

Policy framework

Rentokil Initial has a robust policy framework.

For each area of Responsible Business practice, the Company has a framework of policies including:

- Health and safety
- Environmental management
- People matters
- Human Rights
- Modern Slavery
- Supplier Code
- Relationships with customers and suppliers
- Community involvement
- External affairs and political lobbying

Our key policies are available on the Company's website:

Responsible delivery policies

They are reviewed periodically to ensure they meet current best practice and legislative needs.

The cornerstone of this policy framework is the Code of Conduct, which is available both on our website and intranet and published in multiple languages. It articulates a commitment not just to comply with all applicable legal requirements but also with high standards of professional conduct. It outlines responsibilities to colleagues, customers, suppliers and communities as well as to the Company. It highlights our determination to embed our values of Service, Relationships and Teamwork and a culture of integrity across the Company. 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.

In 2020, Rentokil Initial retained its membership of the Dow Jones Sustainability Index Europe for the 14th successive year, and also retained membership of STOXX ESG Leaders Index, CDP and FTSE4Good. These indices are of importance to the Company 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.

Modern Slavery

Rentokil Initial's statement on its approach for the avoidance of Modern Slavery is published on its website. This covers its Global Procurement operations and major local suppliers:

Modern Slavery Statement

Gender pay gap

We continue to have no material gender pay gap between men and women. The Company publishes its Gender Pay Reports for UK colleagues online:

Gender Pay Gap Report

+15.5%

2020 UK average gender pay gap

-11%

Hourly pay mean average in Rentokil Initial

Rentokil Initial gender pay gap	2020	2019	2018	2017
RI hourly pay mean (average)	-11%	-6%	-2%	0%
RI hourly pay median	-3%	-2%	1%	-2%
UK average	15.5%	17.3%	17.8%	18.4%

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, as well as reports on the effectiveness of internal controls and any control failures. The number of Speak Ups in 2020 was 45. This is a decrease from previous years (2019: 65). The nature of the matters reported remains consistent with previous years. All Speak Ups are investigated and the majority of these relate to routine employee and employment matters.

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.

In order 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. In 2020, we strengthened these standards to cover all business categories. We also introduced a training programme on U+ for Pink Note awareness which was translated into 37 languages and is mandatory for all colleagues. The Audit Committee has Board oversight on our technical standards, including fumigation. In 2020, we also introduced a new Pink Note covering Disinfection services, which governed the launch of three levels of COVID-19 Disinfection service in 60 countries in around four weeks.

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 Group Executive 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 (see page 63)

Together, the above tools are considered to constitute a robust 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, a 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; a customer contract in Latin America

was terminated by colleagues after the customer refused to address safety issues at their site; following gaps in record-keeping practice around fumigation which emerged following a regulatory investigation in a branch in Australia, local management proactively revoked their licence to fumigate in several other branches so that full compliance could be assured before successfully reapplying for those licences.

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 have been no monetary losses in 2020 as a result of legal proceedings associated with professional integrity.