

**Consent to certain actions for the purposes of the Interim Order  
made by the Competition and Markets Authority (CMA) on 5 July  
2018**

**Completed acquisition by Rentokil Initial plc of Cannon Hygiene  
Limited**

We refer to your email of 19 October 2018 requesting that the CMA consents to derogations to the Interim Order of 5 July 2018 (the **Order**).

Under the Order, save for written consent by the CMA, Rentokil and Cannon are required to take specified actions to ensure that the Rentokil business and the Cannon business are carried on separately and refrain from taking any action which might prejudice a reference under section 22 of the Enterprise Act or impede the taking of any remedial action by the CMA.

The terms defined in the Order have the same meaning in this letter.

After due consideration of your request for derogations from the Order, based on the information received from you and in the particular circumstances of this case, Rentokil and Cannon may carry out the following actions, in respect of the specific paragraphs:

**1. Paragraph 5(a), 5(g) and 5(m) of the Order – IT Migration**

On 19 October 2018, the CMA was informed that Rentokil was seeking a derogation from paragraphs 5(a), 5(g) and 5(m) of the Order in order to effect a migration of certain Cannon IT systems to its own IT infrastructure. A number of Cannon's IT systems and applications are currently being provided under a Transitional Services Agreement (TSA) from [X] and therefore this derogation is required to ensure business continuity for Cannon post-term of the TSA.

In particular, Rentokil requests the consent of the CMA to the following:

- (a) A migration by Cannon from [X] (which will be available to Cannon under a new licence following the expiry of [X]) to Rentokil's [X] system (for finance);
- (b) A migration by Cannon from [X] to Rentokil's [X] systems (for payroll/HR). It is expected that the project manager for the transition to [X] will be an individual identified in Annex 1 or an external consultant;
- (c) The purchase by Cannon from [X] of the [X] system (which it currently uses to hold and manage all of its customer servicing and invoicing) and the

migration of the [X] system from [X] data centre to Rentokil's environment (i.e., a data centre in Woking which is owned by [X]). Certain identified individuals within Rentokil's Group IT function (as listed in Annex 1) will project-manage the transfer of the [X] system to the Rentokil environment and [X] (Senior Service Delivery Manager) of Rentokil will act as the designated project manager;

- (d) A migration by Cannon from [X] and from other [X] systems (which are currently being made available to Cannon under the TSA with [X]) to the Rentokil Group's environment; and
- (e) The migration of various applications and devices to Rentokil's systems (as identified in the "technical" section of Rentokil's cutover plan), including the migration of email addresses to [X] and the alignment of telephones and other devices.

The CMA's consent is conditional upon the following controls, which will minimise risk in the context of remedies (if any) and will also reduce the possibility of any broader information flow between the Parties:

- (a) the exercise by the Monitoring Trustee of oversight over the IT migration project, details of which are contained in the IT cutover plan which has been provided to the Monitoring Trustee;
- (b) the provision by Rentokil of a signed letter to the CMA, attesting to the following:
  - (i) That the migration of Cannon data to the [X] system is reversible in the event of an SLC finding and divestment remedies;
  - (ii) That the project will be run such as to ensure that the Cannon business is capable of being sold to a third party and that, in the event of an SLC finding and divestment remedies, Rentokil will provide transitional support at a sensible cost and for a sufficient period of time;
  - (iii) That effective ring-fencing of the [X] system can be put in place to ensure separation of the Cannon data from the Rentokil data and that the Monitoring Trustee will be provided with access to the system in order to test the adequacy of the ring-fencing measures;
  - (iv) That no Rentokil employees having a commercial function will become involved in or will receive access to commercially sensitive data of Cannon as a result of the IT migration project. Those Rentokil employees who may receive access to commercially-sensitive Cannon data strictly for the purposes of implementing the IT migration project will be limited to a designated group of Rentokil employees and contractors, which will include the named individuals identified in Annex 1; and
  - (v) The named individuals will enter into a confidentiality agreement, the form of which will be agreed with the CMA.

As all relevant employees and contractors who will be involved in the proposed IT migration have not yet been determined, the names of additional individuals who may become involved in the proposed migration will be provided to the CMA once they become available. The CMA reserves the right to increase or decrease the number of Rentokil named individuals and replace Rentokil named individuals who have been granted permission by the CMA to receive access to commercially-sensitive information of Cannon for the purpose of the proposed IT migration.

## **2. Paragraph 5(a) and 5(m) of the Order – GDPR Support**

On 19 October 2018, the CMA was informed that Rentokil was seeking a derogation from paragraph 5(a) and 5(m) of the Order in order to provide certain GDPR-related support to the Cannon business for the purposes of ensuring Cannon’s regulatory compliance.

Rentokil has requested the CMA’s consent to the provision of support by [X], [X] and [X] to Cannon on GDPR-related issues as set out in Rentokil’s submission dated 19 October. The CMA’s consent is conditional upon the implementation of the following controls to minimise the risk of broader information transfer between the Cannon and the Rentokil businesses:

- (a) The Monitoring Trustee will maintain oversight of all requests directed by Cannon to Rentokil for GDPR-related support;
- (b) Only the minimum amount of information strictly necessary to enable the provision of GDPR support to Cannon will be shared with [X], [X] and [X];
- (c) [X] (who is already the subject of a derogation granted by the CMA on 1 August) will redact competitively sensitive details regarding customers, suppliers and employees which are contained in GDPR-related documents received from Cannon (e.g., data processing agreements and GDPR-related contract addenda), prior to being provided to [X] of Rentokil;
- (d) ad-hoc GDPR requests from Cannon will first be filtered by [X] to ensure that the requests do not contain competitively-sensitive information relating to the Cannon business;
- (e) [X], [X] and [X] will sign a confidentiality agreement in a format pre-agreed with the CMA; and
- (f) Information received by Rentokil regarding Cannon’s processes and DSARs will be ring-fenced within the Rentokil One Trust system and access to this system will be limited to [X], [X] and [X], as well as to [X] and [X] of Cannon and to any Cannon individual appointed to the role of Cannon LPO.

## Annex 1

Name	Job Title	Support to Cannon
[X]	Senior Service Delivery Manager	IT migration project
[X]	Programme Manager	IT migration project and Application management
[X]	Application Support Analyst	
[X]	Application Support Analyst	
[X]	Head of Application Management	
[X]	End User Computer Manager	Technical assistance in relation to the alignment of devices and security access
[X]	Global Infrastructure Engineering Manager	
[X]	Technical Networks Specialist,	
[X]	Technical Microsoft Specialist,	
[X]	Technical Networks Specialist,	
[X]	IT Support Analyst	
[X]	End User Computing Analyst	
[X]	Operations Analyst	
[X]	Infrastructure Operations Network Technician	
[X]	Global Service Delivery Director	
[X]	Telecoms Manager	
[X]	Telecoms Analyst	
[X]	Analyst Programmer	Application management
[X]	Analyst Programmer	
[X]	Group Data Protection Officer	GDPR-related support