

TERMINIX®

2021 Corporate Sustainability Report



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Letter From Our CEO



Dear Reader:

To many of us, the world appears to be faster-moving and smaller than ever before. News and developments from far-flung places are coming at us at a fast and furious pace. The COVID-19 pandemic reshaped day-to-day work, human interactions and relationships, and how global supply chains provide us with services and goods. In fact, adapting to rapid change is beginning to feel like a full-time job.

While the pandemic has shaken us up over the past two years, one thing I'm proud to say that has not changed is Terminix's commitment to responsibility. We have an obligation to consider all our stakeholders as we make business decisions, and we seek to balance the needs of shareholders, teammates, customers, communities, and the environment. As a leading global pest management company, Terminix serves more than 50,000 customers each day. We have achieved success by focusing on making a positive local impact that benefits the humans, businesses, and communities we serve.

The year 2021 was an opportunity for Terminix to continue reexamining how we do what we do. We kept challenging ourselves to do better, both in terms of Terminix's financial performance and corporate responsibility. In 2021, we refreshed our corporate values to more closely align them to the world Terminix is navigating today. First and foremost, Do the Right Thing is the foundation of everything we do. It is especially evident that we are living up to this value when we look at the progress Terminix has made on sustainability and corporate responsibility over the past few years.

The sustainability report you are reading today provides an update on how we incorporate environment, social, and governance (ESG) commitments into our business. I'm proud to share several highlights of our progress and performance on ESG matters in 2021:



- **Environment:** We lowered our use of natural resources in 2021 via product and paper recycling; energy efficiency programs; water conservation; emissions, waste, and wastewater reduction programs; and sourcing productivity.

However, we're most excited about our Green Fleet program that converted approximately half of our sales vehicles from gasoline-powered to hybrids, reducing our carbon emissions by an estimated 1.6 million pounds and saving hundreds of thousands of dollars in fuel consumption in 2021. As a result, Automotive Fleet magazine named Terminix the fourth best company in the United States for green vehicles in its 2021 Top 50 Green Fleets list. We plan to continue this program in 2022 and beyond until our entire sales fleet is converted to hybrid vehicles.



- **Social:** Our commitment to human capital management helps us offer a safe, inclusive, and equitable workplace that attracts and retains exceptional talent — which, in turn, enables us to better serve customers. In 2021, we continued to focus on inclusion, diversity, and equity with help from our new Culture, Inclusion, and Diversity (CID) Advisory Team, which promotes inclusion through teammate communications, employee recognition, and other initiatives. Our progress on workplace health and safety included a 38 percent reduction in lost workdays and a more than 15 percent improvement in recordable safety incidents in 2021.

Terminix also donates money, volunteer hours, in-kind services, and scholarships to causes that touch tens of thousands of lives across the world. For example, our eighth annual Terminix Cares community service event supported a record 15 national and 11 Memphis-based community partners through a week of employee volunteerism and \$350,000 in donations.



- **Governance:** Our governance structure and controls continue to be admired, including board committee guidelines, director independence, and shareholder engagement. Our ethics and governance principles are exemplified by our stringent Code of Conduct that applies to all teammates, contractors, officers, and directors of Terminix, its subsidiaries, and affiliates.

This year, we also made new commitments in areas that have become of greater importance to our customers, or a growing concern for society at large, including responsible marketing, data privacy, and information security.

I am so proud of our nearly 12,000 global teammates who made it possible for Terminix to achieve such excellent progress and performance last year, including a four percent revenue increase to \$2.045 billion. Furthermore, our company is strengthened by the diversity of our teammates' cultural backgrounds, races, genders, nationalities, languages, ages, physical abilities, perspectives, and educational backgrounds.

In 2021, we also made the exciting announcement of a proposed merger with Rentokil Initial, where ESG is a leading strategic focus alongside a cultural alignment that places teammates and customers first. We were pleased to learn about the high value Rentokil places on ESG matters—and likewise, were honored that its leadership held our company's commitment and progress on ESG in such high regard. Similarly, Rentokil's clear sustainability commitments and progress are inspiring to Terminix and I see an incredible opportunity to share, learn, and lead in this space as a combined company.

As we look ahead, responsibility and sustainability are at the forefront of how we do our work and our commitment to customers, teammates, business partners, and other stakeholders. I'm confident we will continue to improve our sustainability programs and corporate governance practices as we work to achieve our vision to be the preferred pest management provider in the eyes of our customers, teammates, and communities.

Sincerely,

Brett T. Ponton, *Chief Executive Officer*

April 8, 2022



Our Values

Our values keep us on the path to build an incredible company for our customers, business partners, teammates, and other stakeholders. Values don't just guide us; they are embodied by each of us. They help define us and how we do our work.

Do the Right Thing

We have high ethical standards, we want to be safe, and we want our customers to be safe. We have a responsibility to protect the environment. By doing the right thing, we ensure the success of all our stakeholders.

Be Customer Centered

We strive to be the trusted advisor of every customer we serve. We anticipate the needs of every customer, both internal and external. We continually invest in our teammates, services, and technology to protect our customers and their assets.

Lead with Respect and Humility

We recognize how much we can learn from others by listening. We see the best in every individual and every situation and treat our customers and teammates as they wish to be treated. It's about empathy, kindness, and a deep respect for everyone, in every way.

Be Inclusive

We foster diverse and compassionate teams that deliver exceptional customer and teammate experiences. There's a community and a career path for everyone at Terminix, and we are committed to helping each other find it.

Compete, Grow, Win

We compete intensely and pursue winning with a passion. We strive to get better every day and deliver industry-leading performance. We grow our business, and ourselves, in a way that makes us proud.

Get It Done the TMX Way

We give our best. We keep our promises. We deliver consistent service quality across our business through operational excellence. We are accountable for our results. We celebrate our success.



Commitment to Our Teammates



Human Capital Management

Terminix employs more than 10,000 teammates in the U.S. and 1,700 in Europe, Canada, and Central America. We recognize that our teammates should reflect the values of the communities we serve, and that perspectives from our diverse workforce can help us better serve our diverse customer base and grow the company. We seek to foster a safe, inclusive, and equitable workplace that attracts and retains diverse and exceptional talent. How can we accomplish this goal? It all comes down to “human capital management” – our organizational practices related to hiring, managing, developing, and rewarding our workforce. Terminix focuses its human capital management efforts on:

- Workplace health and safety
- Inclusion, diversity, and equity
- Training and development
- Teammate retention
- Competitive compensation and benefits



Each year, we conduct an annual teammate engagement survey – the Voice of the Teammate – to ensure we have ongoing visibility into teammate perceptions about their engagement and other areas critical to our culture. In 2021, we heard from approximately 90 percent of our teammates and drew valuable insights about the teammate experience.

Workplace Health and Safety



In 2021, we introduced our Safety First Always commitment to further engage employees in our shared responsibility to eliminate workplace incidents, risks, and hazards, while operating and delivering our services responsibly and sustainably. We believe most incidents that lead to losses can be prevented through sound practices that make safety a daily routine. Each Terminix teammate is empowered to stop and question any action that causes concern about their personal safety, the safety of others, or the ability to safely deliver services. This policy applies to all facilities and operations and further, Our Vendor Code of Conduct also requires adherence to our safety policies.

Building upon progress made by our Executive Safety Committee, which was established in 2020, we developed an annual loss improvement plan and established annual performance goals. Both current teammates and new hires receive intensive, ongoing training in safety practices. As evidence of our heightened commitment, safety is the first agenda item at every board, executive leadership team, and senior leadership meeting. Our board has a formal quarterly meeting schedule and more detail about the boards EH&S committee can be found on Pg 17. As a result of these actions and current safety and risk control programs, Terminix improved the following safety metrics in 2021 compared to 2020:



Additional initiatives to advance workplace safety and deliver best-in-class safety and service solutions include:

- Enhanced computer-based and hands-on training content to improve the professional driving skills of our teammates and enable new hires to qualify as safe drivers.
- Expanded use of a technology app that blocks non-hands-free mobile phone use while the vehicle is in motion and tracks behaviors to identify drivers who may be at greater risk for an accident. The app is now fully deployed. Drivers who use this app are 2.5 times less likely to be involved in a collision.
- Piloted vehicle telematics to help our drivers be more aware of their driving behaviors and safety. The technology also helps us improve efficiency by detecting collisions and tracking vehicle diagnostics, fuel usage, and emissions.
- Continued to enhance the safety of our fleet by incorporating more modern vehicle safety features due to shorter vehicle purchasing lead times.



- Safety advocates at each Terminix branch to support, facilitate, and coordinate core safety processes and communications.
- Continued our reward and recognition programs for safe behavior.

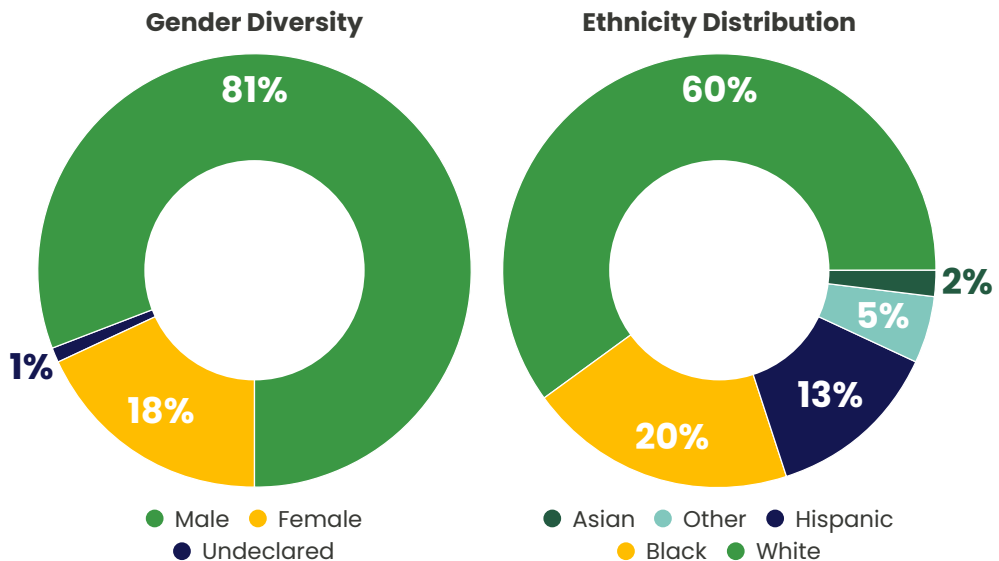
86% of teammates agree or strongly agree Terminix's culture promotes safe work practices.¹

Inclusion, Diversity, and Equity

We are proud of a global workforce that spans a diversity of nationalities, languages, cultural backgrounds, races, genders, ages, physical abilities, and educational backgrounds. We are fully committed to fostering a diverse, equitable, and inclusive environment that treats all teammates with dignity and respect, offers equal access to employment opportunities and rewards, and values the contributions and perspectives of all teammates. We know diversity makes us stronger, improves our thinking, and allows us to better achieve our collective goals for teammates, customers and shareholders.

The Culture, Inclusion, and Diversity (CID) Advisory Team is one way we advance this. Any full-time Terminix teammate in good standing can apply for or be nominated to serve on this advisory team, which promotes inclusion, diversity, and equity throughout the company via teammate communications, employee recognition, and new initiatives to advance both awareness and best practices. Please read more in Appendix C. Our go-forward strategy (detailed below) ensures that our management and workforce reflect the diversity of the communities that we serve. Further, our board seeks gender and ethnic diversity when evaluating new candidates, as referenced in our 2022 Proxy.

Our nine Business Resource Groups are teammate-led affinity groups that represent our teammates' various cultures, ethnicities, backgrounds, interests, and orientations. These groups promote awareness of diverse teammate perspectives and enable their members to develop important leadership skills, valuable experience, and personal connections. Read more about our Business Resource Groups in Appendix B.



¹ 2021 Voice of the Teammate survey



Teammate Story: Overcoming the Fears of Gender Transition

"I have been an employee of Terminix for over nine years, as an inspector and outside sales professional, working with the public. Unfortunately, I have an issue that I felt may destroy my career. After years of denial, I finally accepted that I am transgender. I was terrified to tell anyone I worked with. Worried, will I lose my job? Will I become an outcast? The only thing more terrifying than those questions... was not being my true self.

"I started by reaching out to members of the Pride Alliance Business Resource Group at Terminix to get their help. I had a response almost immediately. The reply was gracious, unbelievably supportive, and helpful. They offered to put me in touch with others in the LGBTQ+ community within Terminix. I agreed to have another member of the Pride Alliance Business Resource Group reach out. This member was a manager who had come out himself as gay. After a supportive, positive conversation about my future plans and his experiences, I felt the confidence to move forward. The Pride Alliance Business Resource Group helped by contacting Human Resources, Culture, and Diversity teams within the company. They formed a team of allies that day to help me be successful. I let my branch manager know and asked him to be part of my team too. I would hope that anybody who has to go through this process in the future, would have a manager as understanding as he continues to be.

"Together, we created a plan to let my entire branch know what was going on by the end of January, with the idea of a full transition from male to female in February, coinciding with my legal name and gender change. Each part of my team set up a successful play-book. They even worked overtime on the weekend to make sure my new name, uniform, work route, emails, payroll, gas cards, time off, health plans, company applications and more were in place.

"My fellow employees have been outstanding. I was not sure if I was going to have a job by the end, but I have the full support with encouragement to move up within the company. Terminix stands up as a shining example of the kind of company you would want to work for."

— Nicole



Teammate Story: Support for our Veterans and Guards

"Many companies talk about treating employees like 'family' and the importance of community, but Terminix does more than talk – they practice what they preach. When I made the decision to join the military later in life, I was blown away by engagement of leadership in the well-being of their employees—down through the entire leadership chain to my direct boss. This Veterans Business Resource Group allowed me to see first-hand not only the number of veterans in the company, but the non-veteran employees who give their time to support them as well. While at Terminix, I have worn many hats, but one thing has always been the same. No matter what team I was on, there was always somebody who had served within arm's reach."

— Matthew Hutchison, TN ANG 164th Airlift Wing for a Cyber Operations Officer;
IT Architect for Terminix



INCLUSION, DIVERSITY, AND EQUITY STRATEGIC PRIORITIES

- | | | | |
|---|---|---|--|
| <p>1
Build a diverse workforce at all levels</p> | <p>2
Enable an inclusive environment for all teammates</p> | <p>3
Partner with diverse suppliers and partners</p> | <p>4
Become an employer and pest provider of choice</p> |
|---|---|---|--|

INCLUSION, DIVERSITY, AND EQUITY GO-FORWARD STRATEGY

Mission

Foster actions that create an inclusive work environment that values the contributions and perspectives of all team members

Vision

Support a workforce that builds and advocates for diversity in gender, race, age, language, cultural background, education, work experience, ethnicity, sexual orientation, and physical ability, as well as the religious and cultural views of Terminix team members

Definition of key terms

Inclusion: a sense of belonging (feeling respected, valued, and seen for who we are as individuals)

Diversity: the presence of differences: race, gender, age, and disability (all the ways that make us different)

Equity: fairness in every situation (when equity exists, teammates have equal access to opportunities and rewards)

Core Goal

Integrate inclusion and diversity in everything we do as a competitive advantage

CID Advisory Team Mission

We commit to promoting and encouraging diversity, equity, and inclusion in our respective teams and overall organization by valuing the range of perspectives, ideas, and experiences that diversity provides. The mission of the CID Advisory Team is to advise the Terminix leadership team, other leaders, and functions about inclusion, diversity, equity, and “servant leadership” – a philosophy in which a leader’s goal is to serve others – to support all team members to do their best work. The goal of the CID Advisory Team is to advance a workforce that builds and advocates for diversity in gender, race, age, language, cultural background, education, work experience, ethnicity, sexual orientation, and physical ability, as well as the religious and cultural views of our organization’s members. We strive to ensure the CID Advisory Team is representative of Terminix team members.

86% of teammates agree or strongly agree their managers create an inclusive work environment where diversity is valued.¹

¹ 2021 Voice of the Teammate survey



Training and Development



We invest in our human resources organization and structure to attract, develop, and train talent, which includes centralizing and standardizing hiring and training practices. In addition, we have introduced tools to help our branch managers manage their teammates more efficiently. Our frontline teammates receive on-the-job training to advance their skills and expertise, which can range from safety training to earning a certification to administer GreenPro services that minimize pesticide exposure to humans, non-target animals and the environment.

Our 2021 Voice of the Teammate survey indicated 82 percent of our teammates believe they receive the training they need to do a quality job, which represents a steady improvement in favorability since 2019 and far exceeds the global norm. In addition, 81 percent believe their Terminix managers actively support them in achieving their career goals. However, fewer (73 percent) see opportunities to grow and develop at Terminix. That inspires us to work even harder to ensure every teammate clearly understands his or her advancement opportunities and how to gain the expertise to qualify for advancement on a given career path. In 2021, we began developing the Terminix Academy learning management platform to enhance training opportunities. Eventually, Terminix Academy will include live, self-guided, virtual and on-the-job training. In 2022, we plan to continue our efforts to ensure homegrown talent understands how to grow with our business and transform a current job into a fulfilling career.

Teammate Retention

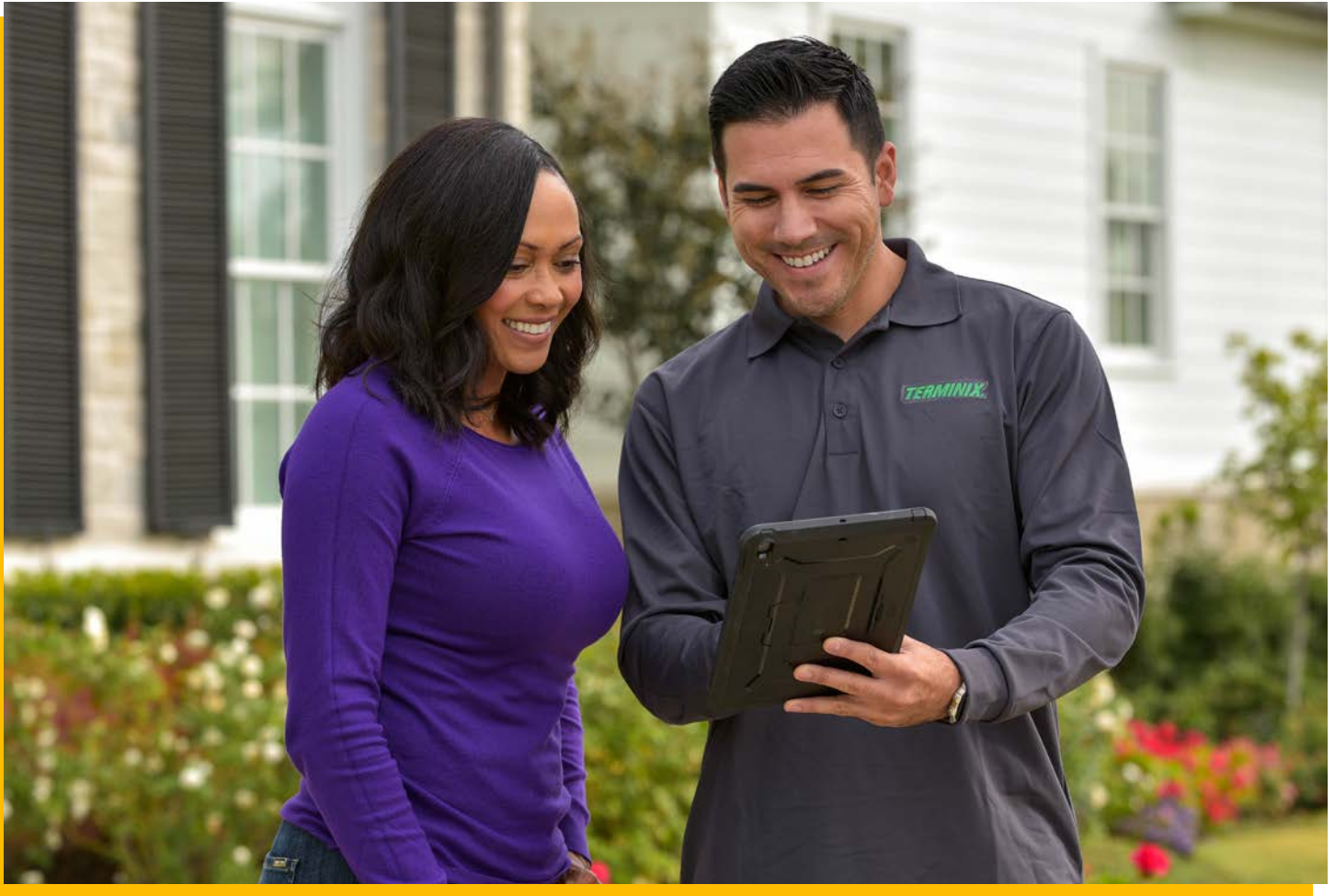
Our frontline team is essential to the success of our customer-centered business, because retaining well-trained, high-performing teammates improves both customer retention and financial results. Our goal is to deliver a great experience at every customer interaction. Our 2021 Voice of the Teammate survey indicated 79 percent of our teammates intend to stay with Terminix – quite an impressive number in the face of the “Great Resignation” that began in early 2021 for many other companies. In 2022, we are redoubling our efforts to improve onboarding and retention, enhance teammates’ work experiences and training options, better define career paths, and support professional development. This includes launching newly defined standard operating procedures (SOPs) as a part of the Terminix Way pilot program to help our teammates more easily deliver world-class service.

Competitive Compensation and Benefits

Terminix is committed to investing in our workforce by providing competitive compensation and benefits programs. Our compensation programs include base salary and variable compensation, such as an annual bonus, production plans, sales commissions, spot bonuses, and stock awards. Our variable compensation programs are based on the performance of our company and the teammate. Among other teammate benefits, we offer comprehensive health and welfare coverage, insurance benefits, maternity and parental leave, a Student Loan Repayment Program, and a 401(k) savings plan with a company match.



Commitment to Our Customers



In 2021 – similar to the initial pandemic year of 2020 – taking care of our residential and commercial customers required nimble action and creativity. Here are examples of how we stepped up to deliver on our commitment to serve our customers and demonstrate enhanced safety protocols to protect and reassure customers.

Residential Pest Control Services

For more than 90 years, Terminix has protected what matters most to homeowners with local specialists who go above and beyond to identify and fix pest problems in homes. Terminix can be trusted to nix pest problems with services designed to make families' lives easier 365 days a year. Guaranteed.

Pest Control

Terminix pest control professionals are trained to address pest problems using the top industry products and processes, and to prevent pests from coming back. A Terminix pest control plan provides



year-round protection against common household pests, starting with an initial pest control service to inspect the residence and effectively treat the home's inside and outside.



Termite Control

In 1927, Terminix became the first company to obtain a termite control patent. Since then, the company has stayed busy innovating to serve customers with the top industry products and processes. We customize our solutions to each homeowner's unique needs. In 2021, we introduced the Nix & Fix Termite Guarantee, where Terminix will address homeowners' termite problems and fix any new termite damage for as long as they keep their plan.*



Rodent & Wildlife Control

Local Terminix professionals know how rodents and wildlife behave in the areas in which they live and work. When homeowners find a rodent or wildlife issue, Terminix will inspect their homes from top to bottom to look for signs of activity and entry points before customizing plans to evict rodents and wildlife and keep them from coming back.



Mosquito Control

When mosquitoes are outside, homeowners want to stay inside. Instead, families can enjoy the fresh air outdoors because Terminix mosquito treatments begin working immediately to reduce the mosquito population in their yards. For the most effective mosquito control, Terminix partners with homeowners by pointing out problem areas to monitor in between services.



Bed Bug Control

Bed bug infestations can be complex, so Terminix uses multiple techniques to customize a solution for a homeowner's unique problem. We start with a free inspection and don't require any homeowner preparation before treatment.



*The Nix & Fix Termite Guarantee is available for qualifying homes only. Applies only to subterranean termites. Not available in all areas. Limitations and exclusions apply. See Plan for details.



Enhanced Residential Safety Protocols

Protecting homes and families is at the heart of everything we do, and the safety and well-being of our teammates, customers, and communities will always be our first priority. In 2021, Terminix implemented a pre-service hazard assessment to facilitate proactive identification of residential conditions that could affect the safety of our teammates and customers, or that could lead to loss. This assessment was developed with feedback from our safety advocates and built into the technicians' service flow. Recordable injuries decreased 36 percent in the first eight weeks of the program.

Commercial Pest Management

Commercial pest management services are provided in a variety of industries. Terminix and our strong brands are most known for our work in:

- **Food Safety:** From food source to consumer, Terminix protects every step of the food supply chain the nation trusts: food processing, food manufacturing, food distribution, and food packaging. Our services focus on both prevention and mitigation of pest issues.
- **Food Service:** Terminix has extensive experience in restaurant pest control and has developed the premier pest management program in the industry.
- **Healthcare:** With more than 40 years' experience working with healthcare facilities, Terminix has become a recognized leader in the industry. We pay close attention to the needs of patients and residents in sensitive environments that include hospitals and nursing homes.
- **Pharmaceuticals:** Our pest management techniques are tailored to individual facilities and emphasize product safety, worker safety, and contamination prevention. We partner with our clients in coordinating both non-chemical and chemical pest-prevention strategies.
- **Retail:** Terminix is an industry leader providing solutions to food and non-food retail establishments of all sizes. We are proud to be a premier source of high-quality commercial pest control services.

Commercial Disinfecting Services



At the onset of COVID-19, we embraced our designation as an essential service and quickly developed processes to address the unprecedented challenges caused by the pandemic. This included the rapid design and launch of our Disinfectix® service to meet fast-changing commercial customer needs and create an environment where employees and customers felt safer being on-site.

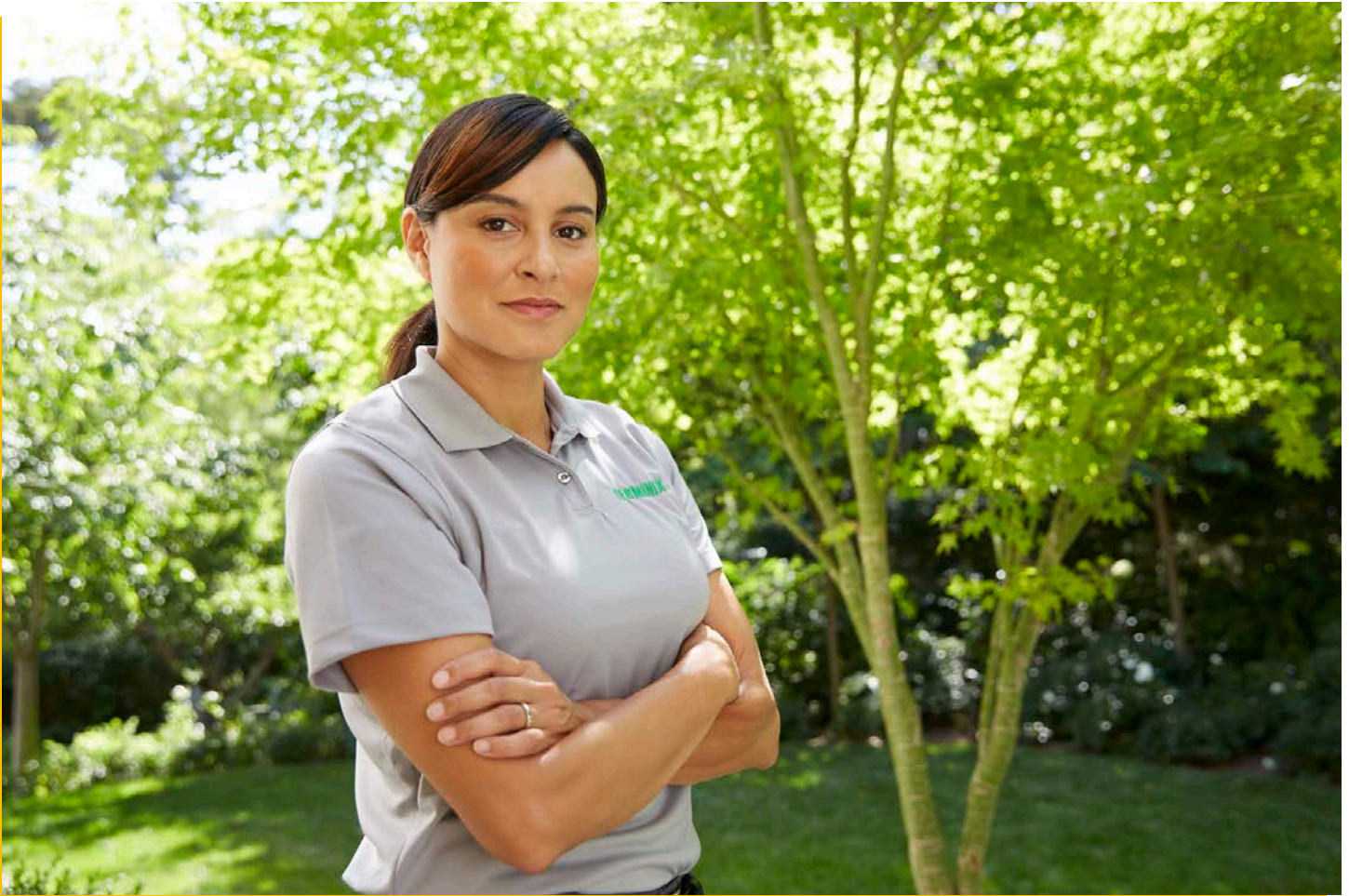


Commitment to Quality

Terminix is committed to delivering the highest levels of service quality to each of our customers. We believe that a successful quality system is a closed-loop process, enabled by technology, starting with four principles: clear expectations, training, tools, and expert support. Clear expectations are set when you have detailed, but easy to follow, Standard Operating Procedures (SOPs) for every step of the service workflow. As part of the Terminix Way, we have re-evaluated and documented our SOPs to ensure that our standards for service—and the expectation to meet them—are the most important feature of our operating model. While training to SOPs is vital to reinforce expectations, training is also critical to ensuring teammate growth and expertise, to better serve our customers, and to ensure our teammates can see a career path laid out before them. Tools are an integral part of our quality commitment, and we regularly review and seek out new and improved tools and products so that we may continue raising the bar in our service levels and quality standards. Support for our teammates is provided in many different ways but one of the most important pieces is ensuring each service professional has a specific and direct line for troubleshooting and a quick-response team staffed with subject matter experts able to answer any technical, regulatory, or safety-related questions.



Commitment to Our Environment



Terminix is committed to minimizing the impact of our operations on the environment. It's the right thing to do. We adhere to environmental policies consistent with applicable environmental and safety laws and regulations, as well as the input and guidance of our stakeholders. For our EH&S policy, see Appendix C.

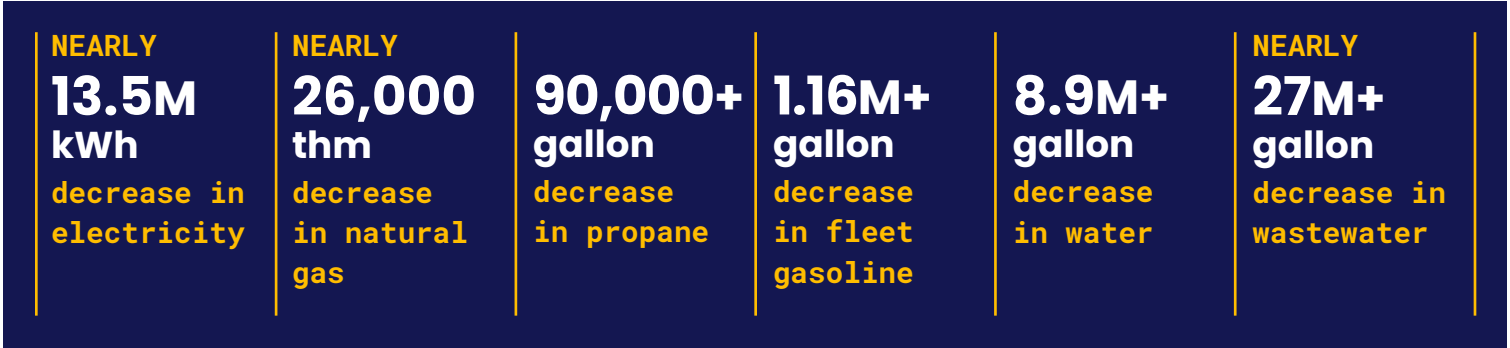
How does our environmental commitment translate into action? We conserve and protect natural resources and manage our energy usage through programs that include product and paper recycling; energy efficiency programs; water conservation; emissions, waste and wastewater reduction programs that include Green Fleet improvements; and sourcing productivity. Our Sustainability Business Resource Group and our company encourage teammates to take action in their communities to benefit the environment. In addition, our goal is to reduce Terminix's consumption of non-renewable energy sources.

Terminix products and services are designed to provide maximum benefit with minimal environmental, health, and safety impact when used



according to product label instructions and company policies. Through our Vendor Code of Conduct, we also require our suppliers and other business partners to promote environmental sustainability and comply with all environmental, health, and safety laws and regulations. Our progress on reducing Terminix's environmental impact can be seen in our numbers. We feel good about that – and our customers do, too.

Since 2019, Terminix has seen the following positive environmental impact changes:



Accolades for Our Green Fleet



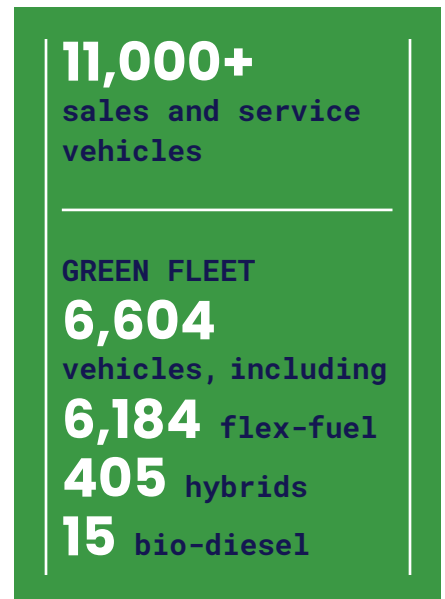
We are working to ensure our fleet becomes more efficient, cost-effective, and safe. We made great strides in 2021 by converting approximately half of our sales vehicles from gasoline-powered to hybrid. We estimate this initial transition reduced our company's carbon emissions by an estimated 1.6 million pounds and saved us nearly \$300,000 in fuel consumption and continued benefits in the coming years. We plan to convert more of our sales fleet to hybrids in 2022, with a goal to transition our entire sales fleet to hybrids in 2023 assuming we can continue to manage pandemic-related supply constraints. Also in 2021, we initiated a pilot program to

convert other operating vehicles to light-duty hybrid trucks and initiated a feasibility assessment on electric vehicles (EVs).

Automotive Fleet magazine [named Terminix the fourth best company in the United States for green vehicles](#) in its 2021 ranking of the largest fleets in the country, the Top 50 Green Fleets list. In addition, Automotive Fleet named Terminix's Director of Fleet Strategy and Management a [2021 Fleet Visionary of the Year](#).

LEED Buildings

Energy-efficient buildings are an important component of Terminix's commitment to environmental sustainability. Our corporate headquarters in Memphis, Tenn., was built to Leadership in Energy and Environmental





Design (LEED®) standards in 2018. Since 2019, all new Terminix facilities around the United States have been built to LEED standards.

Environmentally Friendly Services

Terminix has worked hard to develop, offer, and promote services that are detrimental to pests – but not the environment. Our environmentally friendly services include:



- **Terminix Commercial® EcoControl** combines innovative practices and treatment methods to reduce the use of pesticides. Our emphasis is on proactive inspection and elimination of conditions that are conducive to pests. Wherever possible, we replace synthetic chemical treatments with natural substances, such as plant essential oils, and alternative methods, such as trapping. Our EcoControl program meets the standards set forth by QualityPro Green and the U.S. Green Building Council’s LEED program.
- **ThermoNox®** is a program we offer in Spain to control pantry pests and bed bugs using a heat treatment, which is both an economical alternative to fumigants and prevents the potential for resistance to chemical pest control.
- **BioControl** is a “bioremediation program” – a bacteria-based solution for the food industry designed to address concerns about insufficient disinfection of surfaces that are in touch with food products.
- **LEED-compliant programs:** LEED is the most widely used green building rating system in the world. Our pest management program for LEED-certified facilities relies on prevention rather than chemicals as the primary means of dealing with pests.

LEED PEST MANAGEMENT PROGRAM PROCESS



The Board of Directors’ Environmental, Health, & Safety Committee

Occupational health and safety are of great importance to our board. Our Executive EH&S Committee reports directly to our Board and is chaired by one of our Board members. More information about this committee can be found in our 2022 Proxy. Among its other duties and responsibilities, the board’s Environmental, Health, & Safety Committee is responsible for reviewing the status of the company’s policies and practices concerning environmental, health, and safety matters, including processes to manage environmental, health and safety risk and ensure compliance with applicable laws and regulations; reviewing and monitoring the company’s environmental, health, and safety risk assessments, performance, strategies, training, and resources; and providing input to the company on the management of current and emerging environmental, health, and safety regulations and issues.



Terminix's Environmental Certifications

United States



- **National Pest Management Association GreenPro Certification:**

GreenPro-certified services minimize pesticide exposure to humans, non-target animals, and the environment by focusing on integrated pest management, habitat modification, pest exclusion, removal of food and water sources, sanitation, making repairs – and equally important, client education about pest prevention.



- **National Pest Management Association QualityPro Certification:**

QualityPro accredits and certifies pest management companies and their services based on four key principles: business operations, environmental stewardship, consumer relations, and teammate education.



- **National Organic Program Compliance:**

Our Signature Care® organic pest management program complies with the National Organic Program, a federal regulatory program established by Congress in 2001 that develops and enforces uniform national standards for organically produced agricultural products sold in the United States.



- **Safer Choice Labeled Cleaning Product Utilization:**

This U.S. Environmental Protection Agency (EPA) standard identifies the requirements that products and their ingredients must meet to earn a Safer Choice label. Every chemical in a Safer Choice-labeled product, regardless of percentage, is evaluated through the EPA's rigorous scientific process, and only the safest ingredients are allowed.





Rest of World

Terminix international facilities, primarily European facilities, are certified to the International Organization for Standardization (ISO®) 14001 environmental management system standard.

All our international operations have ISO 9001 Quality Management System certifications.

Canada operations hold a National Pest Management Association QualityPro Green Certification and COR Certification, which verifies a fully implemented safety and health management system that meets national standards.

Canada



Mexico



Spain



Sweden





Pollinator Protection: Honeybee Relocation

Terminix offers honeybee hive removal and control services throughout the U.S. and is committed to aiding in the conservation effort of honeybees and other pollinators. There are a variety of non-toxic removal options to remove/relocate bees, including hive removal, vacuuming, and carpenter bee traps. Our Gregory Pest Solutions business goes further than this, offering a complementary pollinator protection plan in the southeastern U.S. that can help strengthen existing bee colonies, as well. Our honeybee specialists are experienced beekeepers who will also deliver and set up a hive box with a starter bee colony. Monthly inspection, maintenance, and service ensure the bees are cared for and protected. By inspecting, we hope to decrease the chance of colony collapse. We perform queen bee “wellness checks” while also noting colony growth and hive production. However, in the event of a colony collapse or swarm, we replace the honey bees as soon as possible at no additional cost to the customer.



Responsible Use of Reusable Containers

Terminix is committed to reducing waste and emphasizing reusable materials wherever possible. Because of our national scale, we often can purchase chemicals in bulk – which means we save money. In addition to financial savings, this allows us to limit the use and disposal of smaller container jugs.

Supporting this minimization approach in 2021, we have continued to convert container sizes at our U.S. branches to 30-gallon reusable drums to avoid waste disposal of one-gallon plastic container jugs, which is the normal distribution method for these chemicals and products.

In 2021, we purchased 592 30-gallon drums. This conversion allowed Terminix to avoid waste disposal of 17,760 one-gallon plastic container jugs. We remain committed to finding more ways to find efficiencies and reduce waste.



Commitment to Our Communities




Strategic Giving Areas

At Terminix, sharing our time and expertise goes hand-in-hand with sharing our resources. We believe that giving back is more than just a responsibility and a commitment – it's a privilege. Corporate contributions are made through our foundation and through our corporate matching program, which matches teammate contributions at 50 percent. Financial grants, charitable donations, and volunteer requests are accepted throughout the year and reviewed on a quarterly basis.

Our teammates also positively impact the communities where they work and live by serving as board members and volunteering their time for a variety of nonprofit organizations. While specific community give-back opportunities vary from country to country, Terminix donates money, volunteer hours, in-kind services, and scholarships to a variety of causes that touch thousands of lives.



- 
Terminix Cares Week: This signature company-wide day of service has held a special place in our teammates' hearts and minds since it launched in 2014. In 2021, our eighth annual event was continued as a virtual week of giving. Based on teammates' steps tracked through a "Caring Steps" mobile app, teammates donated more than 6,300 volunteer hours and the company donated more than \$250,000 to a record 15 national and 11 Memphis-based community partners and organizations focused on causes such as health, hunger, mental wellness, social injustice, homelessness, and education.
- Dollars for Doers:** Terminix recognizes teammates who are involved in their communities by providing grants of up to \$500 to nonprofit organizations they support through 40+ hours a year in volunteerism, including board service.
- Spring Clean:** This program was created in 2017 as a way for us to reduce blight and beautify targeted areas in the neighborhoods surrounding our large locations.

At Terminix, we support local and national programs that promote leadership and entrepreneurship, and organizations that serve vulnerable populations to improve the quality of life in the communities where we live and work. Some of our most valued and long-standing partners include: Habitat for Humanity, Junior Achievement, St. Jude Children's Research Hospital, National Civil Rights Museum, Make-A-Wish Foundation, Girl Scouts of America, and the American Red Cross.

Terminix Cares is our commitment and our platform for giving and volunteerism. Through it, we're able to provide support to the causes close to our teammates' hearts.

- Communities in Schools internship program:** In partnership with Communities in Schools, Terminix hosted a nine-week program for 17 Memphis-area interns from an underrepresented community (and grades 12 through college) to provide job experience, career exposure, and professional development.
- 
Junior Achievement of the Mid-South: Our long-standing partnership and presence in JA BizTown has expanded to incorporate our successful Harry's Big Adventure program, which seeks to encourage work-readiness, entrepreneurship, and financial literacy among youth.
- Harry's Big Adventure,** in partnership with the Audubon Nature Institute, was launched to inspire a new generation and have a positive impact on the natural world through a better understanding of insects and the critical role they play in our global ecosystem. The program provides teachers, parents, and elementary students with free access to knowledge, resources, and support for interactive learning about the wide world of bugs.



"I so appreciate having this opportunity available for my students! They have never been on a field trip, because of the pandemic and their ages when it began, so I was grateful for this program to give them a peek into a subject they may want to pursue later."

– Second-grade teacher, Oliver Springs, Tenn.

Terminix Cares: Supporting Our Teammates

At Terminix, giving back to the communities and customers we serve is more than just a responsibility and a commitment — it's a privilege. But we also have to look after our teammates. We have two programs designed specifically to help teammates who experience personal loss or a life-altering event — a way to provide financial relief when needed.

Impacted by a disaster?
Find help through the

Teammate Disaster Relief program.

You're eligible to apply for a grant of up to \$2,500 for personal losses incurred by you and your family because of a federally declared disaster. If you are affected by a crisis or natural disaster that is not a federally declared disaster, please look into the Teammate Assistance program.

To apply for assistance, visit cares.terminix.com/assistance

Got questions?
Email us at tmxcare@terminix.com

If you and your family have been impacted by a life-altering event, the

Teammate Assistance program can help.

You're eligible to apply for a grant of up to \$2,500 for personal losses incurred by you and your family because of a life-altering event such as unemployment, lost wages, medical emergencies or hospitalization, loss of an immediate family member, and loss due to other crisis. If you are affected by a federally declared disaster, please look into the Teammate Disaster Relief program for support.

To apply for assistance, visit cares.terminix.com/assistance

Got questions?
Email us at tmxcare@terminix.com

- **Terminix Teammate Disaster Relief Fund:** Funded by Terminix and its teammates, the fund was established in 2010 to help teammates facing financial hardship immediately after a federally declared disaster. Donations expanded in 2021 to assist teammates impacted by COVID-19, Hurricane Ida, the Western wildfires, and severe winter storms in Texas.
- **Terminix Cares Teammate Assistance Fund:** Established in 2020, the Terminix Cares Teammate Assistance Fund was created to help teammates who are facing financial difficulty because of an unforeseen personal hardship. The fund relies primarily on individual donations from teammates and support from Terminix.

Terminix matches teammate-for-teammate donations dollar-for-dollar.

Coming together to help others is the Terminix Way. Our teammates' contributions to the Terminix Cares Foundation mean we can provide relief when one of our own needs it most.



Support for our Veterans

Terminix values our military veteran and guard teammates who make sacrifices for the United States. As such, we do everything within our power to go above and beyond in supporting their ability to serve our country and transition into civilian life, including by offering a range of benefits, compensation, and leave procedures. Our Veterans Business Resource Group recognizes and assists Terminix veterans and their families while helping our company engage veterans as a key pool of talent.

Hire Heros USA Brings Veterans to Terminix

"We believe the unique skill sets of veterans are well-suited for the demands of professional and leadership roles within our organization. Terminix partners with Hire Heroes USA by offering webinars to educate the recruiting team and recruiting managers on best practices for identifying, screening, and interviewing veteran job candidates. These trainings focused on the value of hiring veterans and misconceptions that may stand in the way of a successful hire. Through this training, we help ensure those involved in the recruitment process better understand and identify the right fit for these candidates at Terminix.

"Reviewing resumes tailored to Terminix positions allowed us to hear how different types of military experience relate to positions at Terminix and apply our learnings to day-to-day candidate sourcing. I feel so much more confident speaking to veterans about how their experiences make them an excellent fit for Terminix and our culture."

– Sydney Blackshare, Corporate Recruiter III



A Soldier's Child Foundation

Houston Region Director Jason Simonton, Region Sales Manager Richard Norcross and North Houston Sales Manager Jim Odom implemented a safety program with a huge impact: if a branch goes a full month without a safety incident, they can donate a bike to a deserving child through A Soldier's Child Foundation, an organization that provides birthday gifts to children who have lost a parent in service to our country. Not only did they donate 31 bikes to very excited children in the Houston area, but every branch in the region stayed incident-free throughout the duration of the program.



Expected Conduct



We believe strong corporate governance is the foundation for creating lasting impact and delivering shareholder value over time. Our ethics, governance, and controls reflect our commitment to transparency as we earn the trust of our stakeholders, based in part on developing long-term relationships and goodwill.

Our governance structure and controls continue to be admired, whether through the caliber of the guidelines our board committees follow, the independence of our directors, our stockholder engagement commitments, or our structure, which promotes the balance between independent authority of the board and a management team that oversees the business on a day-to-day basis. We also continue to make progress on the ethnic and gender diversity of our board of directors as disclosed in our most recent proxy statement.

In particular, we consider it vitally important to make decisions at every level of our company in a way that is consistent with our [Code of Conduct](#) and sound governance principles as described in our



Corporate Governance Guidelines. In accordance with corporate governance best practices, we have separated the Chairman and CEO roles, ensured a majority of independent directors, and aligned executive compensation with shareholder value metrics and corporate objectives. We strive to do the right thing and hold ourselves accountable for our actions and results.

81% of teammates agree or strongly agree Terminix's culture encourages legal and ethical behavior.¹

Who Is Expected to Follow the Code of Conduct?

Our Code of Conduct applies to all teammates, contractors, officers, and directors of Terminix, its subsidiaries, and affiliates, both within the U.S. and all other countries where the company does business. We expect our suppliers, agents, business partners, consultants, and licensees/franchisees to uphold similar principles in the work they perform on behalf of Terminix.

Anti-Corruption Compliance and Oversight

Terminix complies with anti-corruption laws, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010, (as well as all other anti-corruption or anti-bribery laws in any location where we do business) prohibiting the payment of bribes. A bribe is anything of value – such as cash, favors, or entertainment – used to influence a person's judgment or conduct. A bribe is also classified as any facilitating or grease payment made to a government official (as opposed to a payment to a government agency) in exchange for a routine governmental service, such as issuing a permit. Terminix has a simple policy: We do not bribe. Terminix's agents and consultants are held to the same rules as Terminix teammates, officers, and directors. Terminix has developed policies and training programs to ensure our teammates are aware of, and comply with, applicable anti-corruption laws. Our ethics office has oversight over these training programs and, in collaboration with our executive leadership team, ensures our teammates and the company adhere to these standards, laws, and regulations.



¹ 2021 Voice of the Teammate survey



Vendor Code of Conduct

Terminix is committed to doing the right thing. Our goal is to follow the highest industry standards of ethical business conduct in all areas of our operations. This includes our relationships with business partners, suppliers, and vendors. These relationships are defined by contracts that are based on lawful and ethical practices. In furtherance of these relationships, we hold our vendors and suppliers to the same standards in our policies, including but not limited to labor practices, environmental policies, ethical conduct, and audit and compliance monitoring.

By acting responsibly in collaboration with our suppliers and vendors, we aim to minimize risks and create stable, long-term business relationships with these partners. We also leverage our purchasing power to insist on driving sustainable changes at our suppliers and vendors. We promote and maintain strong working vendor relationships by using key performance indicators. This includes conducting quarterly business reviews with key suppliers to ensure they are meeting our material, safety, and quality standards. One of the criteria we evaluate is the environmental and sustainability efforts of suppliers and vendors when looking to engage new partners, or when renewing contracts with existing partners.

For more information on our Vendor Code of Conduct, see Appendix C.





Appendix A: Emissions, Waste, and Natural Resources Usage

ENERGY USAGE	2019	2020	2021
Electricity (kWh)	19,839,922	10,593,553	15,640,863
Natural Gas (thm)	329,264	282,164	350,427
Propane (gal)	65,629	29,218	12,029
Fleet Gasoline (gal)	12,337,853*	12,107,897*	11,405,329

GREENHOUSE GAS EMISSIONS (GHG - CO2 Metric Tons)			
Electricity	14,028	7,490	6,766
Natural Gas	1,742	1,493	1,854
Propane	410	176	69
Fleet Gasoline	109,646*	107,603*	101,359
Business Travel – Air (tons CO2)	13,659	730	266
Business Travel – Car	803	480	1,088

WATER USAGE			
Water (gal)	18,101,288	13,912,996	13,323,316

WASTEWATER GENERATION			
Sewer (gal)	23,118,497	8,229,324	10,546,172

WASTE GENERATION			
Hazardous Waste (pounds)	3,542	4,088	4,558
Non-Hazardous Waste	5,814	6,153	6,404

WASTE DISPOSAL	2019		2020		2021	
	HAZARDOUS	NON-HAZARDOUS	HAZARDOUS	NON-HAZARDOUS	HAZARDOUS	NON-HAZARDOUS
Incineration	100%	17%	100%	3%	86%	49%
Blending/ Recovery/ Recycling	—	50%	—	93%	—	8%
Landfill	—	33%	—	4%	14%	43%

*Fleet gasoline (gal) and fleet gasoline emissions are restated from the 2020 report.



Appendix B: Teammate Business Resource Groups

Our Business Resource Groups represent various cultures, ethnicities, backgrounds, interests, and orientations of our teammates. These groups promote awareness of diverse teammate perspectives and cooperation across all of our businesses and levels of the company, allowing our teammates to assume responsibilities beyond their own jobs and develop important leadership skills, valuable experience, and personal connections.

Each Business Resource Group has a sponsor from senior leadership, and is open to all Terminix teammates, regardless of race, gender, religion, or background. Our Business Resource Groups include:



The African American Business Resource Group works to cultivate awareness of African American culture within Terminix by providing teammates with opportunities for diverse educational experiences, community partnerships, and career development.



The Asian/Pacific Islanders Business Resource Group creates an environment that brings awareness and support to our teammates identifying with these cultures. The BRG provides a support network to teammates in Asian/Pacific geographic markets.



The Latino Business Resource Group cultivates awareness of Latino culture within the Terminix family and provides its members with opportunities for networking, professional and personal development, and mentorship.



The Limitless Business Resource Group supports individuals with disabilities and their caregivers. It creates an environment that brings awareness and visibility by providing teammates with opportunities for diverse educational experiences and community partnerships, connecting individuals and caregivers to resources, and aiding with the recruitment, development, and retention of qualified candidates with disabilities.



The PRIDE Alliance Business Resource Group strives to create an environment where teammates feel valued and supported, increase visibility and awareness of lesbian, gay, bisexual, and transgender teammates in the workplace and allow all teammates to contribute to their fullest potential.



The Sustainability Business Resource Group strives to be an active partner with environmental and sustainability initiatives to make a positive impact in the communities in which we live and work. We care about our planet and seek to engage our businesses and network of teammates to create a more sustainable and better-shared future.



The Veterans Business Resource Group recognizes and assists Terminix veterans and their families, provides Terminix with strong leadership, and strives to improve the quality of our veterans' lives through esprit-de-corps.



The Women's Business Resource Group strives to highlight opportunities for training, experience, and support that enable women teammates to overcome obstacles, maximize their potential, and increase the sphere of influence within the organization and the communities where they work and live.



The Young Professionals Resource Group is determined to engage our coworkers, engage our community, and engage our city leaders to help build a community and city where young people thrive and everyone benefits.





Appendix C: Policies and Practices

- **Code of Conduct**
- **Culture, Inclusion, and Diversity (CID) Advisory Team**
- **Data Privacy**
- **Employment and Labor Practices**
- **Environmental Health & Safety Policy**
- **Equal Employment Policy**
- **Global Human Rights Policy**
- **Human Capital Management Statement**
- **Inclusion Statement**
- **Information Security**
- **Occupational Health and Safety Policy**
- **Regulatory Compliance**
- **Responsible Marketing**
- **Statement on Conflict Minerals**
- **Vendor Code of Conduct**

Code of Conduct

Our Code of Conduct is published on our website at <https://corporate.terminix.com/assets/documents/Code-of-Conduct.pdf>. The Terminix General Counsel and Deputy Counsel are responsible for the monitoring and oversight of the Terminix Code of Conduct. All employees are required to take annual training on the Terminix Code of Conduct.

Culture, Inclusion, and Diversity (CID) Advisory Team

We commit to promoting and encouraging inclusion, diversity, and equity in our respective teams and overall organization by valuing the range of perspectives, ideas, and experiences that diversity provides. The CID Advisory Team’s mission is to advise the Terminix leadership team, other leaders, and functions about inclusion, diversity, equity, and “servant leadership” – a philosophy in which a leader’s goal is to serve others – to support all team members to do their best work. Our goal is to advance a workforce that builds and advocates for diversity in gender, race, age, language, cultural background, education, work experience, ethnicity, sexual orientation, and physical ability, as well as the religious and cultural views of our organization’s members.

Membership in the CID Advisory Team is available to all full-time Terminix teammates in good standing. Members are nominated by an executive leadership team member and approved by the full leadership team. The Advisory Team should strive to reflect and represent the diversity and viewpoints of all members of our organization by including people from various:

- Businesses
- Organizational roles and levels
- Educational backgrounds
- Geographic locations
- Departments (HR, Legal, Risk, etc.)



- Ages
- Ethnicities
- Genders

We will advance the awareness and appreciation of inclusion, diversity, and equity practices by:

1. Creating and proposing new initiatives that promote inclusion, diversity, and equity while identifying, developing, and implementing best practices across the organization.
2. Recognizing and communicating best practices and achievements.
3. Creating measurable and actionable initiatives in support of the company goals and specific inclusion, diversity, and equity metrics aligned to five pillars: Talent and Equity, Corporate Responsibility, Supplier Diversity, Culture, and Inclusion

Data Privacy

Terminix ensures we comply with fast-changing and comprehensive privacy requirements, such as those set forth in the European Union's General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), and other U.S. state and federal regulations. This requires teammates to have foundational understanding of data privacy. We have created – and will continue to create – awareness and provide teammate training on data privacy, data handling, records retention, and destruction processes. In addition, we are working on process improvements related to data subject requests and minimizing the collection and retention of personal data. Finally, we are exploring technology to increase compliance efficiencies while protecting positive customer experiences, such as cookies management and opt-out/opt-in consents.

Employment and Labor Practices

Compensation

Terminix, as an employer, provides its teammates with compensation and benefits that are competitive, while rewarding them for their contributions to our business objectives. We also monitor and ensure that our compensation and benefits programs are compliant with all applicable laws. Additionally, Terminix makes every effort to explain its compensation and benefits programs and to ensure all taxes and other deductions are disclosed to teammates.

Prohibiting Forced Labor and Child Labor

The employment relationship should be voluntary, and the terms of employment must comply with applicable laws and regulations. Terminix prohibits the employment of forced labor or child labor. While child labor is prohibited, legitimate internship programs may engage children when the internship is permitted by local law, part of a formal educational program, and properly established and supervised.

Open Communication and Freedom of Association

Terminix is committed to complying with laws pertaining to freedom of association, consultation, and collective bargaining. Terminix recognizes and values each individual teammate and prefers to deal directly with employees about their concerns or issues. To do this, we provide and encourage open communication through a variety of resources



and avenues. For this reason, it is paramount that our teammates enjoy the right to individually decide whether, without coercion or pressure, to join or refrain from joining any lawful organization.

Environmental Health & Safety Policy

Our Statement

Terminix is committed to protecting the health and safety of our teammates, customers, and environment.

Our Philosophy on Safety

We live and work in the same communities as our customers, who trust us with their homes and businesses every day. That trust depends on our responsibility to protect the health and safety of our teammates and customers and to promote a healthy and sustainable environment. We value that trust, and our reputation depends upon living up to our commitments. Our impeccable reputation is a direct result of the amazing customer service we deliver.

At Terminix, we:

- Lead by doing the right thing at all times because we want the best for our environment, teammates, customers, and communities
- Comply with all environmental, health, and safety laws and regulations
- Provide safe working conditions and train our teammates to recognize job-related hazards
- Promote the health and wellness of our teammates
- Hold ourselves and our business partners accountable for the quality and safety of the products and services we provide to our customers
- Promote a sustainable environment by, among other things, conserving resources, reducing waste, and encouraging community involvement by our teammates
- Require our suppliers and other business partners to promote environmental sustainability and comply with all environmental, health, and safety laws and regulations
- Empower all teammates at every level within the organization to:
 - Take personal responsibility for their safety and the safety of others
 - Stop work immediately to avoid the risk of injury or harm to themselves or others
 - Actively promote and share ideas to continuously create a safer workplace and healthier environment
 - Design products and services to provide maximum benefit with minimal environmental, health, and safety impacts
 - Strive to continually improve our processes, tools, and technology to promote a safer workplace and healthier environment



Reporting Violations

Teammates, supervisors, or managers who knowingly engage in or condone environmental, health, or safety violations or violations of our Code of Conduct are subject to disciplinary action up to and including termination of employment. Teammates are obligated to report any suspected violations of the Company's EHS policies to the Ethics Helpline. Terminix will not tolerate any form of retaliation against a teammate who, in good faith, reports or seeks advice about a known or suspected violation of EHS policies or the Code of Conduct.

Equal Employment Policy

Terminix respects the dignity of each person and provides equal employment opportunities to all individuals without regard to race, including traits historically associated with race, such as hair texture and protective hairstyles (such as braids, locks, and twists), age, ethnicity, color, creed, national origin, ancestry, religion, religious creed (including dress and grooming practices and all aspects of religious belief, observance, and practice), sex (including pregnancy, childbirth, breastfeeding, and medical conditions), gender, gender identity and expression, sexual orientation, disability, protected medical condition, genetic information, relationship with a person with a disability, genetic information, marital status, uniformed service member's or veteran's status, citizenship status, or any other characteristic or status protected by federal, state, or local law. Terminix will provide reasonable accommodations for qualified individuals with disabilities; a teammate's pregnancy, childbirth, or related medical condition; and teammates' religious beliefs and practices.

The company is committed to providing a work environment that is free of unlawful harassment, discrimination, and retaliation. As a result of this commitment, Terminix strictly prohibits all forms of harassment, discrimination, and retaliation based on these characteristics. Employment decisions, including but not limited to recruitment, hiring, placement, compensation, benefits, training, transfer, promotion, assignments, demotion, termination, evaluations, discipline, social/recreational programs, and other terms and conditions of employment, are considered and made without regard to the above characteristics.

Terminix's policy against unlawful harassment, discrimination, and retaliation applies to all teammates, including supervisors and managers. It also applies to all customers, vendors, and independent contractors, as well as to unpaid interns and volunteers (all of whom are designated for the terms of this policy as "business associates"). The company prohibits managers, supervisors, and teammates from harassing subordinates, co-workers, or the company's business associates. Any such harassment will subject a teammate to appropriate corrective action, up to and including immediate termination. The company likewise prohibits its business associates from harassing our teammates, unpaid interns, and volunteers.

All members of management must be familiar with this policy, must fully support it, and are responsible for applying these principles while performing their duties and interacting with teammates, customers, and vendors. All teammates are responsible for supporting equal employment opportunities, assisting Terminix in meeting the company's equal employment opportunity objectives, and ensuring their individual conduct conforms to our commitment to diversity and equal employment opportunities.



Global Human Rights Policy

Terminix supports and seeks to promote fundamental human rights in the communities we serve. Therefore, we have adopted a Global Human Rights Policy, which applies to our business enterprise, our brands, our teammates, and our stakeholders.

Our Global Human Rights Policy is published on our website at <https://corporate.terminix.com/assets/documents/Global-Human-Rights-Policy.pdf>.

Many of the standards outlined in this policy are in line with human rights concepts advanced by other international organizations. We encourage stakeholder involvement in the development of the policy, the implementation of the policy, and/or the evaluation of effective outcomes of the policy's implementation.

We understand that local laws or regulations may result in some degree of variation in interpretation or application of this policy, but Terminix believes that the basic tenets set forth within this report should serve as our minimum business standards for working conditions and human rights.

Human Capital Management Statement

Terminix employs approximately 10,000 teammates in the United States and 1,700 teammates outside the United States in Europe, Canada, and Central America. As a leader in the pest management industry, we recognize that our teammates are our most important asset in the delivery of the services we provide to customers. Since we deliver services in various communities around the world, it is important that our teammate base reflects the values and customers of those communities we serve. In this regard, we are committed to fostering a safe, inclusive, and equitable workplace that attracts and retains exceptional talent, enabling us to better serve our customers.

Five key areas in which we focus our efforts:

- Teammate Safety
- Inclusion, Diversity, and Equity
- Training and Development
- Teammate Retention
- Competitive Compensation and Benefits

Teammate Safety

Safety is a core value at Terminix. We maintain strong safety programs focused on continuously improving the safety and wellbeing of our communities, teammates, and the customers we serve. We maintain a safety culture grounded in striving for zero teammate injuries and illnesses, while operating and delivering our services responsibly and eliminating workplace incidents, risks, and hazards. We review and monitor our performance regularly with a goal to continually reduce recordable incidents. During 2021, our recordable incident rate declined 15 percent compared to fiscal 2020.

Terminix was designated an essential business early in the COVID-19 pandemic. Since the onset of the pandemic, we have taken an integrated approach to helping our teammates manage their work and personal responsibilities, with the priority on teammate wellbeing,



health, and safety. Terminix has worked with suppliers to ensure our teammates have the appropriate personal protection equipment to allow them to continue to serve our customers in a safe manner, protecting both the customer and the teammate. The company developed COVID-19 protocols relating to most aspects of the business, including customer service visits, working at Terminix buildings and individual health. Many departments are working remotely and have not been required to come to the central offices so as to minimize exposure to the virus.

Inclusion, Diversity, and Equity

At Terminix, we believe inclusion inspires results. Perspectives from a diverse workforce can provide key insights into selling our services to varied and different communities, providing numerous avenues for the growth of the business and improved customer satisfaction.

The Culture, Inclusion, and Diversity (CID) Advisory Team is one way we advance inclusion, diversity, and equality. Any full-time Terminix teammate in good standing can apply or be nominated to serve on this advisory team, which promotes inclusion, diversity, and equity throughout the company via teammate communications, employee recognition, and new initiatives to advance both awareness and best practices. The CID Advisory Team is committed to promoting and advancing this important work through five distinct sub-committees that drive diversity, equity, and inclusion goals across core business streams:

- Corporate Responsibility
- Culture
- Inclusion
- Supplier Diversity
- Talent and Equity

As of December 31, 2021, Terminix employed a workforce in the United States that was 60 percent white and 40 percent minority. Also, the workforce was 81 percent male and 18 percent female, with 1 percent undeclared. Terminix is committed to improving the diversity of both race and gender representation to better reflect the communities in which we operate.

We have long-established, teammate-driven Business Resource Groups, which provide opportunities for education, community partnerships, cultural awareness, and career development.

Training and Development

We have made investments to our human resources organization and structure to centralize and standardize hiring and training practices. We also introduced tools to help our branch managers manage labor more efficiently, and we continue to invest in attracting, developing, and retaining talent. Our frontline teammates receive on-the-job training to ensure we are executing for our customers. Our online training platforms provide our teammates with access to a multitude of training courses, videos, reference materials, and other tools.

As part of encouraging internal development, we engage in regular discussions about succession planning and talent development at all levels of our company. Our board of directors has frequent contact with business leaders within the organization and



participates actively in the succession planning process. Our Senior Vice President, Chief Human Resources Officer reports directly to the CEO and works with management to evaluate internal talent for future leadership positions within the organization on an ongoing basis. In evaluating potential acquisitions, an important consideration is the quality of the management team of the target company and our ability to ensure such management team will remain with the company as needed if we acquire the business.

Teammate Retention

Our experience has demonstrated that the retention of well-trained, high-performing teammates results in higher customer retention and improved financial results. Terminix has made significant investments in the hiring and training of teammates, especially those who are the company's faces to our customers. Turnover rates for pest technicians tend to be higher in the first year of employment, with a reduced rate beyond the first year. Consequently, Terminix invests in the recruiting, onboarding, and training of new teammates to enhance their ability to deliver quality service to our customers and to keep them engaged in the Terminix business. As a result, the company made significant progress on programs to improve teammate retention during 2021. For example, the company is implementing the Terminix Way that includes the development of enhanced standard operating procedures, training paths, and technology for frontline teammates that will improve consistency from branch to branch and teammate to teammate, and provide well-defined career paths.

Competitive Compensation and Benefits

Terminix is committed to investing in our workforce by providing competitive compensation and benefits programs. Compensation programs include base salary and variable compensation programs such as annual bonus, production plans, sales commissions, spot bonuses and stock awards. The variable compensation programs are performance based, with the actual amount earned depending on the performance of the company and the teammate.

- Comprehensive health and welfare coverage is offered to teammates.
- Insurance benefits, such as supplemental life insurance, accidental death and dismemberment for teammates and their dependents, and long-term disability insurance, are available for purchase at discounted group rates.
- Parental leave is provided to the non-birthing parent and parents of both genders for adoptions. Additionally, maternity leave is available for our female teammates.
- Terminix provides a Student Loan Repayment Program where Terminix pays a monthly amount directly to the financial institution that holds the teammate's student loan.
- The company provides a 401(k) savings plan with a match that allows teammates to save for their futures.



Inclusion Statement

Inclusion inspires results. At Terminix, we are committed to fostering a culture where all team members are treated with respect and emboldened to contribute to our collective and individual success. We encourage all team members to use their own diversity of thought, experience, background, and perspectives to instill trust and drive empowerment with each other, our communities, suppliers, and, more importantly, our valued customers. Our culture of inclusion is about sparking innovation and transforming Terminix into the preferred provider of residential and commercial pest management services.

Our efforts are to create an inclusive workforce where teammates have the right to be recognized as valuable contributors to our winning team.

Terminix's inclusion and diversity plan provides programs that:

- Seek to attract, retain, and develop diverse talent.
- Provide support systems for groups with diverse backgrounds.
- Educate our teammates so that we achieve business success.
- Focus on maintaining a winning performance culture, which fosters diversity and inclusion and ensures the safety of each individual in our company.
- Promote active participation in our diverse Business Resource Groups to create a culture of inclusion.

Information Security

The number of cyberattacks on our company has increased in recent years, as is the case with enterprises around the globe. To bolster enterprise security and help accommodate large-scale work-from-home initiatives stemming from the pandemic, Terminix implemented Multi-Factor Authentication (MFA) for all teammates. Single sign-on (SSO) was expanded to additional applications to ease the burden on teammates who otherwise need to maintain multiple strong passwords.

We require teammates to take security awareness training when hired and annually thereafter. To further improve security awareness, we increased the frequency and reach of phishing simulation exercises from quarterly for a subset of teammates to monthly for all teammates. We report results and trends to senior management, and teammates and managers who fail an exercise are contacted after each campaign. In 2021, we also implemented a new email protection system to improve blocking of malicious emails and make it easier to examine suspicious emails, identify all recipients, and remove malicious email from mailboxes. Additionally, behavior-based endpoint protection, which works in conjunction with our next-generation security appliances, provides an additional layer of coverage to help prevent execution of malicious payloads on our systems.

In 2021, Terminix received the [Innovation in the Enterprise](#) award from the Greater Memphis IT Council in recognition of its work to implement "Zero Trust" architecture throughout the enterprise. As network boundaries become more fluid with the advent of cloud computing



and a more mobile, remote workforce, it is no longer tenable to automatically assume trust based on network location (e.g., inside an organization's IT perimeters). Zero Trust shifts the security focus to protection of accounts, assets, workflows, etc. in acknowledgment that security applied at the network edge continues to become less adequate for security assurance.

Also in 2021, we improved our log analysis solution to include more information sources and employ a Security Operation Center that provides coverage and escalation of threat analysis 24 hours per day, 365 days a year. We test our incident response plans at least annually, and conduct annual penetration testing, with follow-up testing upon completion of recommended actions.

Terminix continues its information security improvement program to increase program maturity in domains identified and evaluated by outside experts. We report progress on the security roadmap to senior management and the Board of Directors.

Occupational Health and Safety Policy

Terminix is committed to providing a safe and healthy workplace. Accordingly, we are responsible for establishing and training our teammates on safety policies and protocol. Our teammates have a duty to report any unsafe conditions immediately so Terminix can take steps to correct the situation as soon as possible. Teammates are provided training on our Environmental Health and Safety Policy. We also hold our teammates accountable for complying with Terminix's environmental, health, and safety policies, which includes imposing disciplinary action for violations.

The following are special areas of concern:

Personal Safety — Each teammate is responsible for protecting himself or herself, fellow employees, and our customers from injuries and illnesses. This can be done by following safe work practices that have been presented through our training programs.

We continue to actively monitor issues related to COVID-19 and its impact on our teammates and customers. We are sensitive to public health and travel concerns our teammates may have and seek to abide by the protocols that federal, state, and local governments may impose or recommend.

Product Safety — Some of the products we use can pose a risk to teammates or others if used improperly. We ensure that our teammates always follow the safety precautions and label requirements when using, storing, transporting, and disposing of these products.

Personal Equipment Safety — Some of our activities can pose a risk to our teammates. In many situations, Personal Protective Equipment (PPE) and associated training are provided to eliminate or minimize this risk.

Vehicle Safety — Terminix has one of the largest commercial fleets of vehicles in the United States. It is important that our teammates operate these vehicles responsibly and obey traffic laws and regulations. Our vehicles are inspected regularly to ensure they are safe to operate, and our drivers are appropriately licensed and qualified. We also ensure that driver qualifications, vehicles, and maintenance procedures meet Department of Transportation requirements, where applicable.



Drug-Free Workplace — Ensuring a safe and healthy workplace requires clear judgment and alertness. Drugs and alcohol can impair this. Being under the influence of either while at work can affect everyone’s safety. For those reasons, Terminix has a zero-tolerance policy for teammates who possess, distribute, or work under the influence of alcohol or drugs, including certain prescription drugs, while conducting any Terminix business or operating Terminix vehicles or machinery.

Workplace Violence — Terminix takes the physical safety of its teammates and visitors extremely seriously and does not tolerate violence at any of its facilities or locations. Violent or threatening behavior of any kind — including carrying a weapon — is strictly prohibited while on Terminix premises or conducting Terminix business off-site.

Regulatory Compliance

Our businesses are subject to various international, federal, state, provincial, and local laws and regulations. These international, federal, state, provincial, and local laws and regulations include laws relating to consumer protection and data privacy, wage and hour, deceptive trade practices, permitting and licensing, state contractor laws, real estate settlements, workers’ safety, tax, healthcare reforms, franchise-related issues, collective bargaining and other labor matters, environmental laws, and employee benefits. The Terminix business must also meet certain Department of Transportation and Federal Motor Carrier Safety Administration requirements with respect to certain vehicles in its fleet. Terminix is regulated by federal, state and local laws, ordinances, and regulations, which are enforced by pest control boards, environmental protection agencies, and similar government entities. Terminix may use products containing ingredients regulated by the U.S. Environmental Protection Agency (EPA) and is subject to licensing and certification requirements for applying disinfectants, sanitizers, and other EPA-registered products in certain states.

Our businesses also are subject to various international, federal, state, and local laws and regulations regarding environmental, health, and safety matters. Among other things, these laws regulate the emission or discharge of materials into the environment; govern the use, storage, treatment, disposal, transportation and management of hazardous substances and wastes; and protect the health and safety of our teammates. These laws also impose liability for the costs of investigating and remediating, and damages resulting from, present and past releases of hazardous substances, including releases by prior owners or operators of sites we currently own or operate.

Terminix is regulated under many federal and state environmental laws, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Federal Environmental Pesticide Control Act of 1972, the Federal Insecticide, Fungicide and Rodenticide Act of 1947, the Resource Conservation and Recovery Act of 1976, the Clean Air Act, the Emergency Planning and Community Right-to-Know Act of 1986, the Oil Pollution Act of 1990, and the Clean Water Act of 1977, each as amended.



Responsible Marketing

Terminix has a commitment to putting our customers at the center of everything we do. We work to maintain a direct relationship with our customers. When customers unsubscribe from our direct marketing communications, Terminix adheres to “Do Not Mail” requests collected from its internal repository in its commercial mailings. Terminix also foregoes mailing those consumers who registered to not receive mailings with the Direct Marketing Association’s (DMA) at www.DMAChoice.org.

By the end of 2023, Terminix expects to implement a preference center so customers can choose to select only paperless (email) communications. In the meantime, auto-pay/direct draft is encouraged to eliminate mailing of paper statements and enable customers to view statements and financial transactions online. Terminix also encourages recycling by imprinting the universal recycle symbol on its transactional and marketing direct mail pieces.

Terminix strives to ensure that its online/digital services, including its website, are accessible to people with disabilities.

Statement on Conflict Minerals

Terminix supports the efforts of human rights organizations to end violence and atrocities in Central Africa (the Democratic Republic of Congo (DRC) and nine adjoining countries: Republic of Congo, Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda, and Uganda).

It has been widely reported that the major driver of this violence is the natural abundance of the minerals tin, tungsten, tantalum, and gold, now referred to as “conflict minerals.” In August 2012, the United States Securities and Exchange Commission (SEC) approved the final rule regarding the sourcing of conflict minerals as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502. Under this rule, publicly traded companies must report annually to the SEC the presence of “conflict minerals” originating from Central Africa in either the products they manufacture or contract to manufacture or use in the production process.

In support of Terminix’s position on conflict minerals, suppliers are expected to supply materials that are “DRC Conflict-Free.” In the event Terminix determines that a supplier’s efforts to comply with our standards have been deficient, Terminix reserves the right to take appropriate actions, up to and including discontinuing purchases from the supplier.

Under the definition of “DRC Conflict-Free,” products supplied to Terminix:

1. Do not contain tantalum, tin, tungsten, or gold (3TG) as elements necessary to their production or functionality, or
2. If products supplied to Terminix do contain these minerals, the minerals must originate outside the DRC, come from scrap or recycled sources, or be supplied from smelters that have been validated by an independent private sector party to be conflict-free.



Vendor Code of Conduct: Ethical Conduct and Expectations for Those with Whom We Do Business

Terminix is committed to doing the right thing. Our goal is to follow the highest industry standards of ethical business conduct in all areas of our operations. This includes our relationships with our business partners, including our franchisees, suppliers, vendors, consultants, and contract labor. These relationships are defined by contracts that are based on lawful and ethical practices. In furtherance of these relationships, we hold our vendors and suppliers to the same standards in our policies, including, but not limited to, labor practices, environmental policies, ethical conduct, and audit and compliance monitoring.

As a global business, Terminix is committed to engaging in reasonable due diligence and screening of all with whom it works to ensure compliance with laws that regulate international trade. Because our businesses may cross international borders, we understand that standards may vary and reflect local practices.

While recognizing local, regional and national laws, customs, and practices, we will comply with the Foreign Corrupt Practices Act and, wherever possible, seek the cooperation, collaboration and support of our various business partners in advancing best practices and the highest ethical standards in our business transactions.

We promote and maintain strong working vendor relationships by using key performance indicators. This includes conducting quarterly business reviews with key suppliers to ensure they are meeting our material, safety, and quality standards.

