

## Terms of Reference – Environment, Social and Governance Committee

### **1. COMPOSITION**

- 1.1 The Environment, Social and Governance (“ESG”) Committee shall be a Committee of the Board of directors of Mitie Group plc (the “Board”) and its members appointed by the Board. Members of the Committee shall have relevant competencies and experience in ESG matters.
- 1.2 At the date of review of these Terms of Reference the members of the Committee are an Independent Non-Executive Director of the Board, the Chief Legal Officer, the Chief People Officer, the Director of External Communications, the Managing Director of Business Services, the Chief Government & Strategy Officer & Managing Director of Technical Services, the Managing Director of Care & Custody and the Group Director for Sustainability & Group Director of Social Value.
- 1.3 Additional members may be appointed by the Board.
- 1.4 The Chair of the Committee shall be either an Independent Non-Executive Director of the Board or the Chairman of the Board. In the absence of an Independent Non-Executive Director and the Chairman of the Board, the Chief Executive Officer or the Chief Legal Officer shall chair the meeting. No individual may chair a meeting of the Committee in relation to its deliberations on a matter directly relating to that individual.
- 1.5 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as other Independent Non-Executive Directors, the Chief Executive Officer, the Head of the Mitie Foundation, members of the ESG team and external advisers may be invited to attend all or part of any meeting, as and when appropriate.
- 1.6 The Company Secretary or their nominee shall be the Secretary to the Committee.
- 1.7 The Chair and members of the Committee shall be listed each year in Mitie Group plc’s (the “Company”) Annual Report.

### **2. MEETINGS**

- 2.1 The quorum for any meeting shall be two of the Committee members present throughout the meeting in person, or by telephone or video conference, with at least one being an Independent Non-Executive Director.
- 2.2 The Committee shall normally meet at least four times a year and additionally as and when required. The Chair of the Committee may convene meetings at their discretion.

A meeting of the Committee may also be called by any member of the Committee or by the Secretary.

- 2.3 Unless otherwise agreed, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting papers (where appropriate) shall be forwarded to each member of the Committee, and to each other person invited to attend (as appropriate), not less than five clear days prior to the date of the meeting. All reasonable efforts shall be made to give notice of meetings of the Committee and to arrange such meetings so that members are able to attend them.
- 2.4 A member of the Committee may participate in a Committee meeting by telephone or video conference.
- 2.5 In the event of equality of votes, the Chair of the Committee shall have a casting vote.
- 2.6 If any member of the Committee is unable to act for any reason, the Chair of the Committee may appoint another employee of the Company agreed by other members of the Committee to act as that member's alternate.
- 2.7 The members of the Committee shall serve on the Committee at the discretion of the Board and may be removed by the Board.

### **3. RESPONSIBILITIES & DUTIES**

- 3.1 In these terms of reference "ESG" refers to the following:
  - a. Environmental: the Mitie Group's climate transition strategy and impact on the environment, including greenhouse gas emissions, energy consumption, generation and use of renewable energy, pollution prevention, efficient use of resources, the reduction and management of waste and the environmental impact of the Mitie Group's supply chain.
  - b. Social: the duties that the Board has given to the Committee regarding the Mitie Group's employees, other stakeholders, and the communities in which it operates, as well as the Groups' broader role in society. This includes the commitment to creating social value for our clients through our contract delivery, and for our colleagues and communities through initiatives that support positive, sustained and sustainable impact such as enhanced community well-being, inclusion and social mobility.
  - c. Governance: the conduct of the Mitie Group's business in connection to the Environmental and Social pillars, including its corporate governance framework in relation to ESG matters. Oversight of the Mitie Group's performance in relation to its ESG strategy and aims, as well as the openness of its ESG reporting.
- 3.2 The responsibilities of the Committee are:
  - a. to identify the ESG priorities that most significantly impact the Mitie Group, its stakeholders and its reputation;

- b. to approve the ESG strategy of the Mitie Group on an annual basis, which strategy shall then be submitted to the Mitie Board for final approval and adoption;
- c. to promote, oversee and monitor the implementation of the ESG strategy on behalf of the Mitie Group;
- d. to oversee, monitor, and receive regular updates from the ESG Risk Group on the Group Climate Transition Plan;
- e. to seek to ensure that the Mitie Group conducts its business in a responsible way which is consistent with the ESG strategy;
- f. to support the Board in overseeing the development, monitoring and review of the Mitie Group's performance against its ESG strategy, targets and key performance indicators, initiatives and commitments. As well as reviewing reporting against these at Committee meetings;
- g. to oversee the identification and management of material ESG risks;
- h. on an annual basis, to review and recommend for approval the relevant sections of the Annual Report, Mitie's ESG Report any other sustainability-related public documents, including the Modern Slavery Act Statement;
- i. to periodically review the Mitie Group's policies and practices relating to ESG matters to ensure that they remain effective and compliant with legal and regulatory requirements and relevant industry standards;
- j. to work with relevant business units to guide the Mitie Group's ESG communication strategy;
- k. to consider Mitie's position on relevant emerging sustainability issues, and when appropriate, recommend to the Board Group targets and/or subscription to sustainability-related commitments;
- l. to receive regular updates on the charitable activities of the Mitie Foundation; and
- m. to monitor the level of resource, competence, and commitment to managing ESG matters.

3.3 The Committee shall work and liaise with other board committees as necessary, ensuring the interaction between committees and the Board is reviewed regularly. This may include:

- a. work in conjunction with the Remuneration Committee regarding appropriate ESG-related targets for any performance related pay schemes for executive directors, to ensure that ESG matters are appropriately considered when setting the director's remuneration policy;
- b. work in conjunction with the Audit Committee to:
  - review regularly the requirement for internal and external audit of ESG-related matters;

- monitor the role and effectiveness of the Company's internal audit function with regards to ESG-related disclosures;
  - review and monitor the Company's risk management and internal control framework in relation to ESG risks, and
- c. work in conjunction with the Nomination Committee to oversee the development of a diverse pipeline for succession.

#### **4. ANNUAL GENERAL MEETING & ENGAGEMENT WITH SHAREHOLDERS**

- 4.1 The Chair of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities or support any member of the Board in relation to the same.
- 4.2 If necessary, the Committee Chair should be available to meet with shareholders to discuss important matters connected to the Committee's areas of responsibility.

#### **5. REPORTING PROCEDURE**

- 5.1 Following each of the Committee's meetings, the Chair of the Committee shall make a verbal report to the next meeting of the Board of matters considered by the Committee.
- 5.2 The Chair of the Committee shall make whatever recommendations to the Board the Chair deems appropriate on any area within the Committee's remit where action or improvement is needed.
- 5.3 Following each meeting, the Secretary shall circulate to all members of the Committee the draft minutes of the meetings of the Committee. After approval and signature by the Chair, the Secretary may make these minutes available to other members of the Board and other attendees (redacted, where necessary) at the discretion of the Chair, unless in the opinion of the Chair it would be inappropriate to do so or a conflict of interest may arise.

#### **6. TERMS OF REFERENCE – REVIEW**

- 6.1 The Committee shall, at least once a year, review its own performance, constitution and Terms of Reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

#### **7. AUTHORITY**

- 7.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company (or any of its subsidiaries) in order to perform its duties.
- 7.2 The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its Terms of Reference, as well as obtain other information which it deems necessary to help fulfil its obligations. The Committee may, if it thinks fit, secure the attendance at meetings of external advisers with relevant experience and expertise at the Company's expense.

## **8. OTHER MATTERS**

8.1 The Committee shall:

- a. have access to sufficient resources in order to carry out its duties, including access to the company secretariat as required;
- b. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; and
- c. give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and published guidance, the requirements of the FCA's Listing, Prospectus Regulation Rules Sourcebook and Disclosure Guidance and Transparency Rules Sourcebook and any other applicable rules, as appropriate.

**Annual review by the Committee on 20 January 2025**

**Approved by the Board on 22 January 2025**