

# Rentokil Initial

Full Year Results 2024

## Securing sustainable growth

6 March 2025

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No statement in this announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of Rentokil Initial for the current or future financial years would necessarily match or exceed the historical published earnings per share of Rentokil Initial.

This communication presents certain further non-IFRS measures, which should not be viewed in isolation as alternatives to the equivalent IFRS measure, rather they should be viewed as complements to, and read in conjunction with, the equivalent IFRS measure. These include revenue and profit measures presented at actual exchange rates ("AER" – IFRS) and constant full year 2023 exchange rates ("CER" – Non-GAAP). Non-IFRS measures include Adjusted Operating Profit, Adjusted Profit Before Tax, Adjusted Profit After Tax, Adjusted EBITDA, Adjusted Interest, Adjusted Earnings Per Share, Free Cash Flow, Adjusted Free Cash Flow, Adjusted Free Cash Flow Conversion, Adjusted Effective Tax rate and Organic Revenue. Adjusted Operating Profit represents the performance of the continuing operations of the Group (including acquisitions), and enables the users of the accounts to focus on the performance of the businesses retained by the Group, and that will therefore contribute to the future performance. Adjusted Operating Profit and Adjusted profit before tax exclude certain items that could distort the underlying trading performance. The Group's internal strategic planning process is also based on these measures, and they are used for incentive purposes. These measures may not be calculated in the same way as similarly named measures reported by other companies.

# Agenda | Full Year Results

**Introduction**

Andy Ransom

**Group Financial Results, Regions and Categories**

Paul Edgecliffe-Johnson

**North America Review and Actions**

Andy Ransom

**Q&A**

All



# 2024 Summary

## Challenging year for the Group: Results in line with revised guidance

- Revenue of £5.6 billion, +3.9% (CER), of which Organic Growth was 2.8%
- North America Organic Revenue growth of 1.5%
- Group Margin of 15.4%, impacted by North America margin reduction to 17.1%
- Adjusted PBT at AER of £703m, in line with revised guidance

## Good growth in International (all businesses excl. NA)

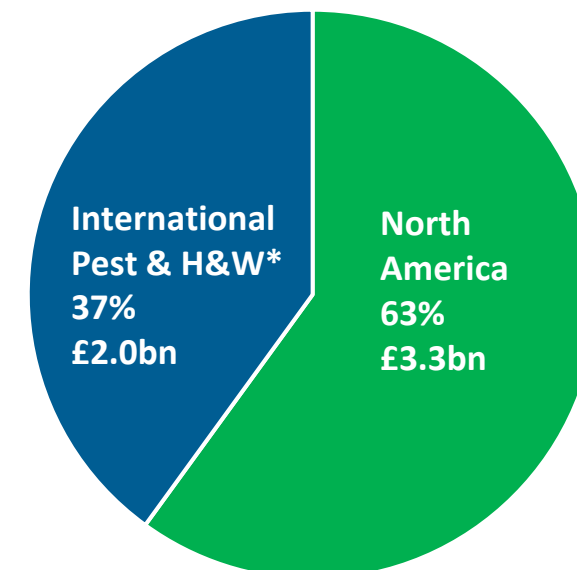
- FY Revenue +8.2% with a good contribution from all regions, of which Organic Revenue growth 4.7%
- Pest Control Organic Growth of 5.3%. Leading in innovation. Good M&A performance

## Terminix integration making good progress; strong progress on colleague retention

## Strong progress on colleagues and customer service

- Group Colleague Retention 86.6%, +2.4% vs 2023. c.1,000 fewer people to recruit
- 82.8% Customer Retention, +0.5% vs 2023. Customer satisfaction (NPS) up +1 YOY to +51.8, up in all categories
- 500,000 PestConnect units now installed, first AI-based pest control service launched

Please see appendix for further details



**NA Revenue**  
£3.3bn, +1.3% YoY  
Customer retention: c.80%

**Intl. Revenue (Pest & H&W\*)**  
£2.0bn, +8.3% YoY  
Customer retention: c.86%

*\*Excludes France Workwear*

# North America in 2024

Making progress on many parts of the plan

## *Integration*

- Branch systems integration progressing well: 58 branches in H2 taking the total NA branches now operating on our 'Best of Breed' systems suite to over 250
- Delivered first full branch migrations with rerouting and pay plans - early days but an encouraging start

## *RIGHT WAY 2 Growth Plan*

- Colleague Retention +4.2%
- Customer Retention +0.6%
- Terminix-It campaign – increased brand awareness
- Trusted Advisor participation improving
- Install rates good
- First satellite branches opened; 22 now in use
- **BUT continued challenges from weak lead generation and sales execution**

**Much more to do on leads and sales**

While continuing to raise the bar across the RIGHT WAY 2 Growth Plan

**Rentokil**  
**Initial**





# North America in 2025

## Action plan to reignite growth

Reviewed our growth plan, the changing requirements for effective organic search performance and lead generation, and progress of the branch integrations. Taking action:

### *Integration*

1. Full integration is now scheduled to restart early H2; planning and data preconditioning in Q1 and Q2
2. Core IT development: Last 5% to complete in 2025
3. Full branch integration - targeted to complete by end 2026

### *RIGHT WAY 2 Growth Plan*

4. **Raise the bar:** Colleague & Customer retention. Trusted Advisor
5. **Accelerate marketing:** Stronger owned, earned and paid for execution; realise the benefits from full suite of marketing
6. **Satellite branches:** End state network now expected to exceed 500 branches incl. new satellites
7. **New multi-brand strategy:** Retaining 9 of our powerful regional brands; also fewer branches to convert into Terminix
8. **Focus on sales conversion:** More operational rigour (increasing sales inspection rates, proposal rates), responsibility moving to the branches for field sales, sales colleague retention, incentivising contract sales



Paul will now cover the  
**Financial review, regions and  
categories**

I will then cover the **North  
America Review and Actions**  
on integration and growth



# Rentokil Initial

Full Year Results 2024

## Financial, Region and Category Review

Paul Edgecliffe-Johnson

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# CFO's First 90 Days – Initial Observations

- Great people. Strong culture. Hungry for success
- Excellent industry dynamics. Strong medium term growth characteristics (see Appendix)
- The opportunity for Rentokil Initial to grow sustainably is very significant
- The addressable pest control market is about \$26bn, with over \$12bn opportunity in North America alone
- RI is a global leader in this fragmented industry – growth can be both organic and via acquisition
- The Terminix integration is complex, and we still have more to do, but once delivered we will have one of the lowest costs to operate in the industry, coupled with some of the best technology and innovation capability, which will significantly strengthen our competitive position
- Despite a lower growth trend to date in Q1 2025, we expect a full year financial performance in line with market expectations
- Once North American revenues accelerate again, we will deliver against an attractive growth algorithm:
  - Grow revenues organically and through acquisition
  - Accrete margin through operational efficiencies and deploying a scaleable cost base
  - Generate significant surplus cash for reinvestment at attractive IRRs , with surplus capital returned to shareholders

Integration delivery

Cost management

Maximising FCF  
conversion

Strong balance  
sheet



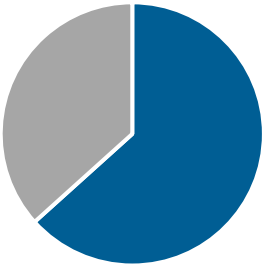
# Group Financial Highlights

<b>Revenue £5,587m</b>	+3.9%, with +2.8% Organic Revenue, including 4.7% International
<b>Adj. Operating Profit £860m</b>	Profitability impacted by North America
<b>Free Cash Flow £410m</b>	Represents 80% Adj. FCF conversion (AER)
<b>Leverage</b>	Net Debt/EBITDA at 2.9x
<b>EPS</b>	Diluted Adj. EPS at 21.19p
<b>Dividend FY c.+5%</b>	FY dividend per share 9.09p

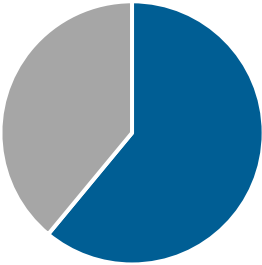
FY 2024				
£ million	AER	CER	Δ AER	Δ CER
Revenue	5,436	5,587	1.1%	3.9%
Adjusted Operating Profit	834	860	-7.0%	-4.2%
Adjusted Operating Margin		15.4%		-130bps
Adjusted profit before tax	703	731	-8.1%	-4.6%
Adjusted EBITDA	1,177		-4.2%	
Free Cash Flow	410		-18.0%	
Diluted Adjusted EPS	21.19p		-8.2%	
Dividend per share	9.09p		4.7%	

# North America

	2024	Δ
Revenue	£3,347m	+1.3%
Organic Revenue		+1.5%
Adjusted Operating Profit	£573m	-7.1%
Adjusted Operating Margin	17.1%	-160 bps



60% of Group Revenue



57% of Adjusted Operating Profit

### Organic Revenue +1.5%:

- Pest Control +1.5%; Pest Control services for commercial, residential and termite customers +1.4%
- H2 organic growth of 1.8%, with improved final quarter, up 2.3%

**Adj. Operating Margin in line with revised guidance at 17.1%**, impacted by below expectation revenue growth and in-year growth investments

Pricing continued to effectively offset input cost inflation

Right Way 2 delivering progress on the core enablers of growth including colleague and customer retention. Further refinement to optimise organic lead generation and sales conversion required

Terminix integration delivered to plan in the year

Improved **customer retention** at 80.1% (FY 23: 79.5%). Sustained above 81% through Q4

13 businesses acquired with combined annualised revenues of c.£69m

2024 performance in line with revised guidance



# Targeting post-integration North American margin of 20%+

- Further gross cost synergies delivered in 2024, however significant investments behind salary and benefit harmonisation, safety, innovation and IT, plus inflation
- Significant 2024 sales and marketing investments, a portion of which in 2025 will be redirected to fund the new brand and branch strategies
- During 2025 we expect further cost inflation but do not anticipate the need for additional investments over those made in 2024
- 3 years post Terminix acquisition, going forward we will not report on net synergy delivery - becoming increasingly subjective
- From 2027, cost reduction is estimated as a \$100m reduction from the 2024 spend level
- From 2027, cost savings and improved organic growth rate post integration are expected to deliver North American operating profit margins above 20%
- We are retiring the previous Group Adjusted Operating Margin target (19% by 2026)
- One time costs to achieve from the start of integration to the end of 2024 are \$248m (cash and non-cash). Remaining one-time costs to achieve in 2025-2026 are c.\$100m



# International business

All regions outside of North America

## Organic Revenue +4.7%:

- Pest Control +5.3%; Hygiene & Wellbeing +3.2%; Workwear +7.1%
- +5.0% in Europe incl. LATAM; +4.3% in UK & SSA; +5.4% in Asia & MENAT; +3.2% in Pacific

## Adjusted Operating Profit +5.7%, margin -50ps due to region-specific events

- Stable margin in Europe offset by adverse weather impact in LATAM
- UK acquisition of lower margin specialist hygiene company DCUK
- Prices increases continued to offset cost inflation

## Customer retention remains strong across International

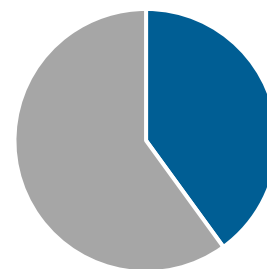
- All regions 80%+ and improved or stable. Europe incl. LATAM at 88.3%

## Excellent colleague retention rates

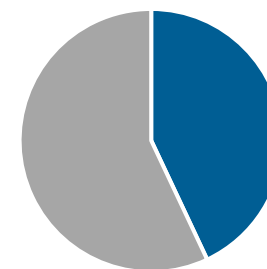
- Asia best-in-class at 93.3%, Europe incl. LATAM also >90%. YoY improvement in UK & SSA and Pacific

**Bolt-on M&A:** 23 businesses acquired with total annualised revenues of c.£71m

	2024	Δ
Revenue	£2,229m	+8.2%
Organic Revenue		+4.7%
Adjusted Operating Profit	£432m	+5.7%
Adjusted Operating Margin	19.3%	-50 bps



40% of Group Revenue



43% of Adjusted Operating Profit

**Scale and market leadership across the globe**



# Pest Control

Global leader in pest control

2.9% Revenue growth to £4.4bn

2.5% Organic growth

- NA: 1.5%

- International: 5.3%

24 deals in Pest Control with acquired annualised revenues of c.£90m

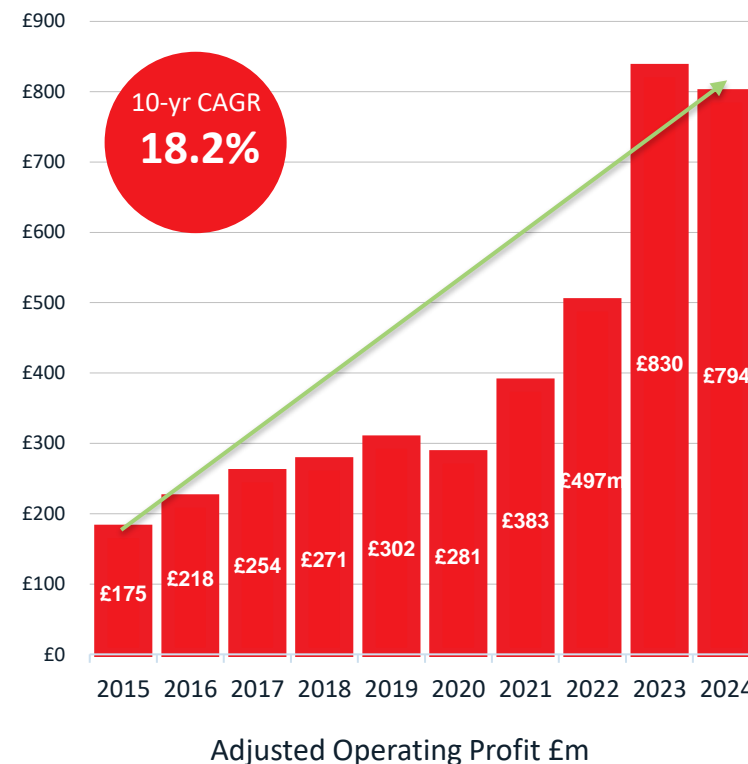
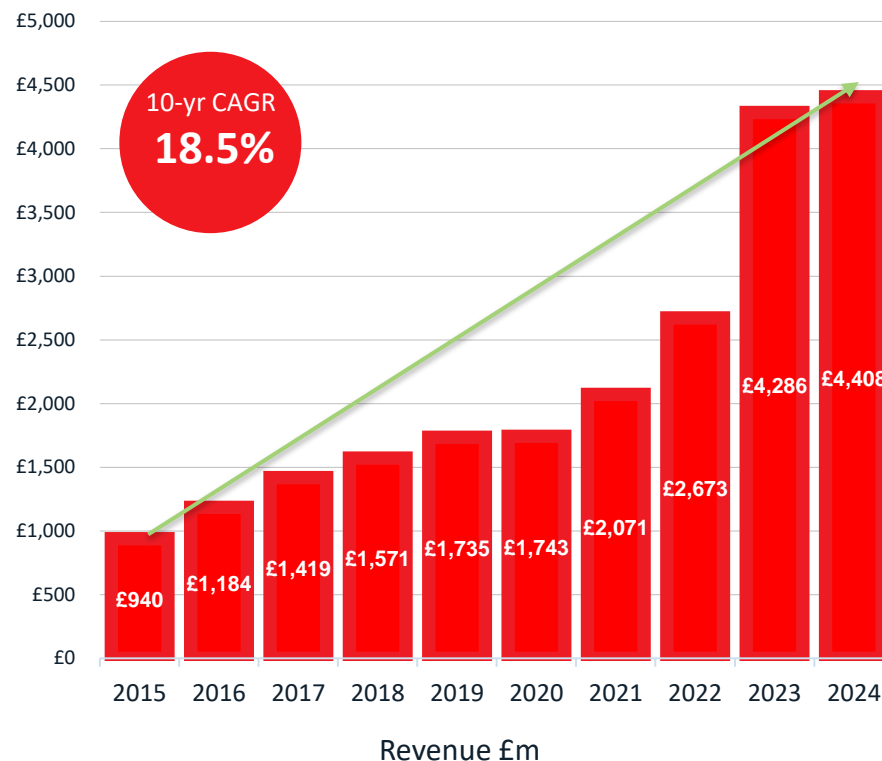
Adjusted Operating Profit -4.2%

Adjusted Operating Margin: 18.0% -130bps

**Pest Control:** 79% of Group Revenue,  
79% Group Adjusted Operating Profit

PestConnect: now 500,000 devices

Information in appendix on how we're transforming commercial Pest Control through AI



10-year Revenue and Profit CAGR of c.18%

# Hygiene and Wellbeing

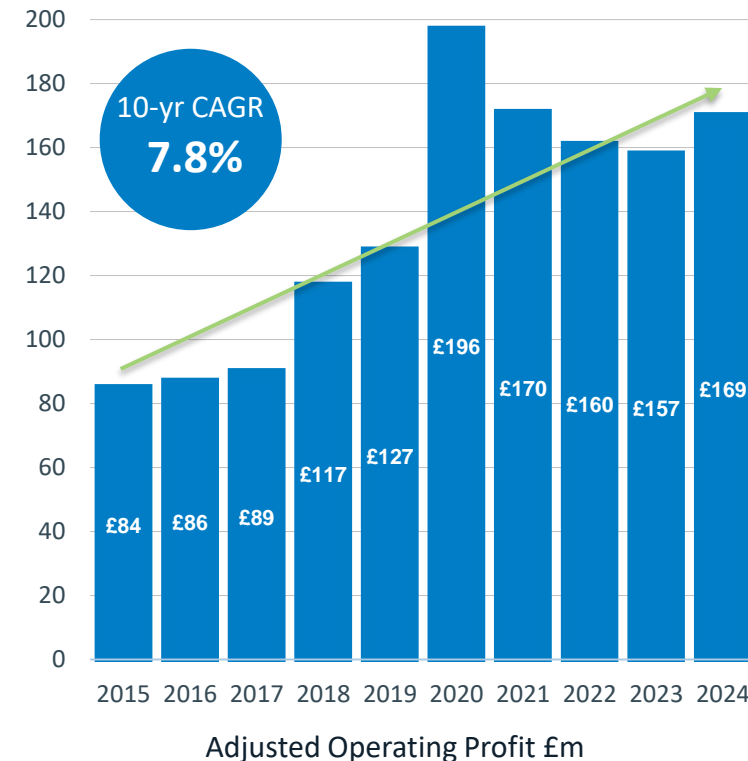
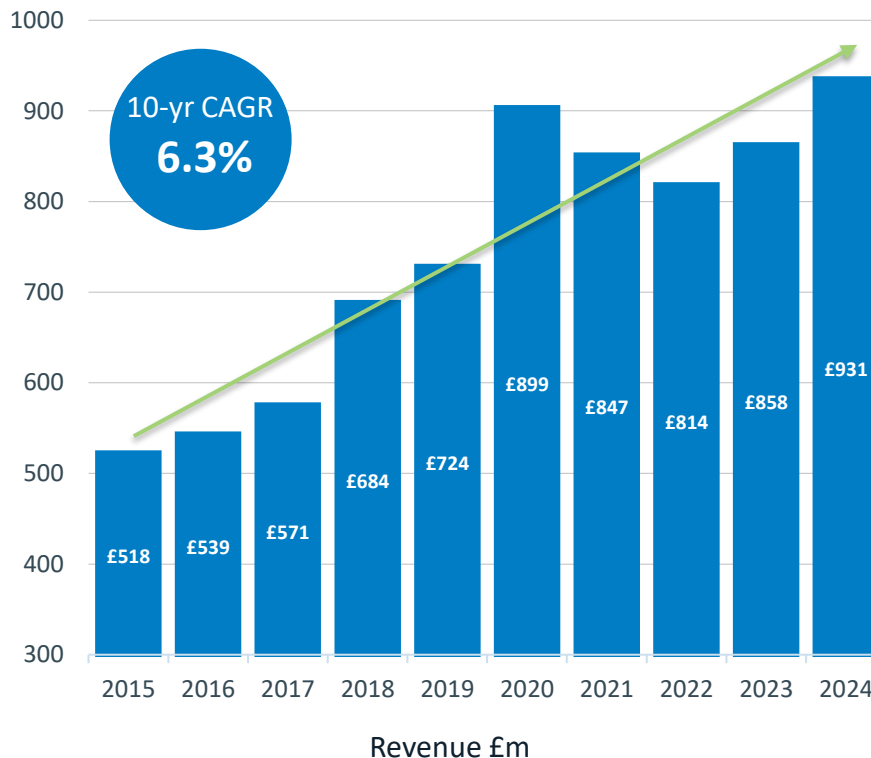
Strong 'sister' business to Pest, shared overheads and density focus

## Revenue Growth +8.4% to £931m Organic Revenue of +3.1%

Continued to expand core range e.g. Signature AirFlow Scent (new battery-free air freshener), FreeVend Flexcare (new dispensing solution for providing free sanitary products in washrooms), and more sustainable operations

Adjusted Operating Profit +6.8%  
Adjusted Operating Margin: 18.1%

Represents 17% of Group Revenue, 17%  
Group Adjusted Operating Profit



10-year Profit CAGR of c.8%



# Workwear

4% of Group Revenue

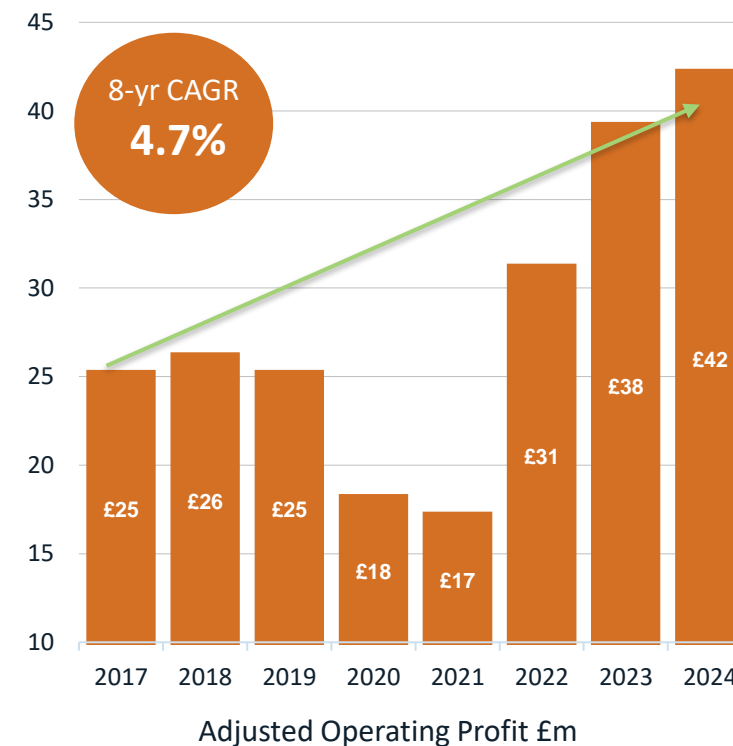
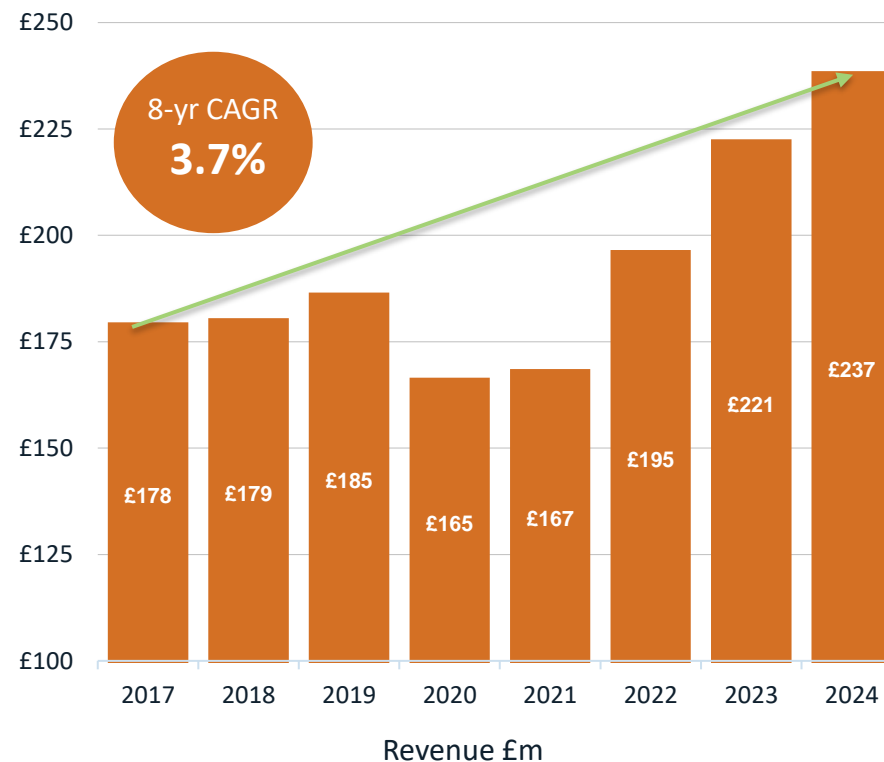
**Organic Revenue growth of 7.1%.**

**Adjusted Operating Profit growth of 8.6% and margin of 17.7%**

Strong new business sales, including account gains and upselling

Inflation was successfully mitigated by pricing

Benefitted from continuing strong colleague retention, effective recruitment and high service levels



**Continued strong performance**

# Group Adjusted Cash Flow

	@AER	
£ million	2024	2023
<b>Adjusted Operating Profit</b>	<b>834</b>	<b>898</b>
Depreciation	308	300
Other	35	30
<b>Adjusted EBITDA</b>	<b>1,177</b>	<b>1,228</b>
One-off and adjusting items (Non-Cash)	(15)	(11)
Working capital	(105)	(47)
Movement on provisions	(60)	(56)
Capex – net additions and disposals	(211)	(197)
Capital element of lease payments	(145)	(151)
Cash interest	(144)	(166)
Cash tax	(87)	(100)
<b>Free Cash Flow</b>	<b>410</b>	<b>500</b>
Acquisitions	(172)	(242)
Disposal of companies and businesses	-	19
Dividends	(229)	(201)
Cash Impact of One off and adjusting items	(77)	(107)
Other	-	(6)
Cash outflow on settlement of debt related FX forward contracts	(9)	(3)
Net investment in term deposits	(1)	-
Debt repayments	(369)	-
<b>Net decrease in cash and cash equivalents</b>	<b>(447)</b>	<b>(40)</b>
Cash and cash equivalents at beginning of the year	832	879
Exchange losses on cash and cash equivalents	(13)	(7)
Cash and cash equivalents at end of the financial year	372	832

## Commentary

Working capital outflow of £105m. In H2 a higher outflow on creditors, primarily in North America, alongside an increase in inventory levels. Improvement expected in 2025

Movements on provisions largely relate to termite warranty claim settlements in the US

Cash interest payments lower due to higher interest received on investment income and lower swap payments due to a weaker US dollar

Cash tax payments lower, reflecting lower profits as well as prior year one-off tax payments

In line Adjusted Free Cash Flow conversion at 80.0%

# Capital Allocation

Continuing our balanced capital allocation approach

Invest for  
growth  
organically

Invest for  
growth through  
bolt-on M&A

Grow a  
sustainable  
ordinary  
dividend

Return excess  
capital to  
shareholders

Maintain a strong balance sheet  
2.0x – 2.5x net debt / EBITDA under normalised conditions



# Technical Guidance for 2025

## P&L Guidance

- Restructuring costs: \$10m; and One offs and Adjusting items excl. Terminix c.\$15m
- Terminix integration costs to achieve\*: c.\$55m-\$65m
- P&L adjusted interest costs: c.\$190m-\$200m; incl. \$5m-\$10m of hyperinflation (at AER)
- Estimated Adjusted Effective Tax Rate: 25%-26%
- Share of Profits from Associates: c.\$8m-\$10m
- Impact of FX within range of -\$10m to -\$20m\*\*
- Intangibles amortisation: \$190m-\$200m

## Cash Flow Guidance

- One-off and adjusting items: c.\$70m-\$80m
- Working Capital: c.\$75m-\$85m outflow and provision payments of \$80m-\$90m
- Capex excluding right of use (ROU) asset lease payments: \$300m-\$310m
- Cash interest: c.\$185m-\$195m
- Cash tax payments: \$140m-\$150m
- Anticipated spend on M&A in 2025 of c.\$250m

\* Reported as one-off and adjusting items and excluded from Adjusted Operating Profit and Adjusted PBTA;

\*\* Based on maintenance of current FX rates

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Full Year Results 2024

## North America Review and Action Plan

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# Review and actions to drive growth in North America

## 1. Delivering the integration

- **Progress in 2024:** Core IT stack, branch systems integration, and re-routing and pay plan pilots
- **Actions:** Overview of our plan for 2025-26

## 2. RIGHT WAY 2 Growth Plan

- **Update on the plan:** Where we are making good progress and what are our key issues
- **Actions:** Areas of focus to reignite growth including the use of satellite branches and core regional brands

## 3. Q&A





# Good progress in 2024 on integration to Best of Breed IT platform



## First Terminix branch systems integration completed

- **Integrated 58 branches in H2** - with Revenues of \$373m; c.1,000 service technicians; mainly Terminix Residential. Over 250 branches in North America now operating on our standard 'Best of Breed' IT systems (heritage Rentokil network and 58 branches from H2)

## First full migration pilot of Terminix branches

- **First cluster of full migrations - 9 branches successfully implemented:** Systems integration, rebranching, rebranding, rerouting and end-to-end transition to a new pay plan
- **Early days, but colleague and customer retention is so far good:**
  - Colleague retention rate in line with pre-migration levels
  - Customer retention increasing vs pre-migration levels
- **Next batch of 41 branches have also now completed the migration process**

**+250**

Branches in North America  
now operating on our standard  
'Best of Breed' IT systems

**50**

Terminix branches  
have now been fully migrated.  
c.15% of Terminix branch  
network

**First Terminix branches now have our end state systems, routing optimisation and pay plans**

# Undertaking a Complex Integration in North America

Full branch integration restarts early H2



Q4 2022	2023-24	2025	End of 2026
<b>Terminix Deal Completes</b> <ul style="list-style-type: none"><li>■ 2 businesses</li><li>■ 70+ systems</li><li>■ 80+ brands</li><li>■ Different policies and procurement arrangements</li><li>■ Multiple vendors</li><li>■ Different pay and benefits</li><li>■ No uniform customer experience / offerings</li><li>■ Termite liabilities</li><li>■ Crossover of branches in same areas</li></ul>	<b>Integration Underway</b> <ul style="list-style-type: none"><li>■ Legal merger</li><li>■ Aligned functions and management teams</li><li>■ Focus on colleague experience / retention</li><li>■ Standardised colleague data and payroll systems</li><li>■ New innovation centre</li><li>■ Begin CX programme</li><li>■ First branch systems integration in H2 '24</li><li>■ c.95% of the end state IT stack complete at YE24</li></ul>	<b>Branch Migrations</b> <ul style="list-style-type: none"><li>■ Core systems working well in over 250 branches</li><li>■ 58 Terminix branches integrated – continuing to monitor</li><li>■ Core IT development to be completed – last 5% – preparation for branch integration</li><li>■ Branch integration planned restart from early H2; standard process then continues through 2026</li></ul>	<b>Completion</b> <ul style="list-style-type: none"><li>✓ Optimised branch network with standard systems and processes</li><li>✓ Single colleague and customer experience – IT, processes</li><li>✓ Standard data</li><li>✓ Completed IT architecture will be scalable to support M&amp;A and organic growth</li><li>✓ Innovation / digital launches</li></ul>

**Terminix integration targeted to complete by end 2026**  
Expect to deliver North American margins exceeding 20% in 2027

# RIGHT WAY 2 Growth Plan

Context for our Q1 Review



Organic Growth is generated from both **existing** (left hand side of the model) and **new customers** (right hand side of the model)

- Colleague Retention has seen significant improvement since completion
- Customer Retention - greater focus from H2
- First investment in the Terminix brand in 2024
- In-bound leads need to improve significantly
- First satellite branches opened in Q4
- Underperforming on new sales - Organic Growth



THE RIGHT WAY 2 Growth Plan



# Good progress in several areas of the plan including colleague and customer retention



## NA Colleague Retention +4.2%

- Service technicians: +4.2% to 76.0%, good progress
- Sales colleagues: +6.4% - particular focus for the year
- Improved retention of new colleagues (0-12 months) and longer tenured
- Terminix colleague retention up 13.9% since completion

## Making progress on Customer Retention

- Company-wide initiative to mobilise organisation around criticality of customer retention, outlined at H1 2024
- Launched 'Drive to 85' in H2 - 20 projects on customer retention underway
- Invested in our 'Customer Save' team and incentivisation: % of customers saved increased in each of the last 3 months
- NA Customer retention in 2024: 80.1% (2023: 79.5%). Over 81% in Q4
- Supported by good levels of service at 98.5%
- 55,000 online 5-star service reviews for US pest control brands up c.200%



# Making further progress on Trusted Advisor participation and Terminix Brand awareness



## Trusted Advisor participation increasing

Developed Trusted Advisor with increased branch manager focus, reporting and training

- First innovation launched in 2024 – EcoCatch and FlexiArmour
- Terminix Technician leads participation up from c.40% to c.50%
- Rentokil Technician leads participation up from c.57% to c.73%

## Terminix #1 Brand in US Pest Control\*

First investment with new 'Terminix It' brand marketing campaign in 2024

New 'Terminix It' brand marketing campaign aimed at increasing awareness of our Terminix brand and strengthening our top of funnel marketing

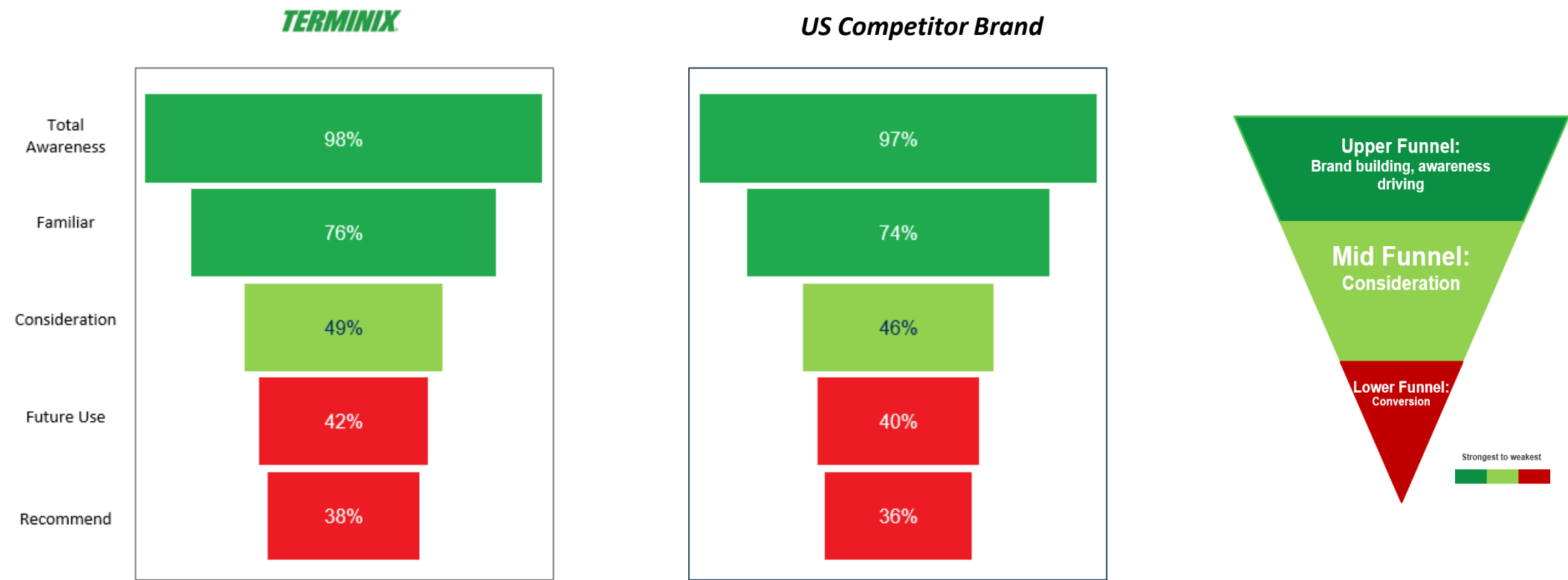
- Positive impact on awareness
- Delivered a noticeable improvement in brand favourability – with unaided brand awareness increasing by 7 percentage points - levels not seen since 2021
- Terminix #1 for familiarity, recommend and emergency use
- Focused on Terminix investment, more limited support for other brands in 2024



# Terminix enjoys very strong brand equity



About **half of those aware of Terminix** on a Total Awareness Basis **would consider using** the brand for their pest control needs. Total Brand Awareness has **reached almost complete saturation**



**Total Awareness** = unaided + aided; **Familiarity** = very/somewhat familiar; **Consideration** = extremely/very likely to consider in the future; **Recommend** = extremely/very likely to recommend



# Disappointing leads generation, particularly Organic, and sales execution



## Weak lead flow - Organic and paid search

Primarily used Paid Search lever in 2024 - organic search disappointing

Primary focus for marketing support on Terminix brand, less priority on other brands

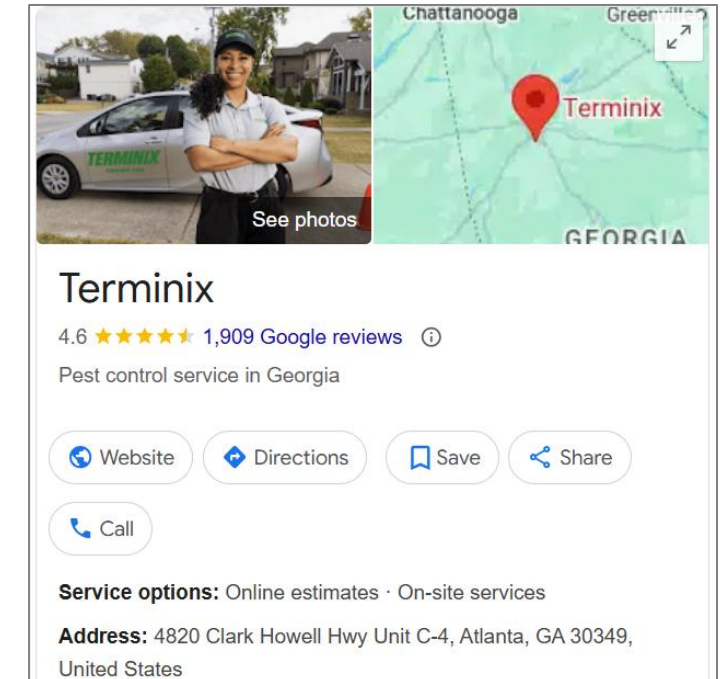
- Hired new CMO and team. Reorganised team to optimise Paid, Organic, and Social
- Area that we still need to improve significantly – accelerate owned, earned and paid-for execution and realise benefits from a full suite of marketing solutions
- First satellite branches opened in Q4

## Sales execution

Once we get the leads, need to sell more, at better average values

Selling more contracts vs jobs to get portfolio into positive consistent net gain

- Colleagues with over one year of service time are typically c.50% more effective than those with less service time: Sales colleague retention increased in 2024 by 6.4%
- >100 more sellers entering 2025 in their second year vs. their first year of sales in 2024



**Areas of focus areas for our growth plan in 2025**

# Accelerating Marketing and Sales Execution in 2025, supported by local branches and brands



## 1. Raising the Bar

### Build on Progress to Date

- Rigorous focus on **colleague retention**
- Execute **'Drive to 85'** customer retention and CX programme
- Build on the foundations established in 2024 to accelerate the **Trusted Advisor sales leads**
- Maintain strong **pricing** discipline
- Deliver an efficient installation programme with a high level of **Work Order Completions** at 98%

## 2. Marketing

### Drive Leads Generation

- Need to **accelerate owned, earned and paid execution** and realise benefits from full suite of marketing solutions
- **Much better plan and execution for organic search**. New agency. More 5-star reviews. New content
- **Segmented marketing** with more targeted and effective spend
- **Enhanced brand awareness** – including 9 regional brands

## 3. Sales conversion

### Focus on Sales Execution

- **Sales responsibility** moving to the branches for Field Sales - clear accountability within sales & service
- **Drive operational rigour** - increasing sales inspection rates, increased proposal rates
- **Differentiated commissions** - more for a contract than job
- Further build **sales colleague retention** and training / effectiveness
- **New door to door pilot**
- Focus on **key target segments in national accounts**

Clear growth plan and priorities in place

# Satellite Branches

## Using low-cost satellite branches

### Satellite branches to drive more localisation, getting the business closer to our customers

#### Current main branch network

- Some current locations 20-miles from city centres. Less residential, less populated areas. Limited brand presence. Physical locations for offices, van fleet, supplies, etc.

#### New satellite branches

- Target locations, high customer base. Boost brand visibility in local markets
- Relatively inexpensive, small properties
- 10 branches opened in Q4
- 22 satellite branches now in use, primarily for operational efficiencies e.g. localised team meetings, as well as supporting marketing initiatives

#### Early stage, but the initial findings are positive

- Supporting operations, sales, and marketing
- Aim to open more satellite branches across our six Markets – end state branch footprint (including satellites) now expected to exceed 500 vs original plan of c.400. In addition, over 100 franchised owned and operated Terminix branches



# More Brands

## Powerful regional brand presence



**America's Number One  
brand for Pest Control**

High awareness amongst  
Residential and SME customers



**World's leading Pest Control  
brand in c.90 countries**

Focus on large commercial,  
national and global customers



**Additional highly recognised regional brands in  
residential and commercial pest control**

Outstanding brands that will transition as part of the  
re-route and re-brand branch migration process

Strong local awareness

In addition, a small number of specialist  
local brands will also be retained



# Summary

2024 performance in line with revised guidance

## Branch integration

- Restart now planned for early H2; integration targeted to complete by end 2026

## Need to improve significantly on leads and sales

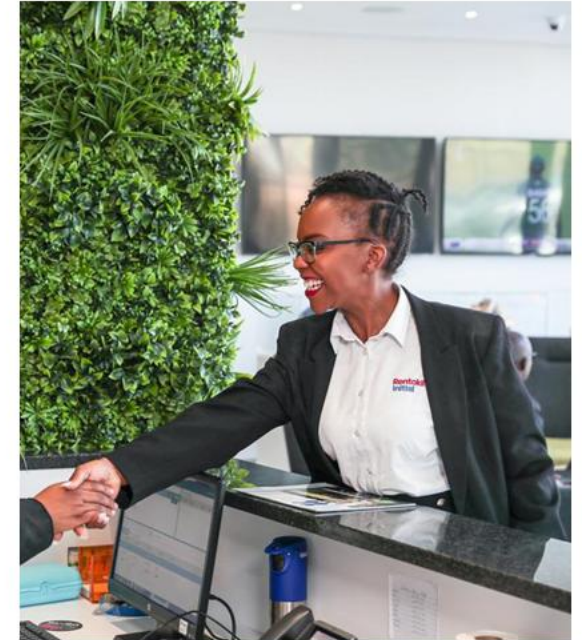
- Implementing key changes that will deliver a powerful regional brand presence and over 500 branches, including satellites, but this will take time
- Marketing and Sales plans focused accelerating organic leads, local responsibility for field sales and commissions targeted at contract sales
- Soft lead generation to date in Q1 2025

## Post integration

- Medium-term delivery of 1.5x market organic growth in North America Pest Control
- Expect to deliver North American margins exceeding 20% in 2027
- M&A opportunity; as well as deals in 2025 and 2026

## We remain confident in our opportunity to secure sustainable growth

- Globally, through our market leading positions, leading-edge technologies/innovations, Cities of the Future
- In the US, once we have completed the integration of Terminix



1. Number One – **many market leading positions globally, Growth and Emerging markets**
2. Supportive market drivers – **global market expected to grow at 5 – 6% to 2028\***
3. Powerful multi-brand strategy – **combination of global, national and regional brands**
4. Over **1,500 branches worldwide**
5. Deep expertise – **in Commercial, Residential and Termite**
6. Customer mix – **contract portfolio and one-off jobs**
7. Range of services – **Pest Control *and* Hygiene and Wellbeing**
8. Competitive advantages – **in People, Service, Innovation and Technology incl. AI and data**
9. Extensive M&A know-how – **buyer of choice with a strong pipeline**
10. Terminix integration – **targeted to complete end of 2026 – seven quarters**

PROTECTING PEOPLE

ENHANCING LIVES

PRESERVING OUR PLANET



# Rentokil Initial



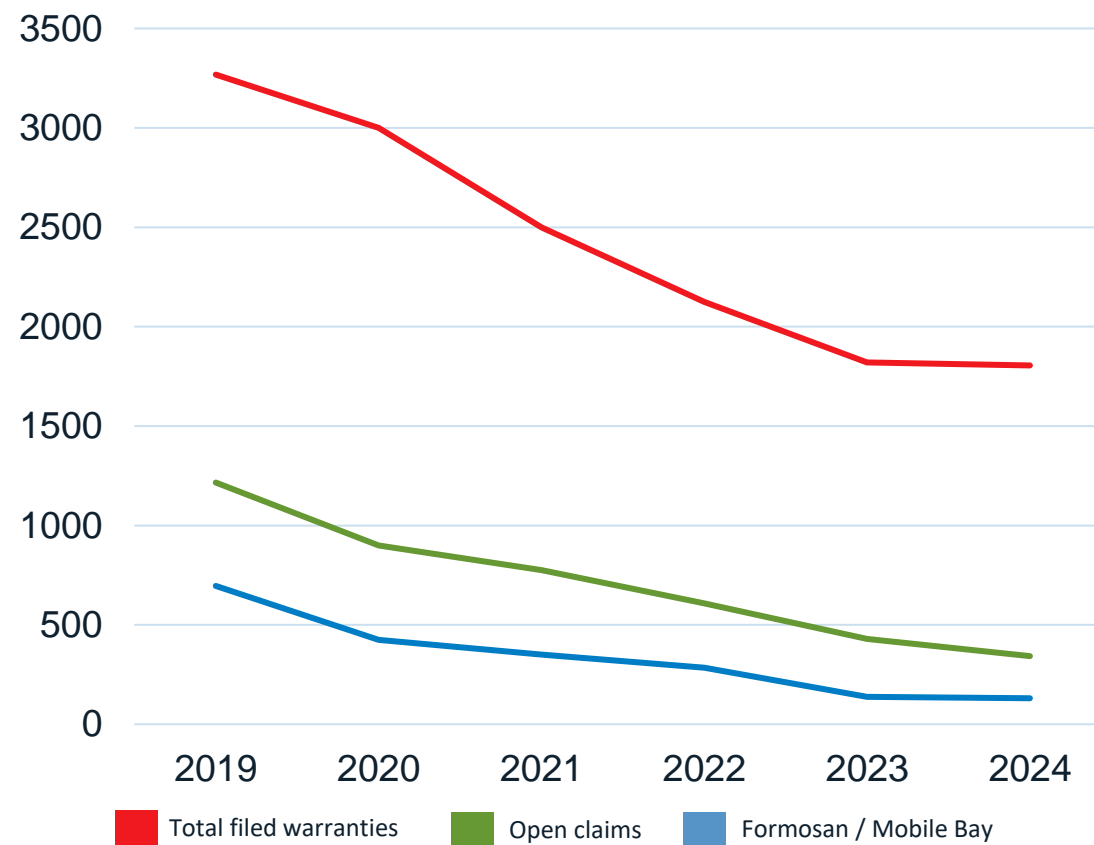
PROTECTING PEOPLE | ENHANCING LIVES | PRESERVING OUR PLANET



# Terminix Termite Control

Further progress made on legacy termite liability

- ✓ **Total filed warranty claims:** Total filed warranty claims reduced by a further 1% in 2024 vs prior year and by 45% since 2019
- ✓ **Open warranty claims further reduced:** 20% reduction in 2024 vs. prior year and by 72% since 2019
- ✓ **Total filed warranty claims in the Formosan termite heavy Mobile Bay reduced:** 5% reduction in 2024 and by 81% since 2019
- ✓ **Total number of pending litigated cases reduced by 41% in 2024** as the company continues to clean up legacy claims



Reminder: This presentation includes forward-looking statements and cautionary statements that are based on management's beliefs and on information currently available to management. Uncertainties and other factors, including factors outside of our control, may cause our actual results or performance to be materially different from any projected results or performance. We make no guarantee that trends in the management of termite damage claims will continue. Additionally, we make no guarantee that our operational improvement plans will mitigate against or reduce the number of termite damage claims (litigated and non-litigated) against us nor that these plans will reduce the ongoing cost to resolve such claims. We do not undertake any obligation, other than as required by applicable law, to update or revise the statements included in this presentation

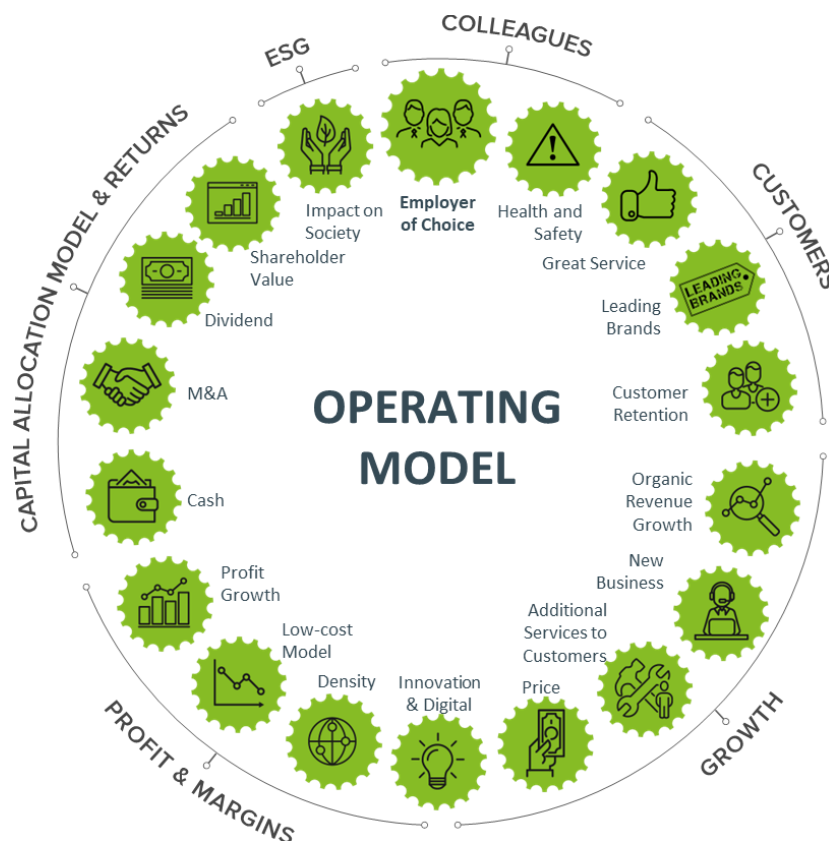


# Consistent Operating Model

Colleague retention and customer satisfaction & retention increasing

## Employer of Choice

- 68,500 colleagues - high engagement, long-service and safety culture
- Highly trained - 2.6m training sessions in 2024
- Group Colleague Retention 86.6%, +2.4% vs 2023
- Group Sales Colleague Retention +4.6%; Service colleagues +2.4%
- c.1,000 fewer people to recruit



## Customer Service

- State of Service: 98.3% ('23: 97.8%)
- c.7.25m post service customer surveys in 2024, with an average rating of 4.93 / 5
- Group NPS: +51.8, up +1 YOY – increasing in all categories
- 82.8% Customer Retention, +0.5% vs 2023

**Strong safety, increasing retention and high levels of customer satisfaction in 2024**

# Operating in Attractive Markets

Global and US market leaders in an exciting long-term growth market

## **Population growth and more people are living in urban areas.**

57% of the world's population, 4.7 billion inhabitants, live in cities today; expected to rise to 80% by 2050

## **Higher regulatory standards**

and increasing customer need for service reporting / greater reputational risk e.g. social media

## **Changing public attitudes**

requiring higher standards of health, hygiene and wellbeing... and becoming less tolerant to pests

## **Mega cities**

will generate higher economic growth levels. 90% of the future mega-cities (>10m people) are expected to be in the developing world which will represent 90% - 95% of urban expansion in the coming decades. Increasing middle classes

## **Evolving global climate change**

## **A global leader in urban pest control**

c.90 markets. Leading brands  
Synonymous with pest control around the world

## **Leaders in technological and innovation**

Differentiator, giving us a core competitive advantage  
Robust digital customer reporting channels

## **'Cities of the future' M&A strategy**

Targeted growth in key cities. #1 in India and China

## **Shared expertise between our regions**

In vector control, main pest groups, technology and in more sustainable services and operations

**US Pest Control Market CAGR of c.5% (2023-2028)**  
**Global Pest Control Market CAGR of c.5% - 6% (2023-28)**

*Sources: IMF, World Bank, OECD, The European Centre for Disease Prevention and Control, and UN's World Urbanization Prospects. Market CAGRs, various independent sources*

# Transforming commercial Pest Control through AI, Internet of things, data & machine learning



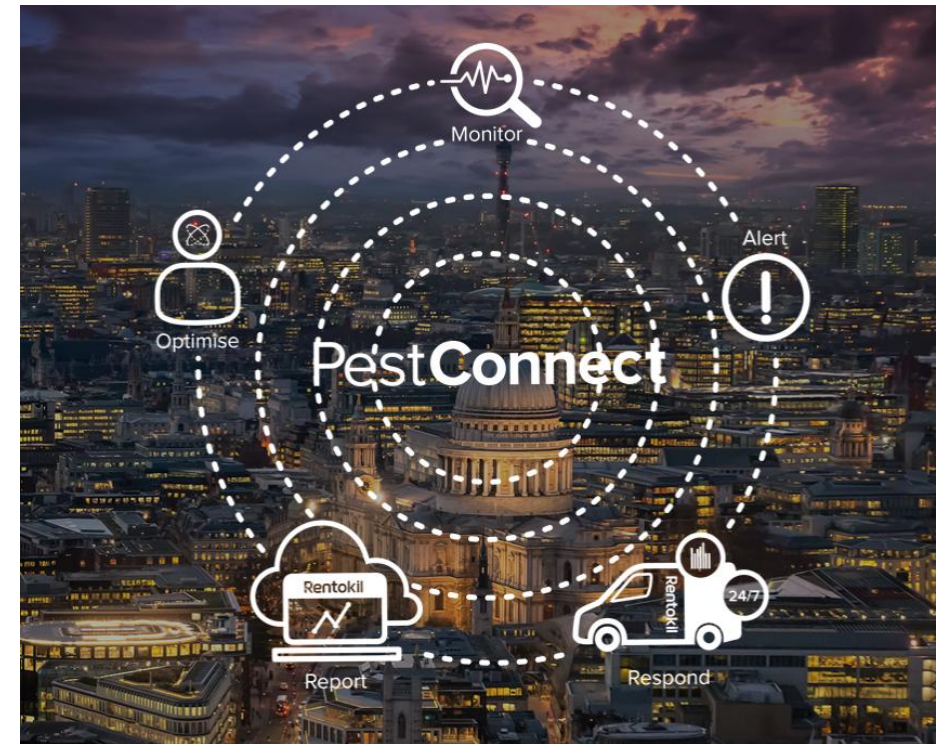
**500,000 PestConnect devices in customers' premises (February 2025)**

**36% growth in connected devices installed in 2024**

**1.7m data messages received from our devices per day**

PestConnect accounts for c.25% of Rentokil's commercial pest control contracted revenue in the UK. Over 10% in 13 other countries

**Driving competitive advantage:** PestConnect's remote monitoring capabilities allow for the resolution of rodent infestations twice as fast as traditional methods\*



*\* Based on a comparison of rodenticide bait use at customer sites transitioning from non connected to connected pest control*

# Transforming commercial Pest Control through AI, Internet of things, data & machine learning



## New PestConnect Optix utilises AI and camera technology

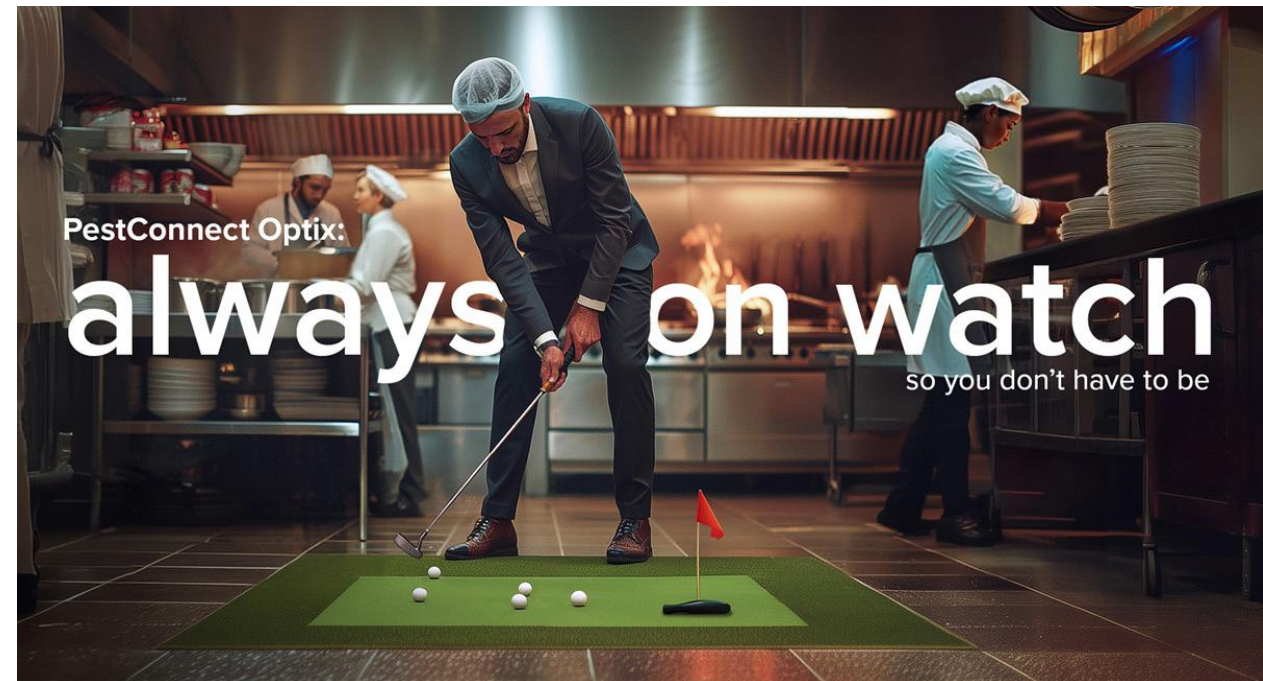
### Provides 24/7/365 early warning system for pests

Motion-detection cameras capture images of rodents, which are then sent to the cloud for analysis by Rentokil's highly accurate rodent detection AI machine learning engine

Rentokil's patented algorithm for identifying individual rodents, created using over 1m rodent images in our innovation centres

Now available in the UK with deployments in the Netherlands, France, Spain and the Middle East underway

**Driving competitive advantage:** Identifies mice and rats, even in low light, and then automatically creates callouts for technicians for a faster response. New levels of data and insight



Bringing camera, remote monitoring and AI analysis to Pest Control