

2023 Capital Markets Day

From Facilities Management to Facilities Transformation

12 October 2023



Welcome to the Mitie Team



Phil Bentley
CEO



Simon Kirkpatrick
CFO



Maria Winn
CMO



Cijo Joseph
CTIO



Peter Dickinson
CLO



Jasmine Hudson
CPO



Kate Heseltine
Group IRO



Jason Towse
MD, Business Services



Alice Woodwark
MD, Communities



Brian Talbot
MD, CG&D



Simon Venn
MD, Technical Services



Mark Caskey
MD, Projects



Daniel Guest
Group Ops Director

Agenda for today

Session I: Setting our Strategic Direction

Where are we now - and where we go from here
Sales Acceleration and Marketing Strategy
Investing in Technology Leadership

Phil Bentley
Maria Winn
Cijo Joseph



1.00pm

Coffee Break

Session II: Investing in our Service Line Capabilities

Cleaning & Hygiene
Security
Engineering Services
Projects

Alice Woodwark
Jason Towse
Simon Venn
Mark Caskey



2.00pm

2.15pm

Session III: Mitie Transformation Hub

Technology Demonstrations (with short break)

Session IV: Our Divisional Sector-Led Expertise

Panel session with Q&A

Peter Dickinson
Alice Woodwark
Jason Towse
Simon Venn
Brian Talbot



3.15pm

3.45pm

Session V: Financial Performance and Targets

Group Financials

Simon Kirkpatrick



4.30m

Closing remarks and Q&A

Phil Bentley

4.45pm

Our journey

Since CMD 2019, Mitie has prospered despite macro-headwinds...

Reshaped Portfolio

Scaling core business: VSG, ISV
Decarbonisation: Rock Power, Custom Solar, JCA Engineering
Intelligence security: Global Aware, Esoteric, RHI
Telecoms: Dael, 8point8, P2ML
Environmental: Biotecture, Cliniwaste
Exits: Pest Control, Social Housing, Catering, Document Management

Technology

Forte: Workflow optimisation / remote monitoring
Mozaic: Real-time data reporting
Aria: Workplace experience app
Merlin: Security and Cleaning
SAP: Upgrades to single instance
Cyber: Cyber Essentials+
Workforce App: ServiceNow

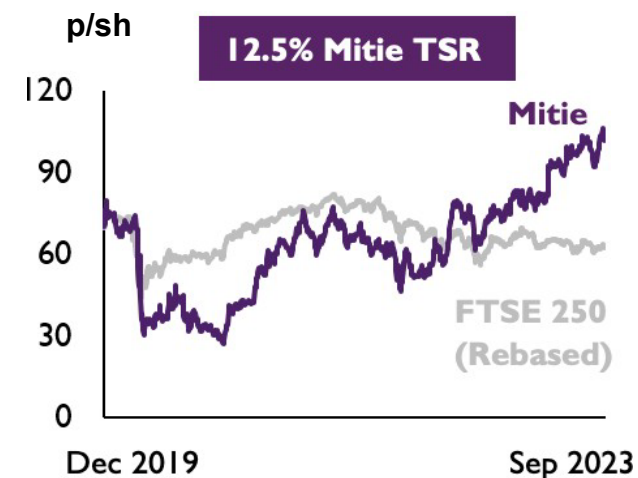
Margin Enhancement

Interserve synergies: £51m savings to date
Op excellence: 77 SAM accounts, 568 lean yellow belts
Digital supplier platform: 31% reduction in suppliers; 58% on Preferred Supplier Lists
Overhead efficiencies: MSS and Group Ops

Headwinds

2018-19: Sector distress
2019-20: Brexit
2020-21: Covid
2022: Supply chain
2023: Wage inflation

New Clients



... and we have significantly exceeded the targets we set

Medium-Term Guidance

Accelerated Value Creation		FY23
Revenue growth	2%-4% organic growth	7% ✓
Operating profit margin	4.5%-5.5%	4% 📈
Free cashflow	£20-30m run rate	£104m ✓
Customer satisfaction	NPS: +mid-30s	+42ppt ✓
Employee engagement	EE: 50%+	57% ✓
Pipeline	Further CCS opportunities	£15bn ✓
Leverage	TFO < 2.0x EBITDA	0.2x ✓
Simplifying business	Further strategic partnership opportunities	Successful M&A Strategy ✓

Long-Term Vision

I-2-3	FY23
#1 market share	Clear #1 ✓
TFO < 2.0x EBITDA	0.2x ✓
£200m EBITDA	£215m ✓
£3bn revenue	£4bn ✓

Where we are today

The UK FM market is the largest and most dynamic in Europe, and Mitie is the clear leader

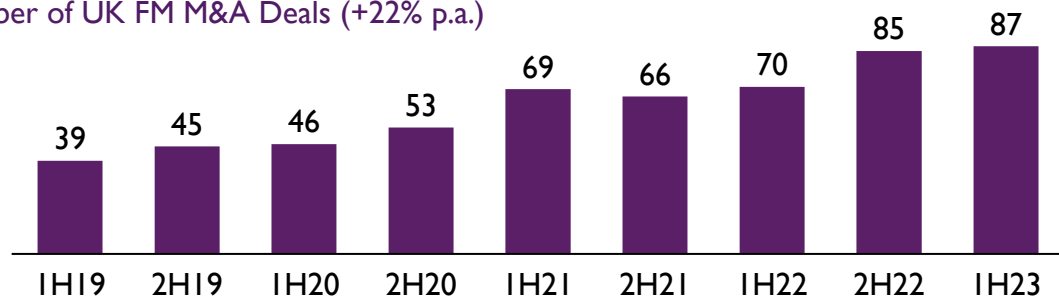


The UK is Europe's largest and most dynamic FM market...

2022 Market ¹	Outsourced FM (£bn)	Outsourcing Rate (%)	Bundled & Integrated (%)	Top 5 Market Share (%)
UK	26.3	47	56	30
Germany	23.4	36	41	19
France	18.7	33	37	32
Italy	16.0	30	32	14
Spain	10.9	34	26	31
Nordics	8.5	44	48	45
Benelux	9.3	42	40	28
CEE ²	36.2	30	17	11

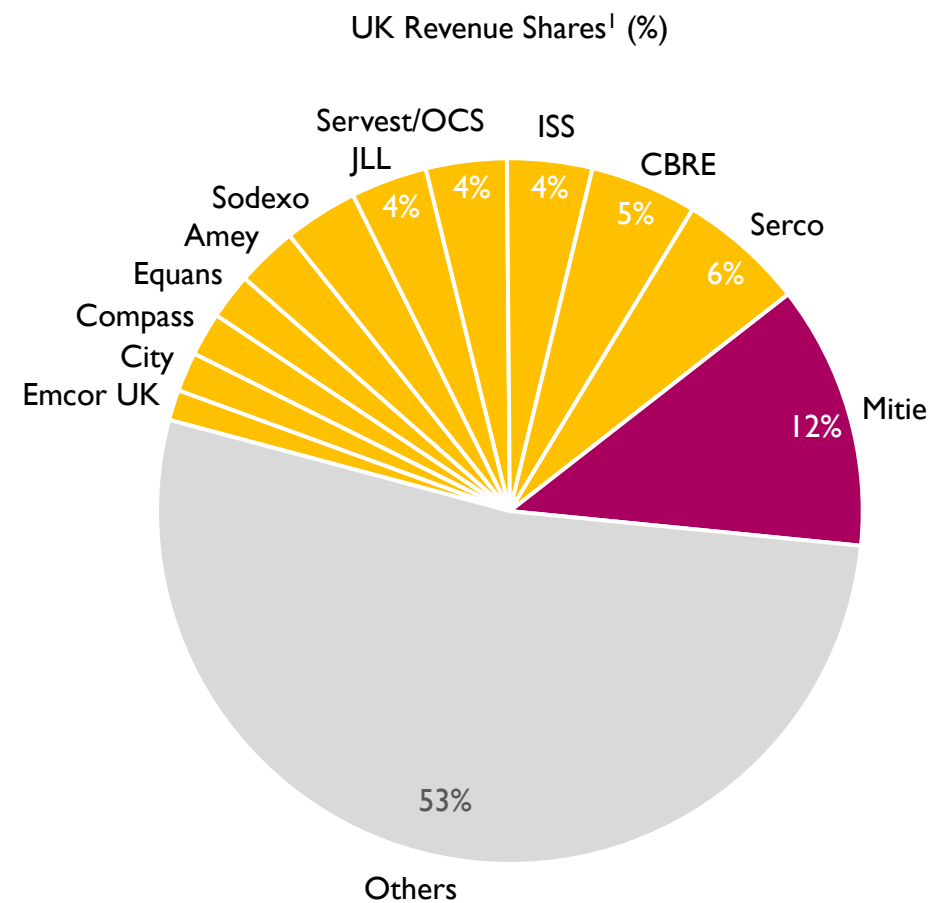
The market continues to consolidate

Number of UK FM M&A Deals (+22% p.a.)

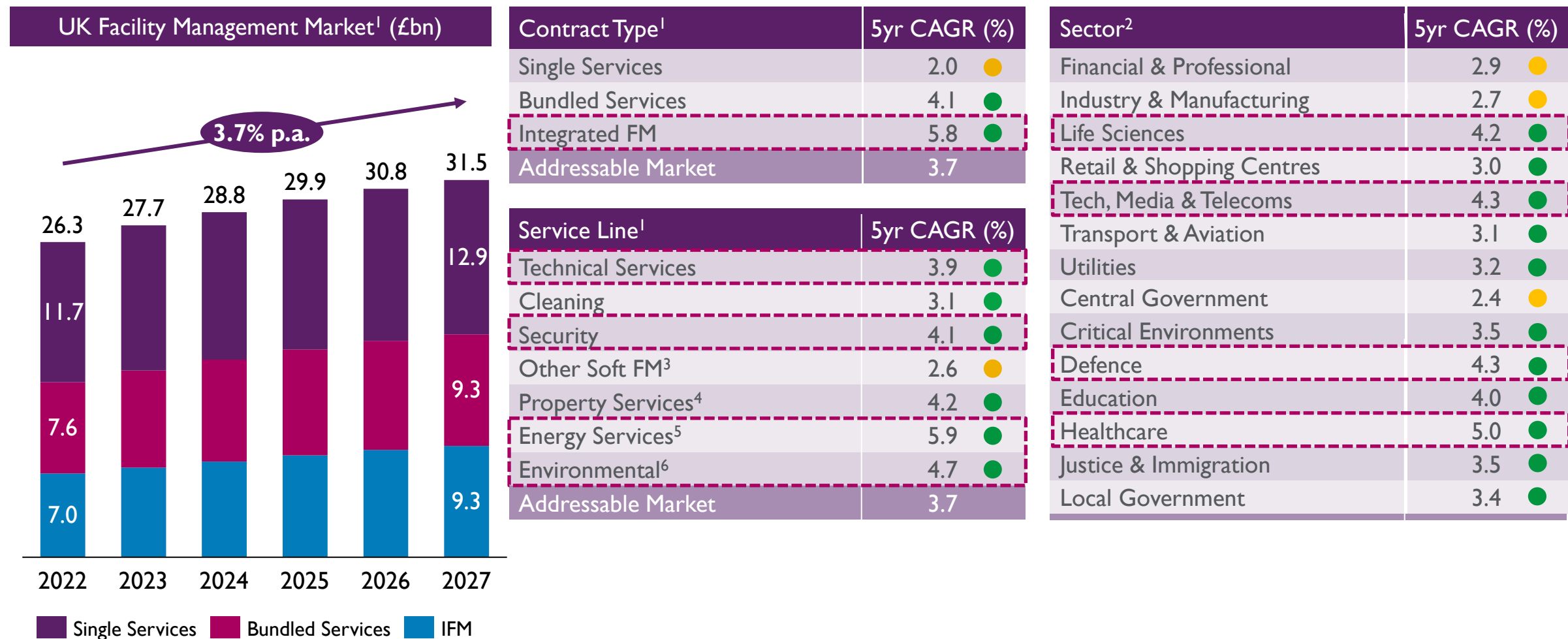


Sources: Frost & Sullivan, Grant Thornton. Notes: 1) Excluding Catering, IT, and Communications. 2) Central and Eastern Europe, including Poland, Czech Republic, Slovakia, Romania, Bulgaria, Ukraine, Hungary, Latvia, Lithuania, Estonia, Turkey, Belarus, Moldova, Serbia, Bosnia, Croatia, Slovenia, Albania, Macedonia, and Montenegro.

... where Mitie is the clear market leader



Mitie's service lines and sectors have attractive growth prospects...



Source: Frost & Sullivan (nominal growth).

Notes: 1) Excluding Catering, IT, and Communications. 2) Including Catering, IT, and Communications. 3) Vending, Courier Services, Laundry Services, Post Room, Production, Reception. 4) Space Planning and Design, Landscaping, Property Acquisitions and Disposals, Relocation Management. 5) Building Energy Management Services. 6) Waste Management and Recycling Services.

... underpinned by positive macro-trends

Decarbonisation



£22bn UK Infrastructure Bank fund

Growth in 5G



£1 bn UK addressable market

Evolving workplaces



£600m UK addressable market

Re-purposing the electricity grid




£54bn National Grid Design Programme

Increasing data centre investments



£7bn p.a. UK data centre investment

Increasing defence spending



£11bn increase in defence spending

Private sector as first line of defence



£2.4bn security system market

Increasing business crime



£2bn p.a. cost of retail crime

Evolving response to immigration



60% increase in small boat arrivals / IMA¹

Circular economy



£880m UK capital deployed

Sources: UK Infrastructure Bank, Department for Digital, Culture, Media & Sport, Building Controls Industry Association, National Grid, Arizton, Defence Infrastructure Organisation, AMA Research, British Retail Consortium, Defence Infrastructure Organisation, ONS, UK Government, BDO. Note: 1) Illegal Migration Act, effective early 2024.

We are recognised as an ESG leader in our industry

Five Social Pillars



Reversing the effects of climate change

- 3,700 EVs – one of UK's largest EV fleets
- Ambitious 2025 Net Zero target
- SBTi validation in April

Environment



Creating quality jobs and improving skills

- New Employee Value Proposition
- Industry leading benefits package
- 57% 'record' employee engagement

People



Shaping the future delivery of sustainability

- 5,000 users per month on mitiesuppliers.com
- >40% of spending through SMEs
- c.£5m p.a. spend on VCSEs

Responsible Supply Chain



Promoting levelling up agendas

- 1,100 apprenticeships; 550 'Ready2Work' recruits
- 3.5% of employees from Armed Forces
- 20k volunteer hours p.a.

Community

Innovation

Empowered by technology, driven by data and made exceptional by people

External Ratings

SUSTAINALYTICS
a Morningstar company
Low risk: 12.4

CDP
DISCLOSURE INSIGHT ACTION
Score: B / A-

SFMI
The Sustainable FM Index
Platinum

MSCI ESG RATINGS
AA
Score: AA

Awards

WINNER
ESG Investing AWARDS 2023

top EMPLOYER
UNITED KINGDOM 2023
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Apprenticeships
Top 100 Employers 2023

PLAN ZERO
A MITIE INITIATIVE

CLIMATE GROUP
EV100

MEMBER OF
The 5% Club
INVESTING IN A COLLECTIVE

ISO
ISO 50001
ENERGY MANAGEMENT

EBMA
WINNER

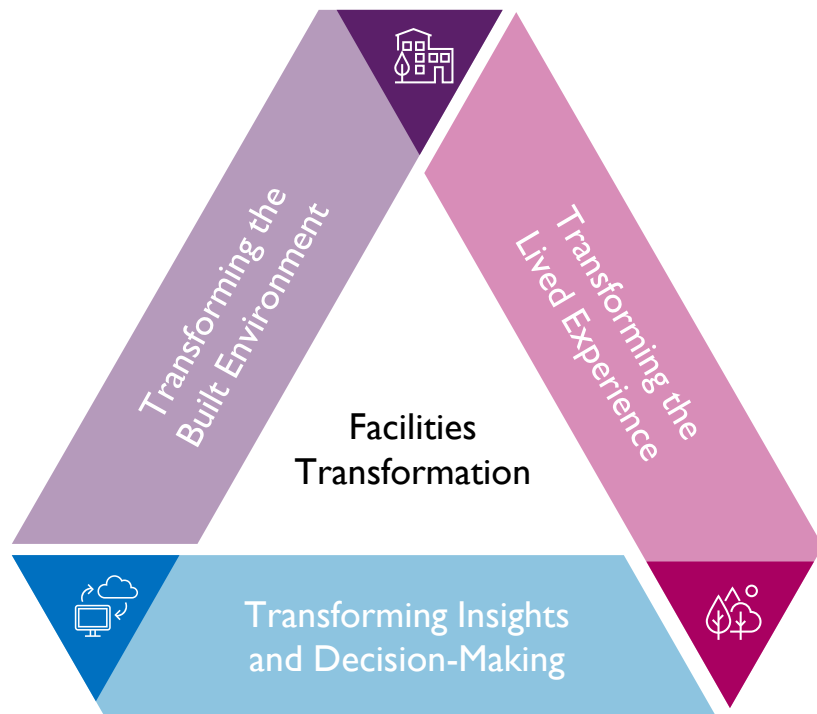
INCLUSIVE TOP 50
UK EMPLOYERS

SCIENCE BASED TARGETS

RE 100
EP 100

New Three-Year Plan (FY25-FY27):
**From Facilities Management to
Facilities Transformation**

Our mission: From Facilities Management leader to Facilities Transformation leader



Optimising asset performance and maximising productivity

- Building automation
- Remote monitoring
- BIM / Digital Twins
- Artificial intelligence

Transforming estates, workplaces and customer experience

- User centric
- Commuter-worthy
- Space optimised
- Flexed

Creating healthier and more sustainable spaces

- Real-time tracking
- Spill detect
- Circular economy
- Demand-led robotics

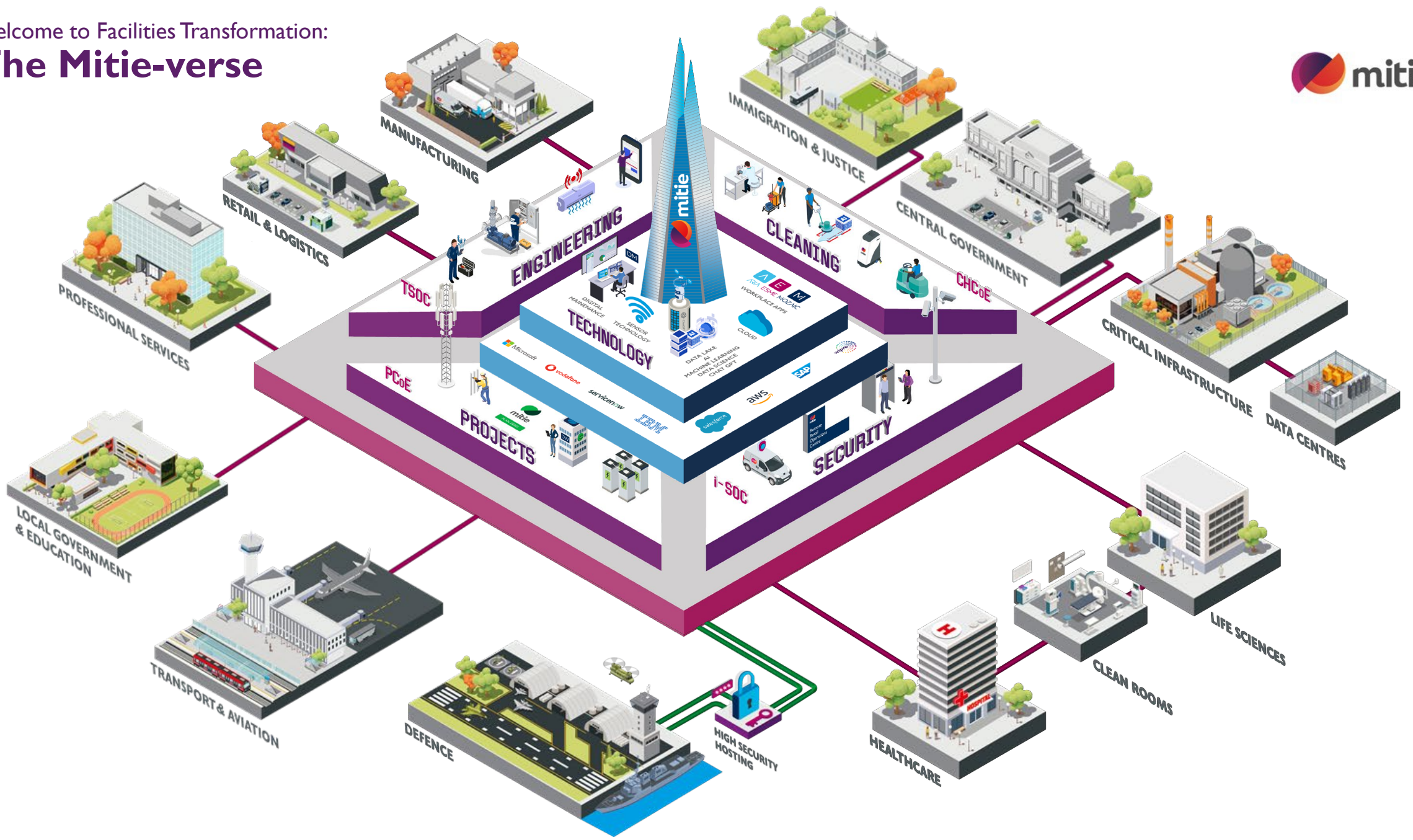
Protecting people, property and assets

- Risk assurance
- Perimeter hardening
- Facial recognition
- Artificial intelligence

Accelerating the path to Net Zero

- Renewables and storage
- Electric Vehicles
- Energy independence
- Network optimisation

Welcome to Facilities Transformation: The Mitie-verse



We will achieve our vision through the three key pillars of our new Plan

Infill M&A

- Participate in high-growth, high-margin adjacencies
- Provide access to Mitie customers, systems, and funding
- Maintain high-performing and entrepreneurial culture

Projects Upsell

- Market-leading Consult/Design/Build capabilities
- Access to Mitie's large, diverse blue-chip customer base
- Standards and technology through Projects Centre of Excellence
- Full asset lifecycle/upgrade approach

Key Account Growth

- High win rates, renewal rates, and IFM penetration
- Stable, inflation-linked revenues; strong order book
- Clear leadership positions in all core services
- Significant economies of scale
- Investment to maintain technology leadership

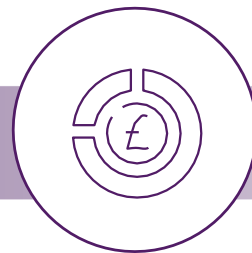
From Facilities Management to Facilities Transformation: Medium-term targets (FY25-FY27)



Strong financial performance



Growing Revenue

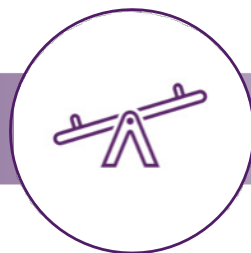


Growing Operating Profit Margin



Growing Free Cash Flow

Disciplined capital allocation



Low Leverage



High ROIC

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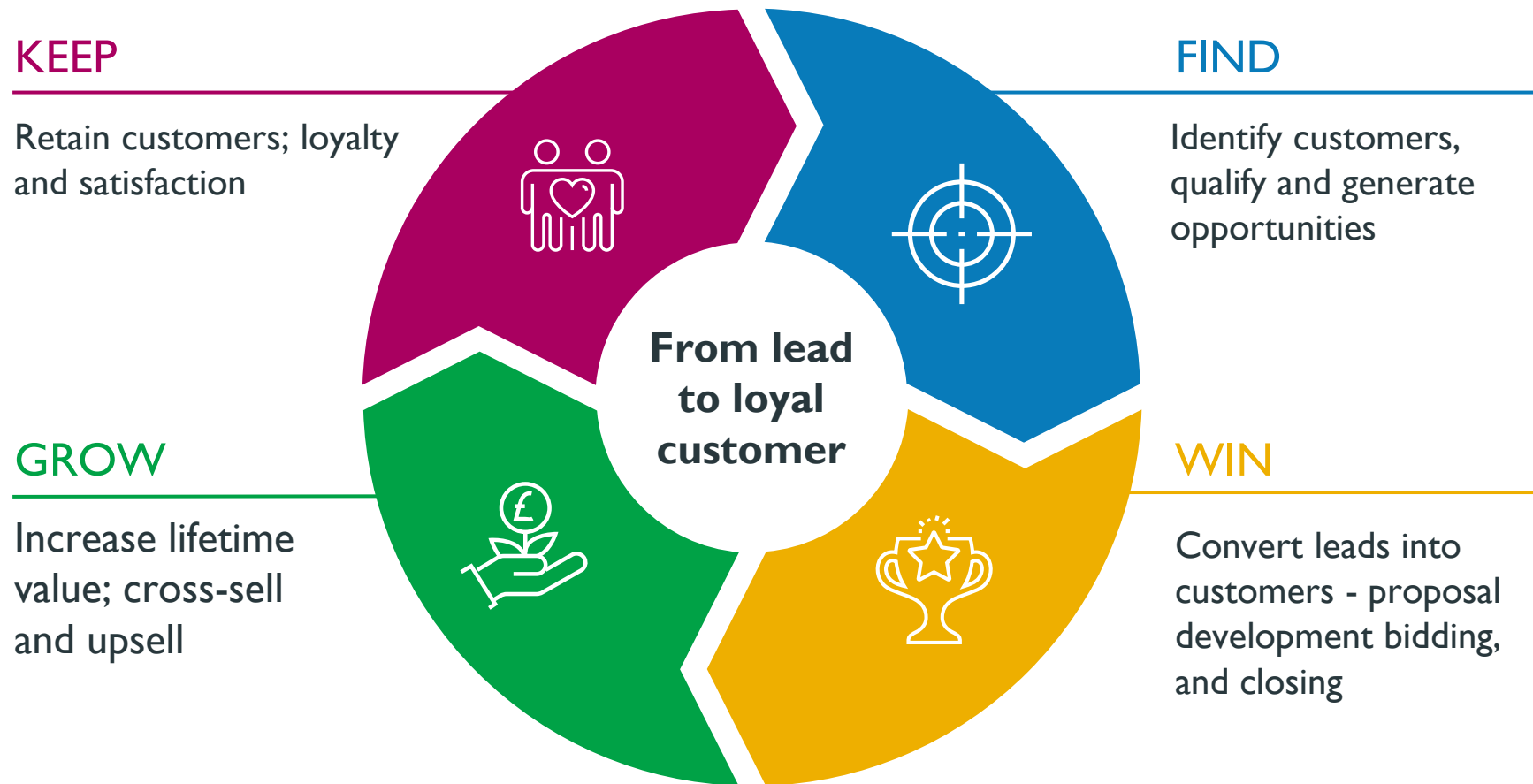
Sales Acceleration and Marketing Strategy

12 October 2023

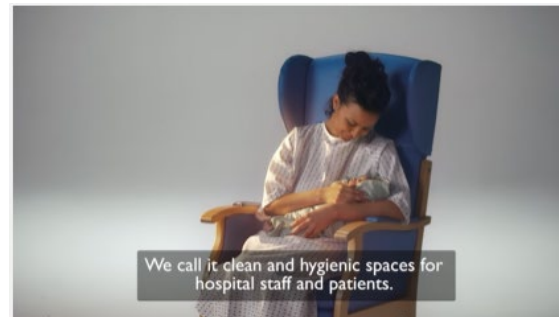
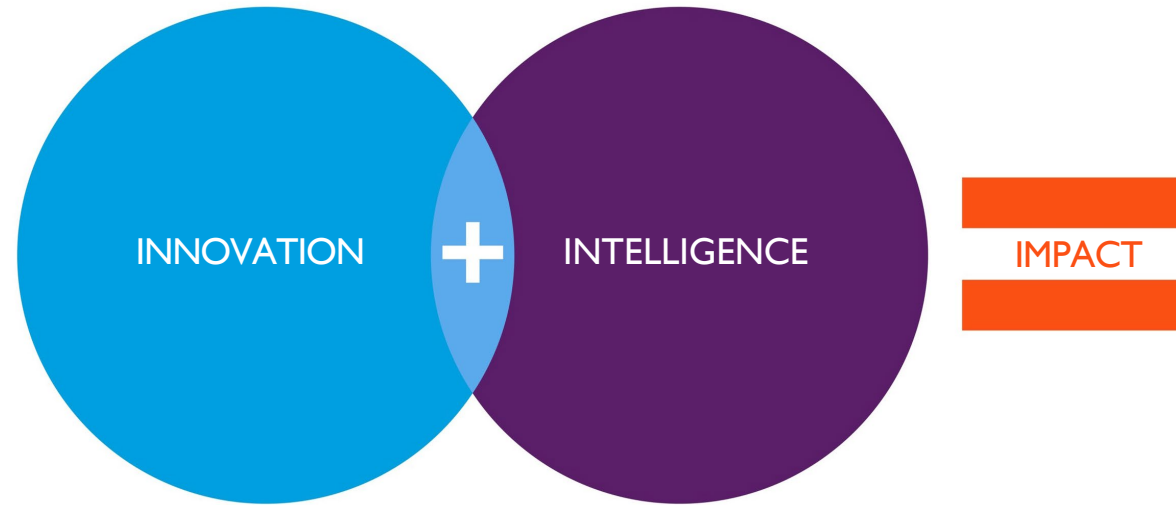


Maria Winn,
Chief Marketing Officer

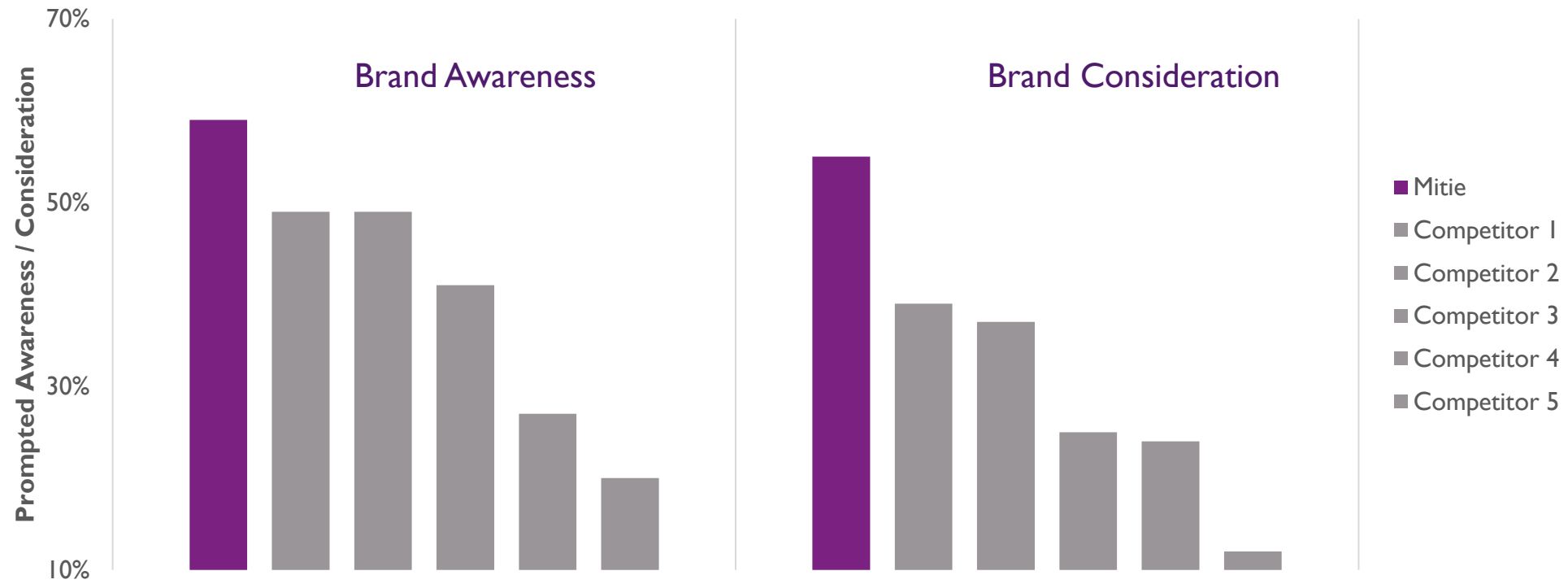
Mitie's four-stage sales process maps to the customer journey



FIND: We have pioneered a new approach to deliver Facilities Transformation: 'The Science of Service'®



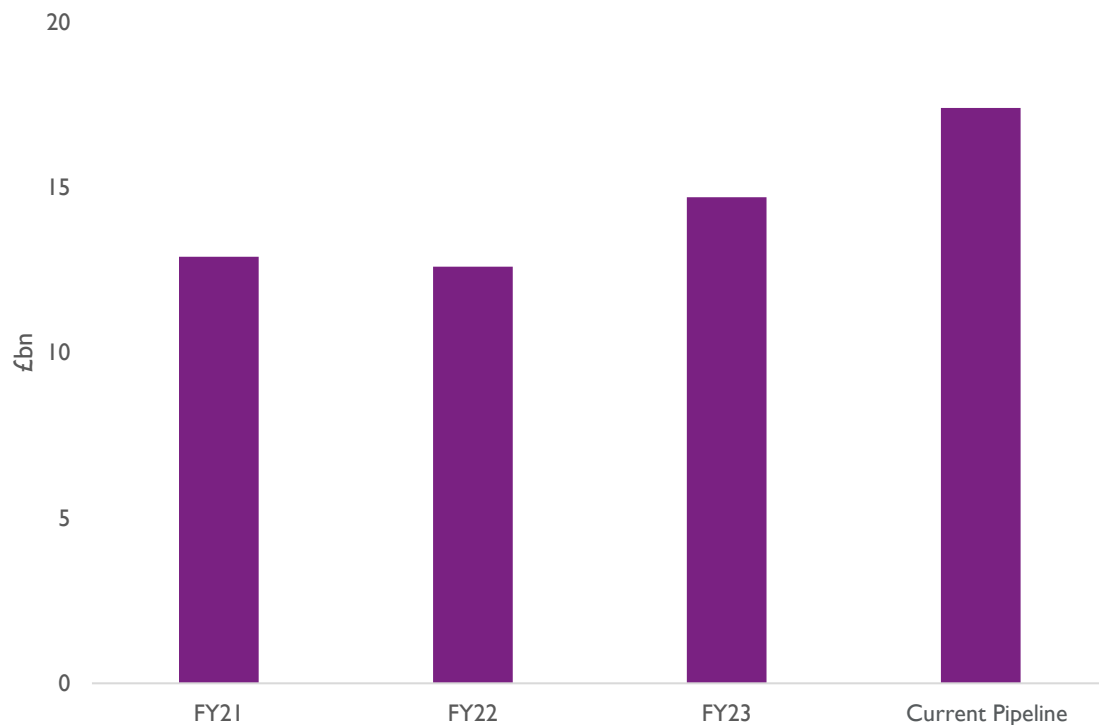
FIND: Our brand proposition resonates: #1 for awareness & consideration



- Brand Tracker 2022 – B2B International
- Organisations with over 2500 employees

FIND: Our pipeline has expanded by 34% since FY21

Total Pipeline TCV (£bn)



Outbound sales team

- Prospecting pipeline and nurturing relationships
- Expanding to new decision makers like HR and Sustainability

Sales talent development

- New sales apprenticeships
- Talent development programme

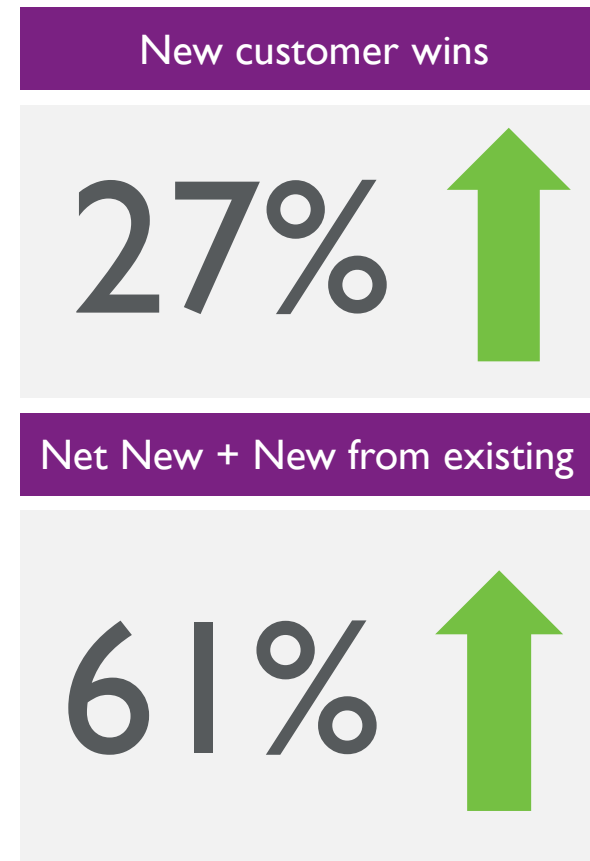
'Frictionless' Sales

- 'Perfect pitches'
- Content library



WIN: Strong conversion rates driven by transformation of sales capability

- 1** Benchmarking and data analytics
 - Price and efficiency benchmarking analytics
- 2** Sales expertise
 - SMEs
 - 200 Energy Consultants
- 3** Mitie Deal Labs
 - Centres of excellence
 - 18-point scoresheet for bid quality
- 4** Sector specific propositions
 - Science of Service healthcare – John Radcliffe Hospital
 - Retail security – Sainsbury's and Co-op
- 5** Bid automation
 - Automate repetitive tasks
 - Research and data analysis

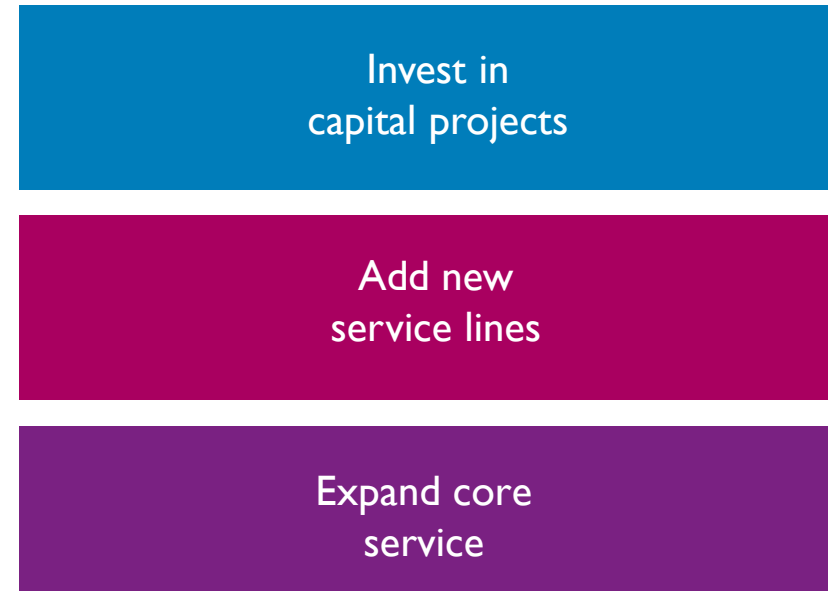


GROW: Top 10 strategic accounts achieve 15% CAGR

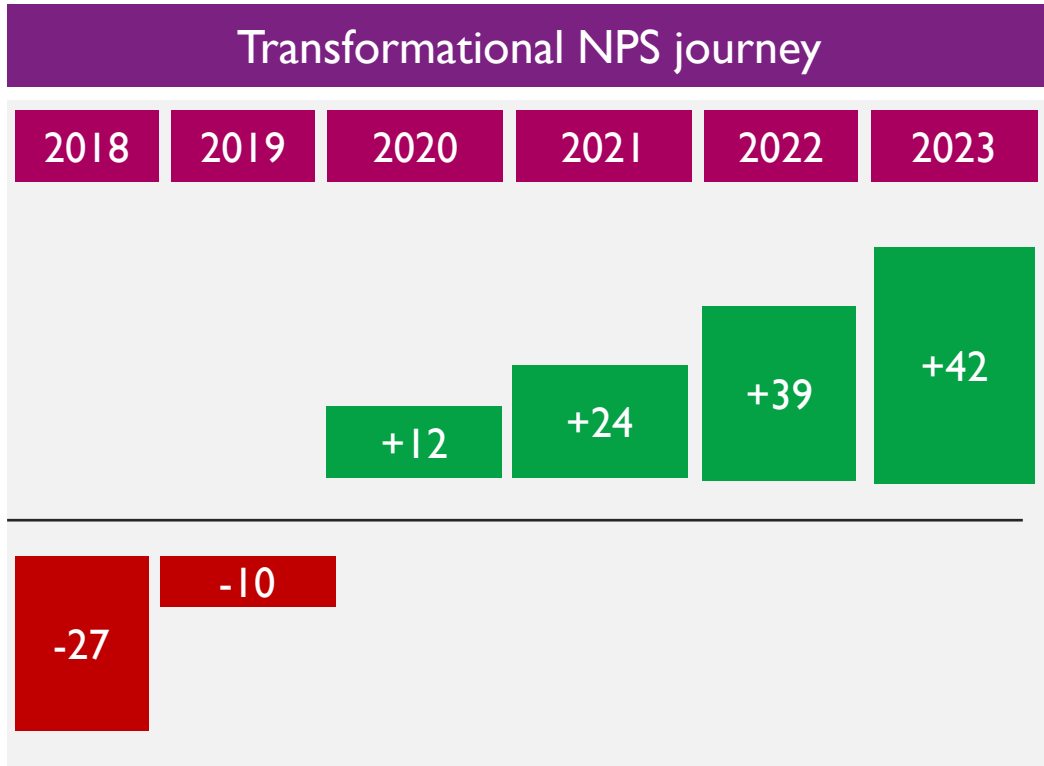
Mitie Top 10 Account Revenue **>£1.3bn**

Mitie Top 10 Account CAGR **15%**
Market CAGR = 5%
FY21 – FY24

Increase share of wallet



KEEP: Commitment to meeting customers' needs: quality of service, credentials and value driving high retention rates



Retention rate in FY23
>90%

Strategic account manager programme from
39 to **95**
Accounts in 2019 Accounts in 2023 ↑



ISO44001
International collaborative working standard

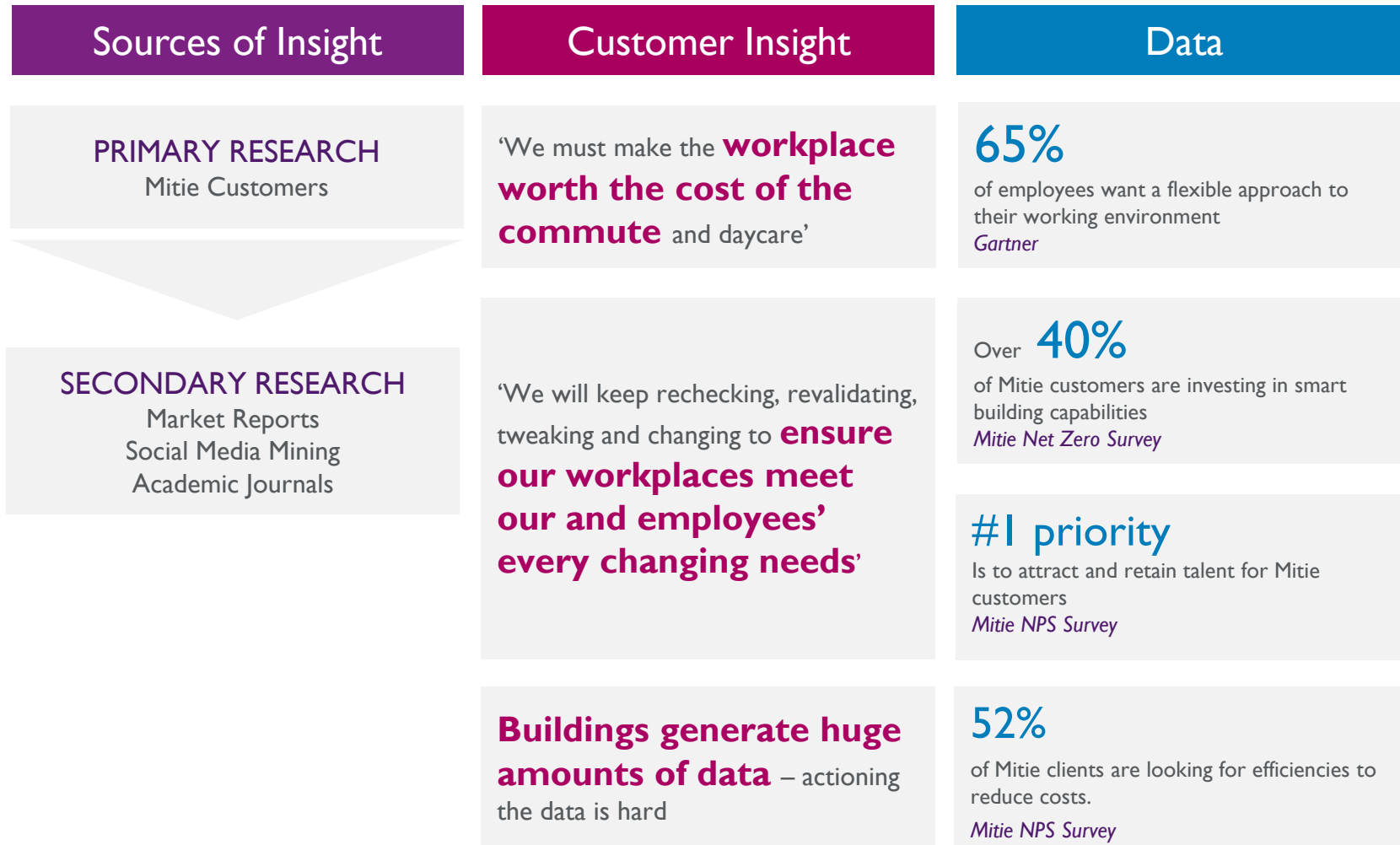
Six Sigma
Continuous Improvement

Value
Cost to serve advantages

Innovation

ESG credentials
Social Value and Plan Zero

Leveraging insight to identify customer needs



Thought Leadership

QUESTION ONE
What is our pathway to net zero carbon?

KEY TAKEAWAY FOR RELEADERS
Use building data and insights to ensure optimum efficiency of buildings and invest in decarbonisation of heating systems. These are essential steps on every organisation's pathway to net zero carbon.

ACCELERATING FACILITIES TRANSFORMATION
Eight key questions FM leaders must ask

DELIVERING DECARBONISATION
Delivering decarbonisation requires a strategic approach. It's not just about energy efficiency, but also about reducing carbon emissions across the entire value chain. This involves a combination of energy efficiency measures, renewable energy adoption, and carbon offsetting. The key is to understand the specific carbon footprint of your organisation and to develop a clear, actionable plan to reduce it.

HEATING SYSTEMS: A GOOD PLACE TO START
Heating systems are a major source of carbon emissions in most buildings. Replacing old, inefficient heating systems with modern, energy-efficient alternatives can significantly reduce your carbon footprint. This is a good place to start your decarbonisation journey, as it has a high impact and is often a relatively straightforward process.

BUILDING COMPLEXITY
Buildings are becoming increasingly complex, with a wide range of different systems and components. This complexity makes it difficult to manage and maintain, and it can also lead to higher energy consumption and carbon emissions. To address this, FM leaders need to invest in smart building technologies that can help them to better understand and manage their buildings' energy performance.

Renewable energy and electric fleets
As organisations look to reduce their carbon footprint, renewable energy and electric fleets are becoming increasingly important. Renewable energy provides a clean, sustainable source of power, while electric fleets offer a more efficient and cost-effective way to transport goods and people. Both of these solutions can help organisations to achieve their net zero carbon goals.

From Facilities Management to Facilities Transformation: Identifying and addressing our customers' needs



Optimising asset performance and maximising productivity

Transforming estates, workplaces and customer experience

Creating healthier and more sustainable spaces

Protecting people, property and assets

Accelerating the path to Net Zero

Some call it **INTELLIGENT BUILDINGS**

We call it keeping schools open on cold and frosty mornings. Where we can spot, diagnose and solve problems with school heating systems before they happen. This is the Science of Service. This is just the start.

The exceptional, every day. mitie.com/scienceofservice

Some call it **HYBRID WORKING**

We call it creating workplaces where people thrive. Where we go further physical and sensory than to ensure employee wellbeing and create programs to connect, collaborate and grow. This is the Science of Service. This is just the start.

The exceptional, every day. mitie.com/scienceofservice

The Science of Service for Healthcare

Commitment counts

2025 We're on track to deliver 35 years ahead of government targets (Scope 1 and 2 emissions)	100% Sustainable energy used within our business.	19 TWh Of energy generated for our customers.	£4bn+ Of energy saved managed for some of the top 500 firms in the UK.
1st For Energy Group of the Year by The Carbon Group for the 20th, 21st and 22nd years.	2600 EV charge points across our sites and client sites.		

Decarbonisation, Delivered. [mitie PLAN ZERO](https://mitie.com/PLANZERO) 12



SMART WORKPLACES BY MITIE

Digital maintenance for seamless delivery.

We're smart enough to take an intelligent approach to NHS facilities management.

[READ MORE](#)

The Science of Service for Healthcare. [mitie](https://mitie.com)

INTELLIGENCE

Through Mitie's Science of Service approach, we simplify the impact of this technology by combining it with the power of intelligence, with innovation in health, energy, operations, integration, reliability and performance can be achieved, allowing teams on the ground to have the best care delivery.

744 **OPERATIONS**

THROUGH MITIE'S SCIENCE OF SERVICE APPROACH, WE SIMPLIFY THE IMPACT OF THIS TECHNOLOGY BY COMBINING IT WITH THE POWER OF INTELLIGENCE, WITH INNOVATION IN HEALTH, ENERGY, OPERATIONS, INTEGRATION, RELIABILITY AND PERFORMANCE CAN BE ACHIEVED, ALLOWING TEAMS ON THE GROUND TO HAVE THE BEST CARE DELIVERY.

744 OPERATIONS

744 OPERATIONS

Plan Zero core capabilities

DECARBONISATION ROADMAP Set your savings and create plans to deliver net zero.

OPTIMIZE SPEND & ENERGY COSTS Diversify your energy sources, get smarter about energy procurement and controlling, and self-generate power.

CREATE EFFICIENCIES Optimize and modernize buildings, sites and equipment, with a range of smart technologies and solutions.

SECURE ENERGY Increase certainty of supply by investing in renewable energy and reducing dependence on the grid.

TRANSFORM OPERATIONS Push operations, effective routes to net zero through building and power infrastructure upgrades, EV fleet transition and leadership goals.

Decarbonisation, Delivered. [mitie PLAN ZERO](https://mitie.com/PLANZERO) 5



Smart Workplaces **IMAGINED.** We help you reimagine working spaces where people collaborate and grow.

DELIVERED. We help you reimagine working spaces where people collaborate and grow.

MANAGED. We help you reimagine working spaces where people collaborate and grow.

[mitie](https://mitie.com)

MODERN RETAIL SECURITY

Seamless FM

Smart Workplaces

Science of Service for Healthcare

Mitie Security: A Step Ahead

Decarbonisation, Delivered.

The five customer needs in practice

Optimising
asset performance
and maximising
productivity



Transforming estates,
workplaces and
customer experience



Creating healthier and
more sustainable
spaces



Protecting people,
property and assets



Accelerating the path
to Net Zero



A winning formula for sales acceleration



Note: 1) FY23 retention greater than 90%.

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Investing in Technology Leadership

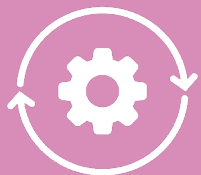
12 October 2023



Cijo Joseph,
Chief Technology and Information Officer

We view technologies through two lenses

Operational excellence



Improve workforce productivity



Drive efficiencies



Reduce our cost to serve

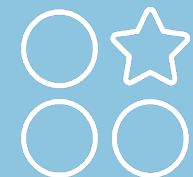
Value creation



Improve customer experience

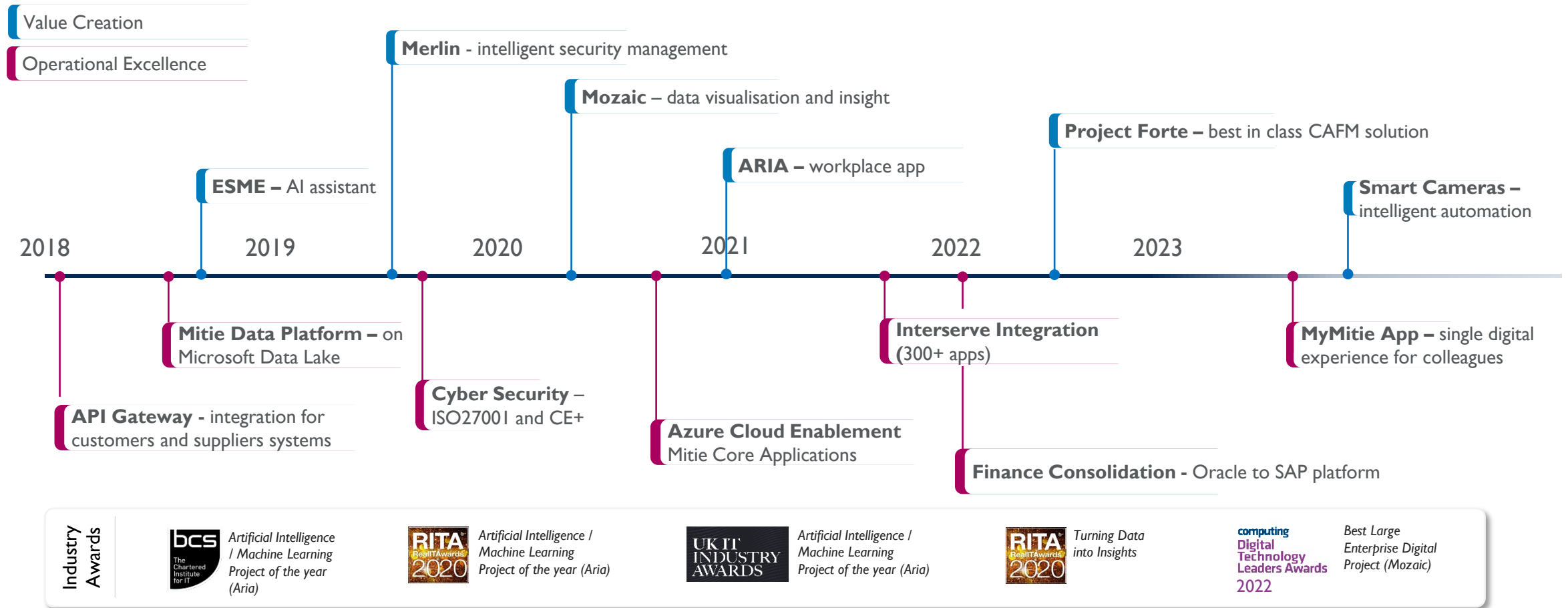


Provide data and insights



Differentiate Mitie in marketplace

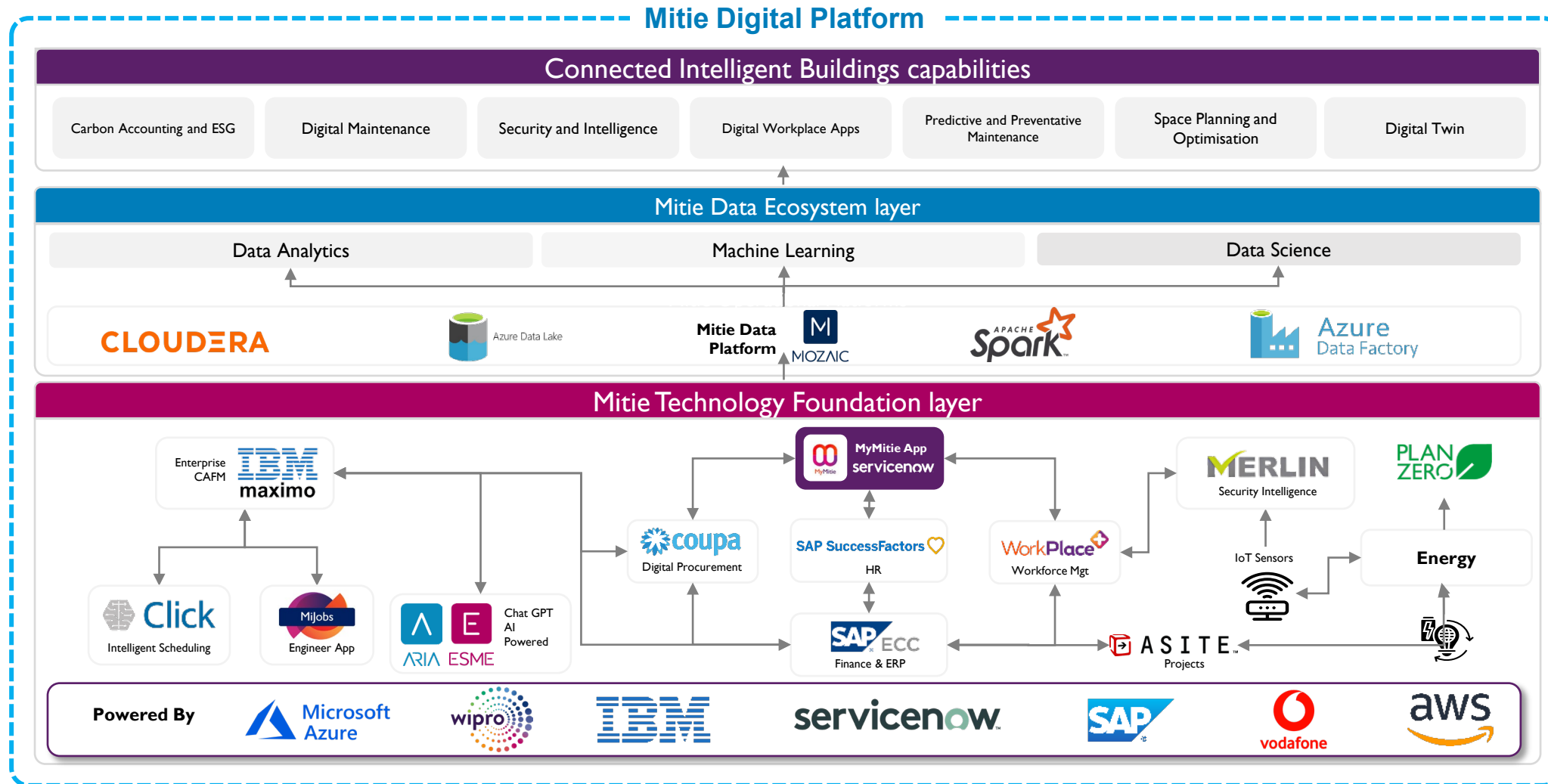
We have invested £145m in technology over the past six years



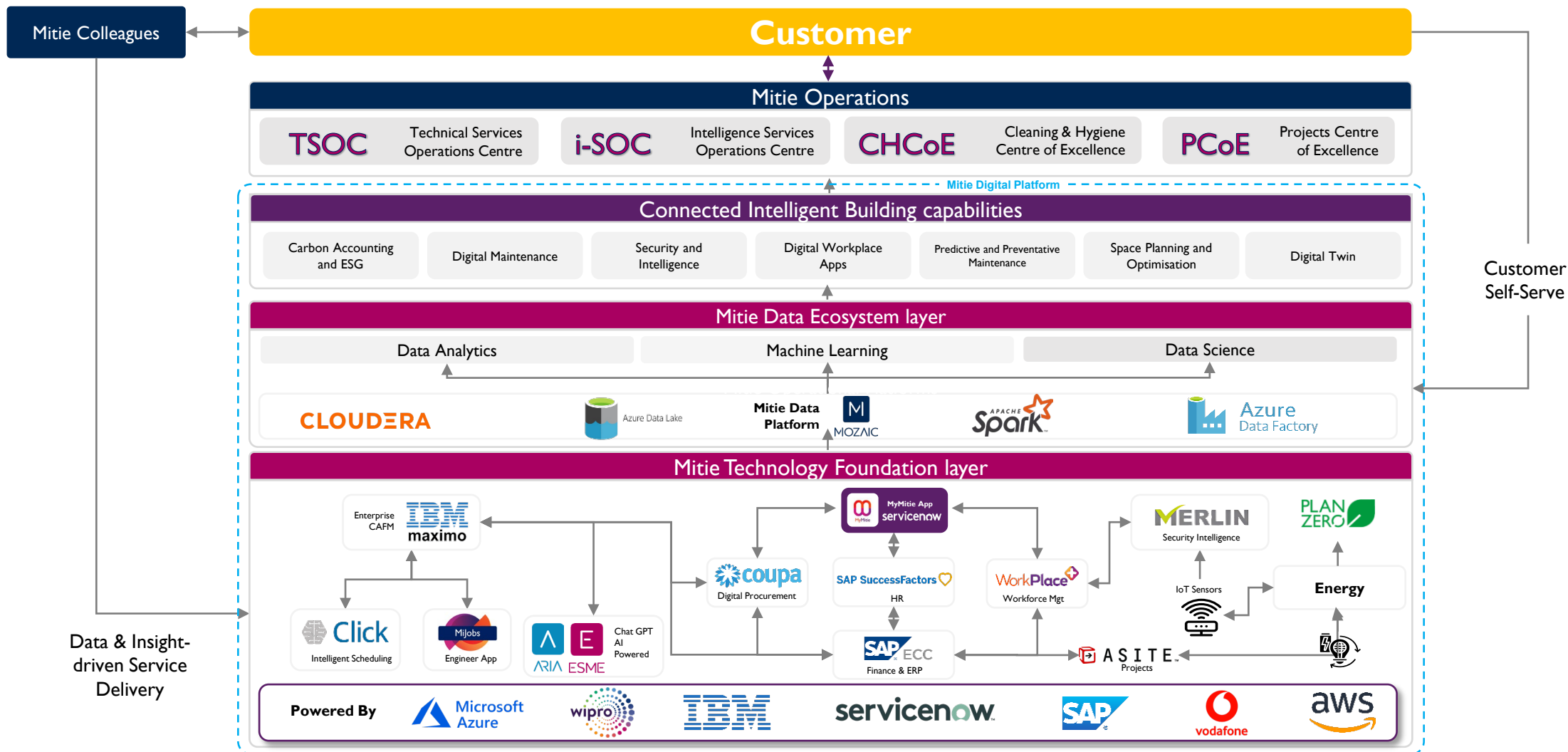
Creating the unique Mitie Digital Platform - at the heart of our business and Facilities Transformation



The Platform is built on foundation and data ecosystem layers, providing connected intelligent buildings capabilities



This creates an integrated ecosystem of connected technologies



As the landscape continues to evolve, we are bringing new technologies to our customers and seeing positive impact



<p>Optimising asset performance and maximising productivity</p>	<p>Transforming estates, workplaces and customer experience</p>	<p>Creating healthier and more sustainable spaces</p>	<p>Protecting people, property and assets</p>	<p>Accelerating the path to Net Zero</p>
<p>Digital Maintenance</p> <p>c.95% of BMS incidents managed remotely, 20 million data checks analysed every week</p>	<p>Aria/Esme – workplace app</p> <p>Reduce time to raise a service request from 6 mins to 42 secs on average and allow users to track status</p>	<p>Cleaning Robotics</p> <p>Deployments delivering a 35%-52% reduction in carpet pathogens</p>	<p>Merlin Security Patrol</p> <p>Offer demand-led app-based incidence management to customers</p>	<p>Carbon and Energy Reporting</p> <p>Enabling net zero planning and execution supported by robust carbon accounting and efficiency insights</p>

We are leading Facilities Transformation, through our unique Mitie Digital Platform



- **AI-led predictive maintenance** for HVAC
- **Connected Engineer** and Remote Monitoring
- **Digital Maintenance** of assets

- **Demand-led cleaning** productivity through **Merlin**
- **AI Spill Detection** through Computer Vision
- **Robotics** for clean & healthy environments



- **Carbon Reporting** and Pathway to **NetZero**
- **Design technologies** for the built environment
- **Distributed Energy Management** System & Microgrid

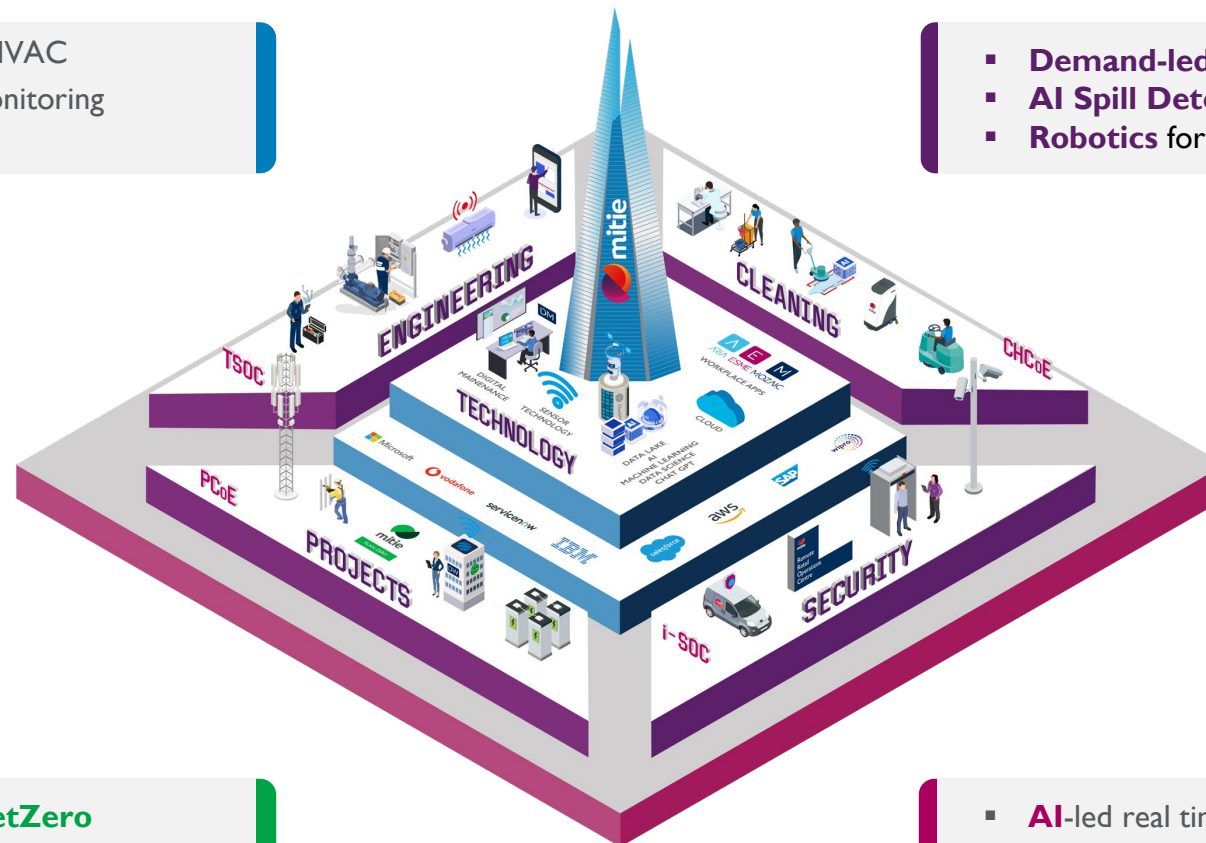
- **AI-led real time video analytics** for shrinkage prevention
- Secure Mobile **Access Control**
- Intelligent Security through **Merlin** Protect

We are leading Facilities Transformation, through our unique Mitie Digital Platform



- **AI-led predictive maintenance** for HVAC
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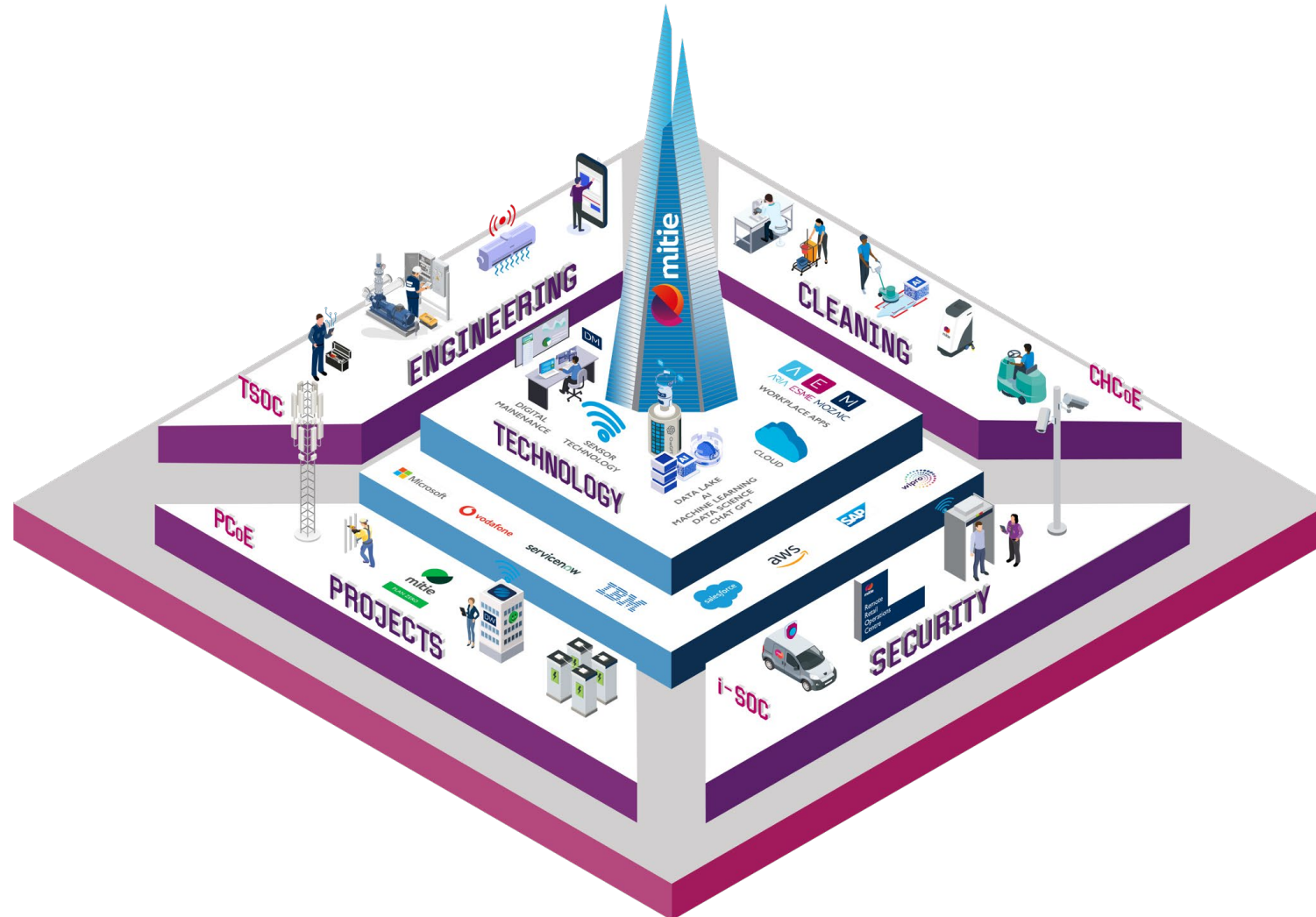


- **Carbon Reporting** and Pathway to **NetZero**
- **Design technologies** for the built environment
- **Distributed Energy Management** System & Microgrid

- **AI-led real time video analytics** for shrinkage prevention
- Secure Mobile **Access Control**
- Intelligent Security through **Merlin Protect**

Coffee break

Investing in our Service Line Capabilities



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Investing in our Service Line Capabilities: Cleaning & Hygiene

12 October 2023



Alice Woodwark,
Managing Director, Communities

Mitie Cleaning overview

Research & Development

Cleaning & Hygiene Centre of Excellence develops Mitie IP

Leading-edge technology

Driving efficiency and productivity gains through technology

Demand-led services

Combining people, robotics, sensors and data insights to deliver demand led, agile services



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

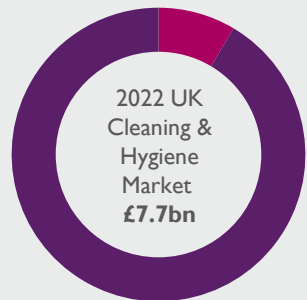
Creating healthier and more sustainable spaces

Protecting people, property & assets

Accelerating the path to Net Zero

Mitie is #1 in the UK Cleaning & Hygiene market

UK Cleaning & Hygiene Services Market



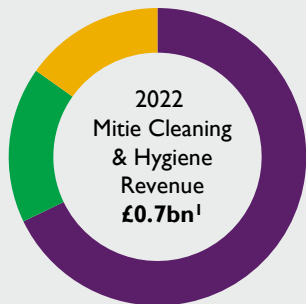
■ Mitie ■ Peers

£7.7bn market growing at 3.1% p.a.

Mitie has **9%** share of the UK Cleaning & Hygiene Services Market

£0.7bn¹ Mitie Cleaning & Hygiene revenues across the Group in CY22

Mitie Cleaning & Hygiene across the Group



■ Business Services (68%)
■ CG&D (17%)
■ Communities (15%)

Growth Drivers



Improving user experience **through healthier working environments** to attract workers back to the office



Customers align with partners focused on delivering **social goals, energy management** and **carbon reporting**



Net Zero ambitions leading to greener estates and workplaces



Advances in **robotics** and **sensors** enabling technology-led organisations to maximise cleaning productivity



Big data and **advanced analytics** create opportunities to deliver more value at lower cost

Sources: Frost & Sullivan.

Notes: 1) CY22 estimated revenue across the group.

Investing in Mitie R&D across cleaning service lines

Headlines

Investment in Mitie's own R&D facility, the Cleaning & Hygiene Centre of Excellence

Investment in unique software solutions

Proof of positive ROI through the deployment of technology, sensors and robotics

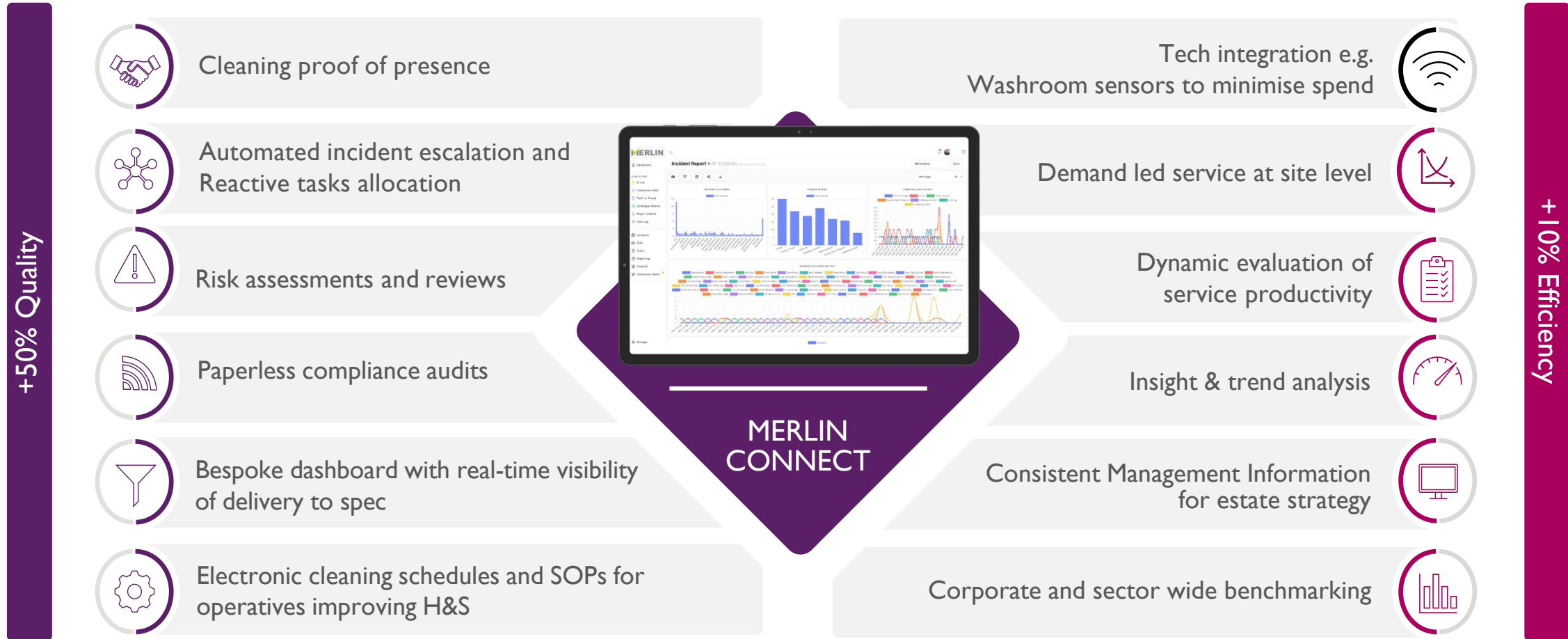


Cleaning & Hygiene	Washroom Services	Clean Room Capability	Intelligent Cleaning Software	Hygienic Assured Cleaning	Biohazard & Disaster Response
MITIE	●	●	●	●	●
ISS	●	●	●	●	●
Atalian Servest/OCS	●	●	●	●	●
Churchill	●	●	●	●	●
Bidvest Noonan	●	●	●	●	●
Carlisle	●	●	●	●	●

Mitie Cleaning & Hygiene Centre of Excellence, Birmingham

Source: Frost & Sullivan assessment on self-delivery capability (● Significant and part of core offering, ● Limited experience or references, ● None)

Merlin Connect: Leading-edge technology



Case study: Delivering demand-led and flexible services for a large e-commerce business



Customer need

Top employee engagement & staff retention

Mitigate rising labour costs and inflation

High degree of flexibility to support growth

Utilisation of Technology to drive productivity

Service solutions

Dedicated delivery model



- Dedicated team
- Dedicated Quality, Health and Safety expertise

Bespoke engagement programme



- Engagement workshops
- 'Night club' – Out of hours engagement roadshows
- Reward and recognition

Merlin Connect



- Captures activity, audit and productivity data
- Analytics drives operating model
- Productivity gains of 10% identified

Peak demand planning



- Service matches demand peaks and troughs
- Resilient, compliant, safety-focused delivery

Outcomes

Lowest staff attrition in sector (10%)

Net Promoter Score = 100

Revenue +50% year on year (£34m)

Cross-sell Engineering, Projects, Solar

Our competitive advantage and why we win



INNOVATION INVESTMENT

Unique R&D capability in the Cleaning & Hygiene Centre of Excellence



SECTOR INNOVATION

From new robotics to the latest eco products to reduce or eliminate chemical use



PEOPLE & OPERATIONAL EXCELLENCE

Skills investment (British Institute of Cleaning Science) and interactive training modules



SUSTAINABLE & HYGIENIC ENVIRONMENTS

Commitment to increased cleaning efficacy through robotics, data insight and advanced audit technology



DATA AND INSIGHTS

Unique data sets and analytical skills provide market-beating insights into productivity and quality (e.g., Merlin Connect)

Our commitment to facilities transformation delivers real value in Cleaning & Hygiene



Research & Development

Cleaning & Hygiene Centre of Excellence develops Mitie IP

Leading-edge technology

Driving efficiency and productivity gains through technology

Demand-led services

Combining people, robotics, sensors and data insights to deliver demand led, agile services



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

Creating healthier and more sustainable spaces

Protecting people, property & assets

Accelerating the path to Net Zero

2023 Capital Markets Day

Investing in our Service Line Capabilities: Security

12 October 2023



Jason Towse,
Managing Director, Business Services

Security overview



#1 in the UK

Leading Integrator and converged security services provider in the UK

Technology led

Leveraging technology to maintain and build on our competitive advantage

Sector Expertise

Exceeding customers' needs and developing transformational solutions through a sectorised approach



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

Creating healthier and more sustainable spaces

Protecting people, property & assets

Accelerating the path to Net Zero



Mitie is the #1 provider in the UK Security market



UK Security Market



Mitie
Peers

£7.6bn market growing at 5.0% p.a.

- £4.6bn Security Services
- £2.4bn Security Systems
- £0.6bn Fire Protection

Mitie has **12%** share of the UK Security Services Market

£0.9bn¹ Mitie Security Services revenues across the Group in CY22

Growth Drivers



Shift towards a more holistic approach in response to an evolving threat landscape and to protect critical assets



Increasing business crime with theft, burglary, fraud and anti-social behaviour all on the rise



Advances in complex, integrated security and building systems leveraging cloud-based solutions and remotely managed services



Increasing customer demand for data analytics, automation and AI-powered systems and services



Changes in legislation e.g., Protect Duty, driving a change in protection levels for publicly accessible locations (PAL), and the Fire Safety Act 2021 / Building Safety Act 2022

Mitie Security across the Group



Business Services (97%)
CG&D (2%)
Communities (1%)

Sources: Frost & Sullivan (Security), AMA Research (Active Fire Detection and Electronic Security Systems). Note: 1) CY22 estimated revenue across the group.

We provide a broader suite of self-delivered Security services than our peers

Headlines

Complex service design and capability to manage customer changing risk profile

Delivering sophisticated technologies, complementing core physical security services

Delivering data, intelligence and insights, helping customers helping immediate interventions

Actionable intelligence through dedicated Security Operations Centre



	Security Personnel	Gates and Fencing	Fire & Security Systems	Risk & Assurance Systems	Proactive Intelligence Services	Mobile Security & Key Holding	Void Property	Lone Worker Solutions	Client Security Operations Centres	Alarm Receiving Centres	Vetting	Front of House
MITIE	●	●	●	●	●	●	●	●	●	●	●	●
G4S/Allied	●	●	●	●	●	●	●	●	●	●	●	●
ADT Fire & Security	●	●	●	●	●	●	●	●	●	●	●	●
Securitas/Stanley	●	●	●	●	●	●	●	●	●	●	●	●
Bidvest Noonan	●	●	●	●	●	●	●	●	●	●	●	●
Atalian Servest/OCS	●	●	●	●	●	●	●	●	●	●	●	●
ISS	●	●	●	●	●	●	●	●	●	●	●	●

Source: Frost & Sullivan assessment on self-delivery capability (● Significant and part of core offering, ● Limited experience or references, ● None)



mitie



SECURITY







A Step Ahead

Leveraging technology to optimise our Security services and protect people, property and assets



Case Study: Delivering a connected security solution to a national food retailer



Customer need	Service solutions		Outcomes
Mitigate rise in theft & violence (30%+)	<p data-bbox="537 465 1274 532">Connected security solutions</p>  <ul data-bbox="868 544 1248 748" style="list-style-type: none"> ▪ Retail, Corporate, Logistics ▪ Dedicated SOC ▪ Guarding, Store Detectives, Elite Guarding ▪ Systems Remote Monitoring and Engineering 	<p data-bbox="1289 465 2023 532">End to end crime management</p>  <ul data-bbox="1617 544 2002 748" style="list-style-type: none"> ▪ Dedicated Crime Intelligence Team ▪ Unique field-based Police Partnerships Model ▪ Case file management in Policing 	<p data-bbox="2066 451 2451 654">£48m Return on Investment</p>
Mitigate rising labour costs and inflation	<p data-bbox="537 879 1274 946">Risk based deployment model</p>  <ul data-bbox="868 958 1248 1133" style="list-style-type: none"> ▪ Data Analysis and Reporting across the estate ▪ Risk to Resource approach ▪ Real-time deployment of Store Detectives 	<p data-bbox="1289 879 2023 946">Data & intel sharing</p>  <ul data-bbox="1617 958 2002 1239" style="list-style-type: none"> ▪ Collaboration between Mitie & major retailers ▪ Information Sharing Agreement ▪ Direct intel sharing on prolific offenders and organised crime groups 	<p data-bbox="2066 661 2451 851">37,000+ arrests by Store Detectives</p>
Reduce Shrinkage			<p data-bbox="2066 865 2451 1058">3,700+ weeks in prison for prolific offenders</p>
Enhanced Customer Experience			<p data-bbox="2066 1072 2451 1265">1.2m security incidents managed and recorded</p>

Our competitive advantage and why we win



UNRIVALLED SCALE AND CAPABILITY

#1 UK provider in Converged Security

Size, scale and experience to win large transformational contracts



DELIVERING BETTER EXPERIENCES

Using intelligence and technology to support our people



TECHNOLOGY ENABLEMENT

Leading in the design, installation and monitoring of all facets of Physical Security



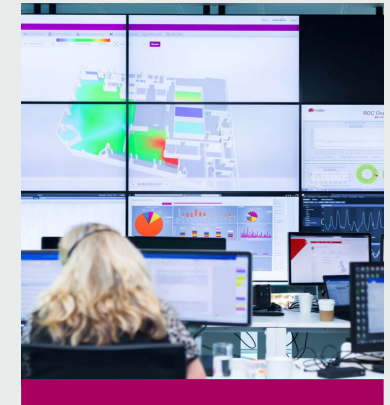
LEVERAGING DATA TO GAIN EFFICIENCIES

Using data and AI technology to identify efficiencies and design targeted security solutions



SECTOR EXPERTISE AND CAPABILITY

Leveraging our existing expertise and referenceability in key sectors, we continue to grow and diversify our service offering



STAYING AHEAD WITH INTELLIGENT PROTECTION

Our industry-leading intelligence services help to proactively protect people, property, and assets by providing real-time insights on emerging threats

'A step ahead' transforming security through an intelligent and converged approach



#1 in the UK

Leading Integrator and converged security services provider in the UK

Technology led

Leveraging technology to maintain and build on our competitive advantage

Sector Expertise

Exceeding customers' needs and developing transformational solutions through a sectorised approach



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

Creating healthier and more sustainable spaces

Protecting people, property & assets

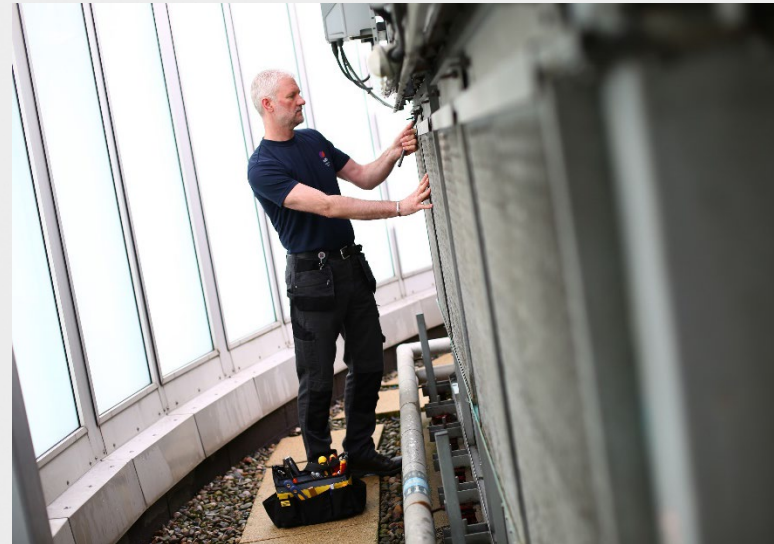
Accelerating the path to Net Zero



2023 Capital Markets Day

Investing in our Service Line Capabilities: Engineering

12 October 2023



Simon Venn,
Managing Director, Technical Services

Engineering at Mitie – Overview

Capability

Market leader with the **broadest** set of **Engineering capabilities** in the market

Technology

Most advanced Engineering tech platform in the market; **reducing our cost to serve** and delivering significant **value to our customers**

Accelerated Growth

Combined, this enables us to **cross sell and upsell higher value services**, increasing our margins and accelerating organic growth



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

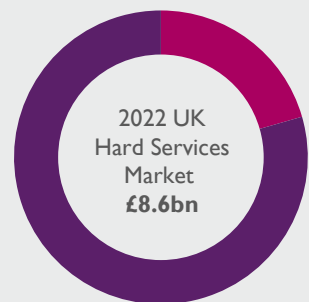
Creating healthier and more sustainable spaces

Protecting people, property & assets

Accelerating the path to Net Zero

Mitie is the #1 provider in the UK Engineering Services market

UK Hard Services Market



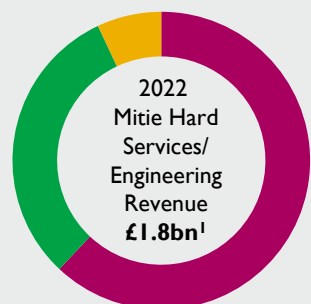
■ Mitie
■ Peers

£8.6bn market growing at 3.9% p.a., faster than overall Facilities Management market

Mitie has **21%** share of the UK Hard Services Market

£1.8bn¹ Mitie Hard Services / Engineering revenues across the Group in CY22

Mitie Hard Services / Engineering across the Group



■ Technical Services (62%)
■ CG&D (31%)
■ Communities (7%)

Sources: Frost & Sullivan. Note: 1) CY22 estimated revenue across the group.

Growth Drivers



Decarbonisation... Climate action and Net Zero ambitions which reduce energy and carbon



Healthy buildings and **wellness** in the workplace



Portfolio & Estate transformation enabling new ways of working and hybrid work solutions



Technology & roll out of **5G telecommunications**



War on Talent - Customer Experience to amplify the EVP (employee value propositions)

Our scale and technology enables us to deliver a broader range of core Engineering services than our peers



Our Capabilities

Biggest national mobile Engineering workforce

Only true self-delivery Engineering Services provider in market

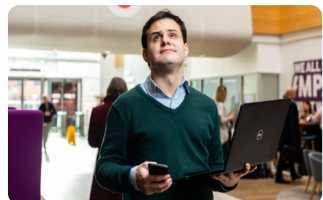
Tech enables Predictive Maintenance & Remote Management



	Reactive Maintenance	Planned Maintenance	National Mobile Delivery	Critical Infrastructure	Project Delivery	Helpdesk	Asset Capture	Predictive Maintenance	Remote Monitoring	Data Analytics	Energy reduction	Carbon Zero Planning	Capital Planning	Integrated Capital Projects	Asbestos	Water Management	Fixed Wire Testing	Total Cost of Ownership
Mitie	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
CBRE	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
JLL/Integral	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Equans	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
City FM	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
ISS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Vinci	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Emcor UK	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●

Source: Frost & Sullivan assessment on self-delivery capability (● Significant and part of core offering, ● Limited experience or references, ● None)

We are extending our core engineering capabilities into higher margin, higher value disciplines to address our customers' increasingly complex needs...



Workplace designers

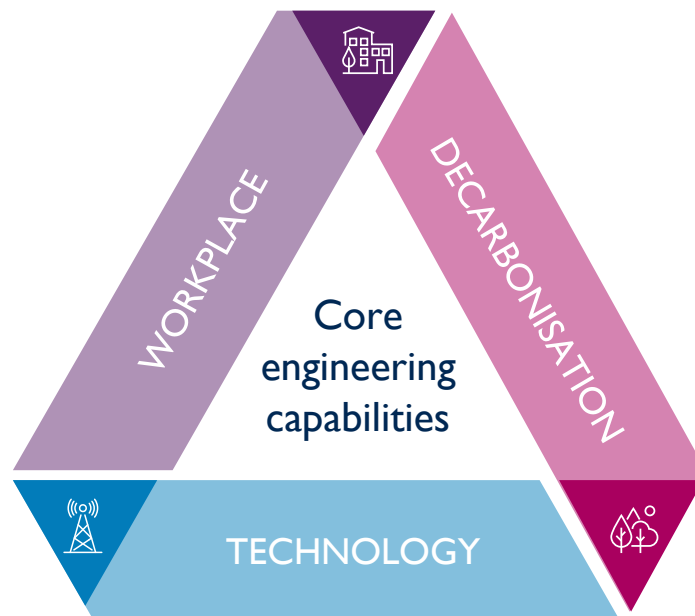


Architects



Consultants

Health and wellbeing specialists



HV network engineers



Battery engineers



Solar engineers

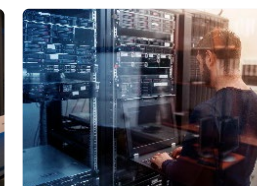
Energy management specialists



Telecoms engineers

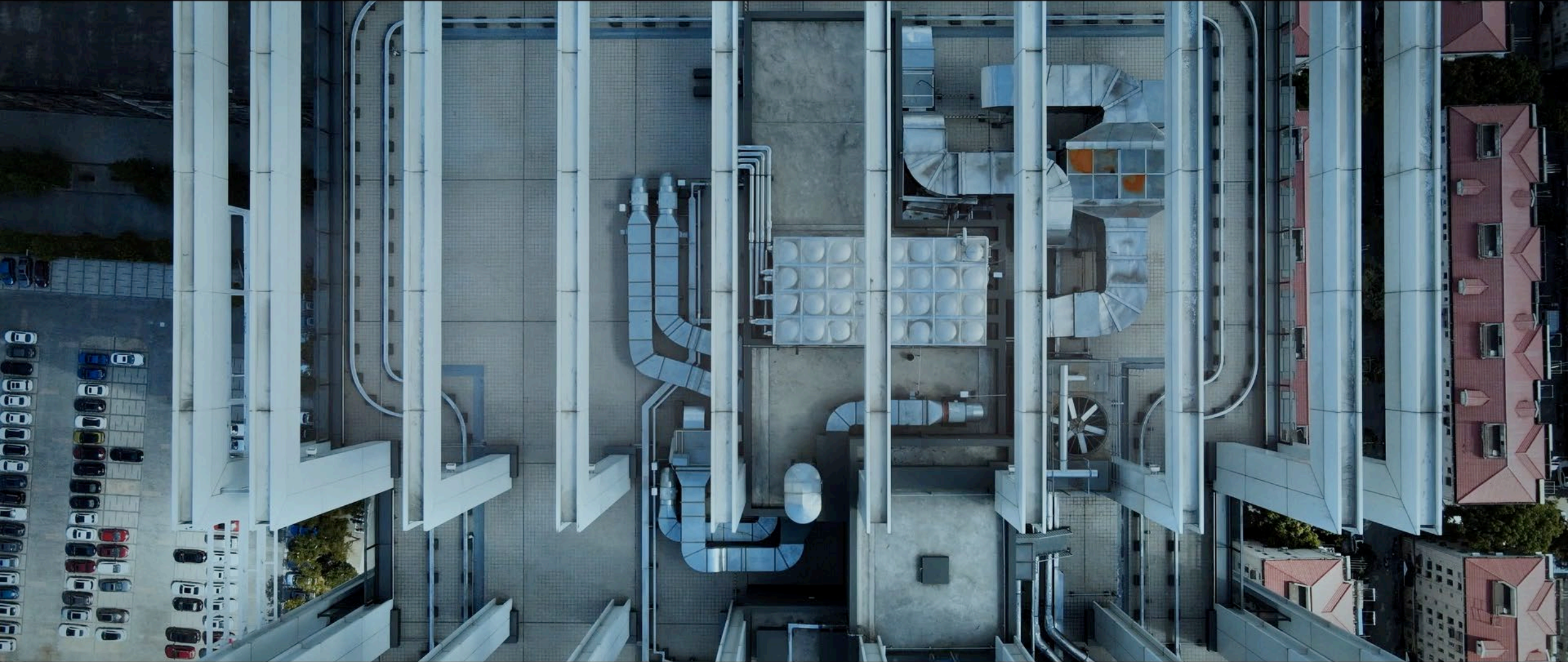
Network engineers

Data Centre specialists

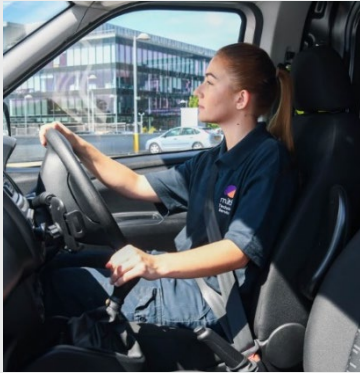


...underpinned by our Mitie Digital Platform with solutions and data insights that add significant value to our customers





Our competitive advantage and why we win



UNRIVALLED SCALE AND FM CAPABILITY

#1 market leadership position in Static Engineering Services, Mobile Engineering Services and Integrated Advisory, Design & Build Services



DEPTH OF KNOWLEDGE AND KNOW-HOW

Expertise in core asset classes plus transferable sector expertise across Infrastructure & Aviation, Retail, TMT, Industrial & Manufacturing, Life Sciences, and Financial & Professional Services



LEADING ADVISORY, DESIGN & BUILD SERVICES

Bringing expertise to change, transformation, and modernising workplaces and estates.



MARKET LEADING DECARBONISATION CAPABILITIES

Solutions designed, managed, and delivered to achieve climate action ambitions, reduce carbon, 'green' estates and workplaces, and secured energy supplies



TECHNOLOGY ENABLEMENT

Creating intelligent buildings by turning big data into insight. Improving employee wellbeing, transforming FM services, saving energy and money



TALENTED PEOPLE

One of the UK's largest employers of trained and skilled engineering and FM professionals. We aim to attract and retain the best talent from across multiple industries

Case study: Delivering and maintaining the UK's critical national infrastructure for Vodafone



We are leading the transformation of the built environment for our customers



Capability

Market leader with the **broadest** set of **Engineering capabilities** in the market

Technology

Most advanced Engineering tech platform in the market; **reducing our cost to serve** and delivering significant **value to our customers**

Accelerated Growth

Combined, this enables us to **cross sell and upsell higher value services**, increasing our margins and accelerating organic growth



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

Creating healthier and more sustainable spaces

Protecting people, property & assets

Accelerating the path to Net Zero

2023 Capital Markets Day

Investing in our Service Line Capabilities: Projects

12 October 2023



Mark Caskey
Managing Director, Mitie Projects

Mitie Projects plays a leading role across all aspects of Facilities Transformation

Leading UK Principal Contractor

Unrivalled breadth of consulting, design and build services across all asset classes

Driving facilities transformation

c.2500 employees driving facilities transformation projects covering decarbonisation, workplace and building upgrades

Strong growth potential

Leveraging Mitie clients to grow from £0.8bn to c.£1.5bn in FY27 organically and through strategic M&A



Optimising asset performance & maximising productivity

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Mitie Projects today

Key Projects stats

£0.8bn Revenue

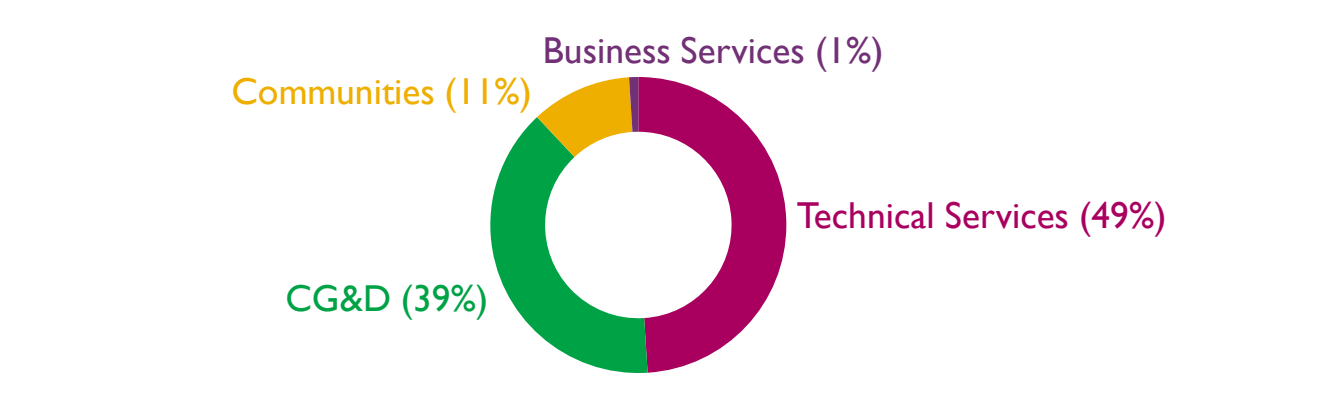
c.2,500 Employees

200 Core Clients

78% Revenue core Mitie Clients

£1.8bn Sales Pipeline

FY23 Projects revenue by division



Clients

Frameworks

Public Sector Decarbonisation Scheme	
HELGA	
CEF	
Lexica	
VCIS	
Greater Manchester Go Neutral Smart Energy	

All data as reported in FY23, and adjusted to reflect revised divisional reporting splits where relevant

Capabilities we have built to best serve our clients

Consulting

Sustainability and Energy Consulting

Workplace Strategy

Building Technologies

Client Professional Services

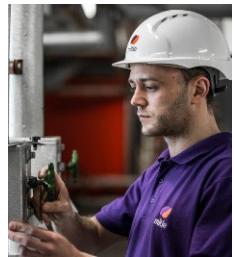
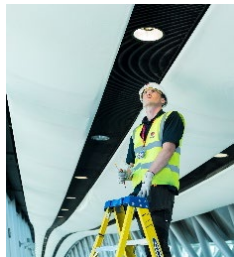
Strategic Capital Planning

Project Management

PMO

Building & Feasibility Assessments

Design & Build



Mechanical & Engineering

Building Fabric

Lighting

HVAC

Solar / PV

Telecoms Infrastructure

HV / Electrical Networks

Electric Vehicle Charging

Fire & Security

Battery Storage

Enabled by Projects Centre of Excellence

A full asset lifecycle approach managing total cost of ownership

Full Asset Lifecycle Approach

- Asset management and maintenance
- Continually develop and repurpose assets to drive improved business outcomes



- Net zero pathways and building technology strategy
- Workplace strategy
- Strategic asset/lifecycle plans

- Principal contractor
- Construction and site management
- On-site quality assurance & health and safety

- 3D building scanning
- Building Information Modelling (BIM)
- Concept and detailed design

£19bn addressable market with attractive growth drivers and higher margin profiles across all segments

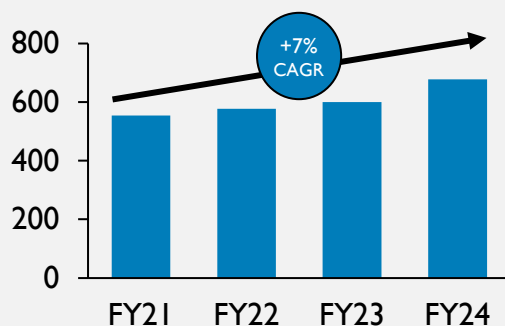


Building Infrastructure

£12bn market

- Lifecycle upgrades to buildings to improve asset performance
- Design, build and manage inspirational places of work
- Building regulations – EPC B rating by 2030

Mitie Revenues (£m)

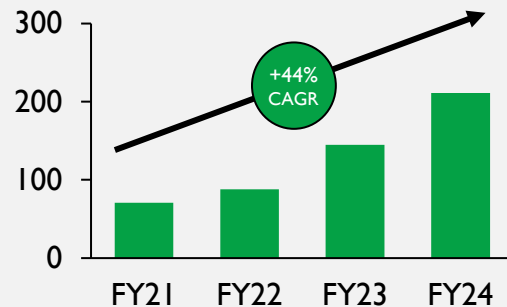


Decarbonisation Technologies

£3bn market

- 40% of carbon emissions come from the built environment
- Climate Change Committee estimates £1.4trn of capital to 2050
- Significant upgrades to National Grid networks
- Solar, EV, Grid, Battery Storage

Mitie Revenues (£m)

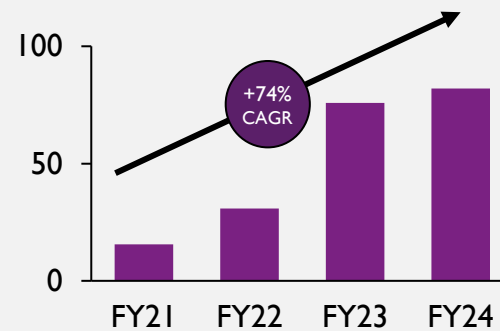


Telecoms Infrastructure

£1bn market

- UK target of covering all populated areas with standalone 5G by 2030
- 5G roll-out across the UK
- Huawei kit replacement, strip all assets by 2027
- 60,000 cell towers that require upgrade and maintenance

Mitie Revenues (£m)

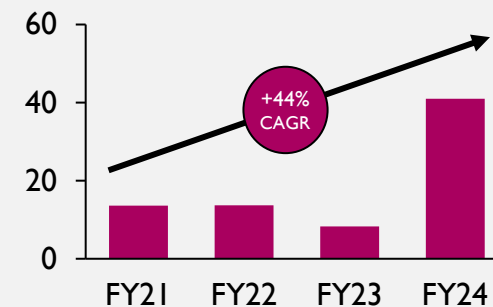


Fire & Security

£3bn market

- Fire Safety legislation post-Grenfell
- Increasing interoperability of fire, security, building management and operational systems
- Adoption of intelligent technologies e.g., AI, analytics, biometrics, cloud
- Growth in remotely managed services capabilities

Mitie Revenues (£m)



Sources: Estimated annual market sizes based on Office for National Statistics (selected building infrastructure trades), Deloitte (EV charging points), Solar Energy UK, Verdantix (energy management consulting), Department for Digital, Culture, Media & Sport (MNO 5G capital expenditure) AMA Research (Active Fire Detection and Electronic Security Systems).

'String of pearls' M&A strategy focused on driving facilities transformation

Customer Needs

Reducing downtime and maximising productivity

Enhancing workspaces and customer experience

Creating healthier & more sustainable spaces

Protecting people, property & assets

Accelerating the path to net zero

Expertise we have acquired

DAEL **P2ML**
ENGINEERING TELECOM INFRASTRUCTURE
8point8
Group

JCA

Biotecture

cliniwaste

RHI
INDUSTRIALS

GlobalAware
International
SPECIALISING IN THE DESIGN AND DELIVERY OF
SOLAR PV SYSTEMS

esoteric

Linx
CONSULTING

G²ENERGY

CUSTOM SOLAR
SOLAR PV SPECIALISTS

ROCK
POWER CONNECTIONS

Future M&A Targets



**Telecoms
Infrastructure**



Design



**Sustainability
Consulting**



**Fire
& Security**



**Decarbonisation
Technologies**

Mitie Projects' scale and breadth of service delivery aligned to client needs

Key strengths for our clients

National scale and coverage working directly with the end user client

Depth and breadth of technical capabilities, managing the full asset lifecycle

Market-leading consulting and professional services capability



	PMO	Capital Planning (lifecycle)	Sustainability Consulting (incl. energy)	Design	Office Fit-Out	MEP Projects	Critical Environments	Telecoms Infrastructure	Solar	EV	Grid Connections	Heat Solutions (air heat)
Mitie	●	●	●	●	●	●	●	●	●	●	●	●
JLL	●	●	●	●	●	●	●	●	●	●	●	●
CBRE (incl. T&T)	●	●	●	●	●	●	●	●	●	●	●	●
Arcadis	●	●	●	●	●	●	●	●	●	●	●	●
ISS	●	●	●	●	●	●	●	●	●	●	●	●
NG Bailey	●	●	●	●	●	●	●	●	●	●	●	●
T Clarke	●	●	●	●	●	●	●	●	●	●	●	●
Dalkia (Imtech / SPIE)	●	●	●	●	●	●	●	●	●	●	●	●
Briggs and Forester	●	●	●	●	●	●	●	●	●	●	●	●
Mott Macdonald	●	●	●	●	●	●	●	●	●	●	●	●

Source: Frost & Sullivan assessment on self-delivery capability (● Significant and part of core offering, ● Limited experience or references, ● None)

We have delivered a wide range of projects for our core clients

Ministry of Defence



New build, refurbishments & decarbonisation

KAO



Data Centres

Confidential



EV infrastructure

Lloyds Banking Group



Workplace transformation

Portsmouth Council



Solar, grid connections, battery, EV charging

Mobile Network Operators



Telecoms infrastructure

UCLH



LED Lighting

National Grid



Security and Access Control system upgrades

Mitie Projects plays a leading role across all aspects of Facilities Transformation

Leading UK Principal Contractor

Unrivalled breadth of consulting, design and build services across all asset classes

Driving facilities transformation

c.2500 employees driving facilities transformation projects covering decarbonisation, workplace and building upgrades

Strong growth potential

Leveraging Mitie clients to grow from £0.8bn to c.£1.5bn in FY27 organically and through strategic M&A



Optimising asset performance & maximising productivity

Transforming estates, workplaces & customer experience

Creating healthier and more sustainable spaces

Protecting people, property & assets

Accelerating the path to Net Zero



Cijo Joseph
Chief Technology and
Information Officer



Daniel Guest
Group Operations
Director



Anindya Biswas
Chief Digital and
Product Officer

Mitie Transformation Hub

2023 Capital Markets Day

Panel session:

Building our Divisional Sector-Led Expertise

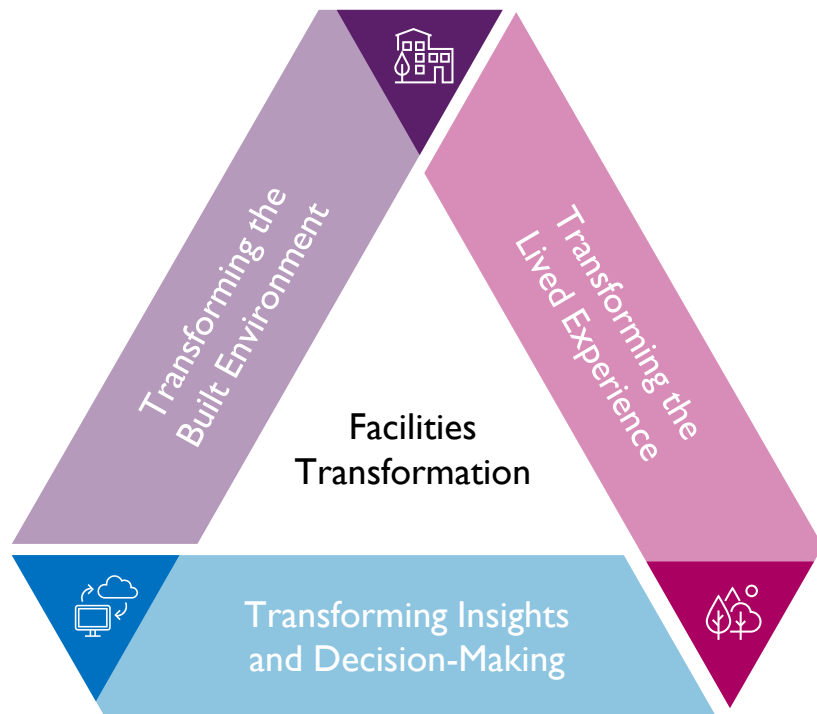
12 October 2023



Moderated by Peter Dickinson,

Speakers: Alice Woodwark, Jason Towse, Simon Venn and Brian Talbot

Our mission: From Facilities Management leader to Facilities Transformation leader



Optimising asset performance and maximising productivity

- Building automation
- Remote monitoring
- BIM / Digital Twins
- Artificial intelligence

Transforming estates, workplaces and customer experience

- User centric
- Commute-worthy
- Space optimised
- Flexed

Creating healthier and more sustainable spaces

- Real-time tracking
- Spill detect
- Circular economy
- Demand-led robotics

Protecting people, property and assets

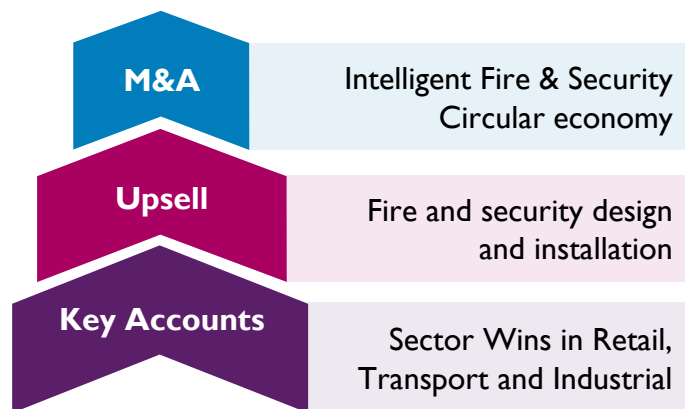
- Risk assurance
- Perimeter hardening
- Facial recognition
- Artificial intelligence

Accelerating the path to Net Zero

- Renewables and storage
- Electric Vehicles
- Energy independence
- Network optimisation

The three key pillars driving growth across our divisions

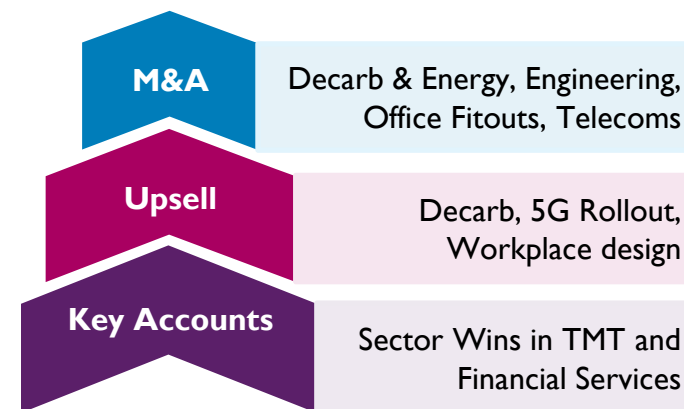
Business Services



c.8-10%
Revenue CAGR
FY24-FY27

£3.2bn
Pipeline
TCV

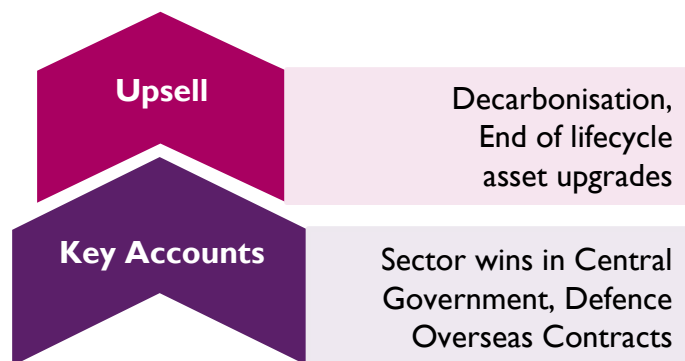
Technical Services



c.10-12%
Revenue CAGR
FY24-FY27

£5.0bn
Pipeline
TCV

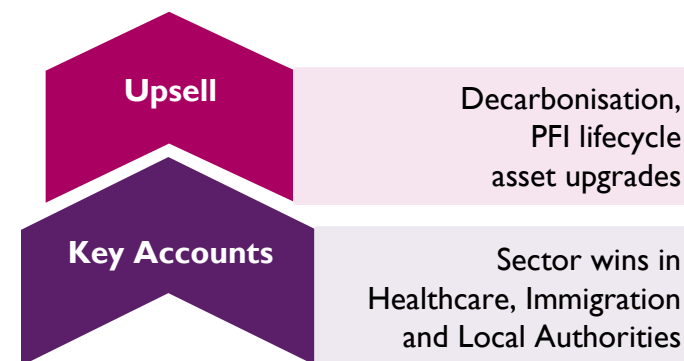
Central Government & Defence



c.5-7%
Revenue CAGR
FY24-FY27

£5.0bn
Pipeline
TCV

Communities



c.3-5%
Revenue CAGR
FY24-FY27

£4.0bn
Pipeline
TCV

2023 Capital Markets Day

Group Financials

12 October 2023



Simon Kirkpatrick,
Chief Financial Officer

Financial performance and future plans

Our financial performance has been strong, and we have delivered our medium-term targets set at the 2019 CMD

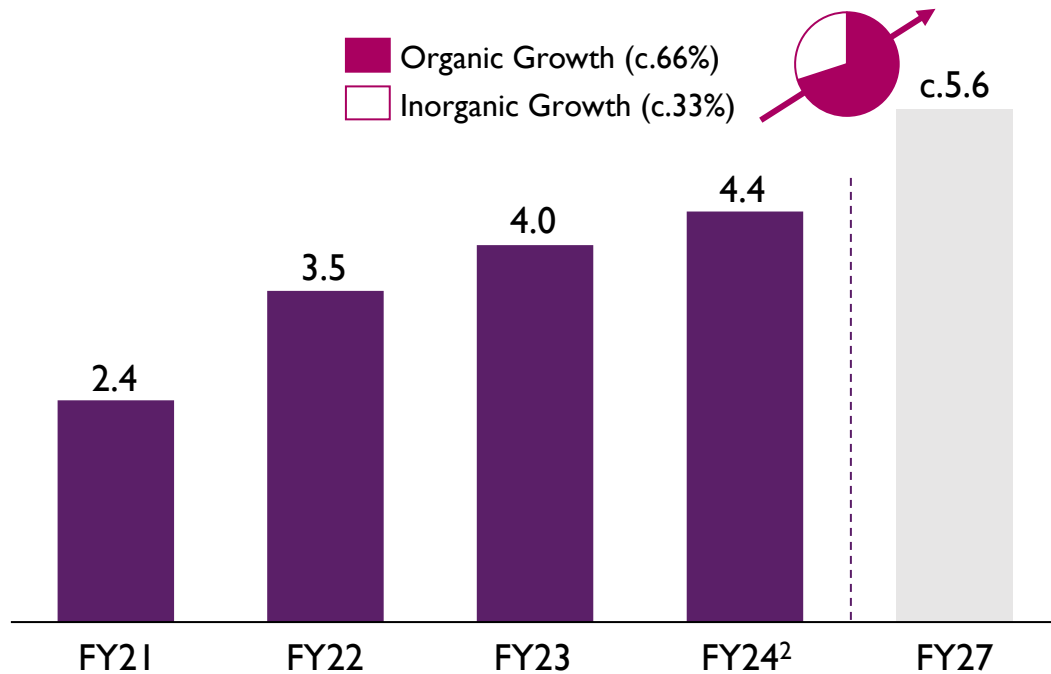
Medium-term target	Metric ¹	FY19	FY23	Change %	Achieved
£3bn revenue (50% growth) 2% - 4% organic growth	Revenue	£2,017m	£4,055m	+19.1% (CAGR)	✓
£200m of EBITDA	Operating Profit	£73m	£162m	+22.0% (CAGR)	✓
4.5% - 5.5% operating margin	EBITDA	£94m	£215m	+23.0% (CAGR)	✓
£20m - £30m FCF run-rate	Operating margin	3.6%	4.0%	+40 bps	📈
High ROIC	Free Cashflow ²	£31m	£104m	+35.3% (CAGR)	✓
TFO < 2.0x EBITDA	ROIC	25.0%	25.4%	+40 bps	✓
	Net debt	£168m	£44m	(£124m)	✓
	TFO	£387m	£44m	(£343m)	✓
	Leverage (TFO / EBITDA)	4.1x	0.2x	-3.9x	✓

Notes: 1) From continuing operations and before other items. 2) Underlying free cashflow generation, i.e., normalised for TTP deferred payments, reduction in CID facility and COVID profits.

From these strong foundations, our growth will continue to outpace the market



Revenues¹ (£bn)



CAGR



FY21-FY24 (CAGR): 23% Historic growth

c.12% from acquisitions (ISV, Gazelles)

11% organic:

- Large core FM contract wins
- Significant growth in project works

FY25-FY27 (CAGR): High single digit growth

Two thirds of growth from 'organic'

- 3%-4% market 'tailwind'
- Incremental core FM wins, underpinned by £9.7bn order book, £14.7bn pipeline³, c.100% book to bill
- Increased share of capital works budgets
- Deliver market-leading capabilities to existing customers

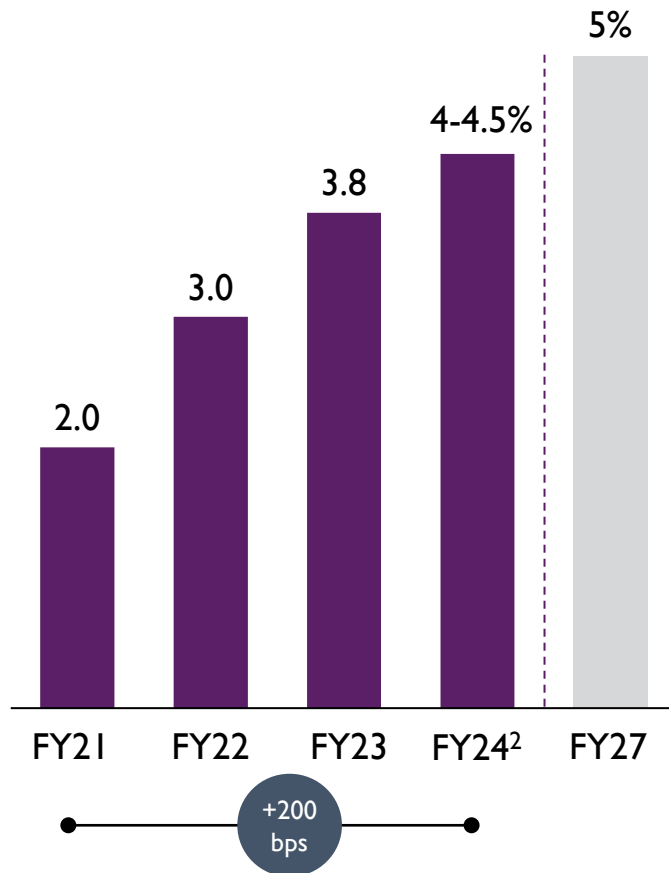
One third of growth from 'inorganic':

- Ongoing strategic, 'bolt-on' acquisitions

Note: 1) Excluding COVID-related contract revenue. 2) Consensus 3) Order book and Pipeline as at end FY23

We have a clear path to 5% EBIT margin by FY27

Operating Profit Margin¹



Headwinds (-75bps-125bps)

Inflationary Pressures

Double impact on margin:

1. Reduction in margin for c.10% of contracts where cost inflation cannot be priced through to customers (c.50bps)
2. Margin dilution, where cost inflation is passed through to the customer, but at 0% margin (c.20bps)

Total margin dilution of c.70bps over the 3 years

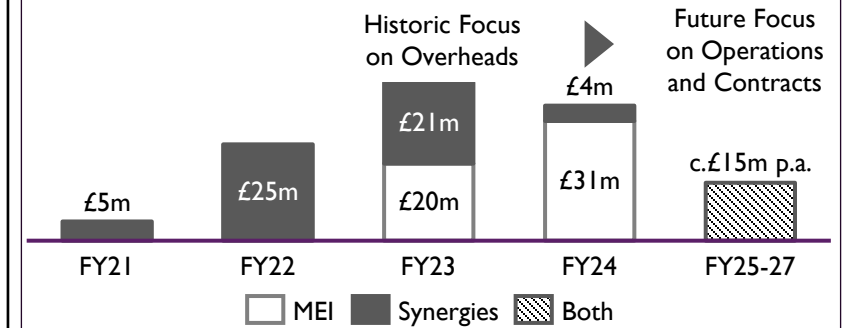
Pricing Pressures

- Increasingly competitive environment, with some peers bidding 'low'
- Estimated impact of c.30bps

Management Actions (+150-200 bps)

Margin Enhancement and Synergies

£15m p.a. of savings = £45m total over 3 years (c.80bps)



Operational Leverage

Overheads reduced to c.7% of revenue by FY23 (FY20: c.9%)

Opportunity for further reduction to c.6.5% by FY27

Improvement to Group margins of c.40bps

Projects and M&A

Expected Operating Profit Margin:

c.9%

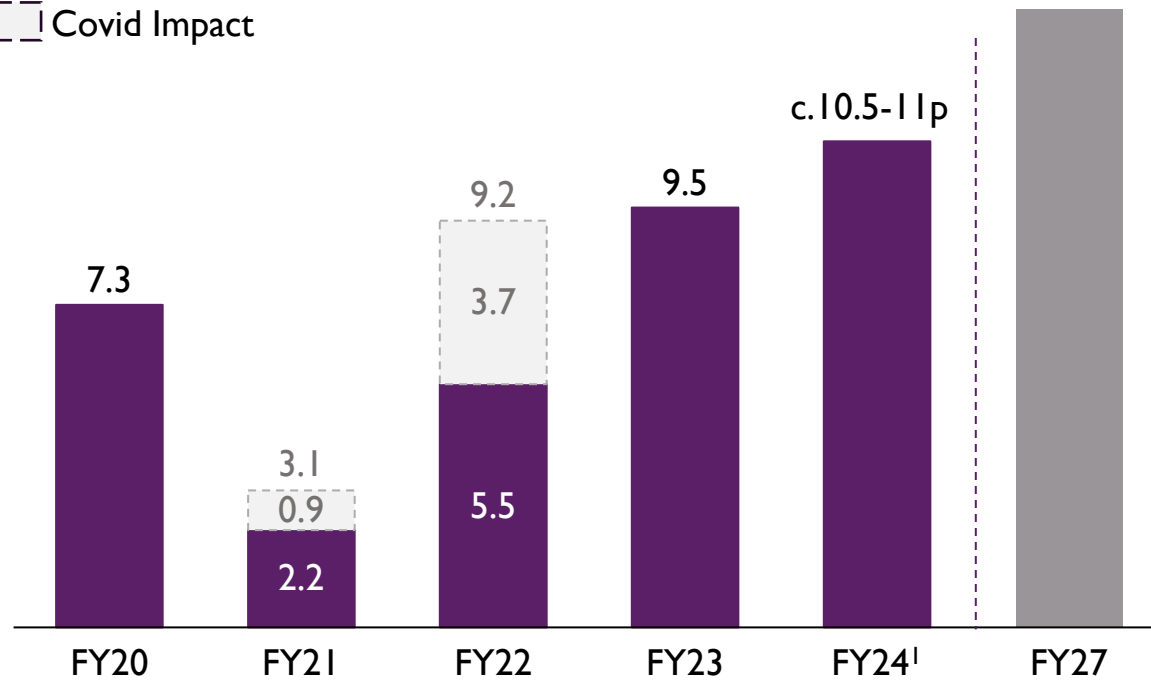
c.50bps

Sources: Bank of England, EY ITEM Club. Note: 1) Operating profit margin from continuing operations and before other items, excluding the impact of Covid contracts. 2) Consensus.

Improved margins will drive EPS to grow faster than revenue

Basic EPS¹ (p)

□ Covid Impact



Above
Revenue
Growth

CAGR

c.10%

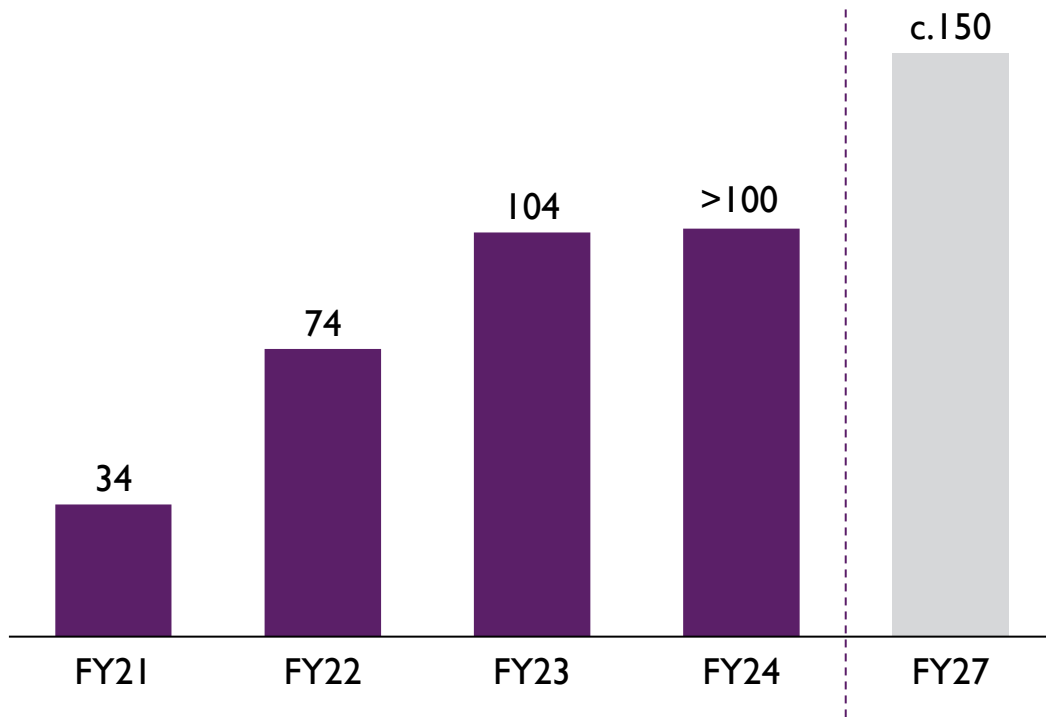
EPS drivers

- Improvement in margins to c.5% will drive EPS to grow faster than revenue
- Excess cash returned to shareholders through share buybacks
- No dilution from employee remuneration
- Headwinds from Corporation Tax rate increase from 19% to 25%, and no further tax losses available to use
- Interest costs will increase by c.£6m by FY27, as leverage increases

Note: 1) Earnings per share (EPS) from continuing operations and before other items. Revised Basic EPS based on 11 October 2023 operating profit guidance.

Free cashflow will grow to c.£150m by FY27 as our EBITDA improves

Free Cashflow¹ (£m)



Free cashflow

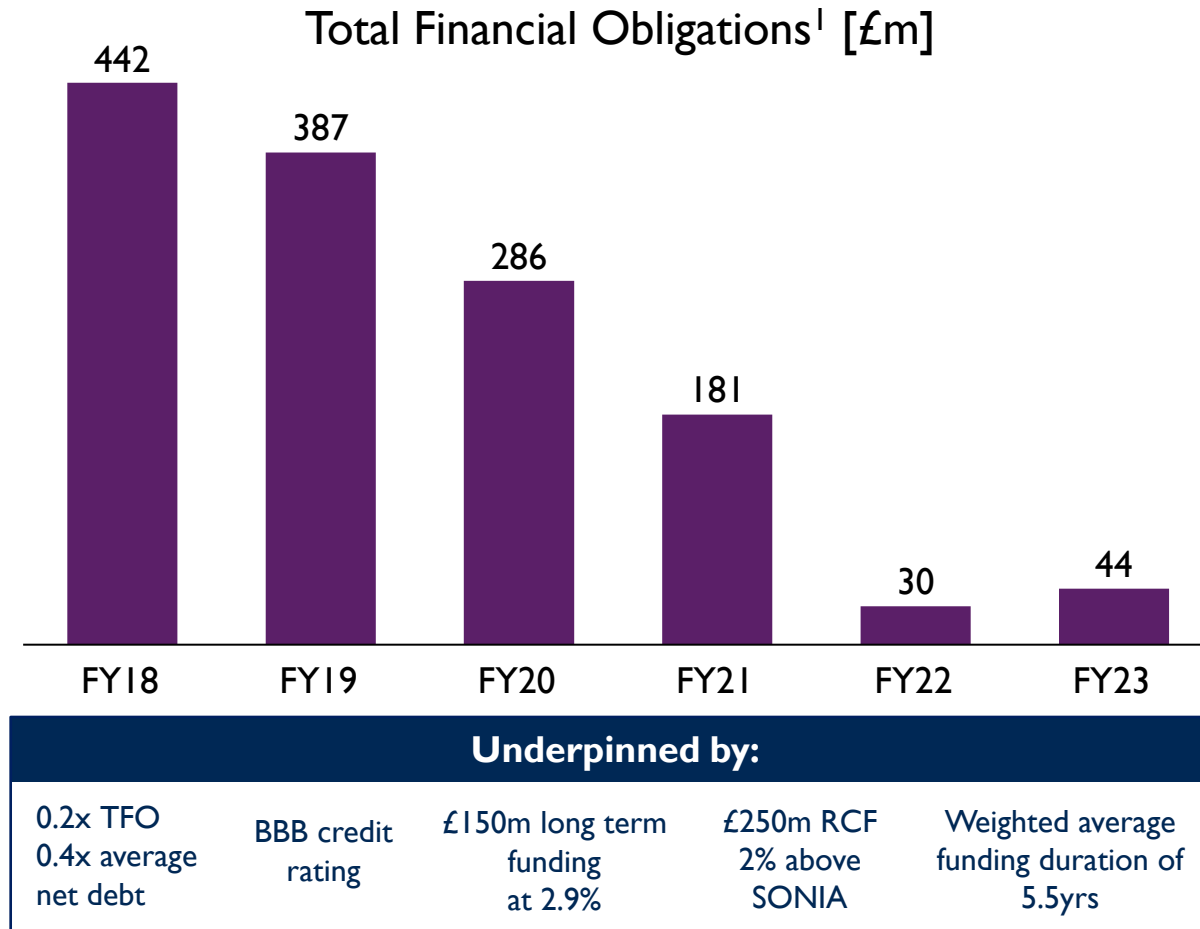
Free cashflow is EBITDA less operational investments, and tax, lease and interest outflows

- Free cashflow delivery transformed over last 3 years
- Increased EBITDA generation FY24-FY27:
 - Revenue growth in high single digits
 - FY27 target operating profit margin (5%)
 - EBITDA of >£300m by FY27
- Operational investments / outflows:
 - Working capital investment of c.£25m p.a. in growing Projects, and absorbing longer payment terms
 - Capex of c.£30m p.a., consistent with previous years
 - Tax, interest and leases of c.£120m
- Pension deficit materially lower and covenant stronger; deficit contributions will reduce

FY27 target of c.£150m (FCF yield of c.11%)

Note: 1) Underlying Free Cashflow (including other items), normalised for TTP deferred payments, reduction in CID facility, and COVID profits.

Our strong balance sheet and low leverage provides a good platform from which to invest in both growth and increasing shareholder returns



TFO reduction / funding facilities

- Free cashflow generation key to reduction in TFO
- All off balance sheet liabilities now closed
- Low leverage and investment grade credit rating
- Good financial headroom: £150m USPP notes, increased RCF by £100m to £250m on same terms as October 2021

Note: 1) Total Financial Obligations comprise net (cash)/debt, invoice discounting facility, and net retirement benefit obligations. Invoice discounting facility (CID) was terminated in Q1 FY23.

Capital allocation

Our current capital allocation policy

	FY23	FY24
1 Progressive dividend policy	30% pay-out ratio (FY23 Dividend: £44m)	c.30%-35% pay-out ratio
2 No share dilution	Market purchase of 50m shares for incentive schemes for £38m ¹	To continue, but reduced by >50% in future schemes ³
3 Bolt on acquisitions	£20m of acquisitions	£46m of acquisitions to date, c.£75m by end of FY24
4 Share buybacks	Acquired and cancelled 69m shares for £50m ²	£50m programme underway, £25m completed to-date ⁴

Notes: 1) Average price of 74p per share. 2) Average price 73p per share 3) c.15m shares p.a. in future years 4) Average price of 96p per share

Acquisitions have delivered strong returns, whilst adding scale and capability

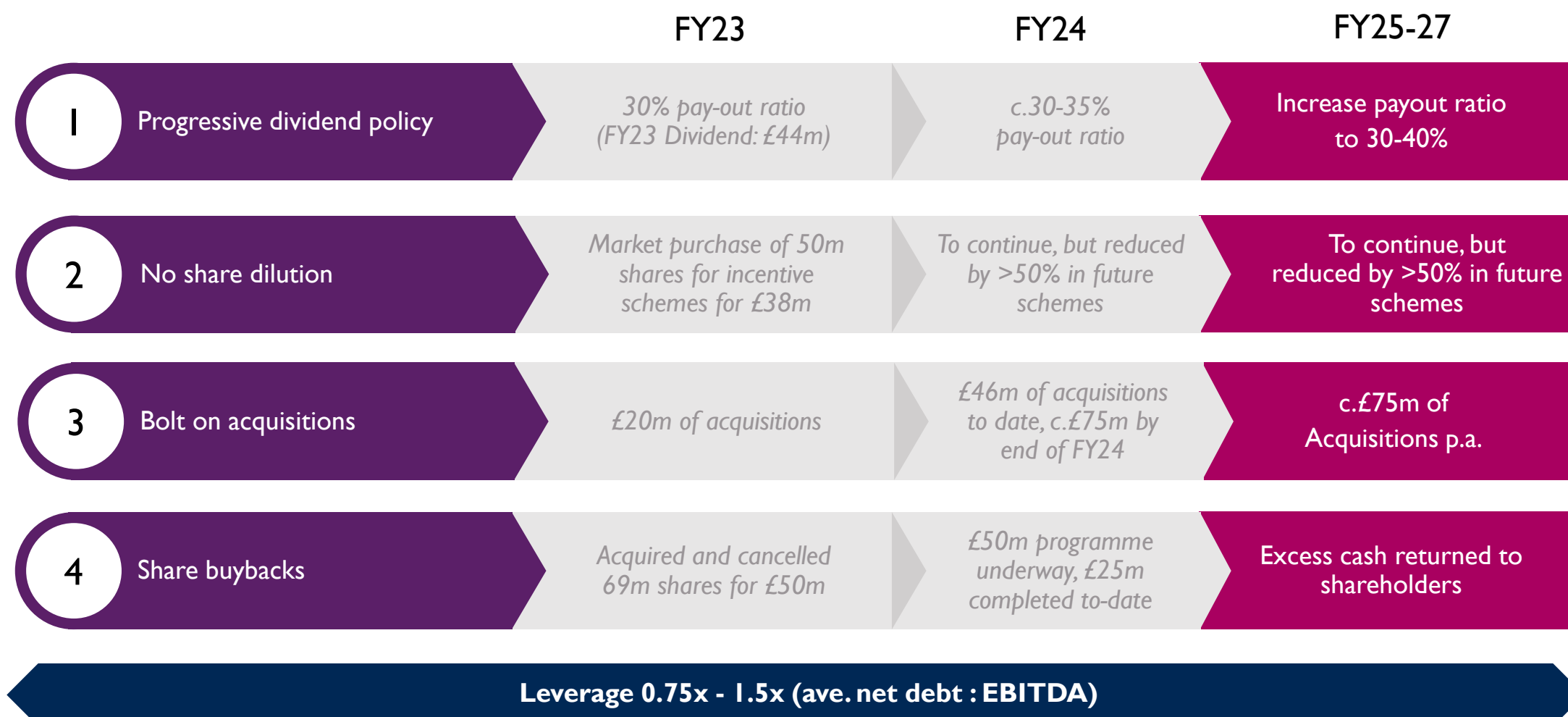
Past Acquisitions		
Adding Scale	Interserve (FY21) <ul style="list-style-type: none"> Acquired FM business (£1.2bn revenue) Cemented #1 position in core services across private and public sectors Relatively low price (4.4x EBITDA) 	Vision Security Group (FY19) <ul style="list-style-type: none"> GSOC capability: experts in open-source intelligence gathering and analysis Mitie Intelligence Services building block c.£10m for c.£200m Revenue
	<ul style="list-style-type: none"> Technology-Led Security Decarbonisation and Energy Telecom Infrastructure Engineering design, delivery, and maintenance 	
Financial Contribution (M&A FY21 to FY23)		
<ul style="list-style-type: none"> M&A net spend of £201m¹ Net revenue added > £1.4bn² Net Operating Profit > £75m Payback of c.3 years 		



Future Acquisitions	
Strategic Fit	<ul style="list-style-type: none"> UK-based B2B Participating in high-growth markets Addressing identified macro-trends: <ul style="list-style-type: none"> Decarbonisation Telecom Infrastructure Engineering design, delivery, maintenance Technology-led security Circular economy
Financial Criteria	<ul style="list-style-type: none"> High growth potential Margin accretive High ROIC, significantly higher than WACC
Target Spend	
Increased to c.£75m p.a.	

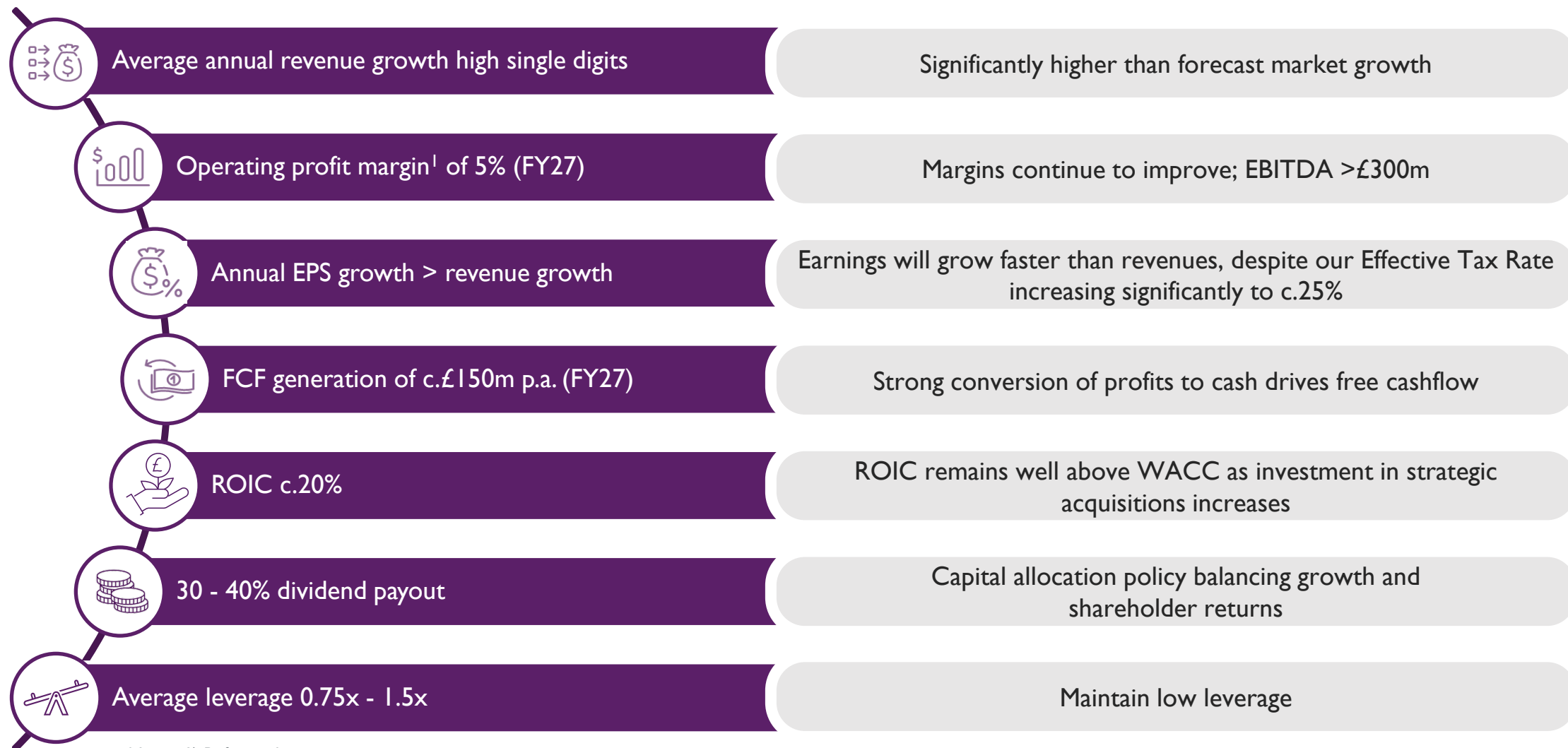
Notes: 1) Comprises acquisition spend of £241m less proceeds from disposals of £40m; 2) Comprises revenue from acquisitions of >£1.5bn less revenue related to disposals of £0.1bn

Our Facilities Transformation strategy allows for an increase in bolt-on strategic acquisitions and shareholder returns, whilst maintaining low leverage



Guidance

Medium term outlook focused on accelerated profitable growth, and increasing shareholder value



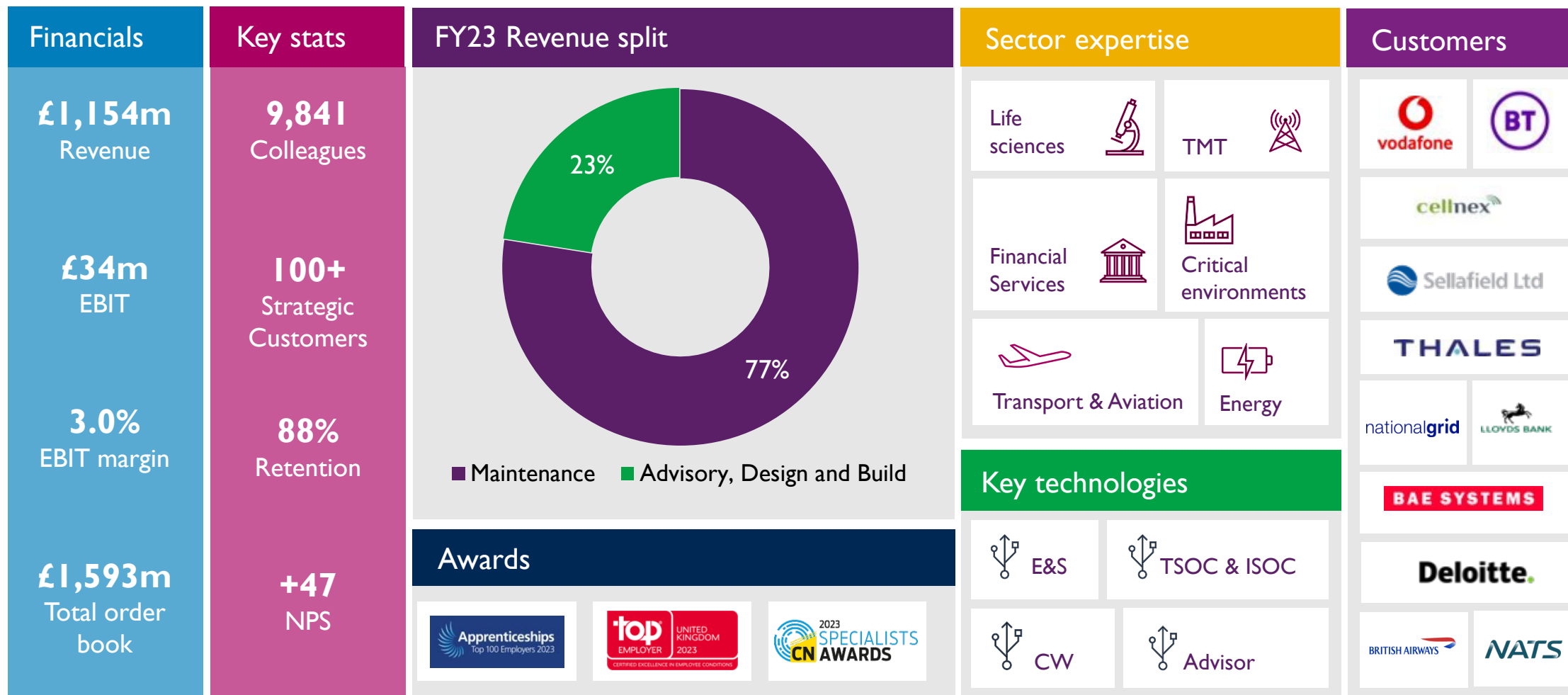
Notes: 1) Before other items

Wrap Up

Q&A

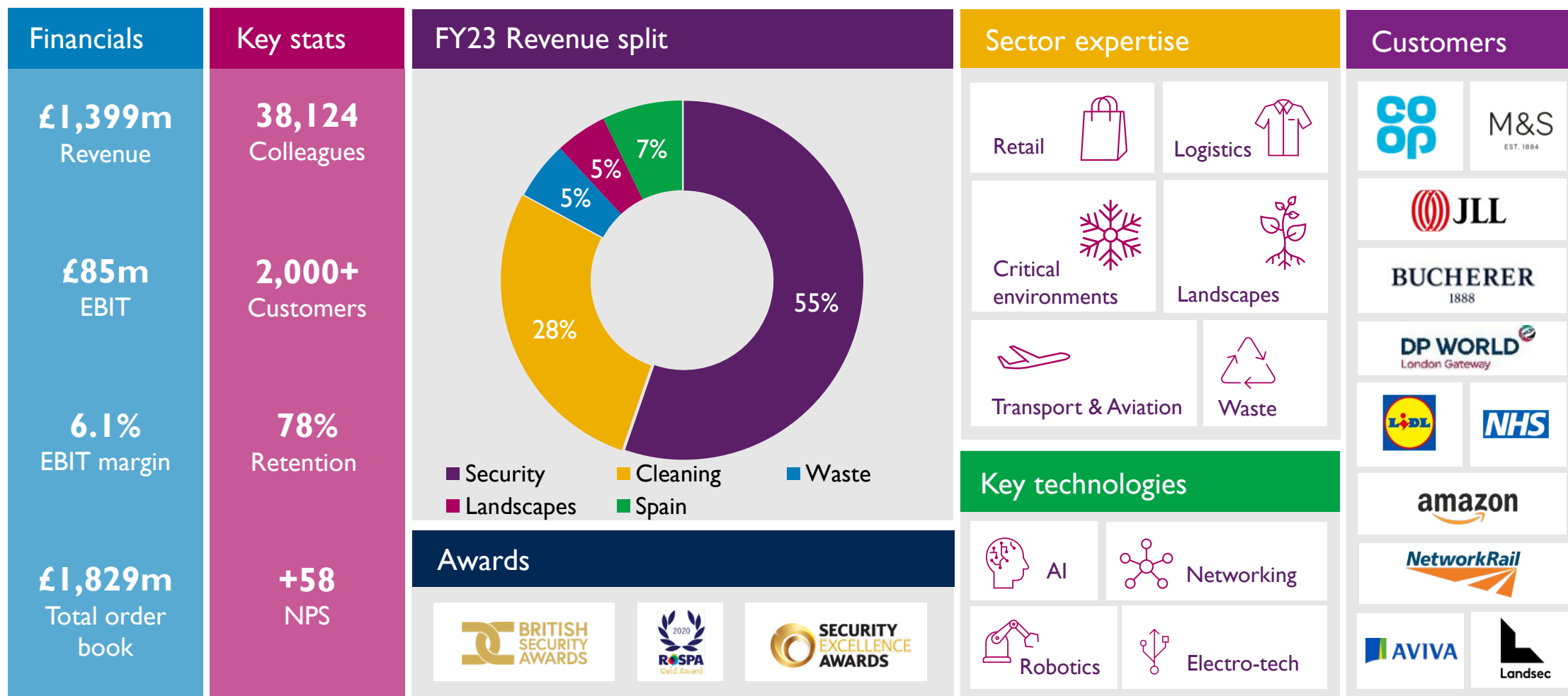
Appendix

Overview: Technical Services today



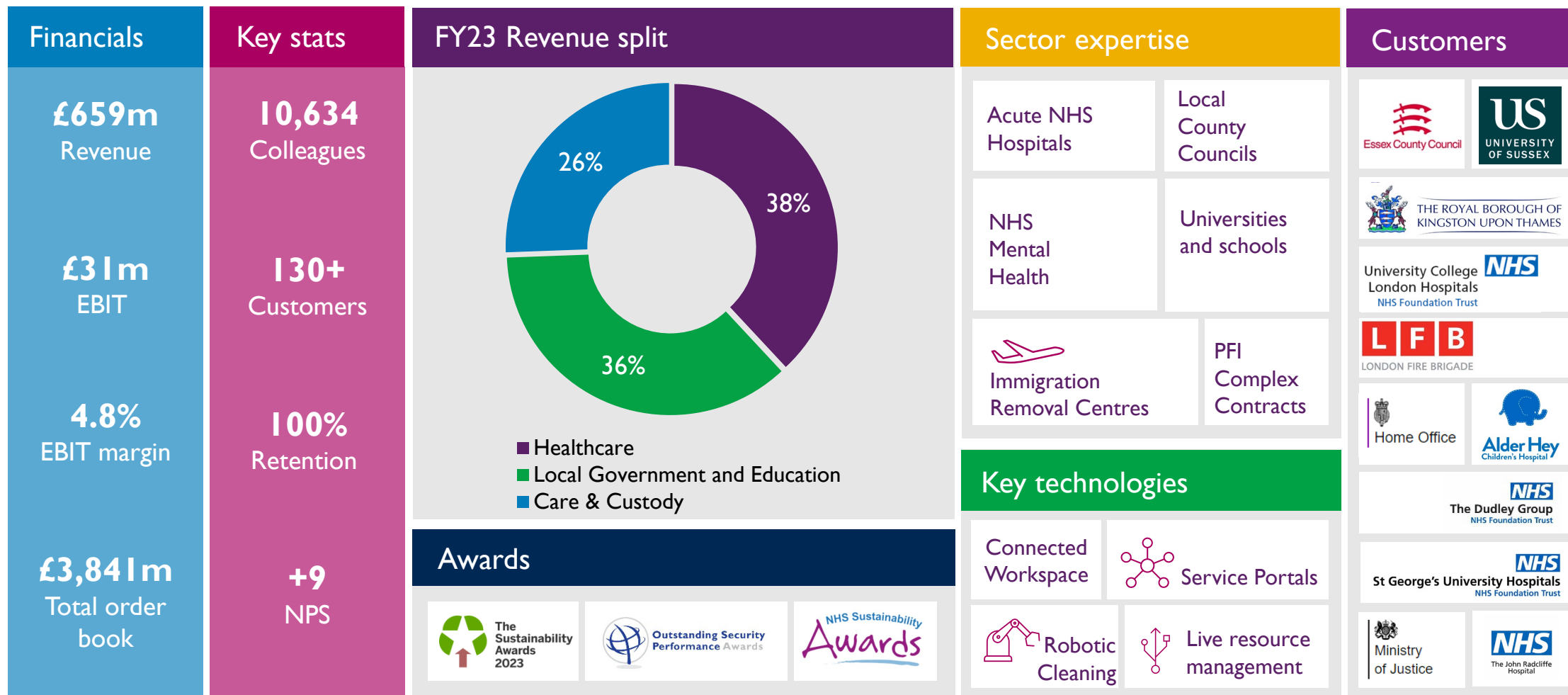
All data as reported in FY23, and adjusted to reflect revised divisional reporting splits where relevant

Overview: Business Services today



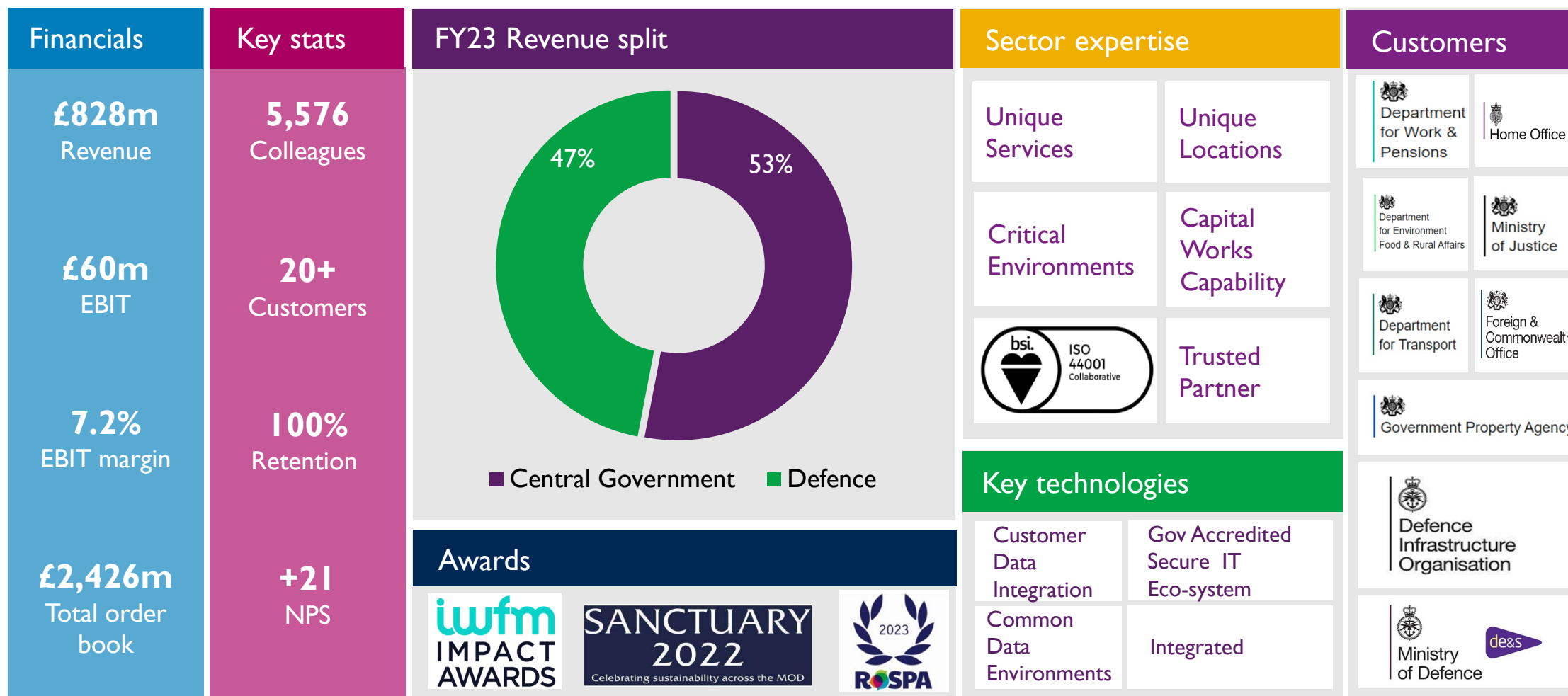
All data as reported in FY23, and adjusted to reflect revised divisional reporting splits where relevant. Excludes Covid revenues and profit.

Overview: Communities today



All data as reported in FY23, and adjusted to reflect revised divisional reporting splits where relevant

Overview: Central Government & Defence today



All data as reported in FY23, and adjusted to reflect revised divisional reporting splits where relevant