



**WHEREAS:** Following George Floyd’s murder by police officers on May 25, 2020, a majority of Russell 1000 corporations made public statements expressing their plans to address racial justice, thereby taking an important step in acknowledging diversity, equity, inclusion (DEI), and racial equity as core to their businesses. Shareholders now seek quantitative, comparable data to understand if and how companies are promoting their commitments to racial equity.

Unfortunately, it appears that Rollins Inc. is falling behind its peers in its diversity, equity, and inclusion policies and practices. Rollins earned a low 11% score on *As You Sow*’s recent Racial Justice Scorecard.<sup>1</sup> Rollins’ score ranks significantly below that of peer company Ecolab, which scored 22%.<sup>2</sup> Rollins’ low score is due to a lack of publicly accessible DEI data and its failure to disclose information regarding related practices.

Numerous studies have demonstrated the financial benefits of a diverse, inclusive workplace, while also highlighting that the lack of public disclosure of DEI policies, practices, and related quantifiable data, raises material risk of reduced brand value and financial performance:

- A McKinsey study listing material benefits associated with corporate policies promoting racial justice found that companies with the strongest racial and ethnic diversity are 35% more likely to outperform their industry medians for earnings before interest and tax.<sup>3</sup>
- When evaluating companies for diversity, McKinsey found that teams in the top quartile for ethnic and cultural diversity outperformed those in the bottom quartile by 36% in profitability.<sup>4</sup>
- Companies that form Employee Resource Groups can increase the number of diverse job applicants they receive according to a survey by the U.S. Chamber of Commerce, which states that 70% of Gen Z respondents were more likely to apply to a job with an ERG.<sup>5</sup> According to a recent CNBC survey, 80% of workers prefer to work for a company that values DEI.<sup>6</sup>

---

<sup>1</sup> <https://www.asyousow.org/our-work/social-justice/racial-justice>

<sup>2</sup> <https://www.asyousow.org/our-work/social-justice/racial-justice>

<sup>3</sup> <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/delivering-through-diversity>

<sup>4</sup> <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters>

<sup>5</sup> <https://www.uschamber.com/co/run/human-resources/how-employee-resources-groups-can-help-employee-retention>

<sup>6</sup> <https://www.cnbc.com/2021/04/30/diversity-equity-and-inclusion-are-important-to-workers-survey-shows.html>



Rollins can improve its performance and reduce the material risks posed by inadequate DEI policies and practices, while also playing an important role in furthering corporate racial equity, by promoting DEI both internally and publicly.

**BE IT RESOLVED:** Shareholders request that Rollins issue a public report on the effectiveness of the Company's diversity, equity, and inclusion efforts.

**SUPPORTING STATEMENT:** Proponents suggest the public report, which should be done at reasonable expense and exclude proprietary information, include information on:

- Employee Resource Groups for BIPOC employees;
- Racial diversity trainings for employees; and
- The Company's current racial equity-based community engagement efforts.