



mitie



Mitie Social Value Report 2020

The exceptional, every day.



“

Mitie aims to lead the facilities management sector in creating social value through everyday operations, leaving a positive legacy for the communities in which we work.”

A word from our CEO

Welcome to Mitie's Social Value Report 2020, continuing our commitment to 'The exceptional every day,' – recognising the role our 47,500 colleagues play in creating a brighter future for our people and our planet.

Our 2020 report celebrates the huge progress we have made over the past 12 months, despite the dominance of COVID-19 on all our lives and loved ones. In short, the way we live and work has changed forever. But what hasn't changed – indeed what I hope has been amplified – is the critical importance of the 37,500 frontline Mitie employees who have kept Britain working. Throughout the crisis these heroes continued to clean supermarkets, schools and hospitals; guarded strategic assets in the Nuclear, Telecommunications and Energy industries; maintained production lines in pharmaceutical and automotive plants; and led the fightback against COVID-19 at drive-in testing centres and at the Nightingale and Dragon's Heart hospitals.

Mitie has always recognised the importance of each and every colleague and the contribution they bring. Now the pandemic has brought the critical nature of their roles into focus across society as a whole. Mitie's Social Value Framework underlines the commitment to all our people through Living Wage Foundation Recognised Service Provider accreditation, support of apprenticeships and the comprehensive health and wellbeing training available through Mitie's online Learning Hub.

This second Mitie Social Value Report comes at a time when the COVID-19 crisis has also sharpened focus on the need for a green recovery. Mitie is a prolific champion of sustainability and in February 2020, shortly before UK lockdown, I was proud to launch Plan Zero, our industry-leading commitment to achieving net zero carbon by 2025 – some 25 years ahead of the UK Government's 2050 target.

Action hasn't been confined to our own organisation. Mitie's clients rightly expect us to support them in delivering their own challenging targets in areas such as decarbonisation, waste management and reducing energy use. Mitie is particularly well-placed to fulfil this role. We have over 700 electric vehicles on the road, expert advisors across Mitie Energy, Waste and Landscapes, and group-wide ISO accreditation in both Environmental and Quality Management. Thanks to the combined impact these measures will have on the many clients we serve across Britain and Ireland, we can make a huge difference.

Mitie aims to lead the facilities management sector in creating social value through everyday operations, leaving a positive legacy for the communities in which we work. Throughout 2020, we have continued to progress Mitie's Social Value Framework, setting tough targets across the key pillars of Employment, Responsibility, Community, Environment and Innovation, where we report progress each year.

It is pleasing to see continued recognition of Mitie's achievements in social value from highly regarded organisations. Mitie placed sixth in the Inclusive Top 50 UK Employers list 2019/20, up from 17th the year before. For the second year in a row we have been certified a 2020 UK Top Employer by the Top Employer's Institute, and rated among Britain's Most Admired Companies 2019. In April 2020, the Environment, Social and Governance (ESG) rating agency, Sustainalytics, gave Mitie a 'Low Risk' ESG score of 13.0, making Mitie the best-scoring facilities management company worldwide, and confirming the organisation is a responsible corporate citizen, worthy of investment and worth doing business with.

So, whilst much has changed in the last 12 months, Mitie's determination to create a brighter future for our people and our planet remains undiminished. I hope you will agree as you consider our 2020 report, which I commend to you.



Phil Bentley, CEO

Foreword

Since the publication of Mitie's first Social Value Report in 2019, the organisation has made huge progress. This started in November 2019 with the creation of a Committee of the Board: the Social Value and Responsible Business (SVRB) Committee, of which I have been appointed Chair.

The Committee's remit is to drive social value and responsible business on behalf of Mitie Group. We ensure Mitie conducts business in a commercially responsible way to achieve maximum positive impact on the communities, people and environments in which it works, benefitting customers, colleagues and shareholders.

Since the creation of the SVRB committee, Mitie has set targets across our Social Value Framework pillars in order to prioritise efforts and ensure clear focus and messaging for clients and Mitie colleagues. These targets cover critical aspects of the way Mitie works including diversity, skills development and implementing a responsible community orientated supply chain.

One of our greatest steps forward followed in February 2020, when Mitie's CEO, Phil Bentley, launched the exciting Plan Zero initiative at the organisation's head office in the Shard. Over 100 locations across Mitie joined the event online and heard more about our ambitious, industry-leading pledge to achieve net zero carbon emissions by 2025. Naturally the expertise of Mitie's in-house subject matter experts will be key to the initiative's success, and their knowledge will also be used to support clients in reaching their own sustainability goals.

Carbon elimination, waste eradication and building efficiency enhancement are only one aspect of Mitie's strength in sustainability. The organisation boasts outstanding knowledge in areas including renewable energy, sustainable infrastructure and EV transition, all of which support the wider economy in creating a sustainable future.

After less than a year it is rewarding to see Mitie implement clear targets across all areas of social value, as well as the progress detailed in this report. Of course these are just the first steps on what will be an ongoing journey.

As we move forward, I know that everyone on the SVRB committee, and in the wider Mitie business, is committed to leading the facilities management sector in every aspect of social value, creating a positive legacy of which we can all be proud.



Baroness Couttie
Chair – Social Value and Responsible Business Committee



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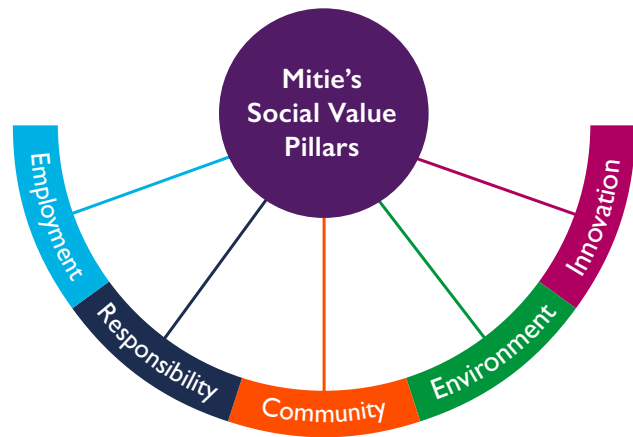
Introduction

Social value relates to the positive impact that organisations can have on society, the environment and economy, independent of the benefits generated from business activity.

The value of this additional impact is often hard to quantify and therefore risks going unnoticed. However, as a major UK employer supporting clients across a range of sectors, Mitie understands such environmental, social and economic benefits can be transformational. That is why Mitie aims to lead the facilities management (FM) sector in creating social value through everyday operations, leaving a legacy for the communities in which we work and supporting a brighter future for all.

As a responsible business that embraces the UN's Sustainable Development Goals, Mitie seeks to unlock social value to create positive economic, environmental and social outcomes. Such ambition ensures that we play our part in delivering, 'The exceptional, every day,' for our customers, our people, the communities we support and the world in which we live.

To ensure maximum positive impact, Mitie breaks its social value commitments down into five key pillars, which make up the organisation's Social Value Framework:



SUSTAINABLE DEVELOPMENT GOALS



Employment

We promote skills and employment opportunities for all, focussing on three areas: Apprenticeships, Diversity and the Real Living Wage.

Responsibility

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 focussing 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.

To ensure social value is embedded in everything Mitie does, the Board created the Social Value and Responsible Business (SVRB) committee. The committee is chaired by Baroness Coultie, one of Mitie's independent non-executive directors and a member of the House of Lords. Meetings are held bi-monthly to drive the social value and responsible business agenda, and they also include the approval of targets and plans, together with progress updates.

Mitie's Plan Zero steering and working groups are aligned to our Environment social value pillar. The groups' tasks are to oversee and implement plans to deliver on Plan Zero within Mitie, as well as measure performance to ensure an industry-leading approach that delivers for our clients. The groups also own and review Mitie's Climate Change Risk Assessment document. This captures climate-related risks and opportunities along with their likelihood and potential severity, plus plans to mitigate the risks and capitalise on the opportunities in line with the approach laid out by the Task Force on Climate-Related Financial Disclosures (TCFD).

To truly understand our environmental impact, and to ensure we are implementing appropriate measures to see that we reduce it, Mitie has returned the Carbon Disclosure Project's questionnaire, which feeds into the global environmental disclosure system. This improves environmental transparency and accountability, ensuring Mitie's resources are in the right place, and that we are progressing towards net zero carbon.

Targets

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

Social Value Pillar	Target area	Baseline (FY18/19)	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
Employment	% of employees, where Mitie control salary, paid Real Living Wage	75	100				
	% of employees through apprenticeship scheme	2.3	2.5	3.0	3.5	4.3	5.0
	% of women on GLT/ELT	18	20	25	35		40
	% of BAME colleagues on GLT/ELT	3	3		10		20
Responsibility	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
Community	Volunteer paid hours	3,032	8,000	10,000	12,000	14,000	16,000
	Hours training delivered on improving Health & Wellbeing	Not measured	2,000	4,000	6,000	8,000	10,000
	Armed forces recruitment	Baseline for current armed forces recruitment is being established in H1 FY20/21. A target will be set based on this in H2 FY20/21.					
Environment	CO ₂ emissions (tonnes)	28,912	25,000	21,750	17,500	11,500	4,400
	Fleet zero carbon	0%	15%	30%	45%	65%	85%
	Waste to landfill (tonnes)	376	350	250	100	50	0
	Recycling rate (%)	49%	55%	60%	70%	75%	80%
	Total waste produced (tonnes)	742	704	669	636	604	574



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.

To provide disadvantaged candidates with the skills needed for employment, the Foundation runs employability sessions, which cover everything from a general introduction to FM, to CV writing, interview techniques and customer service.

During FY19/20, the Mitie Foundation ran a week-long programme of events to help job seekers aged 16 to 29 who face barriers to employment. The busy schedule consisted of virtual Q&A sessions with Mitie volunteers and mock interviews. Participants learned about the world of FM and volunteers shared details about their personal journeys with Mitie, including how they have developed and their routes of career progression. This proved extremely helpful and inspirational for the candidates.

The Mitie Foundation took part in the Department for Work and Pensions' BAME Mentoring Circles programme, aimed at supporting young people who aspire to work in organisations they may perceive as being inaccessible.

The scheme increases candidate confidence, motivation and job search skills, instilling a can-do approach when it comes to applying for and securing employment.

Mitie Foundation programmes

Ready2Work is a collaborative initiative facilitating rewarding work experience. This eight-week introduction to the world of work provides candidates with a route into sustainable employment, following a three-stage process:

- Pre-placement
- Work experience
- Paid employment

Three branches of the Ready2Work scheme have been created, each tailored to the needs of specific communities facing unique challenges.

495

candidates have completed the Mitie Foundation's Ready2Work programme, with 70% gaining a job at the end since 2013



Ready2Work – Military

Supporting veterans to find civilian roles in FM, recognising the unique skills they bring to the workplace.

Ready2Work Military aligns with Mitie's commitment to the Armed Forces Covenant, the Mitie Military diversity network and our recent achievement of a Gold Award through the Defence Employer Recognition Scheme.

Ready2Work – Enable

Assisting participants with a disability or learning difficulties into sustainable employment, while also supporting Mitie and the organisation's clients to provide such opportunities.

Ready2Work Enable aligns with the goals of our Enable diversity network.

Ready2Work – Beyond Bars

Targeted at rehabilitating ex-offenders and those at risk of offending.

This programme breaks down barriers and negative perceptions of people with criminal convictions.

SIX

Ready2Work schemes were delivered in Essex, Leeds, London and Manchester throughout FY19/20.

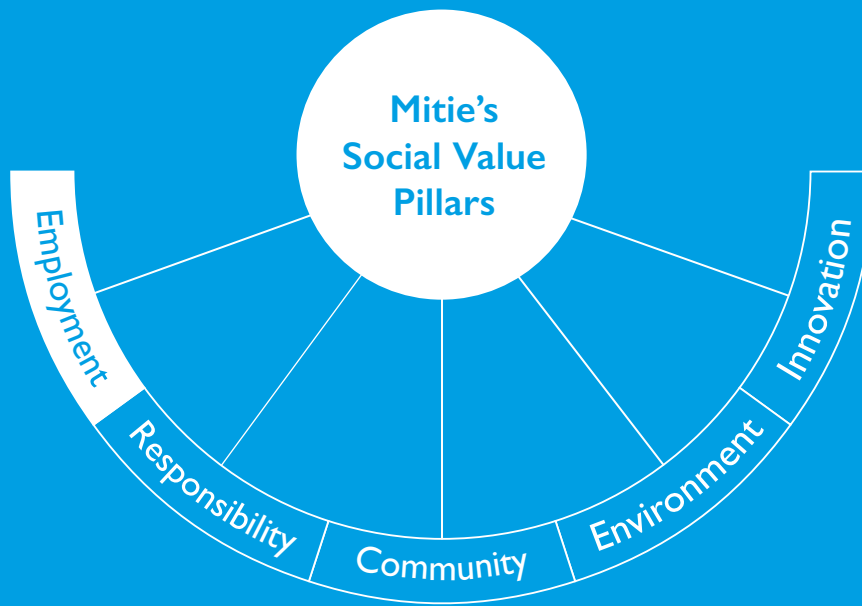
Mitie via the Military

Sarah joined Mitie as a security officer after leaving the military in 2018. Her journey started with an introduction to the Mitie Foundation from the Walking With the Wounded charity. With an interview for a security officer vacancy pending, the Foundation helped with interview techniques, focussing on the transferable skills Sarah gained during her time in the Army. Sarah said:

“

I found that having people to talk to about the job beforehand was very useful. Being able to openly discuss the role and asking questions fully prepared me for the interview. I continued to receive support once offered employment, meaning the stresses of starting a new job were alleviated.”





Employment

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

Apprenticeships

Diversity and Equality

Engagement with Communities

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



The Real Living Wage (RLW) is an independently calculated rate of pay, based on the cost of living expenses such as housing, food and other essentials. The RLW enjoys cross party support and is paid by thousands of employers, including over one third of the FTSE 100. At the heart of the scheme is a simple idea: A hard day's work deserves a fair day's pay.

Mitie has been a Recognised Service Provider since late 2019, proudly working with the Living Wage Foundation to promote the RLW. We believe in paying a decent wage to our staff, who carry out vital work for many organisations. Mitie is committed to the widespread uptake of the RLW, so therefore always provides a RLW-costed bid to prospective clients.

Mitie currently pays 75% of employees, whose salary we control, the RLW. We have set a sector-leading target to make this 100% by the end of FY20/21.

As well as being the right thing to do, paying the RLW has proven business benefits. These include increased staff retention and motivation. More than 80% of employers who pay the RLW believe it has enhanced the quality of work and reduced absenteeism by approximately 25%.

On our HMRC contract, the Real Living Wage is paid to all employees.

Mitie colleagues have provided HMRC with over 235,000 hours of physical security across nine sites since November 2019, achieving 100% of KPIs. The Real Living Wage is just one way of acknowledging a job well done.

TARGET

Pay 100% of employees the Real Living Wage, where Mitie controls salaries, and to spread this practice among partner organisations by including such a costing in every bid.

In a survey of employers who pay the RLW...

93%

said it has benefited the business

86%

said it has improved the reputation of the business

75%

said it has increased motivation and retention rates for employees

64%

said it has helped differentiate the business from others in the industry

Apprenticeships

As a major UK employer, Mitie provides a huge variety of apprenticeships and takes an 'apprentice first' approach to any training. We paid £5m into the Apprenticeship Levy scheme in FY19/20. Mitie currently has 718 apprentices working across our portfolio of contracts. We have ambitious plans to raise this number to circa 1,000, recognising the Government's target of 2.3% apprentices across the workforce, which we intend to exceed.

TARGET

2.5% of employees to participate in Mitie's apprenticeship scheme by end of FY21/22, doubling this to 5% by end of FY24/25.

Apprenticeship strategy pillars:



NEW HIRES

Attracting new talent into the business in roles at every level



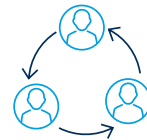
TECHNICAL

Upskilling our existing workforce to ensure we have core skills for now and the future



PROFESSIONAL

Supporting our colleagues to progress and advance their professional career development



MANAGEMENT

Developing management and leadership capability

Mitie's newly recruited apprentices benefit from permanent employment contracts and are fully embedded in business activities to maximise learning. Our strategy continues to evolve. We are partnering with specialist providers to ensure we optimise our levy contribution, providing quality training to the right people in the right way, supporting social mobility and enabling skills development to support participants' careers and progression.

Mitie's management apprenticeship has been the most successful so far, with 41% of current learners on Level 3 or Level 5 courses. Due to this success, we are currently rolling out our Level 7 programme for senior leaders.

To celebrate National Apprenticeship Week 2020, and in order to promote our schemes, in February Mitie delivered several roadshows showcasing the working life of apprentices. The events featured manager briefings about how best to support team members, as well as drop-in Q&A sessions. Afterwards 114 employees registered their interest to participate in an apprenticeship programme.

Nearly 150 women are completing technical engineering apprenticeships as part of the Mitie Women Can initiative.

Apprentices will make up at least 10 per cent of employees on our contract to provide nationwide security services to HMRC, which is another great step in the right direction.

Case study:
Paul Moscrop,
Hard Services Manager

Paul started a building services apprenticeship at Mitie in 1998. Through the programme, he discovered a love of engineering and twice came second in the National Junior Engineering competition.

Paul subsequently worked his way through the ranks at Mitie. When he became a manager, he decided to complete a Level 5 management programme, gaining formal management qualifications. By building his knowledge, Paul is keen to further progress his career at Mitie.



Reskilling for recovery

The unprecedented economic and social impact of COVID-19 presents a challenge to smaller businesses as they seek to upskill staff for new ways of working. Apprenticeships are a large part of the solution in addressing such skills gaps and increasing productivity. In response, Mitie supports the Reskilling for Recovery initiative. Our apprenticeship levy funds will support the businesses who need help most, facilitating recruitment via apprenticeships and providing opportunities for disadvantaged candidates to enter employment.

Mitie's custodial apprenticeship programme demonstrates how we engage with potential apprentices. Since March 2019, we have recruited 176 detainee custody officers from a range of professional backgrounds, including teaching and security. The custodial apprenticeship programme has provided further support, enhancing knowledge and assisting progression. The first cohort is currently going through the final assessment and so far one participant has already achieved a distinction.



Diversity and Equality

Diversity has long been celebrated at Mitie - one of our core values is: 'Our diversity makes us stronger.'

In response to the widely-publicised death of George Floyd in May 2020, and the resulting focus on racial injustice, the Big Equality at Mitie Summit was hosted online by our executive team and CHORD employee network.

The event was broadcast live to the organisation, with many people contributing thoughts and suggestions not only on race issues, but appropriate communication channels, training, career progression, resourcing, charity partnerships, health and wellbeing and BAME representation on Mitie's leadership teams. Based on these suggestions and further feedback from the call, we have:

- Relaunched the Mitie Handbook and Code of Conduct: One Code to outline the behaviours expected from our people. This emphasises Mitie's zero-tolerance approach to discrimination and includes an implemented change to Whistleblowing and Bullying and Harassment procedure, ensuring methods are as efficient as possible.
- Committed to unconscious bias training for the entire executive team.
- Invited a member of CHORD to become a Mitie Foundation trustee to ensure that our offering and selection of charity partners is fully inclusive.
- Nominated a representative from our diversity networks to engage directly with the group leadership team on all matters relating to diversity and inclusion.

While Mitie has undoubtedly made progress in improving diversity, we are committed to pushing further, faster. We have signed to the Business In The Community Race at Work Charter, pledging to take action to ensure ethnic minority employees are represented at all levels and to tackling barriers in recruitment and progression.

Mitie's new recruitment tool, SmartRecruiter, enables us to address resourcing challenges posed by our Race At Work commitments. It provides an inclusive, governed process whilst improving internal mobility and enabling existing employees to explore available opportunities. Our resourcing partners are contracted to deliver gender-balanced shortlists at Group and Executive Leadership levels. Mitie is delighted to partner the BAME Recruitment consultancy, which will help ensure our resourcing is as diverse and inclusive as possible. Mitie rejects head-hunter applications that do not offer to provide an appropriately diverse selection of candidates.

TARGETS

Increase the percentage of women on the GLT/ELT to 20% by the end of FY20/21, and to double this by the end of FY24/25.

Increase the percentage of BAME colleagues on the GLT/ELT to 10% by the end of FY22/23 and to 20% by the end of FY24/25.

Diversity-related events, which were celebrated at Mitie in the last 12 months include:

- Black History Month
- Pride Month
- Armed Forces Week
- Mental Health Awareness Week
- International Women's Day
- Remembrance Day
- National Inclusion Week

Additional educational resources were made available for these events, including reading lists, managers' guides and social learning through the sharing of colleague stories.

A new 'FYI about D&I' column has been added to Mitie's monthly managers' toolkit, Download. This ensures regular communication of diversity-related issues and encourages discussion of topics such as the Black Lives Matter movement at team meetings.

Mitie has also joined the LGBT+ in FM and IWFM networks, helping to attract a more diverse selection of candidates into the FM industry.

In the last 12 months, we launched Celebration Hub, our one-stop-shop for everything Reward and Recognition at Mitie. This portal encourages the celebration of our values, particularly 'Our diversity makes us stronger', whilst showcasing achievements and exceptional behaviour. E-cards are one of the most popular options and there is a wide selection relating to inclusion.

To support our inclusive culture, many of Mitie's office spaces have quiet rooms for religious practises, while dates and days of religious significance are included in our D&I calendar. Our Care & Custody division has multiple Managers of Religious Affairs (MRAs), who support detainees with an emphasis on pastoral care. Detainees also have the opportunity to access timetabled worship, religious study and detainee-led sessions.

Mitie colleagues are encouraged to undertake diversity and inclusion training via the online Learning Hub. Modules on religion and belief are aimed at increasing awareness and support for religious practice in the workplace. As part of a capability framework, all line managers complete a course on Diversity, Inclusion and Equality before they achieve their necessary 'Licence to Lead'.

Further achievements in diversity and inclusion this year include:

- Disability Confident: Level 2 accreditation. We are committed to enhancing the skills disabled people can bring to the workplace.
- Shortlisted for the Diverse Company Award at the National Diversity Awards 2020, the largest diversity awards in the UK.
- Number six on the 2019/20 UK Inclusive Top 50 list.
- Certified UK Top Employer by Top Employers' Institute.

20%

of ELT and GLT members are female

50%

of Board members are female

36%

of Mitie's workforce is female

2,662

people employed aged over 66

12.5%

BAME colleagues at Board level

12.5%

BAME colleagues at Senior/ executive level

20.7%

BAME colleagues on the workforce



Employee networks

To encourage diversity in the workforce, Mitie supports six employee networks, which boast over 500 members between them.

Enable

Raising awareness and offering support and guidance around disability-related issues.

Sponsored by Simon Venn, Chief Government and Strategy Officer.

Mitie Women Can

Working towards gender equality.

Sponsored by Carlo Alloni, Managing Director, Technical Services.

Generations

Supporting our age-diverse workforce.

Sponsored by Peter Dickinson, Chief of Staff & General Counsel.

CHORD

Ensuring inclusive working environments for people of all ethnicities.

Sponsored by Jason Towse, Managing Director, Business Services.

Proud To Be

Educating and informing allies, and inspiring LGBTQ+ colleagues to be themselves.

Sponsored by Jasmine Hudson, HR Director, Group & Specialist Services.

Mitie Military

Providing support and helping to improve the workplace experience for our ex-forces community.

Sponsored by Cijo Joseph, Chief Technology and Information Officer.

Each network holds at least one event per year, and shares ideas online.

Employees and customers attend network events, highlighting key issues and sharing best practice.

Networks are promoted in inductions to encourage membership from day one.

Sponsors are visible advocates for inclusion and are dedicated to developing an understanding of related topics.

Recent network discussions have involved the formulation of new policies and the review of existing ones to ensure they are fit for purpose.



Engaging with communities

In July, the CHORD network hosted the first of its virtual Conversations with CHORD sessions. This was an opportunity to encourage progressive discussion around topics like race and discrimination.

Mitie's inclusion policy recognises that our people make our organisation truly exceptional. The 'One Mitie' approach to business is underpinned by a belief that all individuals should be treated fairly and have access to equal opportunities. Mitie's commitment to a fair and responsible workplace is unwavering and in line with our One Code, the same standards apply when we work with clients and supply chain partners.

Over the last 12 months we have launched the One Mitie Induction programme, which ensures people know how to behave according to Mitie values from day one. The induction was designed and developed in partnership with each business unit, providing all new starters with a consistent onboarding experience.

Upload

In March 2020, Mitie ran its third annual Upload people survey to measure employee engagement. There were 37 questions and / or statements requiring a response, including:

'I feel Mitie values the diversity of its people.'

We were delighted that 81% colleagues agreed, which was a two-point improvement on the 2019 result and a huge 12-point improvement since 2018. The survey also provides valuable qualitative data. We asked:

'What do you value most about working at Mitie?'

Over 250 answers were linked directly to the positive impact of diversity and inclusion. The following are just two examples:

'At Mitie I have the ability to be myself.'

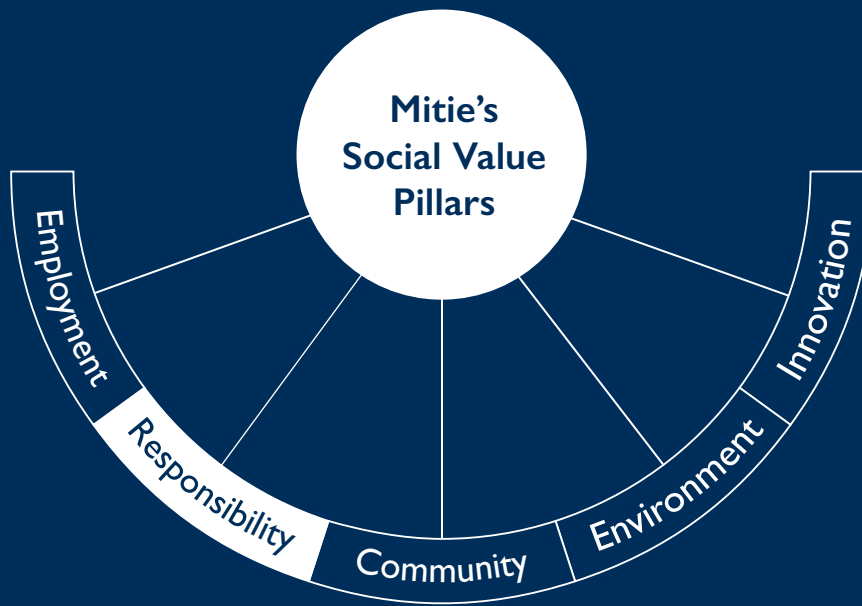
'Mitie does not discriminate, but welcomes everyone irrespective of their racial, cultural, gender and religious backgrounds.'

We are proud that Mitie's initiatives to embed the value of diversity and inclusion are really working.



Mitie participated in the Social Mobility Foundation Index. This is an important bench-marking initiative, ranking UK employers on their efforts to ensure they are open to accessing and progressing talent from all backgrounds, thus improving social mobility.





Responsibility

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.

COVID-19 response

Support of voluntary, charitable and social enterprises (VCSEs)

Involvement with small and medium-sized enterprises (SMEs)

Supplier Management Framework (SMF)

COVID-19 response

Mitie has played a critical role in the UK's response to the COVID-19 pandemic. Along with existing relationships with several NHS trusts, Mitie supported the launch of the NHS Nightingale and Dragon's Heart hospitals in London and Cardiff. Our role encompassed planning through to mobilisation and the delivery of services including cleaning, catering and clinical waste management. Naturally it was essential that suppliers adhered to Mitie's code of conduct, One Code, ensuring business was conducted responsibly and met all Government regulations.

Mitie is proud of its continued role in NHS COVID-19 testing centres and mobile testing units. We provide key services, including critical maintenance and security, with our frontline colleagues helping the centres reach testing targets across England and Wales. This process is essential for identifying people with COVID-19 and limiting the spread of infection.

Many clients have availed of Mitie's fever-screening solutions, which use thermal imaging to identify individuals suffering from COVID-19. Those presenting with a fever can be denied access to a building and advised to take a COVID-19 test. To enable flexible usage, the technology is available in hand-held and mounted unit versions, which can detect body temperature to within an accuracy of 0.3°C.

During the Coronavirus lockdown, feeding the nation was of course a priority and Mitie supported retail partners to ensure the supply of food and essential goods remained safe and secure. At supermarkets, frontline colleagues helped to implement crucial social distancing measures. Mitie also provided additional security officers and developed the sector's first ever online Security Industry Authority licence qualification programme. This meant new operatives could qualify safely by completing their learning online, ahead of being deployed in-store.

Maintaining the transport network was another critical aspect of keeping the UK running. Mitie supported Network Rail throughout, providing integrated facilities management to circa 150 sites designated as critical infrastructure. As part of our agile response to the pandemic, we immediately amended cleaning processes, directing focus to sanitising high-traffic touch points, therefore minimising the risk of spreading the virus.

Maintaining the national telecoms network was also important to keep the UK running. Mitie engineers provided essential maintenance to the network, including repairs to 5G infrastructure vandalised because of false rumours it was linked to the spread of COVID-19.

To assist partner organisations in getting up and running after lockdown, Mitie created the comprehensive Getting Britain Back to Business guide. This helped companies prepare for a safe and seamless return to the workplace via a four-phase plan. Advice covered route planning and facilitating social distancing. Businesses working with Mitie to put these measures in place are granted a Mitie COVID-19 Checklist Assured mark, which demonstrates that comprehensive steps have been taken to ensure the safety and wellbeing of those accessing offices and estates.

Although many schools initially closed because of COVID-19, Mitie continued to provide services to over 100 establishments across the UK that remained open for vulnerable pupils and the children of key workers. We also worked hard to maintain free school meals, including contact-free lunch deliveries to children's homes.

VCSEs

To increase our spend with Voluntary, Charity and Social Enterprise suppliers (VCSEs), Mitie signed up with Social Enterprise UK (SEUK). This organisation is a leading global authority on social enterprise, which is the practice of using business to effect positive social or environmental outcomes. SEUK spearheads campaigns and works to raise awareness of social enterprise's role in delivering health and care services and more.

To support growth in VCSE suppliers...

- Mitie has analysed spend and provided data to SEUK to identify any VCSEs in the supply chain of which we were unaware. Mitie now tags new VCSE suppliers during onboarding to simplify future reporting.
- SEUK has reviewed key Mitie spend categories and suggested social enterprises which may be suitable to provide services to Mitie clients. The list is being reviewed and maintained by Mitie's Procurement team in order to expand our existing supplier base.
- SEUK has given Mitie access to its VCSE directory. Mitie's Procurement Operations team will include appropriate VCSEs from this directory when running small to medium sized contract tenders.

Mitie supports SEUK's Buy Social Corporate Challenge, whereby high-profile businesses aim to collectively spend £1billion with UK social enterprise suppliers. The initiative was launched in Downing Street in 2016 with the aim of helping to embed corporate responsibility by engaging large businesses with innovative suppliers to grow their revenues and reach. The challenge now has over 20 partners who have spent £65.2 million with social enterprises and helped to create 637 jobs.

Mitie does business with several social enterprises including Mental Health First Aid England, which aligns with our Employment pillar focus area of Mental Health and Wellbeing.

Similarly, Mitie's work with Plymouth Community Homes Services aligns with our focus on communities' happiness, health and safety.

Mitie pledged to increase women in STEM roles at Mitie by 20%, which we have already achieved. Our equality and diversity strategy is also working towards greater gender equality in the work environment.

TARGETS

Increase Mitie's spend with Voluntary, Charity and Social Enterprise suppliers (VCSEs) to £2.25m by the end of FY24/25

SMEs

Some 29% of Mitie's Group spend is now with SMEs, increasing to 45% on our public sector contracts.

Thanks to a simple and well established on-boarding system using the Tradex platform, Mitie remains an organisation with which it is easy to do business. The platform features relevant Mitie policies and our Social Value Framework. As part of due diligence, a detailed online questionnaire must be completed by prospective suppliers, who must also upload evidence of relevant certification and agree to abide by Mitie's policies.

Mitie recently began advertising tender opportunities on LinkedIn, connecting with our Curtis Fitch (CF) e-sourcing system. SMEs are provided with training and assistance in using the system, if required. This ensures they are not disadvantaged when completing bid responses. The process has worked well, increasing awareness of upcoming opportunities and broadening responses to include new potential providers of all sizes.

Actions taken so far have increased Mitie's Group spend with SMEs from 27% in FY18/19 to 29% in FY19/20. This means Mitie has spent an additional £17m+ with SMEs, and there are more improvements to come.

All the information suppliers need to work with Mitie is publicly available on our dedicated supplier portal.

Mitie further encourages SMEs through:

- Regionalising tender packages. We ensure that we have regional contracts for key services and products rather than national, where it makes business sense. Such smaller work packages are more accessible to SMEs.
- Recruiting additional procurement staff within our central Procurement Operations team. Sourcing activity for areas that were previously impractical to address is key. Smaller value contracts are highly attractive to SMEs and Mitie ensures they are included in any selection exercise, along with suitable VCSEs.
- Open days and supplier events. We continue to invest in supporting events that seek to build relationships with SMEs. For a Ministry of Defence national FM tender, our Head of Technical Services Procurement attended several large regional supplier days with the bid team. This was an opportunity to explain Mitie's approach to working with potential suppliers. Such early engagement was much appreciated by the suppliers in attendance, which included many SMEs.

TARGET

Increase Mitie's spend with SMEs to 29% by the end of FY20/21 and to 33% by the end of FY24/25.



Supplier Management Framework (SMF)

Appointment of suppliers and sub-contractors to Mitie's SMF is based on their ability to meet the requirements of the end client. Social value, ethical practices and environmental impacts are also taken into consideration.

Mitie's SMF encourages collaborating with suppliers to stimulate innovation. The framework monitors against WISEQC metrics:

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

TARGET

Increase Mitie's spend under the Supplier Management Framework to 28% by the end of FY20/21 and to 40% by the end of FY24/25.



Different agendas are established for monthly, quarterly and annual SMF meetings. Currently over 20% of Mitie's spend is covered by suppliers who are part of the SMF programme. For quarterly meetings we require details of carbon emissions, together with steps being taken to reach net zero carbon.

Mitie requires suppliers to adhere to all aspects of our procurement policy, social value for suppliers documentation and our health and wellbeing strategy; confirmation that they meet these requirements is needed in order to be approved during onboarding. SMF suppliers have their performance on ethical procurement and social value scored ahead of each strategic review. This is done against relevant KPIs.

Mitie also requires suppliers to comply with anti-bribery, modern slavery and anti-corruption legislation. Our code of conduct guidelines and advice documents are available to all supply chain partners via the Mitie supplier portal.

Mitie's central procurement team has undertaken Modern Slavery Act awareness training via our anti-slavery e-learning module. This training is being extended to Mitie staff managing key supplier contracts. We are looking at ways to provide relevant guidance for suppliers through our supplier page.

Supplier Social Value Policy (SSVP)

Suppliers must comply with Mitie's SSVP during tender activity, or supplier onboarding. The policy has two parts, reflecting its alignment with our social value pillars.

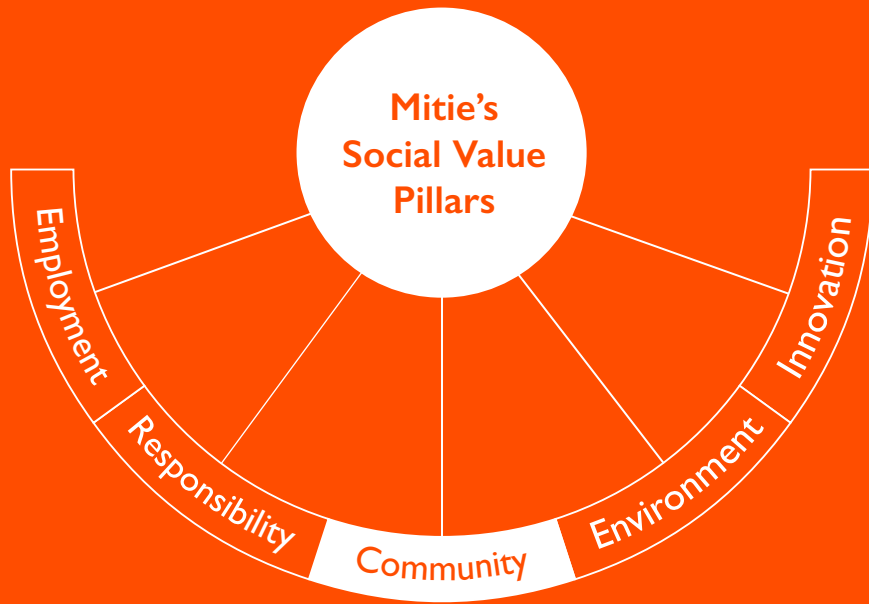
Part One relates to Responsibility, reinforcing that our internal code of conduct, One Code, is reflected in the expectations we have of our suppliers.

Part Two explains our approach to sustainable procurement and wider social value issues, which aligns with Environment.

The SSVP highlights that for higher value, higher risk contracts, social value and environmental impact evaluation forms part of bid assessment. Social value elements have a minimum weighting of 15% and for longstanding suppliers, failure to comply with these requirements will result in rectification processes being implemented or contracts being terminated.

In late 2019, Mitie ran a series of supplier engagement days, reaching over 250 businesses. We were explicit that we expected them to employ military veterans and dependants, highlighting the value and benefits offered by this community. Subcontractors were directed to sign up to our ethos and encouraged to support the Armed Forces Covenant. The engagement days improved awareness of Mitie's dedication to the military community and helped to outline the related expectations we have of suppliers.





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

Caring for employee wellbeing

Giving back

Armed Forces

Mitie is committed to supporting those who serve or have served in the armed forces. We employ hundreds of veterans and reservists, and the Military employee network has gone from strength to strength under the executive sponsorship of Head of Defence, Charles Antelme, and subsequently Chief Information Officer, Cijo Joseph. The network has over 120 members.

Armed forces background questions have been incorporated into Mitie's recruitment tool, SmartRecruit. This will improve corresponding data, enabling Mitie to set targets and push for further progress.

To support military colleagues, Mitie's new armed forces policy gives 10 days' paid leave for Reservists, building on our previous policy of five days' unpaid leave.

We have been a proud signatory of the Armed Forces Covenant since 2017, highlighting our commitment to the armed forces community.

Mitie achieved the Gold Award in the Defence Employer Recognition scheme, just one year after receiving the Silver.



Mitie has pledged to hire 20% of employees on the HMRC security services contract from ex-military backgrounds.



Picture (L-R): Chris Fowke, Chief Operating Officer at ARU and Charles Antelme, Head of Defence at Mitie at the announcement of Mitie's two-year sponsorship deal with the Army Rugby Union.

Army Rugby Union sponsorship

Mitie announced a two-year sponsorship deal with the Army Rugby Union's (ARU) four elite teams, kicking off from the 19/20 season. As lead sponsor of the ARU, Mitie's logo has pride of place on the front of each team's shirts.

The sponsorship occurred as the result of a suggestion from the Mitie Military network. Many of Mitie's vehicles now sport the ARU badge, together with: 'Proud supporters of the Army Rugby Union.' As Mitie has one of the largest vehicle fleets in the country, our support for the armed forces is being demonstrated nationwide.

Armed Forces Week

Held in June 2020, Armed Forces Week was another chance for Mitie to show its support for the armed forces community. The Mitie Military network ran a series of events to mark the occasion. This included interviews with ex-armed forces colleagues, a #SaluteOurForces competition, an online video and a 10-mile Mitie Military walk to participants' local bridges and war memorials over the course of the week. Numerous digital assets, including Twitter banners and signatures, were created so that participants could show they were taking part.

Colleagues were encouraged to help raise money for one of Mitie's corporate charity partners, SSAFA: The Armed Forces Charity. The celebrations culminated in Mitie Military's Virtual Big Brew-Up, which involved cuppas, conversations, a quiz – and raised £2,240.

Caring for employee wellbeing

Feeling included at work has a direct impact on productivity, engagement and wellbeing. Mitie therefore provides extensive training and support on equality and discrimination in the workplace through our online Wellbeing Zone. This has been viewed 1548 times in the last 12 months. In addition, we have 50 mental health first-aiders across the business. Each is fully trained to deal with a range of mental health-related issues.

The recent relaunch of Mitie's Occupational Health & Wellbeing Strategy aims to create a safer and healthier work environment. The success of the strategy will be defined by several key performance indicators measured over a three-year period.

Learning Hub is the source of wellbeing training, including mandatory LiveSafe modules, as well as segments around dealing with stress, increasing mindfulness and more. The Mitie intranet site, Minet, also includes an area dedicated to employee health and wellbeing, with advice, guidance and support. We know this is a popular subject: in the first six months of 2020, a total of 1737 hours of health and wellbeing e-learning modules were conducted. That represents over 72 days of learning and means Mitie has already achieved over 85% of its FY20/21 target.

Mitie's approach to colleague health, safety and wellbeing was recently recognised with a RoSPA Gold Award, one of the most prestigious health and safety accolades in the world. This was for our work with Atomic Weapons Establishment (AWE).

Colleague benefits

Mitie has always recognised the importance of each and every colleague. We understand the COVID-19 crisis has presented new challenges for many – particularly the 37,500 frontline colleagues who have worked tirelessly to keep the UK running.

To give something back and say a heartfelt 'Thank-you', as well as ensure colleagues have access to the best support, Mitie agreed four additional benefits:

- All permanent and fixed term Mitie employees now have access to a free virtual GP. The confidential service is available to all household members.
- Mitie employees are eligible for free flu vaccinations ahead of the 2020/21 winter season.
- All frontline heroes who worked throughout the COVID-19 crisis since 1 March 2020 in non-management roles have been awarded an additional day of holiday.

TARGET

To increase Mitie's health and wellbeing training hours to 2,000 by the end of FY20/21, rising to 10,000 by the end of FY24/25.

- To give our colleagues' loved ones peace of mind and financial security, from August 2020, Mitie is providing life assurance for all permanent and fixed term employees. This consists of a lump sum of at least 1 x the colleague's basic pay, with a minimum lump sum of £10,000.

Mitie also offers an Employee Assistance Programme (EAP). This confidential helpline is manned by qualified professionals, who provide advice on everything from financial worries to mental and physical health. Services include:

- 24/7/365 access to telephone counsellors
- Manager support helpline
- Online self-help
- EAP portal
- HR referral for structured counselling: by telephone, face-to-face or online

To support employees' financial wellbeing, Mitie offers loans at affordable rates through our partner organisation, Salary Finance. In the last 12 months, 2007 employees have benefited.

Mitie colleagues also have access to the Mideals discounts portal, featuring great savings at high street stores. In the last 12 months, Mitie colleagues have saved a total of £312,868.

Stepping up during lockdown

A snapshot of our frontline heroes



Our Cleaning team at Glasgow Central Station have made their television debut. They starred in two episodes of the documentary, Inside Central Station, in May. Richard Insull, Network Rail Managed Stations Account Director, said:

“

Our cleaning operatives and colleagues work tirelessly every day and night to ensure that the station is kept clean, continuing to step up to the challenges created by Coronavirus.”



Over 1,500 Mitie colleagues look after over 1,400 Co-op sites. Our teams are going the extra mile to deliver services while faced with rapidly changing situations. Neil Hindle, Integrated Facilities Management Lead for the Co-op contract, said:

“

I'm proud to lead the team at this challenging time and in awe of the hard work and dedication that's shining through, truly demonstrating that our customers' business is our business.”



200 Mitie frontline heroes worked round the clock to provide waste management, security and other services at Cardiff's new temporary Ysbyty Calon y Ddraig (Dragon's Heart) Hospital, housing up to 2,000 beds.



Andy Jackson, Account Director, Technical Services, has been reflecting on his time mobilising and setting up the Nightingale Hospital and how his team have overcome challenges to continue delivering 'the exceptional, every day'.



April was a truly unprecedented time in the history of the UK: we faced a unique challenge of constructing a hospital that would treat up to 4,000 people.

Mitie's Technical Services, Engineering, QHSE, Waste and Water team all provided their time, often overnight, to enable the hospital to open on 3rd April."



The Care & Custody team in Northern Ireland has been volunteering to deliver food parcels to those most in need.



Mitie's exceptional frontline heroes have gone the extra mile to deliver critical services for our customers throughout the COVID-19 crisis. To celebrate our frontline heroes, Mitie distributed brand-new badges and van stickers, recognising their exceptional efforts.

We have also given all frontline staff an extra day's holiday to show our gratitude for their important work.



A big thank you to Phillipa Smith (left) and Rachel Dowdeswell (bottom right), who work for Care & Custody as healthcare professionals in South Wales. They recently stepped in to support the NHS during the COVID-19 crisis. Massive respect, Phillipa and Rachel!

We are proud to be a business that looks out for our community, especially in these uncertain times. In response to COVID-19, we ran a short pulse survey to our colleagues. 65% said they are proud to work for Mitie as a key contributor to the effort to tackle COVID-19. It is great to see that our efforts are appreciated by our employees, as well as those we help.

Giving back



Mitie is committed to enriching the communities in which we work and to addressing inequality in society. To support this, the Mitie Foundation manages our Giving Back volunteering programme. Mitie employees who do not work on the frontline can use their annual volunteering day to support good causes in their locality. Opportunities include mentoring, conducting mock interviews and assisting with Business Challenge Days - fun Dragons' Den-style events that connect companies with marginalised individuals.

Allowing candidates to showcase their abilities outside traditional, sometimes intimidating interviews, prevents talent from being overlooked. These events have proved particularly successful with the homeless, young people, those with disabilities and ex-offenders.

Since 2013, the Mitie Foundation has facilitated 4,450 volunteering days, positively exposing 54,000 participants to the challenges and benefits of contributing to a thriving work environment.

Mitie collaborates with a range of charities, which align with our social value framework:



TARGET

Increase volunteer paid hours to 8,000 in FY20/21, then to double this to 16,000, equating to 2,000 days in FY24/25.

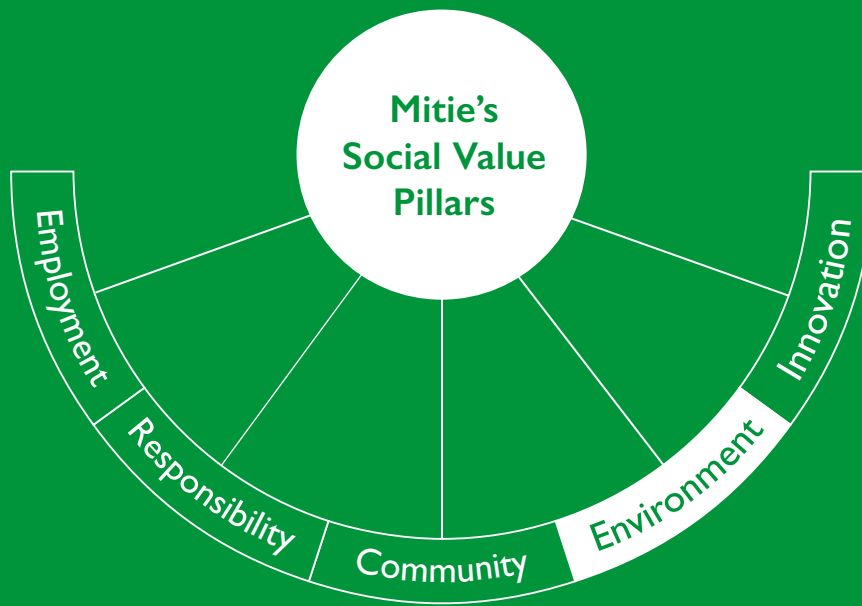
This varied selection of charities ensures an exciting range of volunteering options including:

- Supervising students on paid internships
- Delivering employability workshops, masterclasses and host workplace visits
- Supporting employability / career workshops for students and school governorships
- Fundraising and practical skills, such as painting and gardening
- Retail, advocacy, stewarding and fundraising

Together with colleagues from Heathrow Airport, operatives from Mitie Care & Custody's Escorting team volunteered to deliver food and supplies to the vulnerable in the vicinity of Smith's Farm Community Centre, Ealing.

When Care & Custody's DCO Kat Papanicolaou found some snacks in a storeroom were about to reach their best before dates, she raised the alarm and, to avoid waste, ensured the food was donated to NHS staff at East Surrey Hospital. The snacks were very gratefully received!

Mitie's charity partner, Career Ready, offers a student mentor programme with a four-week paid internship. The programme aligns with our focus on providing skills and experience to our future workforce.



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

Eliminate carbon from power and transport

Electric vehicle (EV) fleet transition

Eradicate non-sustainable waste

Enhance inefficient buildings

Delivering for clients

Plan Zero



Mitie has committed to reach net zero carbon by 2025. We are the first FM company to make such an ambitious pledge and will reach net zero 25 years ahead of the UK Government's target.

To ensure this goal is realised, Plan Zero is focused around three key pillars: eliminate carbon, eradicate waste and enhance inefficient buildings. Our Do, Lead, Deliver approach is key to our strategy:

- Do it ourselves
- Lead the industry through actions and expertise
- Deliver for our clients

In August 2020, Mitie's emission reporting was confirmed robust by the Carbon Intelligence consultancy. This provides assurance that Mitie's resources are deployed in the right place in order to reduce emissions.

A Plan Zero playbook is in development and will encompass the thinking, process and measures for reaching net zero. The initiative is the culmination of years of work reducing waste, reducing energy usage, switching to renewable sources, transitioning to sustainable materials and slashing carbon emissions.

Mitie is one of only eight companies globally to sign up to all three Climate Group initiatives.

RE 100

transitioning to 100% renewable energy by 2050, a goal we have already achieved.

EV 100 | °C

transitioning to a 100% electric vehicle fleet by 2030, a target we have brought forward to 2025.

EP 100

doubling energy productivity over the next 25 years, which we shall achieve by 2025 as part of Plan Zero.

THE FOUR Ps

As an organisation with a national footprint, a large fleet of vehicles and around 50,000 people supporting multiple sectors throughout the UK, Mitie has been hard at work identifying and capitalising on opportunities to increase sustainability and reduce carbon. Our approach is summed up in the four Ps.

Planet: Studies show it is time to act now to avert a climate catastrophe. We are already in a climate emergency, experiencing unprecedented levels of wildfires in the Arctic¹ and record levels of CO₂ in the atmosphere². We need to go further, faster.

Policy: The Government's Road to Zero phase-out of internal combustion engines has been brought forward five years to 2035, with MP consultations underway to bring this forward again, to 2030. TCFD reporting may also become a requirement and there are proposals to address flying, driving, meat consumption and domestic heating.

People: The above issues are of profound importance to our colleagues and the communities in which we operate. Mitie's leadership in sustainability advances efforts to make our organisation a great place to work.

Pocket: The most sustainable approaches are often also the most cost effective. Wind power is now the lowest cost form of electricity generation. Electric cars are now cheaper than petrol and diesel on a whole-life cost basis.

1. <https://www.bbc.co.uk/news/world-europe-49125391>
2. <https://www.unenvironment.org/news-and-stories/story/record-global-carbon-dioxide-concentrations-despite-covid-19-crisis>

Eliminate carbon from power and transport

Subsequent to the UK COVID-19 lockdown, together with corresponding travel restrictions, Mitie determined an opportunity to save £4.4m and 16,443 tonnes of carbon annually. These savings are due to a review of the organisation's Agile Working Policy, which has categorised a substantial number of employees as agile workers. This means colleagues have the option of working from the office, or from their home. The latter naturally has environmental benefits due to the reduction in travel-related emissions.

The Agile Working Policy has been enabled by technology, such as the Microsoft Teams suite, which facilitates meetings online. An additional review of Mitie's expenses policy means that certain criteria must be met before travel costs will be paid by the organisation. Travel must therefore be designated business critical or the colleague must be attending a session that cannot be conducted remotely. This will reduce business travel and promote collaborative technology, subsequently reducing Mitie's Scope Three emissions, which relate to activities and / or assets that are not owned or controlled by Mitie.

For those colleagues who do need to travel, Mitie's travel management system displays the carbon footprint associated with the different transport methods for their journey. Colleagues are encouraged to select the most environmentally friendly option.

To consolidate remote working, and in order to reduce emissions from power and transport, Mitie has:

- Established 1,702 new mobile connections, allowing homeworking for contact centre staff.
- Built 1,689 laptops to allow homeworking for contact centre staff and COVID-19 testing sites.
- Increased home working by 41%.
- Increased Teams usage by 41%.

Mitie-controlled offices purchase all power backed by Renewable Energy Guarantee of Origin (REGO), and are moving to subsidy-free power purchase agreements. The timescale for this transition depends on how Mitie's EV transition and efficiency improvements affect electricity consumption, but the threshold is expected to be reached in three years' time.

TARGET

Reduce Mitie's CO₂ emissions (tonnes) to 25,000 by the end of FY20/21, then further to 4,400 by the end of FY24/25.



For Mitie's June 2020 Cycle2Work scheme window, we increased the maximum spending by £2,000 to £3,000, which increased applications by 52%. Cycling provides a healthy, eco-friendly alternative to motorised transport.

Electric vehicle (EV) fleet transition

Mitie has one of the UK's largest EV fleets. We recently reached our target of transitioning to 20% EV cars and small vans by the end of 2020 three months early. The 717th EV joined the fleet in October 2020, and by the end of 2020 we expect to reach 900 EVs, far surpassing our original target. Mitie's commitment remains to switch the entire fleet to zero emission models by the end of 2025; over 650 chargepoints have been installed to assist with the transition. The Mercedes e-Vito electric van is the latest vehicle to join Mitie's fleet, supporting the Plan Zero Urban Landscaping service. The e-Vito has custom-fitted roof solar panels to generate renewable energy, which charges battery-powered landscaping equipment.

Charge points

Most EV charges take place at colleagues' homes, but we have also installed over 80 commercial charging points at Mitie offices and some client sites.

Client site charging points support both Mitie's fleet electrification and the client's transition but typically pose two major challenges: gaining landlord approval and ensuring sufficient electrical capacity is available.

Mitie's expert Bureau and Energy Projects team ensures capacity issues are managed, maximising available capacity, as well as agreeing upgrades. Where sufficient capacity is not available, the Mitie Energy team develops solutions, including onsite storage and generation to deal with peak demand periods. The in-house charge point installation team works with property experts and legal support to provide stress-free EV transition.

TARGET

Increase the percentage of our zero carbon fleet to 15% by the end of FY20/21, then further to 85% by the end of FY24/25.

To further support drivers and their transition to EVs, Mitie has a dedicated internal Yammer message board, where questions are posed and answered. EV-related colleague roadshows drew over 150 attendees, who could speak with the manufacturers and address any concerns. The events proved very popular and resulted in 40 test drives together with positive feedback from colleagues keen to start driving an EV.

To assist reducing infrastructure challenges to widespread EV uptake, Mitie has joined the UK Electric Fleet Alliance. Mitie has therefore:

- Submitted responses to a request for evidence from the Department for Business, Energy and Industrial Strategy
- Presented to the Office for Low Emissions Vehicles on the challenges electrifying large fleets
- Discussed the green recovery and improvements to charge-point infrastructure with Members of the Scottish Parliament





EV fleet transition service

This five stage, end-to-end solution encompasses all aspects of EV transition, from charging infrastructure to travel policies.

Developing fleet transformation model: Reviewing transport, fleet and carbon emission profiles to develop a bespoke and comprehensive fleet strategy

Installing a charge point network

Transitioning existing fleet: Supporting the wider transition, such as employee travel policies and training

Connect, maintain and operate: Connecting charge points to Mitie's Service Operations Centre for remote maintenance, usage and performance checks, preventing unexpected downtime

Generate income: Through public charging initiatives, increasing financial savings related to EV rollout.

EV update

Since June 2019, at Mitie there has been...
4% decrease in diesel use.

16% increase in electricity use **£1m** saved.

In the 12 months to 31 March 2020...
1,351 tonnes of carbon saved.

As we are only around **13%** into our commitment of a **100%** EV fleet by 2025, this is already producing significant results, and demonstrates the vast savings possible.

The 2020 Mitie NPS customer survey produced an impressive score of +30, up 18 points on 2019.

This most recent survey included various questions about our approach to social value and sustainability, and we were very pleased with the positive results.

Over 70% of customers believe Mitie has made real progress in both social value and sustainability.

Our clients also appreciate Mitie's Plan Zero initiative and want us to help them reduce their carbon footprints.

Sentiments shared in the survey included:

“

Energy is managed extremely well. Mitie have worked hard to reduce our energy consumption to meet our carbon reduction targets.”

“

Sustainability is now a core consideration with all aspects of the services provided.”

“

The saving initiatives Mitie have supported us with have also made us greener.”

Mitie is proud to support customers who wish to do their bit for the environment.

Eradicate non-sustainable waste

Mitie's targets in this area have been developed based on the Waste Hierarchy (see opposite), a concept we follow in our everyday business operations. We are also guided by the BS8001 Circular Economy standard. Our targets therefore centre around reducing waste creation and waste to landfill, while increasing recycling rates to create a zero waste to landfill operation.

Our sites are designated Mitie, non-Mitie and Landlord, with a range of plans for each property type. These include introducing waste reduction methods and implementing communications campaigns to increase usage, understanding and awareness of our methods.

To achieve these goals, Mitie is mobilising a five-year waste management plan to:

- Improve infrastructure
- Engage with supply chain partners to reduce packaging and provide greener alternatives to frequently purchased products
- Implement a communications plan to increase usage, understanding and awareness around our innovations

When recycling is not an option, Mitie suggests alternative methods, including refuse derived fuel (RDF), in which waste items are processed into fuel for heat and power. The process is conducted by our supplier, Biffa, and ensures 100% of material is converted to energy with zero waste to landfill.

TARGETS

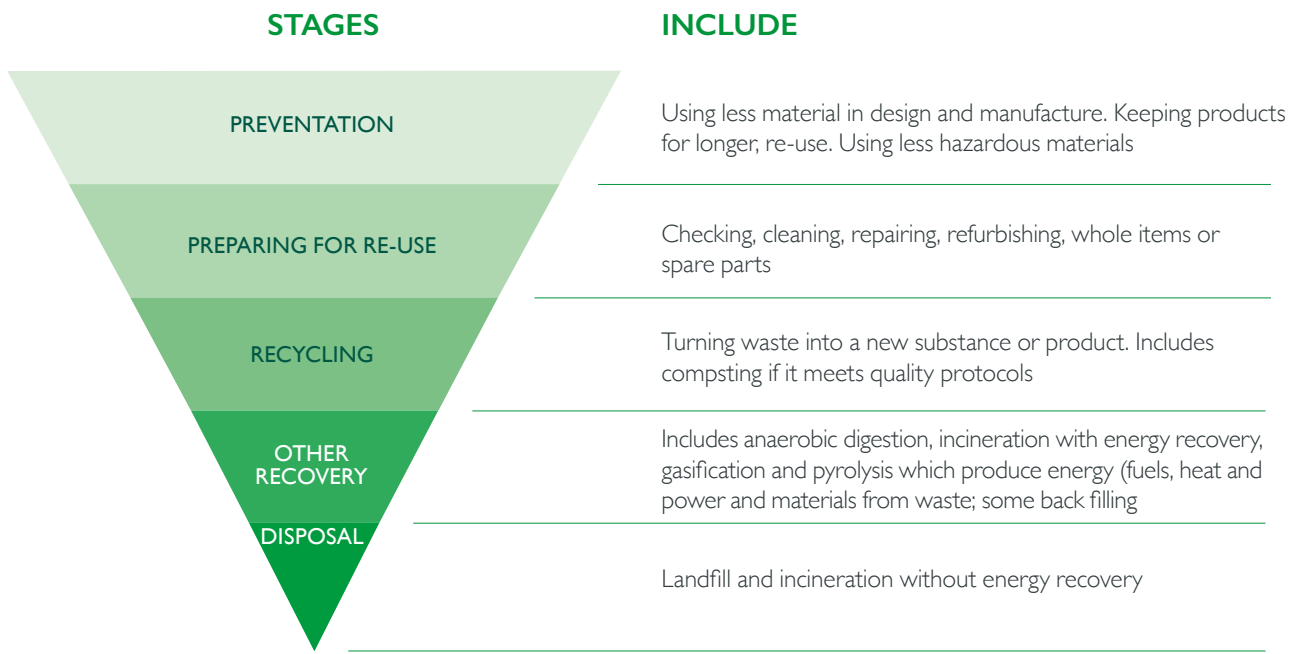
Increase Mitie's recycling rate to 55% by the end of FY20/21, and further to 80% by the end of FY24/25.

Decrease our total waste produced to 705tonnes by the end of FY20/21, and further to 574tonnes by the end of FY24/25.

Decrease our waste to landfill to 350tonnes by the end of FY20/21, and to zero by the end of FY24/25.



Waste Hierarchy



Some examples of how Mitie has helped eradicate waste are below.

Mitie installed bespoke recycling units in Npower's breakout areas, reducing the number of standalone waste and recycling bins across their office portfolio. The excess bins were reprocessed in a granulator, which shredded the plastic into pieces as small as 3mm. The material was then reused for new bins, which have ended up in a variety of locations, including schools and playgrounds. The closed loop recycling process ensures 100% of materials are recycled, preventing further landfill.

Mitie dramatically decreased single-use cups at Deloitte's London campus, where an audit found 20,000 disposable cups being used each week. Mitie replaced these with keep cups and water bottles, which were distributed to staff and contractors. During our last audit, only 18 single-use cups were found at the campus, representing a massive reduction. Mitie won a prestigious Green Apple Award for the scheme in November 2019.

Mitie trialled a new step-on vacuum at Co-op in Angel Square, Manchester. The machine can save over nine hours' working time, compared to the model used before. This means a reduction in energy use and enables operatives to move on to other areas more quickly.

Enhance inefficient buildings

Mitie operates a four-phase procedure to decarbonise heating systems and enhance building energy efficiency.

Phase one: Desktop-based carbon efficiency analysis of Mitie estate, completed in July 2020.

Phase two: Surveys and reports detailing carbon saving opportunities across Mitie's 15 most significant sites and their subsequent implementation.

Phase three: The same process as phase two rolled out to all 34 remaining sites. Due to be completed by the end of June 2021.

Phase four: Analysis of savings achieved, plus plans to start the process again. Due to be completed by August 2021.

As the first company to introduce end-user power purchase agreements to the market in 2008, Mitie Energy assists UK energy intensive organisations in purchasing green power.

Our experience working with every part of the electricity supply chain has enabled market leading exposure, experience and understanding. Mitie's diverse project team includes commercially savvy researchers, allowing us to provide energy policy expertise. Mitie continues to support large organisations in buying power from independent generators through power purchase agreements.

TARGET

Decrease CO₂ emissions to 25,000tonnes by the end of FY20/21, then further to 4,400 by the end of FY24/25



In FY19/20...

£20m+ saved for clients through asset optimisation via remote connectivity and onsite energy managers

100,000 tones of CO₂ emissions saved through carbon reduction projects, including lighting system upgrades

30% increase in energy savings for clients

6.5m UK homes could be powered for one year with the c.19TWh of PPA volume we helped to negotiate for clients



Delivering for clients

Landscapes

Mitie's Landscapes team has been busy. In the last 12 months they have...

- Built 18 bird boxes
- Constructed 32 bug and bee hotels
- Built three beehives
- Constructed 34 wildflower areas to attract essential pollinators
- Applied 94 sustainable planting zones
- Carried out three habitat surveys
- Constructed 111 wildlife-friendly hedging and shrubbery areas
- Built five water courses and ponds to attract species including great crested newts and dragonflies, both of which are protected

Thanks to Mitie's carbon-saving expertise, we now offer the following services to clients, assisting them on their own Plan Zero journeys.

Zero Carbon for Zero Cost

This service was developed to support organisations with a green return to business, working towards ambitious targets with limited budgets.

Efficient solutions have a prompt payback, which coupled with affordable funding options, means carbon saving solutions often come at zero cost to the business.

Plan Zero Urban Landscaping

This service is designed to limit environmental impact in cities and urban areas. It supports net zero ambitions by ensuring zero landfill waste, zero single-use plastic and only uses EVs, including the Mercedes e-Vito, together with renewably charged battery-powered equipment, such as electric trimmers.

The service...

- Replaces chemicals, such as pesticides, with environmentally friendly techniques, such as hand weeding
- Maintains flexible work schedules to reduce traffic
- Uses reusable polypropylene refuse collection satchels and rucksacks, replacing plastic bags
- Improves ecology by enhancing biodiversity in communities, including wildflower planting to encourage pollinators
- Eliminates waste creation and improves recycling
- Processes general waste into heat and power
- Processes green waste into methane, liquid fertiliser and compost

Decarbonising power

Upgrading fossil fuel boilers to run on renewable sources saves carbon emissions and money. Systems like ground source heat pumps can save enough energy to cover their cost in just five years.

Renewable energy battery storage solutions

Generating electricity on-site with a renewable source, such as solar or wind, supports decarbonisation and reduces energy supply risk. Connecting this with battery storage adds resilience, ensuring 24/7 power.

Carbon strategy and compliance

Support from sustainability and compliance experts means quicker reporting, while billing teams ensure energy costs are accurate and offer best value.

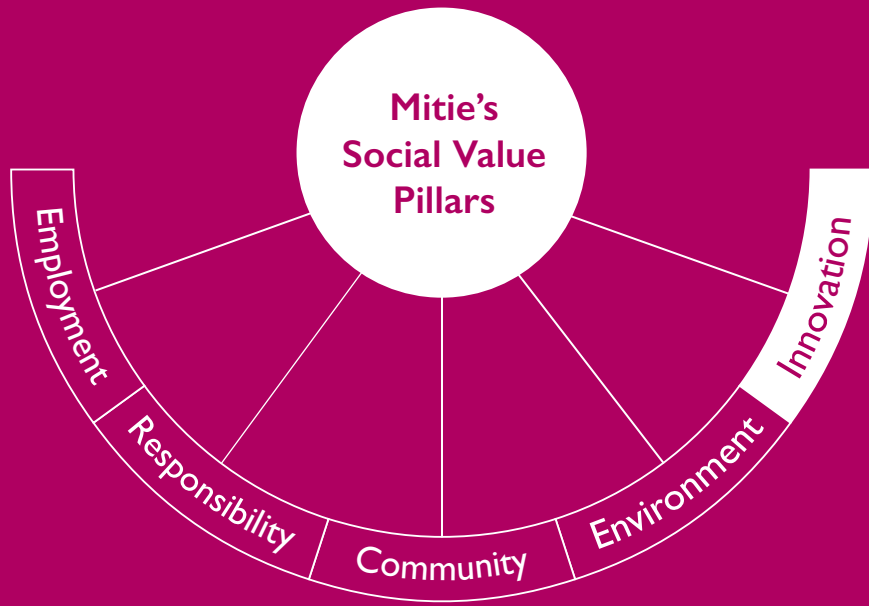




mitie

230V
AC

BRUNNEN
EkoVest
X
ULTRASONIC
REPELLER



Innovation

Innovation

Social Value and Responsible Business dashboard

Having established stretching social value targets for Mitie Group, it was crucial to see that they were easily tracked and reported. The nature of social value means performance data comes from a wide range of systems and locations across all parts of the business.

The solution lay in combining the Mitie data lake: a pool of information located in the company cloud, where data is stored, with Power BI: a business analytics programme which provides an interactive visualisation of data, allowing end users to create their own reports and dashboards.

The resulting SVRB dashboard gives a top-level overview of Mitie's monthly performance against targets. It also allows users to drill down into target areas for each of the organisation's social value pillars. Current performance can be tracked, gaps understood, and necessary improvements flagged. While users can already evaluate performance against target areas at group level, development is underway to provide visibility of how each business area is performing against targets, as well as the National Themes, Outcomes and Measures (TOMs) reporting standard for measuring social value.

Mitie continuously reviews operations, measuring process and results to ensure we are performing as well as possible across all aspects of Environment, Social and Governance (ESG). This focus on all aspects of sustainability, together with our approach to innovation and new ways of operating saw Mitie rated the number one facilities management company globally, based on the Sustainalytics ESG risk rating report.

TARGET

Mitie commits to finding new ways of delivering social value through innovation and fresh thinking.

COVID-19 response

Innovation has been key to Mitie's response to the COVID-19 pandemic. Our exclusive Citrox Protect solution combines Citrox and silicone dioxide (SiO₂), often referred to as liquid glass, to protect non-porous surfaces from viruses, bacteria, fungi and mildew, including Coronaviruses. The solution has played an important role in the fightback against COVID-19, and in creating environments to which colleagues, customers and clients are safe to return.

Non-toxic, non-oxidising, non-mutagenic, non-carcinogenic, hypoallergenic and non-corrosive, Citrox products are totally natural and organic. It has been independently tested against multiple viruses and bacteria to prove effectiveness, and has been confirmed to standards EN14476 and EN13697.

Citrox Protect offers...

- 99.9998% effectiveness
- 100 times more powerful cleaning than other natural solutions

Citrox Protect has been deployed at clients including Vodafone, Sainsbury's, Heathrow Airport, Manchester Airport, Red Bull, Sky and more. Mitie has also used it at many of the organisation's own sites.





Leading the Charge

Mitie's EV transition has led to a strategic partnership with Mina, an EV charging start-up.

Mina technology, together with our existing charging infrastructure, means Mitie can pay the vehicle driver's energy supplier directly for charges completed at home.

Mitie has invested in hardware to facilitate home charging at over 600 colleague addresses with payback reached at 8,000 miles. Mina technology is helping us to better understand drivers' charging needs and to support users in charging at the cheapest, most environmentally friendly times. Mitie and Mina are now working together to recommend 100% renewable energy tariffs for Mitie drivers, saving money for colleagues, and increasing the uptake of renewable energy to power EVs and homes. We are also working with our charge point providers to analyse their data, enabling us to identify where cost and carbon reductions can be made, and where driver behaviour can be influenced. This will allow us to support EV transition in the most efficient way, not only at Mitie, but for our customers.

Innovating to secure PPE

Like many other businesses, in early 2020 Mitie found maintaining its supply of critical PPE an enormous challenge. In some cases demand increased 100-fold.

With 37,500 Mitie employees continuing to work on the frontline to keep Britain moving, an urgent solution was required. This involved widening supply chain and centralising PPE procurement to facilitate bulk buying. A special Mitie PPE warehouse was established in the Midlands, with space for 300 pallets.

It wasn't long until the number of PPE requests reached 5,000. Mitie's timely response saw that 130 products were not only available, but could be delivered first time at a rate of 95%.

Innovative thinking ensured critical PPE was delivered to clients while our frontline heroes were kept safe. Should another surge in demand for PPE occur, Mitie will be appropriately prepared.

Concluding summary

Mitie's vision to lead the FM industry in social value remains an important part of the organisation's strategy. Progress made, combined with ambitious plans for the future, demonstrate Mitie's determination to create a brighter future for our people, our planet and the communities in which we operate. This commitment has strengthened in the course of the last 12 months, with the creation of our Social Value and Responsible Business Committee, and positive progress across all areas of our Social Value Framework.

In the last year Mitie also launched the Plan Zero initiative and established market-leading targets across our social value pillars, together with corresponding plans to achieve, if not exceed them. We know such ambition leads to challenges, but we are committed to delivering on our goals, and to ensure that learnings along the way only serve to accelerate our progress.

When the last Mitie Social Value Report was published, no-one anticipated the profound impact that COVID-19 would have on our lives in 2020. Yet despite the difficulties faced, 37,500 frontline Mitie employees have kept Britain working, providing critical services to our wide range of clients - supporting COVID-19 testing centres and hospitals, cleaning schools and banks, and providing security at critical national infrastructure sites and for national retailers.

Mitie is proud to back a variety of schemes that assist in tackling economic inequality, while career learning and development ensures our colleagues are the best they can be in the workplace. Our six diversity networks and comprehensive recruitment tools ensure the workforce is suitably diverse, with equal opportunities for all. Employee wellbeing remains central to what we do, and besides online wellbeing learning modules, all permanent and fixed term colleagues have access to a virtual GP service and life assurance.

We support the communities in which we operate through volunteering, leaving lasting positive impacts. During the COVID-19 pandemic, much of this activity moved online, but still Mitie was there to support charity partners and the armed forces.

In tandem with our people focus, Plan Zero addresses the climate emergency, leading the FM industry and delivering sustainable solutions for clients. Our recently developed Social Value and Responsible Business dashboard displays our progress against targets, which will be published on Mitie's website for full transparency.

I hope this report has proved useful and has demonstrated the advances made as Mitie strives to achieve its social value vision. As Phil Bentley and Baroness Couttie made clear in their introductions, our pledge to creating a brighter future and a positive legacy remains, with strong progress over the last 12 months and clear targets for the coming years.

Simon King
Director of Sustainability and Social Value



Our vision: To lead the FM sector in creating social value through everyday operations, leaving a legacy for the communities in which we work to support a brighter future for all.



Mitie Plc

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

T: 03306780710

E: socialvalue@mitie.com

www.mitie.com