the United Kingdom have implemented the GDPR through their own legislation, for example, the UK Data Protection Act of 2018. Privacy laws in the U. S. include the California Consumer Privacy Act (the " CCPA "), as amended, **as well as other similar state privacy laws,** which ~~expands~~ - **expand** the definition of personal information and **may** ~~grants~~ - **grant** , among other things, individual rights to access and delete personal information, and the right to opt out of the sale of personal information. These laws and regulations can also impose significant forfeitures and penalties for noncompliance and afford private rights of action to individuals under certain circumstances. We actively monitor compliance with data protection and privacy- related laws and other regulations, including pending legislation, in the jurisdictions we operate; however, these laws are developing rapidly and may create inconsistent or conflicting requirements. Changes in the legal and regulatory environments in the areas of customer and employee privacy, data security, and cross- border data flows could have a material adverse effect on our business, primarily through the regulation of our marketing and transaction processing activities, the limitation on the types of information that we may collect, process and retain, the resulting costs of complying with such legal and regulatory requirements and potential monetary forfeitures and penalties for noncompliance, which could be significant. Such regulations also may increase our compliance and administrative burden significantly and require us to invest resources and management attention in order to update our information technology systems to meet new requirements **. Any failure to manage data privacy in compliance with applicable laws and regulations could result in significant regulatory fines and sanctions, litigation, prolonged**

negative publicity, data breaches, declining customer confidence, loss of key customers, employee liability, and other unfavorable consequences . RISKS RELATED TO LEGAL, REGULATORY AND TAX MATTERS Our foreign operations expose us to risks that may materially adversely affect our results of operations, financial condition, liquidity and cash flows. We generate a portion of our revenue outside the U. S. **, and** ~~Operating~~ **operating** in many different countries exposes us to varying risks, which include: (i) multiple, and sometimes conflicting, foreign regulatory requirements and laws that are subject to change and are often much different than the domestic laws in the U. S., including laws relating to taxes, automobile- related liability, insurance rates, insurance products, consumer privacy, data security, employment matters, cost and fee recovery, and the protection of our trademarks and other intellectual property; (ii) the effect of foreign currency translation risk, as well as limitations on our ability to repatriate income; (iii) varying tax regimes, including consequences from changes in applicable tax laws and our ability to repatriate cash from non- U. S. affiliates without adverse tax consequences; (iv) local ownership or investment requirements, as well as difficulties in obtaining financing in foreign countries for local operations; ~~and~~ (v) **changes in the proportion of revenue between countries with varying tax rates or imposition of global minimum tax rates; and (vi)** political and economic instability, natural calamities, **civil unrest,** war, ~~and~~ terrorism **and other hostilities** . The effects of these risks may, individually or in the aggregate, materially adversely affect our results of operations, financial condition, liquidity and cash flows. The disposition of revenue earning vehicles may result in taxable income **,** which might not be fully offset by the taxable expense associated with newly purchased revenue earning vehicles. We are permitted under the Tax Cuts and Jobs Act (the “ TCJA ”) to expense, in the year of acquisition, 100 % of the acquisition costs ~~in the year of acquisition~~ for vehicles purchased during the years 2017 through 2022. The TCJA reduces the expensing percentage ratably by 20 % each year **between** 2023 ~~through~~ **and** 2027. This reduction could result in tax depreciation and expensing of newly purchased vehicles that are significantly less than the tax cost associated with the disposition of vehicles. In addition, vehicles purchased using certain financing arrangements are not eligible for this accelerated depreciation election. If we choose to purchase vehicles using such financing arrangements, or if our existing financing arrangements are deemed not to qualify under the Code, our ability to claim accelerated expensing would be limited. Further, a material and extended reduction in vehicle purchases by our U. S. vehicle rental business, for any reason, would similarly limit the amount of tax expense available to offset the tax cost associated with the disposition of vehicles. Any of the foregoing developments could result in the requirement for us to make future material cash tax payments on the disposition of revenue earning vehicles, which could materially adversely affect our results of operations, financial condition, liquidity and cash flows. Our ability to utilize our net operating loss carryforwards (“ NOLs ”) may be limited as a result of ownership change under Section 382 of the Code. In general, Section 382 of the Code provides an annual limitation with respect to the ability of a corporation to utilize its NOLs and other tax attributes, as well as certain built- in- losses (" BILs"), against future taxable income in the event of a change in ownership. Limitations imposed on our ability to use NOLs, other tax attributes and BILs to offset future taxable income may cause U. S. federal income taxes to be paid earlier than otherwise would be paid if such limitations were not in effect and could cause such NOLs and other tax attributes to expire unused. Similar rules and limitations may apply for state and foreign income tax purposes. If we experience an ownership change, it is possible that a significant portion of our tax attributes could be limited for use to offset future taxable income. We face risks related to liabilities and insurance. Our businesses expose us to claims for personal injury, death and property damage resulting from the use of the vehicles rented or sold by us, and for employment- related injury claims by our employees. We are currently a defendant in numerous actions and have received numerous claims for which actions have not yet been commenced for public liability and property damage arising from the operation of motor vehicles rented from us. ~~We generally self- insure up to $ 10 million per occurrence globally and we retain insurance coverage in excess of retentions in amounts we deem prudent.~~ There can be no assurance that we will not be exposed to uninsured liability at levels in excess of our historical levels, that liabilities in respect of existing or future claims will not exceed the level of our insurance or reserves, that we will have sufficient capital available to pay any uninsured claims or that insurance with unaffiliated carriers will continue to be available to us on economically reasonable terms or at all. See Item 1, “ Business- Insurance and Risk Management ” and Note ~~15~~ **14** ," Contingencies and Off- Balance Sheet Commitments," ~~to the Notes to our consolidated financial statements included~~ in **Part II, Item 8 of** this ~~2022~~ **2023** Annual Report ~~under~~ **. In addition to litigation associated with our ongoing operations, we are a defendant in certain litigation related to our Chapter 11 Cases, including** the **case adversary proceeding** ~~caption~~ **captioned Wells Fargo Bank, National Association v. The Hertz Corporation, et. al. See Note 14," Contingencies and Off- Balance Sheet Commitments," in Part II,** Item 8 **of this 2023 Annual Report. We cannot predict the ultimate outcome or timing of this litigation** , ~~‘ ‘~~ **however, in light of the amount potentially at issue in the case, an adverse ruling by the U. S. Court of Appeals for the Third Circuit, followed by entry of an order of judgment, could have a material adverse impact on the Company’ s** ~~Financial~~ **financial** ~~Statements~~ **condition, results of operations or cash flows, particularly in the period in which** ~~and~~ - **an** ~~Supplementary Data~~ **adverse judgment is entered** . ~~”~~ Environmental laws and regulations and the costs of complying with them, or any liability or obligation imposed under them, could materially adversely affect our results of operations, financial condition, liquidity and cash flows. We are subject to federal, state, local and foreign environmental laws and regulations in connection with our operations, including with respect to the ownership and operation of tanks for the storage of petroleum products, such as gasoline, diesel fuel and motor and used oils. We cannot guarantee that the tanks will remain free from leaks or that the use of these tanks will not result in significant spills or leakage. If a leak or a spill occurs, it is possible that the costs to investigate and remediate resulting impacts, as well as any associated fines, could be significant. Historically, we have indemnified property owners for the costs associated with remediating certain hazardous substance storage, recycling or disposal sites and, in some instances, for natural resource damages. Compliance with existing or future environmental laws and regulations may require material expenditures by us or otherwise have a material adverse effect on our consolidated financial condition, results of operations, liquidity or cash flows. See Item 1, ‘ ‘ Business — Government Regulation and Environmental Matters’’ in this ~~2022~~ **2023** Annual Report. The U. S. Congress and other legislative and regulatory authorities in the U. S. and internationally have considered, and will likely continue to consider, **and passed** numerous measures related to climate change and greenhouse gas emissions **, such as the European Commission' s Corporate Sustainability Reporting Directive (" CSRD"), the SEC' s proposed climate disclosure requirements, the Climate Corporate Data and Accountability Act (" CCDAA ") and the Climate- Related Financial Risk Act (together with the CCDAA, the " California Climate Laws ")** . Should rules establishing limitations on greenhouse gas emissions or rules imposing fees on entities deemed to be responsible for greenhouse gas emissions become effective, demand for our services could be affected, our vehicle **and compliance** , and / or other, costs could increase, and our business could be adversely affected. Changes in the ~~U. S.~~ legal and regulatory environment that affect our operations could disrupt our business, increase our expenses or otherwise have a material adverse effect on our results of operations, financial condition, liquidity and cash flows. We are subject to a wide variety of U. S. **and international** laws and regulations and changes in the level of government regulation of our business **that** have the potential to materially alter our business practices and materially adversely affect our results of operations, financial condition, liquidity and cash flows. Those changes may occur through new laws and regulations or changes in the interpretation of existing laws and regulations. For example, any new, or change in existing, U. S. law and regulation with respect to optional insurance products or policies could increase our costs of compliance or make it uneconomical to offer such products. For further discussion regarding how changes in the regulation of insurance intermediaries may affect us, see Item 1, ' ' Business — Insurance and Risk Management' ' in this ~~2022~~ **2023** Annual Report. If customers decline to purchase supplemental liability insurance products from us as a result of any changes in these laws or otherwise, our results of operations, financial condition, liquidity and cash flows could be materially adversely affected. Also, we derive revenue through rental activities of our brands under franchise and license arrangements. These arrangements are subject to various international, federal and state laws and regulations that impose limitations on our interactions with our counterparties. In addition, the used- vehicle sale industry, including our network of company- operated retail vehicle sales locations, is subject to a wide range of federal, state and local laws and regulations, such as those relating to motor vehicle sales, retail installment sales and related finance and insurance matters, advertising, licensing, consumer protection and consumer privacy. Changes in the laws and regulations that impact our franchising and licensing agreements or our used- vehicle sales operation could adversely affect our results. In most jurisdictions where we operate, we pass- through various expenses, including the recovery of vehicle licensing costs and airport concession fees, to our rental customers as separate charges. We believe that our expense pass- throughs, where imposed, are properly disclosed and are lawful. However, in the event of incorrect calculations or disclosures with respect to expense pass- throughs, or a successful challenge to the methodology we have used for determining our expense pass- through treatment, we could be subject to fines or other liabilities. In addition, we may in the future be subject to potential legislative, regulatory or administrative changes or actions which could limit, restrict or prohibit our ability to separately state, charge and recover vehicle licensing costs and airport concession fees. Certain proposed or enacted laws and regulations with respect to the banking and finance industries, including the Dodd- Frank Wall Street Reform and Consumer Protection Act (including risk retention requirements) and amendments to the SEC' s rules relating to asset- backed securities, could restrict our access to certain financing arrangements and increase our financing costs, which could have a material adverse effect on our results of operations, financial condition, liquidity and cash flows. We are subject to many different forms of taxation in various jurisdictions throughout the world, which could lead to disagreements with tax authorities regarding the application of tax laws. We are subject to many forms of taxation in the jurisdictions throughout the world in which we operate, including, but not limited to, income tax, withholding tax, indirect tax, and payroll- related taxes. Tax law and administration are extremely complex and often require us to make subjective determinations. For example, in accordance with Section 482 of the Code and the **OECD** ~~Organization for Economic Cooperation and Development~~ guidelines, we have established transfer pricing policies to govern our intercompany operations. Implementing transfer pricing policies can be extremely complex. Tax authorities could disagree with our policies, which disagreements could result in lengthy legal disputes and, ultimately, the payment of substantial funds to government authorities, which could have a material adverse effect on our results of operations, financial condition, liquidity and cash flows. An impairment of our goodwill and other indefinite- lived intangible assets could have a material impact to our results of operations. On an annual basis as of October 1, and at interim periods when circumstances require as a result of a triggering event, we test the recoverability of our goodwill and indefinite- lived intangible assets by performing an impairment analysis. The reviews of fair value involve judgment and estimates, including projected revenues, projected cash flows, long- term growth rates, royalty rates and discount rates. A significant decline in any of the items used to determine fair value, as well as other triggering events, could result in a material impairment charge. For details of our annual impairment testing, see Note 5," Goodwill and Intangible Assets, Net," **in Part II, Item 8 of this 2023 Annual Report. Changes in management' s estimates and assumptions could have a material impact** to ~~the Notes to~~ our ~~consolidated~~ **results of operations, financial condition, liquidity and cash flows. In preparing our periodic reports under the Securities Exchange Act of 1934, including our** financial statements **, our management is required** ~~included in this 2022 Annual Report~~ under **applicable rules** ~~the caption Item 8," Financial Statements~~ and ~~Supplementary Data~~ **regulations to make estimates and assumptions as of a specified date** . ~~"~~ **These estimates and assumptions are based on management' s best estimates and experience as of that date and are subject to substantial risk and uncertainty. Materially different results may occur as circumstances change and additional information becomes known. Areas requiring significant estimates and assumptions by management include depreciation for revenue earning vehicles; accruals for estimated liabilities, including public liability, property damage and litigation reserves; the recoverability of our goodwill and indefinite- lived intangible assets; and income taxes. Changes in estimates or assumptions or the information underlying the assumptions, such as changes in our business or fleet plans or the market for used vehicles, or general market conditions, could affect reported amounts of assets, liabilities or expenses.** Our global business requires a compliance program to promote organizational adherence to applicable laws and regulations **, and if the compliance program does not operate as designed, it can increase numerous risks to the**

Company . We have a compliance program that promotes a culture of ethical behavior and adherence to applicable laws and regulations. The program is designed to **:** (i) identify applicable anti- bribery requirements (e. g., laws limiting commercial bribery and corruption) ~~,~~ **;** (ii) identify applicable antitrust requirements (e. g., laws to prevent price fixing, contract rigging, market or customer allocations, etc.) ~~,~~ **;** (iii) interpret the application of such requirements ~~,~~ **;** (iv) educate target audiences **;** and (v) provide independent, ongoing compliance monitoring. **Operating** ~~Our operations~~ in many different countries increases the risk of a violation, or alleged violation, of the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act, other applicable anti- corruption laws and regulations, the economic sanctions programs administered by the U. S. Treasury Department' s Office of Foreign Assets Control and the anti- boycott regulations administered by the U. S. Department of Commerce' s Office of Anti- Boycott Compliance. The failure of our **compliance** program to operate as designed can result in a failure to comply with applicable laws, which could result in significant penalties or otherwise harm the Company' s reputation and business. There can be no ~~assurance~~ **guarantee** that all of our employees, contractors and agents will comply with the Company' s policies that mandate compliance with these laws. Violations of these laws could result in legal and regulatory sanctions, increased litigation and fines, prolonged negative publicity, diminished investor confidence, declining employee morale and other unfavorable consequences, which could have a material adverse effect on our business, results of operations, financial condition, liquidity and cash flows. Hertz Holdings is a holding company with no operations of its own and depends on its subsidiaries for cash. The operations of Hertz Holdings are conducted nearly entirely through its subsidiaries and its ability to generate cash to meet its debt service obligations or to pay dividends on its common stock is dependent on the earnings and the receipt of funds from its subsidiaries via return of paid- in capital, dividends or intercompany loans. However, none of the subsidiaries of Hertz Holdings are obligated to make funds available to Hertz Holdings for the payment of dividends or the service of its debt. In addition, certain states' laws and the terms of certain of our debt agreements significantly restrict, or prohibit, the ability of Hertz and its subsidiaries to pay dividends, make loans or otherwise transfer assets to Hertz Holdings, including state laws that require dividends to be paid only from surplus. If Hertz Holdings does not receive cash from its subsidiaries, then Hertz Holdings' financial condition could be materially adversely affected. Failure to meet ESG expectations or standards or achieve our ~~ESG~~ **corporate responsibility** goals could adversely affect our business, results of operations ~~or~~ **and** financial condition. There has been an increased focus from stakeholders **and activists** on the environmental, social and governance performance of companies, including ~~in the areas of greenhouse gas emission levels~~ **environmental stewardship (e. g., climate, sustainability and water use)** ; diversity, equity, and inclusion initiatives; sourcing and supply chain activities; human **capital and** rights records; and overall corporate governance profile. This has resulted in expanding and increasingly complex expectations related to reporting, diligence, and disclosure on ESG topics **, as well as pressure to modify product offerings and business practices to drive change on these issues** . These developments and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, may alter the environment in which we do business **. As the nature, scope and complexity of ESG reporting, diligence and disclosure requirements expand, including compliance with the European Commission' s CSRD, the SEC' s proposed disclosure requirements and the California Climate Laws regarding, among other matters, greenhouse gas emissions, we may have to undertake additional costs to control, assess and report on ESG metrics. Identifying, monitoring, quantifying, aggregating and disclosing the associated data and information relating to such issues can require significant investments of time and resources, both initially and as the requirements evolve over time,** and may increase the ongoing costs of compliance, which could adversely impact our **business,** results of operations and ~~cash flows~~ **financial condition. In addition, such data and information may be unreliable particularly when obtained from third parties** . Given our commitment to being a responsible corporate citizen, we actively **monitor and** manage ESG ~~issues~~ **trends** through various initiatives **,** which we may refine or expand further in the future **, and we could be criticized for the scope or nature of our corporate responsibility goals, or for any revisions to our goals** . Our failure or perceived failure to achieve ~~ESG~~ **our** goals, maintain practices **that** ~~aligned~~ -- **align** with stakeholder expectations for " best practices, " or comply with new ESG expectations **and regulatory requirements** could harm our reputation, adversely impact our ability to attract and retain customers and talent, and expose us to increased scrutiny from a range of stakeholders. Our reputation also may be harmed by the perceptions that our stakeholders have about our action or inaction on ESG- related issues. Damage to our reputation may reduce demand for our products and services and thus have an adverse effect on our future financial results. RISKS RELATED TO OUR INDEBTEDNESS Our indebtedness exposes us to various risks, which could impair our financial condition. As of December 31, ~~2022~~ **2023** , we had total indebtedness of approximately $ ~~13~~ **15** . ~~9~~ **7** billion, including $ ~~10~~ **12** . ~~9~~ **2** billion of vehicle related debt and $ 3. ~~0~~ **4** billion of non- vehicle **related** debt. A portion of our indebtedness bears interest at variable rates, which exposes us to risks inherent in interest rate fluctuations and higher interest expenses in the event of **continued** increases in interest rates. See Item 7A, " Quantitative and Qualitative Disclosures About Market Risk " in this ~~2022~~ **2023** Annual Report for additional information related to interest rate risk. Our ability to satisfy and manage our debt obligations depends on our ability to generate cash flow and on overall financial market conditions. Factors driving the overall condition of the financial markets are beyond our control. Furthermore, if we are unable to generate sufficient cash flow from operations to service our debt obligations and meet our other cash needs, we may experience limited access or be unable to access financial markets for additional capital and may be forced to reduce or delay capital expenditures, sell or curtail assets or operations, or seek to restructure or refinance our indebtedness. If we must reduce or delay investment or sell or curtail our assets or operations, it may negatively affect our ability to generate revenue. Additionally, there can be no assurance that we would be able to borrow additional amounts or refinance our current indebtedness to fund working capital, capital expenditures, debt service requirements, execution of our business strategy or acquisitions and other purposes on favorable terms. Our reliance on asset- backed and asset- based financing arrangements to purchase vehicles subjects us to a number of risks, many of which are beyond our control. We rely significantly on asset- backed and asset- based financing to purchase vehicles. If we are unable to refinance or replace our existing asset- backed and asset- based financing or continue to finance new vehicle acquisitions through asset- backed or asset- based financing on favorable terms, on a timely basis, or at all, then our costs of financing could increase significantly and have a material adverse effect on our liquidity, interest costs, financial condition, cash flows and results of operations **, including, more broadly, the financial performance of the company** . Our asset- backed and asset- based financing capacity could be decreased, our financing costs and interest rates could be increased, or our future access to the financial markets could be limited, as a result of risks and contingencies, many of which are beyond our control, including: (i) the acceptance by **and / or demand from** credit markets of the structures and structural risks associated with our asset- backed and asset- based financing arrangements; (ii) the credit ratings provided by credit rating agencies for our asset- backed indebtedness; (iii) third parties requiring changes in the terms and structure of our asset- backed or asset- based financing arrangements, including increased credit enhancement or required cash collateral and / or other liquid reserves; (iv) the insolvency or deterioration of the financial condition of one or more of our principal vehicle manufacturers; ~~or~~ (v) changes in laws or regulations that negatively affect any of our asset- backed or asset- based financing arrangements **;** ~~. Although we continued to maintain access to asset- backed financing during the Chapter 11 Cases, the cost of such facilities was in excess of costs incurred by our~~ - **or (vi)** ~~competitors. Following our emergence from bankruptcy, the cost of asset- backed financing has returned to competitive levels, however, there~~ -- **the overall credit condition of The Hertz Corporation** ~~can be no assurance that this competitive disadvantage will not reoccur in the future~~ . Our asset- backed and certain asset- based vehicle financing facilities include credit enhancement provisions that require us to provide cash or additional vehicle collateral in the event the estimated market values for the vehicles used as collateral decrease below net book values. As a result, reductions in the estimated market value of vehicles used as collateral could adversely affect our **liquidity, cash flow, and, ultimately, the** profitability **of our company** , **or otherwise** require us to use cash intended for other purposes as collateral, and potentially lead to decreased borrowing base availability. Similarly, if the **demand for** used ~~vehicle~~ **vehicles** ~~marketplace~~ were to ~~become impaired~~ **decline,** resulting in sales of vehicles below **the** net book value **required by our asset- backed and certain asset- based financings** , we may have difficulty meeting the minimum required collateral levels ~~requiring us~~ **resulting in a contractual obligation** to add additional collateral in the form of cash or additional vehicles **to the under collateralized asset- backed and / or certain asset- based financing** . In the event that we cannot post additional collateral, the principal under our asset- backed and certain asset- based financing arrangements may be required to be repaid sooner than anticipated with vehicle disposition proceeds and lease payments we make to our special **-** purpose financing subsidiaries. If that event were to occur (or any other liquidation events), the holders of our asset- backed and certain asset- based debt may have the ability to exercise their right to **,** ~~direct~~ **directly** ~~the trustee~~ or **indirectly,** ~~other secured party to~~ foreclose on and sell vehicles to generate proceeds sufficient to repay such debt. Failure by us to have proper financing and debt management processes **in place** may result in cash shortfalls and liquidity problems, the need to seek emergency financing at high interest rates, violations of debt covenants, and an inability to execute strategic initiatives. These outcomes could negatively affect our liquidity and ability to maintain sufficient levels of revenue earning vehicles to meet customer demands, and could trigger cross- defaults under certain of our other financing arrangements. Substantially all of our consolidated assets secure certain of our outstanding indebtedness, which could materially adversely affect our debt and equity holders and our business. Substantially all of our consolidated assets are subject to security interests or are otherwise encumbered for the benefit of ~~the lenders under~~ our ~~senior credit~~ **creditors** ~~facilities, and~~ **. The bulk of our consolidated assets consists of** our revenue earning vehicles and certain related vehicle assets **and** are subject to security interests or are otherwise encumbered for the benefit of our asset- backed and asset- based financing arrangements **. Substantially all of our remaining consolidated assets are encumbered by and pledged to our senior creditors as collateral for certain of our senior debt obligations** . As a result of substantially all of our assets being encumbered for the benefit of certain creditors, our various secured creditors have liquidation priorities ahead of other stakeholders of our business. Because substantially all of our assets are encumbered under financing arrangements, our ability to incur additional secured indebtedness or to sell or dispose of assets to raise capital may be impaired **or contractually limited under our existing financings** , which could have a material adverse effect on our financial flexibility and force us to attempt to incur additional unsecured indebtedness, which may not be available to us **or may not be available to us at favorable rates and terms** . We may not be able to deduct certain business interest expenses, which could have a material adverse effect on ~~the Company~~ **our results of operations and liquidity** . The TCJA, which was temporarily modified by the Coronavirus Aid, Relief, and Economic Security Act, imposed significant limitations on the deductibility of business interest expense under Section 163 (j). These limitations could result in additional material cash tax payments that could **have a material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our results of operations and liquidity. Furthermore, in the event our debt instruments were to be recharacterized as equity for tax purposes, the Company would not be entitled to deduct the payments as interest and could be assessed withholding taxes on payments to certain lenders, which could **have a material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our results of operations and liquidity. RISKS RELATED TO ~~OUR~~ OWNERSHIP OF **OUR** COMMON STOCK We cannot guarantee that our ~~stock~~ **share** repurchase program will be fully consummated or that it will enhance long- term stockholder value. ~~Stock~~ **Share** repurchases could also increase the volatility of our stock and could diminish our liquidity. Our Board has authorized a ~~stock~~ **share** repurchase program that does not have an expiration date. The program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our common stock. We cannot guarantee that the program will be fully consummated or that it will enhance long- term stockholder value. ~~Further~~ **Furthermore** , ~~stock~~ **share** repurchases could affect the market price of our common stock or increase its volatility and decrease our cash balances and / or our liquidity. ~~The~~ **Beginning in 2023, the** Inflation Reduction Act of 2022 ~~imposes~~ **imposed** a non- deductible 1 % excise tax on the fair market value of ~~stock~~ **share** repurchases ~~commencing in 2023~~ that exceed $ 1 million in a taxable year, which will ~~make~~ **increase the cost of** our share repurchase program ~~more expensive~~ . The ~~market~~ **share** price of our common stock may be volatile. Numerous factors, including many ~~over which we have no~~ **that are outside of our** control, may have a significant impact on the market price of our common stock. These risks include those described or referred to in this " Risk Factors " section and in the other documents incorporated herein by reference as well as, among other things: • our operating and financial performance and prospects; • **our successful execution of our business strategy, including with respect to successful deployment of our EV strategy; •** sales of a substantial number of shares of our common stock in the public market, or the perception in the market that the holders of a large number of shares of common stock intend to sell; • our ability to repay our debt; • our access to financial and capital markets to refinance our debt or replace the existing credit facilities; • investor perceptions of us and the industry and markets in which we operate; • our dividend policy; • future sales of equity or equity-related securities; • announcements **and actions filed** by third parties of significant claims or proceedings against us; • issuances of new or updated research reports by security or industry analysts, or those analysts not publishing or ceasing to publish reports about us, our industry or ~~out~~ **our** market; • changes in, or results that vary from, earnings estimates or buy / sell recommendations by analysts; and • general financial, domestic, economic and other market conditions. In addition, stock markets experience significant price and volume fluctuations from time to time that are not related to the operating performance of particular companies. These market fluctuations may have material adverse effect on the ~~market~~ **share** price of our common stock. Anti- takeover provisions in our charter documents and under Delaware law, as well as ownership of a significant percentage of our common stock by the Plan Sponsors, could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management and may negatively affect the market price of our common stock. Provisions in the Hertz Holdings Certificate of Incorporation and Bylaws may have the effect of delaying or preventing a change of control or changes in our management, including, generally, provisions that: • do not provide cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • provide for a classified ~~board~~ **Board** ~~of directors~~ with three- year staggered terms, which could delay the ability of stockholders to change the membership of a majority of the Board; • allow for removal of directors only for cause; • allow only the Board to fill a vacancy created by the expansion of the Board or the resignation, death, retirement, disqualification or removal of a director; • require advance notice for stockholder proposals to be brought before a meeting of stockholders, including proposed nominations of persons for election to the ~~board~~ **Board** ~~of directors~~ ; • only allow stockholder action to be taken at an annual or special meeting; • limit the ability of stockholders to call a special meeting; and • authorize blank check preferred stock. These provisions may make it more difficult for stockholders to replace members of our ~~board~~ **Board** ~~of directors~~ , which is responsible for appointing the members of our management. In addition, we have elected not to be governed by Section 203 of the General Corporation Law of the State of Delaware (the" DGCL"), which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with a stockholder owning 15 % or more of our outstanding voting stock, unless the stockholder has held the stock for a period of at least three years. The significant ownership interests held by our Plan Sponsors, which we believe as of December 31, ~~2022~~ **2023** , exceeded 50 % of our outstanding common stock ~~,~~ **(without taking into account the dilutive impact of outstanding Public Warrants)** means that the Plan Sponsors have the ability to control matters requiring stockholder approval, such as director elections, amendments to the Hertz Holdings Certificate of Incorporation and significant corporate transactions. With respect to such matters, the Plan Sponsors' interests may not align with those of other stockholders or they may take actions that other stockholders do not view as beneficial. This could delay or prevent a change of control transaction or discourage a potential acquirer from pursuing such a transaction, which transaction might have otherwise been of benefit to the other stockholders. The Plan Sponsors' ownership may also adversely affect the trading price for our common stock if potential investors perceive disadvantages in investing in a company with controlling stockholders. The choice of forum provision in our Certificate of Incorporation could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or agents. Our Certificate of Incorporation provides that, unless we consent in writing to an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware (the " Court of Chancery ") is the sole and exclusive forum for any stockholder to bring any state law claim for **:** (1) any derivative action or proceeding brought on our behalf ~~,~~ **;** (2) any action asserting a claim of a breach of fiduciary duty owed by any director, officer, employee, or agent of the Company to us or to our stockholders ~~,~~ **;** (3) any action asserting a claim against us arising pursuant to the DGCL, our Certificate of Incorporation or Bylaws ~~,~~ **;** (4) any action or proceeding as to which the DGCL confers jurisdiction on the Court of Chancery ~~,~~ **;** and (5) any action asserting a claim against us that is governed by the internal affairs doctrine. In addition, the choice of forum provision provides that, unless the Company consents in writing to the selection of an alternative forum, claims brought under the Securities Act must be brought exclusively in the federal district courts of the United States. The choice of forum provision may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or agents, which may discourage such lawsuits against us and our directors, officers and agents. Alternatively, if a court were to find the choice of forum provision contained in our Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition. GENERAL RISK FACTORS **A business continuity plan is necessary for our global business, and the failure of such plan may materially adversely affect our results of operations, financial condition, liquidity and cash flows. We have a business continuity management plan designed to: (i) identify key assets, operations and underlying threats; (ii) define and assess relevant threats (e. g., natural disasters, pandemics, civil unrest, terrorism, etc.) on business operations; (iii) develop and maintain disaster recovery strategies and business resumption plans to minimize the impact of both known and unknown threats; and (iv) test the adequacy of our action plans. If our business continuity management plan fails to operate as intended, we may experience significant business disruptions, release of confidential information, malicious corruption of data, regulatory intervention and sanctions, prolonged negative publicity, litigation and liabilities, product and service quality failures, irreparable harm to customer relationships and other unfavorable consequences which may materially adversely affect our results of operations, financial condition, liquidity and cash flows. Our results of operations and share price could be**

adversely affected if we are unable to maintain effective internal controls. The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. We are required to provide a report from management to our shareholders on our internal control over financial reporting that includes an assessment of the effectiveness of these controls. Internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of these inherent limitations, internal control over financial reporting might not prevent or detect all misstatements or fraud. If we cannot maintain and execute adequate internal control over financial reporting or implement required new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we could suffer harm to our reputation, incur incremental compliance costs, fail to meet our public reporting requirements on a timely basis, be unable to properly report on our business and our results of operations, or be required to restate our financial statements, and our results of operations, our share price and our ability to obtain new business could be materially adversely affected. We may pursue strategic transactions, including acquisitions and divestitures, which could be difficult to implement, disrupt our business or change our business profile significantly. Any future strategic acquisition or disposition of assets or a business could involve numerous risks, including: (i) potential disruption of our ongoing business and distraction of management; (ii) difficulty integrating the acquired business or segregating assets and operations to be disposed of; (iii) exposure to unknown, contingent or other liabilities, including litigation arising in connection with the acquisition or disposition or against any business we may acquire; (iv) changing our business profile in ways that could have unintended negative consequences; and (v) the failure to achieve anticipated synergies. If we enter into significant strategic transactions, the related accounting charges may affect our financial condition and results of operations, particularly in the case of an acquisition. The financing of any significant acquisition may result in changes in our capital structure, including the incurrence of additional indebtedness. A material disposition could require the amendment or refinancing of our outstanding indebtedness or a portion thereof. ~~Our results of operations and stock price could be adversely affected if we are unable to maintain effective internal controls. The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. We are required to provide a report from management to our shareholders on our internal control over financial reporting that includes an assessment of the effectiveness of these controls. Internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of these inherent limitations, internal control over financial reporting might not prevent or detect all misstatements or fraud. If we cannot maintain and execute adequate internal control over financial reporting or implement required new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we could suffer harm to our reputation, incur incremental compliance costs, fail to meet our public reporting requirements on a timely basis, be unable to properly report on our business and our results of operations, or be required to restate our financial statements, and our results of operations, our stock price and our ability to obtain new business could be materially adversely affected. A business continuity plan is necessary for our global business. We have a business continuity management plan designed to (i) identify key assets, operations and underlying threats, (ii) define and assess relevant threats (e. g., natural disasters, pandemics, terrorism, etc.) on business operations, (iii) develop and maintain disaster recovery strategies and business resumption plans to minimize the impact of both known and unknown threats and (iv) test the adequacy of our action plans. If our business continuity management plan fails to operate as intended, we may experience significant business disruptions, release of confidential information, malicious corruption of data, regulatory intervention and sanctions, prolonged negative publicity, litigation and liabilities, product and service quality failures, irreparable harm to customer relationships and other unfavorable consequences which may materially adversely affect our results of operations, financial condition, liquidity and cash flows. We participate in multiemployer pension plans and could face a significant liability if we withdraw from participation in such plans or in the event other employers in such plans withdraw or are unable to, or fail to, pay their liabilities. In the event that we withdraw from participation in one of the multiemployer plans in which we participate, then applicable law could require us to make an additional lump- sum contribution to the plan, and we would have to reflect that as an expense in our consolidated statements of operations and as a liability on our consolidated balance sheets. Our withdrawal liability for any multiemployer plan would depend on the extent of the plan' s funding of vested benefits. If our multiemployer plans have underfunded liabilities, such underfunding may increase in the event other employers become insolvent, withdraw from the applicable plan or are unable or fail to pay their withdrawal liability. In addition, such underfunding may increase as a result of lower than expected returns on pension fund assets or other funding deficiencies. The occurrence of any of these events could have a material adverse effect on our consolidated financial condition, results of operations, liquidity and cash flows. See Note 7," Employee Retirement Benefits," to the Notes to our consolidated financial statements included in this 2022 Annual Report under the caption Item 8, ' ' Financial Statements and Supplementary Data."~~