



mitie



# Social Value Report 2021

The exceptional, every day.

“

The exceptional, every day,' has never been more important - and nor has our commitment to Environmental, Social and Governance standards.”

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Phil Bentley, Mitie CEO



# A word from our CEO

Now that the Mitie family has grown considerably through the acquisition of Interserve to 77,500 employees, and in the context of the global pandemic, our commitment to ensuring 'The exceptional, every day' has never been more important – and nor has our commitment to Environmental, Social and Governance (ESG) standards.

Mitie's job is to look after the places where Britain works. And in a post COVID-19 world that means creating safe, sustainable workplaces. Throughout the pandemic, I am proud to say that 60,000 Mitie frontline heroes were working at our clients' sites, keeping Britain running throughout these uncertain times, including over 7,000 colleagues at some 200 COVID-19 testing centres across the UK.

Mitie is committed to celebrating each and every colleague, and as you will read later in this report, our Social Value Framework underlines this commitment through health and wellbeing initiatives, apprenticeship support, and much more.

Mitie champions 'Green FM', where sustainability is embedded into all our facilities management operations. Plan Zero is Mitie's industry-leading commitment to achieving net zero emissions by 2025, and we have now expanded this to include science-based targets for our supply chain. We have developed unique solutions – including Gritter Thunberg, the UK's first electric, zero-emissions winter gritter. Mitie's fleet now has some 1,200 electric vehicles – the largest fully electric fleet in the UK – and we are rapidly decarbonising our heating systems. To date, Mitie's experts have saved our clients over 353,000 tonnes of carbon. I'm absolutely passionate about leaving a 'lighter footprint on the sand' for generations to come.

Mitie sets the ESG standard for the FM industry, as defined across five key pillars of Employment, Responsibility, Community, Environment, and Innovation. Mitie has been in the top ten of the Inclusive Top 50 UK Employers for three consecutive years. Also for the third year in a row, Mitie was certified a Top UK Employer in 2021. And, Sustainalytics – the leading ESG rating agency – assessed Mitie at the lowest risk category for ESG failings, making us the best-scoring FM company worldwide for ESG.

But success in business is about more than having great clients and winning new business through greater efficiencies. To me, it's about leadership – leadership in the 'Science of Service' which we offer our clients; leadership in reducing our resource consumption; and leadership in giving back to the communities we serve.

I'm proud of how far Mitie has come since the launch of our first Social Value Report. But I also recognise that we still have a way to go. I'm committed to making our business a more socially responsible one. As the largest FM company in the UK, we have a duty of care to our clients to ensure that together we make the world a better place.

Mitie is a business with a conscience and that conscience is building a brighter future for all, as you will see in our 2021 report.



**Phil Bentley, CEO**



# Foreword

The Social Value and Responsible Business (SVRB) Committee consists of senior leaders from across Mitie. Subsequent to its creation by the Board in November 2019, I was appointed chair. The committee is tasked with embedding ESG strategy throughout Mitie and this joined-up approach enables the organisation to deliver sustainably for clients, communities, colleagues and shareholders.

Mitie's performance in social value over the last year has been excellent, with all 13 of its industry-leading social value targets for FY20/21 achieved. These targets continue to focus and drive efforts, with the publicly available SVRB dashboard providing a useful tracking tool and enabling full transparency. Internally, the dashboard displays each business area's performance, encouraging healthy competition and allowing for additional initiatives to be implemented, where necessary. The data is reviewed monthly, with the SVRB committee updated bi-monthly and updates passed to the Board at every meeting.

Industry-leading, ambitious targets have been set across all areas of social value, including Mitie's recently outlined target to ensure support for the Armed Forces remains strong. Some great achievements in the last year include reaching 30% of spend under our supplier management framework - a spend that was 0% before the creation of the SVRB committee - and the 8,098 volunteering hours that have nearly tripled in two years. Mitie has also cut its waste to landfill by over 95% in two years, and emissions reduction exceeded the target set by 23%. Innovation has driven these accomplishments, with initiatives such as Bin the Bag removing single-use plastic liners from the office waste disposal process.

I am particularly proud of the role our colleagues have played in continuing to help others during the COVID-19 pandemic. The Mitie Foundation has adapted to restrictions, providing 11 virtual employability weeks, involving 92 Mitie volunteers, to date. Many of our colleagues have also been crucial to testing centres, temporary hospitals and ensuring healthcare facilities are cleaned to an excellent standard.

February 2021 marked the first anniversary of Mitie's Plan Zero initiative. Over 1,200 locations joined a commemorative online event, which featured an update on wins and progress, and the exciting things to look out for in the next year. Comparing this to the 100 locations that joined for the Plan Zero launch shows the work Mitie has done to engage colleagues with our ESG strategy right across the business. One of Mitie's key strengths is the in-house experts who try and test services before they are delivered for clients. For example, our Urban City Landscaping service is designed to reduce emissions in highly polluted areas, using only electric vehicles, no chemicals or pesticides and ensuring zero waste to landfill. In November 2020, Mitie produced its Plan Zero Playbook, outlining the process implemented to assist customers on their own net zero carbon journeys.

We are making strides at embedding social value across Mitie and I know that everyone on the SVRB committee is dedicated to driving this further, positively impacting local communities, economies and environments.



## **Baroness Couttie**

Chair – Social Value and Responsible Business Committee



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# Social Value - What is it?



Social value refers to an organisation's positive impact on society, whether economic, social, or environmental.

Mitie is a growing organisation with diverse areas of business that impact a large range of people. Mitie's potential reach, in terms of social value, is therefore considerable.

To focus our efforts, Mitie embraces the UN Sustainable Development Goals (SDGs), which have inspired our Social Value Framework of five pillars:

- Employment
- Responsibility
- Community
- Environment
- Innovation

The first four pillars have specific focus areas and targets, while the Innovation pillar is embedded within the others to ensure Mitie remains at the forefront of technology and processes. As can be seen on page six, Mitie has achieved all 13 of its social value and responsible business targets; we even exceeded 10 of them. This is a great accomplishment, which underlines Mitie's industry-leading position.

Social value is embedded in Mitie contracts to maximise the organisation's positive reach and impact. Environment, Social, and Governance is a key part of our Technology and People pillars, which ensures ESG is integrated into Mitie's corporate strategy.

Subject to approval at July's AGM, several of Mitie's social value targets will be included in our senior leaders' long-term incentive plans. These include increasing diversity and a reduction of carbon emissions and waste to landfill. If approved, the initiative will ensure top-down support for these important goals.

## Social value and Government contracts

Procurement Policy Note 06/20, also known as PPN06/20, came into effect on 1 January 2020, imposing a 10% social value weighting on all Government contracts. Mitie was already well-placed to accommodate such a requirement, with our Social Value and Responsible Business Committee driving action from the top down, and its Chair reporting into the Board, where ESG is also a priority area. In addition, Mitie's Plan Zero steering and working groups are focusing on the Environment aspect of the social value framework. The groups capture climate-related risks and opportunities; Mitie will start reporting on the Task Force on Climate-Related Financial Disclosures in the coming year.

Mitie achieved a Leadership rating from CDP, the high profile ESG ratings agency. The score of A- in Climate Change makes Mitie the leading UK-based FM business within CDP. The rating recognises Mitie's activities in emissions reduction and governance, reinforcing our industry-leading position on sustainability.



### People

We promote skills and employment opportunities for all, focusing on three areas: apprenticeships, diversity and the Real Living Wage.

### Responsible Supply Chain

To conduct business responsibly, we focus our spend on three areas: small and medium enterprises (SMEs); voluntary, charitable and social enterprises (VCSEs); and our supplier management framework (SMF).

### Community

We create safer communities for our customers and neighbours by focusing on and promoting three areas: Armed Forces, health and wellbeing and colleague volunteering.

### Environment

Mitie launched the industry-leading Plan Zero initiative in February 2020, committing to reaching net zero carbon emissions by 2025.

### Innovation

To be a leader in social value requires new ideas and innovative solutions to be realised through cutting-edge technology and developed in consultation with colleagues, customers and communities. Mitie is committed to such innovation and recognises it is key to social value success.

# Targets

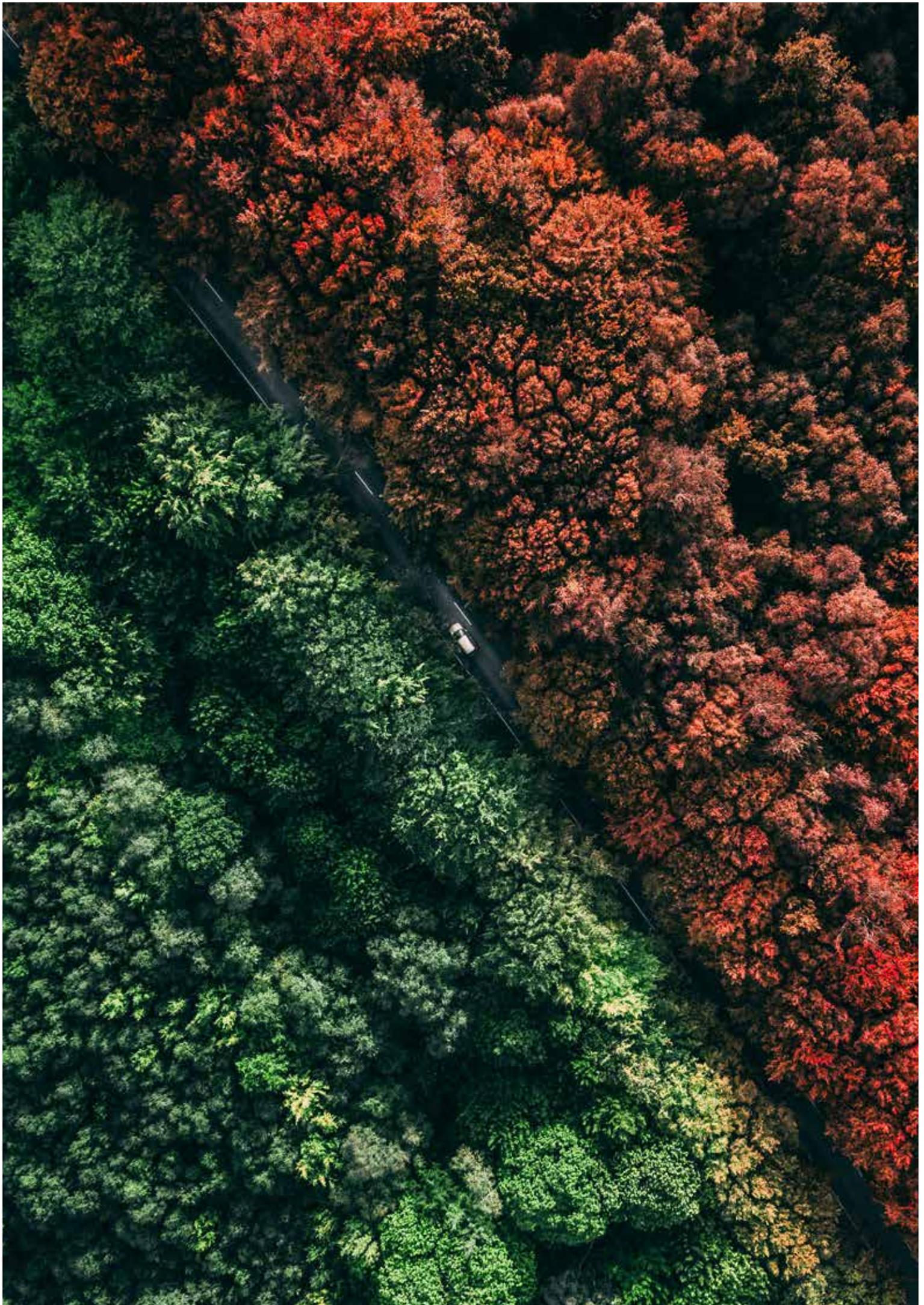
To drive our achievements further, Mitie has set market-leading targets for the following areas of social value:

Target Area	Baseline (FY18/19)	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
<b>People</b> % of employees where Mitie control salary paid Real Living Wage	75%	100%	100%	100%	100%	100%
% of employees through Apprenticeship scheme	2.3	2.5	3.0	3.5	4.3	5.0
% of women on MLT	18	20	25	35	35	40
% of of racially diverse colleagues on MLT	3	3	3	10	10	20

Target Area	Baseline (FY18/19)	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
<b>Responsible Supply Chain</b> Spend with VCSEs	£0.3m	£0.3m	£0.75m	£1.5m	£2m	£2.25m
% of Spend with SMEs (Group: commit to maintain public sector % SME spend above 33% target)	27	29	30	31	32	33
% of Spend on Supplier Management Framework	0	28	35	37	39	40

Target Area	Baseline (FY18/19)	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
<b>Community</b> Volunteer Paid Hours	3,032	8,000	12,400	16,320	20,720	23,680
Health & Wellbeing training hours delivered	Not measured	2,000	4,960	8,169	11,840	14,800
Armed Forces recruitment *This target relates to maintaining Armed Forces recruitment at a percentage of 0.5% above population average	Not measured	2.6%	2.48%	2.43%	2.39%	2.34%

Target Area	Baseline (FY18/19)	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
<b>Environment</b> CO <sub>2</sub> Emissions (tonnes) *baseline data has changed due to the acquisition of Interserve and the subsequent addition of buildings, fleet etc.	28,912 (old baseline) FY19/20 38,037 (new baseline)	25,000	25,230	20,300	13,340	5,220
% of Fleet Zero Carbon	0	15	30	45	65	85
Waste to landfill (tonnes)	376	350	250	100	50	0





The Mitie Foundation creates life-enhancing opportunities for a diverse range of people, particularly those with barriers to employment. By helping sometimes overlooked but enthusiastic participants into work, the Foundation creates routes to sustainable employment, develops untapped talent and maximises the potential to enrich diversity. In doing so, Mitie's workforce more accurately represents the diverse communities in which we operate.

Due to the COVID-19 pandemic and UK lockdown restrictions, much of the Mitie Foundation's activities moved online throughout 2020 and early 2021. This meant the charity could continue to positively impact disadvantaged individuals' lives and tackle inequality by championing skills for the workplace.

Virtual employability workshops were delivered by the Foundation team and focused on an introduction to Mitie, as well as customer service, CV writing and interview tips and techniques. In the final session, participants put what they had learned into practice during a mock interview with a Mitie volunteer.

Since April 2020, 11 workshops have been held for Mitie Foundation candidates, including participants from the Department for Work and Pensions' JETS programme for those who lost jobs during the pandemic.

Employment Services Manager at work and wellbeing services organisation, Seetec Plus, Emma Blackburn, said: "Having Mitie deliver a virtual employability week gave participants a fantastic overview into not only the FM sector, but also transferable skills, the interview process and CV support. This was invaluable in the current climate, with so many people looking to change direction and finding themselves out of work due to COVID-19."

Virtual employability weeks have been held for our many charity partners, including Remploy in Wales and Scotland, and Mencap in London. A virtual employability week held in September 2020 with a young person's charity resulted in candidate, Kyle Strachan, securing a role at a testing site. He said: "Throughout my time at the Leith COVID-19 testing centre I've gained a lot of new skills, such as confidence and dealing with things under pressure. When I started working, I was very quiet and shy but I'm now able to open up and use my voice worry-free." Feedback from Kyle's colleagues on the site praised his fantastic work with new staff and ability to work under pressure.

Over the last 12 months, Mitie has been developing a Foundation Portal, which allows hiring managers to identify applications made by candidates from the Foundation's partner organisations and charities. Such applications are supported by the Foundation team, from submission to offer. During increased recruitment for healthcare and security clients, the portal provided an additional talent pool for hiring managers to draw upon. To date over 145 Mitie Foundation candidates have gained employment with Mitie, with many involved in the national response to the COVID-19 pandemic at testing sites and elsewhere.

“

**When the pandemic hit, Mitie was fortunate enough to secure a large-scale contract, which required the provision of services via our frontline colleagues. It was quickly recognised that our standard resource pools would not provide the number of new hires needed. A partnership was formed with the Foundation where the team quickly understood the business requirements and were able to reach out to their charity partners, widening our recruitment avenues, and complementing our standard recruitment processes.”**

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Clare Evans, Mitie Head of HR, Security



“

I'm really enjoying the job. I've got a good routine and a purpose to get up every morning.”

### Case study: Meet Marzena

The Beam charity is a Mitie Foundation partner and supports homeless people into work. Marzena is one such candidate, who has managed to turn her life around.

Aged 45, Marzena previously struggled with drug addiction, which left her penniless and homeless. At her lowest point she ended up in hospital and didn't know if she would live another day.

Determined to pull through, Marzena attended a detox programme and has now been clean for several years. In 2019, she approached Beam about retraining as a beauty therapist and successfully completed a beauty diploma. Shortly after securing her first job, the salon closed due to COVID-19 restrictions, leaving Marzena unemployed. Through Beam's partnership with the Mitie Foundation, Marzena found a catering assistant role at St George's Hospital in London, where she has been working for over nine months.

In December 2020, the Mitie Foundation ran a virtual employability week in partnership with the Foyer Federation, a charity providing accommodation, personal development, and mentoring to young people who can't live at home.

Supported by 11 Mitie volunteers, 15 candidates were introduced to Mitie and the FM industry while being coached in skills that would be beneficial in the workplace. Each received an OCN Level One Progression to Employment award.

In February 2021, the Mitie Foundation, together with Mitie's dedicated Co-op FM team and the Co-op Academy Walkden, conducted a virtual employability week.

The sessions developed Year 10 students' interview and workplace skills, improved their confidence, and highlighted the importance of displaying the right types of behaviours to enable progression.

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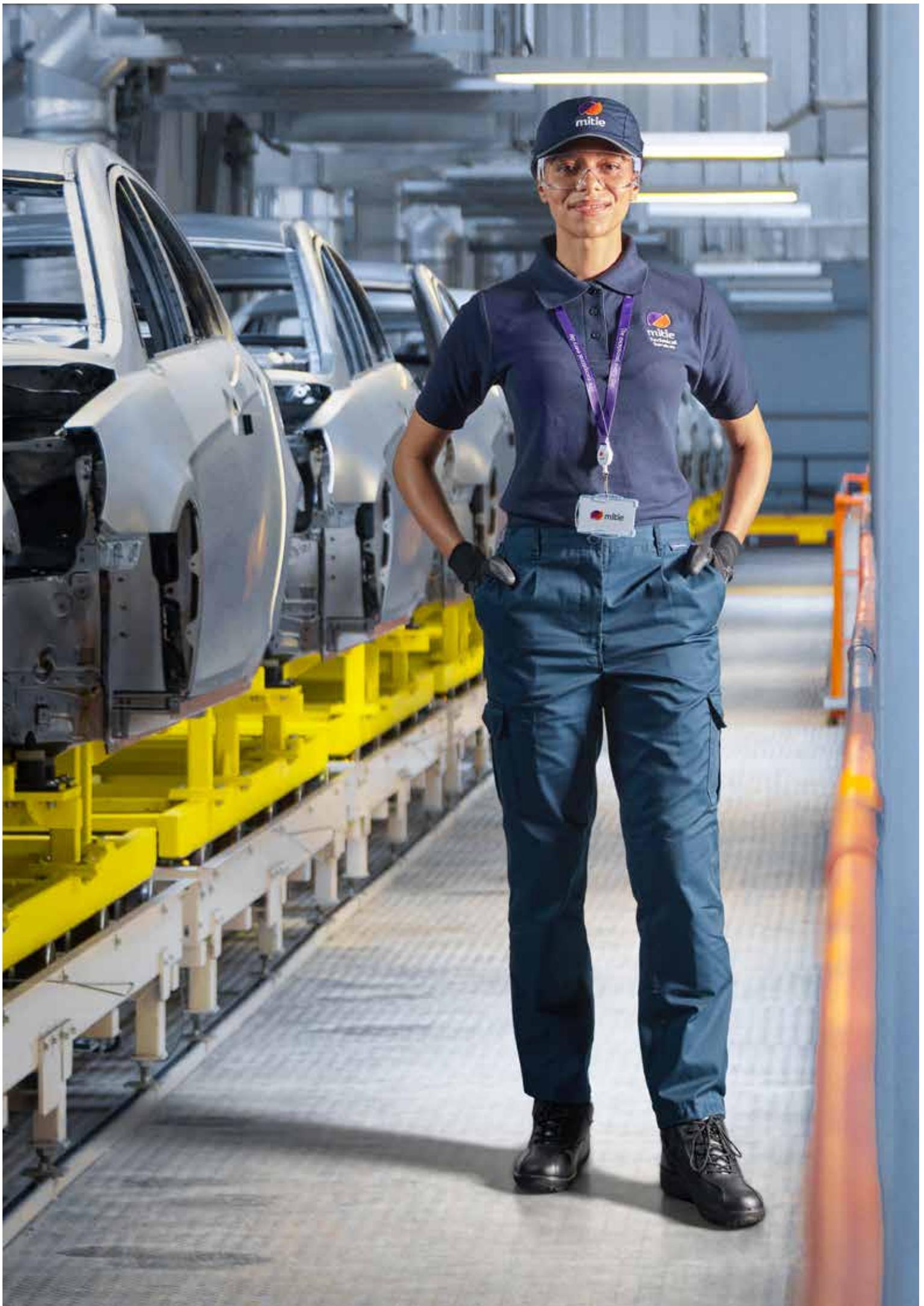
The virtual employability programme shows young people with experience of homelessness how to make the most of their skills, so they stand out in the application process.”

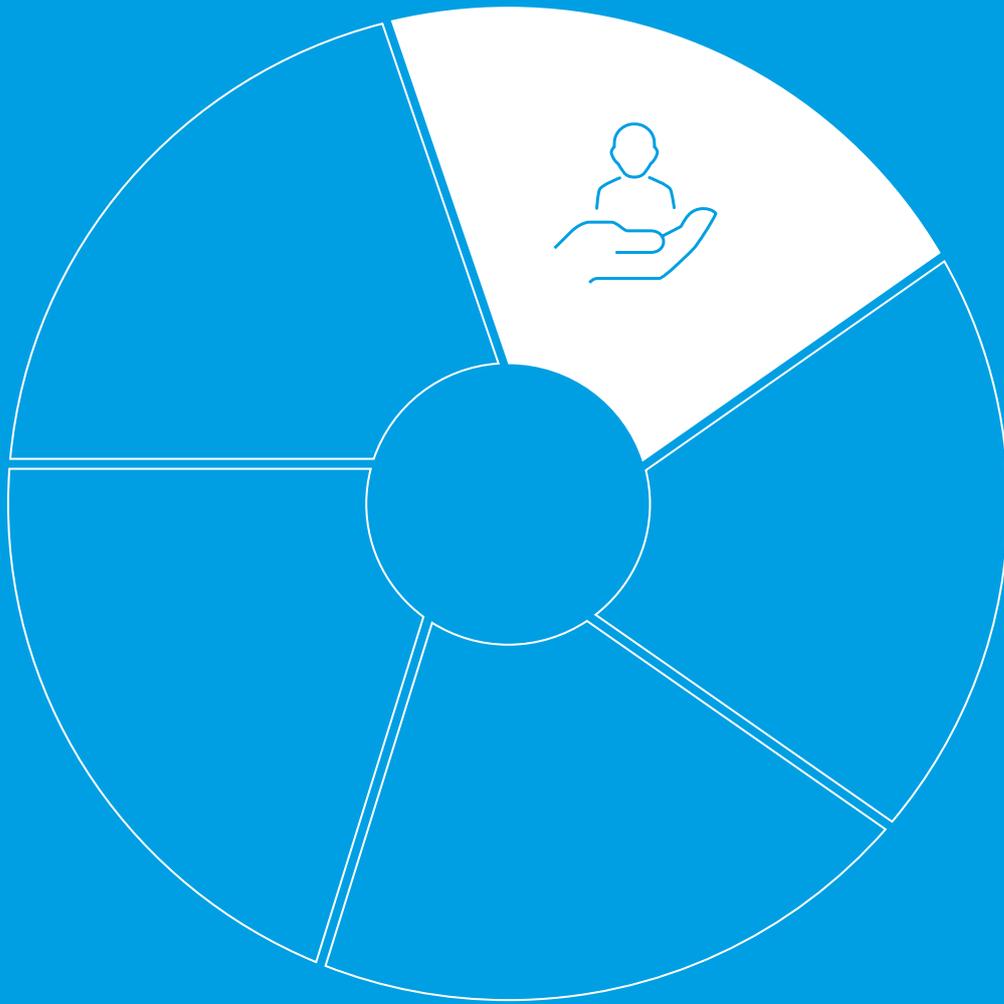
Kate Russell, Head of Programmes and Network at The Foyer Federation

“

The organisation was super slick, the quality of the resources, volunteers, and the priority you have dedicated towards this has really left a lasting impression on me. I work with a lot of employers, but your combined commitment to making this work, in a new virtual environment, was exemplary.”

Mr Mangas, Assistant Principal of Co-op Academy Walkden, Worsley





# People

We recognise that people are Mitie's greatest asset and we have a duty of care to ensure they are equipped to be productive at work and home.

**A hard day's work deserves a fair day's pay**

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**Apprenticeships**

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**Diversity and Inclusion**

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# A hard day's work deserves a fair day's pay



In 2019, Mitie set a target to pay the Real Living Wage to 100% of colleagues, where Mitie controls the salary, by the end of financial year 2020/21. This was achieved in late 2020, demonstrating Mitie's dedication to its people.

The wage is calculated according to the actual cost of living and makes a significant difference to people's lives. Payment is mutually beneficial for employer and colleague: The Living Wage Foundation reports the improved wage enhances quality of work and reduces absenteeism, while 86% of employers believe their business's reputation has improved as a result.

## What happens next?

Mitie is proud to be a Real Living Wage Foundation Recognised Service Provider. Now that we have reached our Real Living Wage target, we will continue to always cost bids so that prospective clients can offer to pay our employees the Real Living Wage of £10.85 an hour in London and £9.50 across the UK. Partner organisations therefore have the opportunity to decide if they will support payment of salaries that are based on the actual cost of living, taking housing, food, travel and other essentials into account. We will always strongly encourage them to do so.

Mitie's recent win to continue delivering facilities management and catering services for North West Anglia NHS Foundation Trust, meant an uplift to at least the Real Living Wage for all frontline colleagues.

## ANNUAL TARGET ACHIEVED

Mitie pays 100% of its employees, where Mitie controls salary, the Real Living Wage.

## TARGET

To continue paying the Real Living Wage to 100% of colleagues, where Mitie controls the salary.



**The recent pay increase by Mitie to the Real Living Wage has made a considerable impact. This has helped me with household bills and childcare, the cost of which has increased. I have not had to feel the real impact of these living cost increases. Thanks Mitie!"**

Rory Burns, Security Operative



# Apprenticeships

## Tackling economic inequality

Mitie has 1,172 apprentices across more than 50 apprenticeship schemes within our diverse contract portfolio. Our target measures eligible employees who are either currently on, or have been through, an apprenticeship scheme since 2019. Pleasingly, we exceeded our target of 2.5% by the end of FY20/21, achieving 3.6%.

We recognise the Government's target to achieve a 2.3% apprenticeship participation rate across the workforce at any one time in 2025. Mitie aspires to exceed this.

Mitie takes pride in partnering a network of high-quality apprenticeship providers to deliver appropriate training, support social mobility and enable skills development for career progression.

## Our apprenticeship strategy has three pillars:

### Skilling

Mitie focuses on attracting young talent, such as school leavers and first jobbers, to apprenticeship programmes, work placements and kickstart initiatives. This develops a pipeline of core skills to support Mitie's long-term growth and addresses the challenges of an aging workforce population and / or workforce.

### Up-skilling

Mitie continues to offer apprenticeship programmes to our people, allowing us to grow talent with on-going development leading to recognised qualifications and opportunities for career progression.

### Re-skilling

Mitie supports UK economic recovery by creating opportunities for external candidates to re-train and gain new skills and qualifications in professions fundamental to our business.



**This apprenticeship has enabled me to meet other like-minded managers in Mitie, as well as to learn crucial transferable skills that I can use as I develop my career."**

**Nicola Shales, Mitie Projects Commercial Manager, studying for her Chartered Management Institute Level 5 Diploma in Management.**

## ANNUAL TARGET EXCEEDED

**3.6% of Mitie's eligible workforce either currently on, or been through, an apprenticeship scheme in FY20/21.**

## TARGET

**4.3% of eligible workforce\* participating participating on an apprenticeship scheme by the end of FY23/24.**

\*Eligible workforce includes colleagues working over 30 hours a week, as per Government guidelines.

Mitie paid £5million into the Apprenticeship Levy in FY20/21 and took the decision to gift £150,000 of our funds to organisations needing apprenticeship support. One of these organisations was J A Burke Construction Ltd. Kath Sheppard, their HR and Training Manager, said:

"We believe apprentices are the future workers of the construction industry. Starting an apprenticeship gives a person the opportunity to see if this is the industry they would like to make their future. It also benefits us to know we have up and coming experienced workers who have opportunities to become a plant operator, site engineer or even a contract manager. Two of our apprentices, Mohammed Arif Ali and Bradley MacDonald, are advancing really well with guidance from training college Saludem and our site managers and supervisors. We're very grateful to Mitie for funding Mohammed's and Bradley's training through their partnership with the West Midlands Combined Authority."

We plan to expand our levy gifting strategy over the next year to continue supporting such organisations.

## Introducing the Mitie apprentices...

Over 145 participants completed Mitie apprenticeships in 2020, which was a fantastic accomplishment considering the challenges posed by COVID-19 restrictions.

To celebrate National Apprenticeship Week in February 2021, Mitie highlighted some of our amazing apprentices internally. These are just some of their stories.

### Phoebe Hickenbottom, Learning & Development (L&D) Advisor

Phoebe joined the Level 3 Learning and Development apprenticeship in 2020 after five years at Mitie. Having gained invaluable knowledge and experience, she has already been promoted to L&D Advisor.

Phoebe said: **“The apprenticeship has shaped the future of my career, and has provided a great stepping stone to my next adventure. I’ve really enjoyed the opportunities, exposure, and responsibilities associated with this apprenticeship and am very much looking forward to what the future holds.”**



### Imtiaz Khan, Security Officer

Imtiaz joined the Facilities Management Level 2 programme in 2018. After completing this in 2019, he immediately began Level 3 and now works as a Control Room Supervisor in London.

Imtiaz said: **“These programmes have benefitted me in terms of speaking, understanding, and listening in English and Maths. They helped me to get noticed and promoted very quickly, due to the skills gained, such as leading a team confidently and professionally. It’s a great platform to develop professionally, with very helpful tutors. It’s a great first step on the ladder to the professional world.”**

### Nathan Woods, Electrical Engineer

Nathan enrolled on the Electrical Engineering Level 2 course at his local college, before progressing to an apprenticeship. He now shadows a qualified tradesman daily and as his knowledge and confidence develop, completes tasks under supervision with a view to undertaking them independently. Nathan hopes to eventually progress to a supervisory role and looks forward to supporting apprentices on their journey through the scheme.

Nathan said: **“I enjoy working with experienced colleagues that help me gain the skills needed to complete a job successfully. I continue to enjoy college and carry out my Higher National Certificate (HNC) in General Engineering, allowing me to put my knowledge and skills into practice. The apprenticeship has boosted my communication skills with both colleagues and clients, and has allowed me to undertake responsibilities at a young age, gaining both work and life skills.”**



# Diversity and Inclusion



For three consecutive years, Mitie has been listed in the top ten on the Inclusive Top 50 UK Employers list, and on the UK Top Employers list.

Ensuring a diverse workforce is a key focus for Mitie. In September 2020, we launched our Diversity and Inclusion (D&I) strategy, Levelling Up Mitie. The organisation committed to developing and nurturing a workforce that is representative of the communities and customers we serve, from the frontline to the boardroom, by 2030. To do so, improvements are being made to the way Mitie hires, develops, listens to and rewards colleagues.

“Our diversity makes us stronger,” is one of Mitie’s core values and with a workforce in which over 167 nationalities are represented, it is important every employee feels comfortable to bring their true selves to work. To embed an inclusive culture throughout Mitie, diversity and inclusion is included in the Mitie Leadership Team’s bonus plans.

Mitie’s six employee diversity networks have seen registrations grow by 500% in the last 12 months. The COVID-19 pandemic revealed the need for a parent and carers network, due to the additional pressures this group faced during the crisis. Existing networks continue to highlight and celebrate important occasions, such as LGBTQ+ History Month in February 2021. They also produce helpful resources, such as a guide for managers who encounter a colleague suffering domestic abuse, which was made available to all colleagues by our women’s network.

Our second Big Equality at Mitie summit was held during National Inclusion Week in October 2020. The summit was an all-colleague video call, led by Mitie’s CEO, Phil Bentley. Over 450 people dialled into the live event, with over 625 further views of the recording. As well as relaunching Mitie’s D&I strategy and promoting each of the diversity networks, we welcomed guest speaker and CEO of BAME Recruitment, Cynthia Davis.

## Count Me In

Mitie’s Count Me In learning and development programme is aimed at challenging the way colleagues think about diversity and inclusion, while stimulating healthy conversation.

The campaign’s first activity was an online self-assessment, which was completed by over 6,000 people. This was followed by ‘Let me tell you a story...’, during which over 4,000 participants listened to a tale being read before answering questions designed to illuminate unnecessary assumptions about the characters. A third activity helped colleagues identify who they should ask for certain types of assistance.

Recognising that an inclusive culture must start at the top, and as a key commitment of our D&I strategy, Mitie has continued to expand reverse mentoring to our senior leadership team, and has enhanced D&I training for senior leaders. To ensure colleagues who are hard of hearing can use collaboration tools like Teams, inclusive features such as live captions and transcripts have been activated. Mitie is also carrying out an accessibility audit for all digital platforms and mediums to improve access for colleagues with disabilities.

To place people at the centre of Mitie’s diversity strategy and transformation, a Talent Committee of diversity network Chairs has been formed. Working with HR, they make improvements in:

- Recruitment and retention
- Performance reviews
- Grievances
- Career Progression

Feedback from the committee has already been adopted into the performance review process to clearly demonstrate pathways for development.

# Race and Ethnicity

Mitie's achievement of 8% racially diverse colleagues on the Leadership Team (MLT) by the end of FY20/21, far exceeded the 3% target.

Our CHORD (Culture, Heritage, Origin, Race and Diversity) network continues with a busy schedule of events and undertook the following activities in the last year:

- Black History Month, October 2020, was celebrated with daily content promoted across platforms, touching on different important topics, from celebrating exceptional individuals within the business, to focusing on education.
- We continued the 'Conversations with CHORD' series, which included topics like taking the next steps in your career and being an ally.
- A Ramadan Managers' Guide was created to raise awareness and support our Muslim colleagues.
- CHORD has published three 'Striking a CHORD' podcasts, covering subjects including Mentorship vs Sponsorship, Ramadan and Representation in Senior Leadership positions.
- CHORD co-chair and Mitie account manager, Mohammad Hassan, was named Young Leader of the Year at the 2020 Premises and Facilities Management Awards.
- CHORD was shortlisted for Network of the Year at the National Diversity Awards.



## Disability and Equal Opportunity

In December 2020, Mitie was awarded Disability Confident Level 2, a year after achieving Level 1. This recognised a range of commitments, which included discovering the skills and talents of individuals within our workforce who have disabilities. To achieve Level 3 by our target date of December 2021, Mitie must deliver on these commitments. Mitie has already improved access to digital platforms and developed the occupational health offering, which ensures all colleagues' needs are met. Due to the nature of the business, 60% of colleagues were on the frontline during the COVID-19 pandemic. It was therefore important to increase awareness of mental health and provide access to appropriate support. Mitie's Enable diversity network supported with a focus on the importance of mental health throughout this period.

## ANNUAL TARGET EXCEEDED

Mitie achieved 8% racially diverse colleagues on the MLT in FY20/21.

## TARGET

10% racially diverse colleagues on Mitie's MLT by the end of FY22/23.

In March 2021, Mitie's team in Spain was awarded 'Best British employer in diversity and social inclusion' by the British Chamber of Commerce. The award recognised the team's dedication to improving workforce diversity and providing opportunities to under-represented groups.

The establishment of two Special Employment Centres (SECs) was critical to the team's success. SECs provide productive, salaried work, to workers with disabilities in roles that take account of their personal circumstances. The ultimate goal is for individuals to transfer into the general labour market – as three colleagues did successfully in 2020. We are now driving this success further and have two more SECs in development.



**Endometriosis  
Friendly Employer**

## Endometriosis Friendly Employer

More than one in 10 women in the UK have endometriosis, a debilitating, chronic condition. By becoming an Endometriosis Friendly Employer, Mitie has pledged to help break the taboo and develop a work environment where sufferers are comfortable discussing beneficial practical adjustments. To kick things off, in March 2021, several colleagues shared their experiences during Endometriosis Awareness Month on Mitie's Minet intranet.

# Gender

Mitie's target of achieving 20% women on the leadership team by the end of FY20/21 was exceeded by 1%.

The Mitie Women Can network kicked off its series of informative webinars in January 2021. Over 300 people, including all of Mitie's executive leadership team, joined to hear Chris Stylianou, COO at Sky, share learnings from their gender equality programme.

To mark International Women's Day in March 2021, the network organised the following activities:

- Leadership team members nominated 'Exceptional Women at Mitie' – see the winner's story below.
- Guest speaker and HR professional, Marcia Weekes, joined a webinar to share how she navigated her career, challenges and the fight for gender equality. She encouraged participants to seize opportunities and challenged the business to look closer at existing talent.
- The Female Lead charity is dedicated to increasing visibility of all women's success stories and hosted an engaging discussion about mental fitness. Attendees opened up about self-sabotage and solutions like mindfulness, which can help overcome it.

## ANNUAL TARGET EXCEEDED

Mitie achieved 21% women on its MLT by the end of FY20/21.

## TARGET

25% women on Mitie's MLT by the end of FY21/22.

21% of MLT members are female

50% of Board members are female

38% of Mitie's workforce is female

12.5% Board members are racially diverse

8% racially diverse colleagues at MLT level

21% racially diverse colleagues on the workforce

16% of the workforce is 60+

1% of the workforce is registered disabled



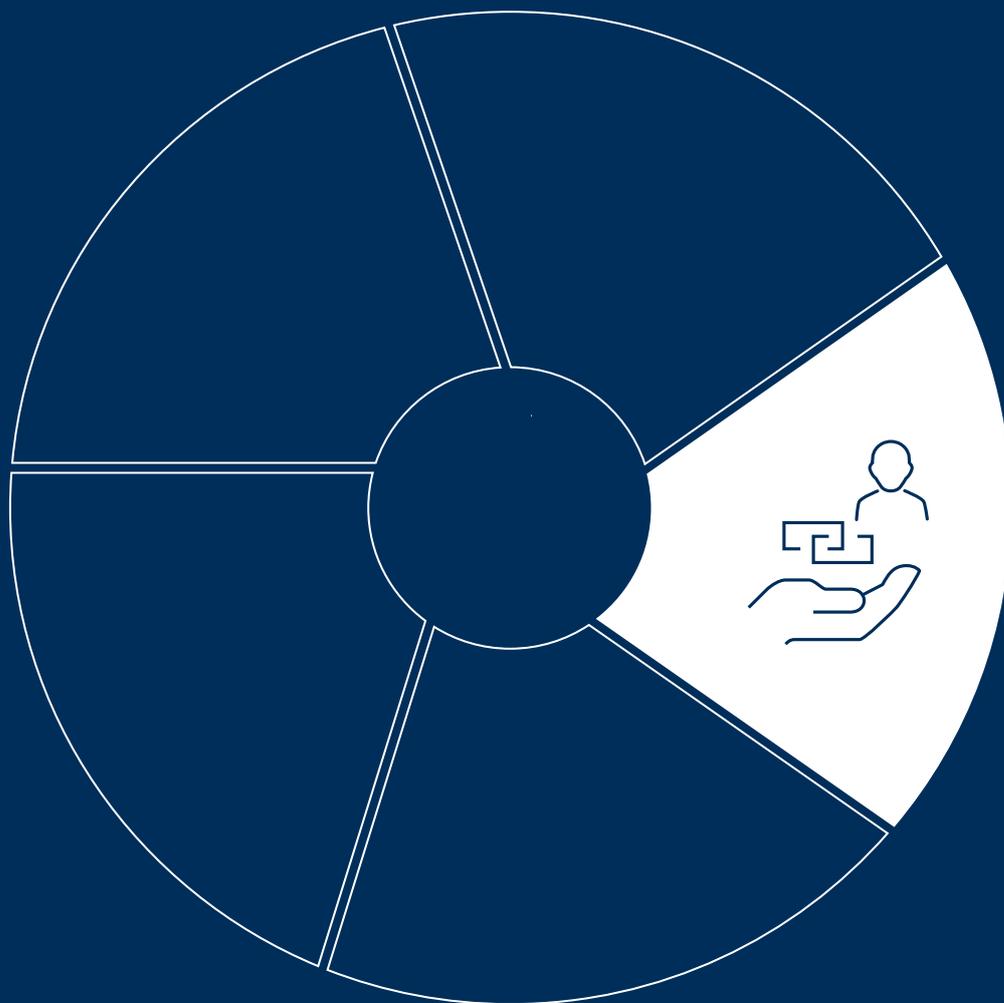
Niamh Balfour is one of Mitie's Exceptional Women.

Nominated by Regional Account Director for the Communities Sector, George Weekes, Niamh is a force to be reckoned with as Mitie's Compliance Manager at University College London Hospitals (UCLH). Her work ethic and dynamism proved invaluable in the response to the COVID-19 pandemic.

George said: "Niamh took the lead in organising the enhanced PPE training, vaccination programme, and induction of new starters. These were all crucial parts of our response, and particularly impressive given the size of the team and the challenges of the first COVID-19 wave."

When asked what she loves most about her job, Niamh said: "The people. I absolutely love engaging with all our teams. Everyone at UCLH is really dedicated and cares about their contribution to the hospital."

Congratulations, Niamh. You really are exceptional.



# Responsible Supply Chain

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

**Supporting VCSEs**

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**Supporting SMEs**

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**Supplier Management Framework**

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**COVID-19 Response**

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**COVID-19 Recovery**

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# Supporting VCSEs

Working with Voluntary, Charity and Social Enterprise suppliers (VCSEs) is a great way of contributing to local communities, economies and vulnerable groups. It also increases supply chain resilience and capacity.

Mitie has continued its focus on capturing and increasing spend with VCSEs. Our target to spend £300,000 with VCSEs by the end of FY20/21 has been exceeded by £147,502, reaching a total of £447,502: nearly 50% above target.

Mitie is now a member of Minority Supplier Development UK (MSDUK), an organisation that promotes business opportunities for innovative ethnic minority owned businesses. Mitie's membership allows us to access diverse suppliers and events, ensuring our supply chain promotes diversity and inclusion.

The following activities further contributed to Mitie's VCSE spend:

- Mitie is a signatory to Social Enterprise UK's (SEUK) Buy Social Corporate Challenge, which allows supplier details to be verified within our database, ensuring they are flagged when appropriate and spend levels are reported.
- Suitable VCSE suppliers have been added to Mitie's e-tendering tool, enabling procurement teams to constantly review and engage with VCSEs and to select them for appropriate tenders.
- Mitie attends quarterly meetings with SEUK to discuss initiatives and highlight potential new suppliers to expand our VCSE supplier base.
- Mitie supports SEUK 'Meet the Social Enterprise Supplier' events to identify potential new providers.

Following the completion of Mitie's acquisition of Interserve FM in December 2020, and as part of our subsequent integration, SEUK has completed a review of the additional suppliers with which the organisation is now trading. Bringing this information, including the corresponding spend, into our e-sourcing tool gives Mitie visibility of any potential VCSE partners.

Mitie's internal procurement policies were updated in January 2021 and added to a new company-wide platform that makes finding documentation easier. As integration proceeds, and with the need to further update guidance and processes, a digital supplier platform will be introduced across the merged Procurement functions. This will simplify management of SME and VCSE suppliers, as well as enable better social value data capture and reporting.

## ANNUAL TARGET EXCEEDED

Mitie spent over **£447,500** with VCSEs in FY20/21.

## TARGET

Increase Mitie's spend with VCSEs to **£750,000** by the end of FY21/22.



## Proud to procure from Change Please

Mitie recently onboarded a new social enterprise supplier: the coffee company Change Please. The organisation supports people out of homelessness by providing training, payment of the Real Living Wage, and assistance with housing, finances and therapy.

So far Change Please has helped 108 people into employment, with a further 15 in training as well as six who have secured a promotion.

Change Please provided free coffee to the frontline heroes who helped set up the NHS Nightingale Hospital in London. Not only are their cups compostable, but their coffee is bought direct from farmers and any used grounds are repurposed into biofuel and eco-friendly cosmetics, which aligns with Mitie's Plan Zero initiative.

“

**It's not often you get a second chance, but this one has really changed my life.”**

Marion, One Change success story

# Supporting SMEs

Mitie achieved its target to grow spend with Small and Medium Enterprise (SME) suppliers to 29% by the end of FY20/21. On Government and public sector contracts our SME spend is an even more impressive 45%.

Despite the impact of COVID-19, Mitie continued to work with SMEs and to grow spend when possible. This helps tackle inequality and increases supply chain resilience and capacity.

The following activities have helped contribute to the increase in our SME spend:

- Mitie advertises opportunities on LinkedIn to broaden the pool of potential suppliers and increase awareness of upcoming opportunities.
- SMEs are provided with training in how to use our e-tendering system, preventing them from being disadvantaged when compiling bid responses.
- A newly simplified onboarding system helps ensure Mitie remains an organisation with which it is easy to do business.
- Tenders are broken down and / or regionalised, where it makes business sense, thus making it easier for SMEs to get involved.
- Mitie's publicly available supplier portal shares all the information potential SME partners need to know about working with about working with our organisation.

## ANNUAL TARGET ACHIEVED

**29% of Mitie's spend was with SMEs in FY20/21.**

## TARGET

**Increase Mitie's spend with SMEs to 30% by the end of FY21/22.**

## Agile response to PPE

The COVID-19 pandemic created a massive demand for PPE, leaving Mitie's usual supply chain unable to satisfy requirements. Mitie quickly changed its PPE procurement strategy from utilising large distributors to multiple smaller organisations. This meant that by March 2020, instead of working with two key suppliers, we had more than 30, many of which were privately owned SMEs spread across the UK. The circumstances required Mitie to rent a warehouse from a local SME, enabling us to better control and store stock, as well as distribute PPE supplies.

**Mitie contributed to a Business Services Association working group, producing a paper to highlight what organisations can do to work more closely with SME suppliers.**



# Supplier Management Framework (SMF)

Mitie surpassed its FY20/21 target to increase spend under the SMF to 28%: the percentage achieved was 30%.

The framework ensures suppliers align with Mitie's priorities in sustainability, including the reduction of environmental impact, and that they work towards increasing supply chain resilience and capacity.

Mitie's expectations are set out in the Social Value for Suppliers Policy, available on our website. To become an approved supplier, all partners must commit to meeting the policy alongside other contractual and legislative requirements.

For strategic suppliers, Mitie introduced the SMF to encourage greater collaboration, stimulate innovation, and to allow close engagement on shared initiatives such as carbon reduction and Modern Slavery policy. The framework monitors performance progress against WISEQC metrics:

- Working together
- Innovation
- Service
- Ethical procurement and Social Value
- Quality and safety
- Cost

The Procurement team has been trained to ensure adherence to supplier policy is appropriately evaluated for all complex, high value tenders, with a minimum weighting of 15%. This compares positively with the Government's own 10% Social Value weighting, as noted in PPN06/20.

## ANNUAL TARGET EXCEEDED

**30% of Mitie's spend was under its SMF in FY20/21.**

## TARGET

**Increase Mitie's spend under the SMF to 35% by the end of FY21/22.**

## Supplier Management Framework success stories

- **A security-related supplier is now a signatory to the UN Global Compact initiative to implement sustainable policies.**
- **In just five months a supplier succeeded in becoming carbon neutral and has aligned with the UN's Climate Neutral Now initiative.**
- **Several Mitie suppliers have committed to only use items that can be repurposed for the circular economy, aligning with our Plan Zero initiative.**



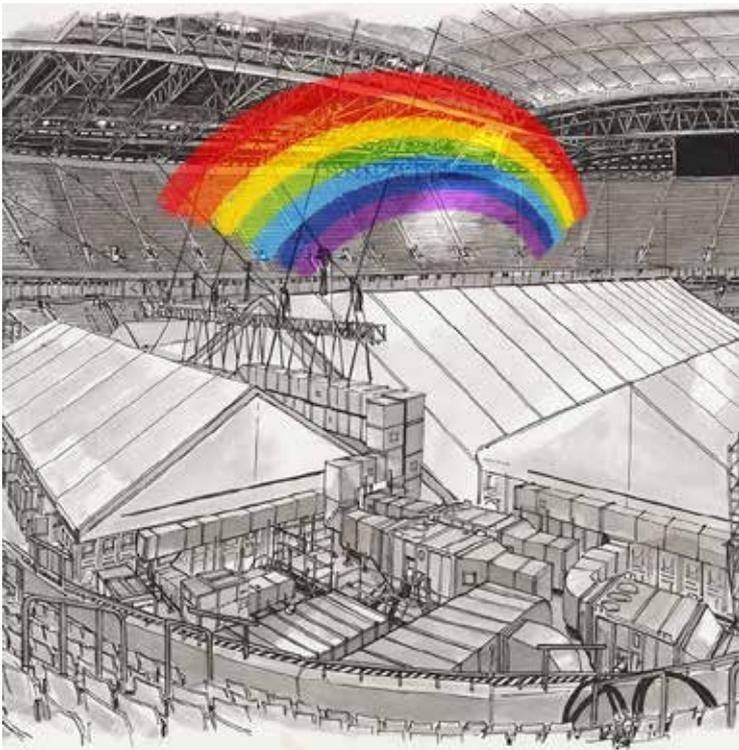
# COVID-19 Response

Since the COVID-19 pandemic struck, Mitie's Healthcare teams have been working tirelessly to keep the nation safe – and the figures from the last year prove it:

- 368,000 portering tasks
- 32,000 COVID-safe cleans
- 57,000 discharge cleans (Sanitising rooms from which patients have been discharged)
- 148 million sqm total surface area cleaned
- 1.8m meals served
- 21,000 hours of training focusing on COVID-19 procedures

Mitie is extremely proud of helping to set up both the Nightingale and Dragon's Heart Hospitals. Our colleagues worked around the clock to mobilise the Nightingale London Hospital, and successfully did so within two weeks. Mitie colleagues, all from the local area, mobilised the Dragon's Heart Hospital, also known as Ysbyty Calon Y Ddraig in Welsh, in just five days, and in the first week, served hungry NHS staff over 22,000g of cereal and more than 430 loaves of bread.

To thank Mitie colleagues for their dedication and unwavering effort, the Cardiff and Vale University Health Board sent a thank-you note, together with the inspirational image below. The note read: 'To serve as a reminder of the fortitude with which we met this challenge and of the good that comes when teams pull together in the way that you have shown.'



**Mitie runs the popular annual colleague recognition scheme, Mitie Stars.**

**In light of the pandemic and its impact on our people, this year we expanded the scheme to include a COVID-19 Star, with a £10,000 prize.**

**This was won by the Mobilisation team for COVID-19 testing centres. Our colleagues' support was a critical part of getting over 200 sites up and running, staffed by over 7,000 employees. Some locations were completed within 72 hours.**

**The team played a massive role in the country's response to the COVID-19 pandemic; their win was very well-deserved.**

**The incredible St George's Hospital Healthcare team were the recipients of the regular Mitie Star award, and also received £10,000.**

**They really pulled together in the toughest of circumstances, completing on average six entire ward deep cleans a week. In December 2020, the team completed 2,100 more tasks than their average. The team has dealt exceptionally well with the exponential increase in demand.**

# COVID-19 recovery

Mitie's first COVID-19 Test & Trace team was formed in April 2020. The original testing centre had 300 colleagues, but one year on, Mitie now looks after over 200 testing centres with 7,500 colleagues across the UK.

Our teams' hard work and dedication is evident from the following figures:

- Over 6m hours provided to the testing programme
- Over 2.7m members of the public tested
- Over 40,000 training hours provided
- Over 12,000 site inspections completed within the first three months of 2021
- 439 Mitie Stars issued to our Test & Trace team

Mitie is also helping other organisations with the return to 'Business as Usual' as the COVID-19 crisis abates. In May 2020, we produced the Back to Business guide, which laid the groundwork for a safe and seamless return to the workplace. This was followed by Bouncing Back: Building the Future Workplace in April 2021, which ensures workspaces are safe and productive.

## Callouts for four exceptional colleagues...

- **Louise Johnston** started as part of the test kit team at our Perth rapid testing site in April 2020. The site subsequently moved to Dundee, where Louise was promoted to Supervisor, before she moved again to mobilise the rapid testing site in St Andrews. Louise said: "Since St Andrews, as part of the COVID-19 mobilisation team in Scotland, we have now opened 10 sites in seven weeks. It's been an incredible experience."
- Mobile Testing Unit national lead, **David Mackell MBE**, briefed the military and co-ordinated the training of military personnel in lateral flow device testing.
- Project manager, **Jon Hornsby**, played a crucial role in setting up a fully functional testing station at Springfields Fuels, Preston. Jon made the right calls at the right times.
- Security Search Officer, **Mark Nelson**, trained as a lateral flow testing volunteer at the Springfields Fuels testing station. Mark played a vital role in testing on-site, where he offered guidance to other volunteers and reassured nervous colleagues, enabling everything to run efficiently.

Mitie's team at the Queen Elizabeth Centre Asymptomatic Testing Facility in Westminster won the People's Choice Award in the 2021 Government Property Awards.

Mitie contributed to ensuring that the whole population on Ascension Island in the South Atlantic had access to COVID-19 vaccinations. The joint island / UK Government effort to immunise the entire population saw Mitie providing ground support services, including marshalling the vaccination delivery aircraft to the stand, as well as helping the RAF medical team set up the vaccination facility. All Mitie employees on the Permanent Joint Operating Base contract received their first dose in February.



Louise Johnston



David Mackell MBE



Jon Hornsby



Mark Nelson

The latest edition of Mitie's colleague magazine, *The Exceptional*, is dedicated to our frontline heroes, and celebrates their efforts since the start of the COVID-19 pandemic. Get your copy at the following link: <https://mitie.pagetiger.com/cdooacl/>



# Community

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

**Armed Forces**

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**Colleague wellbeing**

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**Mitie Foundation: Giving back**

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# Armed Forces

Mitie achieved its target of maintaining Armed Forces recruitment 0.5% above the population average, achieving 2.6% by the end of FY20/21.

The Mitie Military employee network provides advice and support to its Armed Forces members, as well as managers who wish to be more inclusive.

## Remember Together

To commemorate Remembrance Day 2020, Mitie Military coordinated a campaign encompassing informative case studies shared internally, e-cards and a digital poppy email signature for Mitie colleagues. A live online event was held to mark the traditional one-minute silence on 11 November, and was attended by over 450 Mitie employees, as well as the Board of Interserve ahead of Mitie's acquisition of the business. Wreaths were laid at the Bath War Memorial on behalf of Mitie, in keeping with our company policy and also befitting of our support of the Veterans of Foreign Wars of the US (VFW) veterans service organisation.

Mitie Military held a further event in February 2021 to showcase the network to colleagues from the newly acquired Interserve business. Attendees included Mitie's CEO, Phil Bentley, Mitie Military's executive sponsor, Chief Information Officer, Cijo Joseph, as well as colleagues based in Cyprus, Ascension Island, and all over the UK. The session proved a useful opportunity to highlight support available to colleagues, particularly those from military backgrounds in Central Government and Defence.

## ANNUAL TARGET ACHIEVED

Mitie achieved its target of maintaining Armed Forces recruitment 0.5% above the population average, achieving 2.6% by the end of FY20/21.

## TARGET

Maintain Mitie's Armed Forces recruitment at 0.5% above the population average - working out at 2.48% to be reached by the end of FY21/22.





RAF Akrotiri, Cyprus

#### **Additional activity included:**

- Engaging with nuclear, car manufacturing, banking, and retail clients, to spread awareness and understanding of personnel from the Armed Forces, as well as the support Mitie can provide.
- In November 2020, Mitie Military worked on a communication campaign with a client to show the importance of Armed Forces families to UK defence and the FM industry, together with how Mitie Military supports these families.

In March 2021, Mitie supported one of its engineers, RAF reservist, Dave Meakin, who was deployed to an RAF Operation in Akrotiri, Cyprus. Mitie's reservist colleagues benefit from 10 days' paid leave each year to support its reservists fulfilling their service commitments.

Mitie has been a proud signatory to the Armed Forces Covenant since 2017. We remain dedicated to our incredible servicemen and women.

Based in Cyprus, Mitie's Central Government and Defence team realised an opportunity to give back to the Armed Forces community and their families, by developing a state-of-the-art water sports and community centre.

Funding was secured and building work commenced in September 2019. The location was a brownfield site adjacent to a conservation area due to a number of archaeological antiquities. Special consideration was therefore required to ensure the surrounding area was not negatively impacted. The build even unearthed some ancient pottery.

With a kitchen, changing and first-aid rooms, the centre provides facilities for sailing, Aqua-skiing, and triathlon clubs. The building achieved the highest green credential score of 'Excellent' – aligning with Mitie's Environmental pillar.

The keys to the facility were handed over in January 2021, significantly benefitting the local Armed Forces and their families.

# Colleague Wellbeing

Mitie's target of delivering 2,000 hours of Health and Wellbeing training by the end of FY20/21, was exceeded by 15%. In total we delivered 2,300 hours.

Mitie recognises the importance of safeguarding employee wellbeing. The uncertainty of the COVID-19 pandemic has resulted in extra pressure and stress for many. To support our colleagues, Mitie enhanced its suite of benefits, as detailed below.

## Mental and physical wellbeing initiatives

**Free virtual GP service:** Access is available to all permanent and fixed-term employees, and their households. Since May 2020, the service has conducted over 1,360 consultation calls, while since October 2020 it has provided 131 prescriptions and 42 specialist referrals.

**Employee Assistance Programme (EAP):** A designated helpline / portal to assist with everything from financial worries to physical health. Between June 2020 and February 2021, our EAP experienced 1619 visits. Of these, 326 received further assistance: over half required emotional support.

**Optima Health:** Mitie's occupational health provider prevents ill health and provides tailored advice to managers to enable employees to work or return to work with medical conditions.

**Posturite:** Many colleagues have had to adapt to working from home because of the COVID-19 pandemic. Mitie has ensured employee wellbeing remains a priority by offering products like ergonomic chairs and desk raisers, facilitating optimum working conditions.

**Enable:** Mitie's amazing Enable employee network supports colleagues with mental health issues and disabilities.

**eLearning:** The Learning Hub portal is available to all colleagues and provides training modules and work-related resources. Use of the Wellbeing Centre is particularly strong, having been accessed over 10,000 times in the last 12 months. The dedicated COVID-19 page has been accessed over 19,000 times since its creation in March 2020.

**Health and Safety training:** Regular colleague training helps towards achieving zero harm in the workplace. Each month the QHSE function highlights one of ten LiveSafe rules, such as wearing the correct PPE. Mental Health First Aid (MHFA) training is provided for volunteers and conducted by MHFA England, one of our social enterprise partners.

## ANNUAL TARGET EXCEEDED

2,300 hours of health and wellbeing training were delivered in FY20/21.

## TARGET

4,960 hours of Health and Wellbeing training delivered by the end of FY21/22.



Mitie Ireland has been making strides with wellbeing initiatives too. Within 12 months of implementing a focused strategy, the organisation received the following recognition:

- **KeepWell Mark:** Mitie Ireland is the first FM business to be awarded the mark by the Irish Business and Employers Confederation (Ibec). To receive this, organisations must prove that they have implemented policies and initiatives to embed employee wellbeing throughout their business
- **Top 100 Companies Leading in Wellbeing Index:** A prestigious list, backed by Ibec, which promotes Ireland's leaders in corporate wellbeing.

## Financial wellbeing initiatives

**Mideals:** All Mitie colleagues have access to our discount portal, Mideals. During FY20/21 our colleagues saved almost £280,000.

**Cycle2Work:** All colleagues can access this scheme, which can save our colleagues 25-39% on a bike and accessories, up to £3000. Two opportunities are provided per year, with an extra window provided during 2020 due to lockdown restrictions generating additional interest. The most recent scheme ran in April 2021 and saw the highest number of applications.

**Life assurance:** Mitie provides life assurance to all permanent and fixed term employees, consisting of a lump sum of at least 1x the colleague's basic pay, with a minimum lump sum of £10,000.

**Salary Finance:** This service offers loans at affordable rates. Since its launch in December 2017, 5,146 loans have been funded, saving Mitie colleagues over £2million in interest when compared with alternative lending options suitable for each applicant's credit score.

**Salary Advance:** This new employee benefit allows colleagues to access up to 50% of their earned pay before payday. The service helps cover unplanned expenses and avoids expensive interest rates. Within just two months of its launch, 4,423 advances had been secured.

**Mitie shares:** To thank colleagues for all their hard work over the past challenging year, Mitie is allocating free company shares. The number of shares received varies depending on salary, with frontline heroes receiving more shares than their senior colleagues.

## Tackling crime in the community

The contribution Mitie colleagues make to the communities in which we work is gaining recognition. Mark Taylor was one of 25 Mitie successes at the prestigious Regional British Security Awards, where he won Security Manager of the Year. Mark was recognised for implementing initiatives that had a quantifiable impact on security at Co-op outlets, reducing crime. Measures introduced include the use of Merlin 24/7 intelligence software, SmartWater forensic spray to 'tag' and identify offenders, and body-worn cameras. All our winners now go through to the National British Security Awards.

**Rebecca Ager is a Fleet Safety & Risk Executive at Mitie and has completed her mental health first aid training. Here she shares her story.**

**“I was excited to be offered the opportunity to train as a MHFA in January 2021. It is so important to stop segregating physical and mental health and to ensure mental health is as much of a priority. This helps to break down the stigmas around illnesses that cannot always be seen.**

**“The training was simple, with online video sessions and short coursework tasks. It's a fantastic skill and has left me thoroughly prepared to assist anyone seeking advice, or just a friendly face.**

**“This training has helped me be an effective MHFA for my colleagues, whilst enhancing my own understanding, giving me the confidence to be open with my line manager and to maintain a healthy work-life balance.”**

**The Driving for Better Business programme works on the idea that employers have a key role in driver safety. The initiative's CALM Driver campaign was launched in November 2020 to raise awareness of mental health challenges faced by regular road users due to the pressures of traffic congestion, lack of social interaction and more. In support of the initiative, Mitie joined forces with Gentili, one of our main suppliers of vehicle installations. To ensure our drivers feel supported, every Mitie vehicle going through Gentili's UK premises will receive a CALM Driver pack full of wellbeing and helpline details.**

# Mitie Foundation

## Giving Back

Mitie allocates all non-frontline staff with one day to be used for volunteering annually. Our target of achieving 8,000 volunteer hours by the end of FY20/21 was exceeded: we achieved 8099 hours. In the past year Mitie has also helped to raise £53,835 for a range of charities.

Due to the COVID-19 pandemic, many Mitie Foundation activities had to be restructured to enable them to take place online. This impacted our plans with two charity partners, which were supporting the Mitie Foundation Giving Back programme.

### Career Ready

Career Ready is a national social mobility charity that believes every young person, regardless of background, should have the opportunity to enjoy a rewarding and successful future. The charity actively targets students from disadvantaged backgrounds, helping to address the widespread social inequality summed up in the following statement: "Talent is evenly distributed, but opportunity is not."

This year, Mitie proudly supported Career Ready's Post 16 programme, with 24 Mitie colleagues contributing their time. Each volunteer was allocated a student within their local area to mentor over a 12-month period. The students received a four-week paid internship with Mitie, enabling them to develop vital career skills, while enriching the diversity of Mitie's workforce.

Mentor and Mitie Account Director, David Weir, said: "I have been fortunate enough to have an interesting and varied career with Mitie, I have learned lots along the way and now lead a prominent contract. It is great to be able to pay this forward and support people with guidance and learning as they approach the start of their working lives."

### ANNUAL TARGET EXCEEDED

Just under 8100 volunteering hours were completed in FY20/21.

### TARGET

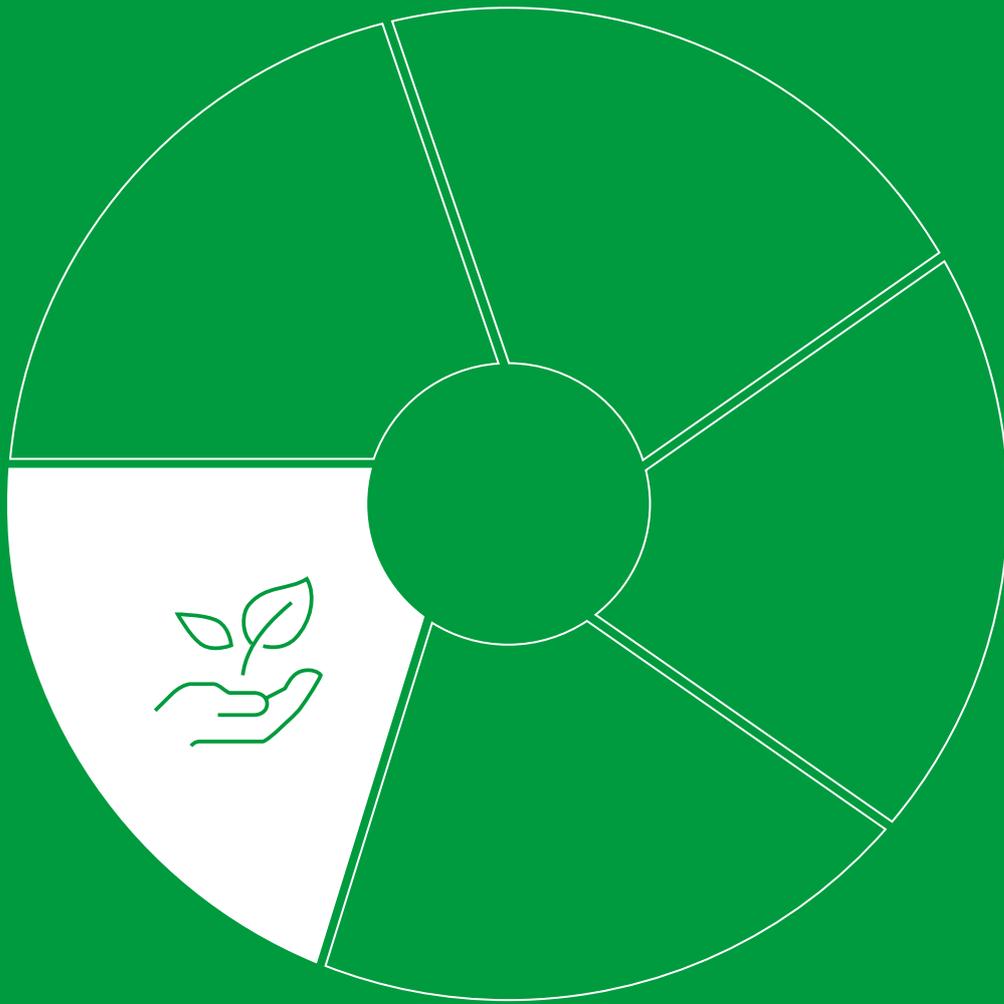
12,400 volunteering hours completed by the end of FY21/22.

### Education and Employers

Education and Employers improves the life chances of children and young people by connecting volunteers from the world of work with schools. Many Mitie colleagues have used their volunteering day to support one of the charity's two programmes.

- Inspire the Future: exposing students to people in work, bringing different roles to life and enabling tomorrow's workforce to make an informed decision on their career, because: "You can't be what you can't see."
- Inspiring Governance: colleagues volunteer as a governor, directly impacting the running of schools.





# Environment

The climate emergency is humanity's biggest challenge. At Mitie we believe it is key for all our people to understand the consequences of our environmental impact.

## Plan Zero

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Eliminate carbon emissions from power and transport

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EV transition service

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Eradicate non-sustainable waste

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Enhance inefficient buildings

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Delivering for clients

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# PLAN ZERO

A MITIE INITIATIVE

Mitie developed its Plan Zero initiative to help fight climate change and committed to reaching net zero operational emissions by 2025. This has now been expanded with a recent commitment to a science-based target for net zero Scope 3 (supply chain) emissions by 2035.

Plan Zero celebrated its one-year anniversary with an online event in February 2021. Over 1,200 locations joined to hear progress updates and to learn what to look out for in the next 12 months. This represented a 1100% increase in engagement compared to the number of locations joining Plan Zero's launch one year previous. We are proud that our colleagues care about Mitie's environmental impact, as demonstrated by sustainability committees and the Sustainability Café, which meets twice a month to present and discuss relevant issues.

Plan Zero is focused on three key pillars with closely linked focus areas.

## ANNUAL TARGET EXCEEDED

Just under 22% of Mitie's fleet was zero carbon in FY20/21.

## TARGET

30% of Mitie's fleet to be zero carbon by the end of FY21/22.

### Infrastructure



- Decarbonise our heating systems
- Use smart building technology to maximise energy efficiency

### Resources



- Remove single-use materials
- Use natural, non-toxic cleaning products
- Improve biodiversity

### Emissions



- Electric fleet by 2025
- Switch to 100% renewable electricity



# Eliminate carbon emissions from power and transport

## EV transition service

Mitie's electric fleet is key to achieving future carbon reduction targets. Since Mitie embarked on its electric vehicle (EV) transition in mid-2019, the organisation has the largest electric fleet in the UK with over 1,230 EVs on the road and a further 713 on order. This means we have exceeded the target to have a fleet comprised of 15% zero carbon emission vehicles by the end of FY20/21: we achieved 22%. Our next target is to achieve 2,021 EVs by the end of FY21/22. In support of this we have installed over 1000 charge points at both commercial and residential locations. The Mina payment application enables colleagues to charge their vehicle at home while Mitie incurs the cost.

## Remaining ICE vehicles

To ensure remaining internal combustion engine (ICE) vehicles run as efficiently as possible until they reach the end of their lives on the road, a range of initiatives have been implemented over the last 12 months. One of the most effective has been the installation of driver behaviour LED lightbars, which alert the driver if the engine idles for too long. This feature has reduced idling by a total of 1,000 hours per week, with a corresponding reduction in diesel consumption of 75,000litres. The saving of 19.5tonnes of carbon represents a 7,600 tonne-reduction, year-on-year, since FY19/20. During FY20/21 Mitie also reduced its fuel spend by 25% compared to FY19/20.

## Further reducing emissions

In April 2021, Mitie welcomed its first zero-emission large van, the Vauxhall Vivaro-e. The van will be used by Mitie engineers and has been fitted out to ensure it can carry all equipment needed while minimising weight, thus helping to maximise the battery's 205-mile range. The vehicles are exempt from congestion and ultra-low emission zone charges.

Mitie contributed to a new Association of Fleet Professionals (AFP) 'mythbusters' document, tackling common company car driver misconceptions on EVs. The guide answers questions such as: "How will I know where I can charge up during my journey?" and "Can the UK energy grid really cope with a huge increase in the number of electric vehicles?"

**Due to Mitie's considerable expansion with the acquisition of Interserve FM in December 2020, our fleet expanded by a further 2,000 vehicles, as a consequence of which we now anticipate having 7,200 EVs by 2025.**

## ANNUAL TARGET EXCEEDED

**Mitie emitted 19,205 tonnes of carbon in FY20/21 - considerably less than our 25,000 tonne target.**

## TARGET

**Emit a maximum of 25,230 tonnes of carbon in FY21/22.**

**This target has increased due to the acquisition of Interserve, and therefore subsequent buildings, fleet, and employees.**

Mitie continues to lobby for improved infrastructure to support the UK's switch to electric vehicles. Besides being declared Private Sector Fleet of the Year at the prestigious Green Fleet Awards and Green Fleet of the Year at the Business Car Awards, in the last year Mitie's Fleet team has:

- Presented at the GreenFleet virtual Net Zero Roadshow.
- Presented to Office for Low Emissions Vehicles (OLEV) on the challenges of electrifying large fleets, alongside lobbying and providing information.
- Presented to the World Congress on EV Procurement Strategies (Simon King, Director of Fleet, Sustainability, and Social Value).
- Presented to the zero emission vehicles community, global government, local authority EV decision makers, on our approach to EV transition, successes, learnings and key government interventions and policies supporting transition.
- Surveyed Mitie's EV drivers and found 91% are glad they made the switch to electric, including one of our colleagues, Steve Halligan. As a mobile technician, the EV had to fulfil his requirements, including space to accommodate equipment, comfort, and a good travel range. Any initial reservations were quashed when Steve received his MG5 and he is very pleased with his choice.



# Decarbonisation of heating systems

Mitie's experts are not only decarbonising client buildings, but also decarbonising the Mitie estate. This is a four-stage process:

**Phase one:** Carbon efficiency analysis of the Mitie estate was completed in July 2020.

**Phase two:** Surveys and reports on carbon saving opportunities across Mitie's 15 most significant sites were compiled and recommendations carried out. Additional measures at the sites will include LED lighting and replacing gas-fired heating systems with air source heat pumps.

**Phase three:** This will be the same process as phase two, rolled out to a further 22 sites. Completion is scheduled for September 2021 and additional measures include replacing gas fired hot air blowers with air-to-air source heat pumps and upgrading air conditioning controllers.

**Phase four:** Analysis of savings achieved, plus plans to start the process again in May 2022.

## TARGET

All Mitie buildings will be optimised by the end of 2021

Mitie's first three zero carbon buildings will be achieved by FY21/22.



## Recognising achievements in sustainability

The high profile ESG ratings agency, CDP, awarded Mitie an A- Climate Change score in 2020, an improvement from the C score awarded in 2019. This score makes Mitie one of only 65 UK businesses to be rated in the 'Leadership' category.

In January 2021, Mitie's accreditation from the leading ESG ratings agency, Sustainalytics, improved to 9.8 'Negligible Risk' - the lowest risk category. This places Mitie among the top 2% of the most sustainable businesses in the world, with the number one global ranking in the business support services industry.

Mitie has achieved a Gold award from the Sustainable Facilities Management Index, which was an improvement on the Silver awarded in 2020.

Mitie is a member of the invitation-only Aldersgate Group, one of the UK's leading sustainability organisations, which drives policy and debate regarding environmental issues in the UK.



### Mitie's EV charging experts deliver:

- Detailed assessment and designs of EV charging infrastructure
- Turnkey installation and commissions of EV charge points, power infrastructure and related civils
- Full life-cycle maintenance and fault resolution of EV charging systems

Smart software provides visibility of charger status, usage, and carbon and energy savings, with all solutions delivered using Office for Low Emission Vehicles-approved supply chain and partners.

To date Mitie has installed over 850 chargers across our customers' sites, improving EV infrastructure and supporting the UK's journey to electric.

**The 2021 Mitie NPS customer survey produced a score of +50, up 20 points from 2020.**

**Over 1000 clients took part, returning a 97% satisfaction rate when asked what they thought of Mitie's response to the COVID-19 pandemic.**

**The survey also featured questions on Mitie's approach to social value and sustainability. Some 77% of customers believe Mitie continues to make progress in both areas. Clearly clients recognise and are engaging with the Plan Zero initiative to help them reduce their carbon footprints.**

**Sentiments shared in the survey included:**

**"My experience is that you are market leading."**

**"The team are first to suggest new ways to meet sustainability targets."**

**"Mitie have been hugely supportive of our direction of travel towards a carbon net-zero approach and are working very closely with us in this respect."**



### EV case study: large insurance provider

Mitie supported a client to design, install and maintain new EV charging infrastructure.

Charge points have been added to their newly refurbished facility. The client also wishes to make these charging facilities available to the public, so Mitie is reviewing local charging infrastructure to assess potential demand.

The client's additional plans include transitioning over 100 mobile management employees to EVs, while EVs are also being encouraged within their privately owned fleets through incentive schemes. Mitie's design, including the electrical capacity, has been scaled to address a projected increase in demand.

Utilising our Plan Zero capabilities, Mitie is developing schemes with the client to reinvest the revenue generated into local social value projects and biodiversity schemes.

# Eradicate non-sustainable waste

Mitie's pledge to reduce waste to landfill to 350 tonnes by the end of FY20/21 has been exceeded: we achieved 12 tonnes, which is over 95% lower in volume than the target. Many initiatives played a part in achieving the reduction, including the impact of the COVID-19 pandemic, and successfully diverting 184 tonnes of office waste from landfill and using it to create energy instead. Work is in progress to further reduce Mitie's waste to landfill, utilising alternative means of disposal.

The Waste team's 'Bin the Bag' solution has also proved successful and removes single-use plastic liners from the office disposal process.

In March 2020, our Care and Custody (C&C) team in Stockport set themselves a challenge to become a paper-free office. By switching to electronic tools and systems for all key processes, including rostering and audit checklists, the goal was achieved in March 2021. The team has saved over 30,000 sheets of paper in the process.

As an organisation, Mitie reduced total waste produced by 421 tonnes in the last financial year. Measures taken included audits to ascertain container fill levels, verifying correct and suitable usage, as well as altering the size of containers to make collections less frequent. 70% of the waste from Mitie sites was recycled during FY20/21 with less than 4% going to landfill. Bin the Bag will support continuing to improve this recycling rate during FY21/22.

**Mitie's C&C team has been busy swapping single-use plastics (SUPs) for more sustainable options. To highlight the importance of reducing SUPs, the business unit launched a competition to design a tote bag with a message about sustainability. Colleagues' families were eligible to enter, and the winner was Florence Lindsay, daughter of C&C contract manager, Sarah Lindsay. Florence, pictured here with her striking design, won £50-worth of Love to Shop vouchers. A total of 1,500 totes were created to be included in Care & Custody's Christmas hampers.**

## ANNUAL TARGET EXCEEDED

Waste to landfill was reduced to 12 tonnes in FY20/21.

## TARGET

Reduce waste to landfill to 250 tonnes by the end of FY21/22.



# Enhance inefficient buildings

Decarbonising heating systems and increasing energy efficiency within the Mitie estate is crucial to achieving net zero operational emissions by 2025.

By the end of 2020, Mitie's 15 largest buildings had been optimised to operate at maximum energy efficiency. This was mostly achieved via the building management system, which enabled the following optimisations:

- HVAC time schedules reduced to match occupancy hours
- Temperature setpoints normalised to average levels
- Reduced time schedules on gas fired heating systems
- Correct heating clocks

These alterations were helped by the development of Mitie's Carbon Conscious Comfort policy, which ensures the environment in the building is at an optimum level for both occupants' comfort, and energy efficiency. Mitie has just finished surveying all smaller sites and these will be optimised as soon as possible.

Through these initiatives, Mitie has identified annual carbon emission savings of 475,328kg, which is 44% of our FY18/19 building emissions baseline figure.

Mitie has also developed a Carbon Conscious Building Selection Guide to ensure newly acquired properties meet low-carbon guidelines. Due to the Interserve acquisition, the buildings added to the Mitie estate will also go through the phased decarbonising strategy.

## Improving biodiversity

Mitie's estate is being surveyed to identify sites for bug hotels and bird boxes. We also supported the 'No Mow May' campaign, run by conservation charity Plantlife, to encourage businesses and the public to pause gardening activities to positively impact biodiversity. Postponing weeding and lawn mowing helps to retain attractive habitats for beetles, bees, and butterflies, which are important pollinators. Mitie also encouraged employees to take part in the campaign while for National Gardening Week, colleagues were encouraged to share sustainable gardening tips.

## ANNUAL TARGET EXCEEDED

19,205 tonnes of CO<sub>2</sub> were emitted in FY20/21.

## TARGET

Emit a maximum of 25,230 tonnes of CO<sub>2</sub> in FY21/22.

This target has increased due to the acquisition of Interserve, and therefore subsequent buildings, fleet, and employees.



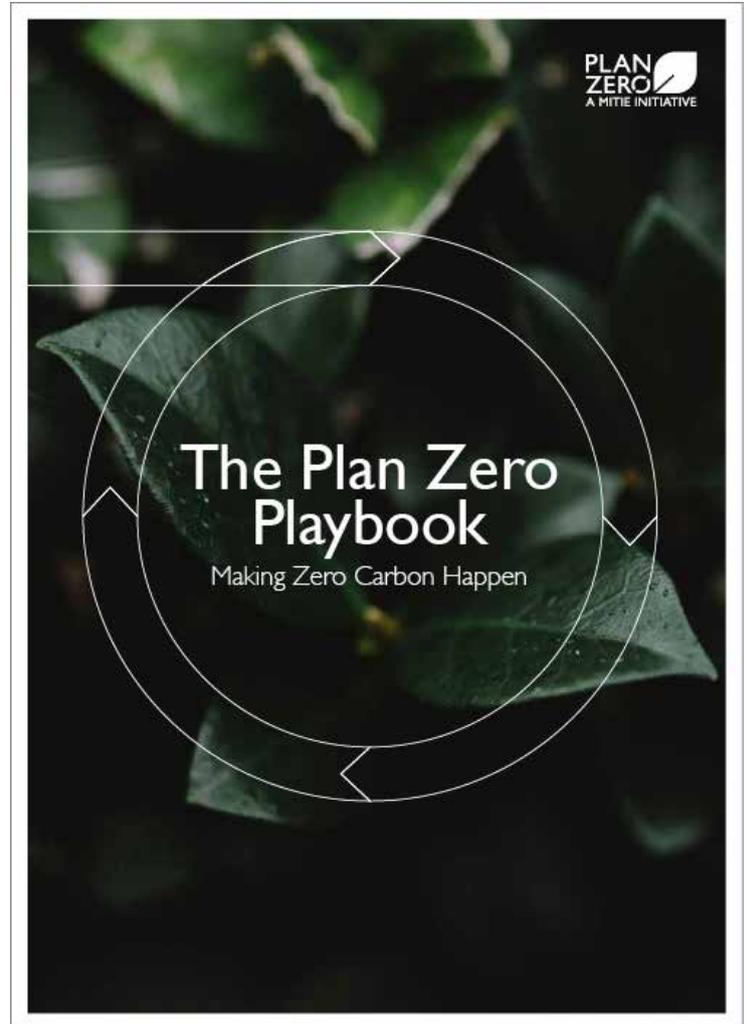
# Delivering for clients

Mitie released its Plan Zero Playbook in November 2020, outlining the process we use to assist customers at any stage of their net zero carbon journey. The document can be accessed at this link: [www.mitie.com/planzero](http://www.mitie.com/planzero).

Mitie has over 500 carbon and waste management experts, who helped achieve the following for customers during FY20/21:

- Addressed 375,000 tonnes of carbon to be reduced through net zero pathways
- £28million saved through energy optimisation: a 40% increase on FY19/20
- 2,836 energy surveys delivered
- To date, Mitie Energy has saved clients over 353,000 tonnes of carbon.

**A UK council client had annual carbon emissions in excess of 18,000 tonnes. As part of Mitie's Plan Zero offering, we successfully applied to the Government's Salix Finance initiative for £7m towards low carbon technologies on their behalf. Mitie also installed photovoltaic solar energy systems, which will deliver £400,000 of energy savings and 370 tonnes of carbon savings per annum.**



**Mitie's Waste team achieve, on average, a 90% client recycling and recovery rate. All Mitie Waste & Environmental-managed sites partner with suppliers with a target of zero to landfill.**

As part of our Urban City Landscaping service, Mitie's Waste and Landscapes teams work together to provide a bin liner-free litter collection service. The process followed is below.

- Litter collection in a reusable PP satchel
- Collection of green waste in reusable PP bulk bags
- Storage of waste and recycling in reusable rack sacks in vans
- Final emptying into wheeled bins for ongoing reprocessing to a materials recovery facility, anaerobic digestion plant, or energy from waste

### Mitie Garden

In February 2021, one of Mitie's grounds maintenance teams took over the Help for Heroes garden at an HMS Naval Base in Devon. It was overgrown with brambles and weeds. The grounds team transformed the area, with all trees pruned and prepared to bear fruit in the summer. Any produce will be used on-site or donated to charity. This includes fresh herbs, lettuce, tomatoes, and cucumbers.



### Improving the Defence estate

Mitie's Central Government and Defence team is helping to make accommodation on the UK Defence Training Estate (DTE) more carbon efficient. The welfare of troops that use the estate is a top priority and the facilities are key to delivering the best possible training experience.

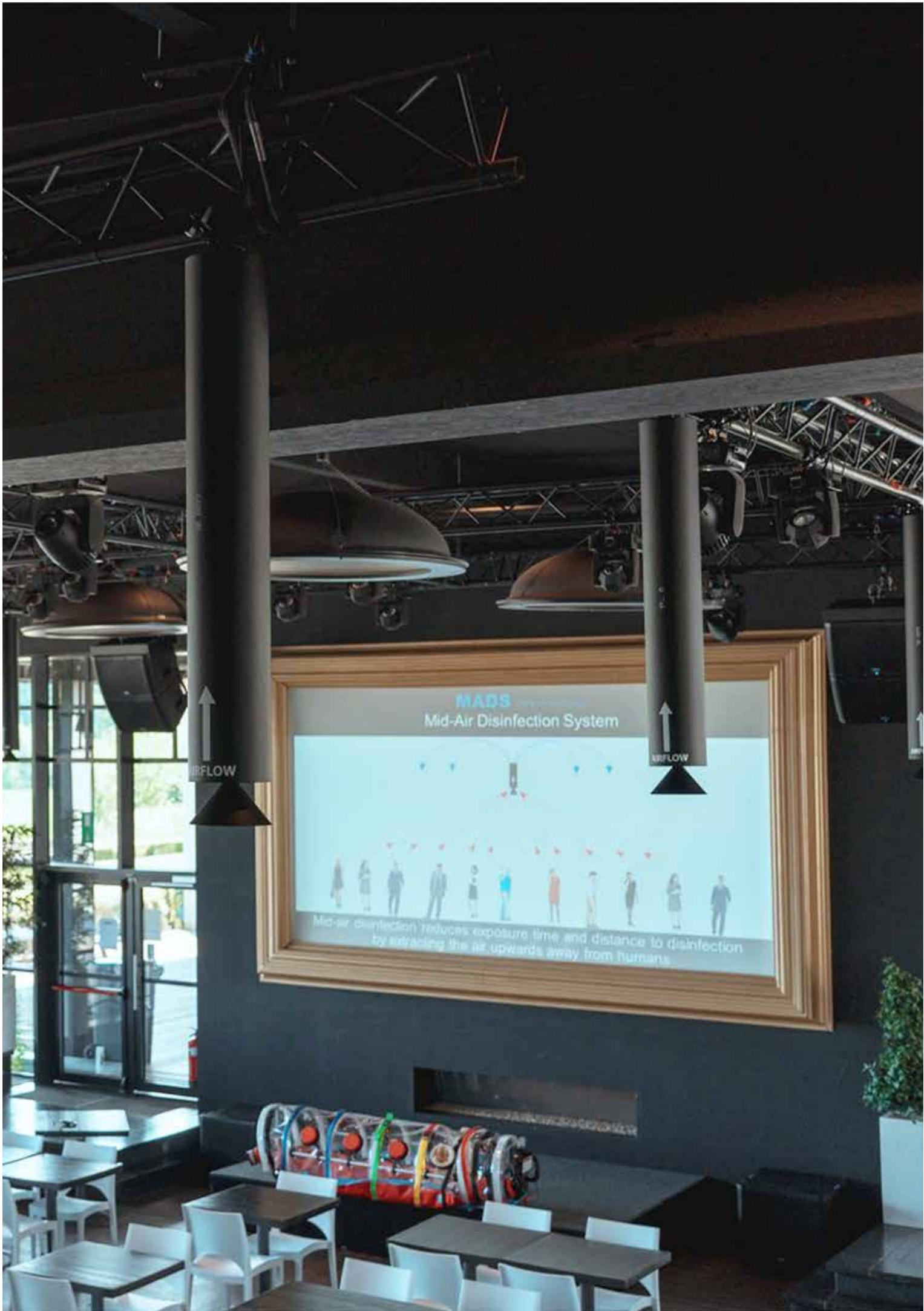
At the Salisbury site, two old and inefficient buildings have now been replaced with a modern, Nearly Zero Emissions Building (NZEB). The complex is equipped with:

- Air-source heat pumps
- Rooftop solar panels
- SMART building technology (Allowing the building to be controlled remotely)

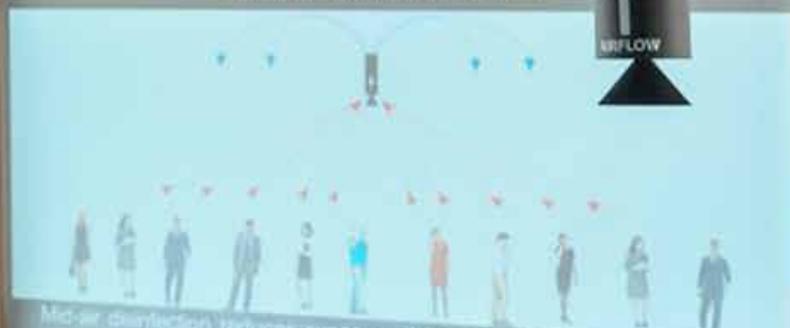
Learnings from the Salisbury project led to the creation of the DTE's first ever carbon-neutral buildings in Shropshire. They have an EPC rating of -5, meaning they will generate power for the site.

All future buildings in the DTE improvement programme will now be carbon neutral. Labour is locally sourced, further reducing the scheme's carbon footprint and boosting local economies by providing a total of 400 jobs. The programme continues into 2022, with projects in Hampshire, Pembrokeshire, Cumbria, and Norfolk.

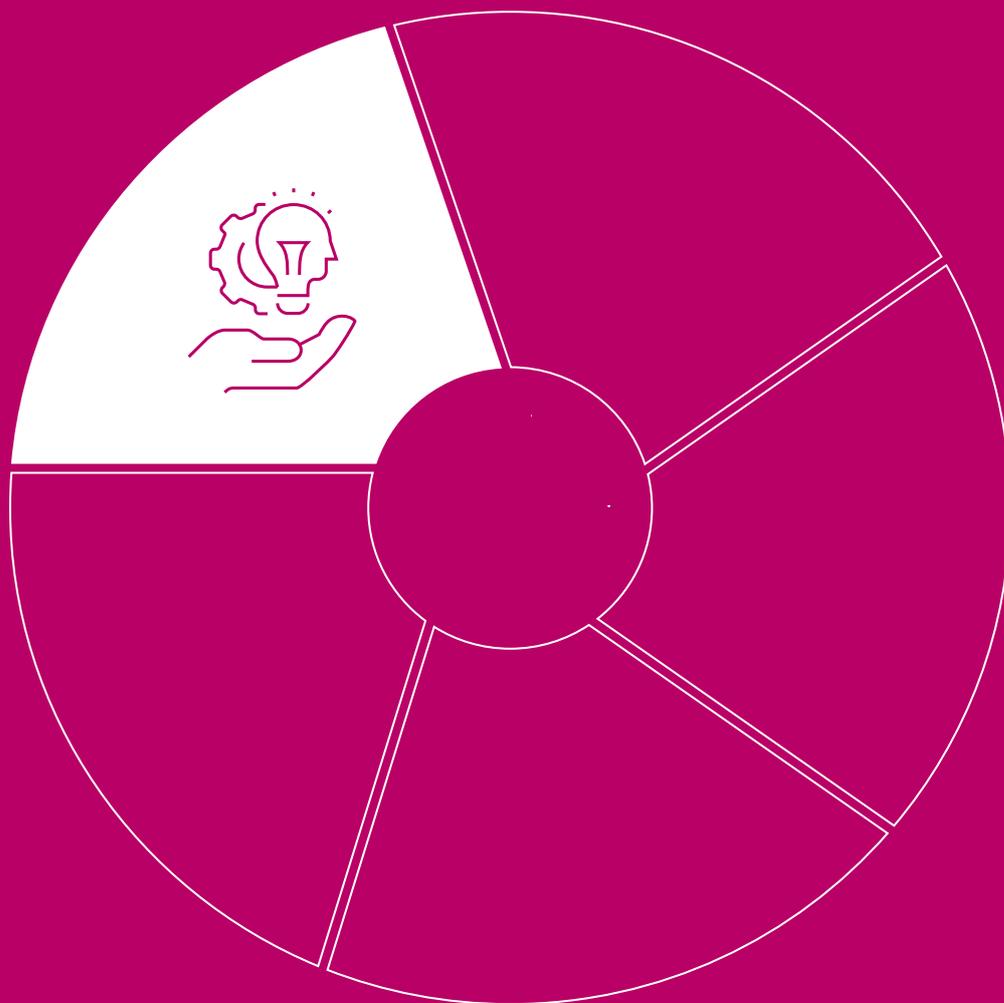




**MADS**  
Mid-Air Disinfection System



Mid-air disinfection reduces exposure time and distance to disinfection by extracting the air upwards away from humans.



# Innovation

To be a leader in social value requires new ideas and innovative solutions to be realised through cutting-edge technology and developed in consultation with colleagues, customers and communities. Mitie is committed to such innovation and recognises it is key to social value success.

# Innovation and the COVID-19 recovery

To support a safe return to the workplace after the COVID-19 pandemic, Mitie is offering cutting-edge air disinfection solutions in partnership with Luxibel, a market-leading supplier of systems that cleanse using the power of UVC light. The ultraviolet rays blitz multiple airborne and surface contaminants, ensuring indoor air and surfaces are disinfected, fresh and clean. Despite being chemical free, the process eradicates 99.9999% of viruses and bacteria. Luxibel units can be wall-mounted, concealed within existing vents or even disguised as ceiling tiles, so are suitable for a vast range of environments including changing rooms, bars, and restaurants. Two solutions are available, depending on requirements:

- Indirect source: Sterilises air within the unit and expels it into the surrounding area.
- Direct source: Sterilises surfaces when no people are present, for example before or after office hours, or during breaks. The unit switches off if movement is detected, ensuring complete safety.





### Protecting frontline heroes

Security personnel on Mitie's Co-op contract have been equipped with SmartTag SmartWater, a hi-tech 'invisible paint' spray, to deter violence against shop staff.

Co-op is the first retailer to use the spray, which glows brightly under UV light, stays on skin and hair for several weeks and can be used as evidence in court.

The forensic tag proved successful in trials in Sheffield and is now being used in around 400 Co-op stores.

This innovative solution saw Mitie Security make the shortlist for 'Best Use of Technology' at the British Security Industry Association Awards, in May 2021.

### Gritter Thunberg

Mitie Landscapes launched the UK's first ever electric gritter when Gritter Thunberg took to the streets of Nottingham in February this year. Developed to help businesses keep their people safe through winter, while also limiting their impact on the planet, the EV has a battery-powered gritter attached. REGO-backed renewable energy ensures a zero-emission service for urban environments. The gritter can operate for around five hours on one 40-minute charge and can help organisations reduce their carbon footprints.

### Bin the Bag

Mitie's Waste team has developed a 'Bin the Bag' solution, which removes 40,000 single-use plastic liners from the waste stream each year. This amounts to 600kg of plastic and represents a £6,000 saving.

Bin the Bag recycling points are manufactured in the UK from 100% recycled materials and are cleaned with non-toxic, biodegradable, natural, and organic cleaning solution to ensure a fully sustainable process.

The units can accommodate recyclable materials, food, and general waste, and feature a QR code linking colleagues to a site with further information, videos, and tutorials.

As well as being trialled at 15 Mitie sites this year, the sustainable solution is available to clients and therefore has the potential to considerably benefit the environment.

### SVRB dashboard

Mitie's SVRB dashboard was developed to allow the tracking and reporting of social value. The tool is now even more advanced and can display each business unit's performance in the areas outlined in this report.

As of April 2021, the details are shared between senior leaders in each business unit, promoting transparency and ensuring relevant colleagues are aware of whether or not performance is on track.

# Concluding summary

ESG is at the heart of how Mitie operates, both within its own business and for clients. As Mitie's chairman, Derek Mapp, recently shared at a Mitie Leadership Team meeting, "Mitie's people are the beating heart of its business and we are committed to being an employer of choice, as well as leaving the world in a better place through Mitie's environmental leadership."

The outstanding progress of the Mitie Foundation on employability despite the challenges of the pandemic, the growth in apprenticeships and huge steps forward in diversity and inclusion (D&I), including the launch of Mitie's D&I strategy, all provide strong evidence of moving forward on this journey.

Mitie's engagement in, and support of, the communities in which we operate was highlighted more than ever before through COVID-19. Mitie's 60,000 frontline heroes across healthcare, security, cleaning, testing centres and the maintenance of critical national infrastructure - to mention but a few areas - were crucial to keeping Britain working.

Progress on Plan Zero over the last year has been impressive:

- More than 1,200 EVs on the road
- All major Mitie sites energy optimised
- Mitie estate infrastructure plans for decarbonised heating systems drawn up
- Bin the Bag and other initiatives launched

All this effort has resulted in Mitie's scope 1 & 2 emissions reducing by 35% on a market basis in the last two years, with waste to landfill falling by over 300 tonnes.

Mitie's pioneering work means its clients benefit from 'Green FM' as standard across all services, as well as the opportunity to access Mitie's decarbonisation expertise in areas ranging from renewable energy procurement, to energy optimisation through decarbonisation of building heating systems to waste reduction, biodiversity development and EV charging infrastructure installation.

In February 2021, Mitie built on these achievements with an expansion of Plan Zero to cover Scope 3 emissions and a commitment for these to be net zero by 2035, in addition to the previous commitment for Mitie's own emissions to be net zero by 2025. As part of this target Mitie has signed up to Business Ambition for 1.5°C. meaning it is committed to a Science Based Target and Race to Zero.

Strong progress has also been seen across developing its responsible supply chain, health & wellbeing, volunteering, and Armed Forces support.

Mitie's ESG leadership is being recognised externally by organisations such as CDP, which awarded us a leadership ranking in December 2020. Mitie was also ranked the number one ESG business support services company globally by Sustainalytics and invited to become a member of the prestigious Aldersgate Group.

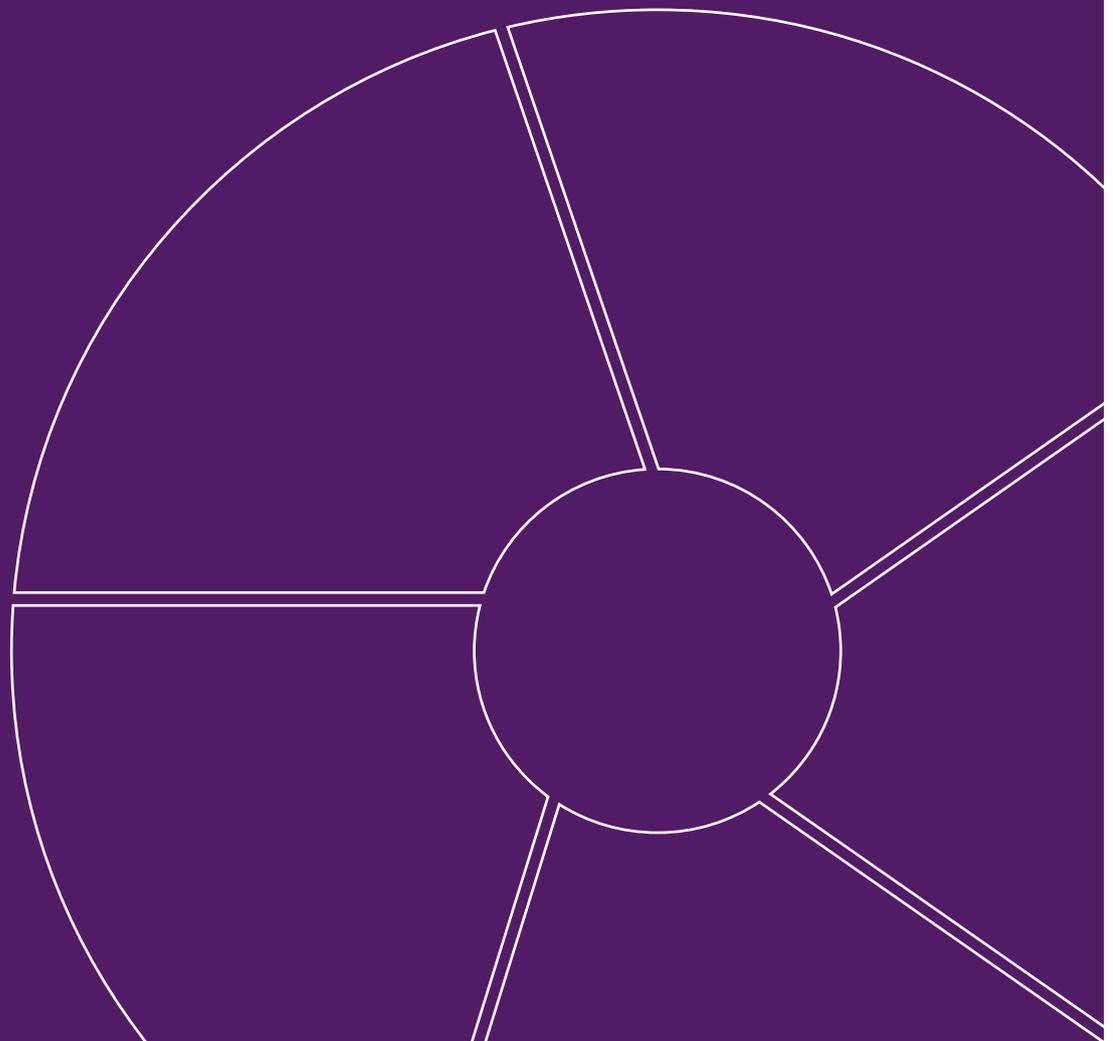
I am hugely proud of the progress Mitie has made in ESG, but also recognise there is a lot of work ahead of us. With the continuing support of the Board, MLT executive team, and outstanding people across Mitie, we can look forward to even more progress over the coming years.

## Simon King

Director of Sustainability and Social Value



“  
Mitie's pioneering work means its clients benefit from 'Green FM' as standard across all services.”





**Mitie Plc**

The Shard, Level 12  
32 London Bridge Street  
Southwark  
London  
SE1 9SG

**T:** 03306780710

**E:** [socialvalue@mitie.com](mailto:socialvalue@mitie.com)

[www.mitie.com](http://www.mitie.com)