

# Diversity, equality & inclusion

As a Company, we strongly believe that creating a diverse and inclusive workforce which reflects the business environment in which we operate will increase colleague engagement, support innovation, enhance our reputation and boost our financial performance. Therefore Diversity, Equality and Inclusion (DE&I) remains a key priority across the Company.

Having increased our focus on diversity in recent years, we are making progress in several areas, which included being named by Management Today in 2019 as Britain’s Most Admired Company for Diversity and Inclusion.

Our aim is to foster a place to work where diversity, inclusion and equality in all forms and at all levels are actively promoted and encouraged.

## Diversity of our Board

In 2020, we reviewed both our Board Diversity Policy and Group Diversity, Equality and Inclusion Policy (as we do annually) to ensure continued focus on this area and drive the right actions to deliver improvements. Since 2017, we have taken several steps to improve the diversity of our Board which has resulted in:

- In 2020, the Rentokil Initial Plc Board is 50% female (up from 43% in 2019, 33% in 2018 and 25% in 2017). The steps we have taken to improve the gender diversity of our Board resulted in us being placed 7<sup>th</sup> in the 2021 Hampton Alexander Report (up from 9<sup>th</sup> in 2020) in the FTSE 100 for the gender diversity of our Board and senior leadership. On Board gender diversity we are =3<sup>rd</sup>

- Similarly, in the most recent update to the Parker Review, published in February 2020, Rentokil Initial was named as one of the companies to have already met the recommendation for the board of each FTSE 100 listed company to have at least one ethnically diverse director by 2021

We believe that creating a more diverse and inclusive culture must be led from the top and therefore, we are pleased with the progress made in improving the diversity of our Board. Our Board Diversity Policy sets out our aim to continually monitor and improve diversity across the organisation, and this will continue to be a key focus of the Board going forward.

## Gender diversity

|                      | 2020* |          | 2019* |          | 2018* |          | 2017* |          | 2016* |          |
|----------------------|-------|----------|-------|----------|-------|----------|-------|----------|-------|----------|
|                      | Total | % Female | Total | % Female | Total | % Female | Total | % Female | Total | % Female |
| Board                | 8     | 50%      | 7     | 43%      | 10    | 33%      | 10    | 33%      | 10    | 25%      |
| Executive leadership | 13    | 8%       | 13    | 8%       | 10    | 10%      | 10    | 10%      | 10    | 10%      |
| Management**         | 151   | 30%      | 118   | 28%      | 74    | 30%      | 79    | 27%      | 77    | 24%      |

\* As of 31 December of each year.  
\*\* For 2016-18 we define senior management as direct reports to the Executive leadership, excluding colleagues in administrative and support roles. From 2019 onwards we have expanded our definition of senior leaders to include all management direct reports to the Executive leadership, excluding secretarial roles.

## Diversity, equality and inclusion across our Company

As well as improving the diversity of our Board, over the last few years we have taken a number of steps to improve diversity and inclusion levels throughout Rentokil Initial and have made significant progress across our business. For example:

- Our senior leadership team (defined as direct reports to the Executive Leadership Team, excluding administrative staff),

as of 31 December 2020 is 30% female (up from 28% in 2019 and 24% in 2016)

- We have focused extensively on developing talented women in Rentokil Initial and in 2019, launched our RI Women’s Mentoring Programme, aimed at supporting the career development of talented women across the business. As a result, 38% of the individuals in our 2020 regional succession plans are now women (up from 35% in 2019)
- In 2020, we again reported that we have no gender pay gap in our UK-based business

- 96% of global colleagues stated in our 2019 Your Voice Counts employee survey that they do not feel that we preclude men and women from having equal opportunities to succeed in Rentokil Initial, and we will report this again in 2021 when our next survey is undertaken as well as our first dedicated DE&I survey of our global management population

 Our Gender Pay Gap Report for 2020



## Ethnic diversity in leadership roles

While gender is one aspect of diversity, we have begun to increase our focus on other areas of diversity. Monitoring and improving the ethnic diversity of our senior leadership is an important aspect of this and in 2020, 21% of our senior leaders are defined or self-identify as people of colour (up from 20% in 2019).

We believe we still have more to do, and this will be a key focus for us moving forward. We will continue to monitor our progress and will report on both the gender and ethnic diversity of our senior leadership regularly. We can also report that 39% of the participants in our current global talent pools, who chose to disclose their ethnicity, are defined as being of an ethnicity that is not White or European, building us a growing pipeline of future leaders from ethnically diverse backgrounds.

## Ethnic diversity

| Role                                  | White or European |      | Not White or European |      |
|---------------------------------------|-------------------|------|-----------------------|------|
|                                       | 2020              | 2019 | 2020                  | 2019 |
| Board                                 | 87%               | 87%  | 13%                   | 13%  |
| Senior leaders (ELT & Direct Reports) | 79%               | 89%  | 21%                   | 11%  |

## Strengthening our focus on DE&I

While we are proud of the progress we have made to date in creating a more diverse and inclusive business, we still believe that there is much more we can do. Moving forward into 2021 our intention is to significantly increase our diversity, equality and inclusion (DE&I) activity to enable us to begin to establish real leadership in this space. Over 1,000 leaders and managers will undertake DE&I training in 2021-22.

1. Ensuring strong and passionate executive leadership and sponsorship of our DE&I activity remains in place within each region and function across the Company, so that our senior managers are leading from the front on creating a truly diverse and inclusive organisation
2. Improving our DE&I data and reporting and using this data to make effective decisions and to set meaningful and stretching targets to ensure future progress

## Five-point plan to achieve our 2024 vision



3. An ongoing range of actions to build colleague engagement and commitment with education and discussion on DE&I from the top of the organisation, to the frontline. This will include global DE&I training and education programmes and continued reinforcement of zero tolerance of all forms of explicit and implicit discrimination
  4. Significant activity to expand the recruitment, development and promotion of diverse groups and ensure our resource pools, prospective candidates and internal talent reflect the communities and markets in which we operate
  5. A specific focus on developing our leaders to be more skilled and assured in addressing diversity and inclusion issues so that they can confidently champion and lead our DE&I agenda
- While our progress to date on DE&I represents a good start and shows what is possible, we believe that from 2021 onwards we have a significant opportunity to build an organisation where everyone with skill, imagination and determination, whatever their gender, race, colour, nationality, age, sexual orientation, physical ability or background, can reach the highest level and achieve their full potential based on merit alone.