

Dear Shareholder,

Annual General Meeting of Mitie Group plc (“Mitie”)

We are pleased to notify you that our 2021 Annual General Meeting (the “AGM”) will be held at Level 12, The Shard, 32 London Bridge Street, London SE1 9SG and on an electronic platform as described in Appendix 4, on 27 July 2021 at 11.30am. The formal Notice of AGM (the “Notice”) and the details of resolutions on which you will be asked to vote are set out in this booklet.

AGM arrangements

The Board continues to monitor the evolving COVID-19 situation and public health concerns in the United Kingdom. At the time of writing, it is expected that by the date of the AGM, the COVID-19 restrictions will have been eased sufficiently to enable shareholders to attend the AGM in person. However, the government roadmap is subject to a number of contingencies and there can be no guarantee that the meeting will be able to be held as intended. It is also likely that social distancing and other Covid-Secure measures will remain in place. Given the uncertainty as to the likely status of COVID-19 restrictions at the time of the AGM, shareholders are encouraged to attend the AGM electronically.

The Company is offering facilities for shareholders to vote at the AGM electronically via the Lumi platform and to attend by conference call to ask questions in real time should they wish to do so. Further details of how to participate are set out in Appendix 4 of this document. Arrangements have also been made to allow you to submit questions in advance of the AGM via email to investorrelations@mitie.com.

Given the potential for the COVID-19 situation in the UK to change rapidly, the Board will keep the situation under review and may need to make further changes to the arrangements relating to the meeting, including how it is conducted. You should continue to monitor Mitie’s website and announcements in the days leading up to the AGM to ensure you are informed of any updates in relation to the AGM.

Voting at the AGM

If you are not able to attend the AGM, you can still register your vote by appointing a proxy electronically via the shareholder portal (www.mitie-shares.com). To do this you will need your Investor Code which you will find on your share certificate or welcome letter. You may also vote by returning a completed hard copy form of proxy to Mitie’s Registrars, Link Group (“Link”) at PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL. Please note that you will not automatically receive a hard-copy proxy form, but may request a hard-copy of the proxy form from Link should you prefer to vote in this manner. If you are an institutional investor, you may appoint your proxy electronically via the Proximity platform. In each case, proxy appointments must be submitted to Link by no later than 11.30am on 23 July 2021 (or in the case of adjournment, not less than 48 hours before the time appointed for the holding of the meeting) in order for your vote to be registered. Given the current uncertainty around whether shareholders will be able to attend the physical location of the AGM, we recommend that all shareholders appoint the Chairman of the meeting as their proxy. This will ensure that your vote is counted even if attendance at the physical location of the meeting is restricted, or you or any other proxy you might appoint are unable to attend the meeting in person.

Shareholders who participate in the AGM electronically or in person will be able to vote in real time. For those attending electronically, please refer to Appendix 4 for instructions on how to join the meeting and submit your votes on the day via the Lumi platform. Voting on all resolutions on the day will be by way of a poll through the Lumi website or poll card at the physical meeting, if physical attendance is permitted. Votes can be cast once the Chairman has declared the poll open.

New Articles of Association

We are asking shareholders to approve a number of amendments to our Articles of Association. An explanation of the main changes between the proposed and the existing Articles of Association is set out on pages 10 to 11 of this document.

Recommendation

Your Board of Directors believe that the proposals described in this document are in the best interests of Mitie and its shareholders as a whole and unanimously recommend that you vote in favour of all of the resolutions. The Directors intend to do so in respect of their own beneficial holdings.

Annual Report and Accounts

The Annual Report and Accounts for the year ended 31 March 2021 have been published and are available on our website, www.mitie.com. These detail our financial, operational and corporate responsibility, performance in the last financial year and the Board’s plans for the future direction of Mitie. The Board is focused on the long-term future success of the business and delivering shareholder value. Further details can be found on pages 8 to 9 of the Annual Report and Accounts.

Yours sincerely,



Derek Mapp
Chairman

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the contents of this document and/or the action to take, you are advised to seek personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised pursuant to the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your ordinary shares in Mitie Group plc, please pass this document and any accompanying documentation as soon as possible to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

NOTICE OF 2021 ANNUAL GENERAL MEETING OF MITIE GROUP PLC

Notice is hereby given that the 2021 Annual General Meeting of Mitie Group plc ("Mitie" or the "Company") will be held at Level 12, The Shard, 32 London Bridge Street, London SE1 9SG on 27 July 2021 at 11.30am to consider and, if thought fit, pass the following resolutions, of which resolutions 1 to 15 inclusive and resolutions 19 to 22 inclusive will be proposed as ordinary resolutions and resolutions 16 to 18 inclusive, resolution 23 and resolution 24 as special resolutions.

Resolution 1 – Report and Accounts (ordinary resolution)

To receive the annual report and accounts for the year ended 31 March 2021 (the "Annual Report and Accounts"), together with the reports of the directors of Mitie (the "Directors") and auditors thereon.

Resolution 2 – Directors' Remuneration Report (ordinary resolution)

To approve the Directors' remuneration report (excluding the Directors' remuneration policy) for the year ended 31 March 2021, as set out on pages 99 to 114 of the Annual Report and Accounts.

Resolution 3 – Directors' Remuneration Policy (ordinary resolution)

To approve the Directors' remuneration policy as set out on pages 115 to 120 of the Annual Report and Accounts.

Resolution 4 – Re-election of Non-Executive Chairman (ordinary resolution)

To re-elect Derek Mapp as a director.

Resolution 5 – Re-election of Chief Executive Officer (ordinary resolution)

To re-elect Phil Bentley as a director.

Resolution 6 – Election of Chief Financial Officer (ordinary resolution)

To elect Simon Kirkpatrick as a director.

Resolution 7 – Re-election of Independent Non-Executive Director (ordinary resolution)

To re-elect Nivedita Krishnamurthy Bhagat as a director.

Resolution 8 – Re-election of Independent Non-Executive Director (ordinary resolution)

To re-elect Baroness Coultie as a director.

Resolution 9 – Re-election of Independent Non-Executive Director (ordinary resolution)

To re-elect Jennifer Duvalier as a director.

Resolution 10 – Re-election of Independent Non-Executive Director (ordinary resolution)

To re-elect Mary Reilly as a director.

Resolution 11 – Re-election of Independent Non-Executive Director (ordinary resolution)

To re-elect Roger Yates as a director.

Resolution 12 – Re-appointment of auditor (ordinary resolution)

To re-appoint BDO LLP as auditor of Mitie to hold office from the conclusion of the AGM until the conclusion of the next general meeting before which accounts are laid.

Resolution 13 – Remuneration of auditor (ordinary resolution)

To authorise the Audit Committee to determine the remuneration of the auditor.

Resolution 14 – Political donations (ordinary resolution)

That Mitie (together with any company which is or becomes a subsidiary of Mitie during the period to which this resolution relates) is hereby authorised, at any time during the period commencing on the date of passing this resolution 14 and ending at the earlier of 30 September 2022 and the conclusion of Mitie's next annual general meeting, for the purposes of s366 of the Companies Act 2006 (the "Act"), to:

- (a) make political donations to political parties and/or independent election candidates not exceeding £50,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £50,000 in total; and,
- (c) incur political expenditure not exceeding £50,000 in total;

provided that the total aggregate amount of such political donations and political expenditure referred to in (a) to (c) above during such period shall not exceed £50,000 for Mitie and all of its group of companies (provided that such amount may comprise sums in different currencies that shall be converted at such rate as the Directors may in their absolute discretion determine to be appropriate). Terms used in this resolution 14 have the same meaning as under Part 14 of the Act.

Resolution 15 – Directors' authority to allot shares (ordinary resolution)

That, in substitution for any equivalent authorities and powers granted to the Directors prior to the passing of this resolution, the Directors be generally and unconditionally authorised pursuant to s551 of the Act to exercise all the powers of Mitie to allot shares in Mitie, and grant rights to subscribe for or to convert any security into shares in Mitie (such shares, and rights to subscribe for or to convert any security into shares of Mitie being "Relevant Securities") up to an aggregate nominal amount of £3,563,906.40 equal to 10% of the issued ordinary share capital of Mitie as at 11 June 2021 (excluding treasury shares) provided that (unless previously revoked, varied or extended) this authority shall expire on the earlier of 30 September 2022 and the conclusion of the next annual general meeting of Mitie, except that Mitie may at any time before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Resolution 16 – General authority to disapply pre-emption rights (special resolution)

That, subject to the passing of resolution 15, the Directors be generally authorised to allot equity securities (as defined in s560 of the Act) of Mitie wholly for cash pursuant to the authority of the Directors under s551 of the Act conferred by resolution 15 above (in accordance with s570(1) of the Act) and/or by way of a sale of treasury shares (in accordance with s573 of the Act), in each case as if s561(1) of the Act did not apply to such allotment, provided that the authority conferred by this resolution shall be limited:

- (a) to the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities to the holders of ordinary shares in the capital of Mitie in proportion (as nearly as practicable) to their respective holdings of such shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems arising under the laws or requirements of any overseas territory or by virtue of shares being represented by depository receipts or the requirements of any regulatory body or any stock exchange or any other matter whatsoever; and
- (b) otherwise than pursuant to sub-paragraph (a) above, to the allotment of equity securities to any person or persons up to an aggregate nominal value equal to £1,781,953.20,

and unless previously revoked, varied or extended, this authority shall expire on the earlier of 30 September 2022 and the conclusion of the next annual general meeting of Mitie, except that Mitie may before the expiry of this authority make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Resolution 17 – Additional authority to disapply pre-emption rights for the purposes of acquisitions and capital investments (special resolution)

That, subject to the passing of resolution 15, in addition to any authority granted under resolution 16, the Directors be generally authorised to allot equity securities (as defined in s560 of the Act) of Mitie wholly for cash pursuant to the authority of the Directors under s551 of the Act conferred by resolution 15 above (in accordance with s570(1) of the Act) and/or by way of a sale of treasury shares (in accordance with s573 of the Act), in each case as if s561(1) of the Act did not apply to such allotment, provided that the authority conferred by this resolution shall be limited:

- (a) to the allotment of equity securities and/or sale of treasury shares for cash up to an aggregate nominal amount of £1,781,953.20 calculated, in the case of equity securities which are rights to subscribe for, or covert securities into, ordinary shares by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

and unless previously revoked, varied or extended, this authority shall expire on the earlier of 30 September 2022 and the conclusion of the next annual general meeting of Mitie, except that Mitie may before the expiry of this authority make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Resolution 18 – Authority to purchase own shares (special resolution)

That Mitie be and is hereby generally and unconditionally authorised for the purposes of s701 of the Act to make market purchases (within the meaning of s693(4) of the Act) of its ordinary shares of 2.5p each ("Ordinary Shares"), on such terms and in such manner as the Directors may from time to time determine, provided that:

- (a) the maximum number of Ordinary Shares that may be purchased is 142,556,256, representing approximately 10% of the issued ordinary share capital of Mitie as at 11 June 2021 (excluding treasury shares);
- (b) the minimum price (exclusive of expenses) that may be paid for an Ordinary Share is 2.5p;
- (c) the maximum price (exclusive of expenses) that may be paid for an Ordinary Share is the higher of (i) 105% of the average middle market value of an Ordinary Share (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and (ii) the value of an Ordinary Share calculated on the basis of the price quoted for (a) the last independent trade of, or (b) the highest current independent bid for, any number of Ordinary Shares on the trading venue where the purchase is carried out; and
- (d) this authority shall, unless previously renewed, revoked or varied, expire on the earlier of 30 September 2022 and the conclusion of the next annual general meeting of Mitie, except in relation to purchases of Ordinary Shares the contract for which was concluded before the expiry of this authority and which might be completed or executed wholly or partly after such expiry.

Resolution 19 – Approval of the Mitie Group plc Enhanced Delivery Plan (ordinary resolution)

That the rules of the Mitie Group plc Enhanced Delivery Plan (the "EDP"), the main features of which are summarised in Appendix 2 of this notice, and in the form produced in draft to the meeting and for the purposes of identification initialled by the Chairman of the meeting, be and are hereby approved and adopted and that the Directors be and are hereby authorised to do all such other acts and things as they may consider appropriate to implement the EDP.

Resolution 20 – Approval of the Mitie Group plc Long Term Incentive Plan 2015 (ordinary resolution)

That the amendments to the rules of the Mitie Group plc Long Term Incentive Plan 2015 (the "LTIP"), the main features of which are summarised in Appendix 3 of this notice, and in the form produced in draft to the meeting and for the purposes of identification initialled by the Chairman of the meeting, to:

- (a) allow grants of awards to be made within 30 days of the beginning of the Company's financial year in addition to the existing grant periods;
- (b) allow the remuneration committee to determine the individual limit applying to awards by reference to the share price prior to the beginning of the Company's financial year as well as by reference to the share price prior to the grant date (or the average of the share prices for the period of 5 dealing days prior to that date);
- (c) remove references to granting joint-ownership awards; and
- (d) extend the termination date of the LTIP from 13 July 2025 to 27 July 2031,

are hereby approved and that the Directors are hereby authorised to:

- (a) do whatever may be necessary or expedient to carry the revised LTIP into effect including making such changes as may be necessary or desirable, from time to time, to amend or operate the LTIP; and
- (b) establish further plans based on the LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against any limits on individual or overall participation in the LTIP.

Resolution 21 – Approval of the Mitie Group plc Savings Related Share Option Scheme (ordinary resolution)

That the amendments to the rules of the Mitie Group plc Savings Related Share Option Scheme (the "SAYE Scheme"), the main features of which are summarised in Appendix 3 of this notice, and in the form produced in draft to the meeting and for the purposes of identification initialled by the Chairman of the meeting, to extend the termination date of the SAYE Scheme from 13 July 2021 to 27 July 2031 are hereby approved and that the Directors are hereby authorised to:

- (a) do whatever may be necessary or expedient to carry the revised SAYE Scheme into effect including making such changes as may be necessary or desirable, from time to time, to amend or operate the SAYE Scheme including to take account of the requirements of HM Revenue & Customs and best practice; and
- (b) establish further plans based on the SAYE Scheme but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against any limits on individual or overall participation in the SAYE Scheme.

Resolution 22 – Share Incentive Plan extension (ordinary resolution)

That the amendment to the trust deed and rules of the Mitie Group plc Share Incentive Plan (the "SIP"), the main features of which are summarised in Appendix 3 of this notice, and in the form produced in draft to the meeting and for the purposes of identification initialled by the Chairman of the meeting, to extend the termination date of the SIP from 13 July 2021 to 27 July 2031 is hereby approved and that the Directors are hereby authorised to:

- (a) do whatever may be necessary or expedient to carry the revised SIP into effect including making such changes as may be necessary or desirable, from time to time, to amend or operate the SIP including to take account of the requirements of HM Revenue & Customs and best practice; and
- (b) establish further plans based on the SIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any share made available under such further plans is treated as counting against any limits on individual or overall participation in the SIP.

Resolution 23 – Articles of Association (special resolution)

To adopt new Articles of Association (in the form produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification) as the Articles of Association of the Company in substitution for, and to the exclusion of, the Company's existing Articles of Association, with effect from the conclusion of this Annual General Meeting.

Resolution 24 – Notice of general meetings (special resolution)

That a general meeting (other than an annual general meeting) may be called on not less than 14 clear days' notice.

By order of the Board:



Peter Dickinson

Chief of Staff, General Counsel & Company Secretary
25 June 2021

Registered Office: 35 Duchess Road, Rutherglen, Glasgow, G73 1AU

Registered number: SC019230

MEETING NOTES

1. Shareholders are strongly encouraged to vote on the resolutions to be proposed at the AGM. However, given the current uncertainty around whether shareholders will be able to attend the physical location of the AGM, shareholders are encouraged to either attend the electronic AGM and vote electronically as detailed in Appendix 4 or to vote by proxy and raise questions in advance of the AGM.

Shareholders are able to complete and return a form of proxy in accordance with the procedures set out below in order to vote in advance of the AGM. Arrangements have also been made to allow shareholders to submit questions to the Board in advance of the AGM (see note 7). Shareholders may appoint one or more persons other than the Chairman of the AGM to be their proxy to exercise their rights at the AGM and such a proxy need not also be a shareholder of Mitie. However, shareholders are strongly encouraged to appoint the Chairman of the AGM as their proxy, which will ensure their votes are cast in accordance with their wishes, even if attendance at the physical location of the meeting is restricted or where the shareholder, or any other person they might appoint as proxy, is unable to attend the meeting in person. A shareholder may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares (so a shareholder must have more than one share to be able to appoint more than one proxy).

A shareholder may only appoint a proxy using the procedures set out in these notes. Mitie is not distributing a hard copy form of proxy unless specifically requested and shareholders are encouraged to vote electronically. The methods available to appoint a proxy are set out below:

- a. requesting a hard copy form of proxy from Mitie's Registrar, Link Group, on 0371 664 0300 and returning the completed form of proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority) to Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL; or
- b. completing the online form of proxy via the Mitie shareholder portal (www.mitie-shares.com). If you have not previously registered to use the shareholder portal, you will first be asked to register as a new user, for which that member will require its investor code (which can be found on your share certificate and dividend confirmation), family name and postcode (if resident in the United Kingdom);
- c. if you are an institutional investor, appoint your proxy electronically via the Proxymity platform, a process which has been agreed by Mitie and approved by Mitie's Registrar. Before appointing a proxy through Proxymity, you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. Further information in relation to Proxymity is available at www.proxymity.io; or
- d. in the case of CREST members, using the CREST electronic proxy appointment service in accordance with note 5 below,

and in each case the proxy must be received by Link Group no later than 11.30 am on 23 July 2021 (or, in the case of an adjournment, not less than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting).

2. If you are a person who has been nominated by a shareholder to enjoy information rights in accordance with s146 of the Act, you do not have the right to appoint a proxy but you may have a right under an agreement between you and the shareholder by whom you were nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights.
3. Mitie, pursuant to Part 13 of the Act and to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), specifies that only those shareholders registered in the register of members of Mitie at close of business on 23 July 2021 (or if the meeting is adjourned, two working days before the time fixed for the adjourned meeting) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
4. In the case of joint holders of shares, the vote of the first named in the register of members of Mitie who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting or any adjourned meeting by following the procedures described in the CREST Manual (available at www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RAI0) by the latest time for receipt of proxy appointments specified in note 1 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means. CREST members (and, where applicable, their CREST sponsor or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. Mitie may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
6. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

7. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Shareholders and their proxies will have the opportunity to ask questions in advance of the AGM. Shareholders may submit questions to the Board in advance of the AGM via email to investorrelations@mitie.com.
8. As at 11 June 2021 (being the latest practicable date prior to the publication of this Notice) Mitie's issued share capital consisted of 1,427,151,118 Ordinary Shares carrying one vote each. 1,588,559 Ordinary Shares were held in treasury and accordingly the total voting rights in Mitie as at 11 June 2021 were 1,425,562,559.
9. A copy of this Notice, and all other information required by s311A of the Act, can be found on Mitie's website (www.mitie.com/investors/shareholder-information/).
10. Under s527 of the Act members meeting the threshold requirements set out in that section have the right to require Mitie to publish on a website a statement setting out any matter relating to: (i) the audit of Mitie's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstance connected with an auditor of Mitie ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with s437 of the Act, that the members propose to raise at the meeting. Mitie may not require the shareholders requesting any such website publication to pay its expenses in complying with s527 or 528 of the Act. Where Mitie is required to place a statement on a website under s527 of the Act, it must forward the statement to Mitie's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that Mitie has been required under s527 of the Act to publish on a website.
11. Copies of:
 - a. Executive Directors' service contracts with Mitie and any of its subsidiary undertakings;
 - b. letters of appointment of the Non-Executive Directors;
 - c. rules of the Mitie Group plc Enhanced Delivery Plan;
 - d. rules of the Mitie Group plc Long Term Incentive Plan 2015;
 - e. rules of the Mitie Group plc Savings Related Share Option Scheme;
 - f. trust deed and rules of the Mitie Group plc Share Incentive Plan; and
 - g. the proposed new Articles of Association and a copy of the existing Articles of Association marked to show the changes being proposed in resolution 23

are available for inspection at Level 12, The Shard, 32 London Bridge Street, London SE1 9SG by appointment during normal business hours on Monday to Friday (excluding bank holidays) from the date of this Notice until the conclusion of the AGM. Should a shareholder wish to inspect any of these documents, please submit your request to investorrelations@mitie.com.
12. You may not use any electronic address provided in this Notice to communicate with Mitie for any purposes other than those expressly stated.
13. As soon as practicable after the AGM the results of voting will be announced via a regulated information service and made available on Mitie's website (www.mitie.com/investors/shareholder-information/).

EXPLANATORY NOTES TO AGM RESOLUTIONS

Approval of resolutions

Resolutions passed as 'ordinary resolutions' require more than 50% of votes cast to be in favour of the resolution. Resolutions passed as 'special resolutions' require 75% or more of votes cast to be in favour of the resolution.

Report and Accounts (resolution 1)

The Directors of Mitie must present the Annual Report and Accounts for the year ended 31 March 2021 to the meeting.

Directors' Remuneration Report (resolution 2)

All UK quoted companies are required by law to produce, for each financial year, a Directors' Remuneration Report which sets out the remuneration and benefits paid to Directors during the year. You can find this report on pages 99 to 114 of the Annual Report and Accounts for the year ended 31 March 2021.

An ordinary resolution to approve the Directors' Remuneration Report must be put to shareholders at the meeting at which the Annual Report and Accounts for that year are laid. As in past years, this vote will be advisory and does not affect the future remuneration paid to any director. This approval will exclude the section of the report comprising the summary of the Directors' remuneration policy on pages 115 to 120, which is the subject of separate shareholder approval pursuant to resolution 3.

Directors' Remuneration Policy (resolution 3)

All UK quoted companies are required by law to seek binding shareholder approval of their Directors' Remuneration Policy (the "Policy") at least every three years. The Policy was last approved by shareholders at the annual general meeting on 31 July 2018. Accordingly, shareholders are asked to approve the Policy set out on pages 115 to 120 of the Annual Report and Accounts for the year ended 31 March 2021. If approved, the Policy will take effect from the conclusion of the meeting and remain in effect (subject to any changes being proposed prior to that date, or to the advisory vote on the annual implementation report on Directors' remuneration not being passed) for up to three years. The Policy will replace the Directors' remuneration policy previously approved by shareholders at the 2018 AGM.

Annual re-election and election of Directors (resolutions 4 to 11)

The UK Corporate Governance Code recommends that all Directors of FTSE 350 companies seek re-election by shareholders on an annual basis. Accordingly, all Directors currently in office will seek re-election or election at the AGM. Separate resolutions will be proposed for each re-election or election. The corporate governance statement, on pages 68 to 93 of the Annual Report and Accounts, provides further details on the review of board composition and performance conducted by the Board. As part of this evaluation the Board has considered the performance of each Director seeking re-election. The Board has concluded that each Non-Executive Director is independent in character and judgement and confirms that each makes an effective and valuable contribution to the Board and demonstrates clear commitment to the role. The Board believes that the individual skills and experience of each Director contribute to the overall effectiveness of the Board in promoting the long-term sustainable success of the Company. The table on page 85 of the Annual Report and Accounts sets out how each Director's individual skills and experience contribute to the balance required by the Board. Further information is provided in each Directors' biography in Appendix 1 at the end of these explanatory notes and on pages 69 to 71 of the Annual Report and Accounts.

Re-appointment of auditor (resolution 12)

Resolution 12 proposes the re-appointment of BDO LLP as auditor of Mitie until the conclusion of the next general meeting at which accounts are laid. Mitie is required to appoint an auditor to serve for each financial year of the Company. The appointment must be made before the end of the general meeting before which accounts are laid. BDO LLP have indicated their willingness to continue as Mitie's auditor and the Audit Committee, which has evaluated the effectiveness and independence of the external auditor, has recommended to the Board that BDO LLP be proposed for re-appointment. Resolution 12 is, therefore, to re-appoint BDO LLP as auditor for the financial year ending 31 March 2022.

The Competition and Markets Authority Order introduced mandatory audit tendering every ten years. This requirement is kept under review by the Audit Committee. During the year ended March 2018, Mitie tendered its external audit services and concluded that BDO LLP be appointed as external auditor. There are no contractual obligations which restrict the choice of auditor.

Remuneration of auditor (resolution 13)

Resolution 13 authorises the Audit Committee (on behalf of the Board) to fix the auditor's remuneration.

Political donations (resolution 14)

Resolution 14 concerns Part 14 of the Act which provides that political donations made by a company to political parties, to other political organisations and to independent election candidates or political expenditure incurred by a company must be authorised in advance by its shareholders. Mitie's long-standing policy of not making any political donations will continue. However, it is possible that certain routine activities (including charitable donations) undertaken by Mitie might unintentionally fall within the wide definition of payments constituting political donations and expenditure as set out in the Act. The resolution, if passed, will grant the Directors the relevant statutory authority until the 2022 annual general meeting subject to a total aggregate cap for Mitie and its subsidiary companies of £50,000.

Directors' authority to allot shares (resolution 15)

The Directors may only allot shares or grant rights over shares if authorised to do so by shareholders. This authority is renewed at every annual general meeting and accordingly this resolution authorises the Directors to allot additional shares or grant rights over shares until the earlier of 30 September 2022 and the next annual general meeting.

The authority will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £3,563,906.40, which is equivalent to approximately 10% of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 11 June 2021 (the latest practicable date prior to publication of this notice). This is materially below the Investment Association's Share Capital Management Guidelines issued in July 2016. There are no current plans to exercise this authority other than in connection with employee share incentive schemes. However, the Directors believe that they should have this authority to respond to market developments and to enable such allotments to take place to finance business opportunities as they arise.

Mitie holds 1,588,559 treasury shares as at 11 June 2021 (being the latest practicable date prior to the publication of this Notice), representing approximately 0.11% of the issued share capital (excluding treasury shares). The power will be limited to a nominal value of £3,563,906.40, which is equivalent to 10% of the issued share capital (excluding treasury shares) of Mitie as at 11 June 2021.

Dis-application of pre-emption rights (resolutions 16 & 17)

If the Directors wish to allot shares (and other equity securities) for cash, under s561(1) of the Act, the Directors are required to first offer such shares to existing shareholders in proportion to their existing holdings – i.e. on a pre-emptive basis. There may be occasions, however, when the Directors will need the flexibility to issue shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights. Resolution 16 therefore authorises the Directors to allot securities for cash without complying with the pre-emption rights in the Act in connection with a pre-emptive offer or rights issue or otherwise up to a nominal value of £1,781,953.20 which equates to 5% of Mitie's issued share capital excluding treasury shares and 4.99% of the issued share capital including treasury shares, each as at 11 June 2021 (being the latest practicable date prior to the publication of this Notice).

Resolution 17 additionally authorises the Directors to allot new shares (or sell treasury shares) for cash, without the shares first being offered to existing shareholders in proportion to their existing holdings, in connection with the financing (or refinancing, if the authority is to be used within six months after the original transaction) of an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six month period and is disclosed in the announcement of the allotment. The authority under resolution 17 is limited to a nominal value of £1,781,953.20, equivalent to 5% of Mitie's issued share capital excluding treasury shares and 4.99% of the issued share capital including treasury shares, each as at 11 June 2021 (being the latest practicable date prior to the publication of this Notice).

This authority will expire upon the expiry of the general authority conferred in resolution 15 (that is, at the earlier of 30 September 2022 and the next AGM). The Board confirms that it intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles, as updated in March 2015, and not to allot shares or other equity securities for cash on a non-pre-emptive basis pursuant to the authority in resolution 16 in excess of an amount equal to 7.5% of Mitie's issued share capital excluding treasury shares within a rolling three-year period, other than: (i) with prior consultation with shareholders; or (ii) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. Adherence to the Pre-Emption Group's Statement of Principles would not preclude issuances under the authority sought under resolution 17.

As at 11 June 2021, Mitie holds 1,588,559 Ordinary Shares in treasury, which it may sell at a later date for cash rather than simply cancelling them. Any such sales are required to be made on a pre-emptive, pro-rata basis to existing shareholders unless shareholders agree by special resolution to dis-apply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued Ordinary Shares on a non-pre-emptive basis, resolutions 16 and 17 will also give Directors power to sell Ordinary Shares held in treasury on a non-pre-emptive basis, subject always to the limitations noted above. The Directors consider that the power proposed to be granted by resolutions 16 and 17 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power.

Authority to purchase own shares (resolution 18)

The Act permits a company to purchase its own shares provided that the purchase has been authorised by shareholders in a general meeting. In certain circumstances, it may be advantageous for Mitie to purchase its own shares and this resolution seeks the authority from shareholders to continue to do so. The Directors will continue to exercise this power only when, in light of market conditions prevailing at the time, they believe that the effect of such purchases is in the best interests of shareholders generally. Other investment opportunities, appropriate gearing levels and the overall position of Mitie will be taken into account when exercising this authority. Any purchases of shares would be by means of market purchases through the London Stock Exchange. As an alternative to cancellation, Mitie may hold in treasury any of its own shares that it purchases pursuant to the Act and the authority conferred by this resolution. This gives Mitie the ability to re-issue treasury shares quickly and cost-effectively and provides Mitie with greater flexibility in the management of its capital base. It also gives Mitie the opportunity to satisfy employee share scheme awards with treasury shares. Once held in treasury, Mitie is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of the shares. Further, no dividend or other distribution of Mitie's assets may be made to Mitie in respect of the treasury shares. This resolution specifies the maximum number of Ordinary Shares that may be acquired (equating to 10% of Mitie's issued share capital (excluding treasury shares) as at 11 June 2021 (being the latest practicable date prior to the publication of this Notice)) and the maximum and minimum prices at which they may be bought. The authority will expire on the earlier of 30 September 2022 and the next annual general meeting.

Enhanced Delivery Plan (resolution 19)

The recent acquisition of Interserve Facilities Management ("ISV FM") has transformed Mitie into the UK's largest facilities management company and gives us the opportunity to accelerate the delivery of our long-term technology-led strategy. Following the acquisition, the remuneration committee intends to introduce a one-off share plan, the Mitie Group plc Enhanced Delivery Plan ("EDP"), to align our senior leadership team with delivering the benefits of the acquisition and to incentivise the accelerated delivery of shareholder value. A summary of the principal terms of the EDP are set out in Appendix 2 but some of the key terms are set out below.

Participation: Awards will be made to the leaders of our business, those with the responsibility for delivering success from the acquisition. This is expected to be Executive Directors and key members of the Group Executive Committee, 10 roles in total.

Award size: Individuals will be granted a core award with the opportunity for participants to earn up to a capped 4 x multiplier in value for delivering exceptional performance for Mitie and our shareholders. In order for the awards to be appropriately motivating we are proposing that the CEO's core award is aligned with his bonus opportunity at 160% of salary, and therefore at exceptional performance this could increase to 640% of salary.

Award cap: In recognition of the recent volatility of Mitie's share price, the Committee is proposing to apply a cap so that the maximum share price growth delivered at vesting cannot exceed 200% growth in the face value of the award at grant.

Performance conditions: Awards will vest based on the following performance measures:

- **75% on Return on Invested Capital (“ROIC”)** – the ultimate delivery of value to shareholders will be measured by the level of return delivered on invested capital in FY23/24. The acquisition is very much expected to be Economic Profit positive, with ROIC exceeding the weighted average cost of capital (WACC) from FY21/22.
- **25% on synergies** – cost synergies are a key rationale for the acquisition of ISV FM and they represent the largest driver to delivering value for shareholders. They will make up 85% of this measure, with the remaining 15% based on revenue synergies.

Furthermore, only when shareholders have been rewarded with superior returns will management be rewarded. Any payment will be self-funding through Mitie’s profit & loss account, i.e. the EDP will not trigger until superior returns (net of the cost of the EDP) are guaranteed for shareholders.

Mitie Share Plans (resolutions 20, 21 and 22)

We are proud of our efforts to encourage employee share ownership and we operate a number of different share plans to facilitate this. Share ownership aligns the interests of our employees with the creation of shareholder value. To ensure the continuous effective running of these share plans we are seeking shareholder approval to extend the life of the plans for a further 10 years to 2031 and to make a number of small additional changes to the LTIP.

LTIP (resolution 20)

The Mitie Group plc Long Term Incentive Plan 2015 (“LTIP”) is an umbrella plan, which is a discretionary long-term employee share incentive arrangement. The LTIP was previously approved by shareholders on 13 July 2015 on terms which permit the Company to grant awards under it in the ten-year period ending 13 July 2025. We have made minor changes to the LTIP since it was last presented to shareholders in 2011 to keep the plan in line with changing legislation, investor expectations and to ease administration, in particular the addition of malus and clawback provisions. These changes did not require shareholder approval.

The LTIP provides for awards to be granted in the 42 day periods following the announcement of the Company’s interim or final results or in exceptional circumstances. It is proposed to extend the grant periods so that the remuneration committee may also grant awards in the 30 day period following the start of a financial year of the Company.

The LTIP also provides that the individual limit on the value of awards granted in any financial year of 200% is determined by reference to the share price prior to the grant date (or the average of the share prices for the period of 5 dealing days prior to that date). It is proposed to allow the remuneration committee to alternatively determine this limit by reference to the share price prior to the beginning of the Company’s financial year (or the average of the share prices for the period of 5 dealing days prior to that date).

The Company will also take the opportunity to remove the ability of the remuneration committee to make awards of jointly-owned shares under the LTIP.

Although it is not due for renewal by shareholders until 13 July 2025, the plan is being put to shareholders in order to ensure that the subsequent date for its renewal by shareholders will be aligned with those of the Company’s other share plans being put for shareholder approval at this AGM. In addition to extending the grant periods of the LTIP, the effect of this resolution is to extend the LTIP to 27 July 2031.

No other changes to the LTIP are being proposed at this AGM.

SAYE Scheme (resolution 21)

Mitie has operated all-employee share plans for many years. One of these is the Mitie Group plc Savings Related Share Option Plan (“SAYE Scheme”). The SAYE Scheme is a UK tax-qualified plan and around 3,252 employees participate in the SAYE Scheme.

The SAYE Scheme was previously approved by shareholders on 13 July 2011 on terms which permit the Company to grant awards under it in the ten-year period ending 13 July 2021. We have made minor changes to the SAYE Scheme since it was last presented to shareholders in 2011 to keep the plan in line with the changing legislation, investor expectations and to ease administration. These changes did not require shareholder approval.

The SAYE Scheme is now being put to shareholders to approve the extension of the plan to 27 July 2031.

No other changes to the SAYE Scheme are being proposed at this AGM.

SIP (resolution 22)

Mitie has operated all-employee share plans for many years. Mitie’s all-employee share plans have been very popular and have enhanced our employees’ alignment with the Mitie Group. The Mitie Group plc Share Incentive Plan (“SIP”) is a UK tax-qualified plan, which around 66,861 UK employees currently participate in.

The SIP was last approved by shareholders on 13 July 2011 on terms which permit the Company to grant awards under it in the ten-year period ending 13 July 2021. We have made minor changes to the SIP since it was last presented to shareholders in 2011 to keep the plan in line with the changing legislation and to maximise our employees’ opportunity to participate. These changes did not require shareholder approval.

The SIP is now being put to shareholders to approve the extension of the plan to 27 July 2031.

No other changes to the SIP are being proposed at this AGM.

To authorise the Company to adopt new Articles of Association (resolution 23)

Under resolution 23, the Company proposes to adopt new Articles of Association (the "New Articles") in substitution of its existing Articles (the "Existing Articles"). The purpose of the proposed amendments is to reflect the latest changes to company law and market practice. The principal changes are summarised below (certain changes, which are of a minor, technical or clarifying nature, have not been noted) and any capitalised terms that are not defined shall have the meaning given to them in the New Articles:

(a) Combined physical and electronic General Meetings (Article 48)

The New Articles build on the provisions in the Existing Articles which permit the Directors to decide to hold a General Meeting (including an Annual General Meeting) in the form of a combined physical and electronic General Meeting, and update these to reflect changes in market practice.

The New Articles include a number of consequential changes to reflect this update, including (i) the requirement for all resolutions made at a combined physical and electronic General Meeting to be put to a poll vote, (ii) the Directors being able to provide details of the arrangements for a General Meeting, including the electronic platform to be used, and (iii) the ability of the Directors and the Chair to impose requirements or restrictions to ensure the identification of those taking part in a General Meeting via an electronic platform and the security of any electronic communication.

The foregoing amendments provide greater flexibility for the Directors to decide and ensure that the format and arrangements for holding General Meetings are appropriate in the circumstances.

(b) Quorum for General Meetings (Article 46)

The New Articles reduce the quorum requirement for General Meetings from three members to two members present or represented by proxy and entitled to vote upon the business to be transacted. A quorum of two would be easier to achieve at a physical General Meeting if restrictions on physical gatherings were in place at the relevant time.

(c) Postponement and cancellation of General Meetings (Article 43)

The New Articles contain new provisions in relation to the Directors' power to postpone a General Meeting to another date, time or place, and / or to change the electronic facility or cancel a properly convened General Meeting after notice of that meeting has been sent out but prior to the general meeting commencing. The New Articles allow Directors to inform members of the new arrangements by giving notice as they see fit. These provisions provide greater flexibility for the Directors to inform the shareholders of the new arrangements in circumstances where this may be necessary and to avoid unnecessary inconvenience.

(d) Eligibility of new Directors for appointment or re-appointment (Article 77)

The New Articles provide that a person may only be elected as a Director if such person is recommended by the Board or if a written confirmation of such person's willingness to act as Director has been received by the Company no later than seven days prior to the General Meeting to propose such election. This change brings the provisions on the eligibility of a Director for appointment in line with market practice.

(e) Retirement by rotation (Article 81.1)

The New Articles amend the existing provisions to provide further flexibility for Directors to resolve that re-election may take place more often than a three-calendar year period. This is in line with the UK Corporate Governance Code recommendation that Directors be subject to annual re-election by the shareholders at the Annual General Meeting.

(f) Voting by proxy (Article 63)

The New Articles clarify that a proxy has the right to exercise all the rights of the proxy's appointor, subject to the provisions of the Legislation.

(g) Distribution in specie (Article 132)

The New Articles provide further flexibility to the manner in which non-cash dividends can be paid by the Company. This provision permits the Company to make a non-cash distribution directly to the shareholders following an ordinary resolution of the shareholders (in addition to the Company being able to direct that such a distribution is made, as is provided for in the Existing Articles).

(h) Borrowing Powers (Article 105.2)

The New Articles contain an amendment to the borrowing powers provision to avoid a technical breach of the borrowing limits in relation to the operation of the IFRS 16 leasing standard and the change in treatment of operating leases.

(i) Untraced shareholders (Article 72)

The New Articles contain amended provisions in relation to untraced shareholders to bring those provisions more in line with current market practice. The Company must now send a notice to the last known physical or email address of the shareholder and use reasonable steps to trace the shareholder before such shares can be sold. The requirements to advertise in newspapers and notify the London Stock Exchange have been removed. Amendments in relation to the sale process have also been made, providing that the net sale proceeds belong to the Company (which can use the same for the Company's benefit or in any manner that the Directors may think fit) and the untraced shareholder has no further right to claim the proceeds.

(j) Unclaimed dividends (Article 136)

The New Articles clarify that a dividend is to be treated as unclaimed if the payee does not specify an address, bank account or other details necessary in order to make a payment of a dividend, or if payment cannot be made by the Company using the details provided. This change is intended to provide clarity on what constitutes an unclaimed dividend, and the treatment by the Company of such unclaimed dividends, and brings this provision into line with current market practice. The time from which the Company may treat a dividend as unclaimed has been reduced from 12 years to 6 years.

(k) Power to offer shares in lieu of cash dividends (Article 138.I)

The New Articles provide that the authority sought at an Annual General Meeting for the Directors to issue scrip dividends must be renewed every three years (instead of five years as is provided in the Existing Articles). This amendment is in line with market practice and recent Investment Association guidance.

(l) Election of persons entitled by transmission (Article 39)

The New Articles allow the Company to give notice to a person who becomes entitled to a share by death or bankruptcy of a member, asking them to elect whether to be registered as a member themselves, or to transfer the share to some other person. If no such election is received within one year of the notice being sent, the Company may register that person as holder of the share. The intention behind this change is to assist the Company with efficient administration of the register.

(m) Capitalisation of reserves (Article 140)

The New Articles provide that treasury shares should be calculated in the participation of the issue of bonus shares following a capitalisation of the Company's capital (unless provided otherwise by ordinary resolution). This change brings the New Articles in line with market practice and allows the Company the benefit of the full flexibility allowed by the Companies Act 2006.

(n) General

The New Articles contain amendments of a minor, technical or clarifying nature, and the opportunity has been taken to update definitions, clarify minor inconsistencies, and provide for the use of gender-neutral terms throughout the New Articles. The New Articles also reflect current statutory and regulatory rules, and redundant provisions have been removed.

A copy of the New Articles, and a version of the New Articles showing all the changes as compared to the Existing Articles, will be available for inspection during normal business hours on Monday to Friday (excluding bank holidays) at the registered office of the Company at 35 Duchess Road, Rutherglen, Glasgow, G73 1AU from the date of this Notice until the close of the Annual General Meeting, and on the Company's website at www.mitie.com.

Notice of general meetings (resolution 24)

The notice period required by the Act for general meetings of Mitie is 21 clear days unless shareholders approve a shorter notice period which cannot, however, be less than 14 clear days. At the annual general meeting held on 28 July 2020, shareholders authorised the calling of general meetings, other than an annual general meeting, on not less than 14 clear days' notice, and it is proposed that this authority be renewed. The approval will be effective until Mitie's next annual general meeting, when it is intended that a similar resolution will be proposed. The Board will only utilise the authority to hold meetings on less than 21 clear days' notice where, taking into account the circumstances, and noting the recommendations of the UK Corporate Governance Code, the Directors consider this appropriate in relation to the business of the meeting and in the best interests of shareholders as a whole.

APPENDIX I: Directors' Biographical Details

Derek Mapp

Non-Executive Chairman

Board Committees

Chairman of the Nomination Committee

Date of appointment to the Board

9 May 2017

Other current appointments

Derek is a director of private companies Imagesound Limited and Woodall Group Limited. Derek also has several other private business interests.

Past roles

Derek was Chair of Informa plc from March 2008 until his retirement on 3 June 2021. He was also Chair of Huntsworth plc from December 2014 to March 2019. Previously he was Chief Executive Officer of Tom Cobleigh plc and Executive Chair of Leapfrog Day Nurseries Limited. Historically he was Chair of East Midlands Development Agency, Sport England and British Amateur Boxing Association Limited. He continues to have business interests in hospitality in Cornwall and Derbyshire.

Skills and experience

- Experienced chairman and entrepreneur
- Extensive career in ownership, managerial, operational and commercial roles in service industries
- Wealth of commercial and governance experience within various sectors
- Promotes robust debate and an open and engaged culture

Phil Bentley

Chief Executive Officer

Board Committees

None

Date of appointment to the Board

1 November 2016

Other current appointments

None

Past roles

Phil was Group Chief Executive Officer of Cable & Wireless Communications plc from January 2014 until its sale to Liberty Global plc in May 2016. Prior to this he was a member of the board of Centrica plc from 2000 to 2013 whilst also Managing Director of British Gas from 2007 to 2013, Managing Director, Europe from 2004 to 2007 and Group Finance Director from 2000 to 2004. Phil's prior non-executive directorships include IMI plc from 2012 to 2014 and Kingfisher plc from 2002 to 2010. His earlier career was in international roles with BP and with Diageo.

Skills and experience

- Executive and non-executive experience with FTSE 100 companies for over 20 years
- Significant strategic and commercial experience at both national and global level
- Extensive executive and leadership experience from across industry
- Extensive financial, audit and risk management systems experience
- Accountant by profession, with a master's degree from Oxford University and an MBA from INSEAD, Fontainebleau

Simon Kirkpatrick

Chief Financial Officer

Board Committees

None

Date of appointment to the Board

1 April 2021

Other current appointments

None

Past roles

Simon joined Mitie in July 2019 from Balfour Beatty plc where he held a number of senior finance roles including Finance Director for Major Projects and Group Head of Financial Planning & Analysis. Simon began his professional career with Ernst & Young where he was a director in the Energy practice.

Skills and experience

- Significant UK and international plc experience
- Proven track record in transforming complex contracting businesses
- Extensive financial, strategic and commercial experience across a number of sectors
- Chartered accountant, with a law degree from the University of Exeter

Nivedita Krishnamurthy Bhagat

Independent Non-Executive Director

Board Committees

Member of the Audit Committee and member of the Nomination Committee

Date of appointment to the Board

1 June 2017

Other current appointments

Nivedita is Chief Executive Officer, Global Cloud Infrastructure Services at Capgemini SA, a French publicly listed multinational corporation. She is also a member of its Group Executive Committee and a director of three of its group companies: Capgemini UK plc and CGS Holdings Ltd (both unlisted) and Capgemini Outsourcing Services GmbH.

Past roles

Nivedita has held several leadership roles in Capgemini and was Head of Enterprise Solutions, EMEA and Head of London Development Centre at Infosys Technologies Ltd from 1998 to 2010. Prior to this she was a consultant in the corporate finance division at KPMG India.

Skills and experience

- Significant international management experience having worked across the UK, Europe, US and India
- Experience in advising clients on technology solutions with a view to enabling them to increase shareholder value
- Several years of IT consulting and IT outsourcing experience managing large complex contracts
- Strong sales orientation having sold global technology and digital solutions to global clients
- Deep P/L management with a focus on top and bottom line
- Qualified as a chartered accountant, with a degree in Economics

Baroness Couttie

Independent Non-Executive Director

Board Committees

Chair of the Social Value & Responsible Business Committee, member of the Audit Committee and member of the Nomination Committee

Date of appointment to the Board

15 November 2017

Other current appointments

Philippa is a member of the House of Lords European Union Committee and EU Financial Affairs Sub-Committee. Philippa is also a Commissioner with the Guernsey Financial Services Commission and a member of their Investment Committee and Audit Committee.

Past roles

Philippa led Westminster City Council from 2012 to 2017. She was a member of the Polling and Digital Media Select Committee from 2017 to 2018, and a member of the Greater London Authority Crime Reduction Board from 2012 to 2014.

Prior to progressing her career in public service, Philippa was a director at Citigroup. She was also previously Chief Executive of both Cornerstone Communications and PR Consultants.

Philippa has served as a non-executive director on several boards, including Royal Parks and the London Local Enterprise Partnership.

Skills and experience

- Extensive experience of the financial sector, developing corporate strategy and executing change management
- Vast experience in both public and private sector at the most senior level
- Ennobled and joined the House of Lords in 2016
- An honours degree from the University of St Andrews in Psychology

Jennifer Duvalier

Independent Non-Executive Director

Board Committees

Chair of the Remuneration Committee and member of the Nomination Committee

Date of appointment to the Board

26 July 2017

Other current appointments

Jennifer is Non-Executive Director and Chair of the Remuneration Committee of Guardian Media Group plc, Non-Executive Director and a member of the Remuneration, Nomination and Cyber Security Committees of NCC Group plc and Senior Independent Director and a member of the Audit and Risk, Nomination and Remuneration Committees of Trainline plc. Jennifer is also Director of The Cranemere Group Limited where she is also Chair of the Sustainability, People & Diversity Committee, and a member of the Council of the Royal College of Art where she is also Chair of the Remuneration Committee.

Past roles

Jennifer was Executive Vice President, People, for ARM Holdings plc, a global technology business, from September 2013 to March 2017 and was also an executive committee member with responsibility for people and internal communications activity.

Skills and experience

- Leadership development, talent acquisition and management and succession planning
- Mentoring and coaching
- People strategy, organisation development and change management
- Employee engagement and internal communications
- Corporate social responsibility
- Executive remuneration and performance management
- Executive team and Board effectiveness
- MA (Hons) from the University of Oxford in English and French

Mary Reilly

Independent Non-Executive Director

Board Committees

Chair of the Audit Committee, member of the Remuneration Committee and member of the Nomination Committee

Date of appointment to the Board

1 September 2017

Other current appointments

Mary is Non-Executive Director and Chair of the Audit Committee of Essentra plc, an international supplier of specialist plastic, fibre, foam and packaging products. She is also Non-Executive Director and Chair of the Audit Committee of Travelzoo and Independent Non-Executive Director of Gemfields Group Limited. Her current trusteeships include the Invictus Games Foundation and PDSA.

Past roles

Mary was Non-Executive Director and Chair of the Audit Committee of Ferrexpo plc, an iron ore mining company, from 2015 to 2019. She was also Non-Executive Director and Chair of the Audit & Risk Committee of the UK Department of Transport and of Crown Agents Limited, an international development company, from 2013 to 2017. Prior to this Mary was Non-Executive Director of Cape plc, a global industrial services company, from 2016 to 2017. She has served as a non-executive director on several other boards since 2000. Mary was a partner in Deloitte LLP (and predecessor firms) for over 25 years. Mary was an Audit Partner in the UK specialising in manufacturing, luxury retail and business services. She also headed a unit offering outsourcing capability.

Skills and experience

- Accounting, finance and international management experience
- Chartered accountant, with a degree from University College London in History

Roger Yates

Senior Independent Director

Board Committees

Member of the Audit Committee, member of the Remuneration Committee and member of the Nomination Committee

Date of appointment to the Board

1 March 2018

Other current appointments

Roger is a Non-Executive Director and Chair of the Remuneration Committee of Jupiter Fund Management plc. He is also Senior Independent Director and Chair of the Remuneration Committee of St James's Place plc.

Past roles

Roger started his career in asset management at GT Management in 1981 and held positions of increasing seniority at Morgan Grenfell, LGT and Invesco. He served as Chief Executive of Henderson Group plc from 1999 to 2008 and as Chief Executive of Unicredit's asset management arm, Pioneer Investments.

Roger's non-executive roles have included F&C Investments, IG Group plc, Electra Private Equity plc and JPMorgan Elect plc.

Skills and experience

- Substantial board experience
- Strong business track record
- Extensive knowledge of the finance and investment community

APPENDIX 2: Summary of principal features of the Mitie Group plc Enhanced Delivery Plan (“EDP”)

Types of awards

Under the EDP, nil cost options can be granted by the Company, with the prior approval of the remuneration committee (“Committee”).

Grant of awards

Under the EDP, nil-cost options may be granted, determined at the discretion of the Committee and will include dividend equivalents, malus and clawback provisions and be subject to a post-vesting retention of two years for all participants.

Awards granted under the EDP may only be satisfied by shares purchased in the market and not by newly issued shares or shares transferred from treasury.

Operation

The EDP will be a one-off plan, with awards made during the course of 2021 following shareholder approval at the AGM.

Eligibility

Employees of the Company, its subsidiaries and any designated associated companies (including Executive Directors) are eligible to participate in the EDP. Awards will be made to the leaders of our business, those with the responsibility for delivering success from the acquisition. This is expected to be Executive Directors and key members of the Group Executive Committee, 10 roles in total. The Committee will select employees or one or more groups of employees to participate in the EDP and will determine the size of awards.

Individual limits

Participants will be granted a core award with the opportunity for participants to earn up to a capped 4 x multiplier in value for delivering exceptional performance for Mitie and our shareholders. The CEO’s core award will be aligned with his bonus opportunity and capped at 160% of salary, and therefore at exceptional performance this could increase to 640% of salary.

This limit on the value of awards granted is determined by reference to the average of the share prices for the period of 5 dealing days prior to the commencement of the Company’s financial year on 1 April 2021.

Award cap

In recognition of the recent volatility of Mitie’s share price, a cap will apply so that the maximum share price growth delivered at vesting cannot exceed 200% growth in the face value of the award at grant.

Performance conditions

The awards will vest based on the following performance conditions:

- 75% on Return on Invested Capital (“ROIC”) – the ultimate delivery of value to shareholders will be measured by the level of return delivered on invested capital in the financial year ending 31 March 2024. The acquisition is very much expected to be Economic Profit positive, with ROIC exceeding the weighted average cost of capital (“WACC”) from the current financial year.
- 25% on synergies – cost synergies are a key rationale for the acquisition of Interserve Facilities Management (“ISV FM”) and they represent the largest driver to delivering value for shareholders. They will make up 85% of this measure, with the remaining 15% based on revenue synergies.

The following table sets out the performance conditions attaching to the awards. In setting these targets, the Committee was guided by the following principles around performance levels:

- The “threshold” or “start to earn” level should be commensurate with commitments made to shareholders when support was sought for the ISV FM acquisition.
- The “Maximum” level should be commensurate with truly exceptional performance and would necessarily result in superior returns for shareholders. This is the “enhanced delivery” element of the EDP.

Measure	Definition	Weighting	Threshold (1x multiplier)	Maximum (4x multiplier)
Return on invested capital	ROIC will be calculated as net operating profit after tax (NOPAT) divided by invested capital in FY23/24	75%	20.5% This is 1,140 bps above Mitie’s WACC at 31 March 2021 of 9.1%	24.5% This is 400 bps above the threshold level
Synergies	Synergies will be calculated as: Third party cost savings (weighting = 85%); and Cross-selling revenues into the ISV FM customer base (weighting = 15%)	25%	Cost-saving synergies of £35m in line with the enhanced synergies set out in the November 2020 acquisition announcement. Cross-selling revenues into the ISV FM customer base of £50m . (Measured as revenue from services not currently provided by ISV FM to its clients).	Cost-saving synergies of £56m , representing over-performance of 60% against the £35m threshold (ISV FM total overheads are c.£80m) Cross-selling revenues into the ISV FM customer base of £100m .
Straight-line vesting between points				

In addition to the achievement of the performance targets, the vesting of awards will also be subject to:

- **an absolute share price underpin.** The vesting of awards will also be subject to an absolute share price underpin. The number of shares under award will be determined using the average share price for the five dealing days prior to the start of the financial year on 1 April 2021, to provide direct alignment with the performance period. If the average share price at the end of the three-year performance period does not exceed this starting average share price, awards would lapse in full; and
- **a net debt underpin.** The Committee shall also have reference to a net debt underpin that the average daily net debt does not exceed 1x EBITDA when determining whether remuneration outcomes under the EDP remain appropriate. This is intended as an additional safeguard rather than a performance hurdle.

Reduction of awards (malus) and clawback

The Committee may, in its absolute discretion, determine at any time within five years of the grant of an award to:

- (a) reduce the number of shares that may vest and/or be exercisable under an award (including, if appropriate, to zero) to give effect to the clawback provisions relating to the awards and/or any other incentive plan or bonus plan operated by Mitie;
- (b) reduce or amend the terms of any other awards granted or to be granted to a participant under Mitie's other incentive plans; and/or
- (c) withhold some or the entire amount to be repaid from a participant's salary in lieu of repayment by the participant of all or part of the award or any other payment to the participant by Mitie.

in the event of:

- (a) a material misstatement of any Mitie company's audited financial results;
- (b) a material failure of risk management or control as a result of a participant's actions;
- (c) overpayments (including any awards vesting under the EDP at a level higher than would otherwise have been the case) as a result of an error in assessing the achievement of any relevant performance measure that was relevant to the determination of the Committee;
- (d) reputational damage to any Mitie company or a relevant business unit as a result of the participant's actions;
- (e) the participant's material misconduct; or
- (f) any other circumstances that the Committee considers appropriate.

Vesting

Awards will normally vest, subject to continued employment and any other conditions being met, following the Committee's determination of the performance conditions over the performance period.

In-line with the disclosed timetable for delivering the benefits of the ISV FM acquisition, the performance period will be three financial years from 1 April 2021.

The award, once vested (but subject to the additional holding period), can be exercised for up to 12 months from the date of vesting. At the end of these periods the award, if unexercised, will lapse.

Dividend equivalents

Awards will include dividend equivalents, by reference to the dividends that would have been paid on the vested shares in respect of dividend record dates occurring during the period between the grant date and the end of the holding period. The Committee may pay the dividend equivalents in shares and/or cash but it is anticipated that these will be paid in shares.

Holding period

To provide additional alignment between participants and shareholders, all awards granted under the EDP will be subject to a two-year post-vesting holding period so that the total time period before the award is potentially exercisable is five years.

Leaving employment

Participants will be expected to be employed for the entire three year performance period. If a participant leaves as a good leaver during the performance period, they would be entitled to retain their award, which would be pro-rated based on time in employment and vest at the normal date subject to the achievement of the performance conditions. If a participant leaves in other circumstances they would forfeit their award. In most circumstances the holding period would continue to apply.

Change of control, merger or other reorganisations

On a change of control of the Company, awards vest at the time of the relevant event unless participants are allowed or required by the Company to, with the agreement of the acquiring company, exchange their awards for awards of shares in the acquiring company. The Committee may also allow vesting (which may be subject to conditions) on a demerger, delisting, distribution (other than an ordinary dividend) or other transaction which might affect the value of an award.

If a change of control takes place during the performance period awards will vest to the extent that the Committee determines that the performance conditions have been met and subject to time pro-rating with reference to the performance period. The Committee would have discretion to disapply the time pro-rating taking into account the circumstances of the change of control. If a change of control takes place during the holding period, then awards would be released on the change of control.

Amendments to the EDP

The Committee may amend the EDP at any time, although shareholder approval is required to amend certain provisions of the EDP if the amendment is to the advantage of the participants. These provisions relate to: eligibility; individual and EDP limits; the basis for determining a participant's entitlement to shares or cash under the EDP or the adjustments of awards in the event of a variation of capital; and the amendment powers.

However, the Committee may, without shareholder approval, make minor amendments to the terms of the EDP to: facilitate the administration of the EDP; comply with or take account of any proposed or existing legislation or changes thereto; or obtain or maintain favourable tax, exchange control or regulatory treatment for any Group company or any participant.

Any changes to the EDP which would be to the material disadvantage of any existing rights of a participant can only be made with the consent of the majority of participants affected.

General

Where there is a variation in the share capital of the Company (including a capitalisation issue, rights issue, sub-division, consolidation or reduction of share capital), a demerger or a special dividend, the Committee may adjust the limit on the total number of shares which may be issued upon the exercise of share options under the EDP in any way they consider appropriate. Except in the case of a capitalisation issue a share option (other than a nil-cost share option) may only be adjusted if the auditors confirm that the proportion of the shares in issue represented by each share option remains substantially unchanged as a result of the adjustment.

Awards cannot be transferred except to a participant's personal representative on death or with the consent of the Directors.

Pension implications

Awards under the EDP and any resulting benefits will not be pensionable.

Termination

No further awards may be made under the EDP after 31 December 2021.

APPENDIX 3: I. Summary of principal features of the Mitie Group plc Long Term Incentive Plan 2015 (“LTIP”)

Introduction

The LTIP is an umbrella plan, which is a discretionary long-term employee share incentive arrangement. The purpose of the LTIP is to incentivise, reward and retain selected employees in a way which aligns their interests with those of shareholders. The ability under the LTIP to set vesting, exercise and retention periods and performance conditions gives flexibility to achieve that purpose.

The LTIP was approved by the Company’s shareholders at the 2015 Annual General Meeting for a ten-year period. Pursuant to Resolution 20, it is proposed to extend the term of the LTIP until 27 July 2031.

Types of awards

Under the LTIP, conditional share awards, share options (including nil-cost share options), awards of forfeitable shares and cash awards can be granted by the grantor, with the prior approval of the remuneration committee (“Committee”).

Grant of awards

Awards under the LTIP may be granted subject to performance or other conditions, determined at the discretion of the Committee and may include dividend equivalents and may be subject to a post-vesting retention period which for executive directors is currently two years.

Awards granted under the LTIP may be satisfied by the issue of new shares, shares purchased in the market or shares transferred from treasury.

Operation

Awards under the LTIP may be granted within 42 days after the announcement of the Company’s results for any period. Awards may also be granted at other times in exceptional circumstances.

Pursuant to Resolution 20, it is proposed to extend these grant periods so that the Committee may also grant awards, to participants other than Executive Directors of the Company, in the 30 day period following the start of a financial year of the Company.

Eligibility

Employees of the Company, its subsidiaries and any designated associated companies (including Executive Directors) are eligible to participate in the LTIP. The Committee will select employees or one or more groups of employees to participate in the LTIP and will determine the size of awards.

Individual limits

Generally, the market value of shares subject to awards granted to a participant in any financial year cannot exceed 200% of the participant’s basic salary at the time of the award.

Currently this limit is determined by reference to the share price prior to the grant date (or the average of the share prices for the period of 5 dealing days prior to that date). Pursuant to Resolution 20, it is proposed to allow the Committee to alternatively determine this limit by reference to the share price prior to the beginning of the Company’s financial year (or the average of the share prices for the period of 5 dealing days prior to that date).

Reduction of awards (malus) and clawback

The Committee may, in its absolute discretion, determine at any time within three or five years (depending on whether a holding period applies) of the grant of an award to:

- (a) reduce the number of shares that may vest and/or be exercisable under an award (including, if appropriate, to zero) to give effect to the clawback provisions relating to the awards and/or any other incentive plan or bonus plan operated by Mitie;
- (b) reduce or amend the terms of any other awards granted or to be granted to a participant under Mitie’s other incentive plans; and/or
- (c) withhold some or the entire amount to be repaid from a participant’s salary in lieu of repayment by the participant of all or part of the award or any other payment to the participant by Mitie.

in the event of:

- (a) a material misstatement of any Mitie company’s audited financial results;
- (b) a material failure of risk management or control as a result of a participant’s actions;
- (c) overpayments (including any awards vesting under the LTIP at a level higher than would otherwise have been the case) as a result of an error in assessing the achievement of any relevant performance measure that was relevant to the determination of the Committee;
- (d) reputational damage to any Mitie company or a relevant business unit as a result of the participant’s actions;
- (e) the participant’s material misconduct; or
- (f) any other circumstances that the committee considers appropriate.

Vesting

The Committee will determine at grant when an award will normally vest, subject to continued employment and any other conditions being met, such as the satisfaction of any performance conditions.

At any time before or after the point at which an award has vested, but the underlying shares have yet to be issued or transferred to the participant, the Committee may decide to pay a participant a cash amount equal to the value of the shares he/she would otherwise have received.

Any shares that are to be transferred to a participant in respect of a vested award will be transferred within 30 days of the date of vesting.

A share option, once vested, can be exercised for up to 12 months from the date of vesting. At the end of these periods a share option, if unexercised, will lapse.

Leaving employment

An award will lapse where a participant leaves the Mitie Group before vesting unless the cessation of employment is due to death, ill-health, injury, disability, retirement (with the agreement of the employer and approval of the Directors), redundancy (with the agreement of the employer and approval of the Committee), transfer of the employing business or the employing company ceasing to be a member of the Mitie Group or for other reasons specifically allowed by the Committee.

If a participant ceases employment in such circumstances, the award will only usually vest at the normal vesting date, to the extent that the performance conditions are satisfied as at such vesting date. Unless the Committee decides otherwise, the award will be pro-rated to reflect the proportion of the performance period when the participant was not in employment. In most circumstances the holding period would continue to apply.

Change of control, merger or other reorganisations

On a change of control of the Company, awards vest at the time of the relevant event unless participants are allowed or required by the Company to, with the agreement of the acquiring company, exchange their awards for awards of shares in the acquiring company.

If a change of control takes place during the performance period awards will vest to the extent that the Committee determines that the performance conditions have been met and subject to time pro-rating with reference to the performance period. The Committee would have discretion to disapply the time pro-rating taking into account the circumstances of the change of control. If a change of control takes place during the holding period, then awards would be released on the change of control.

The Committee may also allow vesting (which may be subject to conditions) on a demerger, delisting, distribution (other than an ordinary dividend) or other transaction which might affect the value of an award.

Overall limits

In any ten-year period, (i) not more than 10 per cent of the issued ordinary share capital of the Company may be issued or committed to be issued under the LTIP and all other employee share plans operated by the Company; and (ii) not more than 5 per cent of the issued ordinary share capital of the Company, may be issued or committed to be issued under the LTIP and all other discretionary share plans adopted by the Company, in each case calculated by reference to the issued share capital of the Company at the proposed date of grant of an award. If shares are transferred from treasury to satisfy awards, these will also be counted towards the dilution limits in accordance with the rules of the LTIP.

For the purposes of all the above limits, awards which lapse or are cancelled and awards which will be satisfied by the transfer of existing shares (other than shares out of treasury) will be disregarded.

Amendments to the LTIP

The Committee may amend the LTIP at any time, although shareholder approval is required to amend certain provisions of the LTIP if the amendment is to the advantage of the participants. These provisions relate to: eligibility; individual and LTIP limits; the basis for determining a participant's entitlement to shares or cash under the LTIP or the adjustments of awards in the event of a variation of capital; and the amendment powers.

However, the Committee may, without shareholder approval, make minor amendments to the terms of the LTIP to: facilitate the administration of the LTIP; comply with or take account of any proposed or existing legislation or changes thereto; or obtain or maintain favourable tax, exchange control or regulatory treatment for any Group company or any participant.

Any changes to the LTIP which would be to the material disadvantage of any existing rights of a participant can only be made with the consent of the majority of participants affected.

General

Where there is a variation in the share capital of the Company (including a capitalisation issue, rights issue, sub-division, consolidation or reduction of share capital), a demerger or a special dividend, the Committee may adjust the limit on the total number of shares which may be vest under the LTIP in any way they consider appropriate.

Awards cannot be transferred except to a participant's personal representative on death or with the consent of the Directors.

Pension implications

Awards under the LTIP and any resulting benefits will not be pensionable.

Termination

The LTIP is currently due to terminate on 13 July 2025. If Resolution 20 is passed by shareholders, the termination date will be extended to 27 July 2031.

2. Summary of principal features of the Mitie Group plc Savings Related Share Option Plan ("SAYE Scheme")

Introduction

The SAYE Scheme is an all employee share option plan, which is intended to satisfy the requirements of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA"). It has been registered and certified by the Company with HM Revenue & Customs ("HMRC") as a tax-advantaged plan under the ITEPA.

The SAYE Scheme was last approved by the Company's shareholders at the 2011 Annual General Meeting for a ten-year period. Pursuant to Resolution 21, it is proposed to extend the term of the SAYE Scheme to 27 July 2031.

Eligibility

All UK-resident employees (including Executive Directors) of the Company and designated participating subsidiary companies are eligible to join the SAYE Scheme. Other employees of the Company and designated participating subsidiary companies may be permitted to participate at the discretion of the Directors.

Basis for participation

The SAYE Scheme provides for the acquisition of shares by participants through the exercise of a share option. The Directors may determine in any year whether the SAYE Scheme will be operated and, if so, may issue invitations to eligible employees inviting them to apply for the grant of share options.

Savings contracts

All eligible employees who wish to participate enter into a certified savings contract to make 36 or 60 monthly contributions of not more than £500 per month in total. An employee may enter a contract over three years and a contract over five years in any year, subject to their monthly contributions over all plans not exceeding £500. The rate of any interest and/or bonus payable (if any) is prescribed by HMRC.

Share option price

The option exercise price is determined by the Directors and may not be less than the higher of:

- (a) the average of the middle market closing price of a share derived from the London Stock Exchange Daily Official List for the five dealing days preceding the date of the invitation, discounted by 20 per cent; and
- (b) the nominal value of a share.

Exercise of share options

A share option may only be exercised by the person to whom it was granted (the "Option Holder"), or his/her personal representative(s) and is otherwise not transferable.

Ordinarily, a share option may only be exercised within six months of the maturity date of the savings contract if the Option Holder remains employed, and will otherwise lapse.

If the participant has died the share option will not lapse until 12 months after the date of the employees' death, or 12 months from the maturity date of the savings contract, whichever is sooner.

Former employees may exercise a share option before the maturity of their savings contract where the employment ceases on account of injury or disability, redundancy, retirement, the disposal by the Company of the participating subsidiary or business in which the employee is employed, or the transfer of the business or part of the business in which the employee is employed to a non-associated company or non-subsiidiary.

Share options are also exercisable within a limited period in the event of a takeover, reconstruction or winding up of the Company, but may alternatively, with the agreement of an acquiring company upon a takeover or winding up of the Company, be rolled over, to become share options over the acquiring company's shares. In the absence of exercise or roll-over within the prescribed periods, share options will lapse.

Issue or transfer of shares

Within 28 days of the exercise of a share option, the relevant number of shares will be allotted and issued or transferred to the Option Holder concerned. The SAYE Scheme may operate over new issue shares, treasury shares or shares purchased in the market. Shares allotted will rank equally with the shares then in issue other than in respect of a dividend or any other entitlements arising by reference to a date prior to the date of allotment.

Issues and reorganisations

The rights of Option Holders, and the overall limits on the number of shares which may be issued and/or transferred out of treasury on the exercise of all share options under the SAYE Scheme and other employees' share plans adopted by the Company or a subsidiary (as described below), following a rights issue, capitalisation issue, sub-division or consolidation of shares or reduction of capital will be adjusted in such manner as the Directors may determine provided that, the proportion of the shares represented by each share option remains unchanged and the total market value of the shares that may be acquired through exercise after adjustment remains substantially the same. Any adjustment to a share option may only be made in accordance with the requirements of the applicable legislation.

Overall limits

In any ten-year period, the Company may not issue (or grant rights to issue) more than 10 per cent of the issued ordinary share capital of the Company under the SAYE Scheme and any other employee share plan adopted by the Company. If shares are transferred from treasury to satisfy share options, these will also be counted towards the dilution limits in accordance with the rules of the SAYE Scheme.

No further share options may be granted under any such plan if it would result in the above limits being exceeded.

For the purposes of all the above limits, share options which lapse or are cancelled and share options which will be satisfied by the transfer of existing shares (other than shares out of treasury) will be disregarded.

Pension implications

Share options under the SAYE Scheme and any resulting benefits will not be pensionable.

Alterations

The Directors may amend the SAYE Scheme at any time provided that:

- (a) any amendments to the material advantage of Option Holders (present or future) may only be made with an ordinary resolution of the shareholders of the Company in general meeting. Minor amendments which the Directors consider necessary or desirable to benefit the administration of the SAYE Scheme, to comply with or take account of a change in legislation or amendments to obtain or maintain favourable tax, exchange control or regulatory treatment for the Company, any eligible employee or Option Holder, or for any participating company; and
- (b) no amendment which would adversely affect the subsisting rights of Option Holders will be effective unless such alteration is made with the written consent of the holders of share options over at least 50 per cent of the shares subject to share options or a resolution at a meeting of Option Holders by a majority of at least 50 per cent of the Option Holders who attend and vote in person or by proxy.

However, the Directors may make amendments to give effect to changes to the legislation governing the SAYE Scheme without the need for shareholder or Option Holder approval.

Termination

The SAYE Scheme is currently due to terminate on 13 July 2021. If Resolution 21 is passed by shareholders, the termination date will be extended to 27 July 2031.

3. Summary of principal features of the Mitie Group plc Share Incentive Plan (“SIP”)

Introduction

The SIP is an all employee share option plan, which is intended to satisfy the requirements of Schedule 2 to ITEPA. It has been registered and certified by the Company with HMRC as a tax-advantaged plan under ITEPA.

The SIP was last approved by the Company's shareholders at the 2011 Annual General Meeting for a ten-year period. Pursuant to Resolution 22, it is proposed to extend the term of the SIP until 27 July 2031. No other changes to the terms of the SIP are proposed.

Eligibility

All UK-resident employees (including Executive Directors) of the Company and designated participating companies who have completed such minimum period of service as the Directors may determine (such period not exceeding 18 months), are eligible to join the SIP.

Basis for participation

The SIP provides for the acquisition of shares by the trustee of the SIP (the “Trustee”) on behalf of participating employees on one or more of four bases.

Allocations of shares

Partnership Shares

Employees may be invited to purchase Partnership Shares from time to time by deductions from salary. Partnership Shares can be withdrawn by the participant from the SIP at any time.

Matching Shares

If the Company decides to offer Partnership Shares it may also offer Matching Shares to those same participants. Allocations of Matching Shares will be made on the same day as Partnership Shares are acquired. Matching Shares must be held by the Trustee for a period of between three and five years, as the Directors determine. If Partnership Shares are withdrawn before the third anniversary, the related Matching Shares will be forfeited.

Free Shares

Allocations of Free Shares may be made to participating employees on a date set by the Directors. The value of Free Shares allocated to employees is at the Directors' discretion.

Dividend Shares

Participants will be entitled to dividends paid on their shares while they are held in the SIP trust. The Directors determine whether the Trustee:

- (a) transfers the dividends directly to participants; or
- (b) applies the dividends in the acquisition of Dividend Shares on behalf of the participants.

Dividend Shares must normally be held by the Trustee for at least three years.

Overall limits

In any ten-year period, the Company may not issue (or grant rights to issue) more than 10 per cent of the issued ordinary share capital of the Company under the SIP and any other employee share plan adopted by the Company. If shares are transferred from treasury to satisfy share allocations, these will also be counted towards the dilution limits for as long as is required by the guidelines issued by the UK Investment Association.

Individual limits

Partnership Shares

The maximum amount which an employee can have deducted from salary for the purpose of acquiring Partnership Shares is the lower of 10 per cent of salary and, currently, £1,800 per tax year as set by HMRC.

Matching Shares

The Directors will decide the basis on which Matching Shares are allocated up to a maximum of two Matching Shares for every Partnership Share.

Free Shares

The maximum value of Free Shares which can be allocated to an employee in any tax year is, currently, £3,600 as set by HMRC.

Dividend Shares

There is no limit on the value of dividends paid on shares that may be re-invested in Dividend Shares.

Termination of employment/forfeiture

Partnership Shares

Partnership Shares will be transferred to the participant upon cessation of employment, subject to the payment of any income tax and national insurance contributions if applicable.

Matching Shares and Free Shares

If a participant ceases to be an employee by reason of death, injury, disability, redundancy, retirement, or if the participant's employing company (or the part in which the participant is employed) is transferred out of the Mitie Group, any Matching Shares and/or Free Shares will be transferred to the participant or personal representative.

If a participant ceases to be an employee for any other reason:

- (a) within three years of the allocation of Matching Shares and/or Free Shares, the Matching Shares and/or Free Shares will be forfeited; or
- (b) at least three years after Matching Shares and/or Free Shares are allocated, the Trustee will transfer the shares to the participant, subject to the payment of any income tax and national insurance contributions if applicable.

Dividend Shares

If a participant ceases to be an employee at any time and for any reason, his/her Dividend Shares will be transferred to him/her.

Reconstructions and take-overs

In the event of any reconstruction or take-over of the Company, participants may instruct the Trustee to receive any form of consideration in respect of any shares held under the SIP. Any shares which are received as consideration will be held in trust on the same terms as the existing Partnership Shares, Matching Shares, Free Shares or Dividend Shares to which they relate.

Pension implications

Awards under the SIP and any resulting benefits will not be pensionable.

Alterations

The Directors may amend the SIP at any time in any respect provided that:

- (a) the provisions relating to: the participants; the limits on the number of shares which may be issued under the SIP; the individual limit; the basis for determining a participant's entitlement to shares or cash under the SIP or the adjustments of awards in the event of a variation of capital; and the amendment rule, cannot be altered to the advantage of participants without prior approval of shareholders in general meeting (except for minor amendments to benefit the administration of the SIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the SIP or for the Company or any other members of the Mitie Group); and
- (b) no amendment may affect the beneficial interests of participants in shares held by the Trustee on their behalf prior to the amendment.

Termination

The SIP is currently due to terminate on 13 July 2021. If Resolution 22 is passed by shareholders, the termination date will be extended to 27 July 2031.

APPENDIX 4: Electronic Facilities – Ability to join the virtual meeting, vote and ask questions

Details of how to attend and vote at the AGM using the electronic facilities being made available, and details of how to ask questions to the business of the meeting (whether through the Lumi AGM online platform or by telephone) are set out below and at www.mitie.com/investors.

Logging in

In order to join the AGM electronically and ask questions via the platform, Shareholders will need to connect to the following site <https://web.lumiagm.com>. Lumi is available as a mobile web client, compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer V10 and lower are not supported), Edge and Safari and can be accessed using any web browser, on a PC, smartphone or other internet-enabled device.

Once you have accessed <https://web.lumiagm.com> from your web browser on a tablet or Computer, you will be asked to enter the Lumi Meeting ID which is 159-883-042. You will then be prompted to enter your unique 11 digit Investor Code (IVC) including any leading zeros and 'PIN'. Your PIN is the last 4 digits of your IVC. This will authenticate you as a shareholder.

Your IVC can be found on your share certificate, or Signal Shares users (www.signalshares.com) will find this under 'Manage your account' when logged in to the Signal Shares portal. You can also obtain this by contacting Link, our Registrar, by calling +44 (0) 371 277 1020*

Access to the AGM will be available from 30 minutes before meeting start time, although the voting functionality will not be enabled until the Chairman of the meeting declares the poll open. During the AGM, you must ensure you are connected to the internet at all times in order to vote when the Chairman commences polling on the Resolutions. Therefore, it is your responsibility to ensure connectivity for the duration of the AGM via your wi-fi. A user guide to the App and Website is available on our website at: www.mitie.com.

If you wish to appoint a proxy other than the Chairman of the meeting and for them to attend the virtual meeting on your behalf, please submit your proxy appointment in the usual way before contacting Link Group on +44 (0) 371 277 1020* in order to obtain their IVC and PIN. It is suggested that you do this as soon as possible and at least 48 hours (excluding non-business days) before the meeting.

If your shares are held within a nominee and you wish to attend the electronic meeting, you will need to contact your nominee as soon as possible. Your nominee will need to present a corporate letter of representation to Link Group, our registrar, as soon as possible and at least 72 hours (excluding non-business days) before the meeting, in order that they can obtain for you your unique IVC and PIN to enable you to attend the electronic meeting.

Asking questions via the Lumi platform

Shareholders attending electronically may ask questions by typing and submitting their question in writing. Select the messaging icon from within the navigation bar and type your question at the bottom of the screen. To submit your question, click on the arrow icon to the right of the text box.

Alternatively, if a shareholder would like to ask a verbal question, a telephone number and instructions will be provided on the information screen at the beginning of the meeting once a shareholder has logged in.

Voting via the Lumi platform

Once the Chairman of the meeting has formally opened the meeting, they will explain the voting procedure. Voting will be enabled on all resolutions at the start of the formal meeting on the Chairman's instructions. This means shareholders may, at any time while the poll is open, vote electronically on any or all of the resolutions in the Notice of Meeting, resolutions will not be put forward separately.

Once voting has opened, the polling icon will appear on the navigation bar. From here, the resolutions and voting choices will be displayed. Select the option that corresponds with how you wish to vote. Once you have selected your choice, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received. There is no submit button. If you make a mistake or wish to change your vote, simply select the correct choice. If you wish to "cancel" your vote, select the "cancel" button. You will be able to do this at any time whilst the poll remains open and before the Chairman announces its closure.

* Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday, calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate.