# Rentokil Initial

Rentokil Initial plc

Responsible Business Report 2022

# PROTECTING PEOPLE

PEST CONTROL AND HYGIENE & WELLBEING SERVICES

# ENHANCING LIVES

**INNOVATIVE PRODUCTS AND SERVICES** 

# PRESERVING OUR PLANET

MORE SUSTAINABLE SOLUTIONS AND WAYS OF OPERATING



# **WELCOME TO**

**Our 2022 Responsible Business Report** 

At Rentokil Initial, our responsible business focus areas are colleagues and culture, the environment, service and innovation, and communities. This is underpinned by a commitment to strong governance and transparent targets.

We provide high-quality services for our customers by focusing on the safety. engagement and training of our colleagues, and by developing innovative products and services which are increasingly non-toxic and sustainable. This is demonstrated through our mission and social purpose: Protecting People, Enhancing Lives and Preserving our Planet.

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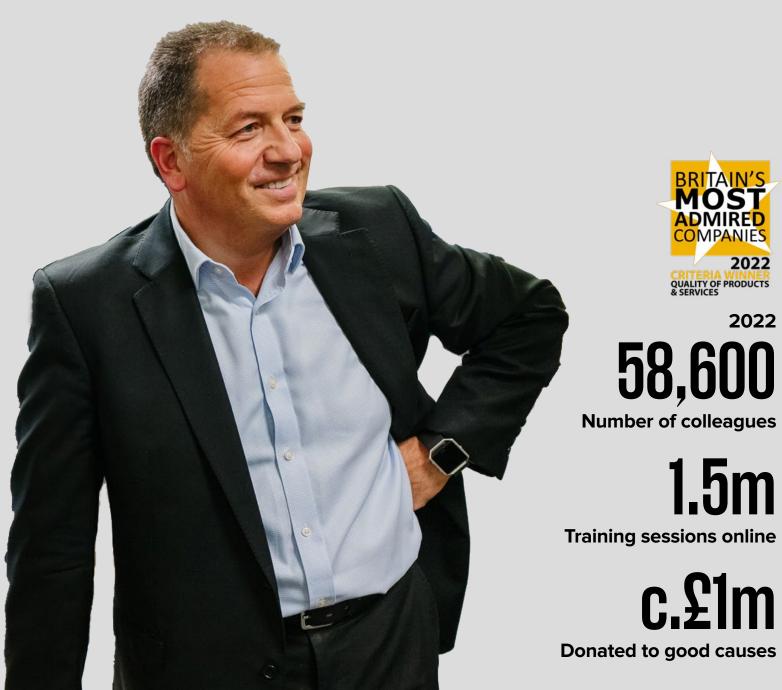
Click this icon for further reading.

Click this icon for online content.

We provide pest control and hygiene & wellbeing services in 91 countries through 58,600 colleagues. The Company is UK headquartered and listed on the FTSE 100.



# INTRODUCTION



MOST **ADMIRED** COMPANIES 2022 QUALITY OF PRODUCTS & SERVICES

2022

1.5m

Training sessions online

### A LANDMARK YEAR

2022 was a landmark year in the history of Rentokil Initial in which we concluded the outstanding transaction to join forces with Terminix. This agreement could not have happened without the collective effort of so many colleagues, whether from Terminix or Rentokil Initial. I am incredibly proud of their tireless commitment and high standards, and equally grateful for the support of our advisors and shareholders.

The Terminix transaction allows us to learn from another large organisation and share best practices which will move the larger, combined Company forward in a way that is both sustainable and responsible, creating value for all stakeholders.

While our overall carbon footprint has therefore increased, there is no change to our transition plans or our commitment to reach net zero carbon emissions from our operations by 2040.

The business delivered yet another excellent operational and financial performance in 2022. We also continued to deliver a very high level of colleague safety and to attract, train and retain great people from the widest possible pool of talent. This is testament to the quality and resilience of the business and the 58,600 colleagues who work here.

I would like to take this opportunity to thank our colleagues for their commitment to the Company.

**Andy Ransom** Chief Executive Rentokil Initial

### **ABOUT US**

We are the global leaders in pest control and hygiene and wellbeing services. Our mission is to **protect people** from the dangers of pest-borne disease and the risks of poor hygiene, to **enhance** lives with services that protect the health and wellbeing of people and the reputation of our customers' brands, and to preserve our planet through our sustainable practices.



Read more about Colleagues & culture on pages 11 to 19



Read more about Environment on pages 20 to 28



Read more about Service & innovation on pages 29 to 38



Read more about Communities & charities on pages 39 to 55





### OUR VISION

To be the most loved and respected services business on the planet – delivering in THE RIGHT WAY.

### **OUR VALUES**



### Service

We are passionate about delivering excellent service to every customer.



### Relationships

We value long-lasting relationships with our colleagues, customers and the communities in which we operate.



### Teamwork

We are One Team – collaborating, supporting and working together brilliantly.



### Responsibility

We all owe a duty of care to each other, our customers, local charities, the communities in which we live and work, and to the planet.

### CLICK HERE!

To find out more about our vision and values.



# PROTECTING PEOPLE

Rodent pest control

+24% year-on-year

PestConnect devices in

Read more on page 34

Flying insect control

Lumnia devices (pictured below) in customers' premises







# ENHANGING

WE ENHANCE LIVES WITH SUSTAINABLE SERVICES THAT PROTECT THE HEALTH

• Number of apprentices

Read more on

• Training sessions on U+

Read more on

• Increase air purification revenue growth (year-on-year)

Read more on page 43 of the Annual Report 2022



# PRESERVING OUR PLANET

WE PROTECT THE PLANET BY DEVELOPING **EVER MORE SUSTAINABLE SOLUTIONS AND** WAYS OF OPERATING.

• Five-year carbon efficiency index improvement

Read more on page 76

Reduction in our carbon footprint in 2022 by using renewable property energy (tonnes)

Read more on page 27

• Target for the number of low emission vehicles in our UK and Europe fleets by 2025

Read more on page 28

Percentage of low emission vehicles in our UK and **Europe fleets by 2022** 

Read more on page 26

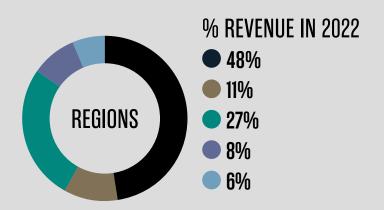




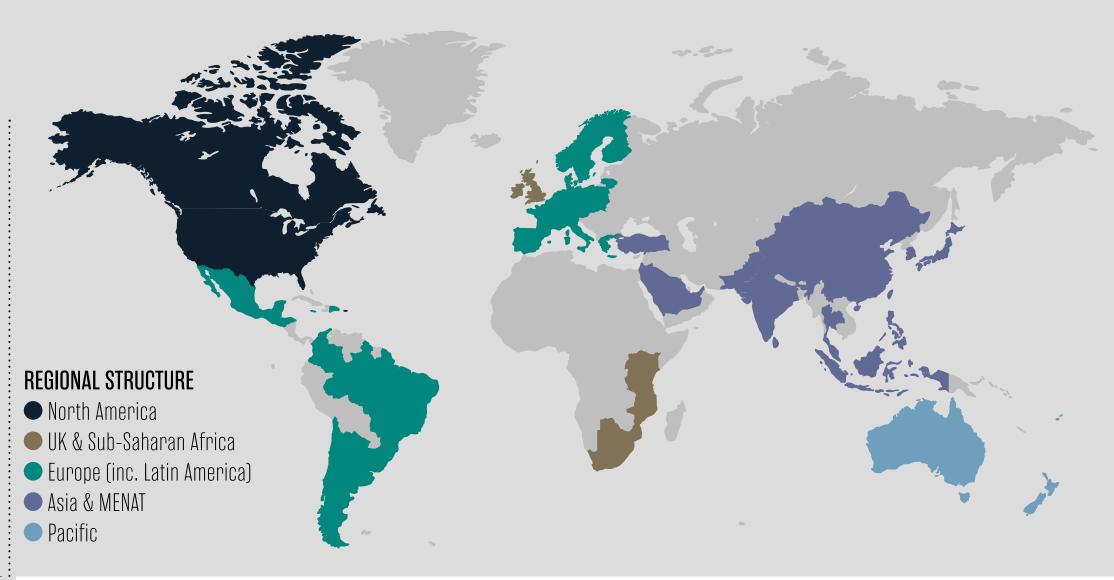
# WHERE WE OPERATE

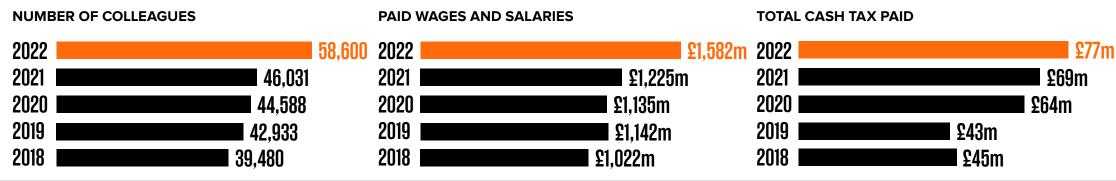
Rentokil Initial is a global leader in pest control and hygiene and wellbeing services. We operate in 91 countries and in 97 of the world's 100 leading cities by GDP.

On 12 October 2022, we completed the transaction to bring together our pest control services with Terminix, predominately in North America, adding significant scale to our operations in that region. Terminix has very similar areas of responsible business focus including safety, people, customer service and efficiency of operations.



	Revenue £m	Growth %	Organic %
North America	1,675	+29.7	+5.7
UK & Sub-Saharan Africa	370	+2.9	+4.7
Europe (inc. Latin American)	942	+13.2	+9.1
Asia & MENAT	308	+13.4	+11.0
Pacific	221	+12.8	+7.9





Service

# **OPERATING MODEL**

Our colleagues are at the heart of our business, as we continue to deliver responsible and sustainable operations. Our employer of choice programme is designed to deliver high quality recruitment, engagement, training and retention practices, and, in particularly, a commitment to world-class safety. By getting it right for colleagues we create the right environment for our colleagues to deliver a high quality service to our customers. This retains more customers, to whom we sell additional services.

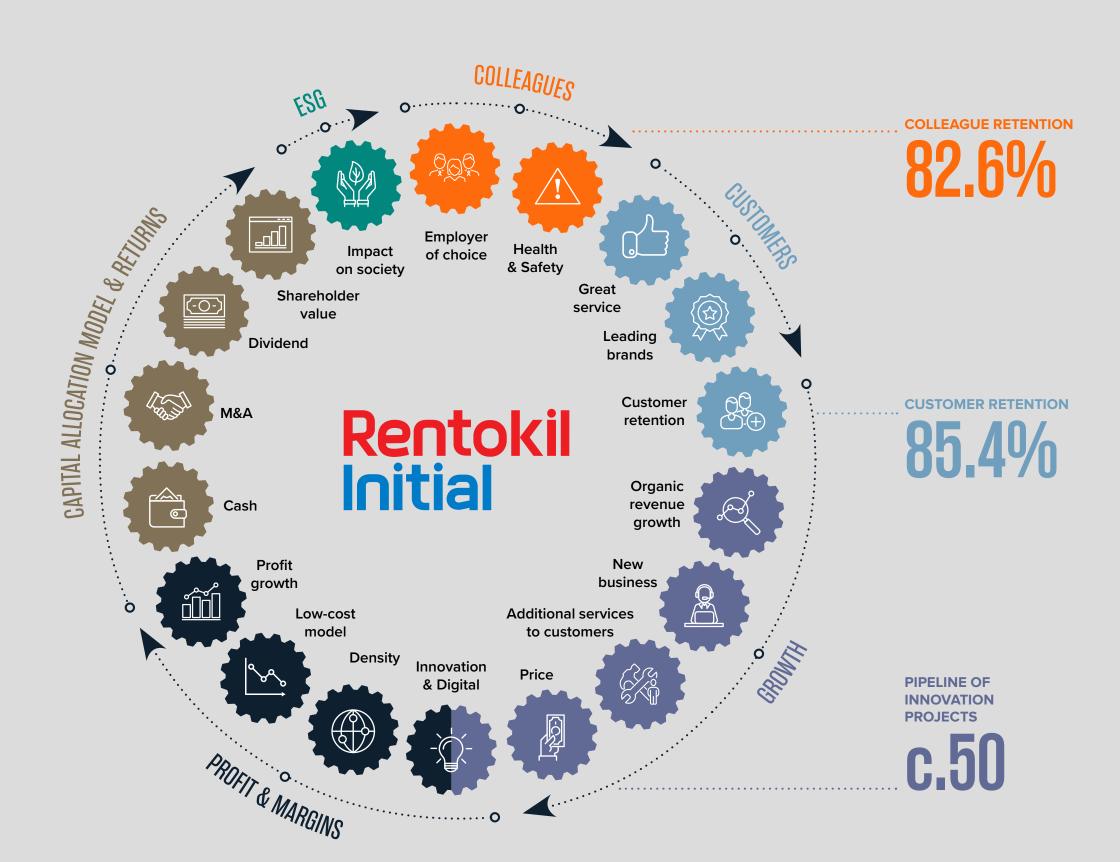
Thanks to our colleagues' unwavering commitment and dedication to our customers, our operating model continues to create value for all stakeholders.

Each part of the model is related to the others and measured consistently at Group, business, country and branch level.

Our businesses are grouped into five geographical regions, with local-market operations. Around 80% of service revenues are on a subscription style contract, and our essential services provide a natural resilience to fluctuations in market dynamics in these individual markets, as well as geopolitical risks.

Our decentralised approach features single-country management teams operating in the 91 countries in which we operate.

Each country team leads integrated, multi-local and multiservice operations, using combined back-office functions underpinned by shared systems and processes, such as route optimisation and measurement of customer satisfaction.





# **ACCREDITATION & MEMBERSHIPS**

This year the Company has received accreditation and membership of the Dow Jones Sustainability Europe Index and scored 69%, representing a strong consistent score with 2021. We were particularly pleased with our score in Information Security/Cybersecurity & System Availability which rose 15% year-onyear, and our response to Environmental Policy & Management Systems increased by 7%. Based on our performance, we qualified for inclusion in S&P Global's Sustainability Yearbook 2022, as a Yearbook Member.

Rentokil Initial is an ongoing member of the FTSE4Good Index. As of 31 December 2022, the Company was ESG rated as 'AA' by MSCI and as 'Low Risk' for ESG by Sustainalytics (rated 16th out of 169 companies in Business Services).

Across the Group, 70 locations have environmental management systems certified to ISO 14001, covering over c.14% (2021: 13.5%) of total revenue in 2022.

For its submission to the 2022 Carbon Disclosure Project index, the Company maintained its position from 2021 of rank C.

The Company's Eco-Label range of soaps and washroom equipment is designed to ensure customers have environmentally accredited products, delivering reduced environmental impacts. We also have Eco-Label accreditation for our Eco-Clear urinals solution that combines a water management device and patented urinal sleeve, and contains bio-enzymes penetrating uric acid, salt and scale, preventing build-ups, and eliminating foul odours. The specially designed water manager enables up to 90% water saving without affecting urinal hygiene levels.

In 2020, Lumnia, the world's first range of fly control traps to use patented LED lighting technology rather than traditional fluorescent tubes, received certification from Planet Mark. The certification confirmed that the product uses 62% lower carbon emissions as well as removing mercury from the waste stream. We received The Queen's Award for Enterprise: Innovation for the development of Lumnia as well as for PestConnect.











Powered by the S&P Global CSA















IN 2020, LUMNIA WAS THE **WORLD'S FIRST RANGE** OF FLY CONTROL TRAPS TO USE PATENTED LED LIGHTING TECHNOLOGY, THE PRODUCT USES





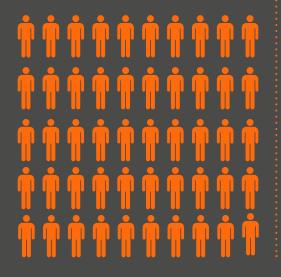
# 2022 HIGHLIGHTS

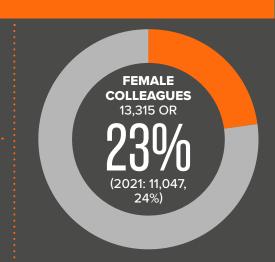
### **COLLEAGUES & CULTURE**

REMAINING AT WORLD **CLASS STANDARDS** (2021: 0.38)

**LOST RATE IN 2022 WORLD CLASS** STANDARDS (2021: 8.71)

**FESTIVAL IN SEPTEMBER 2022** 

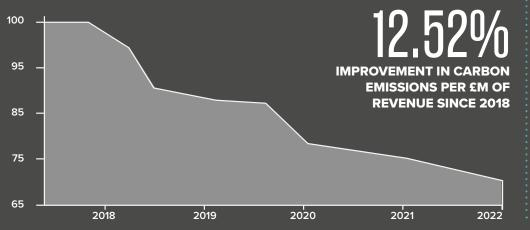




**TRAINING CONTENT CREATED IN-HOUSE** IN 2022 (2021: 350)

A NEW LEARNING MANAGEMENT **SYSTEM WAS INTRODUCED** 

### **ENVIRONMENT**



**ULTRA-LOW EMISSION** VEHICLES, C.5% OF UK AND EUROPE FLEET, ON **SINCE 2018 BY** TRACK TO 2025 TARGET **OF 10%** 

# c.96% £998,

**2022 TARGET WAS TO ACHIEVE** 90% OF PAPER PRODUCTS WITH RECOGNISED ENVIRONMENT **ACCREDITATION** 

**ANNUALLY BY NEW LINERS FOR OUR HYGIENE UNITS** 

## **COMMUNITIES & CHARITIES**

**DONATIONS IN 2022** (2021: 361,000), **EXCLUDES DONATIONS IN KIND** 

2022 £998,000

2021 £361,000

**UKRAINE APPEAL** 

TO SUPPORT CHARITIES AND **COMMUNITIES** 

READ FURTHER BY CLICKING ON OUR INFOGRAPHICS

### **SERVICE & INNOVATION**

**IMPROVED** 

**GROUP WITH 165,000 CUSTOMER RESPONSES** 

5-STAR REVIEWS OF RENTOKIL AND INITIAL IN THE UK, FROM OVER **17,000 CUSTOMER REVIEWS** 

c.290,000 **CUSTOMER PREMISES** 

& innovation

# COLLEAGUES & CULTURE

- 2022 summary
- Our approach
- Health & safety
- Long-term focus on safety
- Recruitment
- Engagement
- Training & development
- Wellbeing & mental health
- Diversity, equality & inclusion

courses on U+ in H2

training courses on U+ in H2

gender pay gap in the

graduates

apprentices



# **2022 SUMMARY**

### SAFETY

**Lost Time Accident rate** per 100,000 hours worked













### DIVERSITY

Female colleagues

(23%) colleagues are female and 45,277 (77%) are male

Female senior leaders

(2021: 30%)

**Female Board members** 

(2021: 37.5%)



Read more about our approach to diversity, equality and inclusion on page 19

### TRAINING & DEVELOPMENT

Pieces of new training developed in-house

Content views in H2 2022

Leading the RI Way' programme

Managers completed the 'Leading the RI Way' programme in 2022

Senior leaders' succession plans

of colleagues in our senior leaders' succession plans are female.



Read more about our approach to training and development on page 17

### **: TALENT RECRUITMENT**

**Number of apprentices** 

**New senior leaders appointed** through internal promotions

of our new senior leaders (work level 4+) appointed in 2022 were internal promotions

Registered users on careers+ app

'Time to hire' in North America

32.5 days



Read more about our approach to recruitment on page 16

Service

# **OUR APPROACH**

We are committed to being a world-class Employer of Choice. At the end of 2022 we employed some 58,600 colleagues (2021: 46,000) in 91 countries and we set out to ensure they are safe, engaged, able to enjoy a long-term career with the Company, and have the tools to do a great job for our customers.

We recruit, appoint and promote based on merit, and have clear guidance in our Code of Conduct to ensure we maintain the highest standards of behaviour. What is expected from colleagues and what colleagues can expect from the Company is set out in our Employee Value Proposition. 61% of our new senior leaders (work level 4+) appointed in 2022 were internal appointments.

We are committed to creating a diverse and inclusive working environment for all colleagues, by striving to be an organisation: that values everyone's talents and encourages diversity.

To support this strategy, an Employer of Choice data dashboard includes a suite of HR metrics and targets – measured by all country and regional operations on a monthly basis. These include: retention (including sales and service), time to hire, gender profile, numbers of colleagues versus budget and absenteeism. These are reviewed by the Board, Executive Leadership Team and regional management boards. During the year, all regions maintained their colleague retention rates above 80% (except for the Pacific Region, which is still stabilising retention levels following the impacts of the pandemic). Rentokil Initial colleague retention was 82.6%.

Across the Company, colleagues have personal development goals including areas such as training, safety, sustainable product launches and supply chain management, in addition to operational or other business performance objectives.



### **TERMINIX**

In October, 2022, following the transaction to bring together our pest control operations with Terminix, we welcomed a further 11,000 new colleagues.

We are now extending the Employer of Choice programme into Terminix. As an example, colleague retention in Terminix in 2022 was 63.8% (up from 62.8% in 2021) – so we have a clear opportunity to improve as part of our Employer of Choice programme.

On 12 October 2022, as the Terminix transaction completed, colleagues across North America met in branch meetings to hear the news, join the celebrations and understand what it meant for colleagues and customers. We also announced our updated Purpose, Vision and Values, that had been identified by colleagues in both companies, to underline the importance of our shared culture as we integrate the businesses over the next three years. In Times Square, New York, images of colleagues starred on giant screens – placing our people front and centre of the transaction. The first action we undertook together was to support others in need – with a \$200,000 donation to St Jude Children's Cancer Centre in Memphis and \$25,000 to Second Harvest Food Bank in Canada - much to the delight of colleagues when this was announced at meetings on the first day.

# **HEALTH & SAFETY**

There is nothing more important in Rentokil Initial than ensuring that 'Everyone Goes Home Safe' at the end of their working day.

Our colleagues, their families and our customers rely on this commitment. Health & Safety (H&S) will always be our priority and there is no compromise on this.

Our management team has made safety the first item on the agenda at every meeting – this includes the Board and Executive Leadership Team (ELT) meetings.

Rentokil Initial's health and safety approach comprises Company-wide and national programmes, focusing on operational protocols and actions taken to reduce risk. The primary focus areas are where potential impacts are greatest, including workplace transport, working at height, fumigation, working in areas of high voltage and machinery safety. Our underpinning policies are featured on the Rentokil Initial website, along with our Health & Safety Policy. All safety policies are overseen by our Group Excellence Director, a member of the ELT.

The Company's Safety, Health and Environment (SHE) team includes Group, regional and country leaders, reflecting regional cultures, local legislation, and operational capabilities. The SHE team establishes Company-wide policies, programmes, learning and development and SHE initiatives.



### WORLD CLASS SAFETY PERFORMANCE

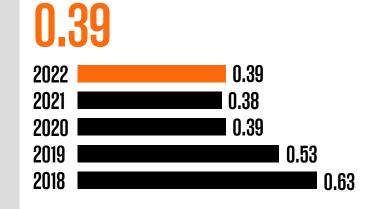
In 2022, we continued to deliver very high levels of colleague safety performance, achieving a Lost Time Accidents (LTA) rate of 0.39 with our Working Days Lost (WDL) rate improving to 7.90 per 100,000 hours worked. Both rates have improved significantly over the last decade (see next page). There were no health and safety prosecutions pending or fines imposed on the Company in 2022. The safety performance targets we set at the end of last year have been achieved in 2022 with Lost Time Accidents and Working Days Lost maintaining their world class standards. Regrettably, we had three fatalities across the Group in 2022 – two road traffic accidents and one of natural causes.



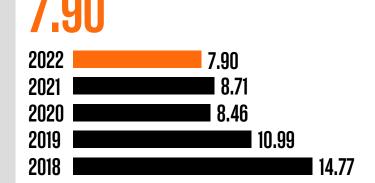
businesses with a score of 0 LTAs and 0 WDLs

In 2022, we had 81





### **WORKING DAYS LOST (WDL) RATE**



The LTA rate is calculated as the number of Lost Time Accidents (injuries and illnesses) per 100,000 hours worked.

The WDL rate is calculated as the number of working days that colleagues could not work because of Lost Time Accidents (injuries and illnesses) per 100,000 hours worked.

We do not track Occupational Illness Frequency Rate (OIFR) separately; therefore this is included in the LTA rate.

Data excludes Terminix.





# **LONG-TERM FOCUS ON SAFETY**

2008

LTA: 2.06

WDL: 50.84



2022

LTA: 0.39

WDL: 7.90



# MINIMUM STANDARDS FOR WORKING AT HEIGHT

### 2009-2010

- + Minimum standards for working at height
- + SHE leadership team established

### 2010-2011

- Minimum standards for core processes (e.g. incident management)
- + SHE goals incorporated in PDRs for operations

# CHIEF EXECUTIVE SHE AWARDS FIRST INTRODUCED

### 2011-2012

- + SHE Health-Check audits launched
- + 'In Focus' initiatives first introduced
- + MSOT/iLead first introduced

### 2012-2013

- + Programme to improve workplace transport safety
- Chief Executive SHE Awards first introduced

### 2013-2014

- + Improved site risk assessment process and tools launched
- + Improved working practices for roof void work

# LTA RATE <1 FOR THE FIRST TIME!

### 2014-2015

- + Golden rules implemented
- + Innovative online training tools launched
- + Minimum standards for fumigation

### 2015-2016

- + Driving at work standards implemented
- + Focus on improved near miss reporting
- + 'In Focus' initiatives extended

### 2016-2017

- + Safety Leadership Behaviours launched
- + Digital tools rolled-out, including Site Risk Assessment app

# ELECTRICITY GOLDEN RULES AND HIGH VOLTAGE POLICY

### 2017-2018

- + Safety Moments initiative launched
- + Training to identify potential electrical risks

### 2018-2021

- + Electricity Golden Rules and High Voltage policy
- + Increased fumigation governance
- + Global launch of Disinfection services
- Reviewing all Group Safety, Health, and Environment (SHE) policies in 2021, consolidating information and creating a H&S Policy Framework

### LTA RATE OF <1 FOR EIGHT YEARS

### 2022

- + Another strong year of safety performances across the Group
- + Our 2022 safety performance including Terminix from 12 October: LTA rate of 0.39 and WDL rate of 7.60. Data and targets will be fully incorporated from January 2023
- + In the UK we were awarded the ROSPA Gold Medal, recognising the 5<sup>th</sup> consecutive year we have been awarded this prestigious award
- Alignment of Terminix policies with Rentokil Initial including the provision of new safety boots and bee suits for Terminix colleagues ahead of the insect-stinging season



# RECRUITMENT

Despite the labour market pressures in some areas, our recruitment systems and processes have performed very well. Our Careers Plus app – which allows colleagues to apply, refer or share our career opportunities across their own social networks – has 16,000 registered users and has delivered 27,000 job applications as well as sharing vacancies with colleagues around the world. Career+ will be launched in Terminix by Q1 2023.

### IN 2022. WE ADDED OUR NEW VALUE OF RESPONSIBILITY



**SERVICE** 







### PROVIDING EMPLOYMENT OPPORTUNITIES FOR YOUNG PEOPLE

The Company has a long track record of recruiting, developing and promoting graduates and apprentices across the organisation in order to support individuals' careers and build our future pipeline of leadership and specialist talent. During 2022 we have continued to provide employment and development opportunities to young people.

For example, in the UK, we currently employ 257 apprentices. Alongside our apprenticeship programmes, we have continued to invest in the recruitment and development of graduates. We currently employ over 148 graduates across our UK business and corporate functions and have continued with our Rentokil Accelerated Management Programme (RAMP), launched in 2019 in North America, to recruit and develop both new graduates and former military personnel for operational leadership positions.

### **Graduates employed**



# **ENGAGEMENT**

The engagement of colleagues remains strong, as reported in last year's report. In September 2023, we will carry out another all-colleague census survey, including Terminix colleagues for the first time, and report the results in next year's report.

RI Rewards is a scheme which offers colleagues benefits such as saving at supermarkets, children's clothing, utilities and entertainment. As an example, the Reward Marketplace offered the opportunity to save 5% at Sainsbury's and 4% : at Tesco – supporting at a time of increasing cost of living.

Please see page 108 of the Annual Report 2022 for our response to the cost of living crisis including bonus plan, higher pay increases for frontline colleagues than : managers, opportunity to flex hours and proving practical : tools and advice.

## **TRAINING & DEVELOPMENT**

A key focus of our learning and development activity is to support and equip our colleagues around the world with the knowledge and skills they need to perform in their roles and deliver the best possible service to our customers.

Rentokil Initial provides extensive technical training for colleagues and associated career paths, for instance, moving from Level One to Levels Two and Three as a technician, and then onto surveyor and manager. In their first year, a Level One technician would receive 200 hours of field training, 20 hours of U+ training and 40 hours of classroom training (based on 8-hour day and £30,000 salary). A Level Two Technician will receive 10 hours of U+ training and 32 hours of classroom training. In 2022, 259 level One Technicians and 277 Level Two technicians underwent this training schedule.

Globally, in 2022, we held our largest ever training and development 'Festival' for colleagues, with over 150 sessions across September covering over 50 different topics. Over 4,000 colleagues registered, with over 90% saying they would attend the festival again and would recommend the sessions to others.



### AGILE DIGITAL LEARNING

Our award-winning digital learning system "U+" is our key digital platform for facilitating the development of our people. U+ provides content available in over 30 languages and the platform is being widely used across all regions.

Almost all employees have access to U+ with the biggest users being our front-line colleagues, who account for 86% of all users.

The majority of our learning content is produced by our in-house content development team, ensuring our own highly skilled experts are developing training materials for use by our colleagues. In 2022 we produced over 500 pieces of digital training, covering topics such as health and safety, customer care, regulation, technical training and sales.

Since the appointment of a new software supplier in July 2022, almost 1.5 million pieces of training have been completed by colleagues across the organisation. Equating to an average of 5 pieces of training completed per colleague per month since the system upgrade. In a comparative 4-month period to year end, there was a total increase of 92,794 training completions or 34.5% increase in the same time period year on year. With an average of 55% of colleagues logging into U+ each month, this means 24,750 colleagues are investing in their professional and personal development every single month.

Increase in training completions

92,794

### OUR PIPELINE OF FUTURE LEADERS

In 2022, we continued to invest in talent management and development in order to ensure we have the leaders we need to deliver our future strategy. Our philosophy and approach is to develop and promote talent, where possible, from within. This is particularly key for our operational leadership roles, where leaders who have a deep knowledge and experience of our business, customers and colleagues, bring us significant competitive advantage.

Over the last year, our senior (WL4+) management team has been supplemented and refreshed with a number of appointments. Of those who have been appointed to their current role in the last year, 61% (an increase of 21% on 2021) have been internal appointments.

Since 2017, we have run a programme of global and regional talent pools, which are now made up of around 400 individuals who we believe have the potential and capability to take on significantly bigger roles with us in the future. Our investment in talent development is showing strong returns, both for individuals and the Company. From our most recent Senior Global Talent Pool which commenced in 2021, 44% of participants have been promoted and 37% of participants are female which is our highest number of women in a talent pool since its introduction. For our Fast Track Talent pool we had the highest number of nominations since 2017 and double the previous pool. We have seen increased numbers of participants with global mobility in this pool (50%) which enables us to further increase our pipeline of mobile talent as we continue to expand our global reach.

**Senior Global talent pool promotions** 

44%

Our executive succession pipeline has maintained its high level of successors over the last 12 months with 73% of the Executive Leadership Team (ELT) having a near-term successor and 78% of the Group Leadership Forum.

Female successors feature more strongly this year demonstrating our increasing ability to develop and retain key female talent. Female successors have increased in both Regional (7% increase on 2021) and Functional (12% increase on 2021) roles. 33% of those on our leadership/critical role succession plans are female.

33%

of those on our leadership/critical role succession plans are female

Female successors have increased over the year:

**REGIONAL** 

+7%

**FUNCTIONAL** 

**+12**%



## TRAINING & DEVELOPMENT CONTINUED

### LINE MANAGEMENT CAPABILITY

In 2022 we continued to invest in line manager development through the delivery of our Global virtual Leadership Development Programme – Leading the RI Way. Launched in 2021, this programme is tied to our 6 Leadership Competencies and is a blended programme which offers a range of resources, including live facilitated learning sessions, to enable managers to further develop their skills and competencies in key areas. In 2022, c.500 leaders completed global or a regional localised programmes. Feedback from attendees was extremely positive with over 95% of courses scoring 100% on 'I would recommend this programme to others'.

We also launched our new 1-day programme 'Being a Brilliant Boss' which is aimed at first time managers. This programme focuses on key skills around managing performance, recognition, giving feedback and what it means to be a manager.

Leaders that completed global or localised programmes

**c.500** 

Over 95% of courses scored 100% on 'I would recommend this programme to others'

100%

### FLEXIBLE WORKING

With some colleagues looking for greater flexibility and part-time hours, in 2022 we undertook several initiatives. In the Netherlands, 24% of colleagues work part-time hours, including technicians, customer care and support staff. 50% of technicians working part-time are on the company's Senior Scheme – an option to reduce hours from the age of 57, and so retaining expertise and experience in the business.

In the UK, flexible working has opened the door to a new way of working with 90% of UK colleagues moving to a flexible working contract where colleagues can start or finish their day early or later to suit their needs.

- + 87% of UK colleagues opted to work a non-standard (i.e. not 9-5pm) working schedule;
- + Over 50% of colleagues were looking to start their working day earlier;
- + Colleagues can work less hours during a day, week, or month and make up those hours during the following period (or vice versa).



# **WELLBEING & MENTAL HEALTH**

We support and help our colleagues to maintain health and wellbeing through a number of initiatives and specific awareness campaigns. An enhanced colleague wellbeing centre is available with the aims of:

- Creating a wellbeing plan to support colleagues' wellbeing more holistically, rather than intervening when there is an issue;
- Creating clarity on what the role of the Company, manager and colleague is, in maintaining or improving wellbeing;
- + Holistic, wide-ranging support for colleague wellbeing across the wellbeing spectrum; and
- + Providing resources and a wellbeing plan template for colleagues to help them focus on improving their overall wellbeing.

Our overall focus areas are Move (physical wellbeing),
Munch (healthy eating), Money (financial planning and
budgeting) and Mind (mental health). Information is available
to colleagues from our online Wellbeing Centre. As an
example, under the Mind section, content is available under
themes such as Reduce Stress and Anxiety, Better Sleep
and Mindfulness.

Under the Move section we include videos that range from full body workouts to yoga, barre and stretching. Colleagues can also apply to the Cycle to Work scheme and save up to 42% on a new bicycle.

### 24/7 HELPLINE

Colleagues also have access to a confidential, specialist 24/7 helpline to offer expert guidance on everyday matters, through to more serious problems, including health and wellbeing. The programme is designed to provide support to all staff across a range of areas, such as support during periods of intense change, counselling to tackle the problems of stress, relationship issues, or substance abuse. The service is delivered by a team of qualified psychologists and social workers, who utilise both coaching and counselling techniques focused on short-term solutions.

We have also appointed and trained mental health first aiders.



# **DIVERSITY, EQUALITY & INCLUSION**

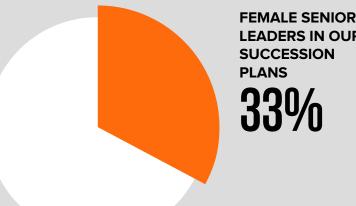
Rentokil Initial is a diverse organisation by its nature, operating in 91 countries in over 40 languages. We strive to ensure that our local businesses reflect the countries, markets and communities in which they operate and to create an environment where everyone's view is heard, everyone's contribution matters, and everyone has equal opportunities to succeed. With the integration of Terminix into our business, we will look to build on our combined initiatives to develop our inclusive and diverse workforce.

: As a Company, we strongly believe that a more diverse and inclusive workforce will boost our financial performance, enhance our reputation, support innovation and increase colleague engagement. Therefore, we will continue to ensure that Diversity, Equality and Inclusion (DE&I) remains a key priority across the Company.

We have a long-standing commitment to DE&I with Board Diversity Policy and Group Diversity, Inclusion and Equality Policies to ensure our continued focus on this area and drive the right actions to deliver improvements. All HR policies are the responsibility of our HR department.

- + 33% of colleagues in our senior leaders' succession plans are female (an increase of 7% in our regions and by 12% in our functions).
- + 29% of our senior leaders (Executive Leadership Team and their direct reports) are female (2021: 30%).

Our workplace strategy places even greater emphasis on wider diversity, where everyone regardless of gender identity, race, colour, nationality, age, sexual orientation, physical ability, or background, can reach the highest levels based on merit.



### GENDER PAY GAP REPORT

Environment

Rentokil Initial has had a global grading and reward structure in place for several years, which supports the principles of fairness and equity, and as a result we are confident that men and women are paid and rewarded on the same basis for doing equivalent jobs across our UK business. This can be evidenced by there being no material gender pay gap recorded for hourly pay when viewed as a whole or by quartile.

We continue to have no material gender pay gap between men and women, with a median of -4% and a mean -8%, which is significantly better than the UK average of 15.4%, reported by the Office for National Statistics.

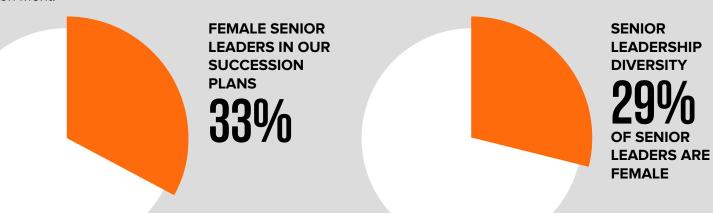
The Equity Index 2022/23, produced by Lead 5050, a cross-industry accreditation organisation which uses official data on gender pay gap for more than 10,000 companies and organisations, found that among the FTSE 100, Rentokil Initial was placed 9th overall.

### REDUCING BIAS AND INCREASING INCLUSION

Rentokil Initial is committed to increasing colleagues' awareness and knowledge relating to Diversity, Equality and Inclusion and its importance to the success of our business and the wellbeing of our colleagues. From late 2021 and throughout 2022, we continued to run our global Diversity, Equality and Inclusion training programme.

Partnering with NeuroLeadership Institute (NLI) this training, delivered in two parts, focused firstly on developing inclusive behaviours and enabling our teams to be more inclusive. The second part focused on identifying unconscious bias in ourselves and how to mitigate and avoid these biases.

With over 50 trainers across the organisation trained in facilitating the course we deployed this globally to almost 2,000 managers. Delivery of the course continues to expand in 2023.





**SENIOR MANAGEMENT DISCLOSED AS** FROM ETHNIC **MINORITIES** 

Read more online

2022 GENDER PAY GAP REPORT

Our detailed gender pay gap report

is available on the corporate website

# ENVIRONMENT

- Our approach
- **23** Our environment plan
- **25** Progress against our environment plan
- **28** Transition to net zero

29.10%

**Property energy** efficiency has improved by 29.10% over 5 years

Recycling rates in

improved from 33%

to 62% over 5 years

Workwear have

Vehicle fuel efficiency : Five-year emissions has improved by 9.36%: intensity values have over 5 years

Hygiene paper from sustainable sources (target: 90% by end of 2022)

12.52%

improved by 12.52%



Our fleet of ultra-low emissions vehicles includes the use of e-bikes in some urban areas.



# **OUR APPROACH**

Global warming is creating environments where certain pest populations may thrive, increasing risks to public health and business operations.

For example, in Ibiza in Spain, health officials issued a dengue warning in March 2023: 'One of the potential vectors of dengueis the Aedes albopictus mosquito, now present throughout the area, the Spanish Mediterranean and the Balearic Islands and also in some areas of the interior and north of the country.'

At Rentokil, as the world's leading pest control and hygiene and wellbeing services company, we take seriously our responsibility to play our part: to take action across our business; to help our customers deliver on their own sustainability goals; and to drive change in our industry.

That's why we're committed to mobilising our colleagues and collective expertise to:

- + Drive positive change across our supply chain and operations – and deliver on our goal of achieving net zero emissions by 2040
- + Work closely with customers to safeguard their businesses, by applying new, effective non-toxic treatments
- + Bring sustainable pest control solutions to more businesses, globally – to help them reduce their own environmental impact, while partnering with climate charities to really make a difference

### We are committed to:

- + Embracing more non-toxic solutions; to find better ways to prevent, detect and target infestations, wherever possible using non-toxic treatments
- + Making a difference with every innovation; to deliver our services and design every new innovation we bring to market with sustainability firmly in mind
- + Live, breathe and act sustainably; to look at all aspects of our operations, workplaces and supply chain, working with our people to build a culture of sustainability, proactively taking measures to reduce our emissions
- Reduce, reuse, recycle; to measure and reducing the waste we generate as a business to zero landfill and incineration, while increasing the use of recycled materials in our products and across our operations
- Partnering to preserve the planet; to build long-term partnerships that support greater biodiversity and positively benefit the environment for future generations

We are actively engaging our people around our sustainability plan and goals to ensure successful implementation. In a recent Company-wide survey, 85% of colleagues agreed: 'The Company is making the right decisions to ensure we operate sustainably.'

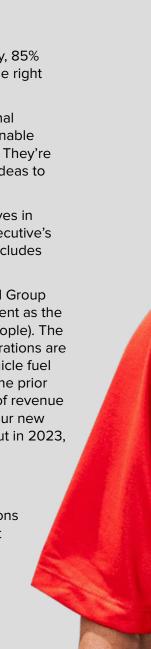
Across the Company, our employees have personal development goals linked to areas such as sustainable product launches and supply chain management. They're encouraged to get involved and contribute their ideas to improve our sustainability.

Our regions have developed sustainability initiatives in line with our overall net zero target. The Chief Executive's monthly performance reviews with each region includes progress against their sustainability plans.

The Group's Executive Leadership Team (ELT) and Group Leadership Forum (GLF) meetings have Environment as the third item on the agenda (following Safety and People). The vehicle emissions intensity for our 20 largest operations are presented to the ELT and GLF. This tracks the vehicle fuel efficiency performance for each country against the prior year, per thousand litres of fuel used, per million of revenue in local currency. In 2022, we began to develop our new environment reporting system for a phased roll-out in 2023, starting with fuel and energy.

Our Environment plan, which is being delivered through our country operations, is built on three pillars: Sustainable solutions, Sustainable operations and Sustainable workplace, underpinned by eight workstreams, with specific actions and individual short- to medium-term targets.

See our Environment plan on page 24







of colleagues agreed: 'The Company is making the right decisions to ensure we operate sustainably'

# **OUR APPROACH CONTINUED**

# CHIEF EXECUTIVE'S ENVIRONMENT AWARDS

We recognise that engaging colleagues and sharing best practices across our operations is an important part of the journey to implement our Environment plan. Our colleagues are highly engaged with our net zero transition, and to best harness this drive we encourage colleagues to put forward their own ideas and suggestions.

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We also celebrate success through our dedicated Chief Executive's Environment Awards to recognise positive achievements. These awards form part of our Safety, Health & Environment (SHE) Awards distributed for both Health & Safety and Environment.

### **HEALTH & SAFETY AWARDS**

Recognising the highest levels of excellence, innovation and achievement, demonstrated by a passionate commitment to protecting people and preserving our planet – these awards have now been expanded to include five awards in each category. In 2022 we had 81 businesses across 51 companies with a score of zero LTAs and zero WDL.

Most Improved H&S Performance in a Large Country/Business (>500 colleagues):

### **NORTH AMERICA**

24% reduction in LTA and 45% improvement in WDL thanks to strong safety leadership.

Most Improved H&S performance in an Intermediate Country/ Business (100-500 colleagues):

### **PHILIPPINES**

Actively deployed safety programs to drive SHE performance. Zero LTA and zero WDL since 2018!

Most Improved H&S performance in a Small Business/Country (<100 colleagues):

### **COSTA RICA**

Implemented a strong safety management system, including critical risk reporting. Zero LTA and zero WDL. Best Health and Safety Initiative of the Year:

### INITIAL HYGIENE, GERMANY

Recently gone back to Hygiene in Germany. Implemented a hydraulic loading ramp into their vehicles to reduce the strain of manual handling for floor mats and easier storage. Really positive feedback from colleagues.

Health and Safety Champion – Colleague Award:

### **GORDON HIGHAM**

Huge commitment to safety at Dudley Industries over 14 years with the business.

### **ENVIRONMENT AWARDS**

Most Improved Environment
Performance in a Large Country/
Business (>500 colleagues):

### INDONESIA

Introduced several environmental initiatives to reduce waste and battery consumption and implemented a new rat box made from recycled plastics.

Most Improved Environment performance in an Intermediate Country/Business (100-500 colleagues):

### **COLOMBIA**

Great initiatives including the installation of solar panels, and a 60% reduction in energy consumption.

Also a successful waste segregation programme.

Most Improved Environment performance in a Small Business/Country (<100 colleagues):

### NORWAY

Several power saving initiatives have reduced their consumption by 8,000 KW hours over seven months.

Environment Initiative of the Year:

### **UK BUSINESS**

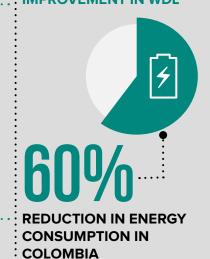
Working on transitioning the fleet to 100% electric by the end of the decade. Use of Telematics to significantly reduce our CO<sub>2</sub> footprint – 300 tonne reduction in 2022.

Environment Champion – Colleague Award:

### MIGUEL RUIZ, GUATEMALA

Driving a culture change in managing energy responsibly. He oversaw the installation of solar panels and the implementation of electric vehicles. First Central American business to generate almost 100% of the energy it uses!







# **OUR ENVIRONMENT PLAN**

In 2020, we developed a business-wide operational approach to environmental sustainability and 2022 has seen us continue the execution of this ambitious plan.

Our Environment Action Plan, which is being delivered through our country operations, is built on three pillars: Sustainable Solutions, Sustainable Operations and Sustainable Workplace, underpinned by eight workstreams, with specific actions and individual short to medium-term targets.

This strategy steers our pathway to net zero carbon emissions from our operations by the end of 2040. Key elements of the transition plan are underway including our transition to an ultra-low emission fleet, and the reduction in our energy emissions by moving to renewable property energy.

In addition, our pathway to net zero includes a review of the emissions from our use of sulfuryl fluoride, which has grown to become a more significant contributor to Rentokil Initial's environmental impacts. More sustainable alternative treatments are actively being piloted and investigated.

In 2022, we have reinforced our governance around environmental and climate-related risks and opportunities with the Executive Leadership Team leading the focus on the environmental plan with twice yearly dedicated sessions. Our focus is to implement, embed and track progress at an operational level in each country against our plan to achieve net zero by the end of 2040.

To support the implementation of our plan we have established Company-wide working parties to focus on key areas, including:

- + Global Sustainability Mobility Forum meets bi-annually, with colleagues around the world sharing case studies of best practice, providing updates on electric vehicle readiness and product deployment strategies; and
- + Sustainability Forum for Plastics a Company-wide team working to develop and implement plans to reduce the usage of virgin plastic products throughout our business, it shares ideas and knowledge both internally and with suppliers to encourage them to reduce their own plastic consumption.

Executive compensation is linked to sustainability through our Performance Share Plan awards where 5% of the payment is subject to environmental improvement, based on Vehicle Fuel intensity. Other ESG criteria includes colleague retention (5%) and customer satisfaction (5%).

The Chief Executive has Board accountability for responsible business delivery, as well as engagement with our wider stakeholder groups.

We continue to report against the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainable Accounting Standards Board (SASB) frameworks as well as independent accreditations such as the Dow Jones Sustainability Index. We also align our activities with the UN Sustainable Development Goals (SDGs).

50/0
of Performance S
Plan awards is su

of Performance Share
Plan awards is subject
to environmental impact

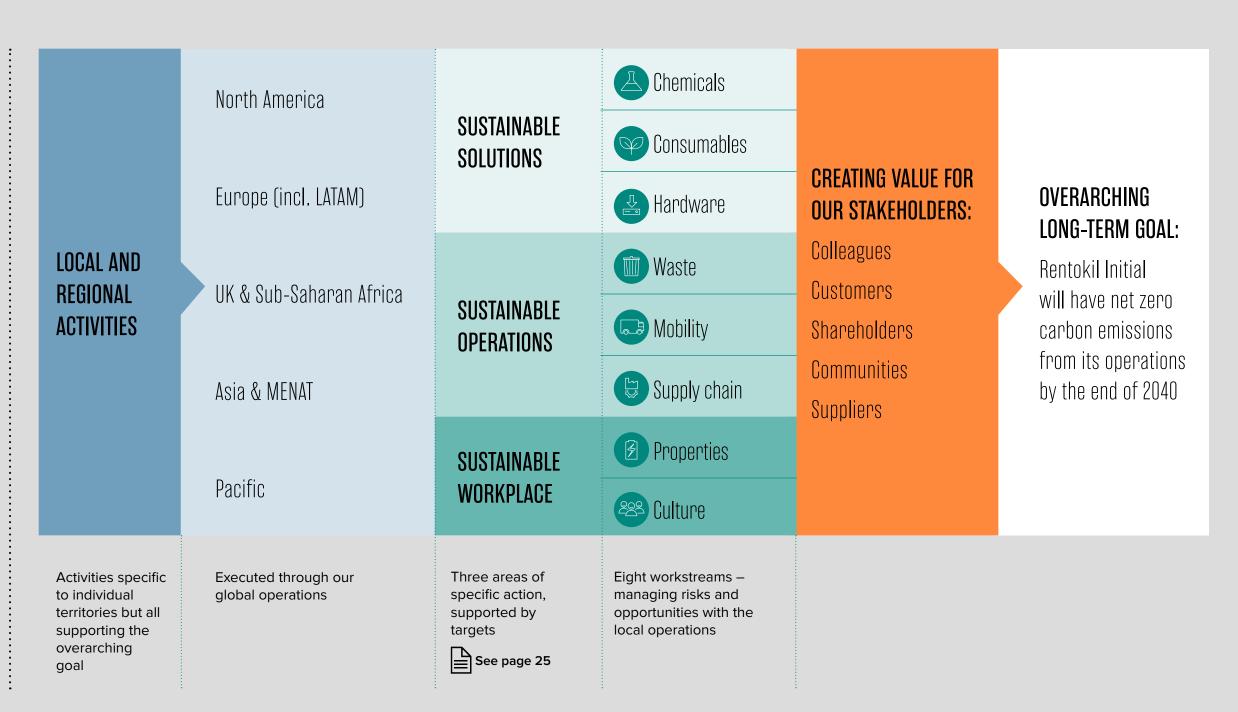




# **OUR ENVIRONMENT PLAN CONTINUED**

Our overarching environment plan was approved by the Board in 2020. Implementation continued this year, delivered through our country operations and built around three core pillars: Sustainable Solutions, Sustainable Operations and Sustainable Workplace, with eight workstreams to provide specialist support and share best practice.

Our stakeholders support our environmental ambitions, and we are committed to achieving net zero emissions from our operations by the end of 2040. Action on climate change is key to embed our purpose to Protect People, Enhance Lives and Preserve the Planet.



# PROGRESS AGAINST OUR ENVIRONMENT PLAN

### **EXAMPLES OF ACTIVITIES IN OUR 8 WORKSTREAMS**

### SUSTAINABLE SOLUTIONS



### Chemicals

- + Continue to evaluate alternatives for the chemicals used in fumigations, as well as methods to prevent them from getting into the environment post treatment, whilst ensuring quality of service is maintained.
- + Regional reduction pathways have been: agreed across the group, targeting a 70% reduction in emissions from fumigations by 2030.

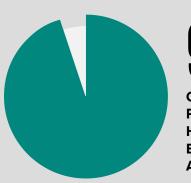
**Target** reduction in emissions from **fumigations** by 2030



- + Following 12 months of reformulation work, our washroom soap range is Ecolabel, Halal and Vegan certified to meet the varying needs of customers.
- + 96% of hygiene paper products now hold recognised environmental accreditations e.g. FSC for virgin fibre, EU Flower or equivalent recycled (target by end of 2022: 90%).

### Hardware

- + Our industry-leading centre for science and innovation, The Power Centre, has 100% of projects within the innovation pipeline as non-toxic, sustainable or digital.
- + Rentokil bait boxes are made entirely from recycled polymer, removing 377 tonnes of virgin plastic from our supply chain.



**OF HYGIENE PAPER** PRODUCTS NOW **HOLD RECOGNISED ENVIRONMENTAL ACCREDITATIONS** 



**RENTOKIL BAIT BOXES** 

**HAVE REMOVED** 



**OUR WASHROOM SOAP** RANGE IS ECOLABEL, **HALAL AND VEGAN CERTIFIED TO MEET THE VARYING NEEDS OF CUSTOMERS** 

100% OF **PROJECTS** WITHIN THE **INNOVATION PIPELINE** 

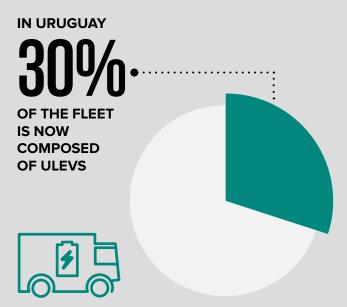
**AREAS** 

**FOCUS** 

Non-toxic

Sustainable

**Digital** 





**Environment** 

# PROGRESS AGAINST OUR ENVIRONMENT PLAN CONTINUED

### SUSTAINABLE OPERATIONS



- + Rentokil Initial is committed to reducing the environmental impact from waste and is continuing to make steps in this area towards our goal of 100% of waste material to be reused, recycled or re-purposed for energy by 2035.
- + In Asia, our procurement and operations teams have established targets per country to reduce the quantity of batteries that results in less waste to landfill, with 27 tonnes reduced in 2022.
- + In 2022, following successful field trials, we have switched from using virgin plastic bin liners in all our Hygiene units to an alternative product, with 47.5% recycled material. We estimate this will save around 2 tonnes of virgin plastic annually.
- + In France, since 2017, we have refurbished all washroom hygiene units where possible with a dedicated team and workshop in place – around 43.000 devices have been refurbished to date. In Italy, around 37,300 units have been refurbished over the last two years.

## 2 tonnes of virgin plastic saved annually by new liners for our Hygiene units



### Supply chain

- + By the end of 2023, we aim for all critical suppliers to have environmental accreditation such as EcoVadis or our own environmental accreditation (particularly in some markets e.g. Asia where external accreditation is limited), in line with our updated Supplier Code. To achieve our entry bronze level, suppliers must measure their footprint and have an action plan to reduce their impact.
- In addition to ensuring our critical suppliers have environmental accreditation, we are actively engaging with our wider supplier base, including our logistics and waste management providers to enable us to more effectively disclose Scope 3 emissions footprint.

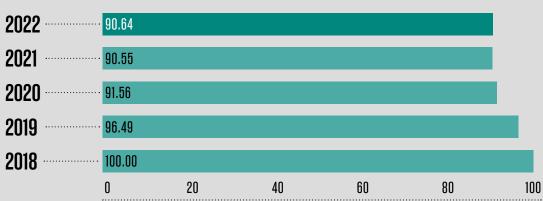
Please see pages 76 to 81 for our full set of environmental KPIs

### Mobility Mobility

- + Our goal is to have a 100% ultra-low emission vehicle (ULEV) fleet by 2040.
- + We now have a range of ULEVs across our fleet including electric vehicles (EVs), plug in hybrid EVs, non-plug-in hybrids, e-motorbikes, hybrid motor bikes and e-trikes. In 2022 we have established a commitment that all new Sedan and SUV replacements for our North America operations will now be hybrid or electric vehicles.
- + The number of ultra-low emission vehicles (ULEV) across our global fleet has risen 124% in 2022, from 177 to 397 vehicles.
- + In 2022, in the UK and Europe, c.5% of our fleet was ULEV. We are therefore on track against our target to achieve 10% of our fleet to be ULEVs in the UK and Europe by 2025.
- + In Uruguay, 30% of the fleet is now composed of ULEVs, demonstrating a commitment at an operational level to deliver our plan.
- + The state-of-the-art vehicle telematic system that has been implemented in 1,700 of our vehicles to date, provides insight on route planning and driver behaviours, supporting both safety and the environment. Established metrics provide the opportunity to make progress and opportunities visible while recognising and rewarding colleague performance, through monthly incentive schemes.
- + Rentokil Initial is a member of EV100.

Vehicle fuel efficiency has improved by 9.36% since 2018, through a continued focus on vehicle efficiency practices across the global fleet. Vehicle emissions represented 85.38% of the Company's energy-derived emissions in 2022.

### **ECO-EFFICIENCY INDICATOR — VEHICLES**



Thousand litres per £m turnover at CER

Processing indicators*	2022	2021	2020	2019	2018
Kilograms of CO <sub>2</sub> emissions per tonne processed	276.56	286.03	272.65	271.71	267.82
Water usage per unit washed – litres used per kilogram	9.68	10.20	9.90	9.54	9.70
French workwear waste	2022	2021	2020	2019	2018
Recycling	66%	53%	32%	24%	33%
Recovery – Energy	21%	29%	26%	30%	12%
Landfill	9%	14%	24%	30%	39%
Incineration	4%	4%	1%	16%	16%
Total (tonnes)	2,370	2,076	1,232	1,899	1,487

<sup>\*</sup> France Workwear and UK Hygiene processing facilities.

# PROGRESS AGAINST OUR ENVIRONMENT PLAN CONTINUED

### SUSTAINABLE WORKPLACE



- + Our target is for 90% of our properties globally to be using renewable energy by 2030 supporting a more sustainable workplace. We're also prioritising opportunities to drive further efficiencies, such as through the installation of LED light bulbs.
- + In the Latin American region, over 90% of offices have completed their transition to LED lighting and new offices in Uruguay and Mexico will be 100% LED by 2023.
- + Renewable energy contracts in the UK, Italy and the Pacific region have reduced our carbon footprint by 1,737 tonnes in 2022.
- In 2022, New Zealand joins the UK, Italy, and Australia operating green or renewable electricity provision tariffs that meet GHG standards and have certified lower emissions factors.



- + In 2021 questions around our environment activities were included in the Your Voice Counts all-colleague survey, giving us a better understanding of the views of our colleagues on our commitments and efforts towards our climate targets. These questions found that, after the first year of executing our plan, among our colleagues, 85% agreed that the Company is making the right decisions to ensure we operate as an environmentally friendly business. This survey will be repeated among all colleagues in 2023.
- + Added a new value of Responsibility and Preserving our Planet to our Mission statement

Among our colleagues

85%

agreed the Company is making the right decision to operate an environmentally friendly business

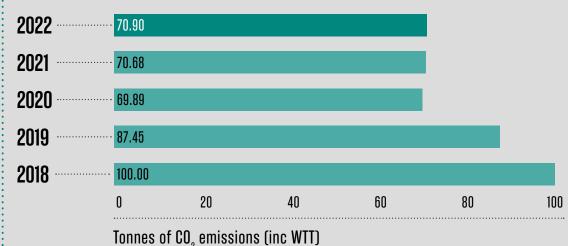
### PROPERTY ECO-EFFICIENCY

Over the last few years, the Company has consolidated its property portfolio through co-location, resulting in a 29.10% improvement in property energy efficiency since 2018.

In addition to improvements in operational geographic density – a key focus for the Company – our acquisition strategy enables further co-location.

These figures are based on Rentokil Initial emissions, excluding the Terminix acquisition.

### **ECO-EFFICIENCY INDICATOR — PROPERTIES**



OUR TARGET

OF OUR PROPERTIES
GLOBALLY TO BE USING
RENEWABLE ENERGY
BY 2030

IN THE LATIN AMERICAN REGION, OVER

JUYO
OF OFFICES HAVE
TRANSITIONED
TO LED LIGHTING





IN 2022, WE REDUCED OUR CARBON FOOTPRINT BY

1,737 tonnes







# TRANSITION TO NET ZERO

pathway to net zero carbon emissions.

Our long-term commitment is to reach net zero from our operations by the end of 2040. This includes several milestones, such as the transition to an ultra-low emission fleet, and the reduction in our energy emissions through the transition to renewable electricity in our properties, with continuing progress in 2022. Also included is our ambition to find a more sustainable alternative to the use of sulfuryl fluoride in biosecurity and termite-related treatments.

We believe that this goal is bold and stretching, given we operate in 91 countries, including many emerging markets and the substantial Terminix transaction. Encouragingly, the Terminix business has similar services, properties and fleet makeup and so does not change our environmental approach. We have owned the Terminix business since 12 October 2022 and it will be incorporated into our net zero transition plans.

The 2040 net zero challenge has already added a new level of energy and focus across the Company as we seek to establish the Company as a leader in environmental sustainability.

### From our overarching environment plan comes our JOURNEY TO NET ZERO — VEHICLES, FUMIGATION AND ENERGY

- + Net zero by 2040 target established
- + New emissions intensity target -20% reduction by the end 2025

- + Emissions intensity reduced by 9.6% against 20% target by the end of 2025
- + Good progress fleet transition in UK and Europe (c.5%): more sustainable fumigation service trials underway
- + Acquisition of Terminix with c.\$2bn revenues and 52 bolt-on acquisitions with £125m of revenues
- + No change to 2040 net zero target

- + Target: Reduce our emissions intensity by 20% by the end of 2025
- + Target: 10% Europe & UK fleet to be ULEVs

2025

- + Target: 100% fleet is ULEVs
- + Target: Net zero operations
- + Any residual emissions are offset

2040



- + Transition plans underway in countries
- + First renewable energy contracts introduced
- + Strong support from colleagues for our new environment plan





+ Target: 90% of properties using renewable energy

2030

- + Target: 100% EU and UK fleet to be ULEVs
- + Target: c.70% reduction of emissions from fumigation





In the fly room testing our Lumnia unit.

# SERVICE & INNOVATION



**30** 2022 summary

Our approach

**32** Leading in innovation & digital

**35** Product stewardship

**36** Partnering

**37** Mission sustainable

**38** Case study

**Customer sites** supported by myRentokil

The acquisition of Eitan Amichai in 2022 makes Rentokil the world leader in the use of cutting edge technology in pest control.



**Paul Giannamore** 

Managing Director of Potomac

Trustpilot reviews for Initial with an overall score of 4.9/5



# **2022 SUMMARY**

**State of Service** 

(2021: 92.9%)

**Customer satisfaction** 

Strong Net Promoter Score maintained across the Group with 165,000 customer responses

**PestConnect** 

c.290,000

an increase of 24% year-on-year

**Trustpilot score** 

5-star reviews for Rentokil and Initial in the UK, from over 17,000 customer reviews

Innovation pipeline

Sustainable, non-toxic or digital

**PestConnect** 

Messages sent by our PestConnect units in customer premises including when triggers by rodents for faster action



Environment



# **OUR APPROACH**

Rentokil Initial is the world's leading Pest Control and Hygiene & Wellbeing services company – with a purpose of Protecting People, Enhancing Lives and Preserving our Planet.

: We are highly committed to leadership in innovation and digital, best practice product stewardship, and policies to provide a high-quality and responsible service for our customers, combining global expertise with local insight and execution. This is an integral part of our culture, not only to provide our customers with the best products and services possible, but also to ensure our operations are conducted using ever more sustainable methods.

The Marketing & Innovation function works alongside country operations to coordinate the development of the Company's service offering and marketing.

Programmes are governed through Category Boards consisting of senior operational and functional colleagues, chaired by the Chief Executive. Work is undertaken in-house, as well as partnering with expert organisations, including universities.

- + Product development takes place at our UK-based innovation hub (The Power Centre) and, with additional collaborative partnerships with experts including Google and PA.
- Our new Technology Centre serves as a dedicated facility for our teams to develop, test, and validate our innovation projects.
- + In 2023, following the transaction with Terminix, we will open our first innovation centre in the US, focused on residential pest control, termite and vector control.

GOOD HEALTH AND WELL-BEING

A range of customer-related policies determine consistent delivery of service standards. Company-wide policies and training relate also to competition and anti-corruption laws including gifts, bribery, and facilitation payments. Responsible customer management is developed by each country as appropriate to its market.

Rentokil and Initial Medical Services have their quality management systems certified to ISO 9001, as do the Workwear cleanroom processing plants in France (also certified to ISO 146441-1, meeting pharmaceutical customer requirements). The Company's two UK manufacturing sites – Rentokil Initial Supplies and Dudley Industries – are SEDEX registered, reassuring customers of their ethical and responsible supply chain practices. Our range of connected products maintains ISO 27001 for information security.

Service and innovation backed by science.



locations covering c.14% if revenue have ISO 45001 accreditation

Governance

# **LEADING IN INNOVATION & DIGITAL**

Innovation is an integral part of our culture, not only to provide our customers with the best products and services possible, but also to ensure our operations are conducted using ever more sustainable methods.

New projects are mainly generated in-house, either by our science and innovation teams or because of insights gained from our businesses around the world. Other projects are initiated as a collaboration with external partners who bring their own specialised expertise to a project. Our partners engage with our scientific and technical teams to turn ideas into new and exciting solutions to meet customer needs now and in the future.

We have an established system in place to enable colleagues from across the business to approach our Marketing & Innovation (M&I) team with innovative concept ideas. The M&I team then works alongside these colleagues to help bring promising proposals to life.

### INNOVATION CENTRES

The 'powerhouse' of our innovation programme is The Power Centre. Opened in 2017, this industry-leading facility is home to one of the largest collections of pest insects in Europe. More than 30 different species are maintained including German cockroaches, bed bugs, Indian meal moths, Australian spider beetles, Mediterranean flour moths, mealworm beetles and fruit flies.

: We recently opened a "blood room" where we house our mosquitoes and bedbugs. We currently have Anopheles gambiae, Culex quinquefasciatus and Aedes aegypti – these mosquitoes represent the three genera which are of public health interest, with Aedes and Culex mosquitoes representing a larger market for the Company as they're more suited to urban environments. These are kept in perfect conditions – the room is maintained at a high temperature (28°C) and humidity (70% Relative Humidity).

For testing, we also use the "fly rooms," two identical white rooms for testing fly traps and also used for mosquitoes. In 2022, we installed a door and window section between the two rooms for testing spatial repellents to protect indoor spaces from mosquitoes. We are able to use the same rooms to test mosquito traps, proofing solutions and some lures and alternative spatial repellents.

Following its launch in 2021, our Technology Centre is now a core hub for our teams to develop, test and validate our innovation projects. Detailed testing and validation are required to ensure that all of our products do what we say they will do and can be relied upon by our customers, : improving the sustainability of our operations without compromising our quality of service. We also test competitor products to match against their claims.

As part of our integration with Terminix, we have pledged to establish a new innovation centre in the US to further develop the range of solutions on offer for residential customers and for termite control.

We have a strong pipeline of innovations, with 100% of projects in process being sustainable, non-toxic or digital.



# LEADING IN INNOVATION & DIGITAL CONTINUED





### **SUSTAINABLE**

Our focus is on producing new hardware products that use recycled materials, reduce waste or set new standards for emissions reduction.

### Lumnia

Lumnia is the world's first range of insect traps to use LED light to attract and control flying insects hygienically. It's been certified to have 62% lower carbon emissions than traditional fluorescent bulbs. It is suitable for a diverse range of internal environments – both large and small – with the added benefit of a reduction in energy usage versus traditional electronic fly killers.

To date, over 350,000 Lumnia units have been installed, up by 8% in 2022 year-on-year, delivering reductions in energy usage and carbon emissions for our customers.

### On-Site Servicing

Strict standard operating procedures for the On-Site Servicing (OSS) of our sanitary waste units mitigates the spread of germs and bacteria, in a hygienic and professional way. OSS also has environmental benefits versus a depot-washing of the bins, including: water and electricity savings, and reduced transport CO<sub>2</sub> emissions (in Australia, The Carbon Trust calculated a 24% saving).

**Service** 

## LEADING IN INNOVATION & DIGITAL CONTINUED



### NON-TOXIC

In pest control, before any treatment is considered, we survey the premises and consider barriers, such as proofing and exclusion materials under doors or in gaps next to pipes, that might solve the pest problem. We can then offer a range of treatments with an increasing number of non-toxic solutions.

### Flexi Armour

2022 saw the launch of Flexi Armour, a range of rodent proofing barrier products. This innovation enables our technicians to seal gaps with resilient resin, allowing the expansion joints to continue to flex whilst stopping rodents from gaining access.

### Entotherm heat treatment

This is a chemical-free method of pest control that is effective through the targeted application of heat against most types of pest insects, such as bed bugs, cockroaches, and wood boring insects. It is effective in just one treatment minimising disruption to customers and reducing the need for repeat visits.

### Intelligent Bird Scaring

Rentokil Bird Scaring is a highly effective device that deters birds from an area without harm 24/7. It recognises different bird species and identifies the best scare tool from a broad range of sounds to deter them.



### DIGITAL

Rentokil Initial uses digital technology to improve colleague experience, enhance services and reporting transparency for customers, and improve operational efficiency. Colleagues are enabled with smartphone technology and a wide range of apps to improve efficiency.

### PestConnect

PestConnect provides a real-time, early warning system for the monitoring and control of rodents. This digitally connected pest management system offers 24/7 effective monitoring and fast control of rodents, saving customers time and money dealing with costly infestations.

To date, 290,000 units have been installed in customer premises, a 24% increase in 2022 year-on-year. PestConnect has reduced the use of rodenticide at Tesco stores and warehouses by c.40%.

We have a range of new connected devices in development, including Crawl Connect for crawling insects and Lumnia Connect for flying insects, plus new rodent devices.

### Command Centre

Our digital Command Centre brings together the data from our Internet of Things devices in the field. In 2022, 325 million messages from devices in the field were delivered to our Command Centre via the company's robust digital network.

Cloud-based data storage and our own visualisation tools ensure that we can support customers with the highest standard of pest control data analysis. During the year we also piloted the use of digital camera technology and Al recognition software software (see right) to remotely monitor rodent activity.

### myRentokil customer portal

Live in 50 countries, myRentokil provides customers with 24/7 access to their account information such as servicing and billing. 1.2m customer sites are supported by myRentokil and 2.4m sessions were completed by customers in 2022 (+7.9%). ISO 27001 certified for IT security.

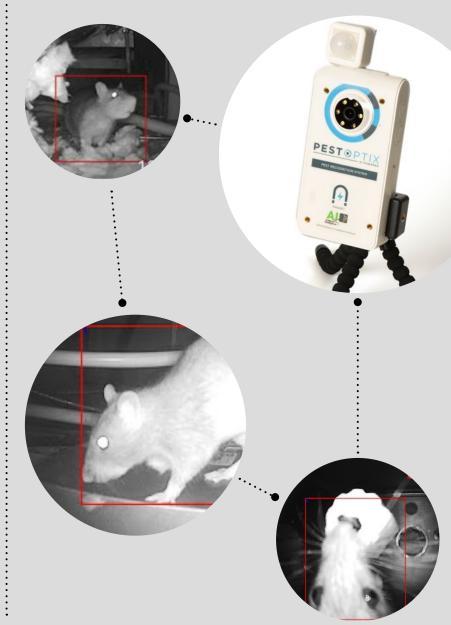
### mylnitial

A new version of our customer portal was launched in 2022 and is now live in around 20 countries. Total registered users have now reached over 100,000.

To date, over 3,000 reports have been downloaded by customers capturing all details a technician records during a customer site visit.

Since launch of new version, we have seen rapid growth in adoption in Indonesia – growing from 2,000 users in 2021 to 15,600 in 2022.

### Use of artificial intelligence in rodent control



## PRODUCT STEWARDSHIP

The safe use of our products and delivery of our services is the company's most important objective.

Training and safety information sheets are available online for each product. We have an Authorised Product List (APL), with a Pink Note authorisation being required for any operation that seeks to use a product not on its APL. Products on the APL must be approved for use by the Country Technical Manager or Managing Director.

Our regulatory focus supports new product developments in achieving regulatory approval in the major pest control markets, and ongoing support for existing professional and consumer rodenticides and insecticides under the European Biocidal Products Regulation.

The Company does not use any substances included on the Stockholm Convention on Persistent Organic Pollutants list and fully supports the removal of the use of hazardous chemicals. Its activities focus on urban pest control.

Where urban pest control is required, it is highly targeted, minimising contamination of the ecosystem. The Company only uses registered products, assessed and approved by regulatory authorities for safe use. Where the hand-wash products manufactured by the Company contain surfactants derived from palm oil, the raw materials are sourced from chemical companies such as BASF and SASOL (through local distributors), with declarations stating that the raw materials have been sourced from members of the Roundtable on Sustainable Palm Oil.

: We have developed a new soap range to address customer demands for alignment with worldwide trends that require updated scientific claims. In the process of refining our line, it gave us the opportunity to improve the existing formulas and achieve Ecolabel and Nordic Swan Ecolabel accreditations for our advanced formulas, and vegan and halal claims for our Sensitive Foam variant.

The Power Centre (our global innovation centre) validates chemicals used in pest control and hygiene to ensure they meet public regulations, such as REACH in Europe. Hardware and equipment are validated to ensure compliance to local regulations such as the CE mark for products sold in Europe and the Restriction of Hazardous Substances directive, which includes the verification of second and third-tier sources of components.

The product specifications set by the Marketing and Innovations team take explicit account of regulatory issues and responsible business practices. Where legacy products do not conform to the latest regulations, they are redesigned or reformulated to ensure compliance.

Member of the Taskforce for the implementation of the UK Rodenticide Stewardship Regime





Environment



## **PARTNERING**

We continue to partner with customer sector industry groups, involving collaboration and development of initiatives including the creation and adoption of new products, services, industry best practices and standards – to help customers mitigate risks e.g. in the food industry, including product recalls.

Rentokil Initial is a member of the Consumer Goods Forum, of which the Global Food Safety Initiative is a pillar





For eight years, Rentokil Initial has also been a major sponsor of the Global Food Safety Initiative (GFSI), where food industry companies can meet to share best practice on food safety, including pest control.

In addition, we continue to support trade associations including the British Pest Control Association (BPCA), the Campaign for Responsible Rodenticide Use (CRRU), British Association of Chemical Specialties (BACS), the EU Chemicals Trade Association (CEFIC) and Rodenticide Resistance Action Group UK Industry expert group advising on resistance in the UK. Around the world, we are active members of national pest control associations as well as the Confederation of European Pest Management Associations, which unites national associations and companies along the whole pest management chain in 23 European countries. Rentokil has played a leading role in the set-up of the UK product stewardship programmes for anticoagulant rodenticides (led by CRRU), to change pest control behaviour for rodent control in the sectors where widespread use of rodenticide occurred by users who were not professional pest controllers.

## **MISSION SUSTAINABLE**

In 2022, we developed Mission Sustainable – our creative platform to talk to our customers worldwide about our environmental commitments delivered through our operations and services. This includes five core pledges where we demonstrate how we are on a journey to find better ways to protect people, enhance lives and preserve our planet in line with our mission:

- **+ Embrace non-toxic solutions** to find better ways to prevent, detect and target infestations, wherever possible using non-toxic treatments.
- + Make a difference with every innovation to deliver our services and design every new innovation we bring to market with sustainability firmly in mind.
- + Live, breathe and act sustainably to look at all aspects of our operations, workplaces and supply chain, working with our people to build a culture of sustainability, proactively taking measures to reduce our emissions.
- + Reduce, reuse, recycle to measure and reduce the waste we generate that goes to landfill and incineration to zero, while increasing the use of recycled materials in our products and across our operations.
- + **Partner to preserve the planet** to build long-term partnerships that support greater biodiversity and positively benefit the environment for future generations.



Environment

# **CASE STUDY**



#### SOURCING ALTERNATIVE FUMIGATION TREATMENTS

Around the world, several of our operations provide customers with fumigation services that use Sulfuryl Fluoride (SF) as the fumigant. This is broadly split into two parts:

#### + Biosecurity

Quarantine fumigation of items such as machinery which is being shipped internationally. The use of SF is specified as a treatment by some destination countries to prevent the spread of invasive pests, ensuring the biosecurity of the country of entry and is an essential service to support international trade.

#### + Buildings

The treatment of buildings in Europe, the USA, Caribbean and Pacific regions, for termites in buildings to prevent structural damage, or for the control of pests in food processing facilities, such as mills, to prevent the damage and contamination of food or ingredients.

Rentokil Initial targets a 70% reduction in fumigation-related CO<sub>2</sub> emission equivalents by the end of 2030 and continues to target the full transition to net zero by 2040. There is no change in these targets as a result of the Terminix transaction.

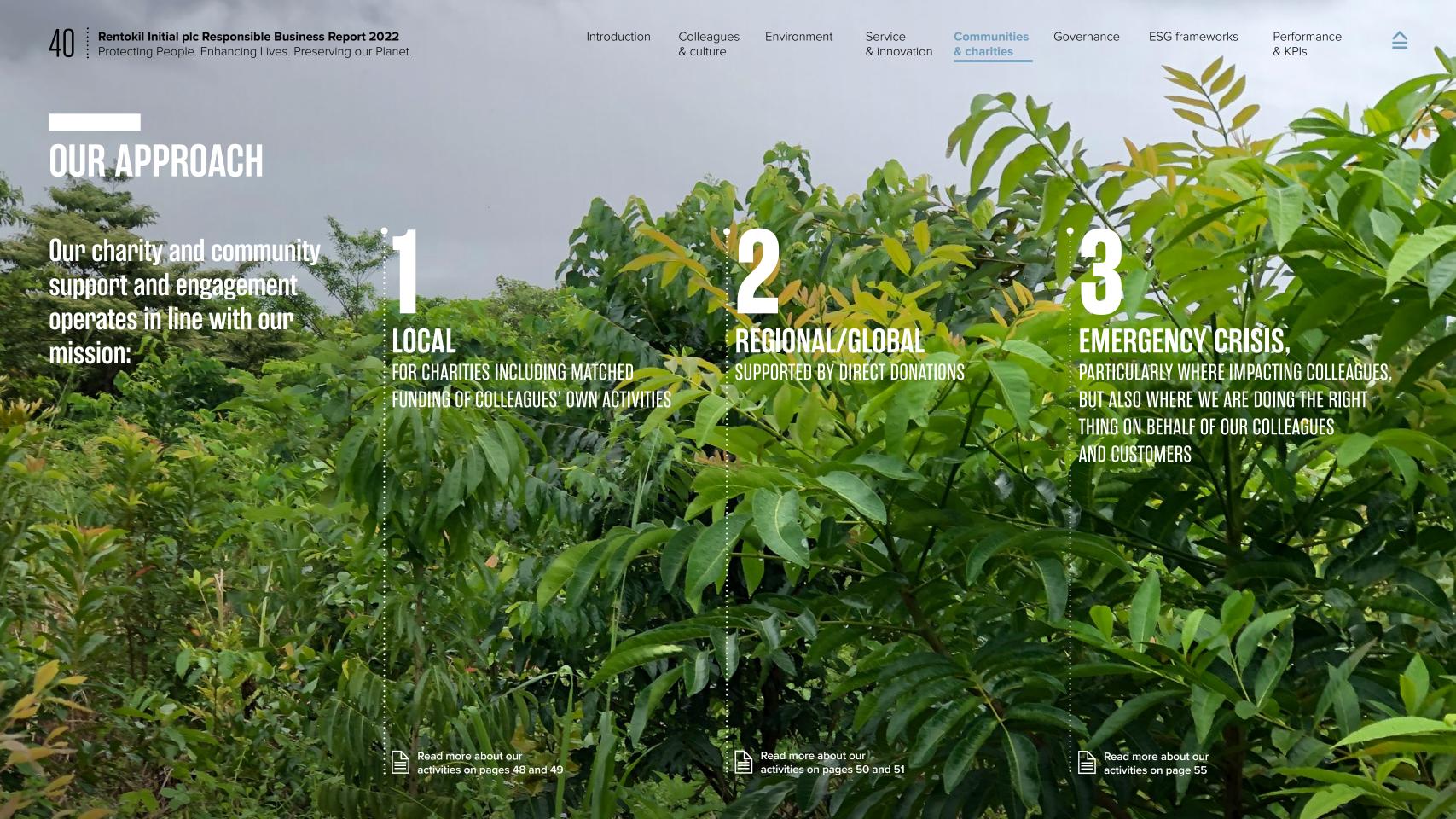
We continue to evaluate alternative fumigation products and seek country registration. Trials and the process for country registrations will continue in 2023. We have also introduced new ways to reduce the level of fumigation gas required in buildings, for instance by introducing industrial balloons, which reduce the space required to be fumigated.

**Target for fumigation-related** CO<sub>2</sub> emissions by 2030

See pages 76 to 81 for our environmental metrics including fumigation-related emissions

Large-scale fumigation treatments.







Rentokil Initial Cares (RI Cares) is our global charity: As a people-led service company, the engagement of and community programme which supports colleagues' own local efforts, alongside national and global initiatives. We have a clear focus on supporting those charitable and community organisations that align with our social purpose of Protecting People, Enhancing Lives and Preserving our Planet.



In Ukraine UNICEF has delivered health and medical supplies for nearly 2.1m people in war-affected areas. This would not have been possible without the incredible support from our partners, including £100,000 from Rentokil Initial.

Jon Sparkes Chief Executive, UNICEF our people is vital to our business success and, from their feedback, we know that colleagues are highly engaged by their involvement in our community activities, either actively donating their time to support local charities, or coming together for specific fund-raising activities in support of national programmes.

RI Cares operates under a governance charter, approved by the Board. This innovative programme was launched in 2019 and uses the Company's unclaimed shares and dividends, to support our partner charities with a network of local ambassadors coordinating and championing the programme.

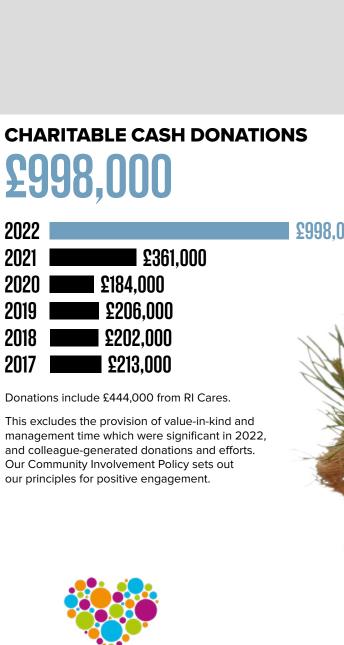
: The multi-local nature of our community work aligns with the multi-local nature of our operating model. The Company's RI Cares committee meets twice a year and coordinates funding – from matched giving to large-scale disaster relief.

Each year, we target donations of around £250,000 and support a wide range of initiatives, in line with our commitment to the UN Sustainable Development Goal (SDG) 'Partnerships for the Goals' (17) and "Good Health and Wellbeing" (3).

The value of donations and matched funding in line with our social purpose over the last five years: £1.95 million.











## LIVING OUR VALUES CONTINUED

In 2022, we continued to support our long-term partnership: to protect lives from malaria, enhance lives through our community health education programme and to protect mature rainforests from deforestation.

During the year we made three substantial donations to charities in line with our Purpose: £100,000 to the UNICEF Ukraine emergency appeal to support children and families at UNICEF relief centres; \$200,000 to St Jude Children's Cancer Research Hospital in Memphis, USA; and \$25,000 to Second Harvest, a charity that provides food to vulnerable people in Canada.



#### TARGETS FOR 2022

+ Donate up to \$250,000\$ from RI Cares tolocal good causes in line with our purpose.

**Donations in 2022** 

(£444,000 from RI Cares)

+ Build on our long-term partnership to prevent deforestation and support biodiversity.

Maintained our investment in Cool Earth's projects in Papua New Guinea, Cameroon and increased our support in the Peruvian Amazon. Supported The Daintree Rainforest in Australia.

**Number of trees planted in Turkey** 

+ Invest in the local community surrounding the Company's new head office.

Support for the local community included sponsoring Crawley Pride and Crawley Wasps women's and

+ Deliver a large-scale colleague-led event to raise donations for Malaria No More UK (MNM) involving more than 500 colleagues.

Changed to multi-local strategy with c.£500,000 donated by businesses to local charities. Large scale event to be considered for 2023.

**Donation by businesses** to local charities

c.£500,000

+ Support UNICEF in its vital work to help children and families in Ukraine.

**Donation to UNICEF** \$100,000

+ In early 2023 Rentokil Initial

**Donated** 

earthquake appeal.

#### TARGETS FOR 2023

- + Support our local communities and continue to support and encourage colleagues' own efforts through matched funding.
- + Continue to build on our long-term partnerships to preserve rainforests and biodiversity.
- + Donate at least \$250,000 to charities and community causes.

+ Support colleagues at times of crisis



## **SUPPORTING LOCAL COMMUNITIES**

Across the world we support charities in those communities in which we operate, including:

#### **AUSTRALIA**

Colleagues continued to support Ronald McDonald House, a charity that provides accommodation for families when their seriously ill child is undergoing medical treatment by donating goods and services. Australian colleagues also took part in STEPtember, recording a remarkable 4,003,800 steps and raising AUS\$12,692 to improve life for people living with cerebral palsy.



#### **BARBADOS**

On 21 March our colleagues in Barbados supported the UN's Global World Down Syndrome Day by parading their most brightly coloured socks and raising \$2,000 for the Barbados Down Syndrome Association. Asking people to wear multicoloured socks represents an appeal for full inclusion in society for everyone, including people with Down syndrome.

#### **Amount raised**

\$2,000





#### RRA7II

Thanks to the ongoing collection of aluminium can ring-pulls, colleagues donated enough to acquire a second wheelchair – donated to Dona Lécia, the aunt of a colleague whose life will be substantially improved thanks to the improved mobility. Rentokil Initial Brazil partners with the Maurício de Sousa Institute to create new wheelchair frames by recycling the aluminium from donated ring-pulls.



#### BRUNEI

Colleagues worked with a local charity, Foodlife, a charitable organisation that has been set up to help underprivileged members of society who are ineligible for any form of assistance, through the provision of basic food packs. 18 families were supported through this initiative. Colleagues are also building a partnership with WeCare, with a particular emphasis on supporting school children in underprivileged families in Brunei. A donation of £1,000 was made to each of these charities in 2022.

#### **Families supported**

: For the month of October, colleagues : raised awareness for the importance of sponsored the Urgent Run through : screening for breast cancer and raised €2,215 to support Cancer Research.

6077

of World Toilet Day to bring attention to the fact that a third of the world's population doesn't have access to



**Amount raised for Cancer Research** 



Ronald Macdonald House in Labasa, : Fiji, is supported by Rentokil Initial colleagues who have donated sanitary bins, air fresheners, and pest control services.





: Colleagues in India have continued to support the Kritagyata charity in Bangalore with a £5,000 sponsorship for the construction hygiene facilities at two schools in Rural Karnataka. The initiative will help around 120 children at Kalkere and : 180 children at Dulhole to have access to clean drinking water and safe toilet facilities at their own schools where they currently have none.

Total number of children supported



#### THE NETHERLANDS

Our Dutch HR team participated in the Boskalis
Beach Cleanup Tour 2022 and helped pick
up 47 kilos of waste, including over 1,000
cigarette butts from the beach running along
the North Sea.

Waste collected

47 kilos





#### **SOUTH AMERICA**

Colleagues in Colombia, Honduras, El Salvador, Guatemala, Brazil and Chile recently supported a campaign called 'Give a New Use to Unused Clothes', which promotes the reuse of products and responsible consumption, and in turn supports the neediest communities. For a month, colleagues brought unwanted clothing into their branches that was subsequently delivered to the Remar Foundation for distribution.





#### **UNITED KINGDOM**

Our UK business supported 17 community projects across the country including football, bowls, basketball, and even underwater hockey. The Guildford Ladies Stoolball Team wore their Rentokil Initial branded kit when they abseiled from the top of the iconic Guildford Cathedral in September for charity. Other examples include: Mossend Football Club (Central Lancashire Youth League Rentokil Initial branded kit bags were provided to keep the children's kit dry) and Merrow Bowls Club, Surrey (6 scoreboards were donated to replace broken and damaged ones).

This year Rentokil Initial became the main sponsor of Crawley Wasps Football Club. The agreement will help the Crawley Wasps ladies and youth teams to grow and develop. We were also Gold sponsors to this year's Crawley Pride Parade, supporting the local LGBTQ+ community and using the event to launch a specially designed Crawley Wasps' Pride shirt for the WFA Cup.

#### **Community projects supported**

19

#### UNITED STATES

Paige Slay (left), Kristen Augustine (centre), and Mike Jones (right) undertook a park clean up at the Vulcan in Birmingham, Alabama.



(Left to right) Mario Conte, Shadee Rios, Sherice Harris, Heather Spalding, Richard Ixtlahauc, and Hillary Hamby (not pictured) partnered with Feeding America bagging carrots to help feed hungry families in the Tampa Bay area in Florida.



Brandin Choate (left), Rebekah Stinson (centre), and Ray Rice (right) partnered with DrawChange to help homeless and under-resourced children in Atlanta, Georgia, through art therapy-based programming.

#### **TERMINIX**

As part of the Day One celebrations that brought together our pest control businesses in North America, the first thing the two organisations did together was to support good causes with a \$200,000 donation to St. Jude Children's Cancer Research Hospital in Memphis and a \$25,000 donation to Second Harvest, a charity that services food banks in Canada.

As explained in branch celebrations, we could have produced branded T-shirts and pens to mark the occasion, but instead we used the monies to help others and protect the environment.

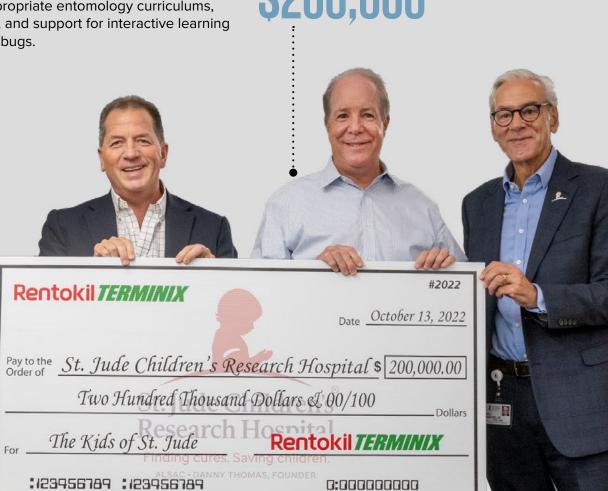
Following completion of the transaction, Terminix has continued to proudly match colleagues' own funds raised for charities as well as continuing its own support for local and national causes. Partners include: Habitat for Humanity, Junior Achievement, Audubon Nature Institute, St. Jude Children's Research Hospital, National Civil Rights Museum, Operation Standdown, the Make-A-Wish Foundation, and the American Red Cross.

In partnership with the Audubon Nature Institute, Harry's Big Adventure was launched in 2020 to inspire a new generation to care about, appreciate, and have a positive impact on the natural world (harrysbigadventure.com). With a better understanding of insects and the critical role they play in our global ecosystem, future generations should know that insects are only pests when they enter our homes and businesses. Harry's programme provides teachers, parents, and K-6 grade elementary students with free access to age-appropriate entomology curriculums, educational resources, and support for interactive learning about the big world of bugs.

To date the programme has reached more than 8,000 students and 500+ educators ... and with more than 50,000 Instagram followers, Harry is becoming one of the most iconic brand mascots on social media.

**Donation to St. Jude Children's Research Hospital** 

\$200,000



#### Charities support by Terminix in 2022 included:

Charity	Туре				
Operation Gratitude	Veterans				
Forgotten Not Gone	Veterans				
Nat'l Alliance on Mental Illness	Mental Illness				
Pest Management Foundation	Pest Management/ Education				
Color of Change	Social Justice/Education				
Operation Standdown	Veterans				
National Family Caregivers Assoc.	Ageing/Caregivers				
Wetlands America Trust	Environment Restoration				
National Civil Rights Museum	Social Justice/Education				
Youth Villages	Children/Abuse				
Alzheimers Association	Mental Illness				
No Kid Hungry	Children/Poverty & Nutrition				
Ronald McDonald House Charities	Children/Healthcare				
United Way	Strategic Philanthropy				
World Vision Canada	Children/Poverty & Nutrition				
United Way Centraide	Strategic Philanthropy				
Doctors Without Borders	Children/Healthcare				
Smile Train	Children/Healthcare				

## 2022 MATCHED GIVING

Examples where RI Cares supported colleagues' own efforts in 2022, included:

#### RUN FOR RAINFOREST

Following a brilliant performance in the London Marathon dressed as a tree last year, Stuart Offord was raising money for Cool Earth again this year, running 225 kilometres during September – one half marathon for every week – and raising over £500 for Cool Earth's 'Run for Rainforest' campaign.

# Amount raised **2500**





# CYCLING SHIRTS FOR CHILDREN'S CANCER FOUNDATION

Our colleagues in Indonesia created a special RI Cares polo shirt to raise funds for Yayasan Kanker Anak Indonesia (Children with Cancer Foundation). The shirt was so popular that 574 were sold, generating £2,484 of profits that was supported by RI Cares. Around 70 colleagues cycled together to the charity's office to formally present their £3,484 donation.

Colleagues cycled

**70** 

**Total amount donated** 

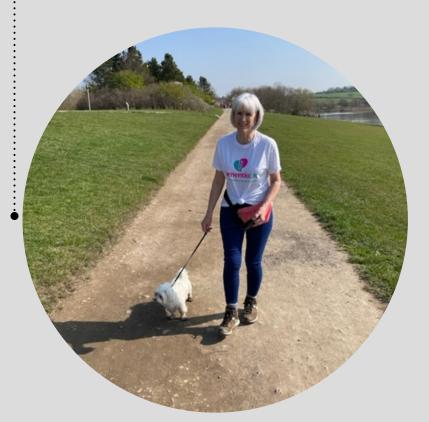
£3,484

#### DEMENTIA UK AND WAKEFIELD HOSPITAL

Diane Battye took up the March Dog Walking Challenge and completed 100 kilometres with Marley, her 7-year-old Maltese Terrier, raising £470 for Dementia UK and doubling that with a donation from RI Cares.

Total amount donated

£940





#### MACMILLAN CANCER SUPPORT

Stephen Thompson completed the Macmillan South Coast Mighty Hike 2022, walking 42 kilometres from Brighton to Eastbourne along the South Downs Way and raising £550 for Macmillan Cancer Support. Stephen also raised £470 for Parkinson's UK by completing the South Coast Ultra Challenge, walking 57 kilometres from Eastbourne to Hove. Both events were matched.

**Amount raised for Macmillan Cancer Support** 

21,000

Amount raised for Parkinson's UK

£94(

## 2022 MATCHED GIVING CONTINUED



#### CANCER CHARITY IN THE NETHERLANDS

Yvonne van Paassen ran 21.1 kilometres to complete a half marathon in Eindhoven, raising over €690 for national Dutch cancer charity KWF Kankerbestrijding.

**Total amount raised on all stories** on this page

Ann McKenzie-Ayling took part in the WaterAid Swim Marathon 2022, swimming 42 kilometres over 12 weeks and raising £140 for her chosen charity.

**Amount raised** 

Distance swam

42 kilometres

#### BIRMINGHAM CHILDREN'S HOSPITAL CHARITY

Kim Flint ran and walked 100 miles in June to raise £625 for her local Children's Hospital.

**Amount raised** 



Colleagues in Newcastle wore festive jumpers and socks to raise £350 for Newcastle hospital, helping them to bring some festive cheer to patients, visitors and staff.

**Amount raised** 





#### THE CHILDREN'S HOSPITAL CHARITY

Chris O'Neill challenged his family and friends to participate in a gruelling off-road cycle : between Sheffield Children's Hospital and : Birmingham Children's Hospital in 1 day – : recreating the journey made to save his five-yearold son's life. On 10 September, they completed the 95-mile journey in 10 hours 21 minutes, raising £1,835.

**Amount raised** 

**Off-road cycle distance** 

95 miles

Our thanks and congratulations to all colleagues who undertook local charity activities in 2022.



# SUPPORTING REGIONAL AND GLOBAL INITIATIVES

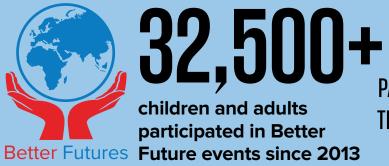
In addition to our local charity and community support, Rentokil Initial supports regional or global initiatives to provide better hygiene in Asia and protect biodiversity in line with our mission to protect people, enhance lives and preserve our planet.

#### **CREATING BETTER FUTURES**

Better Futures is one of Rentokil Initial's key long-term community initiatives. The programme delivers basic health education focusing on the importance of good hygiene practices, predominately in India.

Launched in 2013, over 32,500 children and adults have participated in Better Future educational events often supported by volunteer colleagues from local branches. Better Futures is funded by RI Cares.





PARTICIPATION IN THE PROGRAMME IN 2022

teachers

50 adults

children



#### Communities

Better Futures works in slum communities with underprivileged children and adults, helping them to develop better hygienic habits. This is really important work as conditions are very basic and the communities often lack hygiene information from elsewhere.

#### Schools

Over the years Better Futures has reached out to many children in schools, educating them in hand hygiene, water hygiene, personal hygiene, personal safety and road safety.

#### Charities/NGOs

The Better Futures team started their work with NGOs amidst the continuing challenges of the pandemic. Fortunately, alongside the RI Cares programme, we were able to work with NGOs that run local orphanages, helping the vulnerable children much in need.

The Better Futures programme currently has the following education modules, with others in development including Environmental Sustainability:

- + Hand Hygiene (Child & Adult versions)
- + Water Hygiene (Child & Adult versions)
- + Good Habits to avoid Flu (Child & Adult versions)
- + Road Safety (Child version)
- + Personal Safety (Child version)







senior citizens:



## SUPPORTING REGIONAL AND GLOBAL INITIATIVES CONTINUED

#### DON BOSCO BEATITUDES WELFARE CENTRE

In 2022, our Better Futures team, together with colleagues from our Chennai branch, supported the Don Bosco Beatitudes Welfare Centre – an orphanage and home for senior citizens – by providing a hygiene education session.

The session began by showing the children the importance of hand hygiene and how to properly wash their hands – in **THE RIGHT WAY.** This was followed by discussions on toilet etiquette and illustrations of what habits to adopt to avoid contracting flu. Through the interactive education session (which lasted for about 45 minutes) we were able to help the children to understand the key facts related to personal hygiene as well as Covid safety measures.

Our Chennai branch team also donated an insect fogging treatment for the welfare centre with 11 colleagues volunteering to make a difference.



# SUPPORTING CHILDREN IN RAJARHAT AND CHENNAI

In 2022, a school programme was carried out with our Rajarhat and Chennai branches, reaching over 500 children, mostly slum dwellers. We carried out a COVID-19 awareness programme emphasising the importance of hand washing. The children were keenly interested, and positive feedback was received, not only from the children, but also from our colleagues who are highly engaged by supporting their communities.



**Number of children** 









In 2022, our Better Futures team continued to conduct education programs at orphanages including Angels Orphanage in Bangalore which has 60 boys and girls. They all belong to different age groups, but are looked after by an NGO with very limited facilities. Through an RI Cares donation they were able to reconstruct a toilet block area, giving the children safer and more hygienic facilities.

The Better Futures team also worked with Kritagyata Trust which cares for a small number of young orphans in Yelahanka as well as supporting children in the wider community. RI Cares donations were provided to help the Kritagyata Trust build toilet facilities and water drinking stations at two schools in remote rural areas. One school had just one toilet for 120 children and teachers and the other had none.

**Number of children helped** 

120



# PROTECTING BIODIVERSITY

Rentokil Initial is committed to protecting and enhancing biodiversity through the development of more sustainable products and services, the long-term support of charities which protect biodiversity, and by supporting the actions of colleagues locally.

More information on our sustainable products and services can be found on page 34 and the activities of our colleagues are outlined here.

In 2022 we expanded our core mission statement to include Preserving our Planet to underline the importance of biodiversity to colleagues and the Company.

We have been a partner to climate change charity, Cool Earth, since 2018, helping them to protect endangered rainforests. Since the partnership began, Rentokil Initial has invested £279,956 (2022: £60,000) in supporting indigenous peoples and local communities in Papua New Guinea, Cameroon and, more recently, the Peruvian Amazon to protect rainforest and fight the climate crisis.

#### SOME OF OUR WORK SO FAR

Clean water and sanitation facilities provided for people in Papua New Guinea

**Beekeeping project** workshops

Bee hives installed

Square metres protected in The Daintree Rainforest, Australia

25,600

**Eucalyptus trees** planted in Indonesia

Trees planted in Turkey

Founding member of The Queen's Green Canopy

# Member

Seedlings planted in The Daintree Rainforest

**Number of species planted** in The Daintree Rainforest









## PROTECTING BIODIVERSITY CONTINUED

In Papua New Guinea, clean water and sanitation facilities are now being provided to 3,000 people, two health centres and two schools, reducing the impact of missed education and poor healthcare services on people's participation in social and economic life. Clean water is crucial to improve health and means less costly trips to hospital where selling rainforest land usually becomes an unnecessary lifeline. This year also saw the construction of the Fife Bay Health Center's new ward, which will expand access to health care across the Wabumari area, as well as a new classroom with a stilted design to protect it from flooding.

Cool Earth is also collaborating with Kokonas Indastri Koporesen (KIK), the Statutory and Regulatory Institution for the Coconut Industry in Papua New Guinea, to assist with income generation and product development programmes in Wabumari. In 2022 they launched their white copra buying and virgin coconut oil processing facility A milestone achievement for Milne Bay Province that allows our partnership communities to engage in feasible coconut programmes using sustainable agricultural practices, using KIK's established market.

In Cameroon, our support has enabled partnership communities in the southwest Cameroon region to scale up the implementation of the Rise for Nature Programme through agroforestry training workshops and developing skills needed to regenerate old farm plots.

The Beekeeping project is also going strong with 15 workshops delivering training to 750 heads of households on harvesting honey and long-term marketing. 1,000 hives were subsequently installed. Rentokil has also supported vocational training and over 275 women and girls from over 31 rainforest communities have participated in courses covering tailoring and designing, hairdressing, agroproduce processing, microenterprise management, catering and computer studies, with a success rate of over 98%.

Thanks to new funding from Rentokil Initial in 2022, work in Peru has included the creation of a cacao factory and the opening of the Pamuk Kakau centre where chocolate bars, cacao juice, ice cream and liquor are now being made.

In the first few months of opening, 15 tonnes of highgrade cacao was processed and sold. Additional support from our local operations in Peru have contributed to the Rainforest Lab initiative, which takes the wealth of data that satellite imagery provides and weds it to local knowledge. A fully equipped lab office has been installed, including solar power, satellite, internet and computer equipment. Community monitors have been trained in collecting, reporting and sharing information and Cool Earth is in the process of finding a way to collaborate with the local organisation CARE to be able to extend the project to all communities in the Ene Valley.

Cool Earth recognises the significance of the United Nations 2030 Agenda for Sustainable Development, including the 17 Sustainable Development Goals (SDG) and has closely aligned its programme activities with Rentokil initial to 11 of these goals and their targets. Cool Earth is working with Rentokil Initial to invest in the practical realisation of highlevel, ambitious SDGs at a local scale with its partners. The SDG programme makes a significant contribution to Climate Action (13) through the emissions reduction achieved by rainforest protection, as well as Alleviating Poverty and providing people with access to clean water and sanitation.

#### **→** See the latest partnership report here

In addition to our support for Cool Earth, the Company continues to encourage the planting and protecting of trees and the support for biodiversity.

#### **TURKEY**

Following devastating wildfires across the country, in 2022, an RI Cares donation enabled colleagues to establish a new Rentokil Memorial Forest with colleagues planting 10,000 trees. Once mature in five to six years, The Rentokil Forest will absorb around 37,000kg of CO<sub>2</sub> each year.

**Trees planted** 

10,000

Estimated absorption of CO<sub>2</sub> in the Rentokil Forest each year

37,000kg





## PROTECTING BIODIVERSITY CONTINUED

#### **INDONESIA**

To help improve poor air quality in Jakarta, our Indonesian colleagues have set themselves a target of planting 1,000 trees. 50 colleagues met up recently in Srengseng City Forest in Jakarta to plant 200 eucalyptus trees to add to the forest's plant diversification. Similar events are planned for Kosambi, Patriot Bekasi, and Sanggabuana City Forests in the near future.

**Colleague participation** 

50

**Eucalyptus trees planted** 

200



#### AUSTRALIA

Ambius has proudly supported the Rainforest Rescue not-for-profit organisation since 2006 in a joint quest to protect and restore the Daintree Rainforest – Australia's largest regional, unique ecosystem that dates back 180 million years. This year 137 volunteers, Daintree staff, and partners planted over 2,500 trees made up of 85 different species. As an ongoing Silver Sponsor, to date Ambius has contributed to planting 3,600 seedlings, restoring 5,400 square metres and protecting 25,600 square metres of The Daintree Rainforest.

#### **Number of participants**

137





#### UNITED KINGDOM

Rentokil Initial was proud to play its part in The Queen's Platinum Jubilee celebrations in its role as a founding platinum sponsor of The Queen's Green Canopy (QGC). The QGC was launched last year to support the planting of trees in schools and in deprived urban areas, and to develop a green skills programme to support young people to improve their chances of finding employment. Over one million trees have already been planted and more will be planted in the second planting season as a lasting memory of Her Majesty The Queen.



## RESPONSE TO NATIONAL DISASTERS

IN 2022, RI CARES CONTINUED TO SUPPORT COLLEAGUES AND COMMUNITIES AT TIMES OF CRISIS



#### **JANUARY**

#### Philippines

Super typhoon Rai severely affected more than 12 million people, killing hundreds and leaving thousands homeless overnight. Rentokil Initial colleagues living near the Cebu branch were badly affected. In January RI Cares donated £10,000 to help colleagues to rebuild their homes and replace possessions.

#### Malaysia

Flooding by torrential downpours lasted for more than 24 hours, equivalent to the average rainfall for a month, and was cited as a "once in a hundred years" weather event by the Malaysian government. 25 colleagues losing their homes due to the floodwaters. Other colleagues suffered less critical damage, but 112 families needed urgent support. Our local team was able to supply basic necessities like clean drinking water and food in the early days. RI Cares donated £25,000 to help with support colleagues to begin to rebuild their lives.



#### JULY

#### Sri Lanka

The World Food Programme estimated that food inflation had gone up to 90.9% in Sri Lanka as of July 2022, with many people across the country facing starvation. The Company worked in partnership with the charity, Stop Hunger, to deliver food packs to all colleagues.

#### **SEPTEMBER**

#### Pakistan

Following many months of aboveaverage rainfall, 80 districts in Pakistan were designated as "calamity affected" spanning a vast area from Balochistan to Sindh, impacting 33 million people. As the flooding continued there was a marked increase in illnesses, particularly typhoid, diarrhoea, hepatitis A, malaria, and dengue fever as the effects of the flooding persist.

A request was made to RI Cares to support our colleagues in Rentokil C-SHINE to rebuild their homes and also to support the makeshift medical relief camps. £20,000 was donated.

c.£60,000

donated to support colleagues in 2022



#### **NOVEMBER**

#### Trinidad & Tobago

Weeks of constant rainfall caused ground level saturation, exacerbated by the Caroni River bursting its banks in some areas causing riverine flooding several neighbourhoods. The prolonged flood levels, intensity and extent of damage have been unprecedented, with whole communities submerged for days. Colleagues saw the water rise to around 5ft high as their homes were flooded by the water. £2,000 from RI Cares was donated to help them rebuild their homes.

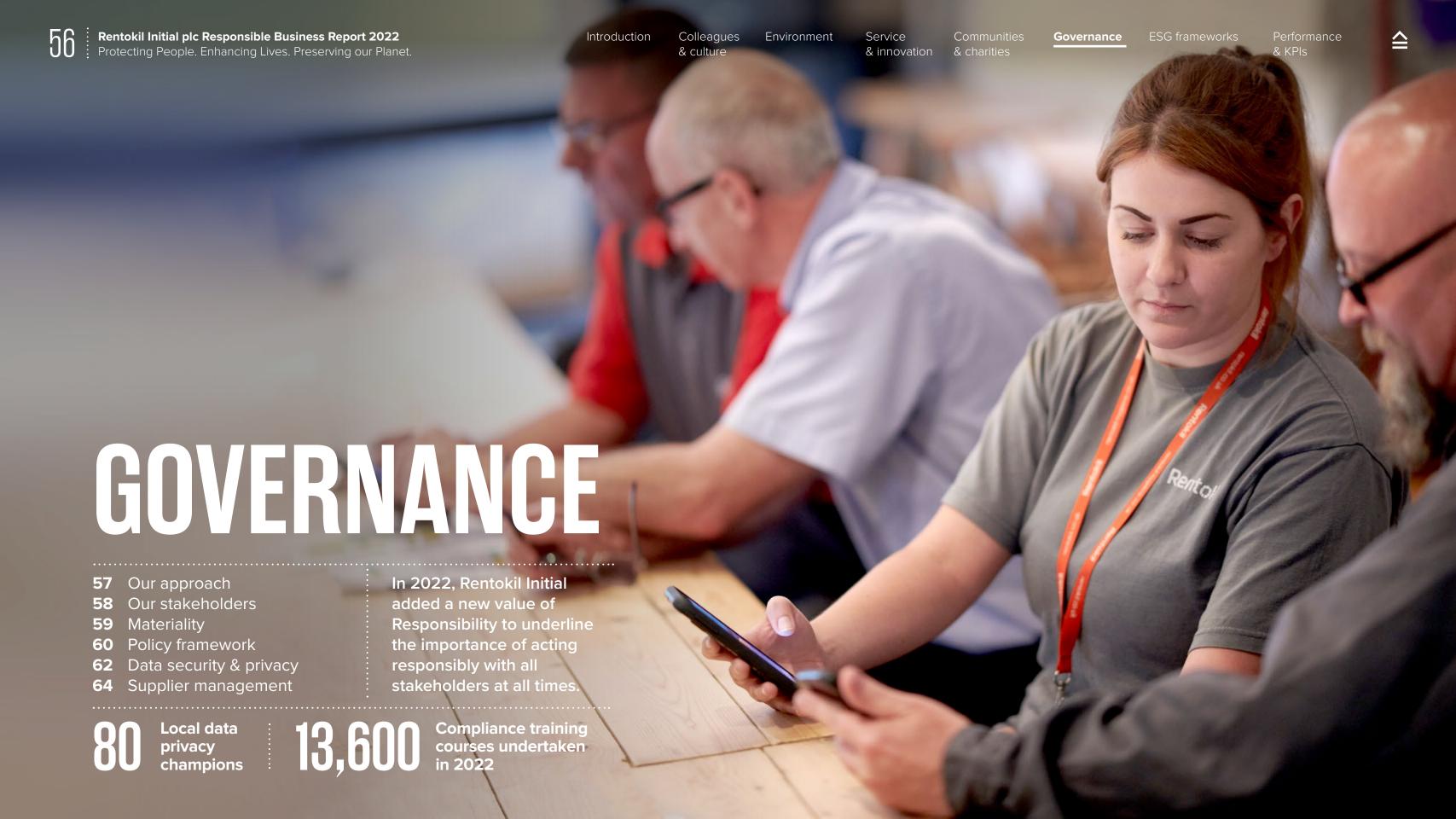
# COVID COLLEAGUE SUPPORT FUND

Beyond our key charity partnerships, over the last three years, we have supported colleagues in those countries badly impacted by COVID and where local governmental support was minimal.

In 2020, we established the COVID emergency support fund. This was created using funds from RI Cares (the unclaimed dividends and shares derived fund) together with a salary waiver by the chief executive of his Q2 2020 salary together with salary or director's fees waived by several of the Board and a number of senior managers.

A total of £450,000 was raised with £174,000 spent in 2020 and £200,000 spent in 2021 to address the hardship of colleagues, principally in South Africa, India, Indonesia and Vietnam.

In 2022, we closed this fund by using the remaining funds, firstly, to support colleagues severely affected by floods in Asia; and, secondly, to establish a literacy programme for 3,000 technicians in India.



## **OUR APPROACH**

Our Responsible Business approach is integral to everything we do, and effective governance is central to achieving our objectives, as in all other elements of our vision of becoming a world-class services company.









We ensure our responsible business priorities are part of our overall governance arrangements, the cornerstone of which is the Code of Conduct (available in 16 local languages and supported by training programmes).

The Code of Conduct sets out a fundamental commitment to comply with all legal requirements that apply, and to operate with high ethical standards. It outlines responsibilities to colleagues, customers and the business, and highlights our determination to establish our values of service, relationships and teamwork, and a culture of integrity, everywhere within the business. It is applicable to all Rentokil Initial colleagues and operations across the globe and is managed and updated by our HR team.

Our Chief Executive has Board responsibility for our Environmental, Social and Governance (ESG) approach, and the Executive Leadership Team (ELT) governs the introduction of responsible business approaches as well as reviewing progress and performance against our targets and metrics, particularly in relation to health, safety and the environment.

The Board reviews specific areas of the responsible business agenda and considers all areas at least annually. It operates in compliance with the UK Corporate Governance Code and to the highest corporate governance standards. Since 2019, the normal governance calendar includes a dedicated environmental session as part of the annual strategy review. The Board considers regular reports on workforce engagement, culture, and engagement with key stakeholder groups, which have been identified as Colleagues, Customers, Shareholders, Communities (including the Environment) and Suppliers.

The Audit Committee considers the structure and effectiveness of the Company's internal controls framework and risk management processes, with management's Group: Rentokil Initial's governance model identifies the Risk Committee reviewing key areas of risk (including safety, : respective roles of the Board (risk framework and people, operations, IT, etc) and also monitors the external environment to identify emerging risks.

The Group Leadership Forum (the c.100 senior executives across the Company) meets every two months to address key issues and ensure alignment of responsible business activities to the business plan. Safety, Health and Environment (SHE) start every meeting in all Board, ELT, GLF and management meetings, to ensure governance of this area is accorded the highest priority. The award-winning SHE team's remit includes developing Health & Safety standards with appropriate colleague training, reviewing performance and initiating remedial activity in underperforming parts of any business. Second on the agenda is the Employer of Choice strategy - ensuring key ESG and climate-related priorities are given significant focus.

The Investment Committee manages investments in acquisitions and expenditure on property assets, as well as risks from environmental and climate-related exposures, material disputes and approval of contracts, escalated in accordance with a defined Group Authority Schedule.

#### **OUR GOVERNANCE MODEL**

corporate governance), functions (determining best practice and governance) and country and regional teams (delivery within the framework of policies and local laws). The Company's risk management process includes consideration of material ESG issues, with appropriate detailed management by dedicated functions (for example, technical and safety teams), together with monitoring against Group standards and policies on a periodic basis by Internal Audit.

The Company does not permit political lobbying on its behalf by colleagues, although responding to new regulations through trade associations is acceptable. The Company has membership of trade associations around the world but does not employ any public affairs consultancy as a means of influencing political decision-making.

Environment



## **OUR STAKEHOLDERS**

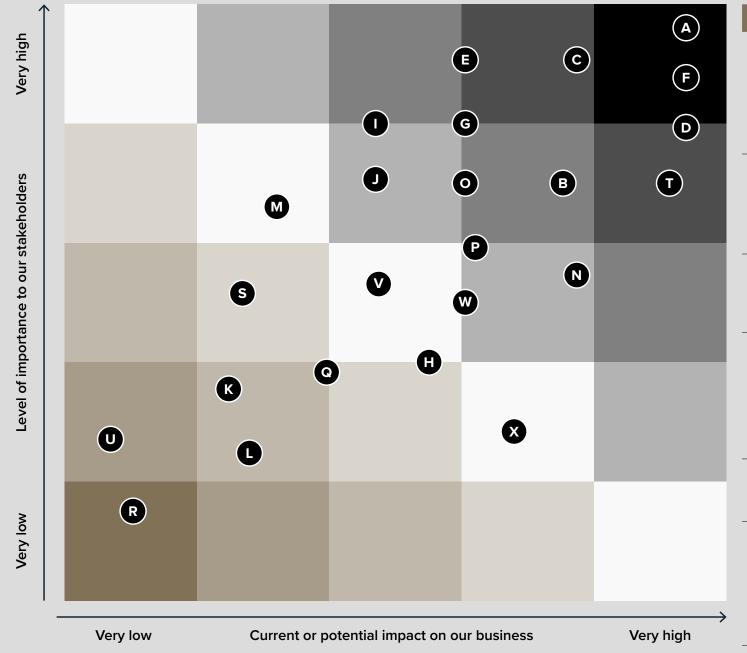
We engage with stakeholders regularly in different ways to gather their opinions and inform our decision making. This includes contact during business activities, face-toface meetings and engagement on specific issues, such as regulation.

With the significance of the Terminix acquisition impacting a range of stakeholders, we remain committed to ensuring that all are fully informed during the integration process.

Key stakeholders	Colleagues	Customers	Shareholders	Communities & charities	Suppliers	General public	Governments & regulators	Industry bodies
Overview	58,600 colleagues and managers in 91 countries. We operate a clear and consistent global grading system.	Our customers range from global food and pharmaceutical producers to national hotel chains or regional industrial goods businesses and local restaurants. Residential customers at home or in shared communal living facilities.	Our investors range from global investment funds to small private investors, often former employees, as well as sustainable investment funds.	We respect the communities in which we operate and employ people, but we also accept a wider responsibility to key communities around the world.	Our suppliers range from global major suppliers of key products and consumables, through to local suppliers to local branches. Items supplied range from baits, technology, paper, soaps and waste disposal.	The general public interacts with our brands and businesses, often as customers of our own customers ranging from children in the schools through to workers in modern office buildings.	We operate in multiple regulatory and legal systems across the globe. Some national and local governments are also customers. We work with public health and regulatory bodies (e.g. Centres for Disease Control in the USA).	We represent our industries within trade bodies and associations where we can bring our expertise such as in global food safety.
Stakeholder engagement	Key to colleague engagement is the local line manager. The Company trains managers and provides tools to enable communication and recognition. According to our latest survey of all colleagues, engagement is at world-class high-performance levels.	Customer engagement is delivered through the local service technician building a long-term relationship. We are leading in the development and deployment of new digital tools to provide customers with high levels of transparency and access to service information.	Shareholder engagement is undertaken through regular communication (face to face, written, presentations, conferences, Annual Report, quarterly reporting and IR section of the corporate website).	We support many local charities matching the funds raised by colleagues' own efforts. Key partners are Malaria No More UK and Cool Earth, and our own Better Futures community health programme in Asia. Members of the management community provide advice and support to charities.	Supplier engagement is delivered through our dedicated supply chain teams – local and global. Dedicated approaches are taken depending upon whether the supplier is a major global, regional or local supplier. All suppliers must adhere to the Supplier Code of Conduct.	Engagement with the general public is generally online through the Company's 100+ websites which provide information on pests and prevention methods. The Company also provides community information at times of public health crisis (e.g. part of vector control programmes).	We engage with Government departments and regulatory bodies to ensure that all of our products meet or exceed the appropriate regulatory standards (e.g. EU biocidal regulations), while our workplace policies meet or exceed national requirements.	We support key industry bodies e.g. the Global Food Safety Initiative and partner with the British Retail Consortium Global Standards, and many country pest control associations including in the UK and North America. Members of the Confederation of British Industry and Members of the CBI Climate Change Committee.
Areas of interest	Safety. Training and career development. Tools to do the job. Wellbeing. Reward. Culture and values. Community support.	Safety and product stewardship. Service levels. Innovation. Digital transparency and alignment with customers' own systems. Environmental stewardship.	Value creation. M&A. Leadership. Reputation. Corporate governance. Diversity. ESG.	Community investment, volunteering, disaster support.	Supplier management and prompt payment. Modern slavery performance.	Information and education on pest control, vector control and hygiene standards. Environmental performance.	Public and product safety. Environment. Training and investment in R&D.	Expertise. Innovation and product stewardship.
Examples of initiatives	Employer of Choice. Line manager training. Retention. Diversity, equality and inclusion training.	Service, innovation and digital leadership. Environmental and product stewardship.	M&A. Policies, governance, environmental and social performance. Gender Pay Gap Report. Shareholder consultations and disclosure.	Local and global community and charity activities. Response to natural disasters.	Response to supplier audits including actions. Supplier standard and code of conduct.	Eco-friendly products – e.g. Lumnia, PestConnect, Eradico and refurbishment of plastic products.	Apprenticeships, graduates and training. Vector control activities. Implementation of GDPR guidelines.	Support for GFSI and BRC partnership. Product stewardship and innovation.

## **MATERIALITY**

We consider the materiality of our Responsible Business impacts and the importance of each impact to the business. This process includes analysing questions posed by major customers in contract tendering processes; reviewing colleagues' responses to corporate responsibility related questions in our Your Voice Counts employee survey; and reviewing questions received from socially responsible investment third parties.



	Impacts
Colleagues	A Health and safety
	Colleague training & development
	© Colleague engagement
	■ Employee retention
	Diversity, equality and inclusion
Customers	Service delivery and customer retention
	Product stewardship
	Digitalisation (efficiency and service differentiation)
	Innovation (product and service)
Supply chain	Responsible consumption and production
	<b>€</b> Local sourcing
	Supplier audits
Environment	M Resource management
	N Climate change action
	Sustainable services
	P Route management (density, vehicles)
	Waste management
Community	R Colleague volunteering
	S Community investment and partnerships
Governance	Code of conduct
	Policy influence/trade association
	▼ M&A integration (bolt-ons)
	■ Cyber security/data privacy
	Brand reputation



## **POLICY FRAMEWORK**

Rentokil Initial has a strong policy framework. Our key policies are available on the Company's website. For each area of Responsible Business practice, the Company has a framework of policies including:

- + Health & Safety
- + Environmental management
- + People matters
- + Human rights
- + Modern slavery
- + Supplier Code
- + Relationships with customers and suppliers
- + Community involvement
- + External affairs and political lobbying
- **7** For Company policies

The cornerstone of our policy framework is the Code of Conduct. A Code of Conduct training programme helps to support new colleagues and includes regular refresher programmes for existing colleagues.

We also operate an annual Letter of Assurance process, which is required to be signed by all senior management to confirm they comply personally with key corporate policies and the Code of Conduct, and that the colleagues for whom they are responsible are aware of and understand what is required of them. Details must be provided on any areas of non-compliance or uncertainty. The process is monitored by the Company's Group General Counsel, with a review of the process and a report being provided to the Company's Audit Committee each year and followed up with the Company's Internal Audit function.

Rentokil Initial has been a member of the Dow Jones Sustainability Index for 16 years, with inclusion in the Europe index this year. The Company has also received independent accreditation from CDP, FTSE4Good, Sustainalytics, Moody's ESG and MSCI. These indices are important because they enable us to benchmark our performance in this area against other business services companies, as well as reinforcing the importance of the elements assessed.

- **7** For Modern Slavery Statement
- **7** For Gender Pay Report

"

Rentokil Initial has been a member of the Dow Jones Sustainability Index for 16 years, with inclusion in the Europe index this year.





## POLICY FRAMEWORK CONTINUED

#### ADHERING TO POLICIES

Adherence to our policy framework is monitored through a number of methods, including tracking completion of mandatory training modules (including the Code of Conduct) on our U+ platform, through monitoring of key targets and KPIs and through the Company's Internal Audit team.

The Audit Committee also receives regular reports of matters reported via Speak Up, our internal whistleblowing process, and reports on the effectiveness of internal controls and any control failures. The number of Speak Ups (excluding the acquired Terminix business) in 2022 was 70 (2021: 41). The increase reported has been driven by increased awareness of the Speak Up line in our Latin American countries. The nature of the matters reported remains consistent with previous years. The majority of Speak Ups relate to routine employee and employment matters, and all are investigated thoroughly.

No reports were received on the Supplier Speak Up line.

The effectiveness of the Speak Up process is validated during our internal audit process, including asking a randomly selected group of employees in each country whether they are aware of the Speak Up process and whether they know how to raise issues through this route. A negative response would be raised as an audit point.

To reinforce policy adherence, mandatory core compliance training for all colleagues is undertaken by online U+ training modules in the following:

- : + Code of Conduct
- + Preventing bribery and corruption
- + Preventing anti-competitive practices
- + Conflicts of interest
- + Securing information and protecting privacy

Online training modules are also provided on modern slavery, preventing the facilitation of tax evasion and money laundering, data privacy, human rights and preventing insider trading, as well as many other topics from safety to HR process adherence.

Rentokil Initial has implemented a Group Global Data Protection Policy that underpins its approach to data protection. This states the principles all businesses globally are expected to apply in data processing operational controls.

#### **TECHNICAL STANDARDS**

Our Technical Standards (Pink Notes) are a key part of the governance of our business. We have a training programme available on U+ for Pink Note awareness which is mandatory for all colleagues throughout the Group. The Audit Committee has Board oversight on our technical standards.

#### INTEGRITY

Rentokil Initial has a range of tools to provide assurance of the integrity with which it operates.

The key tools include:

- + The Code of Conduct, where new employees are mandated to receive training in it, and levels of training for this and for the other mandatory compliance topics are monitored monthly
- Reporting on internal control breaches, whistleblowing reports and the strength of the internal control framework to the Audit Committee of the Board by the Director of Internal Audit at least three times a year
- Quarterly litigation reporting to the Investment Committee and Board, which includes claims assessed not only by monetary value but category of exposure including allegations of fraud, criminal conduct etc
- + Supplier Code and activities in the supply chain including modern slavery
- + Annual Letter of Assurance process

Together, the above tools are considered to constitute a strong framework to deliver high levels of professional integrity across the organisation. However, additional reassurance can also be deduced by the organisation's reaction in practice to issues where short-term commercial incentives and professional integrity could be perceived to be in conflict.

In recent years, there have been several situations where Rentokil Initial employees instinctively did the right thing in difficult circumstances. For example, an M&A transaction in the Middle East considered a high priority was cancelled at a very advanced stage when potential inappropriate payments by the target business came to light; a customer in Latin America had their contract terminated by Rentokil Initial when they refused to implement the necessary safety steps to ensure our people could operate safely; a supplier in Malaysia returned passports to some of their workers after Rentokil Initial intervened, based on potential modern slavery concerns, and excessive overtime issues were addressed with suppliers in China and Malaysia following audits in 2019.

Rentokil Initial continues to focus on ensuring the framework and tools are in place and operating robustly to deliver the target level of professional services while operating with the utmost professional integrity and, while never complacent, notes that the above examples provide an additional demonstration of how integrity is delivered and working not only by design but also in practice and in radically different operational environments around the world.

There were no material losses relating to legal proceedings in 2022.



## **DATA SECURITY & PRIVACY**

Like all organisations, we have seen the scale and complexity of cyber-attacks against the business increase, and we continue to identify, monitor and mitigate the risk this presents. With many of our colleagues working from home throughout 2022, we worked to expand and maintain the security tools and technology to ensure secure remote access. Our data protection systems are rooted in our Acceptable Use and Global Information Security policies, which are mandatory for all employees.

We continue to invest in IT security ensuring that the security posture of systems and services is maintained at an appropriate level, and continually monitored and improved.

Penetration testing exercises were undertaken to test our detection and response capability.

An information security awareness programme is helping to reduce security incidents and improve awareness. We also monitor external ratings using the Assessment of Business Cyber Risk framework provided by the US Chamber of Commerce and benchmark our cyber security where possible. We assess our performance against the National Institute of Standards and Technology (NIST) and our policy framework and processes are certified to ISO 27001 for information security. We want to do the right thing to ensure that our business and our customers can operate securely and safely.

Terminix already maintains a rigorous data protection system, and this will be merged to ensure a uniform Group approach.

#### DATA PROTECTION

Rentokil Initial has implemented a Group Global Data
Protection Program including a Data Protection Policy that
underpins its approach to data protection. This states the
principles all businesses globally are expected to apply in
data processing operational controls. The business globally
requires use of a data protection tool provided by OneTrust
to manage records of data processing, privacy impact
assessments, data subject rights, consent management,
cookie management and breach management.

Our global approach to data protection is aligned with the principles of the EU General Data Protection Regulation and other local privacy laws namely:

#### Lawfulness, fairness and transparency:

As a global business we endeavour to ensure that personal data is processed lawfully, fairly and in a transparent manner that takes into account the rights of individuals as 'data subjects', whose personal data we process whether customers, employees or any others. We provide all individuals/data subjects with access to notices in multiple languages to provide transparency about how we manage personal data.

We have a network of over

80
local privacy officers globally

#### Purpose limitation:

As part of our global compliance programme, we require all businesses to complete records of their processing activities. This requires process owners to have identified a specific purpose for processing that should be communicated in any privacy notices – public ones directed at customers, potential customers, suppliers, etc and those directed at potential employees/existing employees. Where any records of processing are created, we require an applicable lawful basis for processing, e.g. consent, contract or as otherwise applicable.

#### Data minimisation:

We have a network of over 80 local privacy officers/ champions globally who supplement our dedicated expert resources and are encouraged to review the personal data processed to ensure we don't process unnecessary data.

#### Accuracy:

As a business we recognise that data has limited value if it is inaccurate and not updated. Improvements to our data quality are under regular review.

#### Storage limitation:

We have a Document and Data Retention Policy which provides clarity on data retention and deletion requirements. Steps are being taken to improve compliance in this area globally in recognition of its importance as a compliance requirement.

#### Security, integrity and confidentiality:

Our Global Data Protection Policy highlights the importance of applying appropriate security measures and ensuring any third parties we use to process personal data on our behalf apply appropriate security measures.

#### Data subject rights and access requests:

We are able to manage data subject to requests for access, deletion, 'do not sell data', etc via our OneTrust privacy compliance tool and have effectively responded to all the requests received by the privacy team.

#### Transfers and data sharing:

Any overseas transfers of personal data within Group companies are subject to contractual arrangements based on EU approved Standard Model Clauses. We seek to include appropriate contract terms and controls based on assessments of EU/UK adequacy conditions or otherwise.



## DATA SECURITY & PRIVACY CONTINUED

#### DATA BREACH REPORTING

We have data breach notification guidelines that require attention and escalation at the earliest opportunity to the privacy team. Breaches can be reported directly to the team, via a self-service tool on the business intranet or via the IT reporting route.

#### TRAINING AND AUDIT

Data protection training has been made available in multiple languages to all colleagues. Completion rates are improving across the group, and we continue to work to improve engagement, and data protection forms part of internal audit reviews of operational business and functional teams (especially HR, marketing and IT).

#### OUR PRIVACY PROCESS LIFECYCLE

We have an ongoing privacy process lifecycle as follows:

- + Privacy Impact Assessments
- Creation of Records of Processing which may require additional Data Protection Impact Assessments and Legitimate Interest Assessments
- + Review of Records ensure appropriate ownership, check details, validate lawful basis, identify risks and provide risk mitigation guidance
- + Annual review and maintenance of records
- + Review of privacy notices based on updates/ changes to processing activities

It must be noted that we are at different stages of maturity and implementation of governance in the countries we operate in. Our baseline is to have a data inventory for all countries, to ensure most employees have completed training and have acknowledged applicable local employee privacy notices and have processes in place for managing data subject rights requests.

Public facing privacy notices are available globally to the public – although it is acknowledged that additional languages would be beneficial and that routine updates are challenging given the size of the business globally, and the number of new businesses we acquire each year which need to be incorporated into our compliance programme.

Data breaches have been captured and managed since 2018 using a privacy compliance tool from OneTrust (the most widely used platform to operationalise privacy, security and data governance). The business manages breaches as per the requirements of the EU General Data Protection Regulation or as per applicable local legislation.

As per the Sustainability Accounting Standards Board requirements a data breach is defined as "the unauthorised movement or disclosure of sensitive information to a party, usually outside the organisation, that is not authorised to have or see the information."

There have been a limited number of minor privacy incidents in 2022, none that have required regulatory involvement.



Service

## SUPPLIER MANAGEMENT

The supply of products to our global businesses is managed through the Group Procurement team, who review the annual global spend for major businesses and track suppliers by category, country of manufacture and annual spend. The Company has two in-house factories in the UK which manufacture hardware and consumable products for the global business and an in-house Workwear company which supplies garments to the French Workwear business.

The annual spend for all significant suppliers is tracked by category, purchasing business unit and country of manufacture. Suppliers are classified as Critical, Major and Local for the purposes of audit, compliance and management control.

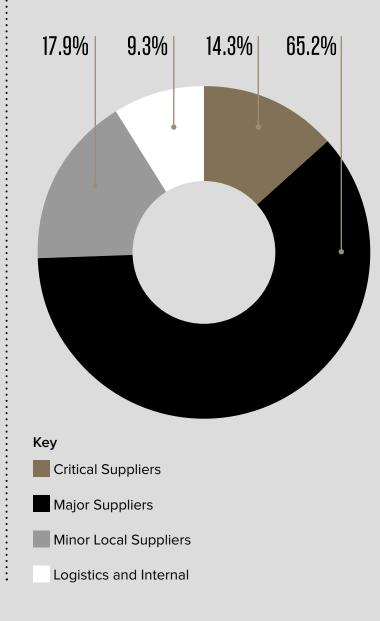
- + Critical Suppliers (38 suppliers in 2022, 14.3% of spend) represent a high proportion of category spend, supplying unique products to multiple Company markets or requiring a long lead time
- Major Suppliers (162 suppliers, 65.2% of spend) have a significant proportion of spend in a single country (over £0.5 million) or region and/or suppliers of generic products that can be substituted at short notice
- + Minor Local Suppliers (c.2,635 suppliers, 17.9% of spend) - represent the majority of suppliers in number, but a lower proportion of the category spend
- + Logistics and Internal (23 suppliers, 9.3% of spend)

The major spend in Rentokil Pest Control is on rodenticides, insect control equipment and other products used to control the multiple varieties of pests encountered around the : world. These are mainly sourced through global chemical supply companies who have stringent quality and ethical approaches. Rodenticides are manufactured in the Rentokil Initial Supplies (RIS) factory in Kirkby, UK, and hardware such as bait boxes are manufactured at Dudley Industries, a wholly-owned subsidiary in the UK. We purchase a wide : variety of hardware and equipment such as rodent traps, : insect light traps and bird protection devices which are typically designed internally and either manufactured inhouse or sourced externally from specialist suppliers.

Procurement spend in the Hygiene & Wellbeing category includes washroom equipment such as soap dispensers, feminine hygiene units and consumables such as soap and paper. Most of the hygiene equipment is designed in-house and manufactured by external suppliers in Europe and Asia under the Initial brand, while metal dispensers are manufactured at Dudley Industries. Liquid consumables for these dispensers are mainly manufactured at the RIS factory, while sourcing of paper products is from accredited suppliers which are optimised by global location.

As of 2022, this category now includes Ambius (worldwide) in which plants and pots are sourced locally and Property Care (UK) which utilises branded equipment and chemicals purchased locally in relatively small quantities. Workwear France is a stand-alone category which is supplied through the in-house sourcing company as well as external suppliers.

#### ANNUAL SPEND FOR ALL SIGNIFICANT SUPPLIERS



#### MODERN SLAVERY STATEMENT 2022

Our detailed modern slavery statement is available online

Read more online



## SUPPLIER MANAGEMENT CONTINUED

# DUE DILIGENCE PROCESSES IN RELATION TO SUPPLIER MANAGEMENT

In all sourcing decisions, compliance with Rentokil Initial standards for a responsible and sustainable business approach is used as a go/no-go gate rather than as a weighting factor for decision-making. Suppliers that do not conform to required standards during the pre-selection evaluation are eliminated from the tender process. If an area of non-compliance is discovered at a new or existing supplier, they are given the opportunity to address and resolve the issue, with our support where required. It is important that suppliers are made aware of the specific issue and the actions considered necessary to remedy the situation. Penalising the supplier directly by removing business, or not awarding a contract, is most likely to disadvantage their employees who we are trying to help.

#### SUSTAINABLE SUPPLIERS

The Company's supply strategy is focused on sustainability, and in ensuring that our suppliers share our values and commitments to high Environment, Social and Governance (ESG) standards. Our Supplier Code includes sections on: quality of products or services, zero tolerance of tax evasion, and protecting personal data. Our Supplier Code is available in 18 languages on our website.

#### OUR SUPPLIER CODE

All critical and major local suppliers have received and confirmed their understanding of the Code since its first publication four years ago.

In all sourcing decisions, compliance with Rentokil Initial ESG standards for a responsible and sustainable business approach is used as a go/no-go gate rather than as a weighting factor for decision-making.

Our strategy is to develop long-standing collaborative relationships with suppliers as strategic partners. We encourage and reward longer-term global and local partnerships, consolidating the sourcing of products wherever possible to maximise the procurement, supply chain and synergies and minimise the environmental footprint. Having a closer relationship with fewer suppliers minimises the potential for non-compliance and provides volume opportunities for preferred suppliers.

Global logistics management plays a key role in building and maintaining a sustainable supply chain.

The Company's supply chain transportation footprint from product suppliers through warehouses to branches, and to end-user technicians and customers is continually reviewed to ensure that the most efficient supply route from supplier to end-customer is employed. Shipping volumes are consolidated at the optimum location to provide the optimum service level at the lowest cost and environmental impact. Shipments are made directly from the supplier to the country warehouse or branch where volumes allow.

As of 2021, the environmental impact of sourcing options is included in the criteria for the evaluation of alternatives for global supply of products.

#### OUR SUPPLIER CODE INCLUDES SECTIONS ON:









# ESG FRAMEWORKS

- **67** Aligned with the UN Sustainable **Development Goals**
- 69 Task force on Climate-Related Financial disclosures
- **70** Sustainability Accounting Standards Board

In this section you can find out more about how we align with the UN Sustainable Development Goals links to our Task Force on Climaterelated Financial Disclosures (TCFD) Report and our reporting against the **Sustainability Accounting Standards** Board's (SASB) industry-specific sustainability accounting standards.



## ALIGNMENT WITH THE UN SUSTAINABLE DEVELOPMENT GOALS

For Rentokil Initial, being a responsible and sustainable business is central to THE RIGHT WAY plan and supports our purpose of Protecting People, Enhancing Lives and Preserving our Planet. For us, this means:

- + Helping colleagues to have safe and fulfilling work lives
- + Benefiting society by acting in the most effective and environmentally sustainable manner
- + Supporting customers by innovating and delivering products and services responsibly; and
- + Contributing to the local economy and supporting communities where we operate

Our sustainable approach is aligned to the areas of priority in our operating model and to the priorities of our key stakeholders. These are aligned to four of the UN Sustainable Development Goals (SDGs).



#### AREAS OF PRIORITY IN OUR OPERATIONAL MODEL

#### : Colleagues & culture

Rentokil Initial is committed to being a world-class Employer of Choice, employing c.58,600 in 91 countries - an increase from c.46,000 in 2021. Underpinning everything we do is our 'One Rentokil Initial' Culture. We have a one-team mentality with a common purpose and set of values, focused on delivering a great customer experience. Our culture and business model enabled the Company to be agile and responsive, and our colleagues worked tirelessly in support of our customers across our businesses. Areas that we report on include: safety, recruitment, engagement, diversity, colleague training and retention.

#### : Environment

Our pathway to net zero carbon emissions from our operations by the end of 2040 includes a number of milestones along the way. Key elements of our plan include our transition to an ultra-low emissions : vehicle fleet, which is already underway though the introduction of ULEVs across our fleet. The reduction in our energy emissions through the transition to renewable property electricity, with a number of countries really introducing these contracts and reducing our property footprint. Our aim is to focus on our most material impacts, which are vehicles, properties and chemical use in fumigation. Areas that we report on include: absolute values of energy- and fuel-derived emissions, total global and UK energy consumed, waste, transport and distribution and business air travel.

#### : Service & innovation

Customers trust Rentokil Initial to deliver high-quality services that protect their people, their own customers and the reputations of their businesses. The Power Centre is our industry-leading centre for : both science and innovation, and our training academy. Innovation is an integral part of our culture. New projects are mainly developed in-house, either by our Science & Innovation team or as a result of insights gained from our businesses around the world. Currently, we have a pipeline of around 50 projects in : process – all are sustainable, nontoxic or digital. Areas that we report on include: Customer satisfaction, product and service innovation, and the Company's leadership in the use of digital technologies.

#### : Communities & charities

We also aim to make a meaningful contribution to the local economy and to support communities where we operate. Rentokil Initial Cares is our charity and community programme which supports colleagues' own efforts locally, alongside national and global initiatives. This year, we saw a record set for our contributions, both from the Company and our colleagues, in support of local communities and causes. Areas that we report on include: partnerships to protect rainforests from deforestation and malaria eradication, local charity partnerships in line with our multi-local operating model, and total charitable giving through Rentokil Initial Cares and in-kind donations.













See pages 39 to 55 for more

## ALIGNMENT WITH THE UN SUSTAINABLE DEVELOPMENT GOALS continued

#### STAKEHOLDERS AND EXAMPLES OF HOW THEY ALIGN

Stakeholders				UN SDGs
Suppliers	Colleagues	Customers	Communities	
Supplier Code of Conduct to set standards. Supplier management standards.	Safety focus – safe operating procedures for colleagues. Road traffic safety rules and training. Enhanced colleague wellbeing strategy. Code of Conduct in 16 languages.	Safer foods and medicines through the provise Hand, air and surface hygiene for safer place hygiene. Better Futures community health init	3 GOOD HEALTH AND WELL-BEING	
Over 2,500 small business supplier partnerships. Modern slavery auditing and performance.	Job creation, training and career development. Apprenticeships. Graduates. Diversity, equality and inclusion focus. High engagement and retention.	Safe workplaces for employees, customers and users of facilities.	Creating jobs with long-term career prospects in emerging markets, e.g. India, SSA.	8 DECENT WORK AND ECONOMIC GROWTH
Product development. Reduced packaging. Requirement to comply with Environmental standards.	Integrated environment plan with innovations and non-toxic services together with sustainable operations. Ultra-low emission fleet. Waste. Sustainable workplace. Renewable energy. Route density. Remote monitoring. Net zero plan.		Avoidance – reducing carbon emissions through deforestation.	13 CLIMATE ACTION

Partnerships with suppliers and scientific community on innovations to enhance public health.

Effective partnerships with charitable groups – internationally and locally, to support causes in line with our purpose. Include focus on malaria eradication in Africa, basic hygiene education in Asia and reducing deforestation in Pacific.



Governance

### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Task Force on Climate-related Financial Disclosures (TCFD) recommendations set an important framework for understanding and analysing climate-related risks, and we are committed to regular, transparent reporting to help communicate and track our progress.

We are pleased to share our disclosures in response to the recommendations of the TCFD, and in this table we provide details of where key climate-related information can be found in our Annual Report and Accounts 2022. One of our main priorities over the past year was to commence the implementation, embedding and tracking of progress against our plan to achieve net zero by the end of 2040.

Please see references for evidence on each of the 11 areas of TCFD reporting.

Additional information on our climate strategy and metrics can be found in this Responsible Business Report, Environment section (Delivering net zero carbon emissions by 2040).

#### ANNUAL REPORT & ACCOUNTS 2022

Our Annual Report & Accounts 2022 is avaible online

Read more online

TCFD index		Annual Report & Accounts 2022
Governance	Describe the Board's oversight of climate-related risks and opportunities.	<ul> <li>+ Risk Management, page 68</li> <li>+ Governance, page 81 and 82</li> <li>+ Audit Committee Report, pages 95 and 100</li> </ul>
	Describe management's role in assessing and managing climate-related risks and opportunities.	<ul><li>+ Governance, page 89</li><li>+ Audit Committee Report, page 98</li><li>+ Strategic Priorities, page 21</li></ul>
Strategy	Describe the climate-related risks and opportunities the organisation has identified.	+ TCFD, pages 56 to 60
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	<ul><li>+ TCFD, pages 56 to 60</li><li>+ Risk Management, page 68</li><li>+ Audit Committee Report, page 98</li></ul>
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios.	+ Strategy, page 58
Risk management	Describe the organisation's processes for identifying and assessing climate-related risks.	<ul><li>+ TCFD, pages 56 to 60</li><li>+ Risk Management, page 68</li></ul>
	Describe the organisation's processes for managing climate-related risks.	<ul> <li>+ Risk Management, page 68</li> <li>+ Governance, page 89</li> <li>+ Audit Committee Report, page 98</li> <li>+ TCFD, pages 56 to 60</li> </ul>
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	+ Risk Management, pages 68
Metrics and targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	+ Page 60
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	+ Page 60
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul><li>+ Page 59</li><li>+ Strategic Priorities, page 21</li></ul>

## SUSTAINABILITY ACCOUNTING STANDARDS BOARD

The Sustainability Accounting Standards Board (SASB) is an independent, private sector standards-setting organisation dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs.

Their use of the term 'sustainability' refers to corporate activities that maintain or enhance the ability of the Company to create value over the long term. Sustainability accounting reflects the governance and management of a company's environmental and social impacts arising from production of goods and services, as well as its governance and management of the environmental and social capitals necessary to create long-term value.

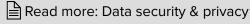
The SASB has developed a set of 77 industryspecific sustainability accounting standards. This is the second year that Rentokil Initial has reported against the Professional & Commercial Services industry standard, which includes three disclosure topics and accounting metric areas:

- + Data Security
- + Workforce Diversity and Engagement
- + Professional Integrity

We have disclosed information on each of these
areas in both our 2022 Annual Report and this
Responsible Business Report. A brief summary
and quick links to disclosure on these areas can
be found in the following tables.

#### 1. DATA SECURITY

Accounting metric	Reference in Responsible Business Report					
Code: SV-PS-230a.1	Like all organisations, the scale and complexity of cyber-attacks against the business					
Description of approach to identifying and addressing data security risks	continues to increase and we continue to identify, monitor and mitigate the risk this presents. We have a dedicated IT security team who are supported by external specialists.					
,	We continue to invest in IT security ensuring that the security posture of systems and services are maintained at an appropriate level and security posture is continually monitored and improved.					
	Penetration testing exercises are undertaken to test our detection and response capability.					
Code: SV-PS-230a.2	Rentokil Initial has implemented a Global Data Protection Policy that underpins its approach to data protection. This states the principles all businesses globally are expected to apply in data processing operational controls. The business globally requires use of a data protection tool provided by Onetrust to manage records of data processing, privacy impact assessments, data subject rights, consent management, cookie management and breach management. Our global approach to data protection is aligned with the principles of the EU General Data Protection Regulation.					
Description of policies and practices relating to collection, usage and retention of customer information						
Code: SV-PS-230a.3	As per the SASB requirements a data breach is defined as "the unauthorised movementor disclosure of sensitive information to a party, usually outside the organisation, that is notauthorised to have or see the information."  There have been a limited number of minor privacy incidents in 2022, none that have required regulatory involvement.					
(1) Number of data breaches, (2) percentage involving customers' confidential business						
information (CBI) or personally identifiable information (PII), (3) number of customers affected						



## SUSTAINABILITY ACCOUNTING STANDARDS BOARD continued

#### 2. WORKFORCE DIVERSITY & ENGAGEMENT

#### Accounting metric

#### Code: SV-PS-330a.1

Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees

#### **Reference in Responsible Business Report**

Rentokil Initial is a diverse organisation by its nature, operating in 91 countries and with more than 40 languages. Some countries have rules that restrict our data collection around workforce diversity. Across our workforce, 13,315 or 23% (2021: 11,047, 24%) of colleagues are female and 45,277 (77%) are male. Currently, 29% of our senior leaders are female and 33% of the people in our senior leader's succession plans are women. 33% of our Directors are female. In a 2021 survey of our senior leaders, when asked to define or self-identify their ethnicity, 20% responded that they were not of White or European ethnicity (2020: 21%).

We continue to have no material gender pay gap between men and women in the UK, with a median of -5% and a mean of -9%, which is significantly better than the UK average of 14.9%, reported by the Office for National Statistics.

#### Ethnic diversity

	White or	European	Not White or European		
Role	2022	2021	2022	2021	
Board	78%	75%	22%	25%	
Senior leaders (ELT and direct reports)	82%	80%	18%	20%	

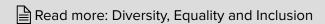
The Company does not have a UK gender pay gap.

**7** Read more: Gender Pay Gap Report 2022

#### **Gender diversity**

	Total	% Female								
		2022		2021		2020		2019		2018
Board	9	33%	8	37.5%	8	50%	7	43%	10	33%
Executive leadership	13*	23%	13	8%	13	8%	13	8%	10	10%
Management	157	29%	119	30%	121	33%	118	28%	74	30%

<sup>\*</sup> This is the executive committee below the Board (the Executive Leadership Team) and the Company Secretary. We exclude Board members from this group.



& charities

Two-year

cycle

83%

80%

Two-year

cycle

83%

81%

# SUSTAINABILITY ACCOUNTING STANDARDS BOARD continued

### 2. WORKFORCE DIVERSITY & ENGAGEMENT CONTINUED

Accounting metric	Reference in Responsible Business Report						
Code: SV-PS-330a.2	Colleague retention is measured monthly and presented to the Executive	Colleague turnover					
Voluntary turnover rate for employees	2022. All regions were above 80% (ex. Pacific) with Europe at 90% and North		2022	2021	2020	2019 13.1 1 2019 90%	2018
	America at 81%.	Voluntary (%)	17.4		13.1	16.8	
Involuntary turnover rate for employees	Involuntary (%)	4	4	5	1	0.2	
Code: SV-PS-330a.3							
Employee engagement							
as a percentage	Board as part of the Employer of Choice programme. Retention was 82.6% in 2022. All regions were above 80% (ex. Pacific) with Europe at 90% and North America at 81%.   Voluntary (%)   17.4   15.6   11.4   13.1						
		Indicators	2022	2021	2020	2019	2018
		Survey response rate		91%		90%	

Two-year

cycle

Read more: Colleague engagement

Colleague enablement\*

Colleague engagement\*

<sup>\*</sup> Since 2017, Rentokil Initial has undertaken a 'measure-analyse-act' cycle over a two-year period. This is supplemented by targeted pulse surveys. Measurement is undertaken by a specialist, independent third party. Individual data remains confidential. Response rates have been high and results for colleague engagement and enablement place the Company among the High Performing group of leading companies. In its latest survey, the score for colleague engagement was 80%.

# SUSTAINABILITY ACCOUNTING STANDARDS BOARD continued

#### 3. PROFESSIONAL INTEGRITY

### Accounting metric

#### Code: SV-PS-510a.1

Description of approach to ensuring professional integrity

#### Code: SV-PS-510a.2

Total amount of monetary losses as a result of legal proceedings associated with professional integrity

#### Reference in Responsible Business Report

Rentokil Initial has a policy framework and a number of tools to provide assurance of the integrity with which it operates. The Company continues to focus on ensuring the framework and tools are in place and operating robustly to deliver the target level of professional services while operating with the utmost professional integrity.

Read more: Governance

There were no material losses relating to legal proceedings in 2022.

Read more: Integrity

### 4. METRICS

### Accounting metric

#### Code: SV-PS-000.A

Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract

Code: SV-PS-000.B

Employee hours worked; percentage billable

#### Reference in Responsible Business Report

Our strategy is focused on creating trained and highly engaged full-time employees rather than the use of contractors. We may recruit a small number of people on temporary contracts to cover holidays/peaks.

Number of full-time employees	
2022	58,600
2021	46,031
2020	44,588
2019	42,933
2018	39,480

This metric does not apply to our operating model. Colleagues do not work against billable hours. We agree with our customers a service contract with a detailed monthly contract or one-off job price.

To learn more about our responsible business practices and metrics, please visit:

**7** Reports and policies

# PERFORMANCE & KPIS

- **75** Performance indicators
- **82** Operational targets
- **83** Glossary





### **PERFORMANCE INDICATORS**

### **HEALTH & SAFETY**

World class performance. Significant improvement since 2018.

Health & Safety					
Indicators	2022	2021	2020	2019	2018
Lost Time Accident rate (LTA)	0.39	0.38	0.39	0.53	0.63
Working Days Lost rate (WDL)	7.90	8.71	8.46	10.99	14.77

The LTA rate is calculated as the number of lost time accidents (injuries and illnesses) per 100,000 hours worked.

The WDL rate is calculated as the number of working days that colleagues could not work because of lost time accidents (injuries and illnesses) per 100,000 hours worked.

### **COLLEAGUES**

Colleague retention: All regions above 80% (ex. Pacific) with Europe at 90% and NA at 81%

Colleagues					
Indicators	2022	2021	2020	2019	2018
Total colleague retention*	82.6	84.4%	88.6%	86.9%	86.9%
Sales colleague retention	82.4	82.9%	87.7%	85.3%	82.1%
Service colleague retention	80.8	82.4%	86.9%	86.1%	85.1%
Colleague enablement	Two-year	83%	Two-year	83%	
Colleague engagement	cycle	80%	cycle	81%	

Retention measured as part of the Employer of Choice programme, 12-month annualised basis.

Note: All data excludes Terminix.

### **CUSTOMERS**

Strong state of service and customer satisfaction.

Customers					
Indicators	2022	2021	2020	2019	2018
State of Service	95.9	92.9%	89.4%	97.2%	97.9%
Customer Voice Counts	44.6	45.1*	38.0**	44.5	43.0
Customer Retention	85.4	85.3%	84.5%	86.2%	85.9%

Based on telephone and digital survey channels.

### COMMUNITIES

£998,000 donated to charities and communities, of which £444,000 was from RI Cares.

Communities (£'000)					
Indicators	2022	2021	2020	2019	2018
Community donations	998	361	184	206	202

<sup>\*\*</sup> Based on telephone and digital surveys (used for the first time during the pandemic).



### OUR ENVIRONMENTAL METRICS AND TARGETS

Rentokil Initial has published its emissions data for 18 years and continues to improve the quality and range of its environmental reporting. To further develop our reporting, we have conducted trials of a new technology platform to enable us to accurately capture a greater range of Safety, Health, and Environmental data. This will begin to be implemented in 2023.

The Company first set an emissions target in 2012 of a 10% reduction in our emissions intensity index by 2016, which was achieved in 2015. Then using 2015 data as the baseline it set a five-year emissions target to achieve a 20% reduction in this intensity index by the end of 2020, which we achieved a year early.

The Company reports its environmental efficiency ecoperformance – data is provided over a five-year period – against the following areas:

- + Carbon Emissions Efficiency Index
- + Absolute emissions
- + Eco-efficiency indices for property energy and vehicle fuels
- + Workwear and Hygiene processing plants eco-efficiency indices for water and emissions per tonne of product processed
- + Waste reduction in our French Workwear plants

### Integration of Terminix

As a result of our integration with Terminix, the Company will look to re-baseline its emissions reporting in 2023. For 2022, Terminix emissions will be reported separately from those of Rentokil Initial to provide clarity and like-for-like comparisons with previous years. Emissions data will be reported as a combined total from 2023.

### : Carbon emissions efficiency index

Our five-year index of intensity values has improved by 12.52% over five years (see below).

: In 2020, the Board set a new target to reduce the emissions intensity index by a further 20% by the end of 2025 (using 2019 data as the baseline). As of the end of 2022 this index had reduced by 9.6% and, once the impact of our renewable contracts is included, this equates to a 10.1% reduction, since 2019.

Emissions have been calculated in line with the GHG Protocol Corporate Reporting Standard, and the absolute values of tonnes of CO<sub>2</sub>e is calculated using the UK Government's conversion factors for fuels, gases and UK electricity, and the International Energy Agency (IEA) conversion factors for non-UK electricity generation.

We also report on the intensity value of emissions, relating emissions values to activity levels – in this case at constant exchange rates to provide an accurate like-for-like performance comparison, removing currency variations.

### : Absolute emissions

Our absolute emissions figures have increased in 2022 reflecting the 52 acquisitions made this year, which has contributed to an increase in fuel usage. In addition, the significant Terminix acquisition has been reported separately for this year.

The table below shows our five-year index of intensity values – which have improved by 12.52% over five years.

The table on the following page shows absolute emissions (split by scope) derived from property energy and vehicle fuels over the past five years (based on data collated from all the countries in which the Company operates).

	2022	2021	2020	2019	2018
Index of energy and fuel derived CO <sub>2</sub> e emissions at CER per £m of revenue	87.48	92.27	92.61	101.13	100.00

**Emissions** improved by over five years

#### RENTOKIL INITIAL

Absolute values of energy and fuel derived emissions – tonnes of CO<sub>2</sub>e

Type of scope	2022	2021	2020	2019	2018
Total scope 1	200,102	184,438	170,655	176,599	160,024
Total scope 2	16,655	15,664	15,665	17,375	16,667
Total scope 3	52,254	48,280	43,265	44,091	40,259
Total outside scope	7,312	7,299	5,787	5,122	5,238
Total – all scopes & outside scopes (Location-based)	276,323	255,681	235,372	243,187	222,188
Total Scope 2 Market-based emission reduction	(1,737)	(1,292)	0	0	0
Total – all scopes & outside scopes (Market-based)	274,586	254,389	235,372	243,187	222,188

Scope 1 – emissions from our vehicles and the operation of our facilities, with the majority of emissions derived from the use of petrol and diesel across our fleet, with a small amount of gas, fuel oil and LPG.

Scope 2 – emissions are derived from the purchase of electricity. This has been split between Location- and Market-based to account for those operations switching to green and renewable tariffs. Slight changes to prior year figures are due to updates in the IEA conversion factors.

Scope 3 – includes emissions in relation to our properties and vehicles, Transmission & Distribution (T&D) and Well to Tank (WTT). Slight changes to prior year figures are due to updates in the IEA conversion factors.

Total outside Scope – biogenic emissions.

Total – all scopes and outside scopes – consolidation of all the above scopes with no emissions deducted for renewables, to allow for direct comparisons across the five years.

Market-based emissions (deductions) – emissions deducted under the renewable electricity contracts we have implemented in the UK, Italy, Australia & New Zealand.

Absolute emissions in 2022 from Scope 1 & 2 were 216,757 tonnes CO<sup>2</sup>e with the UK constituting 8.0%.

### TERMINIX

Absolute values of energy and fuel derived emissions – tonnes of CO<sub>2</sub>e

Type of scope	2022	2022 Oct-Dec
Total scope 1	95,708	19,609
Total scope 2	5,728	1,263
Total scope 3	27,152	5,564
Total outside scope	3,597	736
Total – all scopes & outside scopes (Location-based)	132,185	27,172

Scope 1 – emissions from Terminix's vehicles and the operation of our facilities, with the majority of emissions derived from the use of petrol across their fleet, with a small amount of gas, propane and diesel.

Scope 2 – emissions are derived from the purchase of electricity.

Scope 3 – includes emissions in relation to their properties and vehicles, Transmission & Distribution, and Well-to-Tank (WTT).

Total outside Scope – biogenic emissions.

As Terminix was acquired on the 12 October 2022, the month of October was split evenly across its 31 days, with the 20 days post-acquisition being included with the full months of November and December. For those emissions sources where monthly data was not available (gas, propane, and electricity) the annual figure was split evenly across the 12 months, with the same method as above being subsequently applied to October.

Some facilities, representing less than 5% of Terminix locations, did not have complete data available and as such are omitted from the figures above. We will look to including these locations in our reporting moving forward as we integrate Terminix into our existing reporting systems.

### RENTOKIL INITIAL

#### UK and global energy consumption

Since 2018, we have also reported our energy consumption, and the UK operations' percentage. In 2022, global energy consumption was 932,185 MWh with the UK representing 8.2%.

Energy MWh	2022		2021		2020	
Source of energy	Group	UK and offshore	Group	UK and offshore	Group	UK and offshore
Direct GHG emissions (relating to the combustion of fuel and the operation of any facility)	878,055	71,800	811,963	77,601	744,402	82,350
Indirect GHG emissions (through the purchase of electricity, heat, steam or cooling)	54,130	4,903	47,236	5,377	47,366	4,194
Total	932,185	76,703	859,199	82,978	791,768	86,544

Our total energy consumption is calculated using electricity purchased (MWh) and fuel volumes converted to MWh using the UK government GHG Conversion Factors for Company Reporting. Direct GHG emissions relate to the combustion of fuel and the operation of any facility. Indirect GHG emissions: relate to the purchase of electricity, heat, steam or cooling.

### **TERMINIX**

#### **Energy consumption**

	Energy MWh		
Source of energy	2022	2022 Oct-Dec	
Direct GHG emissions (relating to the combustion of fuel and the operation of any facility)	423,202	86,741	
Indirect GHG emissions (through the purchase of electricity, heat, steam or cooling)	16,210	3,573	
Total	439,412	90,314	

Terminix's total energy consumption is calculated using electricity purchased (MWh) and fuel volumes converted to MWh using the UK government GHG Conversion Factors for Company Reporting. Direct GHG emissions relate to the combustion of fuel and the operation of any facility. Indirect GHG emissions: relate to the purchase of electricity, heat, steam or cooling.



### FUMIGATION-DERIVED CO, EMISSIONS

Around the world, several of our operations provide customers with fumigation services that use sulfuryl fluoride (SF) as the fumigant. This is broadly split into two parts:

- + Biosecurity quarantine fumigation of items such as machinery which is being shipped internationally. The use of SF is specified as a treatment by some destination countries to prevent the spread of invasive pests, ensuring the biosecurity of the country of entry and is an essential service to support international trade.
- + Buildings the treatment of buildings in Europe, the USA, Caribbean, and Pacific regions for termites to prevent structural damage, or for the control of pests in food processing facilities, such as mills, to prevent the damage and contamination of foodstuffs.

Absolute emissions from the use of sulfuryl fluoride (SF) were 919,184 tonnes in 2022 (2021: 792,744; 2020: 814,700; 2019: 548,449; 2018: 363,339). This increase was due to continuing growth in customer demand, as well as new acquisitions in this sector. We nonetheless remain committed to our reduction strategy and continue to use fumigation treatments only when alternative solutions are unavailable.

Terminix also provides similar fumigation services in North America. Emissions equivalent from the period post-acquisition from the use of sulfuryl fluoride were 107,941 tonnes, with a total of 612,261 tonnes across the whole of 2022.

Rentokil Initial targets a 70% reduction in fumigation related  $CO_2$  emission equivalents by the end of 2030 and continues to target the full transition to net zero by 2040. There is no change in these targets because of the Terminix transaction.

Fumigation derived (tonnes of CO <sub>2</sub> e)					
Source of emissions	2022	2021	2020	2019	2018
Direct GHG emissions	919,184	792,744	814,700*	548,449	363,339
Indirect GHG emissions	0	0	0	0	0

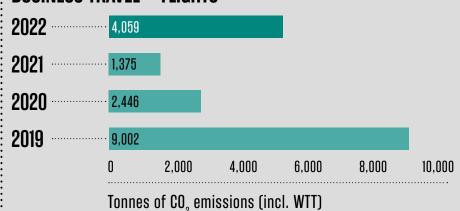
<sup>\*</sup> Updated in 2021 to include subcontractor data from an acquisition unavailable at the time of reporting.

### **BUSINESS TRAVEL**

In 2022 we have continued to report on our business flights, with data for four of our six regions.

Our flights across the group in 2022 have increased over 2021, mainly as a result of the Terminix acquisition requiring greater travel to and from the US. We continue to use the lessons learnt during the Covid-19 pandemic to limit air travel where practical, through the use of cloud platforms and virtual meetings, and are pleased to note we remain below pre-pandemic levels.

### **BUSINESS TRAVEL — FLIGHTS**



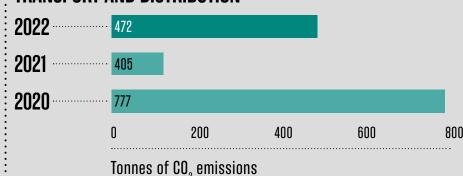
### TRANSPORT & DISTRIBUTION

The Company's supply chain transportation footprint from product suppliers through warehouses to branches, and to end-user technicians and customers is continually reviewed to ensure that the most efficient supply route from supplier to end-customer is employed. Shipping volumes are consolidated at the optimum location to provide the optimum service level at the lowest cost and environmental impact. Shipments are made directly from the supplier to the country warehouse or branch where volumes allow.

This is the second year we have collected information for our transport
and distribution, with emissions data obtained for the logistics in
relation to our European central warehouse from two of our suppliers.
We continue to look at opportunities to expand on this reporting
through the collection of data for other logistics operations as well.

This data was provided by our transport and distribution suppliers, who calculated the emissions figures internally using Handbook Emission Factors for Road Transport (HBEFA) conversion factors.

### TRANSPORT AND DISTRIBUTION





### VEHICLE ECO-EFFICIENCY

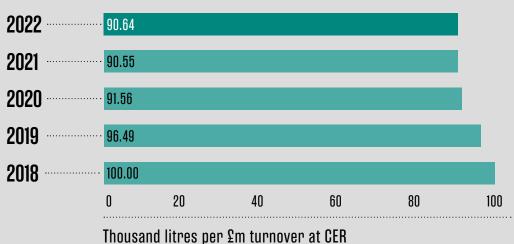
Vehicle fuel efficiency has improved by 9.36% since 2018, through a continued focus on vehicle efficiency practices across the global fleet.

Vehicle emissions represented 85.38% of the Company's energy derived emissions in 2022.

The Company undertakes a range of programmes to support our goal of net zero including transitioning to ultra-low emission fleets, reducing mileage through route optimisation tools and building customer density.

These figures are based on Rentokil Initial emissions, excluding the Terminix acquisition.

#### **ECO-EFFICIENCY INDICATOR — VEHICLES**



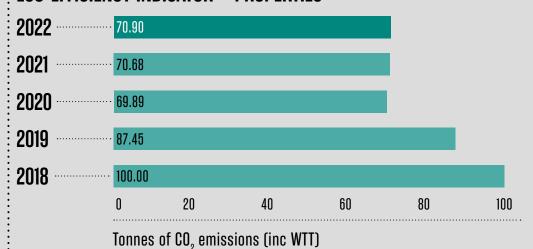
### PROPERTY ECO-EFFICIENCY

Over the last few years, the Company has consolidated its property portfolio through co-location, resulting in a 29.10% improvement in property energy efficiency since 2018.

In addition to improvements in operational geographic density – a key focus for the Company – our acquisition strategy enables further co-location.

These figures are based on Rentokil Initial emissions, excluding the Terminix acquisition.

### **ECO-EFFICIENCY INDICATOR — PROPERTIES**



Service

# **PERFORMANCE INDICATORS** continued

### **WORKWEAR ECO-EFFICIENCY**

Responsible practices at our French Workwear plants, include:

- + Management of water and energy consumption through a constant renewal of machines and the use of more efficient laundering at lower temperatures.
- + Control of wastewater sent to the treatment plant reducing the levels of bleach used in washing with neutral pH. All our sites are equipped with effluent pre-treatment to be connected to wastewater treatment plants.
- + Water consumption has been halved since 1999 thanks to the installation of modern tunnel washers instead of washer extractors. This year we have deployed a washing tunnel in our last remaining laundry using washer extractors.
- + We already have an improved effluent treatment and recycling device at 30% in place at one of our sites. We are working on a new effluent treatment that will allow us to recycle about 80% of the water. A pilot is due to begin in the next 12 months.
- + The use of bleach is gradually being reduced by using innovative washing programs with enzymes.
- + We have developed a supervision 4.0 tool that allows us to detect water leaks and drifts in water consumption.

Processing indicators*	2022	2021	2020	2019	2018
Kilograms of CO <sub>2</sub> emissions per tonne processed	276.56	286.03	272.65	271.71	267.82
Water usage per unit washed – litres used per kilogram	9.68	10.20	9.90	9.54	9.70

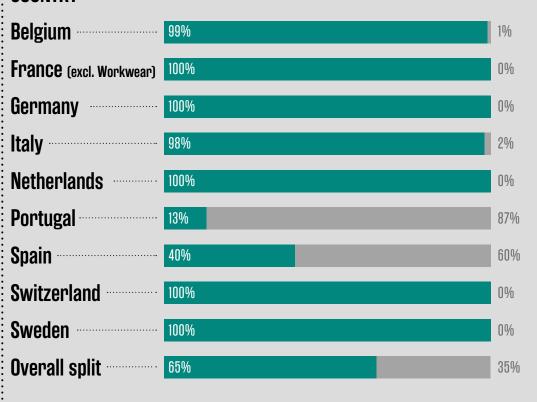
French workwear waste	2022	2021	2020	2019	2018
Recycling	66%	53%	32%	24%	33%
Recovery – Energy	21%	29%	26%	30%	12%
Landfill	9%	14%	24%	30%	39%
Incineration	4%	4%	1%	16%	16%
Total (tonnes)	2,370	2,076	1,232	1,899	1,487

<sup>\*</sup> France Workwear and UK Hygiene processing facilities.

### EUROPEAN WASTE DATA

This is the second year we have reported waste data from a number of our : major European operations. In 2022, 65% of our waste was disposed of in a sustainable way. Where individual countries' non-sustainable percentages are : lower, it is due to the limited availability of sustainable waste disposal options : in the specific country or higher levels of hygiene and medical waste that must be incinerated.

#### **COUNTRY**



: Sustainable Non- sustainable



# **OPERATIONAL TARGETS**

Targets for 2022	Progress in 2022	Targets for 2023	
Maintain safety rates at world class standards (below 1 for LTA).	We delivered a world class safety standard of 0.39 LTA rate.	Maintain safety rates at world class standards (below	
(below 1101 LIA).	Working Days Lost rate of 7.90 delivered – remains at word-class levels and our best year.	1 for LTA and 10 for WDL).	
Deliver three million views of training content on U+ and create over 500 pieces of new training content.	Following the change of supplier in 2022 we delivered 1.5m content views in H2 on our new digital learning platform	Deliver two million views of training content on U+.	
Roll out the next phase in our DE&I upskilling programme	equating to an average of 5 pieces of training completed per colleague per month since the system upgrade. 500 new pieces of content were produced.	Undertake a Company-wide confidential survey of all colleagues to assess levels of engagement,	
to 1,000 leaders and managers in 2022.	To date, c.2,000 managers have undertaken our global diversity, equality and inclusion upskilling initiative. The programme featured two elements: 'Include' where sessions focused on how to foster an inclusive environment, and 'Decide' which focused on bias and how to mitigate it. Feedback has been very positive.	enablement, and line manager capabilities.	
State of Service to over 90%.	State of Service rose to 95.9% from 92.9% in 2021.	Maintain State of Service at over 95% and a Net	
	85.4% customer retention in 2022 in line with 2021.	Promoter Score above +45 in Pest Control and in Hygiene and Wellbeing.	
	High Net Promoter Score (Customer Voice Counts) in Pest Control of +48.3 and in Hygiene and Wellbeing of +47.7.		
Extend usage of ULEVs and renewable electricity contracts.	Increased the deployment of ULEVs (Ultra Low Emission Vehicles) following pilot schemes to test the effectiveness of ULEVs across the Group – now at 397 vehicles (2021: 177), as well as improvements in our monitoring of waste data.	Extend usage of ULEVs and renewable electricity contracts. Make further progress towards our 20%	
Make further progress towards our 20% efficiency target by 2025 and net zero by 2040.	We continue to make progress on our target of a 20% emissions reduction by 2025, and our longer-term objective of net zero by 2040.	efficiency target by 2025 and net zero by 2040.	
	We continued to protect mature rainforest and supported the protection of rainforest biodiversity through our work with Cool Earth.		
Maintain our long-term support for malaria eradication and rainforest biodiversity protection.	£998,000 was donated to charity and community causes in 2022. This includes £444,000 donated through RI Cares including the matched funding of funds raised by our colleagues.	Maintain our long-term support for malaria eradication and rainforest biodiversity protection.	
Target donation of over £250,000 through RI Cares in 2022.	Better Futures has continued its work to support health and hygiene across Asia – helping over 1,000 people in 2022 and over 32,500 to date.	Target donation of over £250,000 through RI Cares in 2023.	

# **GLOSSARY**

A	
Al	Artificial Intelligence
APL	Authorised Product List
В	
BREEAM	The world's leading sustainability assessment method for master planning projects, infrastructure and buildings
BRC	British Retail Consortium
D	
DE&I	Diversity, Equality and Inclusion
Е	
Eco-Label	This certification means that our soaps don't contain microplastics, come in recyclable packaging and have a smaller carbon footprint
ELT	Executive Leadership Team
	Environment, Social and Governance

G	
GDPR	General Data Protection Regulation
GFSI	Global Food Safety Initiative
GHG	Greenhouse gas
GLF	Group Leadership Forum
GMP	Good Manufacturing Practice
li	
НАССР	Hazard Analysis and Critical Control Point
HR	Human Resources
ICE	Internal Combustion Engines
	5
K	
KPIs	Key Performance Indicators



