

## Tax Strategy

### Section I: Introduction

#### I.1 Context

This document sets out the strategic tax principles for Mitie Group plc and its subsidiaries. Mitie Group plc is a listed facilities management company, based in the UK. With over 95% of its operations in the UK, the UK is Mitie's largest market by far and the Group makes a substantial contribution to the UK Exchequer.

Details of the key countries and territories in which Mitie has operations are set in the Appendix to this document.

#### I.2 Ownership and approval

This strategy is owned by the Head of Tax, following approval from the Chief Financial Officer and the Board of Directors.

The Head of Tax is responsible for ensuring compliance with the strategy, and can confirm that the strategy has been complied with since the previous strategy was approved 12 months ago.

#### I.3 Audience

The tax strategy is primarily of relevance to the Mitie Group plc Board, to all employees, and to the governments of the countries and territories in which the Group operates.

The statements on tax strategy and strategic tax principles contained in this document are intended to comply with the legislation in Paragraph 16(2), Schedule 19, Finance Act 2016. The statements are made in respect of our financial year ending 31 March 2025. The rest of the document is intended to provide context and more detail on tax management in Mitie.

#### I.4 Scope

The tax strategy, and related strategic tax principles, are intended to establish a clear and unequivocal approach to all aspects of tax reporting and compliance wherever the Group operates.

For companies where Mitie holds over 50% of the share capital and has management control, each company will implement the tax strategy and strategic tax principles, supported by the Group Tax Team. Mitie will share its tax strategy and strategic tax principles with joint ventures that it does not control.

This strategy applies to:

#### **A – Taxes payable and reportable including:**

- Corporation tax (including withholding taxes and amounts assessable or chargeable as if it were corporation tax)
- Value added tax
- Amounts for which the company is accountable under PAYE and Construction Industry Scheme regulations
- Diverted profits tax
- Insurance premium tax
- Annual tax on enveloped dwellings
- Stamp duty land tax

- Stamp duty reserve tax
- Petroleum revenue tax
- Customs duties
- Excise duties
- National insurance contributions
- Business rates
- Apprenticeship levy

**B – Tax reporting activities including:**

- Tax financial reporting
- Tax forecasting

## Section 2: Tax Strategy

### 2.1 Tax strategy statement

Mitie’s tax strategy is to pay the right amount of tax at the right time, managing all taxes responsibly in the interests of stakeholders. Mitie’s strategic tax principles, as set out below, govern the Group’s behaviour and decisions that affect its tax affairs.

### 2.2 Mitie’s strategic tax principles and their delivery

STRATEGIC TAX PRINCIPLES	DELIVERY OF THE STRATEGIC TAX PRINCIPLES
<b>Approach to risk management &amp; governance</b>	
<p><b>Identification &amp; mitigation of risk</b> – tax risks are identified by the tax team and monitored within a Group wide risk register.</p>	<p>The risk register identifies the key tax risks to which the company is exposed, and the related mitigating controls. We will ensure that the risk register is reviewed and updated every 6 months.</p>
<p><b>Governance framework</b> – we will operate effective tax governance, ensuring that our tax control framework is continuously adjusted to achieve compliance with our tax obligations.</p>	<p>We will put in place the resources, governance, process, and controls necessary to ensure that our risks are managed effectively in compliance with these principles.</p>
<p><b>Responsibilities</b> – this strategy is owned by the Head of Tax following approval from the Chief Financial Officer and The Board.</p>	<p>While the Chief Financial Officer has oversight of tax governance, it is the responsibility of the Head of Tax, with the support of each of the Divisional Finance Directors, to ensure compliance with the Group’s tax governance throughout each division. We will ensure that an internal Senior Accounting Officer process is used to monitor compliance.</p>
<p><b>Effectiveness</b> – we will appoint appropriate tax professionals and advisors to ensure compliance with the law and to ensure that our business has access to clear, timely and relevant advice across all aspects of tax.</p>	<p>We will ensure we recruit, develop and retain high calibre tax professionals to manage our taxes, and use highly regarded third party advisors as necessary. We will ensure that appropriate tax processes are embedded in our business and that the business understands that tax risk must be minimised.</p>

<b>Attitude towards tax planning</b>	
<b>Tax planning</b> – we will claim incentives and reliefs in accordance with tax law, ensuring compliance with its spirit and intent.	We will seek opportunities to use legitimate tax incentives within our business, seeking advice, as appropriate, to ensure compliance with the spirit and intent of the relevant tax law.
<b>Structuring / Tax Havens</b> – we will not use tax havens for tax avoidance.	Although we may operate in ‘low tax’ or ‘no tax’ jurisdictions in the normal course of business, we will not use them for artificial tax planning and we will ensure transfer prices are on arm’s length terms. We will ensure that profits reported in each country or territory reflect the economic substance of the activities conducted there.
<b>External advisors</b> – external support will be sought when required, but will operate within the boundaries of the strategic principles set out in this document.	Where Mitie outsources to external tax advisors (including elements of compliance), the Head of Tax will ensure that the strategic tax principles set out in this document are adhered to, with support from the wider Tax team and the divisional Finance Directors.
<b>Level of risk accepted</b>	
<b>Risk levels</b> – our risk appetite in respect of tax is low.	We will ensure our tax risks are identified and managed effectively.
<b>Relationships with tax authorities</b>	
<b>Transparency</b> – we will be transparent in our approach to tax, seeking to develop strong relationships with tax authorities based on openness and trust.	Transparency goes beyond the observation of all applicable laws, rules, regulations and disclosure requirements. We will publish our tax strategy, and will work openly with tax authorities on a timely basis, and assist them in areas of uncertainty.
<b>Working in partnership / Compliance</b> – we will operate responsibly in accordance with our interpretation of the law and international standards such as the OECD Guidelines.	We will pay our tax when due, on a conservative basis. We will form strong technical positions and assist the tax authorities in areas of uncertainty. We will seek professional advice as necessary.

## Section 3: Governance, structure and organisation

### 3.1 Governance

The Group believes it is important to follow the highest ethical standards, and this is reflected in the Code of Conduct issued by Mitie Group plc to all employees. The Group has whistleblowing procedures in place under which any concerns related to tax behaviours can be raised. The Group has appropriate controls in place to ensure that it meets all its tax obligations in accordance with this tax strategy.

## 3.2 Structure and organisation

### **Tax team**

All tax team members will act in line with the agreed tax strategy and the related tax governance framework. The Group Tax team will be recognised as having tax expertise and be an example of Mitie's commitment to employ expert, highly engaged people. The Group Tax Team includes experts for each area of tax which is material for Mitie, including corporation tax, VAT and employment taxes.

### **Finance**

Divisional Finance Directors are responsible for ensuring their divisions comply with the tax strategy and the related strategic tax principles.

### **External advisors**

The engagement of external advisors is under the overall management of the Board of Directors, with delegated responsibility to the Chief Financial Officer. Where the Group outsources to external tax advisors (including elements of compliance), the Head of Tax will provide a copy of this document to the advisors and ensure that the strategic tax principles set out in this document are adhered to, with support from the wider Tax team and the divisional Finance Directors.

## Appendix – Key countries and territories in which Mitie has operations

- United Kingdom
- Spain
- Ireland
- Germany
- Cyprus
- Gibraltar
- Falkland Islands
- Ascension Island