Better Places; Thriving Communities

Introduction

Our dedicated team of 76,000 colleagues deliver transformational services to over 3,000 public and private sector customers, positively impacting millions of lives in the UK and beyond.

Sustainability and social responsibility are at the core of our business. They are fundamental to our resilient business model, helping to minimise our environmental footprint while supporting the UK's transition to a low-carbon future through the services we deliver for our customers.

Integrity and ethical standards are equally important, and we outline our principles through our policies and Code of Conduct (One Code). We expect our colleagues and suppliers to uphold these principles, ensuring a culture of transparency and accountability. Our robust corporate governance framework underpins a sustainability strategy that benefits our stakeholders and the wider community.

We are also committed to nurturing a skilled workforce by offering meaningful employment and development opportunities alongside supporting economic and social progress in local communities. We are champions of responsible resource management and environmental stewardship to secure a greener future. As leaders in Environmental, Social & Governance (ESG) matters, we support our customers to achieve their goals while contributing to a healthier planet and stronger communities.

At Mitie, we are committed to making a significant positive impact. Sustainability is at the heart of our approach, driving us to reduce our environmental footprint, support the wellbeing of our workforce and uphold the highest ethical standards. Through our transformational services, we empower our clients to achieve their sustainability objectives while advancing societal decarbonisation, social value and strong governance. Together, we are building a resilient, future-focused business that benefits our planet, our people and the communities we serve.

Jason Roberts
Group Director for Sustainability

Contents

ESRS 2 General Disclosures

Basis for preparation
53 BP-1: General basis for preparation of Mitie's sustainability statements
54 BP-2: Disclosures in relation to specific circumstances

Governance
54 GOV-1: The role of the administrative, management and supervisory bodies
55 GOV-2: Information provided to, and sustainability matters addressed by, the undertaking's administrative, management and supervisory bodies
57 GOV-3: Integration of sustainability-related performance in incentive schemes
57 GOV-4: Statement on sustainability due diligence
57 GOV-5: Risk management and internal controls over sustainability reporting

Strategy
57 SBM-1: Market position, strategy, business model(s) and value chain
57 SBM-2: Interests and views of stakeholders
58 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model(s)

Impact, risk and opportunity management
59 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

E1 Climate Change

Strategy
60 E1-1: Transition plan for climate change mitigation
60 E1-SBM-3: Description of the processes to identify and assess material climate-related impacts, risks and opportunities (IROs)

Impact, risk and opportunity management
63 E1-2: Policies related to climate change mitigation and adaptation
63 E1-3: Actions and resources in relation to climate change policies

Metrics and targets
64 E1-4: Targets related to climate change mitigation and adaptation
64 E1-5: Energy consumption and mix
65 E1-6: Gross Scopes 1, 2, 3 and total GHG emissions
67 E1-7: GHG removals and GHG mitigation projects financed through carbon credits
67 E1-8: Internal carbon price
67 E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

S1 Own Workforce

Strategy
68 ESRS 2 SBM-2: Interests and views of stakeholders
68 ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Impact, risk and opportunity management
69 S1-1: Policies related to own workforce
70 S1-2: Processes for engaging with own workers and workers' representatives about impacts
71 S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns
71 S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Metrics and targets
71 S1-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities
72 S1-6: Characteristics of the undertaking's employees
72 S1-9: Diversity metrics
72 S1-12: Persons with disabilities
73 S1-10: Adequate wages
73 S1-13: Training and skills development metrics
73 S1-14: Health and safety metrics
74 S1-17: Incidents, complaints and severe human rights impacts

G1 Business Conduct

Impact, risk and opportunity management
74 G1-1: Corporate culture and business conduct policies
75 G1-2: Management of relationships with suppliers
75 G1-3: Prevention and detection of corruption or bribery

Metrics and targets
75 G1-4: Confirmed incidents of corruption or bribery
75 G1-5: Political influence and lobbying activities
75 G1-6: Payment practices

Plan Thrive

We recently launched Mitie's new Company purpose – 'Better Places; Thriving Communities' – uniting everyone at Mitie, from the Board to frontline colleagues, around a shared commitment to help shape the communities where we live and work. To support this new purpose, we have set bold social value pledges through our new Plan Thrive initiative, uplifting people and enabling places to prosper as a trusted partner and employer.

Our Plan Thrive pledges

01
Uplift one million lives – through social mobility, inclusion and wellbeing

02
Enable 1,000 places to prosper

03
Champion and invest in partnerships and supply chain to deliver sustainable impact

04
Measure and report our impact transparently

Our social value framework

Mitie's social value framework aligns with the UK Government's Social Value Model and the United Nations Sustainable Development Goals (SDGs). It guides our approach to sustainability and social value across the value chain, with specific objectives and targets reported monthly on our website.

Innovation

Innovation is embedded within all our pillars, to ensure that Mitie remains at the forefront of technology and 'best-in-class' service delivery.

People

People are Mitie's greatest asset, and we have a duty of care to ensure that they are equipped to be productive in the office and at home.

Environment

The climate emergency is humanity's biggest challenge. We believe it is key for all of our people to understand our environmental impact.

Community

We are an active part of the communities in which we operate, helping to deliver social value, not only for Mitie, but also for our customers.

Responsible supply chain

Mitie has a robust and responsible supply chain that is engaged in the creation of positive social impacts across all areas of business.

Find out more about Mitie and our commitment to ESG in our 2025 ESG report

Our industry-leading approach

We are targeting Net Zero for our direct operations by the end of 2025, and our indirect operations by 2035. Since launching Plan Zero five years ago, we have made significant progress towards our targets. During the year, we published our first Climate Transition Plan, building on the success of Plan Zero to guide us through the next decade.

For the second consecutive year, we have been ranked on the CDP's Climate A List for our carbon disclosures. This recognition reflects the validation of our science-based targets by the Science Based Targets initiative (SBTi), the ongoing transition of our fleet to EVs and improved carbon data capture and reporting.

We have maintained 'Platinum' status in the Sustainable Facilities Management Index for the fourth consecutive year and we received a 'Negligible' risk rating from Sustainalytics. Our 14 ESG targets are monitored and reviewed by our ESG Committee to ensure progress.

Progress against our social value targets

In FY25, we achieved 12 out of our 14 social value targets across the pillars of People, Environment, Community and Responsible Supply Chain.

As at FY25, we have transitioned 74% of our total UK fleet to EVs, slightly below our 80% target. This shortfall was primarily due to our continued business expansion, both organically and through infill M&A, which introduced new vehicles to the fleet, including those where commercially and operationally viable EV options are not available. Overall, we have made substantial progress over the past five years, converting 85% of our fleet where EV alternatives are available. We now operate 57% more EVs compared with the initial expectation when we launched Plan Zero in 2020.

The percentage of racially diverse colleagues on our senior leadership team (SLT) increased by 2.4ppt to 17.4%, and we continue to work towards our target of 20%.

People	Target FY25	Actual FY25	Achieved?
% of colleagues, where Mitie sets salary, paid Real Living Wage	100%	**100%**	●
% of colleagues through apprenticeship scheme	5.0%	**5.9%**	●
% of women on SLT	40%	**42%**	●
% of racially diverse colleagues on SLT	20%	**17.4%**	●
Environment			
Scope 1 and 2 emissions, net of carbon credits – global emissions (tonnes)	12,775	**12,775**	●
Scope 3 emissions – global emissions (tonnes)	275,752	**254,355**	●
% of fleet zero carbon[1]	80%	**74%**	●
Waste to landfill (tonnes)	0	**0**	●
Community			
Volunteer paid hours	23,680	**32,512**	●
Health and wellbeing training hours delivered	28,943	**36,814**	●
Armed Forces recruitment[2]	2.3%	**3.9%**	●
Responsible supply chain			
Spend with VCSEs	£2.3m	**£3.4m**	●
% of spend with SMEs[3]	33%	**47.3%**	●
% of spend on Supplier Management Framework	40%	**55.2%**	●

1. In FY24 we reduced the FY25 target for % of fleet zero carbon from 85% to 80% to reflect the increased size of our overall fleet of vehicles, due to organic growth and strategic acquisitions, and the limited availability of commercially and operationally viable EV options for specialist vehicles and our highest mileage drivers.
2. This target relates to maintaining Armed Forces recruitment at a percentage of 0.5% above the population average.
3. Commitment to maintain public sector % SME spend above 33% target.

ESRS 2 General Disclosures

Basis for preparation

BP-1: General basis for preparation of Mitie's sustainability statement

As part of our commitment to ESG, Mitie is preparing to comply with the Corporate Sustainability Reporting Directive (CSRD) by adopting new sustainability statements for our FY25 Annual Report, referencing the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG).

Our double materiality assessment (DMA), completed in FY24, identified E1 Climate Change, S1 Own Workforce and G1 Business Conduct as material to our business. We have therefore focused on these key areas of the CSRD while maintaining compliance with the Task Force on Climate related Financial Disclosures (TCFD) and other relevant standards. All data points in the ESG sections have been identified as material through our DMA.

Climate-related disclosure for TCFD

Compliance statement

Under the Financial Conduct Authority's Listing Rules, our reporting is compliant with the four TCFD recommendations and 11 recommended disclosures, as set out in Figure 4 of Section C of the TCFD report 'Recommendations of the Task Force on Climate-related Financial Disclosures'. During FY25, the Group has continued to transition from a disclosure prepared using the TCFD recommendations to a disclosure aligned with the International Sustainability Standards Board (ISSB) standards, IFRS S1 and S2, and where possible has included information to align with any additional reporting requirements. A summary of our response to the TCFD recommendations is set out below.

Compliance summary

TCFD recommendation	Recommended disclosures	Compliance position FY22	FY23	FY24	FY25	Page reference
Governance Disclose the organisation's governance around climate-related risks and opportunities.	A. Describe the Board's oversight of climate-related risks and opportunities.	🟢	🟢	🟢	🟢	54 to 56
	B. Describe management's role in assessing and managing climate-related risks and opportunities.	🟡	🟢	🟢	🟢	55 to 56
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	A. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	🟢	🟢	🟢	🟢	62
	B. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	🔴	🟡	🟢	🟢	58 to 59
	C. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	🔴	🟡	🟢	🟢	60 to 61
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	A. Describe the organisation's processes for identifying and assessing climate-related risks.	🟢	🟢	🟢	🟢	59
	B. Describe the organisation's processes for managing climate-related risks.	🟢	🟢	🟢	🟢	60
	C. Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	🟢	🟢	🟢	🟢	60 to 61
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	A. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	🟡	🟡	🟢	🟢	63
	B. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and related risks.	🔴	🟢	🟢	🟢	65 to 66
	C. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	🟢	🟢	🟢	🟢	64

🟢 Disclosure consistent with the recommended disclosure.
🟡 Disclosure consistent with the recommended disclosure, further improvement opportunities planned.
🔴 Disclosure not consistent with the recommended disclosure.

Continual improvement – FY25 progress
In last year's report, we identified two areas where additional measures could be taken to enhance our TCFD reporting. The table below illustrates these areas and the actions undertaken during FY25 to drive continual improvement.

Action required:	Update:
Roll out Board and MGX climate-related training	Information regarding the measures implemented in FY25 can be found below (GOV-1)
Review carbon credits governance framework to ensure continual alignment with evolving landscape	Information regarding the measures implemented in FY25 can be found on page 67 (E1-7)

Our climate-related journey to date

FY19
- Launched Plan Zero initiative and set stretching net zero targets (2025 – Scope 1 and 2 and 2035 – Scope 3)
- Created governance structures

FY20
- Signatories of all three Climate Group initiatives: RE100, EV100 and EP100
- Achieved 20% small vehicle EV transition
- Published first TCFD

FY21
- Committed to a science-based target
- Expanded our TCFD, incorporating risks and opportunities
- Achieved 15% EV transition

FY22
- Achieved ISO 50001:2018 in Mitie Energy
- Enhanced our TCFD further, by incorporating scenario analysis
- Achieved 30% EV transition

FY23
- Received validation for science-based targets
- Completed first full-year carbon reporting across the Group, both UK and overseas
- Achieved 45% EV transition

FY24
- Achieved CDP A List for climate submission
- Achieved ISO 50001:2018 across the Group
- TCFD fully established for all metrics
- Achieved 66% EV transition

FY25
- Formally published our Climate Transition Plan
- Published a sustainable risk quantification framework
- Received EcoVadis rating of 77 – Gold
- Achieved 74% EV transition

BP-2: Disclosures in relation to specific circumstances

Mitie is dedicated to delivering Plan Zero as outlined in our Climate Transition Plan. However, we recognise that external factors could affect our goal of aligning as closely as possible with the Paris Agreement's 1.5°C target. Therefore, we continuously monitor risks and opportunities to adapt to the changing environment and minimise potential business impacts.

In FY25, we identified and monitored risks and opportunities with a potential 'material' impact, meaning that they are of significant interest to investors and stakeholders. To assess the impact of climate-related risks and opportunities on our strategy and aid financial planning, we enhanced our climate-related financial modelling framework. This framework builds on our five-year cash flow forecast model, aligned with our strategic, budgeting and business planning cycles, and relevant to the duration of our existing contracts.

Time horizons
Time horizons and risk impact can be found in E1-SBM-3 on page 60.

Value chain estimation
The methodology for estimated metrics, including indirect sources, is detailed in the metric descriptions. Relevant information sources, such as conversion factors, are listed in the document. Assumptions, estimations or approximations are described in the metric disclosure information. Plans to enhance data accuracy and verifiability, such as through a carbon accounting system, are noted in the metric or general information on the topical standard.

Governance

GOV-1: The role of the administrative, management and supervisory bodies

Mitie has a formal governance structure in place to ensure that all climate-related risks and opportunities are correctly assessed and managed. Overall responsibility for this resides with the Board, which is responsible for the strategic direction of the business, setting targets and the prioritisation of material issues affecting the Group.

The table on page 55 details the different committee roles and responsibilities for the management of climate-related risks and opportunities, along with information on specific climate-related decisions taken during the year. A breakdown of the Board's gender diversity can be found on page 72.

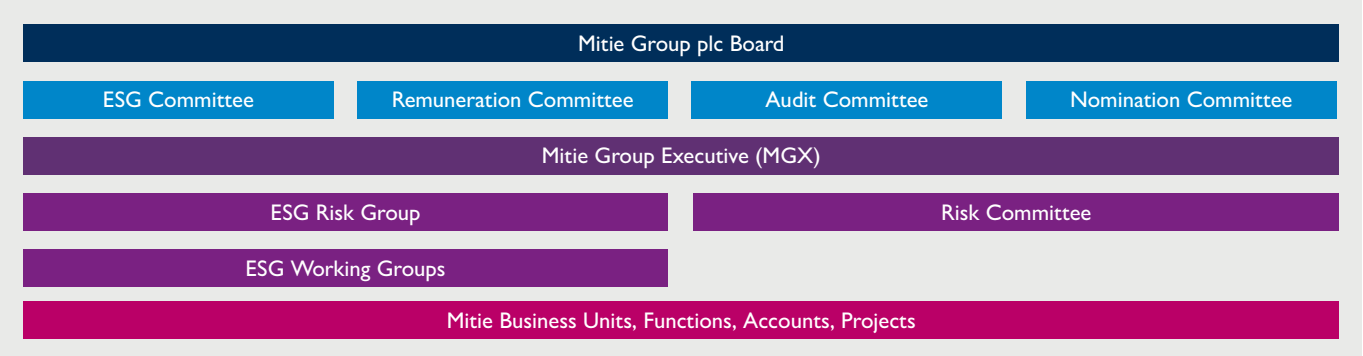
In the past year, the Mitie Board participated in a comprehensive virtual training programme titled Leading for Net Zero and Beyond. This bespoke programme was specifically designed to ensure compliance with our mandatory TCFD requirements. The training consisted of two sessions aimed at providing knowledge and insights to help address climate change and support Mitie's position as an industry leader in ESG matters.

Governance

GOV-2: Information provided to, and sustainability matters addressed by, the undertaking's administrative, management and supervisory bodies

Mitie governance body and Chair	Frequency	Climate-related roles and responsibilities	Decisions taken in FY25	Focus areas FY26
Mitie Board Chairman	• Bi-monthly (at least six meetings a year) • ESG is a standing agenda item. Information is disseminated to the Board via the ESG Committee, including climate-related updates	• Maintains oversight of climate-related risks and opportunities • Sets ESG targets, including climate-related targets • Monitors progress against climate-related goals and targets	• Reviewed and integrated DMA results into existing business strategy • Reviewed and approved climate-related disclosure and principal risks and uncertainties	• Review and approve new ESG targets for FY26 to FY30
ESG Committee Non-Executive Director	• Bi-monthly (six meetings a year) to align with input into Board meetings • Climate-related matters are fed into the ESG Committee via several channels, including the Plan Zero Steering Group, which reports directly to the Committee	• Drives the ESG agenda on behalf of the Group • Ensures that the Group conducts its business in a commercially sensitive way to achieve maximum positive impact on the communities and people with which it works and the environment which it works within • Formal reporting of climate-related risks and opportunities • Oversight of capital expenditure relating to ESG • Engages stakeholders to understand expectations and concerns regarding climate change and communicates the Group's efforts to address them	• Review and adoption of carbon credits governance framework • Adoption of decarbonisation agenda for Mitie's fleet, estate and energy consumption • Engagement improvements with supply chain to ensure alignment with the Group's science-based target approach	• Embedding Mitie's DMA results into strategies across the business and developing new ESG targets for Board approval • Supporting the employment and social mobility of underrepresented groups • Launching Mitie's new comprehensive social value strategy, to be delivered across a wide range of client accounts
Mitie Executive Team Chief Executive	• Weekly • Climate-related matters are discussed as required – subject matter dependent, updates will be for information only or involve robust discussion	• Implementation and delivery of ESG strategy and targets • Ongoing review of Plan Zero • Ongoing review of growth strategy to ensure continual alignment with decarbonisation agenda	• Ongoing review of operational delivery to ensure alignment with decarbonisation agenda	• Ongoing review of growth strategy and the market with focus on decarbonisation opportunities
Audit Committee Non-Executive Director	• Climate-related matters are discussed twice yearly as part of the principal risk and uncertainties process (annual and half-yearly review). Information is disseminated to the Audit Committee via the Risk Committee	• Reviews Annual Report and Accounts (ARA), including TCFD, and advises Board on whether it is fair, balanced and understandable and provides the necessary information to shareholders to assess the Group's position and performance, business model and strategy • Monitors impact of climate change on the Group's strategy, operations and financial performance, and engages with management to address any material risks and opportunities	• Provision of risk assurance against the climate change and social value principal risk and climate-related risks and opportunities as reported in the Group's annual climate-related disclosure	• Ongoing evaluation of climate-related transition as part of internal controls framework
Risk Committee Chief Legal Officer	• Quarterly • Climate-related matters are fed into the Risk Committee via several channels, including the Group Head of ERM and Group Sustainability and Social Value Director	• Responsible for overseeing the Group's approach to risk management, including ongoing review of principal and emerging risks • Ensures Group is adequately prepared to manage risks associated with climate change	• Ongoing management of outputs from climate scenario analysis to wider business, focusing on maintaining business resilience • Management of outputs from annual risk maturity assessment, which includes climate-related responses	• Ongoing development of key risk indicators for principal risks, including climate change and social impact • Management of outputs from FY26 risk maturity assessment, including climate-related responses

Mitie governance body and Chair	Frequency	Climate-related roles and responsibilities	Decisions taken in FY25	Focus areas FY26
Nomination Committee Chairman	• Two planned meetings as standard	• To evaluate and make recommendations regarding the composition, diversity, experience, knowledge, skills and independence of the Board and its Committees	• Broadening Board awareness of climate-related matters through the delivery of Institute of Environmental Management and Assessment (IEMA) accredited training	• Ongoing review to increase Board-level skills and experience
Remuneration Committee Non-Executive Director	• Three planned meetings as standard	• Agrees climate-related KPIs that apply to executive remuneration incentive plans	• Analysis of out-turns for the maturity of LTIP awards and Annual Bonus Plan	• Ongoing review of targets for FY26 awards
ESG Risk Group Group Director for Sustainability *Formerly known as the Plan Zero Steering Group*	• Quarterly • Climate-related risks and opportunities are standing agenda items • Corporate Sustainability Reporting Directive (CSRD) is incorporated into the responsibilities of this group	• Responsibility for preparing and responding to our climate-related disclosure • Reviews and mitigates identified climate-related risks and realises climate-related opportunities • Initial review and approval of climate change risk assessment document ahead of submission to ESG Committee • Oversees and directs the ESG Working Groups	• Ongoing climate-related disclosure enhancements • Improved engagement with supply chain to influence uptake of environmental initiatives that work towards a 1.5°C trajectory • Continued advancement of a learning and development programme accessible to all Mitie colleagues, particularly those in frontline operations • Established carbon credit governance framework	• Undertake continual improvement of CSRD disclosures • Ongoing review of the Climate Transition Plan and incorporation of carbon reduction initiatives • Ongoing review of regulatory requirements • Further development of scenario analysis
ESG Working Groups Senior Sustainability Manager *In FY25, the working groups were repurposed to cover the wider ESG agenda, including environment, labour and human rights, business ethics and sustainable procurement*	• Quarterly • Reports into the Plan Zero Steering Group	• Delivers against Plan Zero, our Climate Transition Plan, the internal solutions and external opportunities to Mitie's customers	• Deployed initiatives to address energy, water, waste and plastics reduction – focus to be on what can be eliminated across all business areas • Increased engagement in sustainable procurement and reporting • Completion of ISO surveillance audits	• Establish a supplier engagement platform to measure, report and influence supply chain behaviour • Improve sustainable commuting engagement and reporting • Development of biodiversity strategy



GOV-3: Integration of sustainability-related performance in incentive schemes

Following extensive consultation with shareholders, the 2024 Long Term Incentive Plan (LTIP) award, for which the performance period ends on 31 March 2027, will be measured against EPS, ROIC and revenue growth targets. The Remuneration Committee will also have reference to leverage and ESG underpins, such that if leverage and/or progress against the firm's ESG strategy is poor, there is specific discretion to allow the award to be reduced accordingly, including to nil. ESG is a performance measure for the 2022 and 2023 LTIP awards, for which the performance periods end on 31 March 2025 and 31 March 2026 respectively. The targets for LTIP awards are disclosed in the Directors' remuneration report on page 124.

GOV-4: Statement on sustainability due diligence

Mitie has a robust sustainability due diligence process to ensure responsible and ethical practices across our operations and supply chain. Our due diligence process includes identifying, preventing, mitigating and addressing environmental and social impacts, such as modern slavery, human rights violations, and environmental degradation.

Core elements of due diligence	Paragraphs in the sustainability statement
(a) Embedding due diligence in governance, strategy and business model	GOV-5 and SBM-1
(b) Engaging with affected stakeholders	SBM-2 and under E1-IRO-1, S1-2
(c) Identifying and assessing negative impacts on people and the environment	SBM-3 and IRO-1
(d) Taking action to address negative impacts on people and the environment	Environment: E1-3 Governance: G1-3
(e) Tracking the effectiveness of those efforts and communicating	Environment: E1-4 to E1-6 Social: S1-6 to S1-17 Governance: G1-3

GOV-5: Risk management and internal controls over sustainability reporting

The Board, through the Audit Committee, oversees Mitie's internal controls, risk management and compliance. Management maintains these controls, supported by the Internal Audit function, which includes Internal Audit, Internal Controls, and Investigations teams.

Mitie's internal controls follow the COSO framework, covering financial, operational and compliance controls. The Integrated Management System (IMS) ensures adherence to policies and procedures.

To comply with the updated UK Corporate Governance Code, Mitie introduced independent testing of internal controls, moving beyond self-assessment. The Audit Committee review and approve this approach, which has identified improvement opportunities and led to practical plans Its focus includes IT General Controls (ITGC) and ESG controls, ensuring robust technology infrastructure and responsible business practices.

More information on the entity-specific risks identified are found under the chapters SBM-3 and IRO-1. Further information on risk management and internal controls can be found on page 76.

Strategy

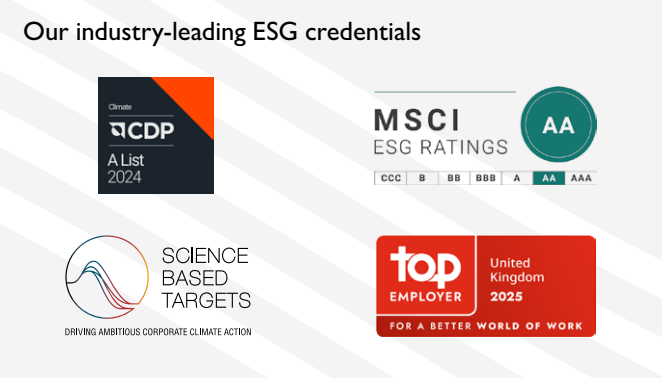
SBM-1: Market position, strategy, business model(s) and value chain

We have industry-leading ESG credentials, including validated science-based targets and a place on the CDP's Climate A List for the second consecutive year, alongside being recognised as a UK Top Employer for the seventh consecutive year.

As a service-led organisation, our emissions mainly come from transporting our people between customer sites, resulting in Scope 1 and 2 emissions from diesel and EV charging. Mitie's own relatively small estate of c.120 sites account for only 7% of our total Scope 1 and 2 emissions, with our fleet comprising 93%.

Mitie's transition to EVs has reduced emissions from petrol and diesel consumption by over 25% in the last three years. This initiative supports our Plan Zero commitment to Net Zero operational emissions by 2025 and Net Zero non-operational emissions by 2035 through supplier engagement. Following a 'Do, Lead, Deliver' approach, we are reducing our environmental impact while helping customers accelerate their decarbonisation journeys.

Our purpose is driven by a belief that better places lead to thriving communities. That's why, every day, we work to make places safer, cleaner, more secure and more sustainable. Our strategy focuses on infill M&A to acquire capabilities that support our customers in decarbonising their estates and creating Net Zero pathways.



SBM-2: Interests and views of stakeholders

Mitie places significant emphasis on understanding and addressing the interests of its stakeholders, including colleagues, customers, suppliers, communities, the government and shareholders. The Company engages with these groups through structured programmes and initiatives to ensure that their feedback informs strategic decisions.

The Board and senior management are regularly informed about stakeholder feedback and engagement outcomes. This information is integrated into decision-making processes and strategic planning to ensure that stakeholders' interests and views are considered in key business decisions. Further information regarding stakeholder engagement can be found on page 34.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model(s)

Double materiality assessment (DMA): long-term sustainability and resilience

Mitie undertook a DMA during FY24, with the objective of developing a comprehensive list of the material sustainability issues that matter most to our stakeholders. This involved an assessment of impacts, risks and opportunities (IROs) to ensure that our strategy and reporting are focused, efficient and relevant.

The DMA applied a recognised approach in line with the requirements of the latest global sustainability reporting disclosure rules, such as GRI Universal Standards (2021), IFRS S1 (2023) and ESRS 2 (2023). The assessment included stakeholder engagement via interviews and an online StakeholderTALK survey.

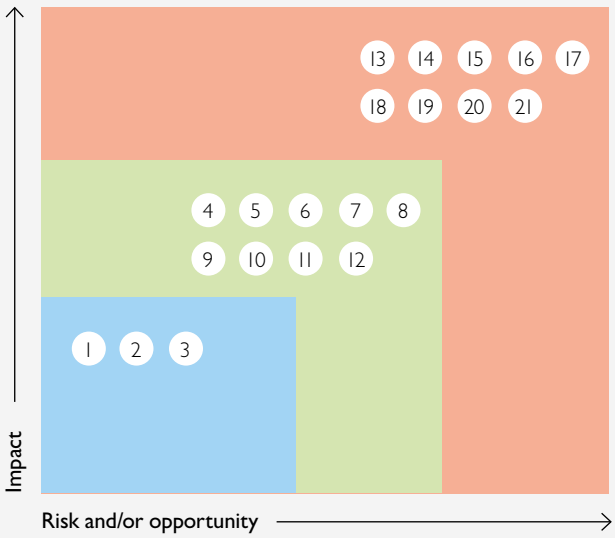
The assessment comprised an evaluation of our impacts on the environment and society, as well as investor-relevant financial effects on Mitie. This dual 'impact-financial effects' approach has been termed 'double materiality'. Our approach is based on the Five Part Materiality Test (AccountAbility 2002–2018). It aligns with the SASB Five-Factor Test (2015), and it is informed by the EFRAG Materiality Guide (2024).

The relative prioritisation process also accounts for the Sustainability Context Principle and the Precautionary Principle in the evaluation of potential or actual IROs. Research was completed using internal and external materials, such as reports, policy reviews and articles, with the scoring based on criteria aligned with the relevant sections of IFRS S1 and ESRS 2. Validation was completed by a team of senior managers and the ESG Committee signed off the process. The results of the assessment were reviewed to identify the material topics, as well as other topics which are below the threshold of materiality, and they are shown in the graphic above right.

Outcome

Seven material topics were identified through our DMA, which map across to three areas of focus.

ESG material topics identified by the DMA	ESRS category mapping
E Operational energy management, efficiency, GHG emissions and decarbonisation	E1 Climate Change
E Products and services: enabling environmental improvements	
S Occupational health and safety (personal and process)	S1 Own Workforce
S Colleagues: fair employment	
S Colleague learning and development, future skills and apprenticeships	
S Colleague wellbeing (mental and physical health)	
G Corporate governance, transparency and integrity	G1 Business Conduct



1. Water stress, water use, waste water treatment
2. Climate change policy: customer/investor/ response/education
3. Air quality and pollution (local)
4. Operational resources: materials/circular economy, waste and recycling
5. Biodiversity loss (local and regional soils, forest/ woodland, aquatic)
6. Anti-discrimination in employee lifecycle (ED&I)
7. Responsible procurement and supplier risk
8. Human rights across the value chain
9. Public policy advocacy
10. Adaptation to natural weather viability/climate change
11. Energy transition: positive and negative environmental risk
12. Energy transition: social risk, positive and negative
13. Occupational health and safety (personal and process)
14. Colleague: fair employment
15. Colleague learning and development, future skills and apprenticeships
16. Corporate governance, transparency and integrity
17. Operational energy management: energy efficiency, energy security
18. GHG emissions: decarbonisation of operations, credible carbon management
19. Colleague wellbeing (mental and physical health)
20. Local community impact
21. Products and services: enabling environmental improvements (energy efficiency, pollution, water use, waste)

Impact, risk and opportunity management

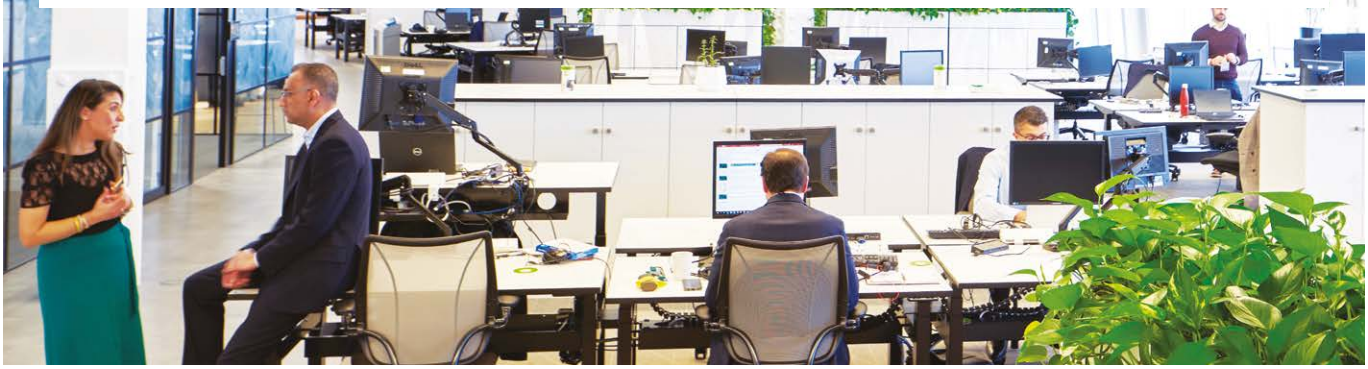
IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

Mitie identifies and assesses material IROs to comply with the CSRD. We use multiple sources, including the ESRS, to provide a comprehensive list of sustainability matters. We also consider industry-specific issues, covering our entire value chain from suppliers to customers, ensuring a holistic view of our impacts and financial risks.

Our ESG Risk Group evaluates whether sustainability matters have significant financial effects on our Company and considers the likelihood and potential magnitude of these effects over various time horizons.

We use a traffic light system to assess the financial impact of material physical risks across different time horizons, and prioritise IROs by applying thresholds to determine which are material and should be reported. High scores indicate materiality, while low scores indicate immateriality.

Environment	Social	Governance
Material impacts		
E1 Climate Change: Our environmental impacts are tied to our goal of reducing our own footprint and offering decarbonisation solutions for clients. This includes reducing the environmental impact of our extensive fleet and the credibility to deliver sustainability consultancy services to our customers to achieve Net Zero, supported by a team managing energy consumption and delivering carbon reduction projects such as solar PV, heat pumps, battery storage and EV charging solutions.	**S1 Own Workforce:** As an organisation with 76,000 colleagues, the DMA has underscored the importance of fair employment practices and the health, safety and wellbeing of our people. We are committed to achieving zero harm, fostering a just and inclusive culture, and enhancing skills that promote social mobility, benefiting local communities.	**G1 Business Conduct:** Our commitment to ethical business practices is reflected in the impacts and risks identified. We prioritise strong governance, transparency and integrity in all our operations. This includes adhering to the highest standards of business ethics, ensuring compliance with regulations and fostering a culture of accountability. By maintaining robust business conduct, we aim to build trust with our stakeholders and drive sustainable growth.
Material risks and opportunities		
E1 Climate Change: The material risks include physical risks from extreme weather for us, our customers and our supply chain, plus transition risks from regulatory changes and reputational risks from not meeting sustainability targets. Opportunities include expanding decarbonisation services, leveraging new technologies, strengthening market leadership, and ensuring regulatory compliance. Mitie's Climate Transition Plan and sustainability initiatives aim to achieve Net Zero emissions and promote responsible business practices.	**S1 Own Workforce:** The material risks include high turnover rates, skill shortages, employee wellbeing concerns, and modern slavery in the supply chain. The material opportunities involve investing in employee development, promoting diversity and inclusion, developing leadership skills, and enhancing social mobility. Mitie addresses these risks and opportunities through comprehensive training programmes, improved working conditions, mental health support, and initiatives like the Mitie Women Can network and the Proud to Be network for LGBTQ+ colleagues.	**G1 Business Conduct:** The material risks include regulatory non-compliance, fraud and corruption, reputational damage, and operational disruptions. The material opportunities involve enhancing trust and reputation, ensuring regulatory compliance, improving operational efficiency, and driving sustainable growth. Mitie addresses these risks and opportunities through its comprehensive Code of Conduct, robust risk management frameworks, and continuous monitoring of compliance and ethical standards.



E1 Climate Change

Strategy

E1-1: Transition plan for climate change mitigation

Climate Transition Plan: Plan Zero

At Mitie, we consider the climate emergency to be a critical business issue. Five years ago, we launched our industry-leading Plan Zero commitment to decarbonise our business and achieve Net Zero carbon emissions by the end of 2025 (Scope 1 and 2). Our focus is on three key areas:

- Eliminating carbon emissions from power and transport
- Eradicating non-sustainable waste
- Enhancing inefficient buildings to meet the highest environmental standards

Mitie's Climate Transition Plan, approved by the Board and fully integrated into our business strategy and financial planning, outlines the steps we are taking to achieve our Net Zero targets. Published in our 2024 ESG Report, the plan includes several key initiatives.

Our Plan Zero target in 2020 was to transition 85% of our fleet of 4,700 vehicles to EVs by 2025. Over the past five years, our fleet has grown to over 8,500 vehicles as the business has grown, both organically and through M&A. To reflect this growth, in FY24 we reduced our targets from 85% to 80% by the end of FY25. We remain committed to our target to transition 85% of the fleet to EV by 31 December 2025, aligning with our Net Zero targets. At 31 March 2025 (FY25), we had transitioned 6,255 vehicles to EVs, representing 74% of our total UK fleet.

This transition is reducing Scope 1 emissions from fossil fuels on our journey to Net Zero. Additionally, we have implemented energy efficiency measures across our built estate through our energy managers and decarbonisation project teams. This includes installing low-carbon heat pumps, LED lighting and solar panels, which help reduce both energy consumption and carbon emissions. We send zero waste to landfill, and our waste experts are improving segregation, increasing recycling rates and reducing overall waste generation.

Our efforts have been recognised externally, with a ranking on the CDP's A List for the second consecutive year for our carbon disclosures and reduction strategy, reflecting our leadership in environmental transparency and performance. We achieved a Gold rating of 77 with EcoVadis and were awarded Company of the Year by UK Green Business Awards and the EMA Organisation 2024 by the Energy Managers Association.

Beyond our environmental initiatives, we continue to make a positive impact on the communities we serve. In FY25, we supported over 1,500 apprentices, providing valuable training, enhancing green skills, promoting STEM subjects and creating employment opportunities. Additionally, our colleagues volunteered over 32,000 hours to local causes, exceeding our target of 23,680 hours.

Future Commitments FY26 to FY30

EV transition
We intend to transition the remaining fleet to 95% EVs by the end of 2030, contingent upon advancements in EV technology.

Renewable energy and carbon offsets
Mitie procures 100% renewable energy for the buildings we control as part of our RE100 commitment. We also procure RE100 compliant Renewable Energy Guarantees of Origin (REGOs) for all our EV charging requirements and will report all Scope 2 emissions as zero under market-based conditions. Our remaining Scope 1 emissions will be fully offset with verified carbon credits through a balanced portfolio of energy, social and environmental projects.

Re-baselining
With Scope 1 and 2 emissions offset as part of our Net Zero commitment, we expect our intensity target to focus on Scope 3 emissions from purchased goods and services. We will re-baseline our carbon emissions during FY26 to reflect the significant growth of the business over the past five years and improvements in Scope 3 reporting from our suppliers.

Carbon reporting
While continuing to report absolute carbon data, we will transition to an intensity target to reflect the continued growth of the business. We will reapply to the SBTi to obtain a new intensity target trajectory validated to 1.5°C above pre-industrial levels.

New environmental targets
Following the conclusion of Phase 1 of Plan Zero, we will maintain our ambitious existing validated science-based targets in the interim. New intensity targets for carbon emissions will be presented by FY27, once validated by SBTi, while our wider 2030 targets for energy, total waste generated, recycled waste and water will be disclosed in FY26.

E1–SBM-3: Description of the processes to identify and assess material climate-related impacts, risks and opportunities (IROs)

Climate-related IROs are managed through our Enterprise Risk Management framework. Climate change is a principal risk, reviewed quarterly and comprehensively assessed annually.

Our climate change risk assessment, documented on the Group's Risk Safe platform, supports this principal risk with numerous climate-related IROs. At 31 March 2025, 14 climate-related IROs were identified. Details on those with a potential 'material' impact are presented on page 61. Additionally, account-level climate-related risk information is gathered and managed with customers through account-level risk registers, all accessible on Risk Safe.

All risk data is assessed for impact and likelihood, with the residual score determining one of four risk ratings, from manageable to severe. Mitie's risk management structure ensures a consistent method for effectively managing risks across the Group.

Each climate-related risk and opportunity has a designated owner responsible for implementing appropriate management strategies, with guidance from the risk and sustainability teams. The table below provides a holistic view of all climate-related risks and opportunities. For further information on the roles, responsibilities and oversight of different committees in relation to climate-related risk management, see pages 55 to 56.

Risk/opportunity description	Risk type	Time horizon
1. Extreme weather events	Physical	Short to medium term
2. Increasing summer temperatures	Physical	Medium to long term
3. Decarbonising supply chain	Transition	Short to medium term
4. Switching from fossil fuels to low-carbon alternatives for fleet operations	Opportunity	Medium to long term
5. Changes in customer behaviours resulting in lost opportunities	Transition	Medium to long term
6. Increases in operating costs relating to policy decisions to reduce GHG emissions	Transition	Medium to long term
7. Access to new markets	Opportunity	Medium to long term
8. Investor confidence on climate change management	Transition	Medium to long term
9. Minimise resource use through a circular economy embedded into our business supply chain and operations	Opportunity	Medium to long term
10. Encourage agile and flexible working through business processes	Opportunity	Short to medium term
11. Development/expansion of low emission services	Opportunity	Medium to long term
12. Procurement of verified and high-quality carbon credits	Transition	Short to medium term
13. Low emission and energy efficiency strategy from Mitie estate	Opportunity	Short to medium term
14. Potential for litigation if Mitie does not adequately consider or respond to the impacts of climate change	Liability	Medium to long term

Further information on our Enterprise Risk Management framework can be found on pages 76 to 87.

In FY25, ESG was fully integrated into our internal controls independent testing programme. This is crucial because the adoption of ESG principles assists Mitie in mitigating potential operational, financial and reputational risks while fostering long-term sustainability and value creation, ultimately leading to enhanced ESG outcomes.

Scenario analysis: improving our understanding of our climate-related risk profile

Mitie acknowledges the substantial risk posed by failing to address climate-related challenges. In FY25, we broadened our scenario analysis to underscore the increasing threat from extreme weather events. As a people business delivering services through our colleagues, extreme weather such as flooding and storms can disrupt our ability to deliver these services if our people cannot get to work. Our business strategy relies heavily on the availability of our colleagues, supply chain and partners, all of which can be significantly impacted by unusual weather events. Therefore, it is crucial to closely monitor their impact to maintain business resilience.

In FY23, we engaged our insurance broker and risk advisor, Marsh, to analyse physical climate risks, examining two scenarios: RCP 2.6 (best-case) and RCP 8.5 (worst-case). The assessment covered 500 sites, to identify high-risk assets. Results showed 87% of assets to be at medium or lower risk, with flood exposure being the primary concern. Further analysis of 95 high-value sites highlighted sea-level rise and flooding as significant risks.

We also expanded our scenario analysis to include a broader range of risks. Collaborating with our procurement and supply chain team, we assessed the impact of climate change on essential materials, such as paper. Our 2025 ESG report will outline projects with supply chain partners to manage these risks, ensuring a consistent risk management approach.

Mitie is committed to delivering Plan Zero, as detailed in our Climate Transition Plan. However, we acknowledge that external variables could impact the achievement of the Paris aspiration (alignment as close to 1.5°C as possible). As a result, Mitie continues to proactively monitor its risks and opportunities to adapt to the changing external environment and minimise potential damage to the business.

To assess the potential impact that climate-related risks and opportunities pose to our strategy and aid financial planning, we enhanced our climate-related financial modelling framework in FY25. Our financial assessment builds on our base five-year cash flow forecast model, aligned with our strategic, budgeting and business planning cycles, and relevant to the duration of our existing contracts.

The climate modelling framework covers three time horizons:

- Short (1–3 years)
- Medium (3–10 years)
- Long (10–15 years)

This approach ensures alignment with our Enterprise Risk Management strategy. Details of the completed financial assessments have been incorporated into the TCFD and underpinned by assumptions. The key for the financial assessment is as follows:

- Low impact: minimal material impact on EBIT (<5%)
- Medium impact: significant material impact on EBIT (5–10%)
- High impact: critical material impact on EBIT (>10%)

Macro-level climate-related risks and opportunities

The table below reviews five key climate-related risks and opportunities, and includes current mitigation measures, potential financial impact and Mitie's latest working assumptions. This methodology, developed in partnership with our insurance broker and risk advisor, Marsh, seeks to create a sustainable risk quantification framework that quantifies both principal business risks and climate risks, with the scope in FY24 broadened beyond physical factors. As a result of the work, we have assessed the potential impact, our suggested strategic response, and the time horizon and financial impact of such a risk based on a set of assumptions.

Risk/opportunity description	Impact	Strategic response	Financial assessment and assumptions	Time horizon	Worst case	Most likely case	Best case
1. Extreme weather events **Physical risk** **Short to medium term**	Increased costs owing to damage to assets. Impacts felt universally – Mitie (UK and overseas), customers and subcontracting and strategic partners affected.	• Enhanced HSE standards and processes • ISO 22301 certified • Planned preventative maintenance schedules aligned with seasonal changes • Estates strategy in place and continually reviewed • Insurance coverage • Ongoing scenario testing	The modelling assumes that around four extreme weather events occur annually. It also incorporates the NATHAN approach, which is a global assessment of natural hazard risks and impacts in order to help calculate the financial repercussions of severe weather incidents on Mitie's asset portfolio.	Short	🟢	🟢	🟢
				Medium	🟢	🟢	🟢
				Long	🟡	🟢	🟢
2. Increasing summer temperatures **Physical risk** **Medium to long term**	Increased costs resulting from absenteeism and reduced productivity. Impacts felt universally – Mitie (UK and overseas), customers and subcontracting and strategic partners affected.	• Occupational health strategy embedded • Ongoing sickness monitoring • Health surveillance and monitoring framework • Seasonal alerts reminding colleagues of risks and associated controls to be followed • Planned preventative maintenance schedules aligned with seasonal changes	The modelling is based on costs related to heat-related sickness experienced by frontline staff and the productivity costs incurred by both back-office and frontline staff at Mitie due to absences.	Short	🔴	🟢	🟢
				Medium	🔴	🟢	🟢
				Long	🔴	🟢	🟢
3. Decarbonising supply chain **Transition risk** **Short to medium term**	Increased costs arising from the purchase of carbon offsets in order to meet emissions targets.	• Procurement leads identified • Ongoing engagement with supply chain	The modelling assumes that the purchase of carbon credits will be required to achieve Mitie's Scope 3 net emissions objective, resulting in an increase in Group expenditure.	Short	🟢	🟢	🟢
				Medium	🟡	🟢	🟢
				Long	🔴	🟢	🟢
4. Switching from fossil fuels to low-carbon alternatives for fleet operations **Opportunity** **Medium to long term**	Opportunities felt predominately in Mitie operations (Technical Services, Business Services, and Communities) (UK and overseas). Impacts felt universally across the Group.	• Plan Zero commitment – 85% EV fleet by the end of 2025 • Ongoing review of EV transition • Deployment of charging points at Mitie and customer sites, as well as colleagues' homes	The modelling assumes that by FY35 the Group's fleet will consist entirely of EVs. The associated leasing expenses are expected to rise by 6% per year, with fuel costs determined by average annual mileage and cost per mile. As the Group shifts entirely to EVs, charging expenses are estimated based on average annual mileage.	Short	🔴	🟢	🟢
				Medium	🔴	🟢	🟢
				Long	🔴	🟢	🟢
5. Changes in customer behaviours resulting in lost opportunities **Transition risk** **Medium to long term**	Revenue reduction if Mitie cannot keep up with demand for the services. Impacts felt universally across the Group (UK and overseas).	• Ongoing review of customer behaviours via ESG governance framework • Ongoing review and development of customer propositions • Feedback gathered internally via various channels	The modelling assumes that Mitie is able to grow its decarbonisation business at the same annual growth rate as its markets.	Short	🟢	🟢	🟢
				Medium	🟢	🟢	🟢
				Long	🟢	🟢	🟢

We have established metrics and targets that guide our business operations and customer service. These include ESG targets aimed at making Mitie more environmentally and socially sustainable.

Our climate-related metrics are detailed in the table below. Our greenhouse gas (GHG) reporting methodology statement for FY25 provides further context to our emissions metrics and targets on page 65.

Category	Sub-category	Unit measurement	Description of metric	FY25 risks and opportunities references
GHG emissions	Emission level	tCO_2e	Total emissions	1,2,3,4,5
	Intensity	tCO_2e per £m revenue	Emissions intensity	1,2,3,4,5
Carbon credits	Plan Zero	£	Amount invested to support obtainment of Plan Zero targets	3,4
Energy/fuel	Energy usage	kWh	Total energy consumption	1,2,3,4,5
	Transition to greener fleet	%	Total percentage of EV fleet	1,3,4,5
Waste	Recycled	Tonnes	Total waste recycled	3,5
Risk adaptation and mitigation	R&D	£	Amount invested in developing low-carbon products and services	3,4,5
	CapEx	£	Amount invested in deployment of low-carbon technology, energy and resiliency capabilities	3,4,5
SBTi	Acquisitions	%	Total percentage of acquisitions with agreed targets in place	1,2,3,4,5
	Supply chain	%	Total percentage of supply chain with agreed targets in place	3,5
ISO management system	14001	%	Total percentage of business certified	1,3,4,5
	50001	%	Total percentage of business certified	2,3,4,5

Impact, risk and opportunity management

E1-2: Policies related to climate change mitigation and adaptation

Policies

Our policies address the management of our material impacts for climate change mitigation, adaptation and energy efficiency, as well as associated IROs. They apply to all UK and overseas Mitie colleagues in all operating countries.

Sustainability and Social Value Policy
Mitie's Sustainability and Social Value Policy commits to stretching Net Zero carbon targets, promoting a circular economy, and protecting biodiversity. It emphasises fair employment practices, social mobility and community engagement. The policy outlines our objectives to reduce environmental impact, enhance energy efficiency and ensure compliance with legal and contractual obligations.

Environmental Policy Statement
Mitie's Environmental Policy Statement outlines a commitment to reducing environmental impact through continuous improvement and compliance with ISO 14001:2015 and ISO 50001:2018 standards. Our Plan Zero Initiative aims for Net Zero carbon by 2025, focusing on decarbonisation, resource efficiency and emissions reduction. Mitie promotes sustainability, circular economy practices and robust environmental management across its operations.

E1-3: Actions and resources in relation to climate change policies

Mitigation

Transitioning our fleet (cars and commercial vehicles) to EVs is central to our climate change mitigation strategy. In FY25, we transitioned 1,190 vehicles and had 6,255 EVs across our fleet at 31 March 2025, with 97% of our company cars being EV. Since launching our first EV in FY20, Scope 1 emissions from fuel consumption have decreased by 45%.

We continued to install EV chargers during FY25, such that we now have over 4,000 at colleagues' homes, Mitie sites and customer locations, supporting our EV transition and access to sustainable transport. Leasing and operating an EV car or van over a five-year period is c.3% and c.5% more expensive, respectively, than the equivalent combustion engine vehicle, based on 18,000 miles travelled per year. Considering the benefit of reduced pollution alongside our commitment to climate change, the Board has approved the ongoing transition of our fleet to EVs.

Adaptation

We recognise that extreme weather events are becoming more frequent and severe due to climate change. We have implemented additional safety messaging and preventative methods to minimise risks associated with these events. Our focus is on ensuring effective communication and decision-making during extreme weather events to maintain the safety of colleagues, customers, assets and the public.

We have modelled the costs associated with extreme weather events, including insurance premiums and fleet repair costs, to understand the financial implications and prepare for short, medium and long-term scenarios. Insurance premiums have the potential to rise annually due to the increasing frequency of weather-related events arising from climate change.

We proactively support our colleagues during extreme weather events by ensuring statutory compliance, testing business continuity plans (BCPs) and sharing lessons learned from past experiences. Additionally, we leverage weather intelligence and real-time alerts to keep our operations running smoothly and efficiently during the more challenging winter months.

Energy efficiency

We are enhancing the energy efficiency of our built estate by reducing energy consumption, replacing gas boilers with low-carbon heat pumps, and championing initiatives that embrace circular economy principles and biodiversity. We have 16 fully decarbonised buildings, we operate to the ISO 50001 Energy Management Standard, and our in-house team of energy managers ensure that our estate remains fully optimised.

Metrics and targets

E1-4: Targets related to climate change mitigation and adaptation

Mitie carbon targets

Scope 1 and 2 emissions: Our target is to achieve Net Zero emissions by the end of 2025 by transitioning our fleet to full battery EVs to reduce and eliminate our Scope 1 emissions from fossil fuels. We have made significant progress, with 6,255 EVs in the fleet, reducing emissions by 22% to 12,775 tCO_2e in FY25 under market-based conditions and inclusive of carbon credits (FY24: 16,441 tCO_2e).

Scope 3 emissions: These are the indirect emissions that occur in the value chain, including both upstream and downstream activities. We have set a target to achieve Net Zero Scope 3 emissions by 2035. We have reduced these emissions by 7% to 254,355 tCO_2e in FY25 (FY24: 273,336 tCO_2e).

Science-based targets

In addition to Mitie's own ambitious internal targets, we have validated science-based targets, using the Science Based Targets initiative (SBTi) calculation methodology (version 5). Our near-term, long-term and Net Zero targets align with the goals of the Paris Agreement to limit global warming to 1.5°C above pre-industrial levels (Mitie Group plc – Certificate No. MITI-UNI-001-OFF).

Mitie carbon targets (tCO_2e)	FY22 baseline	FY23	FY24	FY25	FY26
Scope 1 and 2	20,596	20,300	16,900	12,775	8,400
Scope 3	332,035	315,433	296,507	275,752	253,692
Total	**352,631**	**335,733**	**313,407**	**288,527**	**262,092**

Note: Carbon credits have been included from FY24 onwards.

Science-based carbon targets (tCO_2e)	FY22 baseline	FY23	FY24	FY25	FY26
SBTi Scope 1 and 2	20,596	19,558	18,520	17,482	16,444
SBTi Scope 3	332,035	317,085	302,135	287,185	272,235
SBTi total	**352,631**	**336,643**	**320,655**	**304,667**	**288,679**

Note: Carbon credits have been included from FY24 onwards.

E1-5: Energy consumption and mix

Environmental data

The below table provides further details on our UK environmental performance.

	FY24	FY25	Change	Change %
Electricity consumed across occupied buildings (kWh)	4,790,022	**5,949,994**	1,159,972	24
Gas consumed across occupied buildings (kWh)	817,131	**2,465,703**	1,648,572	202
Fuel used by vehicles for business travel (kWh)	76,605,383	**61,178,653**	(15,426,730)	(20)
Electricity used by EV vehicles for business travel (kWh)	8,684,230	**11,624,522**	2,940,292	34
Total organisational energy consumption (kWh)	90,896,766	**82,064,610**	(8,832,156)	(10)
Water consumed across occupied buildings (m^3)	27,941	**32,145**	4,204	15
Total waste generated across occupied buildings (tonnes)	398	**313**	(85)	(21)
Hazardous waste (tonnes)	–	**–**	–	–
Non-hazardous waste (tonnes)	398	**313**	(85)	(21)
Total waste to landfill (tonnes)	–	**–**	–	–
Energy from waste (tonnes)	188	**127**	(61)	(32)
Total waste recycled (tonnes)	210	**186**	(24)	(11)
Recycling rate	53%	**59%**	6ppt	12

E1-6: Gross Scopes 1, 2, 3 and total GHG emissions

GHG reporting methodology statement for FY25

Reporting period

Mitie has applied the UK Government's GHG reporting conversion factors for 2024 and emissions are reported over the period from 1 April 2024 to 31 March 2025 under a financial control approach. All GHG emissions are reported in tonnes of carbon dioxide equivalent (tCO_2e) to account for all six of the Kyoto Protocol GHGs. A new baseline was introduced for FY22 in line with our Energy Review Methodology procedure. Our carbon targets are shown in the table on page 64.

Intensity ratio

Mitie uses tCO_2e/£m revenue as its intensity ratio to compare its emissions over time, as this normalises for changes in the scale of Mitie's business activities.

Exclusions

Mitie does not report fugitive emissions (refrigerant leakage) from refrigeration and air conditioning systems in leased properties or fleet. This is due to the difficulty in obtaining centralised data on refrigerant top-ups and the landlords of many of our leasehold buildings managing the HVAC systems. Given the size and types of emission sources listed by Mitie, fugitive emissions are expected to be immaterial.

FY25 – Carbon emissions breakdown

	Annual total (tCO_2e)	%
Electricity	1,315	0.5
Gas	506	0.2
Water	5	–
Transport/Travel	25,900	9.4
Waste	2	–
Commuting/Working from home	45,271	16.5
Supply chain	201,486	73.4
Total	274,485	100
Mitie Scope 1 and 2 (UK and overseas)	20,130	
Mitie Scope 3 (UK and overseas)	254,355	
Total	274,485	

1. Values exclude 4,066 purchased verified emissions reduction carbon credits.

Scope of emissions

Scope 1 – Direct emissions

On-site fuel combustion
- Gas directly purchased for heating or generation across leased property managed by Mitie

Company vehicles
- Fuel purchased for fleet vehicles

Fugitive emissions
- Refrigerant leaks from air-conditioning equipment in leased assets and fleet vehicles[1]

Scope 2 – Indirect emissions

Purchased electricity
- Electricity directly purchased across leased property and EVs managed by Mitie

Scope 3 – Other indirect emissions

Category 1 – Purchased goods and services
- Purchased goods and services from supply chain

Category 3 – Fuel and energy-related activities
- Electricity transmission and distribution (T&D) losses
- Upstream emissions associated with the extraction of purchased fuels and gas
- Gas and electricity recharges across leased property managed by the landlord

Category 4 – Upstream transportation and distribution
- Transportation of goods

Category 5 – Waste
- Waste generation across leased property

Category 5 – Water
- Water usage across leased property

Category 6 – Business travel
- Expensed air, road and rail travel (including hotel stays)

Category 7 – Employee commuting
- Commuting (all forms of transport)
- Working from home

1. Fugitive emissions are not reported, as outlined in the exclusions statement.

Process

Mitie follows the reporting approach set out in the UK Government's Environmental Reporting Guidance (2019 version) to ensure that reporting standards are robust and transparent. For most of its major emissions sources, Mitie uses primary data from Automated Meter Reading, meter readings, utility bills, service charge data and expensed claims.

Emissions data is collated centrally by Mitie Energy on a quarterly basis and then restated at the end of the year to reflect any changes or to replace any estimated data with actual data (where available). Emissions figures are verified by the ESG team, who have overall responsibility for ensuring the calculations and methodology are correct. Further explanation of data sources can be found in our ESG Report.

Mitie obtained independent verification and reasonable assurance (Scopes 1 and 2) and limited assurance (Scope 3) on the accuracy of selected information included in Mitie's FY25 GHG emissions and water consumption datasets, in accordance with ISO 14064 Part 1 2018.

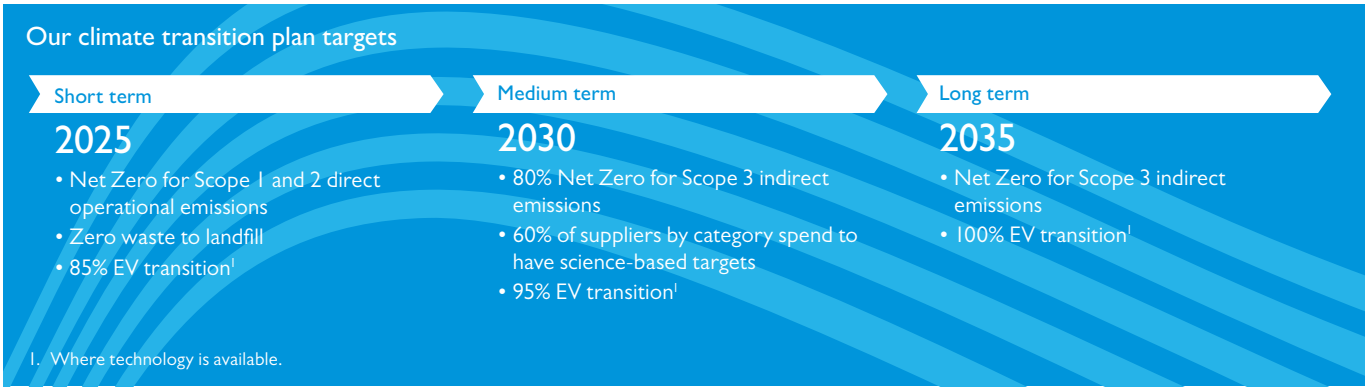
Absolute emissions

	Emissions	FY24	FY25	Change	Change %
UK only	**Total Scope 1 (tCO_2e)**	**18,265**	**14,886**	**(3,379)**	**(18)**
	Emissions from fuel combustion across our fleet	18,229	14,560	(3,669)	(20)
	Emissions from gas combustion in our occupied buildings	36	326	290	806
Overseas	**Total Scope 1 (tCO_2e)**	**873**	**1,955**	**1,082**	**124**
	Emissions from fuel combustion across our fleet	873	1,955	1,082	124
	Emissions from gas combustion in our occupied buildings	–	–	–	–
UK and overseas	**Total Scope 1 (tCO_2e)**	**19,138**	**16,841**	**(2,297)**	**(12)**
UK only	**Total Scope 2 (tCO_2e)**	**2,228**	**3,285**	**1,057**	**47**
	Emissions from the purchase of electricity across occupied buildings	430	821	391	91
	Emissions from electricity consumption across our EV fleet	1,798	2,464	666	37
Overseas	**Total Scope 2 (tCO_2e)**	**5**	**4**	**(1)**	**(20)**
	Emissions from the purchase of electricity across occupied buildings	5	2	(3)	(60)
	Emissions from electricity consumption across our EV fleet	–	2	2	-
UK and overseas	**Total Scope 2 (tCO_2e)**	**2,233**	**3,289**	**1,056**	**47**
UK only	**Total Scope 3 (tCO_2e)**	**268,668**	**254,301**	**(14,367)**	**(5)**
	Mitie generated Scope 3	53,315	52,815	(500)	(1)
	Supply chain emissions	215,353	201,486	(13,867)	(6)
Overseas	**Total Scope 3 (tCO_2e)**	**4,668**	**54**	**(4,614)**	**(99)**
	Mitie generated Scope 3	4,668	54	(4,614)	(99)
UK and overseas	**Total Scope 3 (tCO_2e)**	**273,336**	**254,355**	**(18,981)**	**(7)**
UK only	**Total Scope 1 and 2 (location based)**	20,493	18,171	(2,322)	(11)
	Total Scope 1 and 2 (market based)	20,063	14,886	(5,177)	(26)
Overseas	**Total Scope 1 and 2 (location based)**	878	1,959	1,081	123
	Total Scope 1 and 2 (market based)	878	1,955	1,077	123
UK and overseas	**Total Scope 1 and 2 (location based)**	**21,371**	**20,130**	**(1,241)**	**(6)**
	Total Scope 1 and 2 (market based)	**20,941**	**16,841**	**(4,100)**	**(20)**
	Purchased verified emissions reduction carbon credits (VER)	**(4,500)**	**(4,066)**	**434**	**(10)**
	Total Scope 1 and 2 (location based) inc. VER	**16,871**	**16,064**	**(807)**	**(5)**
	Total Scope 1 and 2 (market based) inc. VER	**16,441**	**12,775**	**(3,666)**	**(22)**
UK and overseas	**Total Scope 1, 2 and 3 (tCO_2e)**	**294,707**	**274,485**	**(20,222)**	**(7)**
	Carbon credits against Scope 1 and 2	(4,500)	(4,066)	(434)	(10)
UK and overseas	**Total Scope 1, 2 and 3 (tCO_2e) (inc. verified emissions reduction carbon credits – location)**	**290,207**	**270,419**	**(19,788)**	**(7)**
UK and overseas	**Total Scope 1, 2 and 3 (tCO_2e) (inc. verified emissions reduction carbon credits – market)**	**289,777**	**267,130**	**(22,647)**	**(8)**
	Intensity – emissions ratio				
UK only	tCO_2e/£m revenue (Scope 1 and 2)	4.55	3.75	(0.8)	(18)
UK and overseas	tCO_2e/£m revenue (Scope 1 and 2)	**4.75**	**3.96**	**(0.8)**	**(17)**
UK and overseas (including VER)	tCO_2e/£m revenue (Scope 1 and 2)	**3.75**	**3.16**	**(0.6)**	**(16)**

The table above highlights that Mitie's absolute emissions, excluding carbon credits, have reduced by 7%.

In line with our expectations, we continue to see a significant decline in carbon emissions from fossil fuels and a steady increase in electricity consumption and carbon emissions for our EVs as we transition our fleet. Mitie has increased the number of EVs in operation by 1,190 in FY25.

During FY25, Mitie continued to record our full Scope 3 emissions from our supply chain and commuting figures for the whole organisation in line with our validated science-based targets.



TCFD continual improvement – actions we will take in FY26

During FY26, Mitie will:

- Continue the transition to ISSB requirements
- Establish EcoVadis as our supplier engagement platform to measure, report and influence supply chain behaviours
- Improve sustainable commuting engagement and reporting

E1-7: GHG removals and GHG mitigation projects financed through carbon credits

Last year we procured our first verified carbon credits and will continue to purchase further credits to offset our residual emissions from fossil fuels that fall outside of our carbon target. From 1 January 2026, all Scope 1 emissions from residual fossil fuel emissions will be offset through carbon credits as we reach our Net Zero target.

The electricity consumption in our built estate energy contract comprises Renewable Energy Guarantee of Origin (REGO) certificates to offset our electricity consumption. As we transition our fleet to EVs, the consumption of electricity is increasing, and our Scope 2 EV charging consumption has been mitigated using REGO certificates in FY25.

We report energy consumption as location- and market-based. We will report all Scope 2 carbon emissions from electricity consumption in our fleet and built estate as zero under a market-based scenario.

E1-8: Internal carbon pricing

Mitie does not currently use an internal price on carbon. This decision is based on our strategic focus on direct emissions reduction initiatives, the complexity of implementing such a scheme, and our robust framework for achieving Net Zero targets.

While we recognise the potential benefits of internal carbon pricing, such as driving behavioural changes and guiding investment decisions, we have prioritised other strategic initiatives that directly contribute to our emissions reduction and sustainability goals. Our Plan Zero initiative emphasises practical actions, such as switching to a zero-emission fleet, using 100% renewable energy and reducing waste through innovative solutions.

E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

As highlighted in IRO-1, Mitie conducted a climate scenario analysis in collaboration with Marsh to understand the physical risks associated with climate change. This analysis focused on extreme weather events and the probability of long-term critical asset damage and failure.

We assessed the financial impact of material physical risks using a traffic light system across several time horizons and likelihood of impact. The analysis identified that 87% of assets are classified as having a medium- or lower-risk score, with sea-level rise being a primary area of increased risk. The anticipated financial effects include increased costs due to damage to assets and impacts on productivity. To mitigate these risks, Mitie has implemented initiatives such as enhanced HSE standards, planned preventative maintenance schedules and business resilience testing.

Transition risks and opportunities

Mitie has identified several transition risks, including the decarbonisation of its supply chain and the switch from fossil fuels to low-carbon alternatives for fleet operations. The financial impact includes increased costs from purchasing carbon offsets and the total cost of ownership from leasing expenses associated with transitioning to an EV fleet. We have adopted an EV First policy for new vehicle leases and collaborate with our supply chain to enable decarbonisation. Additionally, we have developed a strategy to address plastics reduction and improve processes around collecting supply chain emissions.

We have also identified several climate-related opportunities, such as the transition to EVs and changes in customer behaviours resulting in new business opportunities. We have successfully transitioned 6,255 of our vehicles to EVs, creating one of the largest EV fleets in the UK. Our Plan Zero – Decarbonisation, Delivered™ offering supports customers in setting and achieving Net Zero targets through our in-house holistic end-to-end decarbonisation solutions. We continue to invest in utilities and carbon efficiency solutions through acquisitions, aiming to grow our project business significantly.

S1 Own Workforce

Strategy

ESRS 2 SBM-2: Interests and views of stakeholders

Our vision is to be the destination employer in the industry, leading in how we treat our people and supporting the communities we serve. We have diverse and exceptional colleagues, who are proud to work for Mitie.

Integration of workforce interests and human rights

We set ambitious targets to ensure diversity across our workforce, fair wages and market-leading benefits. We promote learning and development opportunities, including through apprenticeships, and respect human rights through specific policies and training programmes. We gather feedback from our people through regular surveys and listening sessions, ensuring their views inform our strategic decision-making.

Our Strategic People Pillars

Focus on talent to support growth and retain core business: Attract, retain and empower talent to thrive by evolving the Employee Value Proposition (EVP) to lead the market on reward, personal and professional development, and employer brand.

Enhance the 'Mitie Difference' to support organic growth: Differentiate in bids through social value, customer-focused skill development, and Transfer of Undertakings (Protection of Employment) TUPE experience to support growth.

Flex 'Standards' to power projects expansion: Flex the EVP framework to power Facilities Transformation, defining reward and development to attract and retain the best talent.

Cultivate the culture to support growth: Cultivate an inclusive, colleague-centric, high-performing, OneMitie culture. Empowering our people to best serve our customers and use their voice to improve our business.

Create 'Good Jobs' and reduce cost to serve: Leverage technology to create 'good jobs' – simplifying work and improving employee experience, in turn increasing productivity, wellbeing and engagement.

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

People strategy and business model

Mitie evaluates its risk portfolio by recognising that individual risks are interrelated and can create a combined exposure. The Enterprise Risk Management procedure ensures that risk management is embedded in all critical decisions and supports our strategic objectives. The Risk Committee oversees the implementation of the risk management strategy, providing assurance to the Board and Audit Committee. We view effective risk management as a competitive advantage, acknowledging human factors and recognising that attitudes towards risk vary at different levels within the organisation.

We have identified significant risks and opportunities impacting our workforce, including high turnover rates, skill shortages, colleague wellbeing concerns and modern slavery. Our workforce comprises colleagues directly employed by Mitie, self-employed individuals and people provided by third-party undertakings. To address these risks, we have implemented comprehensive training programmes, improved working conditions, and support for mental health and wellbeing. Positive impacts include leadership development initiatives, diversity and inclusion programmes, and continuous professional development.

Mitie is one of the UK's largest employers. Our colleagues play a vital role in Mitie's success and that of our customers and make a significant contribution to the UK economy. We prioritise the safety and wellbeing of our colleagues, actively listen, take action, and celebrate diversity. We strive to be a 'Great Place to Work' for all, supporting career development and recognising and rewarding everyone for a job well done. We are committed to developing skills for the future, benefiting both our growth and wider society. Our material risks and opportunities relate to specific groups, such as those that are underrepresented, colleagues in high-risk regions, and those involved in high-risk operations. We actively work to mitigate these risks and leverage opportunities to create a safer and more inclusive work environment.

MyMitie

We are continually evolving our EVP, MyMitie:

MyVoice

Ensuring our colleagues have their say and their voices are heard

FY25 achievements

Held 20 Board listening sessions and facilitated 655 events through Team Talk Local

MyCommunity

Our commitment to building connections, taking positive actions and giving back

FY25 achievements

Delivered 32,512 volunteering hours across the Group

MyAchievement

Recognising the successes of our colleagues

FY25 achievements

Held our annual achievement event at The Shard, including a top prize of £10,000, and awarded over 27,000 Mitie Stars during the year

MyCareer

Our learning and development offering

FY25 achievements

Supported over 1,500 colleagues through apprenticeships

MySlice

Our industry-leading benefits package

FY25 achievements

Issued free shares for the fifth consecutive year

MyWellbeing

Prioritising our colleagues' health and wellbeing

FY25 achievements

Launched a series of digital wellbeing programmes on topics such as Sleep, Money Worries and Resilience through our Employee Assistance Programme

MyStory

Our colleagues telling their own stories to inspire others and drive belonging

FY25 achievements

Launched our 'This is Me' Campaign, using the lived experience of Mitie colleagues to put a spotlight on important subjects to drive inclusivity across the business

Impact, risk and opportunity management

S1-1: Policies related to own workforce

Policies

Our policies address the management of our material impacts on our own workforce, as well as associated material risks and opportunities. They apply to all Mitie colleagues in all operating countries.

People Policy

Mitie adopts an inclusive and diverse work environment, addressing discrimination and promoting equal opportunities. We ensure safe, clean and healthy working conditions, promote wellbeing initiatives and provide protective equipment. We comply with equal pay requirements and offer competitive remuneration. We provide training, development and progression opportunities, and support colleague engagement and participation, respecting freedom of association and collective bargaining.

Equality, Diversity and Inclusion (ED&I) Policy

Mitie is committed to fostering an inclusive and diverse work environment. Our policy ensures that no job applicant or colleague faces discrimination based on certain characteristics. We promote inclusion, equality and diversity, and expect the same from our suppliers. We provide a safe environment for raising concerns about discrimination, victimisation, bullying or harassment.

Quality, Health, Safety and Environment (QHSE) Policy

Mitie is committed to high standards of health, safety and wellbeing. We comply with laws, manage risks and promote continual improvement. We engage with colleagues to instil appropriate behaviours and provide necessary training, alongside promoting open communication and partnering with suppliers, customers and contractors to maintain high standards. Our performance is measured through metrics such as lost time injury frequency rate (one of our KPIs) and regular reviews.

Employee Handbook

Mitie is committed to creating a great workplace where everyone can thrive. Our Employee Handbook outlines our vision, values and policies and we promote ED&I, ensuring a respectful work environment. Health, safety and wellbeing are prioritised alongside offering competitive remuneration and opportunities for career development.

S1-2: Processes for engaging with own workers and workers' representatives about impacts

Engaging our colleagues

Mitie encourages colleagues to voice concerns freely, including to those in more senior roles. Our 360° listening approach ensures that everyone has channels for being heard and our MyVoice Survey gathers feedback on various topics. During FY25, we facilitated 655 engagement events through our Team Talk Local programme. This is deployed through a framework that equips leaders with the tools, materials and skills they need to deliver high-quality events for Mitie colleagues where they work, in a format that works best for them. The agenda is a blend of fixed content, including a video message from Phil Bentley, CEO, and allows 20% of the time for leaders to facilitate a listening exercise. A focus on 'you said, we did' allows for a robust two-way feedback mechanism, with themes centrally captured to inform our ongoing engagement strategy.

Colleagues can join any of our six ED&I networks to share experiences and ideas, raise awareness and address biases. Each network has an executive sponsor, and Board members also regularly join events. For urgent concerns, we offer 'Speak Up', a 24/7 whistleblowing service. 'Grill Phil' enables the direct issue escalation of concerns to our CEO, Phil Bentley, and our Board Listening programme ensures that Board members hear directly from colleagues, including those on the frontline.

The role of the Internal Communications Director is to oversee all of Mitie's internal communication channels and to manage the in-house communications team. Establishing a communications plan that aligns with Mitie's Facilities Transformation Three-Year Plan is central to this role, ensuring that all colleagues understand the part they play in Mitie's success, and how they can benefit from the Group's achievements. The Internal Communications Director works to foster a positive and engaging work environment by promoting transparency, encouraging feedback and facilitating open communication channels between colleagues and leadership.

Mitie's main barriers to engagement include digital access – especially for colleagues on the frontline, a diverse range in levels of digital literacy and a geographical spread across multiple countries and remote locations. To address these issues, we have been working with our technology partners to expand access to Microsoft Teams to an additional 48,000 colleagues by the end of 2025, so that all UK colleagues are able to benefit from the same digital experience, connecting with peers and building digital networks through one single platform.

Annual survey – MyVoice

Mitie's annual colleague engagement survey, MyVoice, provides feedback that management acts upon to improve the working experience at Mitie. The results of the survey also provide the Board with a Group-wide snapshot of how our colleagues rate Mitie's culture and engagement.

The most recent MyVoice survey took place in April 2024 (relating to FY24), with an employee engagement score of 63%, and the insights and actions taken during FY25 are detailed below. Our next MyVoice survey will take place during FY26.

Insights and actions undertaken in FY25 (in response to the April 2024 survey)

Upload survey insights (You Said)	Action taken (We Did)
Pay, reward and recognition • Review benefits for our frontline colleagues, acknowledging the impact of inflation and rising cost of living • Develop Mitie Stars	• Launched our fifth award of free shares for all colleagues • Increased the number of discounts across a range of retailers and partnerships through our reward platform, which was also upgraded to single sign on for an enhanced user experience • Launched 2024 SAYE scheme, offering colleagues risk-free savings with the opportunity to benefit from Mitie's success • Delivered the annual Mitie Recognition event, with CEO and Board sponsorship, celebrating our colleagues' achievements • From January 2025, we increased paternity pay to two weeks of full pay across all roles
Autonomy, empowerment and collaboration • Ensure colleagues are listened to and given a voice, and develop team collaboration	• Increased the number of Board Listening sessions to expand reach across targeted teams within the business alongside Board representation at diversity network and wider flagship events • Regular all-colleague communications of Mitie's strategy, operational changes and colleague experience • Created new leadership cohort (top 250 leaders) to increase networking across the business • Delivered CEO-led leadership events to provide updates on strategy
Systems and processes • Improve access to and use of different systems • Ensure our systems and processes maximise productivity	• Activated single sign on for Learning Hub (learning and development platform) and Celebration Hub (Reward platform) to provide a seamless colleague experience • Deployed 1,000 Microsoft Copilot licences throughout FY25 • Upgraded all IT users to Windows 11 software to optimise the latest developments from Microsoft
Communication barriers • Develop communications within Mitie so everyone is in touch	• Project underway to launch the MyMitie employee app, deploying an additional 48,000 Microsoft Teams licences specifically for frontline colleagues by December 2025 • Changed our approach to senior leadership outreach events, to empower a wider range of leaders with high-quality materials to deliver face-to-face sessions to more colleagues, more often. This approach enabled 371 in-person events to take place through the Team Talk Local initiative, compared with 12 in-person events in the prior year

S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns

Whistleblowing service – 'Speak Up'

Mitie promotes a culture of open communication, transparency and trust, empowering our colleagues to raise their concerns. Our 'Speak Up' service helps to address issues such as bullying, harassment, discrimination, health and safety and fraud. The service enables anonymous reporting by colleagues, customers, suppliers and third parties without fear of retaliation, and is accessible via a freephone hotline and web portal. The details are available in multiple languages through workplace posters, the Employee Handbook and MitiePeople.com.

Reports are reviewed and investigated independently to avoid conflicts. Mitie's Whistleblowing Investigation Group, including the Deputy General Counsel and senior members of the Internal Audit team, reviews all reports, and updates on whistleblowing activity are provided to the Board.

Our Employee Handbook clearly states and describes how whistleblowers or concerned colleagues are protected against both formal and informal retaliation. We consider it important that all colleagues feel safe to raise concerns without the fear of negative consequences.

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Material impacts and opportunities

Mitie recognises significant workforce IROs, including high turnover, skill shortages, wellbeing concerns and modern slavery. To address these, we offer training programmes, flexible working arrangements, enhanced health and safety protocols, and mental health support. We leverage opportunities through leadership training, diversity and inclusion programmes, and continuous professional development. Initiatives include our colleague networks, such as Mitie Women Can and Proud to Be, promoting diversity.

Our risk and sustainability reporting details the actions taken, their effectiveness and measurable outcomes. We set ambitious diversity targets, ensure fair wages and provide market-leading benefits, while colleague feedback through surveys and Board Listening sessions helps to inform our strategic decisions.

We track our effectiveness through metrics such as engagement scores, Glassdoor ratings, attrition rates and diversity targets. We adhere to ethical standards in procurement, sales and data use, prioritising colleague safety and wellbeing, and we invest in technology, training and development programmes. Through our partnership with Wipro we are using technology and AI to automate manual tasks, freeing up time for our colleagues to undertake 'value added' activities, while the MyMitie app enhances communication and engagement.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

Targets – impacts and opportunities

Mitie has set time-bound, outcome-oriented targets to create a supportive and inclusive work environment, address negative impacts, advance positive impacts and manage risks related to its workforce. We manage risks by setting targets that are aligned with our strategic goals and leverage technology to create employment opportunities and improve colleague experiences across all operations.

To mitigate negative impacts, we are reducing colleague attrition through an enhanced EVP, training programmes, flexible working, and improved health and safety protocols. We are committed to eradicating modern slavery with stringent monitoring and compliance measures.

To advance positive impacts, we are increasing diversity in leadership positions and expanding our apprenticeship programmes to improve skills in leadership, business and STEM subjects. Our commitment to diversity includes ambitious targets for fair wages and market-leading benefits. We promote learning and development opportunities, including through apprenticeships, and uphold human rights through well-defined policies and training programmes.

Our five-year plan incorporating our social value framework targets concluded in FY25. The ESG Committee will establish a new five-year plan setting out our 2030 targets during FY26 and these will be presented, following Board approval, in our FY26 Annual Report. Our ESG targets, and progress against them, are set out on page 52.

S1-6: Characteristics of Mitie's employees

At 31 March 2025, Mitie Group plc had a total of 76,000 employees.

For countries with 50 or more employees, the breakdown is as follows:

Employees by gender (UK only)

Female
23,430

Male
41,932

Employees by contract type, broken down by gender (UK only)

Headcount/FTE	Female	Male	Total
Number of employees	23,430	41,932	65,362
Number of permanent employees	22,931	41,181	64,112
Number of temporary employees	406	641	1,047
Number of non-guaranteed hours employees	93	110	203
Number of full-time employees	9,742	29,794	39,536
Number of part-time employees	13,688	12,138	25,826

Note: gender breakdown data is UK only.

Employees by country

UK
65,362

Ireland
1,416

Spain
9,642

Global employees by contract type, broken down by region

Headcount/FTE	UK	Ireland	Spain	Total
Number of employees	65,362	1,416	9,642	76,420
Number of permanent employees	64,112	1,351	7,953	73,416
Number of temporary employees	1,047	65	1,689	2,801
Number of non-guaranteed hours employees	203	0	0	203
Number of full-time employees	39,536	696	4,898	45,130
Number of part-time employees	25,826	720	4,744	31,290

Methodologies and assumptions used to compile data

- Colleague data is collected through Mitie's internal HR systems and verified by cross-referencing with payroll records
- Non-guaranteed hours employees are assumed to work an average of 20 hours per week unless specified otherwise by their contracts. This assumption helps in calculating full-time equivalent (FTE) for non-guaranteed hours employees

Contextual information

- The data includes all employees directly employed by Mitie, as well as those on temporary and non-guaranteed hour contracts
- The data is compiled by aggregating information from various departments and ensuring consistency in reporting across different business units

S1-9: Diversity metrics

UK gender breakdown

Board

Female **4** Male **6**

Senior leadership team (SLT)

Female **29** Male **40**

Employees over 50 years old

Female **10,871** Male **17,114**

Employees 30 to 50 years old

Female **9,243** Male **17,784**

Employees under 30 years old

Female **3,316** Male **7,034**

S1-12: Persons with disabilities

UK gender breakdown

Employment of persons with disabilities

Female **1.94%** Male **1.53%**

S1-10: Adequate wages

Living wage

Mitie values fair pay. We are Recognised Service Providers with the Living Wage Foundation and we encourage our customers to adopt the Real Living Wage by showcasing the benefits. We achieved our FY25 target of paying 100% of colleagues the Real Living Wage where Mitie sets the salary.

Colleague benefits

Under the MySlice banner, we offer a range of benefits including life assurance, health insurance, virtual GP services, mortgage advice and lifestyle products. Rewards include free shares, incentive plans and share schemes such as Save As You Earn. Frontline colleagues have received 100 free shares annually in each of the past five financial years.

We offer enhanced maternity and paternity pay alongside carer's leave (providing one week's unpaid leave annually). In FY25, we continued to improve our benefits packages, with a renewed focus on frontline incentive schemes.

- **4.4m free shares gifted** to colleagues in FY25; with a further 8.6m shares gifted shortly after the year end over two awards (our first 'double award')
- **£378,295** of MiDeals on the employee discounts portal
- **27,299** colleagues received a Mitie Star
- **c.£83,000** awarded in prizes to Mitie Star recipients

S1-13: Training and skills development metrics

Learning throughout Mitie

At Mitie, we offer more than just a job by creating an environment for professional and personal growth. Every person in Mitie is empowered to take control of their own development journey through our broad offering. During FY25, over 500,000 learning courses were completed by our colleagues across a vast array of topics and skills, with an average of seven courses completed per person.

We also supported over 1,500 colleagues through apprenticeships, with over 90 courses ranging from level 2 to level 7 in technical, professional and managerial qualifications. We spent over £5.5m of our apprenticeship levy both on internal Mitie apprentices, and through our levy gifting activities. We are currently supporting 33 external apprentices across 13 different organisations and have been recognised as a Top 100 Apprenticeship Employer for the third consecutive year.

We continue to leverage the success of our award-winning positive inclusion learning campaign, Count Me In, with our Women in Leadership programmes. All participants of the first cohort successfully completed this level 7 programme with distinction. Additionally, we offer Women in Leadership at level 3 and level 5 to ensure that we have a strong pipeline of female talent in our succession plans.

Our people manager offer, Leading Together, has been recognised externally in the Business Culture Awards as highly commended. Currently, 85% of our people managers have completed the learning programme and 92% have completed our additional Leading with Respect course.

In FY25, 82.6% of salaried employees received a end-of-year performance review (FY24: 82.9%).

Year	Salaried headcount	Rating completion	% completion
2022	20,079	14,723	73.3
2023	20,002	15,696	78.5
2024	21,909	18,166	82.9
2025	24,520	20,264	82.6

S1-14: Health and safety metrics

Health, safety and wellbeing

Mitie prioritises health, safety and wellbeing by encouraging collaboration and empowering individuals. Our Zero Harm goal, driven by our core Values and the LiveSafe programme, enhances performance, ownership and innovation, while reducing absences and accidents.

Key metrics demonstrate our commitment to being a responsible business. In FY25, MyWellbeing initiatives ensured colleague safety, with 12,786 LiveSafe visits and 122,622 hazard observations logged, reducing our lost time injury frequency rate (LTIFR) from 3.82 to 2.70 per million hours worked. During Mental Health Awareness Week, we raised awareness through MiNet communications and drop-in sessions. Mitie has over 400 trained mental health first aiders.

Stand Down Days during FY25 paused operations for safety discussions, encouraging open communication and risk mitigation. We received 18 RoSPA awards during the year, up from nine the previous year, highlighting the benefits of LiveSafe.

Mitie's ISO 45001-accredited health and safety management system covers all colleagues. FY25 performance metrics:

- Total recordable incident rate: 2.13 per 100,000 hours worked
- LTIFR: 0.07 per 100,000 hours worked
- Near miss reporting rate: 1.58 per 100,000 hours worked
- Health and safety training hours: >51,000 hours (third party specialist)

These metrics reflect our commitment to continuous improvement and colleague competency.

Description	Value
Percentage of people in own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0
Number of recordable work-related accidents for own workforce	2,804
Rate of recordable work-related accidents for own workforce	2.13
Number of cases of recordable work-related ill health of colleagues	42
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to colleagues	7,870

S1-17: Incidents, complaints and severe human rights impacts

Discrimination incidents related to equal opportunities and grievances and complaints related to other work-related rights

Mitie colleagues have a number of channels for reporting any alleged discrimination or harassment incidents, including to their line manager, as a grievance or via the whistleblowing hotline.

Discrimination grievances are investigated thoroughly by independent managers, and colleagues have a right of appeal if they disagree with the outcome. Mitie has a zero tolerance policy towards discrimination, and if it is found a number of measures may follow, including training, policy reinforcement and disciplinary actions, to ensure satisfactory resolution.

Mitie ensures that colleagues and their representatives are informed, supported and protected when raising concerns through regular training, clear communication of policies, and a commitment to confidentiality and the prevention of retaliation.

Identified cases of severe human rights issues and incidents

Mitie did not identify any severe human rights issues or incidents connected to its own workforce during FY25. There were also no violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises related to severe human rights issues within our own workforce.

G1 Business Conduct

Impact, risk and opportunity management

G1-1: Corporate culture and business conduct policies

Policies

Our policies address the management of our material impacts for business conduct, as well as associated material risks and opportunities. They apply to all Mitie colleagues in all of the countries in which we operate.

Ethical Business Practice Policy
Mitie is committed to ethical and moral stewardship, with zero tolerance for bribery, corruption, tax evasion and fraud. We comply with international sanctions and protect customer confidentiality. Our policy promotes safe working conditions, human rights and labour standards. We do not engage in political activities but do participate in policy debates that are relevant to our business. Colleagues are encouraged to report unethical behaviour.

Procurement Policy
Our Procurement Policy outlines Mitie's procurement processes, emphasising ethical business practices, financial controls and supplier selection. It mandates compliance with legal standards, separation of duties and conflict of interest management. The policy also covers contracting, tendering thresholds, supplier due diligence and contract administration, ensuring transparency, accountability and sustainability in procurement activities.

Modern Slavery Statement
Mitie is committed to eliminating modern slavery and human trafficking. Our 2024 statement outlines our efforts, including due diligence, risk assessment and stakeholder engagement, while we also upgraded our screening platform and collaborated with the Cabinet Office. We work with around 8,000 suppliers, requiring transparency and compliance from each of them. In FY25, no incidents of modern slavery were identified, and we continue to closely monitor any high-risk suppliers.

Whistleblowing Policy
Our Whistleblowing Policy aims to identify and address issues of fraud, corruption and other misconduct within Mitie. It applies to all colleagues, including managers, directors, contractors and temporary staff. The procedure encourages colleagues to raise concerns about unlawful conduct, financial malpractice, health and safety dangers, environmental damage, modern slavery and breaches of internal rules. Concerns can be reported confidentially through an independent whistleblowing service, reports are investigated independently and colleagues are protected from retaliation.

Mitie Fraud Framework
The Mitie Fraud Framework establishes controls to prevent and detect fraud within Mitie. It mandates the reporting of suspected fraud to the Internal Audit team or via a whistleblowing helpline. The framework includes investigation procedures, confidentiality measures, and responsibilities for managers and supervisors. It also outlines specific fraud risks and controls, alongside the importance of maintaining high ethical standards.

G1-2: Management of relationships with suppliers

Engaging our supply chain

We work closely with our suppliers to maintain strong, transparent and ethical relationships, and our Procurement Policy ensures that all activities align with our sustainability objectives and ethical standards.

Our strategy for managing supplier relationships includes mitigating supply chain risks and promoting sustainability. Through the Mitie Supplier Management Framework, we conduct thorough due diligence, continuous monitoring and regular assessments. Our procurement platform (Coupa) and Supplier Maintenance Portal, Mitiesuppliers.com, ensure transparency and efficiency in sourcing, onboarding and managing suppliers.

We consider social and environmental criteria when selecting suppliers, in line with our Sustainable Procurement Policy objective to achieve value for money while benefiting society and minimising environmental damage. We conduct thorough due diligence on high-risk suppliers, ensuring robust human rights and modern slavery checks, and we also collaborate with strategic service providers and the Cabinet Office to support suppliers in addressing modern slavery risks.

To support vulnerable suppliers, we provide tailored support to SMEs and VSCEs, offering training and resources to help them meet our ethical standards. Our partnerships with the Supply Chain Sustainability School and other service providers empower suppliers to address social and environmental risks, while our Supplier Social Value Policy ensures that suppliers adhere to principles of fairness, accountability and sustainability.

G1-3: Prevention and detection of corruption or bribery

Our anti-corruption and anti-bribery framework

We are committed to preventing and detecting corruption and bribery across all our operations. Our comprehensive system includes policies, procedures and training programmes designed to uphold high ethical standards. Colleagues are expected to comply with anti-bribery legislation, properly account for transactions and report any incidents of bribery or corruption of which they become aware. If unable to report through normal channels, they should use the 'Speak Up' service and/or seek guidance from their manager or Mitie's legal team.

Reporting a violation or raising concerns about potential breaches of our Anti-Bribery and Corruption Guidance or Code of Conduct is mandatory and should be done in accordance with the internal procedures outlined in our Ethical Business Practice Policy. We also provide a confidential whistleblowing service for reporting incidents.

Investigations are conducted by Mitie's independent Investigation team, part of the Group Internal Audit team, ensuring impartiality and confidentiality. The outcomes of investigations are reported to the administrative, management and supervisory bodies, with action plans issued to ensure accountability.

Policies and employee handbooks are accessible on our intranet site, ensuring that all colleagues are informed and understand their responsibilities. During FY25, we provided mandatory training on our policies to all at-risk workers, and voluntary training was made available for other workers.

Metrics and targets

G1-4: Confirmed incidents of corruption or bribery

Corruption and bribery metrics

We have not identified any insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery. Neither Mitie nor any of its workforce has been subject to legal proceedings regarding corruption or bribery during the year.

G1-5: Political influence and lobbying activities

Our approach to political influence and lobbying

We are committed to maintaining transparency and ethical conduct in all of our political influence and lobbying activities. Our approach is guided by the Mitie Code of Conduct, which ensures political neutrality when engaging with government, regulators and the public sector. We recognise the right of individuals to be involved in political activities, although colleagues must make it clear that any views expressed are their own.

Mitie's political influence and lobbying activities are overseen by the Director of Corporate Affairs, who ensures compliance with our ethical standards and policies. We do not make financial or in-kind political donations and our Mitie Code of Conduct explicitly prohibits colleagues from making donations to political parties on behalf of Mitie.

During FY25, Mitie provided support for two events, with an estimated cost of c.£15,000. These were:

- A Parliamentary Labour Party reception in September 2024
- A fundraising event for Neil Coyle, MP for Bermondsey and Old Southwark, in December 2024, for which Mitie provided the venue

Mitie's lobbying activities primarily focus on sustainability, social value and industry regulations. Key topics include:

- Advocacy for skills development, employment rights and opportunities, alongside Apprenticeship Levy reform
- Engagement with the UK Government on its Net Zero, decarbonisation and power connection ambitions
- Elevating our position on creating Safer Communities, including associated initiatives around Retail Crime, the Terrorism (Protection of Premises) Act 2025 and Violence against Women and Girls (VAWG)
- Ad-hoc lobbying activity that falls outside the scope of the above core pillars, including work related to procurement, EVs, and immigration and justice

These activities align with Mitie's material impacts, risks and opportunities identified in our materiality assessment, ensuring that our lobbying efforts support our strategic goals and sustainability commitments.

G1-6: Payment practices

Our payment practices

We are committed to maintaining transparency in our payment practices, recognising the importance of timely cash flows to business partners, and our robust systems and processes ensure prompt payments to suppliers. We take an average of 45 days to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated, and we aim to pay 95% of our suppliers within 60 days.

We have implemented robust measures to prevent late payments to SMEs. Our digital supplier platform ensures transparency and efficiency in managing supplier relationships. We continuously monitor and review our payment practices to ensure alignment with our ethical standards and support the financial stability of our suppliers.