



Gender and Ethnicity Pay Gap Report 2023

Our diversity
makes us stronger



Chief People Officer's Statement

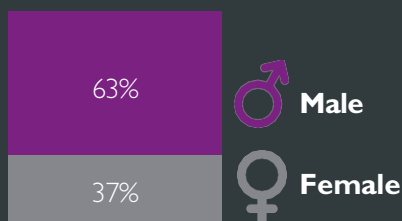
Our exceptional colleagues are the vital spark that makes us Mitie. That's why we strive to do everything we can to inspire and enable our people to achieve their potential. We do this by actively putting the processes, tools and technology in place to support their success.

Representing colleagues from all walks of life including 149 nationalities, over 20,000 females, colleagues living with disabilities and neurodiversity, colleagues identifying as LGBTQ+, parents, carers, veterans, and reservists. We welcome the different experiences, insights, skills and expertise our colleagues bring, helping us deliver the exceptional, every day. **We recognise that our diversity makes us stronger.**

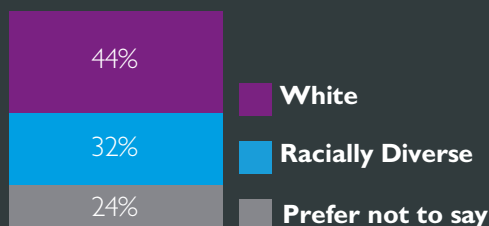


Our ambition is to represent the diversity of our communities and customers among our workforce, from the frontline to the boardroom, by 2025. To achieve this we have set ourselves some bold commitments which can be found on page 10. We continue to make solid progress against our Equality, Diversity and Inclusion goals which support our aspiration to be the destination employer in the Facilities Management industry.

As at 5 April 2023 (the snapshot date for this report), the Mitie median gender pay gap has increased slightly to 7.3% (from 6.8%) but is still below the UK average of 14.3% (ONS). The mean pay gap has decreased to 11.2% (from 12.0%). The median bonus gap has equalised (0%)*, decreasing from 33.3% in 2022. In addition, more employees, both female and male, have received a bonus payment (71.3% v 13.5% in 2022), impacting the mean and median bonus pay gap.



PROPORTION OF MALE AND FEMALE COLLEAGUES



OVERALL ETHNICITY PROPORTIONS OF COLLEAGUES IN MITIE 2023

We recognise there is still a lot more to be done on the journey to reduce our pay gap. This report presents our data and the actions we took for 2023 and we are committed to continue to close the gap.

Jasmine Hudson
Chief People Officer

*We invested £10m in a Winter Support Package to help our lowest paid colleagues with the cost of living crisis by offering a bonus of up to £125, which as a result has equalised the bonus median to 0%. We anticipate an impact on our bonus data next year.

What is the Gender Pay Gap?

The Pay Gap is the difference in average earnings between groups of colleagues across our business, regardless of their role.

Gender Pay Gap Regulations state we must report, for any entity with 250 or more colleagues, the following:

- Gender Pay Gap
- Gender Bonus Gap
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure

In addition, we voluntarily report on the ethnicity pay gap on the following areas:

- Ethnicity Pay Gap
- Ethnicity Bonus Gap
- Proportion of white & racially diverse colleagues receiving bonus
- Proportion of racially diverse and white colleagues in each quartile of the organisation's pay structure

How is it calculated?

Median

If we lined all our male and female colleagues in two rows, from highest paid to lowest paid the person in the middle is the median. The median pay gap is the difference between the middle male and middle female colleague.

We do the same for racially diverse and white colleagues.



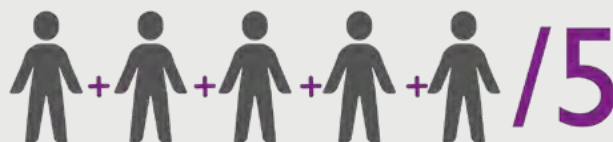
Quartiles

Quartiles are calculated by ranking the pay of all colleagues from lowest to highest and then splitting into four equally sized groups, showing the percentage of females and males in each group.

Mean

To calculate the mean pay gap we take the average pay of all our male colleagues and compare it to the average pay of all our female colleagues.

We do the same for racially diverse and white colleagues.



Gender Identity

Gender Pay Gap regulations require us to identify all colleagues as either men or women. This in no way impacts our support or inclusion of all gender identities at Mitie.

Gender Pay Gap Data for April 2023

Mitie has two legal entities that employ more than 250 colleagues in the UK.

The table below displays the overall gender pay gap for Mitie Group as a whole. A breakdown by legal entity can be found in Appendix I. The proportion of females is 37% to males 63% in 2023.

Mitie Group

Mean and median gender pay gap
<p>The mean gender pay gap is the difference in average hourly rates of pay that male and female colleagues receive, expressed as a percentage of male colleagues earnings.</p> <p>The median gender pay gap is the difference in the midpoints of the ranges of hourly rates of pay for men and women, expressed as a percentage of male colleagues earnings.</p>

Year	Median pay gap	Mean pay gap
2023	7.3%	11.2%
2022	6.8%	12.0%
2021	5.4%	8.5%

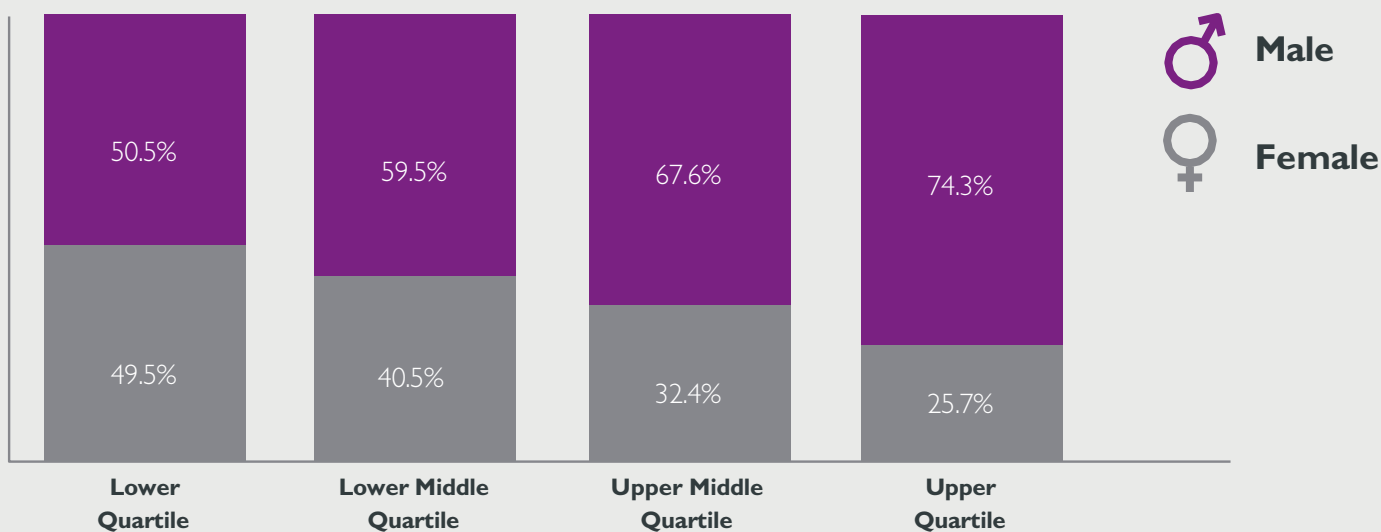
The UK gender pay gap for all employees is 14.3% (ONS)



Proportion of males and females by pay quartile

This is the percentage of male and female colleagues in four quartile pay bands (dividing our workforce into four equal parts).

Proportion of males and females by pay quartile 2023



Our gender pay gap exists because women hold fewer senior positions than men and typically people in more senior roles receive the highest pay. This impacts the hourly pay and bonus figures, because bonuses tend to be paid to those in the most senior positions to keep pace with market practices and to ensure we continue to attract and retain the best talent.

There are 0.1% more females in the Upper and 3.2% more females in the Lower Quartiles compared to 2022, this shows that our strategic focus on improving representation is having a positive impact. Moving forward we will increase our efforts on improving female representation in the Upper Middle and Lower Middle Quartile, which will create a stronger pipeline of talent for the future.

Our Gender Bonus Gap Data for April 2023

The table below displays the overall bonus gap for Mitie Group as a whole. A breakdown by legal entity can be found in Appendix I.

Mean and median gender bonus gap
<p>The mean gender bonus gap is the difference in average bonus pay that male and female colleagues receive, expressed as a percentage of male colleagues earnings.</p> <p>The median gender bonus gap is the difference in the midpoints of the ranges bonus pay received by men and women, expressed as a percentage of male colleagues earnings.</p>

Year	Median bonus gap	Mean bonus gap
2023	0.0%*	57.8%*
2022	33.3%	52.0%
2021	-16.4%	29.0%

Employees receiving a bonus
<p>This is the percentage of men and women who received bonus pay in the 12 months prior to the snapshot date</p>

Year	Male	Female
2023	68.0%*	76.9%*
2022	14.0%	12.6%
2021	9.0%	5.8%

*We invested £10m in a Winter Support Package to help our lowest paid colleagues with the cost of living crisis by offering a bonus of up to £125, which as a result has equalised the bonus median to 0%. We anticipate an impact on our bonus data next year.

There has also been an increased number of female colleagues receiving a bonus (76.9% in 2023 v 12.6% in 2022) compared to 68% male (14.0% in 2022). If we exclude the Winter Support Package, the bonus median would be -2.7% and the bonus mean would be 37.6%.

Ethnicity Pay Gap Data for April 2023

For the third year, we are voluntarily disclosing the ethnicity pay gap as at 5 April 2023. We have followed the same reporting methodology used to report our statutory gender pay gap when calculating the ethnicity pay gap.

The following table displays the overall ethnicity pay gap data for Mitie Group as a whole and the graph at the bottom of the page, shows the disaggregated ethnicity pay gap data.

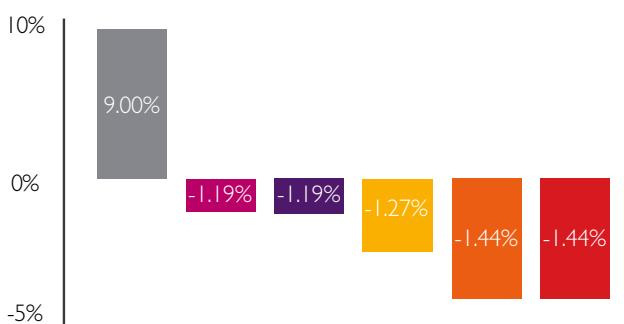
Mitie Group

Mean and median ethnicity pay gap
The mean ethnicity pay gap is the difference in average hourly rates of pay that white and racially diverse colleagues receive.
The median ethnicity pay gap is the difference in the midpoints of the ranges of hourly rates of pay for white and racially diverse colleagues.

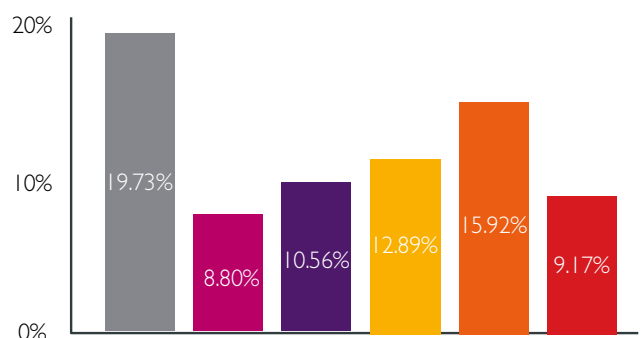
Year	Median pay gap	Mean pay gap
2023	-1.3%	13.5%
2022	1.1%	14.8%
2021	2.8%	11.2%

Our median ethnicity pay gap, which is the difference in the midpoints of the ranges of hourly rates of pay for white and racially diverse colleagues has reduced from 1.1% in 2022 to -1.3%. The mean pay gap has also reduced from 14.8% in 2022 to 13.5%. The median pay gap is in favour of all disaggregated racially diverse colleagues, apart from the "any other ethnic group" which we recognise there is a gap and we are looking into taking action to improve this.

2023 Median Pay Gap



2023 Mean Pay Gap

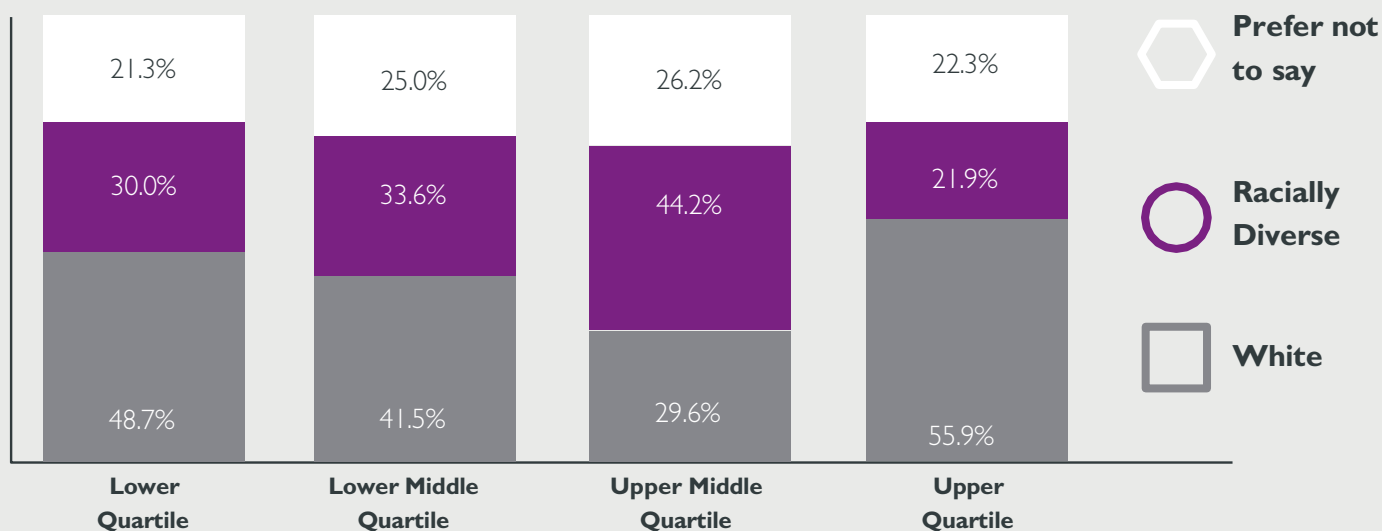


- Mixed/Multiple ethnic background
- Any other Ethnic group
- Asian or Asian British
- Black African/Caribbean/Black British
- Prefer not to say
- White Other

Proportion of white and racially diverse by pay quartile

This is the percentage of white, racially diverse and 'Prefer not to say' colleagues in four quartile pay bands (dividing our workforce into four equal parts). The ethnicity data has also been disaggregated in the table at the bottom of the page, to highlight the split in the pay quartiles.

Proportion of ethnicity by pay quartile 2023



Ethnicity	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
Any other Ethnic group	5.5%	1.3%	2.4%	1.2%
Asian or Asian British	7.8%	10.4%	13.4%	5.9%
Black African/Caribbean/Black British	7.6%	10.1%	15.5%	5.2%
Mixed/ Multiple ethnic background	1.8%	2.3%	3.0%	2.0%
Prefer not to say	21.3%	25.0%	26.2%	22.3%
White	48.7%	41.5%	29.6%	55.9%
White Other	7.3%	9.5%	9.9%	7.6%

We have seen a 10% increase in racially diverse colleagues from 22% in 2022 to 32% in 2023. The increase is due to the disaggregated ethnicity data that we have been able to report on this year, where we have been able to split out "White Other" into the racially diverse category. This is a result of direct feedback from our colleagues. In addition, we have seen the biggest increase in the upper middle quartile (44.2% in 2023 v 29% in 2022) and lower middle quartile (33.6% in 2023 v 20.9% in 2022).

We recognise that not all colleagues have shared their diversity data with us, impacting the accuracy of our reporting. To improve this, we will continue to work with our diversity networks to build colleague trust and confidence in data disclosure, enabling us to identify and address inequalities that exist.

Ethnicity Bonus Gap Data for April 2023

The table below displays the ethnicity bonus gap for Mitie Group as a whole and the table at the bottom of the page, shows the disaggregated ethnicity bonus gap data.

Mean and median ethnicity bonus gap
<p>The mean ethnicity bonus gap is the difference in average bonus pay that white and racially diverse colleagues receive.</p> <p>The median gender bonus gap is the difference in the midpoints of the ranges of bonus pay received by white and racially diverse colleagues.</p>

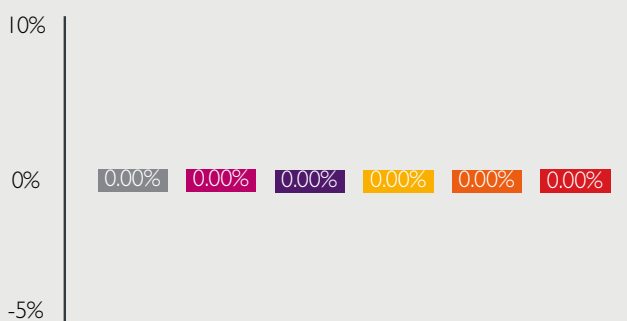
Year	Median bonus gap	Mean bonus gap
2023	0.0%*	79.6%*

Colleagues receiving a bonus
<p>This is the percentage of white and racially diverse colleagues who received bonus pay in the 12 months prior to the snapshot date</p>

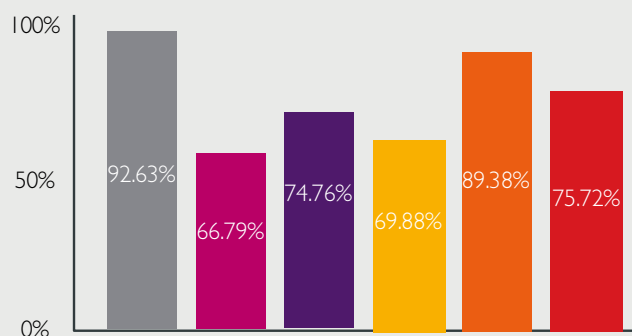
Year	White	Racially Diverse
2023	69.1%*	70.8%*

The bonus median gap is 0% and the bonus mean gap is 79.6%, however if we excluded the Winter Support Package payments, then the bonus median would be 39.4% and the bonus mean would be 73.8%.

2023 Median Bonus Gap



2023 Mean Bonus Gap



- Mixed/Multiple ethnic background
- Any other Ethnic group
- Asian or Asian British
- Black African/Caribbean/Black British
- Prefer not to say
- White Other

*We invested £10m in a Winter Support Package to help our lowest paid colleagues with the cost of living crisis by offering a bonus of up to £125, which as a result has equalised the bonus median to 0%. We anticipate an impact on our bonus data next year.

Closing the Gap - Our progress so far

In the last year, Mitie has made progress against our commitment to reduce the pay gap and support pay equity. We have improved the way we examine our data points allowing us to take specific actions to support colleague development and encourage colleagues to be themselves at work. This improved examination has led to several changes that include increasing communications that encourages a culture of openness and fairness, introducing training programmes that increase awareness of biases, and giving colleagues tools and information to help them make career development choices. Through this and the actions outlined below, we are on our way to building a more equitable workplace where all individuals can succeed, and the pay gap is continually narrowed. Whilst we recognise more needs to be done to progress women into senior roles, in the last year we have seen 39.0% of our total promotions are female colleagues, being promoted across all levels of the organisation.

Resourcing

Our mandatory Inclusive Recruitment Principles guide us to make more inclusive hiring choices. We aim for 40% gender representation and 20% racial diversity in candidate shortlists for our senior roles. We constantly evaluate and question our hiring processes and decisions with business leaders.

Career Development

We are committed to support our people to grow and advance their careers with us. Our Senior Women in Leadership Programme, which is sponsored by our Chief People Officer, shows how we are encouraging the skills, abilities, expertise, and experience of women at Mitie to take on our most senior roles. This programme is underpinned by a Level 7 Leadership apprenticeship delivered in collaboration with Comdel University. We also make sure that our performance reviews and talent assessments are based on objective and concrete criteria, lowering the chance for bias in any of our selection and progression processes.



Colleague Experiences

We have continued to work with our six diversity networks, especially our Mitie Women Can and CHORD (race and ethnicity) networks to increase awareness of the challenges faced by the different groups and address biases. Colleagues from across the business attended all our networks' activities, representing a variety of grades, genders, and ethnicities.

Each network has an Executive sponsor, and we are continually monitoring what's going well in our Equality, Diversity, and Inclusion strategy and where we can do better.

Members of the Board have been present at over 15 Board Listening Sessions and network events, providing them with the opportunity to better understand the lived experience of colleagues and create a cycle of feedback that informs decision making, driving engagement and trust.

Inclusion Allies Programme

Through our Inclusion Allies Programme, delivered in collaboration with Inclusive Employers and sponsored by a member of our Executive Leadership Team, we have trained 150 colleagues to embed allyship across Mitie. Colleagues take part in our four-week learning programme, aimed to support their personal inclusion journey by helping them to understand what makes an ally, exploring privilege, circles of influence, how to have challenging conversations and challenge exclusion to achieve a more inclusive environment for all.

Data Accuracy

We continue to encourage colleagues to update their diversity data to improve the accuracy of reporting. We've improved access to how colleagues can update their data, and also made it a central focus for our networks strategies to encourage colleagues to feel proud in declaring their diversity data.

Measurement

Our progress against our representation targets and other key metrics are reported to our Executive Committee and Board members monthly. We continually monitor our data to understand areas of opportunity.

Celebrating International Women's Day

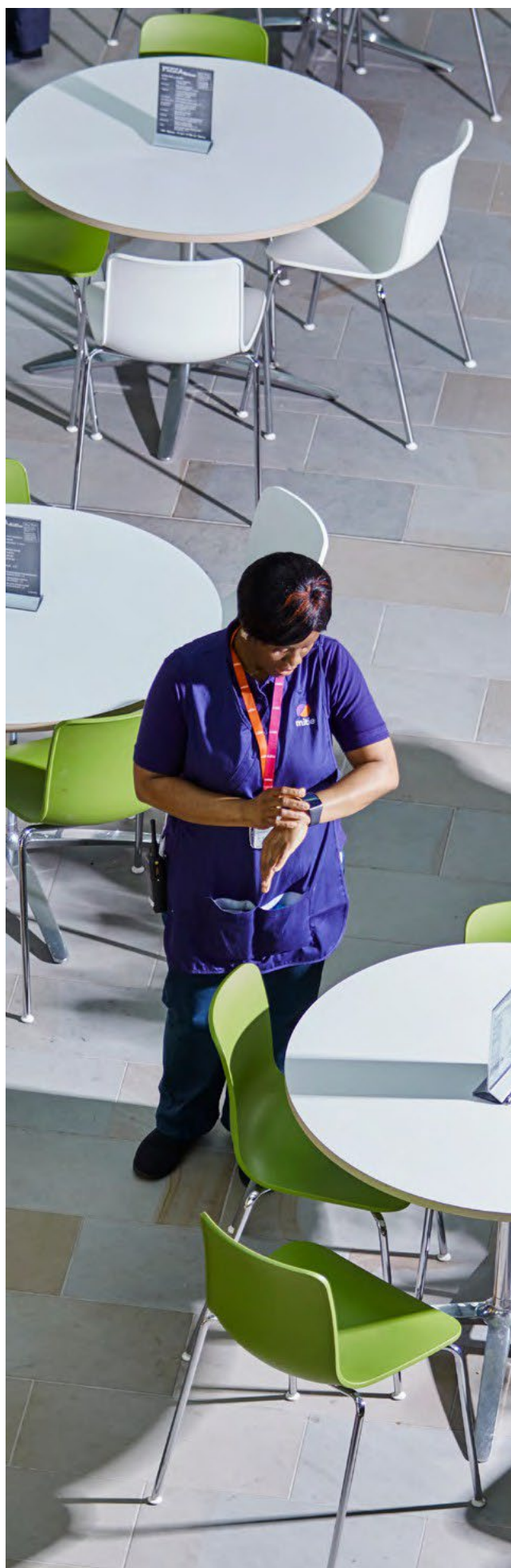
Our annual Mitie Women Can flagship event attended by over 500 colleagues at all levels from across the organisation. The event recognises and celebrates the achievements of women at Mitie, aims to discuss and understand the importance and value of female inclusion in the workplace. The event provides a spotlight focus on Gender Equality in the workplace, enabling females to share their success stories, experiences, how they overcome barriers and provide an opportunity for networking.

Each year, we host an Exceptional Women at Mitie event where colleagues from across the organisation are asked to nominate 'Exceptional Women'. It was encouraging to see 428 Exceptional Women being recognised for the impact they are making at Mitie.

The event also recognises the important role allies play in promoting and embedding gender quality in the workplace.

Carers leave

Carers leave is due to become a legal right in April 2024, at Mitie we implemented this in early September 2023 to provide support for our carers at Mitie. Carers have an entitlement to one week's unpaid leave per year (this includes colleagues who foster care – which is not included in legislation). This change has been positively welcomed by our Parents & Carers network.



A note from our Head of Equality, Diversity & Inclusion

As one of the largest employers in the UK, we have a duty to provide transparency to our 64,000 colleagues on the gender and ethnicity pay gap at Mitie. This report details the great work we have achieved so far, and is a tool to hold us accountable for our actions in the future.



At Mitie we're committed to not only reducing our pay gap, but also creating an environment where our women and racially diverse colleagues will thrive. We're achieving this through making strategic change and enhancing our colleague experience through our employee value proposition.

We are committed to ensuring our workforce represents the communities we serve, at every level of our organisation. We know the data will continue to tell our great story in the years to come.

Sim Sian

Head of Equality, Diversity & Inclusion



Appendix

Gender Pay Gap data for entities with 250 or more employees.

Mitie has two legal entities to report on: Mitie Limited and Mitie Care and Custody Limited

Mitie Limited

	Median						Mean					
	2023	2022	2021	2020	2019	Difference 2023-2022	2023	2022	2021	2020	2019	Difference 2023-2022
Pay Gap	7.2%	6.9%	4.8%	6.2%	4.5%	0.3%	11.2%	12.0%	7.2%	7.8%	10.4%	-0.8%
Bonus Gap	0.0%	33.3%	-37.6%	-43.1%	8.6%	-33.3%	57.9%	54.4%	29.1%	29.9%	49.7%	3.5%

	Male						Female					
	2023	2022	2021	2020	2019	Difference 2023-2022	2023	2022	2021	2020	2019	Difference 2023-2022
% of colleagues receiving bonus	67.9%	14.1%	9.7%	11.0%	7.6%	53.8%	76.9%	12.6%	7.1%	5.8%	6.4%	64.3%

	Male						Female					
	2023	2022	2021	2020	2019	Difference 2023-2022	2023	2022	2021	2020	2019	Difference 2023-2022
% of colleagues in each pay quartile												
Upper	74.3%	74.5%	73.2%	74.4%	75.0%	-0.2%	25.7%	25.5%	26.8%	25.6%	25.6%	0.2%
Upper Middle	67.4%	63.9%	67.1%	69.4%	67.0%	3.5%	32.6%	36.1%	32.9%	30.6%	33.0%	-3.5%
Lower Middle	59.5%	57.8%	66.4%	68.0%	60.0%	1.7%	40.5	42.20	33.60%	32.00%	40.00%	-1.7%
Lower	50.5%	53.8%	62.2%	59.4%	57.0%	-3.3%	49.5%	46.20%	37.80%	40.60%	43.00%	3.3%



Mitie Care & Custody Limited

	Median						Mean					
	2023	2022	2021	2020	2019	Difference 2023-2022	2023	2022	2021	2020	2019	Difference 2023-2022
Pay Gap	0.0%	0.0%	0.0%	-0.1%	6.6%	0.0%	1.4%	0.1%	4.6%	0.2%	5.0%	1.4%
Bonus Gap	0.0%	1.1%	100.0%	100.0%	37.5%	-1.1%	21.5%	0.4%	100.0%	100.0%	18.7%	21.1%

	Male						Female					
	2023	2022	2021	2020	2019	Difference 2023-2022	2023	2022	2021	2020	2019	Difference 2023-2022
% of colleagues receiving bonus	73.1%	2.6%	0.5%	0.2%	1.6%	70.5%	77.6%	3.3%	0.0%	0.0%	1.9%	74.33%

% of colleagues in each pay quartile	Male						Female					
	2023	2022	2021	2020	2019	Difference 2023-2022	2023	2022	2021	2020	2019	Difference 2023-2022
Upper	71.3%	69.6%	73.6%	66.7%	77.0%	1.7%	28.7%	30.4%	26.4%	33.3%	23.0%	-1.7%
Upper Middle	65.9%	71.2%	65.0%	53.1%	69.0%	-5.3%	34.1%	28.8%	35.0%	46.9%	31.0%	5.3%
Lower Middle	66.7%	61.6%	63.9%	65.3%	57.0%	5.1%	33.3%	38.4%	36.1%	34.7%	43.0%	-5.1%
Lower	66.7%	64.8%	63.6%	62.0%	60.0%	1.9%	33.3%	35.2%	36.4%	38.0%	40.0%	-1.9%

