



## RENTOKIL INITIAL PLC

*(incorporated in England with limited liability with registration number 5393279)*

### €2,500,000,000 Euro Medium Term Note Programme

Under this €2,500,000,000 Euro Medium Term Note Programme (the **Programme**), Rentokil Initial plc (the **Issuer**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will be €2,500,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Overview of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "Risk Factors".**

Application has been made to the Financial Conduct Authority in its capacity as competent authority under the Financial Services and Markets Act 2000, as amended (the **FSMA**), (the **UK Listing Authority**) for Notes issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to the official list of the UK Listing Authority (the **Official List**). Application has also been made to the London Stock Exchange plc (the **London Stock Exchange**) for such Notes to be admitted to trading on the London Stock Exchange's regulated market, which is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC). References in this Prospectus to Notes being **listed** (and all related references) shall (unless the context otherwise requires) mean that such Notes have been admitted to trading on the London Stock Exchange's regulated market and have been admitted to the Official List.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the **Securities Act**) and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account of, U.S. persons (see "*Subscription and Sale*").

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions which are applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in the applicable final terms (the **Final Terms**) which, with respect to Notes to be admitted to the Official List and admitted to trading on the London Stock Exchange's regulated market, will be delivered to the UK Listing Authority and (where listed) the London Stock Exchange on or before the date of issue of the Notes of such Tranche. Copies of Final Terms in relation to Notes to be listed on the London Stock Exchange will also be published on the website of the London Stock Exchange through a regulatory information service.

The Programme has been rated BBB- by Standard & Poor's Credit Market Services Europe Limited (**S&P**). S&P is established in the European Union and is registered under Regulation (EU) No 1060/2009 (as amended) (the **CRA Regulation**). Notes issued under the Programme may be rated by S&P or another credit rating agency established in the European Union and registered under the CRA Regulation or unrated. Where a series of Notes is rated, such rating will be disclosed in the Final Terms. Please also refer to "*Ratings of the Notes*" in the "*Risk Factors*" section of this Prospectus for further information. **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

*Arranger*

**HSBC**

*Dealers*

<b>Barclays</b>	<b>BNP PARIBAS</b>	<b>BoA Merrill Lynch</b>
<b>Citigroup</b>	<b>Deutsche Bank</b>	<b>HSBC</b>
<b>J.P. Morgan</b>	<b>Lloyds Bank</b>	<b>Mizuho Securities</b>
<b>The Royal Bank of Scotland</b>		

This Prospectus comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the **Prospectus Directive**). For the purposes of this Prospectus, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in a Member State of the European Union, Iceland, Norway or Liechtenstein (together, the **European Economic Area**) which has implemented the Prospectus Directive (each, a **Relevant Member State**)) and includes any relevant implementing measure in each Relevant Member State, and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

Each of the Issuer and the Guarantor (as defined herein) accepts responsibility for the information contained in this Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Prospectus shall, save as specified herein, be read and construed on the basis that such documents are so incorporated and form part of this Prospectus.

None of the Dealers nor the Trustee have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme. None of the Dealers nor the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme.

No person is or has been authorised by the Issuer, the Guarantor or the Trustee to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, any of the Dealers or the Trustee.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation of the Issuer, the Guarantor and/or the Notes; or (ii) should be considered as a recommendation by the Issuer, the Guarantor, any of the Dealers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Guarantor, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it; (2) Notes can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Prospectus when deciding whether or not to purchase any Notes.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Guarantor, the Dealers and the Trustee do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Dealers or the Trustee which is intended to permit a public offering of any Notes outside the Relevant Member States of the European Economic Area which have implemented the Prospectus Directive, or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any

applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, European Economic Area (including the United Kingdom) and Japan (see “*Subscription and Sale*”).

This Prospectus has been prepared on the basis that any offer of Notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Prospectus as completed by the Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer, the Guarantor or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. None of the Issuer, the Guarantor nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer, the Guarantor or any Dealer to publish or supplement a prospectus for such offer.

In connection with the issue of any Tranche of Notes, one or more relevant Dealer or Dealers (the **Stabilising Manager(s)**) (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

All references in this Prospectus to (i) **pounds sterling** and **£** are to the lawful currency for the time being of Great Britain and Northern Ireland; (ii) **euro** and **€** are to the currency introduced at the start of the third stage of European economic and monetary union as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro; (iii) **U.S. dollars** and **U.S.\$** are to the lawful currency for the time being of the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia; (iv) **Group** are to the Issuer and its subsidiary undertakings (as defined in Section 1162 of the Companies Act 2006); and (v) **Guarantor Group** are to the Guarantor and its subsidiary undertakings (as defined in Section 1162 of the Companies Act 2006).

## TABLE OF CONTENTS

DOCUMENTS INCORPORATED BY REFERENCE.....	6
OVERVIEW OF THE PROGRAMME.....	8
RISK FACTORS.....	13
TERMS AND CONDITIONS OF THE NOTES.....	25
FORM OF THE NOTES.....	54
FORM OF FINAL TERMS.....	56
USE OF PROCEEDS.....	64
RENTOKIL INITIAL PLC.....	65
RENTOKIL INITIAL 1927 PLC.....	72
UNITED KINGDOM TAXATION.....	74
UNITED STATES FOREIGN ACCOUNT TAX COMPLIANCE ACT.....	76
SUBSCRIPTION AND SALE.....	78
GENERAL INFORMATION.....	81

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and have been filed with the UK Listing Authority shall be incorporated in, and form part of, this Prospectus:

- (a) the auditors' report and audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2011 (as set out in the Issuer's Annual Report for the year ended 31 December 2011 (pages 57 to 112)) (the **2011 Results**), to be found at <http://phx.corporate-ir.net/phoenix.zhtml?c=108168&p=irol-reportsannual>;
- (b) the auditors' report and audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2012 (as set out in the Issuer's Annual Report for the year ended 31 December 2012 (pages 74 to 130)) (the **2012 Results**), to be found at <http://phx.corporate-ir.net/phoenix.zhtml?c=108168&p=irol-irhome>;
- (c) the auditors' report and audited non-consolidated annual financial statements of the Guarantor for the financial year ended 31 December 2011 (as set out in the Guarantor's Director's Report and Financial Statements for the year ended 31 December 2011 (pages 4 to 22)) (the **Guarantor's 2011 Results**), to be found at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.a.shx?DocumentId=43148202>;
- (d) the auditors' report and audited non-consolidated annual financial statements of the Guarantor for the financial year ended 31 December 2012 (as set out in the Guarantor's Director's Report and Financial Statements for the year ended 31 December 2012 (pages 4 to 21)) (the **Guarantor's 2012 Results**), to be found at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.a.shx?DocumentId=53444633>;
- (e) the interim management statement of the Issuer for the three-month period ended 31 March 2013, which was published on 29 April 2013 (the **Q1 Interim Management Statement**), to be found at <http://phx.corporate-ir.net/phoenix.zhtml?c=108168&p=irol-resultscentre>;
- (f) the terms and conditions of the Notes contained in the Prospectus dated 19 March 2007 in relation to the Issuer's €2,500,000,000 Euro Medium Term Note Programme (pages 29 - 49) (the **2007 Conditions**), to be found at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.a.shx?DocumentId=53204046>;
- (g) the terms and conditions of the Notes contained in the Prospectus dated 17 October 2008 in relation to the Issuer's €2,500,000,000 Euro Medium Term Note Programme (pages 36 - 62) (the **2008 Conditions**), to be found at [http://www.rns-pdf.londonstockexchange.com/rns/1257G\\_-2008-10-17.pdf](http://www.rns-pdf.londonstockexchange.com/rns/1257G_-2008-10-17.pdf);
- (h) the terms and conditions of the Notes contained in the Prospectus dated 5 April 2012 in relation to the Issuer's €2,500,000,000 Euro Medium Term Note Programme (pages 39 - 65) (the **2012 Conditions**), to be found at [http://www.rns-pdf.londonstockexchange.com/rns/0151B\\_-2012-4-10.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0151B_-2012-4-10.pdf); and
- (i) the amended and restated deed of guarantee issued by Rentokil Initial 1927 plc in favour of the Trustee in respect of the Programme, dated 7 September 2012 (the **Guarantee**), to be found at: <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.a.shx?DocumentId=43148199>.

The above-mentioned documents may be inspected as described in “*General Information*”. For the avoidance of doubt, any documents or information incorporated by reference into the documents listed above shall not form part of this Prospectus. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus. Where reference is made to a website in this Prospectus, the contents of that website shall not form part of this Prospectus.

Following the publication of this Prospectus, a supplement may be prepared by the Issuer and approved by the UK Listing Authority in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus can be obtained from the stated weblinks, registered office of the Issuer and from the specified office of the Paying Agent for the time being in London.

### **SUPPLEMENTAL PROSPECTUS**

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Notes.

## OVERVIEW OF THE PROGRAMME

*This overview must be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including any information incorporated by reference, by any investor. The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms.*

*The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions (the **Conditions**), in which event, in the case of listed Notes, a new Prospectus will be published. Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meanings in this overview.*

**Issuer:** Rentokil Initial plc

**Guarantor:** Rentokil Initial 1927 plc, pursuant to a deed of guarantee.

All Notes issued under the Programme will be irrevocably and unconditionally guaranteed by way of an amended and restated deed of guarantee (the **Guarantee**) dated 7 September 2012 by Rentokil Initial 1927 plc (the **Guarantor**).

The Guarantee is an unsecured, unsubordinated obligation of the Guarantor, guaranteeing all monies due under the Notes, and will terminate on 31 December 2025. Notwithstanding the foregoing, if Notes with a maturity later than 31 December 2025 are issued under the Programme before the Guarantee is terminated, the Issuer currently intends that the Guarantee will be amended so as to continue in relation to such Notes only. The relevant Final Terms in respect of any Notes issued with a maturity later than 31 December 2025 will specify whether the Guarantee will continue in relation to such Notes after 31 December 2025.

**Arranger:** HSBC Bank plc

**Dealers:** Barclays Bank PLC  
BNP Paribas  
Citigroup Global Markets Limited  
Deutsche Bank AG, London Branch  
HSBC Bank plc  
J.P. Morgan Securities plc  
Lloyds TSB Bank plc  
Merrill Lynch International



Mizuho International plc

The Royal Bank of Scotland plc

and any other Dealers appointed from time to time by the Issuer generally in respect of the Programme or in relation to a particular Tranche of Notes.

**Risk Factors:**

There are certain factors that may affect the ability of the Issuer and the Guarantor to fulfil their obligations in respect of Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under “*Risk Factors*” and include certain risks relating to the structure of particular Series of Notes and certain market risks.

**Certain Restrictions:**

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*”) including the following restrictions applicable at the date of this Prospectus.

**Notes having a maturity of less than one year**

Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in Section 19 of the FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “*Subscription and Sale*”.

**Trustee:**

HSBC Corporate Trustee Company (UK) Limited

**Issuing and Principal Paying Agent:**

HSBC Bank plc

**Initial Programme Size:**

Up to €2,500,000,000 (or its equivalent in other currencies) aggregate principal amount outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement (as defined in “*Subscription and Sale*”).

**Distribution:**

Notes may be distributed by way of private or public placement and (in each case) on a syndicated or non-syndicated basis.

**Currencies:**

Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer and the relevant Dealer.

**Maturities:** Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.

**Issue Price:** Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.

**Form of Notes:** The Notes will be issued in bearer form as described in "*Form of the Notes*".

**Fixed Rate Notes:** Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.

**Floating Rate Notes:** Floating Rate Notes will bear interest at a rate determined (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or (ii) on the basis of a variable rate for LIBOR or EURIBOR as indicated in the applicable Final Terms.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.

**Step Up/Step Down Rating Change:** In the case of Fixed Rate Notes or Floating Rate Notes, and if so specified in the applicable Final Terms, the Rate of Interest payable on the Notes will be subject to adjustment from time to time following a Step Up Rating Change or Step Down Rating Change (as the case may be).

**Zero Coupon Notes:** Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Redemption:** The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an

Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see "*Certain Restrictions – Notes having a maturity of less than one year*" above.

**Put Event:** Upon the occurrence of a Put Event (as defined in Condition 6(f)) in respect of the Issuer, and subject to certain other conditions specified in Condition 6(f) being satisfied, the Notes may be redeemed at the option of the relevant Noteholders.

**Denomination of Notes:** Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions – Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency as at the date of issue of the relevant Notes).

**Taxation:** All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by the United Kingdom, subject as provided in Condition 7. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.

**Negative Pledge:** The terms of the Notes will contain a negative pledge provision as further described in Condition 3.

**Cross Default:** The terms of the Notes will contain a cross default provision as further described in Condition 9(a).

**Status of the Notes:** The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and will rank *pari passu* among themselves and (subject as aforesaid and save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

**Listing:** Application has been made for Notes issued under the Programme to be admitted to the Official List and to

trading on the London Stock Exchange's regulated market.

- Governing Law:** The Notes (and all non-contractual obligations arising out of or in connection with the Notes) will be governed by, and construed in accordance with, English law.
- Selling Restrictions:** There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including the United Kingdom) and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see "*Subscription and Sale*").
- United States Selling Restrictions:** Regulation S, Category 2, TEFRA C or TEFRA D, as specified in the applicable Final Terms.

## **RISK FACTORS**

*The Issuer and the Guarantor believe that the following factors may affect their ability to fulfil their obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer and the Guarantor believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer and the Guarantor believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer and/or the Guarantor may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer and/or the Guarantor based on information currently available to them or which they may not currently be able to anticipate, and the Issuer and the Guarantor do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.*

### **Risks relating to the Issuer and the Guarantor**

#### ***Business conditions and the general economy***

Adverse macro-economic conditions and deterioration in the global economic environment, such as further economic slowdown in the markets in which the Group operates, may lead to a reduction in the level of demand from the Group's customers for existing and new services. In difficult economic conditions, customers may seek to reduce expenditure by reducing their use of the Group's services. Furthermore, adverse economic conditions may lead to an increased number of the Group's customers being unable to pay for existing or additional services leading to an increase in bad debts. Any of these events could have a material adverse effect on the Group's financial performance, results of operations and prospects.

#### ***Operational risks***

##### *Failure to retain existing customers and attract new customers*

The Group's ability to grow and increase turnover (which has been stable for a number of years) is dependent on its ability to retain existing customers and attract new customers. There can be no assurance that the Group's strategy of using new technology and improved sales techniques to attract profitable new clients, up-selling and cross-selling to existing clients and focussing on retaining profitable business when renewing existing consumer contracts will be successful. Moreover, failure to improve customer service, client management and sales capability and/or failure to win and retain profitable customers in the face of competition from competitors with lower costs or prepared to accept lower margins may have a material adverse effect on the Group's business, financial condition, results of operations and prospects and its ability to grow.

##### *Failure to implement business strategy*

There can be no assurance that the Group will be able to implement successfully the business strategy set out in this Prospectus (see "*Rentokil Initial plc — Strategy*"). No representation is or can be made as to the future performance of the Group and there can be no assurance that the Group will achieve its objectives. The Group's ability to implement its business strategy may be adversely affected by factors that the Issuer and the Guarantor cannot currently foresee, such as unanticipated costs and expenses, technological change, severe economic downturn, the level of interest rates, foreign exchange risks or failure to integrate acquisitions (some of which are

discussed in more detail in this section). All of these factors may necessitate changes to the business strategy described in this Prospectus or adversely affect the Group's business, its results of operations and financial condition.

#### *Failure to integrate acquisitions and liability for disposals*

There are uncertainties in successfully integrating acquisitions. Integrating acquired businesses and properties involves a number of special risks. These risks include the possibility that management may be distracted from regular business concerns by the need to integrate operations and that unforeseen difficulties can arise in integrating operations and systems and retaining and assimilating the employees. In addition, even where a diligent review of the businesses and/or properties acquired in connection with such acquisitions is performed in accordance with industry practices, such reviews may be incomplete and not necessarily reveal all existing or potential problems or permit a full assessment of the deficiencies associated with the businesses or properties (as the case may be). Any of these or similar risks could lead to potential adverse short-term or long-term effects on the Group's results of operations.

In addition, the Group has sold a number of its businesses in the past, including most recently the City Link parcels business, and may continue to do so in the future. There can be no assurance that the Group will retain all of its remaining business streams or, in the event of a sale of any of them, that any proceeds received will be re-invested or will be used to pay down existing debt. Furthermore, under business sale contracts, the Issuer and/or members of the Group may provide warranties and indemnities to purchasers. Accordingly, the Issuer makes provision in its consolidated financial statements for potential liabilities and costs relating to a disposed business. It may also make provision in its financial statements for amounts to cover legal or regulatory claims which are known to be outstanding at the time of sale or which may subsequently become apparent. Therefore, there can be no assurance that such provisions will be sufficient to cover potential liabilities and consequently disposals of Group businesses may have a material adverse effect on the Group's prospects, results of operations and financial condition.

#### *Holding company structure; dependence on subsidiaries*

The Issuer's and the Guarantor's results of operations and financial condition are dependent on the trading performance of members of the Group and upon the level of distributions, interest payments and loan repayments (if any) received from the Group's operating subsidiaries and associated undertakings, any amounts received on asset disposals and the level of cash balances. Certain of the Group's operating subsidiaries and associated undertakings are and may, from time to time, be subject to restrictions on their ability to make distributions and loans including as a result of foreign exchange and other regulatory restrictions and agreements with the other shareholders of such subsidiaries or associated undertakings and, from time to time, restrictive covenants in loan agreements, which may negatively impact the liquidity position of the Group.

#### *Business continuity and crisis management*

Contingency plans are required to continue or recover operations following a disruption or incident (such as fire or flooding). Inability to restore or replace critical capacity to an agreed level within an agreed timeframe would prolong the impact of and disruption and could severely affect the Group's business and operations.

If the Group does not respond or is perceived not to respond in an appropriate manner to either an external or internal crisis, the Group's business and operations could be severely disrupted which could severely affect the Group's business and operations. For example, the Group's pest control business in Libya was suspended during 2011 as a result of political unrest in the country, resulting in an exceptional provision being recorded in the Group's income statement of £4.8 million, representing the Group's full financial exposure in respect of this matter.

### *Failure to retain suitably skilled and qualified staff*

Due to the nature of its labour intensive operations, the Group's ability to improve its customer service and execute its business strategy depends on its ability to attract and retain suitably skilled and qualified staff. There can be no assurance that the Group will be able to recruit and retain such staff in sufficient numbers or of sufficient quality, or that pressure to recruit will not lead to a significant increase in the Group's employee costs. Any of these factors may have a material adverse effect on the Group's business, financial condition, results of operations and prospects and its ability to grow.

### *Competition*

The Group competes with a wide variety of competitors of varying sizes and faces increased competition in many of the markets in which it operates. Failure to compete with competitors on areas including price and product and service innovation could have a material adverse effect on the Group's results of operations and prospects.

### *Information Technology systems and infrastructure*

The Group's business is dependent on efficient information technology (IT) systems. Any significant failure in the IT processes of its operations would impact its ability to trade. Failure to invest in and deploy appropriate IT systems and infrastructure to support the business and protect confidential information may lead to inefficient business operations, including poor supply chain management, and have a negative impact on customer service, resulting in a loss of customers which could have a material adverse effect on the Group's financial condition, results of operations and prospects.

### *Fraud, financial crime and material accounting misstatement*

Although the Group maintains a strong focus on regular financial controls testing to mitigate the risk of fraud, financial crime or material accounting misstatement, including self-assessment exercises each year with independent testing by the external auditors, there can be no assurance that these controls are adequate or operate effectively. In the event that these controls are not adequate or operating effectively to prevent fraud, financial crime or a material accounting misstatement, this may result in incorrect financial information being released, financial loss and/or penalties for the Group. Notwithstanding anything contained in this risk factor, this risk factor should not be taken as implying that either the Issuer or the Guarantor will be unable to comply with its obligations as a company with securities admitted to the Official List.

### *Health and safety or environmental breaches*

A violation of health and safety or environmental laws or regulations relating to the Group's operations or a failure to comply with the instructions of relevant health and safety authorities or environmental agencies could lead to, among other things, negative publicity and reputational damage, fines, costly compliance procedures, litigation and, *in extremis*, a temporary shutdown of all or part of a business. Such violations could, therefore, have an adverse effect on the Group's financial condition, results of operations and prospects.

### *Industrial action*

The Group carries out activities which are labour intensive and many of its employees are members of local trade unions and similar organisations. Whilst the Issuer believes that all of its operations have (in general) good relations with their employees and (where applicable) the trade unions that represent those employees, there can be no assurance that work stoppages or other labour-related developments (including the introduction of new labour regulations in countries where the Group operates) will not adversely affect the Group's financial condition.

### *Taxation risk*

Taxation risk is the risk that the Group suffers losses arising from additional tax charges, financial penalties or reputational damage associated with the failure to comply with procedures required by tax authorities, changes in tax law and the interpretation of tax law. Non-compliance with relevant tax legislation and/or reporting requirements may result in material unprovided tax charges relating to prior years which could have a material adverse effect on the Group's financial condition.

### *Legal risk*

The Group is subject to a comprehensive range of legal obligations in the countries in which it operates. Failure to comply with applicable law or regulation may give rise to litigation or other financial penalties which may have a material adverse effect on the Group's financial condition.

### **Other risks**

#### *Refinancing and liquidity risk*

Refinancing risk is the risk that the Group cannot refinance its debt on an ongoing basis and/or maturity whereas liquidity risk is the risk that the Group is unable to meet its obligations as they fall due as a result of a downturn in operational performance and/or an increase in net cash outflows.

The Group has raised funds to satisfy upcoming debt maturities, the earliest being a £50 million bond due September 2013 followed by a £500 million bond due March 2014. (Full details of the Group's maturity profile are set out in the 2012 Results). However, during periods of market dislocation, the Group's ability to refinance maturing debt and manage liquidity requirements may be impacted by a reduction in the availability of wholesale term funding for market participants, as well as an increase in the cost of raising wholesale funds. If the Group is unable to access its funding requirements in a timely manner, or if new funding is only available at an increased cost, this may have a material adverse effect on the Group's profitability and operations.

#### *Covenants in loan documentation*

The Group has entered into a revolving credit facility (**RCF**), which contains covenants that set certain financial limits and/or ratios which must be complied with, restrict certain activities and require the Issuer to obtain lenders' consent before undertaking certain actions. In particular, the RCF contains two financial covenants requiring earnings before interest, tax, depreciation and amortisation (**EBITDA**) to be no less than four times (4x) interest payable (as defined in the RCF) (the **Interest Cover Ratio**) and net debt (as defined in the RCF) to be no more than three-and-a-half times (3.5x) EBITDA (the **Net Debt Ratio**). These financial covenants are tested on 30 June and 31 December in each year and, as at 31 December 2012, the Group was comfortably compliant with the Interest Cover Ratio and the Net Debt Ratio.

Although the Issuer is in compliance with the Interest Cover Ratio and the Net Debt Ratio, there can be no assurance that it will continue to be in compliance in the future. In the event that management actions (such as reducing discretionary spending, acquisitions and capital expenditure, conserving cash through reduction of dividends and disposing of non-performing assets) are not sufficient to prevent a breach of the Interest Cover Ratio or the Net Debt Ratio, as the case may be, the RCF could be withdrawn and additional debt or equity would be required if drawings exceeded available cash. There can be no assurance that the Group would be able to obtain any such additional debt or equity financing which could lead to a potential liquidity crisis for the Group and have a material adverse effect on the Group's business, financial condition, results of operations and prospects.



### *Lender credit risk*

Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions and there is no significant concentration of asset exposure to any single counterparty. However, if one of the syndicate of lenders providing the Group's banking facilities failed, there is no obligation for the remaining lenders to increase their lending commitment, thereby reducing available headroom and reducing liquidity available to the Group. The failure of a single lender under the Group's bank facilities would eliminate between £35 million and £115 million of headroom which may require either cash generation or new debt or equity financing to ensure the Group had adequate cash resources to fulfil its commitments. In the event of the failure of multiple lenders under the RCF, there can be no assurance that such financing would be available which would have a material adverse effect on the Group's ability to repay interest and debt maturities.

### *Exchange rate fluctuations*

The Group conducts its operations primarily in the UK, Europe, North America and the Far East. The Group's turnover is billed in many different currencies but the primary currencies are pounds sterling and euros. The Group does not hedge transactional or translational exposure and instead funds business operations centrally with borrowings that are substantially denominated (50 per cent. or greater) in the same actual or effective currencies as are in proportion to the Group's forecasted cash flows generated by each business operation.

As at 31 December 2012, the Group's principal foreign currency exposure was to euro, and a 10 per cent. shift in the pounds sterling-euro exchange rate would result in a £18.2 million (2011: £17.2 million) increase/decrease in operating profit, offset by a £2.9 million (2011: £1.9 million) decrease/increase in interest payable and a £14.8 million (2011: £7.4 million) increase/decrease in equity reserves.

As a result, reported results may be materially affected by movements in foreign currency exchange rates.

### *Interest rate risk*

The Group's manages interest rate exposures on a 12-month rolling basis (measured quarterly), with a minimum of 50 per cent. of the Group's estimated future interest rate exposures fixed (or capped) for a minimum period of 12-months forward. All of the Group's bond debt is at fixed rates. However, there can be no assurance that the Group's activities, operating results and financial position will not be adversely affected by changes in the level of interest rates as net debt is refinanced on an ongoing basis.

### *Pension scheme risk*

As at 31 December 2012, the Group (on an International Accounting Standard 19 basis) had a net post-retirement asset pool of £72.6 million. A significant future funding requirement (for example, caused by changes in the pension scheme's equity assets, adverse movements in interest rates, changes in actuarial assumptions, default on the pension scheme's debt investments or inflation or following a request by the pension scheme trustees or regulator to fund the pension scheme in excess of the agreed schedule of contributions) might conflict with cash available from operational activities, operational or strategic funding requirements or might require funding from external sources. Such a funding requirement could have a material adverse effect on the Group's results of operations and financial position.

## **Risks related to the structure of a particular issue of Notes**

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

### ***Notes subject to optional redemption by the Issuer***

An optional redemption feature is likely to limit the market value of any Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

### ***Fixed to Floating Rate Notes***

The Issuer may issue Notes that bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the relevant Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

### ***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

## **Risks related to Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally:

### ***Modification and waivers***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes; or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such, in the circumstances described in Condition 14.

### ***Notes where denominations involve integral multiples: definitive Notes***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### ***Temporary Global Note or Permanent Global Note will be held by or on behalf of Euroclear and Clearstream, Luxembourg***

The Notes will be represented by a Temporary Global Note or a Permanent Global Note which will be held by or on behalf of Euroclear and Clearstream, Luxembourg. Consequently, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

Each Temporary Global Note and Permanent Global Note will be deposited with Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the Temporary Global Note or the Permanent Global Note (as the case may be) and the relevant Final Terms, investors will not be able to receive Definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the interests in each Temporary Global Note and Permanent Global Note. While Notes are represented by a Temporary Global Note or a Permanent Global Note, investors will be able to trade their interests only through Euroclear or Clearstream, Luxembourg.

While Notes are represented by a Temporary Global Note or a Permanent Global Note, the Issuer will discharge its payment obligations under the Notes by making payments to the Common depositary for Euroclear and Clearstream, Luxembourg for distribution to their accountholders. A holder of an interest in a Temporary Global Note or a Permanent Global Note (as the case may be) must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating, or payments made in respect of, interests in a Temporary Global Note or a Permanent Global Note.

Holders of interests in a Temporary Global Note or a Permanent Global Note will not have a direct right to vote in respect of the relevant Series of Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream, Luxembourg.

### ***EU Savings Directive***

Under EC Council Directive 2003/48/EC (the **EU Savings Directive**) on the taxation of savings income in the form of interest payments, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to or for an individual resident in that other Member State or to certain other persons in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). The rate of withholding tax in those jurisdictions is 35 per cent. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

If a payment is made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax is withheld from that payment, neither the Issuer

nor any Paying Agent nor any other person will be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the EU Savings Directive or any law implementing or complying with, or introduced in order to conform to, the EU Savings Directive.

The European Commission has proposed certain amendments to the EU Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the EU Savings Directive.

### ***The Foreign Account Tax Compliance Act***

Sections 1471 through 1474 of the U.S. Internal Revenue Code (**FATCA**) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a **foreign financial institution**, or **FFI** (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service (**IRS**) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a **United States Account** of the Issuer (a **Recalcitrant Holder**).

The new withholding regime will be phased in beginning 1 January 2014 for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "grandfathering date", which is the later of (a) 1 January 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an **IGA**). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being **FATCA Withholding**) from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the United Kingdom have entered into an agreement (the **US-UK IGA**) based largely on the Model 1 IGA.

The Issuer does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer would not in the future be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial

institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If an amount in respect of FATCA Withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

Whilst the Notes are in global form and held within the clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, the Guarantor, any paying agent and the Common Depositary, given that each of the entities in the payment chain between the Issuer and the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive notes will only be printed in remote circumstances.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the common depositary for the clearing systems (as bearer of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the clearing systems and custodians or intermediaries.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

***Changes in law may adversely affect returns to holders of the Notes***

The Conditions are based on English law and administrative practice in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus. Any change in

the Issuer's tax status (or that of other members of the Group) or taxation legislation or practice could affect the Issuer's ability to provide returns to the Noteholders or alter post tax returns to the Noteholders. Commentaries in this Prospectus concerning the taxation of investors in the Notes are based on current United Kingdom tax law and practice which is subject to change, possibly with retrospective effect. The taxation of an investment in the Issuer depends on the individual circumstances of investors.

### **Risks related to the market generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### ***The secondary market generally***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Prospectus), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary re-sales even if there is no decline in the performance of the assets of the Issuer. The Issuer cannot predict which of these circumstances will change and whether (if and when they do change) there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

#### ***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes; (2) the Investor's Currency-equivalent value of the principal payable on the Notes; and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***Interest rate risks***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

### ***Inflation risk***

The value of future payments of interest and principal may be reduced as a result of inflation as the real rate of interest on an investment in the Notes will be reduced at rising inflation rates and may be negative if the inflation rate rises above the nominal rate of interest on the Notes.

### ***Investors will not be able to calculate in advance their rate of return on Floating Rate Notes***

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of any Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

### ***Zero Coupon Notes are subject to higher price fluctuations than non-discounted bonds.***

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of Notes bearing fixed or floating rate interest because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

### ***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant competent authority, stock exchange and/or quotation system (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The provisions of Part A of the applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to the "Form of Final Terms" for a description of the content of Final Terms which will specify which of such terms and conditions are to apply to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by Rentokil Initial plc (the **Issuer**) constituted by a Trust Deed dated 9 December 2005, as most recently supplemented on 21 June 2013 (as further amended, restated, modified and/or supplemented from time to time, the **Trust Deed**) made between the Issuer and HSBC Corporate Trustee Company (UK) Limited (the **Trustee**, which expression shall include any successor as Trustee).

References herein to the **Notes** shall be references to the Notes of this Series only and not to all Notes that may be issued under the Programme and shall mean:

- (i) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note; and
- (iii) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an Agency Agreement dated 9 December 2005, as most recently amended and restated on 21 June 2013 (as further amended, restated, modified and/or supplemented from time to time, the **Agency Agreement**) and made between the Issuer, HSBC Bank plc as issuing and principal paying agent and agent bank (the **Agent**, which expression shall include any successor agent), the Trustee and the other paying agents named therein (together with the Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents).

Interest-bearing definitive Notes have interest coupons (the **Coupons**) and, in the case of Notes which (when issued in definitive form) have more than 27 interest payments remaining, talons for further Coupons (the **Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note. References to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders for the time being of the Notes (the **Noteholders**, which expression shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single



series; and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection free of charge during normal business hours at the office for the time being of the Agent. Copies of the applicable Final Terms are available for viewing on the website of the London Stock Exchange and are available for viewing at, and copies may be obtained from, the registered office of the Issuer at 2 City Place, Beehive Ring Road, Gatwick RH6 OHA, United Kingdom. However, if this Note is neither admitted to trading on a regulated market in any Member State of the European Union, Iceland, Norway or Liechtenstein (together, the **European Economic Area**) nor offered in the European Economic Area in circumstances where a prospectus is required to be published under Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EC) (the **Prospectus Directive**), the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Notes and identity.

In the case of a Tranche of Notes that is not offered to the public nor admitted to trading on a regulated market in the European Economic Area in circumstances requiring publication of a prospectus in accordance with the Prospectus Directive and any relevant implementing measure, copies of the Final Terms will only be available for inspection by a holder of or, as the case may be, a relevant accountholder in respect of, such Notes.

The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions (the **Conditions**) include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of any inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro.

## 1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denomination(s) (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the Paying Agents and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft

thereof) for all purposes and shall incur no liability for so doing but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. (**Euroclear**) and/or Clearstream Banking, société anonyme (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Paying Agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, any Paying Agent and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly. In determining whether a particular person is the holder of a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Agent and the Trustee.

## 2. STATUS OF THE NOTES

The Notes (and the Coupons relating thereto) constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and shall at all times rank *pari passu* among themselves and (subject as aforesaid and save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

## 3. NEGATIVE PLEDGE

For so long as any of the Notes remain outstanding, the Issuer will not, and will procure that no Subsidiary (which expression shall, in these Conditions (unless the context otherwise expressly provides), mean a subsidiary as defined in Section 1159 of the Companies Act 2006) of the Issuer will, create or permit to subsist any mortgage, lien, pledge or other charge (each a **Security Interest**) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any existing or future Relevant Indebtedness of any person or any guarantee or indemnity given in respect thereof, unless the Issuer shall, simultaneously with, or prior to, the creation of such Security Interest take any and all action necessary to procure that all amounts payable by the Issuer under the Notes and the Trust Deed are secured equally and rateably by such Security Interest to the satisfaction of the Trustee or such other security or other arrangement is provided as the Trustee shall in its absolute discretion deem not materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

Notwithstanding the foregoing, the Issuer or any Subsidiary may create or have outstanding a Security Interest in respect of any Relevant Indebtedness and/or any guarantee or indemnity given in respect thereof as aforesaid (without the obligation to provide a Security Interest or such other security or other arrangement in respect of the Notes and the Trust Deed as aforesaid)

where such Security Interest is provided by or in respect of a company becoming a Subsidiary of the Issuer after the Issue Date of the first Tranche of Notes and where such Security Interest exists at the time that company becomes a Subsidiary of the Issuer (provided that such Security Interest was not created in contemplation of that company becoming a Subsidiary of the Issuer and the principal amount secured at the time of that company becoming a Subsidiary of the Issuer is not subsequently increased).

For the purposes of this Condition 3, **Relevant Indebtedness** means any of the Notes and, otherwise, any loan or other indebtedness which is in the form of, or represented by, any bonds, notes, depositary receipts or other securities having an original maturity of more than one year from its date of issue and for the time being, by agreement with the issuer thereof, quoted, listed (or capable of being quoted or listed) or dealt in on any stock exchange and/or quotation system or by any listing authority or other recognised securities market provided that such definition shall exclude any such indebtedness in existence before 14 November 2001 which has the benefit of a Security Interest created by the Issuer or any Subsidiary and which is no greater than £10,000,000 when aggregated with all other then existing such indebtedness.

#### 4. **INTEREST**

##### (a) **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

In these Conditions:

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

**Determination Period** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) **Interest on Floating Rate Notes**

(i) ***Interest Payment Dates***

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified

Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur; or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B), the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (II) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred;
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day;
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means a day which is both:

- (I) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre specified in the applicable Final Terms; and
- (II) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open.

(ii) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this Condition 4(b)(ii)(A), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is, if the applicable Floating Rate Option is based on the London inter-bank offered rate (**LIBOR**) or on the Euro-zone inter-bank offered rate (**EURIBOR**), the first day of that Interest Period.

For the purposes of this Condition 4(b)(ii)(A), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR or EURIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen

Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 4(b)(ii)(B)(i), no offered quotation appears or, in the case of Condition 4(b)(ii)(B)(ii), fewer than three offered quotations appear, in each case as at the Specified Time, the Agent shall request each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

**Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Agent;

**Specified Time** means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR).

(iii) ***Minimum Rate of Interest and/or Maximum Rate of Interest***

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 4(b)(ii) is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 4(b)(ii) is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) ***Determination of Rate of Interest and calculation of Interest Amounts***

The Agent, in the case of Floating Rate Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

- (I) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in



a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (II) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (III) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (IV) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (V) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (VI) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

- “Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;
- “M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;
- “M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;
- “D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and
- “D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and
- (VII) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;
- “Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;
- “M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;
- “M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;
- “D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and
- “D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

(v) **Notification of Rate of Interest and Interest Amounts**

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and each competent authority, stock exchange and/or quotation system (if any) on which the relevant Floating Rate Notes are for the time being listed, traded and/or quoted and (in accordance with Condition 13) the Noteholders

as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each competent authority, stock exchange and/or quotation system (if any) on which the relevant Floating Rate Notes are for the time being listed, traded and/or quoted and (in accordance with Condition 13) to the Noteholders. For the purposes of this Condition 4(b)(iv), the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

(vi) ***Determination or Calculation by the Trustee***

If for any reason at any relevant time the Agent defaults in its obligations to determine the Rate of Interest or the Agent defaults in its obligation to calculate any Interest Amount in accordance with Condition 4(b)(ii)(A) or (B) (as the case may be) and in each case in accordance with Condition 4(b)(iv), the Trustee or a person appointed by the Trustee for the purpose in consultation with the Issuer (but without any liability accruing to the Trustee) shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4(b), but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee or a person appointed by the Trustee for the purpose in consultation with the Issuer (but without any liability accruing to the Trustee) shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent.

(vii) ***Certificates to be final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) and, whether by the Agent or, if applicable, the Trustee, shall (in the absence of wilful default, bad faith, manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) **Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

(d) **Adjustment of Rate of Interest for Fixed Rate Notes and Floating Rate Notes**

If a Step Up Rating Change and/or Step Down Rating Change is specified in the applicable Final Terms, the following terms relating to the Rate of Interest for the Notes shall apply:

- (i) The Rate of Interest payable on the Notes will be subject to adjustment from time to time in the event of a Step Up Rating Change or a Step Down Rating Change, as the case may be.
- (ii) Subject to Conditions 4(d)(iv) and 4(d)(vii) below, from and including the first Interest Payment Date following the date of a Step Up Rating Change, if any, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes shall be increased by the Step Up Margin specified in the applicable Final Terms.
- (iii) Subject to Conditions 4(d)(iv) and 4(d)(vii), in the event of a Step Down Rating Change following a Step Up Rating Change, with effect from and including the first Interest Payment Date following the date of such Step Down Rating Change, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes shall be decreased by the Step Up Margin back to the initial Rate of Interest (in the case of Fixed Rate Notes) or the initial Margin (in the case of Floating Rate Notes).
- (iv) If a Step Up Rating Change and, subsequently, a Step Down Rating Change occur during the same Fixed Interest Period (in the case of Fixed Rate Notes) or the same Interest Period (in the case of Floating Rate Notes), the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) on the Notes shall be neither increased nor decreased as a result of either such event.
- (v) The Issuer shall use all reasonable efforts to maintain credit ratings for its senior unsecured long-term debt from S&P. If, notwithstanding such reasonable efforts, S&P fails to or ceases to assign a credit rating to the Issuer's senior unsecured long-term debt, the Issuer shall use all reasonable efforts to obtain a credit rating of its senior unsecured long-term debt from a substitute rating agency that shall be a Statistical Rating Agency, and references in this Condition 4(d) to S&P or the credit ratings thereof shall be to such substitute rating agency or, as the case may be, the equivalent credit ratings thereof.
- (vi) The Issuer will cause the occurrence of a Step Up Rating Change or a Step Down Rating Change giving rise to an adjustment to the Rate of Interest payable on the Notes pursuant to this Condition 4(d) to be notified to the Trustee and the Agent and notice thereof to be published in accordance with Condition 13 as soon as reasonably practicable after the occurrence of such Step Up Rating Change or Step Down Rating Change, but in no event later than the fifth London Business Day thereafter.
- (vii) A Step Up Rating Change (if any) and a Step Down Rating Change (if any), may only occur once each during the term of the Notes and shall (subject to Condition 4(d)(iv)) give rise to an adjustment to the Rate of Interest payable on the Notes.
- (viii) If the rating designations employed by S&P are changed from those which are described in this Condition 4(d), or if a rating is procured from a Statistical Rating Agency and the rating designations employed by such Statistical Rating Agency are changed, the Issuer shall determine, with the agreement of the Trustee (not to be unreasonably withheld or delayed) the rating designations of S&P or such Statistical Rating Agency as are most equivalent to the prior rating designations of S&P or such Statistical Rating Agency, as the case may be.
- (ix) The Trustee is under no obligation to ascertain whether a change in the rating assigned to the Notes by S&P or any Additional Rating Agency has occurred or whether there has been a failure or a ceasing by S&P or any Additional Rating

Agency to assign a credit rating to the Issuer's senior unsecured long-term debt and (until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary) the Trustee may assume that no such change to the credit rating assigned to the Notes has occurred or no such failure or ceasing by S&P or any Additional Rating Agency has occurred.

In these Conditions:

**Additional Rating Agency** means a Statistical Rating Agency that at any time provides a solicited rating to the Issuer's senior unsecured long-term debt obligations;

**S&P** means Standard and Poor's Credit Market Services Europe Limited, or its successor, established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended);

**Statistical Rating Agency** means Fitch Ratings Ltd. (**Fitch**) or Moody's Investors Service Ltd. (**Moody's**) or their respective successors or such other rating agency the Trustee may approve, such approval not to be unreasonably withheld or delayed;

**Step Down Rating Change** means the first public announcement after a Step Up Rating Change by S&P or an Additional Rating Agency of an increase in the credit rating of the Issuer's senior unsecured long-term debt with the result that (following such public announcement(s)) the Issuer's senior unsecured debt is rated BBB- or higher by S&P or a rating equivalent to BBB- or higher by an Additional Rating Agency. For the avoidance of doubt, any further increases in the credit rating of the Issuer's senior unsecured long-term debt above BBB- (in the case of S&P) or above a rating equivalent to BBB- (in the case of an Additional Rating Agency) shall not constitute a Step Down Rating Change; and

**Step Up Rating Change** means the first public announcement by S&P or an Additional Rating Agency of a decrease in the credit rating of the Issuer's senior unsecured long-term debt to below BBB- (in the case of S&P) or below a rating equivalent to BBB- (in the case of an Additional Rating Agency). For the avoidance of doubt, any further decrease in the credit rating of the Issuer's senior unsecured long-term debt from below BBB- (in the case of S&P) or below a rating equivalent to BBB- (in the case of an Additional Rating Agency) shall not constitute a Step Up Rating Change.

## 5. PAYMENTS

### (a) Method of payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, and

official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto.

(b) **Presentation of definitive Notes and Coupons**

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5(a) only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

(c) **Payments in respect of Global Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of the Agent. A record of each payment made against presentation or surrender of any Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Agent and such record shall be *prima facie* evidence that the payment in question has been made.

(d) **General provisions applicable to payments**

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition 5, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(e) **Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) (in the case of Notes held in definitive form only) the relevant place of presentation;
  - (B) each Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

**(f) Interpretation of principal and interest**

Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

**6. REDEMPTION AND PURCHASE**

**(a) Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

**(b) Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Trustee, the Agent and (in accordance with Condition 13) the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee as soon as practicable before the giving of such notice that:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the United Kingdom, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,



provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in Condition 6(e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) **Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Trustee, the Agent and (in accordance with Condition 13) the Noteholders (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Upon expiry of such notice the Issuer shall be bound to redeem the Notes accordingly.

Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot (in the case of Redeemed Notes represented by definitive Notes) and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (in the case of Redeemed Notes represented by a Global Note) not more than 30 days prior to the date fixed for redemption. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption.

(d) **Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer (in accordance with Condition 13) not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of this Note the holder of this Note under this Condition 6(d) must deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition 6(d)

accompanied by, if this Note is in definitive form, this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If the Notes are represented by a Global Note or are in definitive form and held through Euroclear and/ or Clearstream, Luxembourg, to exercise the right to require redemption of the Notes held by it the Noteholder must give notice of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time. Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 6(d) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 9 in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6(d).

(e) **Early Redemption Amounts**

For the purpose of Condition 6(b) above, Condition 6(f) below and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

“RP” means the Reference Price;

“AY” means the Accrual Yield expressed as a decimal; and

“y” is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360); (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360); or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case

may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(f) **Event Risk**

(A) A **Put Event** will be deemed to occur if:

- (i) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006 as amended) in (a) more than 50 per cent. of the issued or allotted ordinary share capital of the Issuer or (b) shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer (each, a **Change of Control**); and
- (ii) at the time of the occurrence of a Change of Control, the Notes carry from any Rating Agency an investment grade credit rating (*Baa3/BBB-, or equivalent, or better*), and such rating from any Rating Agency is within a period ending 120 days after announcement of the Change of Control having occurred (or such longer period as the Notes are under consideration, announced publicly within such 120 day period, for rating review) either downgraded to a non-investment grade credit rating (*Ba1/BB+, or equivalent, or worse*) or withdrawn; and
- (iii) in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Trustee that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control.

Further, (a) if at the time of the occurrence of the Change of Control the Notes carry a non-investment grade credit rating from each Rating Agency, then assigning a credit rating to the Notes or no credit rating from any Rating Agency, a Put Event will be deemed to occur upon the occurrence of a Change of Control alone; and (b) if at the time of the occurrence of the Change of Control the Notes carry a rating from more than one Rating Agency, at least one of which is investment grade, then Condition 6(f)(ii) will apply.

- (B) If a Put Event occurs, each Noteholder shall have the option to require the Issuer to redeem or repay that Note on the Put Date (as defined below) at its Early Redemption Amount together with interest accrued to but excluding the date of redemption or purchase. Such option shall operate as set out below.
- (C) Promptly upon the Issuer becoming aware that a Put Event has occurred the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), give notice (a **Put Event Notice**) to the Noteholders in accordance with Condition 13 specifying the nature of the Put Event and the procedure for exercising the option contained in this Condition 6(f).
- (D) To exercise the option to require the redemption or repayment of a Note under this Condition 6(f) the holder of the Note must, if the Notes are in definitive form and

held outside Euroclear and Clearstream, Luxembourg, deliver such Note, on any Payment Day (as defined in Condition 5(e)) falling within the period (the **Put Period**) of 45 days after a Put Event Notice is given, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a **Change of Control Put Notice**). The Note should be delivered together with all Coupons appertaining thereto maturing after the date which is seven days after the expiration of the Put Period (the **Put Date**), failing which (unless these Conditions provide that the relevant Coupons are to become void upon the due date for redemption of such Notes) the Paying Agent will require payment of an amount equal to the face value of any missing such Coupon. Any amount so paid will be reimbursed in the manner provided in Condition 5 against presentation and surrender of the relevant missing Coupon (or any replacement therefore issued pursuant to Condition 10) at any time after such payment, but before the expiry of the period of 10 years from the Relevant Date (as defined in Condition 7) in respect of that Coupon. The Paying Agent to which such Note and Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. If the Notes are represented by a Global Note or are in definitive form and held through Euroclear and/ or Clearstream, Luxembourg, to exercise the right to require redemption of the Notes held by it the Noteholder must, within the Put Period, give notice of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, at the same time, present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Put Date by transfer to that bank account and, in every other case, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. Payment in respect of any Notes represented by a Global Note or in definitive form and held through Euroclear and/ or Clearstream, Luxembourg in respect of which the relevant Noteholder has exercised the option given under this Condition 6(f) will be made on the Put Date. A Change of Control Put Notice, once given, shall be irrevocable. The Issuer shall redeem or repay the relevant Notes on the Put Date unless previously redeemed and cancelled.

If 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed pursuant to this Condition 6(f), the Issuer may, on not less than 30 or more than 60 days' notice to the Noteholders given within 30 days after the Put Date, redeem, at its option, the remaining Notes as a whole at a redemption price of the Early Redemption Amount thereof plus interest accrued to but excluding the date of such redemption.

- (E) If the rating designations employed by any of Fitch, Moody's or S&P are changed from those which are described in Condition 6(f)(A)(ii), or if a rating is procured from an Additional Rating Agency, the Issuer shall determine, with the agreement of the Trustee (not to be unreasonably withheld or delayed), the rating designations of Fitch, Moody's or S&P or such Additional Rating Agency (as appropriate) as are most equivalent to the prior rating designations of Fitch, Moody's or S&P and Condition 6(f)(A)(ii) shall be read accordingly.
- (F) The Trustee is under no obligation to ascertain whether a Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Put Event or Change of Control has occurred and, until it shall have actual

knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Put Event or Change of Control or other such event has occurred.

- (G) In these Conditions, **Rating Agency** means Fitch, Moody's or S&P or their respective successors or any rating agency (a **Substitute Rating Agency**) substituted for any of them by the Issuer from time to time with the prior written approval of the Trustee.

(g) **Purchases**

The Issuer or any Subsidiary of the Issuer may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

(h) **Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6(g) (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(i) **Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6(a), 6(b), 6(c), 6(d) or 6(f) or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6(e)(iii) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Trustee or the Agent (as the case may be) and notice to that effect has been given to the Noteholders (in accordance with Condition 13).

**7. TAXATION**

All payments of principal and interest in respect of the Notes and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the United Kingdom unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment in the United Kingdom; or

- (b) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the United Kingdom other than the mere holding of such Note or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such 30th day assuming that day to have been a Payment Day (as defined in Condition 5(e)); or
- (d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Agent (as the case may be) on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 8. PRESCRIPTION

The Notes and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 8 or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

## 9. EVENTS OF DEFAULT

### (a) Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), (but in the case of the happening of any of the events described in Conditions 9(a)(ii) to 9(a)(viii) inclusive (other than Condition 9(a)(iv) in relation to the Issuer), only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that the Notes are, and they shall thereupon immediately become, due and repayable at their Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events shall occur (**Events of Default**):

- (i) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days (in the case of principal) or 14 days (in the case of interest); or
- (ii) if the Issuer fails to perform or observe any of its other obligations under these Conditions or the Trust Deed and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation and notice as is hereinafter mentioned will be required) the failure continues for the period of

30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

- (iii) (A) if any Indebtedness for Borrowed Money (as defined below) of the Issuer or any of its Principal Subsidiaries becomes due and repayable prematurely by reason of an event of default (however described); or (B) if the Issuer or any of its Principal Subsidiaries fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period; or (C) if any security given by the Issuer or any of its Principal Subsidiaries for any Indebtedness for Borrowed Money becomes enforceable by reason of default; or (D) if default is made by the Issuer or any of its Principal Subsidiaries in making any payment due as extended by any originally applicable grace period under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, provided that no event referred to in this Condition 9(a)(iii) shall constitute an Event of Default (I) unless the relative Indebtedness for Borrowed Money either alone or when aggregated with other Indebtedness for Borrowed Money relative to all (if any) other such events which shall have occurred shall amount to at least £20,000,000 (or its equivalent in any other currency) and (II) where such event has occurred in relation to Indebtedness for Borrowed Money of a Principal Subsidiary at the time such company becomes a Principal Subsidiary through acquisition by the Issuer or a Subsidiary of the Issuer, unless such event continues for a period of seven days after the date of such acquisition, if such default is in respect of interest on any Indebtedness for Borrowed Money and (in any other case) 14 days (or such longer period as the Trustee may permit) after the date of such acquisition; or
- (iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any of its Principal Subsidiaries, save for the purposes of an amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement (A) in the case of a Principal Subsidiary not involving or arising out of the insolvency of such Principal Subsidiary and under which all or substantially all of its assets are transferred to the Issuer or any of its Subsidiaries; or (B) in the case of a Principal Subsidiary under which all or substantially all of its assets are transferred to a third party or parties (whether associated or not) for full consideration received by the Issuer or a Subsidiary on an arm's length basis; or (C) in the case of a Principal Subsidiary under which all or substantially all of its assets are transferred and the transferee is or immediately upon such transfer becomes a Principal Subsidiary; or (D) on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders; or
- (v) if the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on the whole or a substantial part of its business, save (A) in the case of a Principal Subsidiary for the purposes of an amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement, (i) not involving or arising out of the insolvency of such Principal Subsidiary and under which all or substantially all of its assets are transferred to the Issuer or any of its Subsidiaries or (ii) under which all or a substantial part of its assets are transferred to a third party or parties (whether associated or not) for full consideration received by the Issuer or a Subsidiary on an arm's length basis or (iii) under which all or substantially all of its assets are transferred and the transferee is or immediately upon such transfer becomes a Principal Subsidiary or (iv) the terms of which have been previously approved by the Trustee or by an Extraordinary Resolution of the Noteholders; or (B) in the case of a Principal Subsidiary which is a Principal Subsidiary by virtue only of part (B) of the definition of Principal Subsidiary, provided that at the time of such cessation or threatened cessation such Principal

Subsidiary is not in default in respect of any Indebtedness for Borrowed Money or any guarantee and/or indemnity given by such Principal Subsidiary in respect of any Indebtedness for Borrowed Money; or

- (vi) the Issuer or any of its Principal Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (vii) if (A) proceedings are initiated against the Issuer or any of its Principal Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws and, other than in respect of the Issuer or Rentokil Initial 1927 plc, such proceedings are not being contested in good faith, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official and, other than in respect of the Issuer or Rentokil Initial 1927 plc, such application is not being contested in good faith, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any of its Principal Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or substantially the whole of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) are/is not discharged within 45 days; or
- (viii) if the Issuer or any of its Principal Subsidiaries consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors), save in any such case for the purposes of an amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders.

(b) **Enforcement**

- (i) The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (A) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-quarter in aggregate nominal amount of the Notes then outstanding; and (B) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.
- (ii) No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

(c) **Definitions**

For the purposes of this Condition 9:

**Principal Subsidiary** at any time shall mean a Subsidiary of the Issuer *inter alia*:



- (A) whose operating profits (or, if the Subsidiary in question prepares consolidated accounts, whose total consolidated operating profits) attributable to the Issuer represent not less than 10 per cent. of the consolidated operating profits of the Issuer and its Subsidiaries taken as a whole, all as calculated by reference to the then latest audited accounts (unconsolidated or, as the case may be, consolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries; or
- (B) which has Indebtedness for Borrowed Money outstanding (or available under a committed bank facility) in an amount of at least £25,000,000 (or its equivalent in any other currency); or
- (C) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately before the transfer is a Principal Subsidiary,

all as more particularly defined in the Trust Deed; and

**Indebtedness for Borrowed Money** means (a) any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities other than which is indebtedness owed to an entity within the Group; or (b) any borrowed money other than money borrowed by one entity within the Group from another entity within the Group; or (c) any liability under or in respect of any acceptance or acceptance credit.

## 10. **REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 11. **PAYING AGENTS**

The names of the initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled (with the prior written approval of the Trustee) to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) there will at all times be an Agent;
- (b) so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in a particular place, the Issuer shall maintain a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant competent authority, stock exchange and/or quotation system;
- (c) there will at all times be a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (d) there will at all times be a Paying Agent within Europe, other than in the United Kingdom.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(d). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and (in certain limited circumstances specified therein) of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## **12. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## **13. NOTICES**

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London or such other English language daily newspaper with general circulation in Europe as the Trustee may approve. It is expected that such publication will be made in the *Financial Times* in London. For so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system, the Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of the relevant competent authority, stock exchange and/or quotation system. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition 13.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system and the rules and regulations of the relevant competent authority, stock exchange and/or quotation system so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that competent authority, stock exchange and/or quotation system. Any such notice shall be deemed to have been given to the holders of the Notes on the second Business Day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### 14. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer upon the requisition of Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing more than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including (but not limited to) modifying (i) the dates of maturity or redemption of the Notes or any date for payment of interest thereon; (ii) reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes; or (iii) altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Trust Deed provides that a resolution, with or without notice, in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution duly passed at a meeting of the Noteholders. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Trust Deed contains provisions for convening a single meeting of holders of Notes of more than one Series in certain circumstances where the Trustee so decides.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which is in the opinion of the Trustee, proven.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 7 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

The Trustee may, without the consent of the Noteholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition 14) as the principal debtor under the Notes, Coupons and the Trust Deed of another company, being a Subsidiary of the Issuer or a parent undertaking of the Issuer, subject to (a) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Trust Deed being complied with.

#### **15. INDEMNIFICATION OF THE TRUSTEE AND ITS CONTRACTING WITH THE ISSUER**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of its Subsidiaries; (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders; and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

#### **16. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders (and in accordance with the Trust Deed) to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the Issue Date, the amount and date of the first payment of interest thereon and/or the Issue Price and so that the same shall be consolidated and form a single Series with the outstanding Notes. The Issuer may (from time to time), with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed.

#### **17. ROUNDING**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the applicable Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.); (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up); (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount; and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

#### **18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes but this does not affect any right or remedy of any person which exists or is available apart from that Act.

#### **18. GOVERNING LAW**

The Trust Deed, the Agency Agreement, the Notes and the Coupons (and all non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes and the Coupons) are governed by, and shall be construed in accordance with, English law.

## FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global Note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global Note (a **Permanent Global Note** and together with the Temporary Global Note, the **Global Notes**) which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depository (the **Common Depository**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**). Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series; or (ii) definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Global Note without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (ii) only upon the occurrence of an Exchange Event. A Permanent Global Note representing Notes having denominations consisting of a minimum Specified Denomination and integral multiples of a smaller amount there above may only be exchanged for definitive Notes upon an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing; (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Trustee is available; or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form and a certificate to such effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all Notes which have an original maturity of more than 365 days and on all interest coupons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

### **Transfers**

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Agent and the Trustee.

## FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[Date]

### RENTOKIL INITIAL PLC

Issue of [Currency] [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the €2,500,000,000

Euro Medium Term Note Programme

#### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 21 June 2013 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus (the **Prospectus**) for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing on the website of the London Stock Exchange plc and is available for viewing at, and copies may be obtained from, the registered office of the Issuer at 2 City Place, Beehive Ring Road, Gatwick RH6 0HA, United Kingdom.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Prospectus dated [original date] which are incorporated by reference in the Prospectus dated [current date] and are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EC) (the **Prospectus Directive**) and must be read in conjunction with the Prospectus dated 21 June 2013 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus (the **Prospectus**) [for the purposes of the Prospectus Directive] including the Conditions incorporated by reference in the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. Copies of such Prospectuses are available for viewing on the website of the London Stock Exchange plc and are available for viewing at, and copies may be obtained from, the registered office of the Issuer at 2 City Place, Beehive Ring Road, Gatwick RH6 0HA, United Kingdom.]

- |   |  |  |
|---|--|--|
| 1 | Issuer:  | Rentokil Initial PLC   |
| 2 | (i) Series Number:   | [•]  |
|   | (ii) Tranche Number:   | [•]  |
|   | (iii) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single series with [•] on the [Issue Date]/[exchange of the Temporary Global Note for interest in the Permanent Global Note as referred to in paragraph 23 below, |



which is expected to occur on [•]]/[Not Applicable]

- [(iv) Guarantee: The Notes will be guaranteed by Rentokil Initial 1927 plc until [31 December 2025]/[the Maturity Date] pursuant to an amended and restated deed of guarantee dated 7 September 2012 (as amended and/or replaced from time to time).]
- 3 Specified Currency or Currencies: [•]
- 4 Aggregate Nominal Amount:
- (i) Series: [•]
- (ii) Tranche: [•]
- 5 Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]]
- 6 (i) Specified Denominations: [•] [and integral multiples of [•] in excess thereof up to and including [•]. No Notes in definitive form will be issued with a denomination above [•]]
- (ii) Calculation Amount [•]
- 7 (i) Issue Date: [•]
- (ii) Interest Commencement Date: [•]/[Issue Date]/[Not Applicable]
- 8 Maturity Date: [•]/[Interest Payment Date falling in or nearest to [•]]
- 9 Interest Basis: [[•] per cent. Fixed Rate]
- [[LIBOR/EURIBOR] +/- [•] per cent. Floating Rate]
- [Zero Coupon]
- (see paragraph [14]/[15]/[16]below)
- 10 Redemption/ Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount
- 11 Change of Interest Basis: [•]/[Not Applicable]
- 12 Put/Call Options: [Investor Put]
- [Issuer Call]
- [(see paragraph [18]/[19]/[20] below)]
- 13 (a) Status: Senior
- (b) [Date [Board] approval for issuance of Notes [•]]

obtained:

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions	[Applicable]/[Not Applicable]
(i)	Rate(s) of Interest:	[•] per cent. per annum [payable [annually]/[semi-annually]/[quarterly] in arrear]
(ii)	Interest Payment Date(s):	[•]/[•] and [•]/[•], [•], [•] and [•] in each year up to and including the Maturity Date
(iii)	Fixed Coupon Amount(s):	[•] per Calculation Amount
(iv)	Broken Amount(s):	[[•] per Calculation Amount, payable on the Interest Payment Date falling [on]/[in] [•]]/[Not Applicable]
(v)	Day Count Fraction:	[30/360]/[Actual/Actual (ICMA)]/[•]
(vi)	Determination Date(s):	[[•] in each year]/[Not Applicable]
(vii)	Step Up Rating Change and/or Step Down Rating Change:	[Applicable]/[Not Applicable]
(viii)	Step Up Margin:	[[•] per cent. per annum]/[Not Applicable]
15	Floating Rate Note Provisions	[Applicable]/[Not Applicable]
(i)	Specified Period(s)/Specified Interest Payment Dates:	[•]
(ii)	Business Day Convention:	[Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
(iii)	Additional Business Centre(s):	[•]
(iv)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination]/[ISDA Determination]
(v)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[•]
(vi)	Screen Rate Determination:	
–	Reference Rate and Relevant Financial Centre:	Reference Rate: [•]-month [LIBOR]/[EURIBOR] Relevant Financial Centre: [London]/[Brussels]/[•]

- Interest Determination Date(s): [Second London business day prior to the start of each Interest Period]/[First day of each Interest Period]/[Second day on which the TARGET2 System is open prior to the start of each Interest Period]/[•]
  - Relevant Screen Page: [•]
- (vii) ISDA Determination:
- Floating Option: Rate [•]
  - Designated Maturity: [•]
  - Reset Date: [•]
- (viii) Margin(s): [+/-][•] per cent. per annum
- (ix) Minimum Rate of Interest: [•] per cent. per annum
- (x) Maximum Rate of Interest: [•] per cent. per annum
- (xi) Day Count Fraction: [Actual/Actual (ISDA)]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/365 (Sterling)]/[Actual/360]/[30/360]/[30E/360]/[30E/360 (ISDA)]/[•]
- (xii) Step Up Rating Change and/or Step Down Rating Change: [Applicable]/[Not Applicable]
- (xiii) Step Up Margin: [[•] per cent. per annum]/[Not Applicable]
- 16 Zero Coupon Note Provisions [Applicable/Not Applicable]
- (i) Accrual Yield: [•] per cent. per annum
  - (ii) Reference Price: [•]
  - (iv) Day Count Fraction in relation to Early Redemption Amounts: [Actual/Actual (ISDA)]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/365 (Sterling)]/[Actual/360]/[30/360]/[30E/360]/[30E/360 (ISDA)]/[•]

#### PROVISIONS RELATING TO REDEMPTION

- 17 Notice periods for Condition 6(b): Minimum period: [•] days  
Maximum period: [•] days
- 18 Issuer Call: [Applicable]/[Not Applicable]

- (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount: [•] per Calculation Amount
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [•] per Calculation Amount
    - (b) Maximum Redemption Amount: [•] per Calculation Amount
  - (iv) Notice period: Minimum period: [•] days  
Maximum period: [•] days
- 19 Investor Put: [Applicable]/[Not Applicable]
- (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount: [•] per Calculation Amount
  - (iii) Notice period: Minimum period: [•] days  
Maximum period: [•] days
- 20 Final Redemption Amount: [•] per Calculation Amount
- 21 Early Redemption Amount of each Note payable on the occurrence of a Put Event as described in Condition 6(f), redemption for taxation reasons or on event of default: [As per Condition 6(e)]/[•] per Calculation Amount]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 22 Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Notes exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

23 Additional Financial Centre(s): [Not Applicable]/[\*]

24 Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if (on exchange of the Notes into definitive form) more than 27 coupon payments are still to be made]/[No]

**THIRD PARTY INFORMATION**

[[\*] has been extracted from [\*]. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [\*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:.....

*Duly authorised*

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the London Stock Exchange's regulated market] with effect from [•]]
- (ii) Estimate of total expenses related to admission to trading: [•]

### 2 RATINGS

- Ratings: The Notes to be issued [[have been]/[are expected to be]] rated [•] by [Standard & Poor's Credit Market Services Europe Limited (**S&P**)].
- [S&P is established in the EU and registered under Regulation (EC) No 1060/2009.]

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.]

### 4 YIELD (*FIXED RATE NOTES ONLY*)

- Indication of yield: [•]. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 5 OPERATIONAL INFORMATION

- (i) ISIN: [•]
- (ii) Common Code: [•]
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable]/[•]
- (iv) Delivery: Delivery [against]/[free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): [•]

### 6 DISTRIBUTION

U.S. Selling Restriction:

[Reg S Compliance Category 2; TEFRA [C]/[D]/[not applicable]]

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include making a profit.



## RENTOKIL INITIAL PLC

The Issuer was incorporated in England and Wales on 15 March 2005 as a public limited company under the name “Rentokil Initial 2005 plc” and subsequently changed its name to “Rentokil Initial plc” on 21 June 2005. The Issuer’s registration number is 5393279 and its registered address is 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0HA, United Kingdom (telephone number +44 (0)1293 858000).

The Issuer was incorporated as part of a corporate reorganisation effected by way of a court-sanctioned scheme of arrangement under Section 425 of the Companies Act 1985 between the Guarantor (the previous parent company of the Group and itself previously named “Rentokil Initial plc”) and its shareholders (the **Corporate Reorganisation**). The scheme of arrangement was approved by the court on 21 June 2005. The purpose of incorporating the Issuer was to create a newly listed holding company for the Group.

The Issuer is the ultimate holding company of the Group. It holds all the issued share capital of Rentokil Initial Holdings Limited which in turn holds all of the issued share capital of the Guarantor, which is organised as a holding company of its subsidiary undertakings. The Group is one of the largest support provider companies in the world, operating in all of the major economies of Europe, North America, Asia Pacific and Africa. The Group has more than 54,000 employees and operates in almost 60 countries.

The Issuer is rated BBB- by Standard & Poor’s Credit Market Services Europe Limited.

### Strategy

The Issuer has five key strategic aims:

(a) *Delivering outstanding customer service* with the goal of ensuring personal accountability for customer relationships and instilling common values and behaviours across the Group.

(b) *Developing the capability of the organisation and people* by rolling out a sustainable pipeline of innovation and professional sales capability.

(c) *Delivering operational excellence in all processes and functions* by introducing consistent goals and performance measures across the Group, establishing a standard operating framework, driving common systems across all businesses and geographies and fixing those businesses with operational difficulties.

(d) *Operating at lowest possible cost consistent with service objectives* by driving down administration costs, increasing service agent productivity, delivering procurement savings, maximising route optimisation and reducing Days Sales Outstanding.

(e) *Delivering profitable growth through organic actions and bolt-on acquisitions* including, (i) achieving greater sales productivity through targeting the right customers, increasing penetration of existing customers as well as adding new ones, appointing talented sales teams and developing their skill sets, (ii) improving marketing through product and service development, lead generation and brand development and (iii) continuing to acquire smaller companies and enter new and developing markets.

### Operations

The Issuer provides a wide range of services across the following divisions:

(a) *Initial Textiles and Hygiene Services* operates across the UK and Continental Europe, offering a total washroom solution service as well as floor mat, garments and flat linen rental services. The Textiles business (i) supplies bespoke work-wear to commercial, industrial and hospitality

customers, (ii) designs and produces specialist high performance work-wear for (among others) medical, hi-tech and emergency services and (iii) rents and launders flat linen (primarily table and bedroom linen) for corporate and hospitality customers and health service providers. The Hygiene business rents and services dispensers, drying equipment and disposable systems for workplace washrooms. It also provides protective floor mats to a wide customer base.

(b) *Rentokil Pest Control* offers global pest control services and products for the commercial, industrial and residential sectors. Its largest operations are in the U.S., the UK, France, Germany and the Netherlands. This division also includes a plant installation and service operation.

(c) *Initial Facilities* offers cleaning, catering, hospital services and building services in a number of countries across the World. In addition, this division includes the Group's specialist hygiene businesses, manned guarding services and product supply companies.

(d) *Asia* covers all of the Group's operations in the Asia region, principally washroom services and pest control.

## Recent Acquisitions and Disposals

### *Disposal of City Link*

On 29 April 2013, the Issuer announced that it had disposed of City Link to Better Capital LLP for £1. The disposal will involve asset write-offs of approximately £30 million, plus cash costs of approximately £10 million, each of which will be charged to one-off items within the Issuer's results for the second quarter of 2013.

### *Acquisition of Western Exterminator Company*

On 25 September 2012, the Issuer announced that it had agreed to acquire the assets of Western Exterminator Company, a leading pest control company on the U.S. West Coast, for an initial cash consideration of U.S.\$92.1 million, with a deferred consideration of up to U.S.\$6.5 million payable within 18 months. The deferred consideration will be payable subject to certain working capital and other adjustments, including warranty and/or indemnity claims. The acquisition completed on 10 December 2012 after receipt of relevant regulatory clearances.

### *Acquisition of Modus FM*

On 5 August 2012, the Issuer announced that its Initial Facilities Division had acquired London-based technical facilities management business Modus FM from Modus Group Limited for £5.3m. Modus FM provides mobile and on-site mechanical and electrical maintenance services.

## Principal Operating Subsidiaries and Associated Undertakings

The Group's businesses are undertaken through legal entities in the country of their operation. Such legal entities are predominantly indirectly wholly-owned subsidiaries of the Issuer, although in a number of cases such services are provided as separate divisions of wholly-owned subsidiaries or in a very limited number of instances as joint ventures.

As at the date of this Prospectus, the Issuer's principal operating subsidiaries and associated undertakings were as follows:

<b>Name</b>	<b>Country of Incorporation</b>	<b>Principle Activities</b>
Rentokil Initial Holdings Limited	England and Wales	Holding company for all the entities listed below
Rentokil Initial 1927 plc	England and Wales	Holding company for all the

		entities listed below
Dudley Industries Limited	England and Wales	Manufacturing
Initial Catering Services Limited	England and Wales	Catering
Initial Facilities Management Limited	England and Wales	Facilities Management Services
Initial Medical Services Limited	England and Wales	Medical
Knightsbridge Guarding Limited	England and Wales	Security Guarding
Lancaster Office Cleaning Company Limited	England and Wales	General cleaning of buildings
Modus FM Limited	England and Wales	Other building completion and finishing
Phoenix Fire Services Limited	England and Wales	Fire service activities
Rentokil Initial Facilities Services(UK) Limited	England and Wales	Cleaning
Rentokil Initial UK Limited	England and Wales	Hygiene, Pest Control, Tropical Plants and Property Care
Rentokil Initial Services Limited	England and Wales	Hygiene
Rentokil Insurance Limited	England and Wales	Insurance for Property Services
Rentokil Initial Pty Limited	Australia	Pest Control, Hygiene, Tropical Plants
Rentokil Initial GmbH	Austria	Pest Control
Initial Austria GmbH	Austria	Textiles & Hygiene
Initial Hygiene (Austria) GmbH	Austria	Hygiene
Rentokil Initial (Bahamas) Limited	Bahamas	Pest Control and Hygiene
Rentokil Initial (Barbados) Limited	Barbados	Pest Control and Hygiene
Initial NV	Belgium	Textiles and Hygiene
Ambius NV	Belgium	Tropical Plants
Rentokil NV	Belgium	Pest Control and Hygiene
Rentokil Initial (B) Sdn Bhd <sup>(1)</sup>	Brunei	Pest Control
Rentokil Pest Control Canada Limited	Canada	Pest Control
Ambius Inc.	Canada	Tropical Plants
Rentokil Tai Ming China Co Ltd	People's Republic of China	Pest Control
Initial Ecotex sro	Czech Republic	Textiles & Hygiene
Rentokil Initial A/S	Denmark	Pest Control, Tropical Plants Hygiene

Rentokil Oü	Estonia	Pest Control
Rentokil Initial Ltd	Fiji	Pest Control and Hygiene
Oy Rentokil Ambius AB	Finland	Pest Control and Tropical Plants
Oy Initial AB	Finland	Hygiene
Initial SAS	France	Textiles and Hygiene
Rentokil Initial SAS	France	Pest Control
Ambius SAS	France	Tropical Plants
Technivap SAS	France	Hygiene
CAFI SAS	France	Textiles and Hygiene
Initial Textil Service GmbH & Co KG	Germany	Textiles and Hygiene
Initial Hygieneservice GmbH	Germany	Hygiene
Medentex GmbH	Germany	Medical
Rentokil Initial GmbH	Germany	Pest Control, Tropical Plants and Hygiene
Rentokil Initial Hellas EPE	Greece	Pest Control and Hygiene
Rentokil Initial Guadeloupe Sarl	Guadeloupe	Pest Control and Hygiene
Felcourt Insurance Company Ltd	Guernsey	Insurance
Rentokil Initial Guyana Ltd	Guyana	Pest Control and Hygiene
Rentokil Initial Hong Kong Ltd	Hong Kong	Pest Control, Hygiene and Cleaning
Po Hong Services Ltd	Hong Kong	Cleaning
Rentokil India Pte Ltd	India	Pest Control
PT Calmic Indonesia	Indonesia	Hygiene
PT Rentokil Indonesia	Indonesia	Pest Control
Initial Italia Srl	Italy	Hygiene
Rentokil Italia Srl	Italy	Pest Control
Rentokil Initial (Jamaica) Ltd	Jamaica	Pest Control and Hygiene
Nippon Calmic Ltd <sup>(2)</sup>	Japan	Pest Control
Rentokil Initial Kenya Ltd	Kenya	Pest Control and Hygiene
Rentokil Delta Libya for Environmental Protection JSCO (65%)	Libyan Arab Jamahiriya	Pest Control
UAB Dezinfa	Lithuania	Pest Control

Rentokil Luxembourg Sàrl	Luxembourg	Pest Control
Initial Sàrl	Luxembourg	Textiles and Hygiene
R-Control Desinfections SA	Luxembourg	Pest Control
Rentokil Initial (M) Sdn Bhd	Malaysia	Pest Control, Hygiene and Electronic Security
Rentokil Initial Martinique Sarl	Martinique	Pest Control and Hygiene
Balance Urbano Control de Plagas S.A. de C.V.	Mexico	Pest Control
Initial BV	The Netherlands	Textiles and Hygiene
Rentokil Initial BV	The Netherlands	Pest Control and Hygiene
Holland Herstel Groep/Ureco BV	The Netherlands	Facilities Management Services
Ambius BV	The Netherlands	Tropical Plants
MOC Reconditionering en Bouwherstel BV	The Netherlands	Tropical Plants
Rentokil Initial Ltd	New Zealand	Pest Control, Tropical Plants and Hygiene
Rentokil Initial Norge AS	Norway	Pest Control, Tropical Plants and Hygiene
Rentokil Initial (Philippines) Inc	Philippines	Pest Control and Hygiene
Initial Matadoor Sp. z.o.o.	Poland	Hygiene
Rentokil Initial Portugal-Serviços de Protecção Ambiental Lda	Portugal	Pest Control & Hygiene
Rentokil Initial Ltd	Republic of Ireland	Pest Control, Tropical Plants and Hygiene
Initial Medical Services (Ireland) Ltd	Republic of Ireland	Medical
Pesterminator Pte Ltd	Singapore	Pest Control
Rentokil Initial Singapore Pte Ltd	Singapore	Pest Control, Textiles and Hygiene
Initial Textile Services Sro	Slovak Republic	Textiles and Hygiene
Rentokil Initial (Pty) Ltd <sup>(3)</sup>	South Africa	Pest Control, Tropical Plants and Hygiene
Rentokil Initial Korea Ltd	South Korea	Hygiene & Pest Control
Yu Yu Calmic Co Ltd <sup>(4)</sup>	South Korea	Pest Control and Hygiene
Initial Textiles e Higiene SLU	Spain	Hygiene
Initial Facilities Services SAU	Spain	Cleaning
Rentokil Initial España SA	Spain	Pest Control
Rentokil AB	Sweden	Pest Control
Initial Sverige AB	Sweden	Hygiene

Ambius AB	Sweden	Tropical Plants
Sweden Recycling AB	Sweden	Medical
Initial Schweiz AG	Switzerland	Hygiene
Rentokil Schweiz AG	Switzerland	Pest Control
Initial Hygiene Co Ltd	Taiwan	Hygiene
Rentokil Ding Sharn Company Ltd	Taiwan	Pest Control
Rentokil Initial (Thailand) Ltd	Thailand	Pest Control and Hygiene
Rentokil Initial (Trinidad) Limited	Trinidad	Pest Control and Hygiene
CAP Tunis	Tunisia	Textiles & Hygiene
NB Çevre Sağlığı Sistemleri Ticaret ve Sanayi AS	Turkey	Pest Control
Rentokil Initial Pest Control LLC	United Arab Emirates	Pest Control
Ambius LLC	USA	Tropical Plants
J. C. Ehrlich & Co Inc	USA	Pest Control
Rentokil Initial (Vietnam) Co Ltd	Vietnam	Pest Control and Hygiene

Notes:

- (1) The Issuer holds, directly or indirectly, 85 per cent. of the issued shares of this entity.
- (2) The Issuer holds, directly or indirectly, 49 per cent. of the issued shares of this entity.
- (3) The Issuer holds, directly or indirectly, 74.9 per cent. of the issued shares of this entity.
- (4) The Issuer holds, directly or indirectly, 50 per cent. of the issued shares of this entity.

**Directors**

The Directors of the Issuer, each of whose business address is 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0HA, United Kingdom, their functions in relation to the Group and their principal outside activities (if any) of significance to the Group are as follows:

<b>Name</b>	<b>Function(s) within the Group</b>	<b>Principle Outside Activities</b>
<i>Executive Directors</i>		
Alan J. Brown	Chief Executive Officer	Non-executive director of Intertek Group plc
Andrew M. Ransom	Executive Director	--
Jeremy Townsend	Chief Financial Officer	--
<i>Non-Executive Directors</i>		
John D. G. McAdam	Chairman	Chairman of United Utilities Group plc and non-executive

		director of Rolls-Royce PLC and J Sainsbury plc
Peter Bamford	Non-Executive Director	Chairman of SuperGroup plc, Chairman of MCPC-PRS Alliance Ltd (known as PRS Music) and of Six Degrees Technology Group Ltd
Richard Burrows	Non-Executive Director	Chairman of British American Tobacco plc and Voicesage Global Holdings Ltd. Non-executive director of Carlsberg A/S (Denmark) and Eurasian Natural Resources Corporation plc
Alan Giles	Non-Executive Director	Chairman of Fat Face Group Ltd, a director of the Office of Fair Trading and Book Tokens Ltd
Peter J. Long	Senior Independent Director and Non-Executive Director	Chief Executive of TUI Travel plc
Angela Seymour-Jackson	Director	Managing Director, Corporate Solutions at Aegon UK Plc
Duncan Tatton-Brown	Non-Executive Director	Chief Financial Officer of Ocado Group plc

No potential conflicts of interest exist between any duties to the Issuer of any of the Directors listed above and their private interests or other duties.

## RENTOKIL INITIAL 1927 PLC

*The financial information included in this section as it relates to the Group has been extracted from the 2012 Results and financial information included in this section as it relates to the Guarantor's Group (as defined below) is unaudited, has been sourced from Group accounting records and has been prepared in accordance with IFRS.*

The Guarantor was incorporated in England and Wales on 1 October 1927 under the Companies Acts 1908 to 1917 as a public limited company limited under the name "Rentokil Initial plc". Its name was changed from "Rentokil Initial plc" to "Rentokil Initial 1927 plc" as part of the Corporate Reorganisation. The Guarantor's registration number is 002248414 and its registered address is 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0HA, United Kingdom (telephone number +44 (0)1293 858000).

The Guarantor is a holding company which heads the operating group and (prior to the Corporate Reorganisation) was the ultimate holding company of the Group. The whole of the issued share capital of the Guarantor is held by Rentokil Initial Holdings Limited, which is a wholly-owned subsidiary of the Issuer.

### Directors

The Directors of the Guarantor, each of whose business address is 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0HA, United Kingdom, their functions in relation to the Guarantor and their principal outside activities (if any) of significance to the Guarantor are as follows:

Name	Function(s) within the Group	Principle Outside Activities
Gareth Brown	Director	—
Paul Griffiths	Director and Company Secretary	—
Stuart Ingall-Tombs	Director	—
Jeremy Townsend	Director	Chief Financial Officer, Rentokil Initial plc

No potential conflicts of interest exist between any duties to the Guarantor of any of the Directors listed above and their private interests or other duties.

### Relationship between the Issuer and the Guarantor

The Group's revenue for the year ended 31 December 2012 was £2,546.3 million (2011: £2,544.3 million) which was identical to the revenue of the Guarantor and its subsidiary undertakings (the "Guarantor's Group") for the year ended 31 December 2012.

The Group's adjusted operating profit for the year ended 31 December 2012 was £222.8 million (2011: £224.7 million) whereas the adjusted operating profit for the Guarantor's Group for the year ended 31 December 2012 was £235.9 million (2011: £242.7 million). The difference of £13.1 million (2011: £18.0 million) was due to certain charges paid by the Issuer to the Guarantor.

As at 31 December 2012, the Group had net liabilities of £149.1 million (2011: £104.2 million) whereas the net liabilities of the Guarantor's Group was £1,800 million (2011: £1,700 million). The difference comprised amounts owed to the Issuer pursuant to certain intra-group transactions.



The Group's bond debt (namely the Notes issued under the Programme), associated derivatives and RCF are liabilities of the Issuer. As at the date of this Prospectus, each series of Notes issued under the Programme is guaranteed by the Guarantor until 31 December 2025. Notwithstanding the foregoing, if Notes with a maturity later than 31 December 2025 are issued under the Programme before the Guarantee is terminated, the Issuer currently intends that the Guarantee will be amended so as to continue in relation to such Notes only.

### **Accounting**

The non-consolidated financial statements of the Guarantor are prepared in accordance with the Generally Accepted Accounting Practice in the UK (**UK GAAP**). The Guarantor's 2012 Results were prepared in accordance with UK GAAP.

## UNITED KINGDOM TAXATION

*The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and published practice in the United Kingdom relating only to United Kingdom withholding tax treatment on payments of principal and interest in respect of the Notes. It does not deal with any of the other United Kingdom tax implications of acquiring, holding or disposing of the Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.*

### Interest on the Notes

#### Payment of interest on the Notes

Payments of interest by the Issuer made in respect of securities which are issued by a company and are listed on a "recognised stock exchange", within the meaning of Section 1005 of the Income Tax Act 2007 (the **ITA**) may be made without withholding or deduction for or on account of United Kingdom income tax. The London Stock Exchange is a recognised stock exchange. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial FSMA) and admitted to trading on the London Stock Exchange's regulated market. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Interest on the Notes may be paid by the Issuer without withholding or deduction on account of United Kingdom tax where, at the time of payment, the Issuer (and any other person by or through whom the interest is paid) reasonably believes that the beneficial owner of the interest is either a company resident in the United Kingdom or a company not resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account the interest in computing its United Kingdom taxable profits, or where the interest otherwise constitutes an 'excepted payment' within the meaning of Sections 935 to 937 of the ITA, in each case provided that H.M. Revenue & Customs (**HMRC**) has not given a direction in relation to any particular payment that the interest should be paid under deduction of tax.

Interest on the Notes will also be payable without withholding or deduction on account of United Kingdom tax in cases where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, interest will generally be paid by the Issuer under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any direction to the contrary by HMRC in respect of such relief as may be available pursuant to the provisions of an applicable double taxation treaty.

If Notes are issued at a discount to their principal amount, any such discount element is not subject to any United Kingdom withholding tax. If Notes are redeemed at a premium to principal amount (as opposed to being issued at a discount) then, depending on the circumstances, such premium may constitute a payment of interest for United Kingdom tax purposes and hence be subject to the United Kingdom withholding tax rules outlined above.

HMRC has powers, in certain circumstances, to obtain information about: payments derived from securities (whether income or capital); certain payments of interest (including the amount payable on the redemption of a deeply discounted security); and securities transactions.

The persons from whom HMRC can obtain information include: a person who receives (or is entitled to receive) a payment derived from securities; a person who makes such a payment

(received from, or paid on behalf of another person); a person by or through whom interest is paid or credited; a person who effects or is a party to securities transactions (which includes an issue of securities) on behalf of others; registrars or administrators in respect of securities transactions; and each registered or inscribed holder of securities.

The information HMRC can obtain includes: details of the beneficial owner of securities; details of the person for whom the securities are held, or the person to whom the payment is to be made (and, if more than one, their respective interests); information and documents relating to securities transactions; and, in relation to interest paid or credited on money received or retained in the United Kingdom, the identity of the security under which interest is paid. HMRC is generally not able to obtain information (under its power relating solely to interest) about a payment of interest to (or a receipt for) a person that is not an individual. This limitation does not apply to HMRC's power to obtain information about payments derived from securities.

In certain circumstances the information which HMRC has obtained using these powers may be exchanged with tax authorities in other jurisdictions.

### **EU Savings Directive**

Under the EU Savings Directive, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to or for an individual resident in that other Member State or to certain other persons in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). The rate of withholding in those jurisdictions is 35 per cent. A number of non-EU countries and territories have adopted similar measures.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 February 2015, in favour of automatic information exchange under the EU Savings Directive.

## UNITED STATES FOREIGN ACCOUNT TAX COMPLIANCE ACT

Sections 1471 through 1474 of the U.S. Internal Revenue Code (**FATCA**) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a **foreign financial institution**, or **FFI** (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service (**IRS**) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a **United States Account** of the Issuer (a **Recalcitrant Holder**).

The new withholding regime will be phased in beginning 1 January 2014 for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "grandfathering date", which is the later of (a) 1 January 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an **IGA**). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being **FATCA Withholding**) from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the United Kingdom have entered into an agreement (the **US-UK IGA**) based largely on the Model 1 IGA.

The Issuer does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer would not in the future be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If an amount in respect of FATCA Withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

Whilst the Notes are in global form and held within the clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, the Guarantor, any paying agent and the Common Depositary, given that each of the

entities in the payment chain between the Issuer and the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive notes will only be printed in remote circumstances.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the common depository for the clearing systems (as bearer of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the clearing systems and custodians or intermediaries.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (the **Programme Agreement**) dated 21 June 2013, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this selling restriction have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Subscription Agreement or Dealer Accession Letter or such other document as the Issuer and the relevant Dealer shall agree.

## GENERAL INFORMATION

### Authorisation

The establishment and update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer dated 14 July 2005, 18 December 2007, 30 March 2012 and 19 June 2013.

### Listing of Notes

The admission of Notes to the Official List will be expressed as a percentage of their nominal amount (excluding accrued interest). It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche. Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Notes is expected to be granted on or around 21 June 2013.

Notes may be issued pursuant to the Programme which will not be admitted to the Official List or to trading on the London Stock Exchange or listed on any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

### Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London:

- (i) the Memorandum and Articles of Association of the Issuer and the Guarantor;
- (ii) the 2011 Results and the 2012 Results;
- (iii) the Guarantor's 2011 Results and the Guarantor's 2012 Results;
- (iv) the Q1 Interim Management Statement;
- (v) the 2005 Conditions, the 2007 Conditions, the 2008 Conditions and the 2012 Conditions;
- (vi) the Programme Agreement, the Trust Deed, the Guarantee, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (vii) a copy of this Prospectus;
- (viii) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms to this Prospectus and any other documents incorporated herein or therein by reference; and
- (ix) in the case of each issue of Notes admitted to trading on the London Stock Exchange's regulated market subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

### Guarantee of Rentokil Initial 1927 plc

The Guarantee is an unsecured, unsubordinated obligation of the Guarantor, guaranteeing all monies due under the Notes, and will terminate on 31 December 2025. If Notes with a maturity



later than 31 December 2025 are issued under the Programme before the Guarantee is terminated, the Issuer currently intends that the Guarantee will be amended so as to continue in relation to such Notes only. The relevant Final Terms in respect of any Notes issued with a maturity later than 31 December 2025 will specify whether the Guarantee will continue in relation to such Notes after 31 December 2025.

### **Clearing Systems**

The Notes are expected to be accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **Significant or Material Change**

There has been no significant change in the financial or trading position of the Group since 31 December 2012. There has been no significant change in the financial or trading position of the Guarantor since 31 December 2012.

There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2012. There has been no material adverse change in the financial position or prospects of the Guarantor since 31 December 2012.

### **Litigation**

Neither the Issuer nor the Guarantor nor any of their respective subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor or any of their respective subsidiaries is aware) during the 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Issuer, the Guarantor or any of their respective subsidiaries.

### **Auditors**

The auditors of the Issuer and the Guarantor are KPMG Audit Plc (Chartered Accountants and Registered Auditors). KPMG Audit Plc has no material interest in the Issuer or the Guarantor.

The audit report in respect of each of the Issuer and the Guarantor for the financial year ended 31 December 2011 stated that the report, including the opinion, was prepared for and only for the Issuer's and the Guarantor's respective members as a body in accordance with Sections 495, 496 and 497 of the Companies Act 2006 and for no other purpose and that the auditors did not, in giving the audit opinion, accept or assume responsibility for any other purpose or to any other person to whom the report was shown or into whose hands the report came except where expressly agreed with the auditor's prior consent in writing. In addition, the audit report in respect of the Issuer for the financial year ended 31 December 2012 stated that the report, including the

opinion, was prepared for and only for the Issuer's members as a body in accordance with Sections 495, 496 and 497 of the Companies Act 2006 and for no other purpose and that the auditors did not, in giving the audit opinion, accept or assume responsibility for any other purpose or to any other person to whom the report was shown or into whose hands the report came except where expressly agreed with the auditor's prior consent in writing.

The above was recommended in guidance issued by the Institute of Chartered Accountants in England and Wales for inclusion in all audit reports produced by audit firms in accordance with Sections 495, 496 and 497 of the Companies Act 2006.

### **Trustee's reliance on certificates**

Any certificate or report of the auditors of the Issuer or the Guarantor or any other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts stated therein whether or not such certificate or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the auditors of the Issuer or the Guarantor or such other person in respect thereof.

### **Dealers transacting with the Issuer**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates may hedge their credit exposure to the Issuer from time to time consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

**REGISTERED AND HEAD OFFICE OF THE ISSUER**

**Rentokil Initial PLC**  
2 City Place  
Beehive Ring Road  
Gatwick Airport RH6 0HA

**TRUSTEE**

**HSBC Corporate Trustee Company (UK) Limited**  
8 Canada Square  
London E14 5HQ

**ISSUING AND PRINCIPAL PAYING AGENT**

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ

**PAYING AGENT**

**HSBC Institutional Trust Services (Ireland) Limited**  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

**LEGAL ADVISERS**

*To the Issuer*

**Simmons & Simmons LLP**  
CityPoint  
One Ropemaker Street  
London EC2Y 9SS

*To the Dealers and the Trustee*

**Allen & Overy LLP**  
One Bishops Square  
London E1 6AD

**AUDITORS**

*To the Issuer*

**KPMG Audit Plc**  
Consumer & Industrial Markets  
15 Canada Square  
Canary Wharf  
London E14 5GL

## DEALERS

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
London E14 5LB

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP

**Lloyds TSB Bank plc**  
10 Gresham Street  
London EC2V 7AE

**Merrill Lynch International**  
2 King Edward Street  
London EC1A 1HQ

**Mizuho International plc**  
Bracken House  
One Friday Street  
London EC4M 9JA

**The Royal Bank of Scotland plc**  
135 Bishopsgate  
London EC2M 3UR