

MCGRATHRENTCORP

Corporate Governance Guidelines for McGrath RentCorp

(Amended and Restated December 2024)

The Board of Directors (the “Board”) of McGrath RentCorp (the “Company”) has developed corporate governance practices to help it fulfill its responsibilities to shareholders to oversee the work of management and the Company's business results. The governance practices in these guidelines were developed to assure that the Board will have the necessary authority and practices in place to review and evaluate the Company's business operations as needed and to make decisions that are independent of the Company's management. The guidelines are also intended to align the interests of directors and management with those of the Company's shareholders. The Board may amend, waive, suspend or repeal any of these guidelines at any time, with or without public notice, as it determines necessary or appropriate, in the exercise of the Board's judgment or fiduciary duties. The guidelines are in addition to, and are not intended to change or interpret, any federal or state law or regulation, or the Company's Articles of Incorporation or bylaws.

Corporate Strategy to Enhance Shareholder Value. Approval of Corporate Strategy is a key board function. Strategy should be formulated by the CEO and the senior management team and then developed fully in an interactive dialogue with the Board. Management has responsibility for implementing strategy.

Tone at the Top. The Board should participate with the CEO and senior management team to create a company-wide culture of high ethical standards, fair dealing and full compliance with applicable legal requirements that permeates its relationships with investors, customers, employees, suppliers, local communities and other important constituents.

Risk Management Oversight. While the senior management team is primarily responsible for managing risk, the Board and its committees play a role in overseeing the Company's risk management practices and the Board is ultimately responsible for risk oversight. The Board discharges this responsibility by, among other things, receiving regular reports from senior management concerning the Company's business and the material risks facing the Company.

I. BOARD COMPOSITION AND SELECTION; INDEPENDENT DIRECTORS

1. Board Size

The Board believes 5 to 9 directors is an appropriate size based on the Company's present circumstances. The Board periodically evaluates whether a larger or smaller slate of directors would be preferable.

2. Selection of Board Members

The Corporate Governance and Nominating Committee (the “Governance Committee”) will consider for nomination all bona fide candidates proposed by management or shareholders and will nominate directors that it believes will serve the best interests of the Company and its shareholders. Candidates must have the education, business or organizational experience and skills that will enable them to excel in carrying out their responsibilities on the Board. Candidates must possess and have demonstrated in professional endeavor the highest personal and professional ethics, integrity and values, and be committed to representing the long- term

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best interests of shareholders. Further, candidates must have an inquisitive and objective perspective, practical wisdom and mature judgment, and be willing and able to challenge management in a constructive manner. Candidates will also be judged on their ability to work in a collegial manner with a sense of common purpose, energy, industry knowledge, business sense and trust with other members of the Board and management, as one group acting in unison to solve difficult problems as they may arise. The candidate's specific knowledge of the Company, its markets, and its strategy will also be considered. When evaluating candidates, the Governance Committee considers the diversity of the backgrounds, experience and skills of the current directors on the Board, including their gender, age, ethnic and cultural backgrounds, the long-term needs of the Company based on its strategic direction and responsible succession planning for all Board positions, and selects the candidates who will provide the most value to the Board, management and shareholders. The Governance Committee monitors its assessment of diversity as part of the annual self-evaluation process. The Board's recommendations for inclusion in the slate of directors at an annual or special meeting of shareholders, or for appointment by the Board to fill a vacancy, are based on its determination, after reviewing recommendations from the Governance Committee, as to the suitability of each individual.

The Governance Committee will apply its director candidate selection criteria, including a director's past contributions to the Board, prior to recommending a director for re-election to another term. Directors should not expect to be re-nominated annually as a matter of course.

3. Board Composition – Mix of Management and Independent Directors

The Board will have a majority of directors who meet the criteria for independence in accordance with the rules of the NASDAQ Stock Market and applicable laws and regulations, particularly the rules and regulations under the U.S. securities laws. Each member of the Board also must be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director. The Governance Committee will conduct an annual review of the independence of each non-employee director for compliance with applicable requirements. The Board believes that the CEO should always be a member of the Board.

4. Voting for Directors

In an uncontested election, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote") shall promptly tender his or her resignation following certification of the shareholder vote. Abstentions will not be counted as Majority Withheld Votes.

The Governance Committee shall consider the resignation offer and recommend to the Board whether to accept it. The Board will act on the Governance Committee's recommendation within 90 days following certification of the shareholder vote. The Board shall accept such resignation unless it determines that the best interests of the Company and its shareholders would not be served in doing so. The Board will promptly disclose their decision whether to accept or reject the director's resignation offer (and the reasons for rejecting the resignation offer, if applicable) in a Form 8-K furnished to the Securities and Exchange Commission.

Any director who tenders his or her resignation pursuant to this provision shall not participate in the Governance Committee recommendation or Board action regarding whether to accept the resignation offer.

If all members of the Governance Committee receive a Majority Withheld Vote at the

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same election, then the independent directors who did not receive a Majority Withheld Vote shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept them; provided, however, if the only directors who did not receive a Majority Withheld Vote in the same election constitute three or fewer directors, all directors may participate in the action regarding whether to accept the resignation offers.

5. Outside Communications

General. The Board believes that management speaks on behalf of the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. It is expected, however, that Board members would make management aware of such communications. If comments from the Board are appropriate they should come in most cases from the Chairman. In all cases, communications made by Board members on behalf of the Company should comply with the Company's Fair Disclosure Policy.

Shareholder Communications with Directors. Subject to reasonable constraints of time and topics and rules of order, shareholders may direct comments to or ask questions of the Chairman of the Board and the CEO during the Annual Meeting of Shareholders. In addition, shareholders may communicate with the Board by writing to:

McGrath RentCorp
Compliance Officer
5700 Las Positas Road
Livermore, CA 94551

The Compliance Officer will review all such communications for relevance to Board activities and will promptly forward all relevant written communications to the Board.

Shareholder Nominations. Shareholders may nominate director candidates for consideration by the Governance Committee by writing to the Company's Compliance Officer, at the address listed above, and providing, among other things, the candidate's name, biographical data and qualifications, and a signed certification of the number of shares of McGrath RentCorp common stock held by the shareholder. The specific information that must be submitted by a shareholder in recommending a director nominee is set forth by U.S. securities laws, as well as in the Company's bylaws and proxy statement provided to shareholders each year in connection with its Annual Meeting of Shareholders. Once the Governance Committee receives a shareholder recommendation, it may deliver to the prospective candidate a questionnaire that requests additional information about the candidate that would assist the Governance Committee in its evaluation. The Governance Committee will not evaluate candidates differently based on who has made the recommendation.

6. Reliance

The Board and each committee, and each member of the Board and each committee in his or her capacities as such, shall be entitled to rely, in good faith, upon the records of the Company and upon such information, opinions, reports or statements, or other information prepared or presented to the Company by (i) any of the officers or other employees of the Company or its subsidiaries whom the Board or committee believes to be reliable and competent in the matters presented, (ii) counsel, independent auditors or other consultants or advisors as to matters which the Board or committee believes to be within the professional competence of such person, or (iii)

another committee of the Board as to matters within its designated authority which the Board or committee believes to merit confidence.

7. Term Limits

The Board has not established term limits but, on a regular basis, the Governance Committee will review each director's continuation on the Board. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives.

8. Retirement Policy

A director may not stand for re-election in the calendar year following the date of his or her 75th birthday. The age limit may be waived annually upon the recommendation of the Governance Committee and the concurrence of a majority of the Board.

9. Directors with Significant Job Changes

Directors who change their principal employment should offer to resign from the Board. When a director who also serves as an officer of the Company resigns or retires from active management of the Company, he or she will also offer to resign from the Board. While such resignations may not be accepted, the practice provides an opportunity for the Board, initially through the Governance Committee, to review the appropriateness of each member's continued membership on the Board.

10. Selection of CEO and Chairman

The Board should remain free to decide whether these positions should be held by the same person. The Board will thus be in position to determine the best arrangement for the Company and its shareholders, given the changing circumstances of the Company and the composition of the Board.

11. Limitation on Other Board Service

The Board does not believe that its members should be prohibited from serving on boards and/or committees of other organizations, and the Board has not adopted any guidelines limiting such activities. Nevertheless, to ensure that its members are able to commit the time necessary to effectively fulfill their responsibilities to the Company, or to avoid any conflicts of interest, any service as a director, officer, a member of a standing committee of an organization, or other significant commitments involving affiliation with other businesses must be pre-cleared with the Governance Committee. In addition, Board members should comply with the recommendations of proxy advisors such as Institutional Shareholder Services with respect to overboarding and in any case refrain from serving on more than four public company boards of directors.

II. BOARD MEETINGS; INVOLVEMENT OF SENIOR MANAGEMENT

1. Board Meetings – Agenda

The Chairman establishes the agenda for each Board meeting. Directors may suggest additional agenda items and may raise at any meeting subjects that are not on the agenda. At least one Board meeting each year will include a review of the Company's annual plan. The

long-term strategic plan will be reviewed periodically, as appropriate.

2. Advance Distribution of Materials

All information relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting should be distributed in writing or electronically to all members in advance, whenever feasible and appropriate. This will help facilitate the efficient use of meeting time. In preparing this information, management should ensure that the materials distributed are as concise as possible, yet give directors sufficient information to make informed decisions. The Board acknowledges that certain items to be discussed at Board meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate.

3. Attendance at Board Meetings

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. The Board recognizes that occasional meetings may need to be scheduled on short notice when the participation of a director is not possible and that conflicts may arise that may prevent a director from attending a regularly scheduled meeting. The Board expects, however, that each director will make every possible effort to keep absences to a minimum. Although participation by conference telephone or other communications equipment is allowed, personal attendance is encouraged. All directors are expected to attend the Annual Meeting of Shareholders.

4. Access to Employees and Independent Advisors

Board members may initiate contact with the Company's management and other employees in order to ensure that directors can ask all questions and glean all information necessary to fulfill their duties. The Board may specify a protocol for making such inquiries. Management is encouraged to invite Company personnel to any Board meeting at which their presence and expertise would help the Board have a full understanding of matters being considered. The Company will from time to time expose key managers to Board meetings.

The Board and any Board committee has the right to retain outside counsel and other outside advisors of its choice with respect to any issues relating to its activities, at the Company's expense.

5. Executive Sessions of Independent Directors

The Independent Directors will generally meet in executive session at each regular scheduled Board meeting as appropriate, but in any case will meet at least twice a year. The Chairman of the Board, if the Chairman is an independent director, or otherwise an independent director designated by the other directors on the Board, shall preside at such executive sessions. These executive session discussions may include such topics as the independent directors determine.

III. PERFORMANCE EVALUATION; SUCCESSION PLANNING

1. Annual CEO Evaluation

The Chairman of the Board, if the Chairman is an independent director, or otherwise the Chairman of the Compensation Committee leads the Compensation Committee in conducting a review of the performance of the CEO at least annually. The evaluation results are reviewed and discussed (a) with the independent directors in executive session, (b) with the full Board, and (c) communicated to the CEO. The Compensation Committee establishes the evaluation process and determines the criteria on which the performance of the CEO is evaluated.

2. Succession Planning

At least annually, the Compensation Committee will work with the CEO to plan for executive officer succession, as well as to develop plans for interim succession for the CEO in the event of an unexpected occurrence. The Board will be responsible for the overall succession planning for the position of CEO.

3. Board Self-Evaluation

The Governance Committee is responsible for conducting an annual evaluation of the performance of the full Board and reports its conclusions to the Board. The Governance Committee's report should generally include an assessment of the Board's compliance with the principles set forth in these guidelines, as well as identification of areas in which the Board could improve its performance. A report of such evaluation will be discussed with the full Board following the end of each fiscal year. Each Board committee will also conduct a self-evaluation at least annually and review the results thereof with the Board.

IV. COMPENSATION

1. Board Compensation Review

The Compensation Committee will report to the Board every two years, or such other times as the Compensation Committee deems appropriate, how the Company's director compensation practices compare with those of other public corporations similar in size. The Board should make changes in its director compensation practices only upon the recommendation of the Compensation Committee and following discussion and unanimous concurrence by the Board.

2. Director Stock Ownership

The Board believes that, in order to better align the interests of directors and shareholders, directors should have a significant financial (equity) stake in the Company. Each director has a target level of 5,000 shares of common stock to be achieved by each director within five years of joining the Board or as soon thereafter as practicable. In evaluating whether the common stock value ownership guideline has been met, all common shares owned and 50% of the value of all vested equity awards will be considered. The Board will evaluate whether exceptions should be made for any director on whom this requirement would impose a financial hardship.

3. Executive Officer Stock Ownership

The Board believes that, in order to better align the interests of management and shareholders, officers should have a significant financial (equity) stake in the Company. Each executive officer has a target level of Company stock value to achieve within seven (7) years of the later of their date of hire or March 1, 2007. The target level of McGrath RentCorp common stock value to be achieved will be a multiple of each officer's base salary. The multiples of

officer base salary will be four (4) times for the CEO and two (2) times for all other executive officer positions. In evaluating whether the common stock value ownership guideline has been met, all common shares owned, ESOP shares and 50% of the value of all vested equity awards will be considered. The Board will evaluate whether exceptions should be made for any officer on whom this requirement would impose a financial hardship.

V. COMMITTEES

1. Number and Type of Committees

The Board shall have an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. Each committee will perform its duties as assigned by the Board in compliance with the Company's bylaws. Any committee shall have the power to hire advisers of its choice whose reasonable expenses shall be paid by the Company. Each above referenced standing committee will have a written charter, approved by the Board, which describes the committee's general authority and responsibilities. Committee duties may be described briefly as follows:

- (a) **Audit Committee.** The Audit Committee reviews the work of the Company's internal accounting and audit processes as well as financial reporting and internal controls. The committee is directly responsible for the appointment, compensation, retention and oversight of the Company's independent auditors and the review of all related party transactions.
- (b) **Compensation Committee.** The Compensation Committee stays informed as to market levels of compensation and, based on evaluations of the performance of the executives as compared to performance goals, approves compensation levels of the executive officers. The committee is also responsible for reviewing and making recommendations to the Board regarding director compensation practices.
- (c) **Corporate Governance and Nominating Committee.** The Governance Committee is responsible for recommending to the Board individuals to be nominated as directors. The committee evaluates new candidates and current directors, and performs other duties as described elsewhere in these guidelines. The Board retains authority for final approval of those individuals that will be nominees for election to the Board.

2. Composition of Committees; Committee Chairpersons

The Audit, Compensation, and Governance Committee members shall meet the criteria for independence established by the NASDAQ Stock Market and applicable laws and regulations, including the U.S. federal securities laws. The Board is responsible for the appointment of committee members and committee chairpersons according to criteria that it determines to be in the best interest of the Company and its shareholders. If the Board does not designate a committee chairperson, the committee members will appoint a committee member as chairperson by a majority vote of the authorized members of the committee. The committees may utilize the services of any non-independent director but that director will not have voting rights.

3. Committee Meetings and Agenda

The chairperson of each committee or if there is no designated chairperson, the committee members are responsible for developing, together with relevant Company managers, the committee's general agenda and objectives and for setting the specific agenda for committee meetings. The chairperson and/or committee members will determine the frequency and length of committee meetings. Directors may suggest additional agenda items and may raise at any meeting subjects that are not on the agenda. Each chairperson of a committee will give a periodic report of his or her committee's activities to the Board.

4. Delegation to Subcommittees

In fulfilling its responsibilities, each committee will be entitled to delegate any or all of its responsibilities to a subcommittee of the committee, to the extent consistent with that committee's charter, the Company's Articles of Incorporation and bylaws, applicable law and the rules of the NASDAQ Stock Market.

VI. MISCELLANEOUS

1. Confidentiality

The proceedings and deliberations of the Board and its committees are confidential. Each director should maintain the confidentiality of the information received in connection with his or her service as a director.

2. Corporate Governance Review

The Governance Committee will review these guidelines every year to consider whether they continue to reflect the goals, functions and needs of the Company, the Board and shareholders. The Governance Committee will recommend any changes to the Board for approval. The Corporate Secretary shall be the officer responsible for ensuring the distribution of and ongoing compliance with the corporate governance guidelines within the Company. The Corporate Secretary may communicate with the Board, the Governance Committee, or any individual director at any time regarding matters pertaining to corporate governance.

3. Director Education and Orientation

The Company has an orientation program for new Board members that includes written materials, meetings with Committee members, and visits to Company facilities as deemed appropriate by the Board and management. Steps will be taken to insure that all Board members understand their duties and responsibilities.

VII. DISCLOSURE OF GUIDELINES

These guidelines will be made available on the Company's Web site at www.mgrc.com.