

Environmental targets & performance

Environmental targets

In addition to our new net zero carbon emissions commitment, in 2020 the Board set a new target to reduce our emissions intensity index by a further 20% by the end of 2025 (using 2019 data as the baseline). We report our emissions intensity values, related to revenue at constant exchange rates, as an index. In 2020, this improved over the prior year by 8.1%.

Our previous emissions target was to achieve a 20% reduction in the emissions intensity index by the end of 2020, based on a 2015 baseline. By the end of 2020, we had achieved a 27.2% improvement.

The Company reports its environmental efficiency eco-performance – 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 energy; and normalised emissions
- Waste reduction

As part of our net zero plan, we have also illustrated how we aim to achieve this over 20 years, including the roll out to 100% ultra-low emission vehicles and the use of renewable property energy.

Our goal is to achieve 100% of waste material being reused, recycled or repurposed for energy by 2035.

UN Climate Change Conference of the Parties (COP26)

As part of the COP26 Business Leaders Event that took place in June 2020 Rentokil initial made a range of commitments to:

1. Make our organisation a net zero GHG Emissions business by end 2040
2. Make our Board accountable for GHG emissions and aware of the risks to our Company and the planet
3. Commit to buying 100% renewable electricity from our UK supplier by 2025
4. Promote biodiversity
5. Commit to measure and publish the results of our work

Environmental performance

Carbon Emissions Efficiency Index

In 2020 our carbon efficiency improved by 8.1%.

Emissions have been calculated in line with the GHG Protocol Corporate Reporting Standard, and the Company reports CO₂e using the UK Government’s 2020 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.

The following table shows our five-year index of intensity values – which have improved by 22.5% over five years and an 8.1% improvement in 2020 versus the prior year.

	2020	2019	2018	2017	2016
Index of energy and fuel derived CO ₂ e emissions at CER per £m of revenue	77.55	84.37	84.89	97.64	100

Absolute emissions

During 2020, the Company’s absolute energy and fuel-derived emissions decreased by 2.3% reflecting changes in service mix (the introduction in 2020 of emergency Disinfection services in particular), acquired businesses and customer site closures during lockdowns. Ongoing Revenues increased by 6.3% during the year.

Over the period from 1 January 2016, shown in our all-scope chart, the Company has acquired 201 companies, including 23 businesses during 2020.

The following table 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).

Absolute values of energy and fuel-derived emissions – tonnes of CO₂e

Type of scope	2020	2019	2018	2017	2016
Total Scope 1	169,755	173,140	160,024	164,745	149,597
Total Scope 2	15,390	17,031	16,282	17,513	14,209
Total Scope 3	43,052	43,548	40,255	39,905	35,309
Total outside scope	5,769	5,768	5,238	5,084	4,519
Total – all scopes and outside scopes	233,966	239,487	221,799	227,247	203,634

Our current Scope 3 reporting includes emissions in relation to our properties and vehicles – Transmission & Distribution (T&D) and Well to Tank (WTT). We are currently planning to enhance our data capture around Scope 3 emissions, in particular business travel and our supply chain.

Since 2018, we have also reported our energy consumption, and the UK operations’ percentage. In 2020, global energy consumption was 788,158 MWh (2019: 810,361) with UK consumption representing just under 12% of global emissions.

As discussed earlier, one of our eight workstreams is to look at the chemicals we use within our operations and we continue to work with suppliers to identify alternative fumigants and seek country registrations. Absolute emissions derived from the use of sulfuryl fluoride (a fumigant) were 605,442 tonnes in 2020 (2019: 548,449 tonnes, 2018: 363,339 tonnes; 2017: 481,390 tonnes). The year-on-year differences reflect the variability in customer demand (biosecurity protection for international trade) and acquisitions.

Our commitment is to be at net zero carbon emissions from our operations by the end of 2040.

Vehicle eco-efficiency

Vehicle fuel efficiency has improved by 10.9% since 2016 and we made good progress in 2020 with a 5.1% improvement, largely due to an increased number of larger single-site contracts due to COVID-19 Disinfection services, as well as a continued focus on vehicle efficiency practices across the global fleet.

Vehicle emissions represented 85% of the Company’s energy derived emissions in 2020. The Company estimates its fleet to be c.19,000 vehicles.

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.

Eco-efficiency indicator – vehicles	2020	2019	2018	2017	2016
Index of vehicle energy consumption – thousand litres per £m turnover at CER	89.1	94.2	94.2	100.3	100

Eco-efficiency indicator – properties	2020	2019	2018	2017	2016
Index of property energy consumption – thousand kWh per £m turnover at CER	38.8	49.1	53.2	86.6	100

Property eco-efficiency

Over the last five years, the Company has consolidated its property portfolio through co-location, resulting in a 61% improvement in property energy efficiency since 2016.

In 2020, this strong progress continued with a further improvement of 9% year-on-year largely due to increased working from home due to COVID-19 restrictions. 8,500 colleagues were moved to home working in 2020.

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

Eco-efficiency in workwear and linen hand towels

In 2020, the workwear processing plants in France and the roller towel operations increased their product volume-related emissions by 2.9%, mainly due to reduced volumes of product processed due to COVID-19 lockdowns in France. In 2020, Ongoing Revenues in France Workwear declined by 10.4% with customer facilities in temporary lockdown, reducing demand for flat linen and garments for laundry.

Workwear indicators	2020	2019	2018	2017	2016
Kilograms of CO ₂ emissions per tonne processed	272.65	271.71	267.92	266.80	256.9
Water usage per unit washed – litres used per kilogram	9.90	9.54	9.70	9.07	8.56

Workwear waste	2020	2019	2018	2017	2016
Recycling*	32%	24%	33%	45%	47%
Recovery – Energy	26%	30%	12%	9%	7%
Landfill	24%	30%	39%	23%	36%
Incineration	18%	16%	16%	23%	10%
TOTAL (tonnes)	1,232	1,899	1,487	1,685	1,474

* Includes Re-use.

Responsible practices at our French workwear plants, include:

- The reduction of water and energy consumption through a constant renewal of machines and the use of more efficient laundry at lower temperatures
- Control of wastewater sent to the treatment plant – reducing the levels of bleach used in washing with neutral pH
- c.90% of used clothes from the workwear rental and maintenance business have experienced a second life, transformed into acoustic and thermal insulating materials for the building and automotive industries, using an ISO-certified partner

