



# ESG Impact Report 2023

Transforming Communities, Changing Lives





# Purpose

**With the global business landscape increasingly becoming concerned and defined by its impact on the environment, society, and governance practices, Pinnacle is proud to present its annual Environmental, Social and Governance (ESG) Impact Report for financial year 2023.**

This report serves as a comprehensive overview of the key initiatives, achievements, progress made and the ongoing challenges across our four pillars of ESG and sets out our future plans and targets. The report is also an important part of our mission to be a business that is transparent in its disclosure to our shareholders and stakeholders.

# About the Company

**Operating for three decades, Pinnacle is a leading provider of housing and neighbourhood services across the UK; a people-first business deeply embedded in the communities we serve.**

As a trusted partner of Government and public authorities, housing associations, housebuilders and developers, and the wider private sector, we manage and maintain places and communities where people live, work, learn and play.

We have a management portfolio of 75,000+ mixed-tenure homes and 200+ schools as well as open spaces, public and private buildings, retail distribution centres and manufacturing sites.

With a deep knowledge of place-making and place-keeping, coupled with a background in managing mixed tenure housing and community infrastructure generally, we are uniquely capable of delivering comprehensive and integrated operating solutions to both new and existing neighbourhoods nationwide.



# Foreword

**Pinnacle is a socially-conscious and value-led business.**

We have a rich history of making a positive difference to the communities we serve. Each day our teams deliver exceptional service, go above and beyond expectations, seek to add social value through our work and focus on sustainability.

Operating across the UK with a direct workforce of over 3,700, and extensive supply chain partnerships, our ability to have a positive impact on the communities we serve is significant. Our commitment to ESG is demonstrated through the exceptional achievements of our people across our 4 ESG pillars: Protect Our Planet, Our People & Culture, Community Impact and Responsible Business.

This report celebrates our achievements. It acts as a marker on our journey to net zero. This journey is challenging but is one we embrace and are making significant strides towards achieving whilst at the same time growing considerably as a business.

On-going short-term net-zero challenges remain due to a lack of EV charging infrastructure, range limitation on larger commercial vehicles and fleet procurement waiting times. This has led to a consequential increase in our direct total emissions year-on-year. For these reasons we have taken the pragmatic decision to push out our Net Zero target on direct emissions (Scopes 1 & 2) to 2027.

Irrespective of these challenges, over the course of 2022-23 our total emissions per £1m revenue have reduced by 8.7% year-on-year and our social value and carbon reduction initiatives have developed markedly.

This report represents a snapshot in time and we look forward to presenting further details of our work in the coming months.

**Peregrine Lloyd**  
CEO



# Our Approach to ESG

We have developed an ESG Framework which gives a focused approach from which we can track our journey towards transforming communities, changing lives. Our ESG Framework has 4 pillars.

Each pillar guides our approach to optimise our impact. They will be shaped and review continuously through our internal governance frameworks. We will measure and report them via our reporting mechanisms and the publication of this annual ESG Impact Report.



## Protect Our Planet



## Our People & Culture



## Community Impact



## Responsible Business

### Embedding ESG within Our Operations

- Ensure our ESG Framework supports our purpose and forms an integral part of the wider business strategy, planning and decision-making processes.
- Engage with our colleagues to understand how our purpose and supporting ESG Framework relates to them and how they can personally contribute.
- Establish an annual ESG action plan to map, drive and measure progress.

### Sustainable Development Goals (SDGs)

Pinnacle is proud to be playing its part in the UN 2030 Agenda for Sustainable Development. We do this by aligning our values and operational delivery with several of the SDGs.

Throughout this report the SDGs will be clearly signposted to demonstrate which goals fall under each of our pillars.



# Snapshot of our Achievements

## Protect Our Planet Highlights FY23



Total Emissions  
per FTE  
(tCO<sub>2</sub>e):  
**5.23**  
(FY22: 4.66)



Direct Emissions  
(tCO<sub>2</sub>e):  
**2,553**  
(FY22: 2,201)

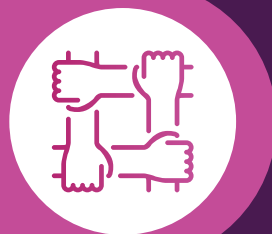


Total Emissions per £1m  
Turnover (tCO<sub>2</sub>e):  
**85.48**  
(FY22: 93.59)



Number of leased  
EVs in fleet:  
**70**  
(FY22: 33)

## Our People & Culture Highlights FY23



Number of  
Employees (FTEs):  
**3,140**  
(FY22: 3,067)



Overall  
employee  
engagement:  
**8.0**  
(FY22: 8.3)



Overall  
employee  
happiness:  
**7.6**  
(FY22: 7.9)



Employees  
Attending  
Leadership and  
Development  
Training:  
**222**  
(FY22: 141)

## Community Impact Highlights FY23



Lives Positively  
Impacted in  
Partnership with  
WildHearts:  
**226**  
(FY22: 127)  
[more on page 13](#)



Apprenticeship  
Programme  
Enrolments:  
**54**  
(FY22: 56)



Residents  
Helped who  
Face Financial  
Barriers:  
**186**  
(FY22: 192)



Residents  
Provided with  
Employment  
Training:  
**14**  
(FY22: 33)

## Responsible Business Highlights FY23



Pinnacle Housing  
Prompt Payment:  
**18  
Days**  
(FY22: 18)



Modern  
Slavery  
Incidents:  
**0**  
(FY22: 0)

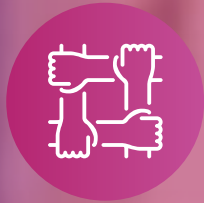


Enhanced data-driven  
decision making with  
access to  
**29**  
Power BI dashboards  
for over 200 managers  
(FY22: 16)



Data Security  
Training Success  
Rate:  
**80%**  
(FY22: 78%)





# Our People & Culture

Being a great place to work for all, empowering our people to achieve and realise their ambitions, while working towards our purpose of transforming communities, changing lives.

## Our commitments



Prioritise the happiness and wellbeing of our people



Provide opportunities for all to realise their ambitions



Bring employment opportunities to the local community



**In its regular staff engagement survey (Your Voice Survey), Pinnacle scored 8.0 (engagement) for overall employee engagement, and 7.6 (happiness) for overall employee happiness. How does Pinnacle continue to ensure it's a great place to work?**

There's no simple answer as everyone is different, and many factors influence your experience of work, but we do everything we can. Manager relationships are always proven to be the most impactful, so our people managers work incredibly hard following our management model to create the right culture to positively impact our teams, and our engagement scores show that by and large they are doing a great job.

**With the Group scoring 7.7 (alignment with purpose) for alignment with purpose and 7.5 (alignment with values) for evidence of our values, how does Pinnacle ensure its five meaningful values are embedded in its culture and its people?**

How we all interact creates our culture and this must be driven by following our values, which we weave into the very fabric of our organisation. From how we recruit and design roles, how we performance manage through to how we celebrate and recognise success. Everyday our people are living these values. They helped to shape them and together we have created a shared culture and behaviours, and we are thrilled our engagement surveys back this up.

**With increasing awareness and numbers of Mental Health First Aiders and Menopause Champions across the Group, how is Pinnacle ensuring it is empowering its people to talk about health in a positive way?**

We are normalising the conversation through our management models, performance management frameworks, advocates, and networks. We go to great lengths to create a sense of belonging and trust to meet everyone's needs for health and wellbeing. Again, our people managers are key and we provide training and development to effectively equip them.

## Q&A with Andy Lee, Group HR Director

“

We are committed to maintaining a positive workplace culture by creating an environment where people look forward to doing meaningful work, where they can be themselves and flourish.

”





# Sparkling some healthy competition through Marching Through March

Following the success of last year's Marching Through March, we brought back our month-long virtual walking challenge, aimed at encouraging everyone to move more, spark some healthy competition and build team spirit.

**80**

individuals took part (16 teams)



**16,000km**

Each team walked a distance of 1,000km over 31 days, translating to 6.5km per person per day. An average of 10,000 steps.



## Images of some of our teams:



## Here's what our teams enjoyed about the challenge:



Feel the need to actually go for a walk every single day now...don't feel good if I don't go!



Getting to know my fellow colleagues better. Without this challenge we would have carried on as normal only interacting for business purposes.



Coming together as a company, and joining in with the fun.



I'm really enjoying Marching Through March and I'm going to keep it going past March as it's been so beneficial to me, mentally and physically. So, thank you for encouraging us to do this.



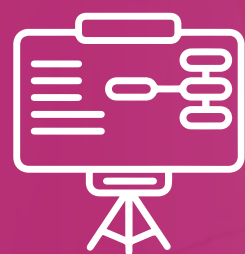


# Great opportunities for our teams

We understand the importance of progression and challenge within our people's work lives. We therefore provide training opportunities and apprenticeships.

## Training Programmes at Pinnacle

We take pride in our ability to support our people through a wide range of development programmes delivered via the apprenticeship levy. These include H&S and HR training, Leadership and Management, Personal Effectiveness and Equality and Diversity Essentials to name a few. These programmes help progress our people with their career ambitions, whilst helping us deliver excellence.



# 222

staff took part in leadership and development training courses.

We have supported 918 weeks' worth of apprenticeships, generating over

# £230,000

worth of social value - measured against the TOMs framework.

# Supporting our people through financial health webinars



We launched new measures to help support the financial health and wellbeing of our people during difficult times, introducing a series of webinars open to all colleagues from across the Group.

The three-month long series addressed topics on energy/fuel bills, the cost-of-living crisis, effective budgeting, housing costs, sickness benefits and more. The team also produced a financial health check resource booklet to provide further support.

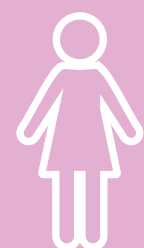




## We have expanded our Menopause Friendly Community “

I think Menopause Champions play an important role in raising awareness and sharing information for everyone in Pinnacle. It's really inspiring that women are able to discuss how they feel about approaching menopause, and be confident that Pinnacle will support them through this stage of their life.

Julie Impey, Community Manager, Homes



Created a network of  
**37**  
menopause champions

# We have created an environment where people can speak openly about menopause.



## Collecting and delivering basic hygiene products through the Red Box Project

In celebration of International Women's Day, we took part in The Red Box Project with the aim to ensure everyone has access to the basic hygiene items they need and to end period poverty in the UK.



- Pinnacle collected upwards of 200 donations.
- Distributed to Lewisham Food Bank in Southeast London and Homeless Street Angels in Leeds.





# Our staff awards

The Pinnacles, our staff awards, celebrate our people and our culture. They embody the spirit of what it means to be a Pinnacle employee – living our values; making an impact and striving to make Pinnacle a place that we can all be proud to work for. The longstanding awards were able to happen in-person for the first time since COVID-19.



“

The Pinnacles showcase the efforts of our team and our appreciation to those who go above and beyond to represent the community focused culture of Pinnacle Group.

Peregrine Lloyd, chief executive at Pinnacle Group

”



£25,300

awarded to the finalists and winners of the various awards

The award categories were:

**Employee of the Year Award**  
Arafat Salum, Assistant Property Manager

**Extra Mile Award**  
John-Paul Whelan, Cleaner

**Innovation & Service Improvement Award**  
Andrej Zitnay, Data Analytics Manager

**Protect Our Planet Award**  
Leeds & Kirklees Schools Team

**Community Impact Award**  
Gavin Felton, Superintendent

**Team of the Year Award**  
Lambeth - Void Team

**Manager of the Year Award**  
Mark Dutton, Regional Manager

**AM Services Employee of the Year**  
Rehan Khan, Guest Services Associate





# Mental Health Awareness Week

Our People's happiness is prioritised by encouraging everyone to talk openly about mental wellbeing and feel supported in their ability to do so. This is done through:

- Regular internal communications that provide tips and support for taking care of mental health
- Supporting Mental Health Awareness Week
- Raise awareness of specialist resources available to staff
- Created a network of Mental Health First Aiders



## Mental Health First Aiders

We now have 37 Health First Aiders across the Group who are trained to spot the signs of mental ill health and provide initial support to staff who need assistance. They help to promote a workplace culture, where staff are free to discuss mental health issues openly and feel supported by their colleagues when they do so.



**37**

Health First Aiders



Pinnacle also provide support to its staff through:

- **Pinnacle's Employee Assistance Programme**, facilitated by Health Assured, which provides free and confidential 24hr helpline.
- **My Healthy Advantage App** offers free and confidential advice and information for a range of non-work and work-related issues. The app was designed for users and their wellbeing in mind, it encourages users to maintain a happy mind and healthy body.



## Mental Health First Aid

Mental Health First Aiders are a point of contact if you, or someone you are concerned about, is experiencing a mental health concern or emotional distress.

Mental Health First Aiders are not health care professionals, but they have been trained to provide initial support and advice, if required. All contact will be treated in confidence.



“

It is wonderful to work for a company that takes the Mental Health of their employees seriously, and are happy to support the training of Mental Health First Aiders.

Katy Strick

”

“

The training provided by Mental Health First Aid England, raises awareness and helps break down stigmas around mental health. Following the training, I have gained the knowledge and confidence in supporting with mental health issues, and now I know how best to support someone when they really need it.

Jemma Sadler

”





# Community Impact

Always placing the public at the heart of our services, creating healthier, safer and more resilient communities where people want to live and can thrive.

## Our commitments



Support local causes alongside community partners



Partner with local charities and social enterprises to provide help where it matters most



Contribute to the health and wellbeing of communities through education and initiatives





# Q&A with Claire Kober, Managing Director, Homes

## How does Pinnacle ensure it is always placing people and communities at the heart of its services?

Being commercially minded and socially principled is what sets Pinnacle apart from our competitors. We commit to communities for the long term, which is why we look to develop long term relationships with our clients, and actively seek our innovative social enterprises that we can partner with. Through relationships with organisations like Wildhearts and Planet First Energy we can reach more people in the local community and create a positive impact that extends beyond what we could achieve alone through the contract. We see them as a partnership of equals where we both contribute to deliver positive outcomes for people and places.

## From the continuous improvements to local communities across all our contracts, how does Pinnacle continue to create healthy, safe and resilient communities where people want to live, learn, work and play?

Pinnacle recognises that positive change doesn't happen overnight, it's the result of long term efforts to improve local infrastructure and outcomes. This is why we seek to work in lasting partnerships with community organisations so that we can deliver positive change and resilience in the long term.

## How does Pinnacle continue to contribute to the health and wellbeing of the communities it serves?

We recognise that the determinants of health are wide ranging, which means our contribution needs to be similarly broad. That means we support the creation and upkeep of pocket parks and spaces to encourage people in the fresh air. We support community planting initiatives, provide play areas for children and young people, as well as directly supporting sports teams to help them thrive. We sponsor health cooking and eating initiatives, summer play schemes and cafes that bring people and communities together.



**226**  
people positively  
impacted through  
our partnerships with  
social enterprises



**Community stewardship is what our business was founded upon. The type of services we deliver places it at the very heart of what we do every day and this is evident through all layers of our organisation.**

**Across our contracts we have developed strong relationships with strategic community partners. We will always help equip social enterprises and charitable organisations with the skills and tools required to be sustainable and have the most impact possible in the community.**





Over  
**3,000**  
of our employees live locally  
to their place of work

Strategic community partner

## Community Impact Award Winner

Recognised at our employee awards The Pinnacles, Gavin Felton, a Superintendent on our Leeds Schools contract, won the Community Impact award for completing a gruelling 430 mile run across Scotland to raise funds and awareness for the National Autistic Society.



- Christine Douglas, Deputy Estate Manager, St Andrews for bringing the council and local residents together to launch Bow in Bloom, to restore rain boxes and allotted gardens
- Julie Impey, Senior Sheltered Scheme Manager, Canning Town for organising wellbeing events for the community

## Q&A with Nicky Tredger



**Nicky Tredger, Senior Contract Manager, from our North London Schools contracts tells us how she embeds ESG locally**

"We have a local ESG promise template and each year our teams get involved in helping to shape what we want to deliver under each of the four pillars. This forms our local ESG action plan, which we present to the client to ensure our priorities are aligned and get the best out of our efforts for the local community. To help drive the actions we have a nominated ESG champion and we communicate our progress consistently through monthly board reporting, client meetings and regular newsletters to celebrate success."



# Volunteer and provide space at Myatts Field North community centre all year round

We deliver customer services, housing management and estates services across the Myatts Field North development of nearly 1,000 homes, and manage the community centre on behalf of Lambeth Council.

We facilitate the free use of the centre for charities and local groups when it's not being used by the council by providing time and expertise for their events.

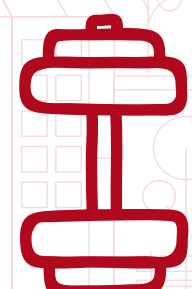
Over the past year, the Myatts Field team has facilitated the running of at least 10 groups per week, equating to well over 500 volunteer hours whilst also saving the various charities and groups using the space over £40,000 in booking and usage fees.

  
**£50k**

worth of materials donated to support community projects - which is nearly £1,000 a week

We helped deliver:

  
**52**  
yoga classes



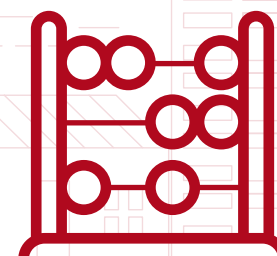
**12**  
fitness classes for older residents



**52**  
arts and crafts groups for Age UK



**3,120**  
hours of nutritional sessions



**52**  
homework clubs for Streamz youth charity

The team at Myatts Field has volunteered well over

**500 HOURS**

to support good causes - which equates to 1.5 days a week. Our people have volunteered over 4,100 hours across Pinnacle supporting numerous communities and causes throughout the year.



## A lasting legacy...The community pantry

Within the community centre we developed the concept, secured the funding and set up a community pantry. This delivers low-cost lunches with a pay-what-you-can model to families who need it.





# Q&A with Kate Donovan, Head of Registered Provider Services

Creating a social impact in affordable housing



## What are the drivers and changes you've experienced in the Registered Provider space for affordable housing?

Pinnacle manages a mixture of schemes on behalf of institutional investors, including CBREIM and Legal and General Affordable Homes. I have seen a lot of changes in the sector, but the drivers remain the same: to provide high-quality accommodation for residents with great customer service. It involves making sure we are on top of all management issues, helping residents settle into their new homes, ensuring they can properly sustain their tenancy including being in receipt of all welfare benefit entitlements and building relationships in the local community.

## What can new affordable housing tenants expect when they first move into a new property?

It is quite challenging, every scheme has different pressures. We recently signed up 33 tenants and not only did we have to sign all residents' contracts, give them the keys and an introduction to their property, we also completed welfare benefit checks and affordability assessments for all residents. Seeing residents' faces when they see their new properties for the first time at viewings is priceless. Recently we saw two women literally singing, dancing and cheering. They hugged me and the developer. For many residents, securing a new-build apartment is like winning the lottery because many have been on waiting lists for years.

When residents secure one of our properties it is an incredibly emotional moment. It allows them to finally put down roots in a community and build a better life for themselves and their families. One of our residents had previously been living in temporary accommodation for a decade – always on the move and with no permanent home. Now she plans to finally start her own jewellery business. The stability also supports working families raise children with a stable education – parents know their kids can go to schools in the same community for the duration of school life.

## How affordable are the new affordable homes for tenants?

Many residents cannot believe they are able to afford these units because the standard of the finish is very high while rents – as specified in the section 106 agreement – are below the local housing allowance rate. There is no trade-off in housing quality under the capped rental levels. These are new build apartments, with the latest technology in heating systems and Wi-Fi, and are well ventilated and insulated, crucial for low income earners during the cost of living crisis.

## How important is sustainability and data?

We collect a huge amount of data – such as meter readings on energy consumption and community preferences generally. Data is an incredibly important driver of decisions for institutional investors. In the tenancy agreements, green clauses are included to ensure data can be collected."

## How do you develop and manage the relationship with your tenants?

We are very experienced in developing relationships with residents across mixed residential communities. We have a tenant app that provides access to our services and coordinates community information. The app helps drive our performance – to be best in class and upper quartile within our markets, beyond just benchmarks with other registered providers to looking at best customer excellence and experience across all industries. We look to understand our residents through the data we collect, including regular in-app 'pulse' surveys, which capture emerging issues in real time. KPIs continue to evolve over time, based on data insights.







# Supporting service families into employment through targeted social enterprise mentoring

**Pinnacle provides national accommodation management services to 49,000 service families on behalf of the Defence Infrastructure Organisation (DIO). To maximise our impact, we have developed and embedded local social value plans.**

To kickstart our plan we helped Marama Alliance UK, a social enterprise, who assist service families into employment with a full guidance and mentoring package from our business start-up experts. They gave the team the tools required for



- Setting growth strategies and writing proposals



- Understanding funding streams and applying for grants



- Delivering stronger support to their customers through a mentoring training programme

The full plans will see us reach out to many more voluntary and community sector (VCSEs) and charities who support service families to make systemic and lasting change. Since the end of the financial year, the programme has expanded significantly to supporting over 20 VCSEs, with numerous service families benefitting from these partnerships.



We manage

**49,000**

service family homes



Managed over

**22,500**

moves in and out of service family accommodation



Answered over

**414,000**

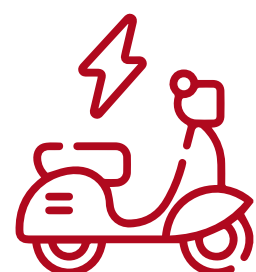
calls covering a range of queries including repairs, compliance support, customer solutions and home services



# We have partnered with Homeless Streets Angels in Leeds for over 4 years.

Over the years our local Leeds facilities management teams have built a lasting partnership with Homeless Street Angels, which has included thousands of volunteer hours, strategic and expert advice, mentoring and donations of crucial items to help the charity deliver meaningful lifeline services to the most vulnerable people.

Over the past year, more than 90 volunteer hours were provided, over 2,000 meals were cooked and delivered and we helped set up homes for those trying to get back into society and secure jobs.



90 hours of volunteering, cooked and delivered

## 2,000 meals



We have helped the charity with their mission of helping people back into mainstream society by helping to set them up in homes through decorating, re-carpeting flats and even providing domestic appliances.

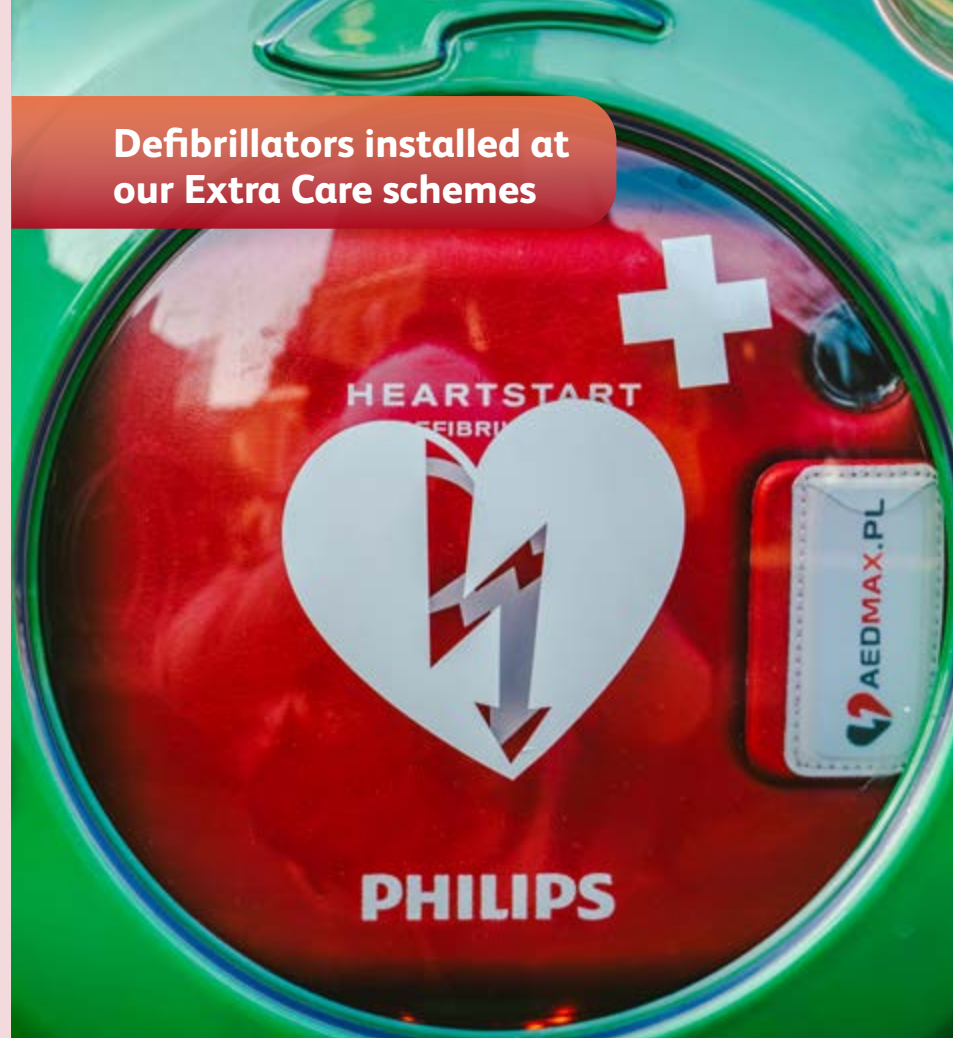


On Christmas Eve we provide a full Christmas dinner and volunteers help the charity deliver the meals around Leeds. Each person also gets a small present to open so that they can still feel a little of the joy of Christmas despite their circumstances.





Defibrillators installed at our Extra Care schemes



Lifesaving legacy

## On a defibrillator mission

We have purchased and installed life-saving defibrillators at extra care housing schemes we manage.

The installations at the extra care homes across Kirklees provide important access to lifesaving equipment, helping to safeguard elderly and vulnerable people in the heart of our communities.



Co-created programme

## Developed and tested our Entrepreneurial Futures Programme

In partnership with our client, Metropolitan Thames Valley Housing, we co-created the **Entrepreneurial Futures Programme**, targeted at young people, who aren't in education or employment, and aims to inspire and support them into long-term careers.

We planned the programme of interactive workshop sessions and skills learning activities ready for launch in the summer of 2023. The first event is to support 90 young people at Nottingham Academy and will be rolled out to other academies across the UK.

Strategic community partner



## We have partnered with the Flourishing Futures Network

We joined the network which brings together like-minded organisations to support young people into employment and inspire them through a creative programme of activities.

As part of the network, we supported the Youth Brent foundation by volunteering time and expertise, which helped young students craft pitches and prepare presentations for a panel.

Since January 2023, 15 young people from Brent (Chalkhill, Stonebridge and Church End) have trained as peer researchers tasked with looking into barriers to employment for young people. The team have been conducting their research through a combination of interviews, focus groups and surveys, which culminates in a networking event where they will present their findings.







We helped Forget Me Not Children's Hospice raise £30,000 by volunteering to collect Christmas trees in January for recycling.



The North London Schools team held a virtual happy hour to raise vital money for Children in Need.



Our HR teams held an inclusive Macmillan Coffee Morning to raise funds and awareness.



The team delivering services for Clacton Schools helped to raise funds for a local schoolboy's new wheelchair and donated a hamper to auction as a prize.



Teams working on the Clarion Housing contract volunteered to help clear a vulnerable residents private garden, which had become overgrown and unmanageable.



Metropolitan Thames Valley Housing London South and Clapham Park Homes teams regularly donate to foodbanks across three community centres.



Alongside the North London Schools Grounds Contractor we donated Christmas trees to all its schools spreading festive cheer for children and staff.



Pinnacle, Lea Valley Academy and Highlands School jointly run a toy appeal for three charities to make Christmas extra special for many families.



The Kirklees Housing Contract volunteered their time, expertise and donated the materials to create and build Santa's Sleigh for the local community to enjoy.



We set up a stand at Clacton county high school's Careers Fair to introduce roles available in the facilities management industry.



We partnered with Champions Community Sport and Health in Leeds, donating goalposts, hoodies and gloves to support vulnerable children.



24 members of the Clacton Schools contract took part in the Clean Beaches week. Collecting and disposing of litter washed up on Clacton-on-Sea coast line.

**These are just a few examples of what our people have achieved as they go above and beyond every day to make a difference in transforming communities and changing lives.**

**#ThePowerOfPinnacle**

**It's the little things that add up to make the biggest difference in our communities and we do this on mass every day, across the UK!**





# Protect Our Planet

Removing carbon, reducing pollution and considering all aspects of how we do business through a zero harm lens.

## Our commitments



Reduce our carbon footprint to Net Zero in 2027 for direct emissions and 2035 for total emissions according to the principles of Science Based Targets (SBTs)



End procurement of all environmentally harmful substances where sustainable products and materials exist

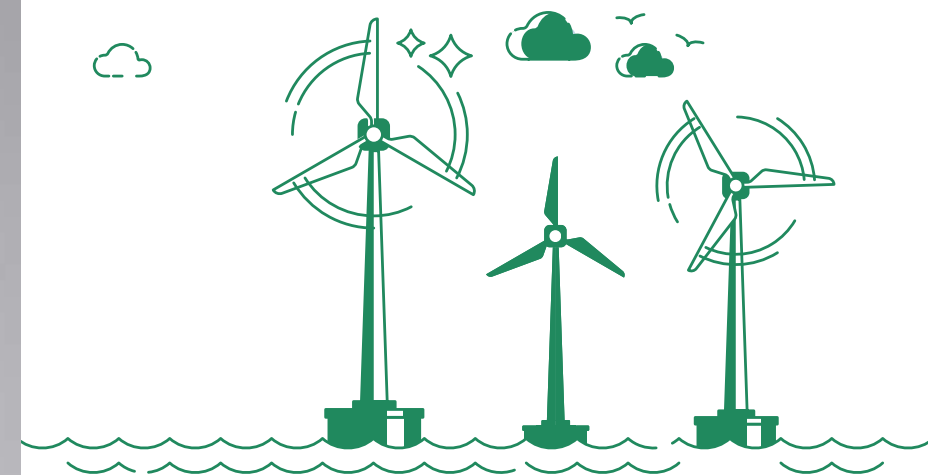


Collaborate with our colleagues, customers, and communities on how to lower their impact on the environment





## Q&A with CEO Peregrine Lloyd, on our Net Zero plan



### **Why is reaching Net Zero important to Pinnacle?**

We have a responsibility to our employees, customers and the wider community to make sure we do what we can to reduce our carbon footprint. I want to be ahead of the curve when setting our targets.

### **What initiatives are in place to ensure Pinnacle reaches Net Zero?**

We are actively pursuing a policy of changing all our vehicles to EVs and are partnering with suppliers who have a low or are moving to a low carbon footprint.

### **What are the benefits to all stakeholders by being a Net Zero business?**

Apart from the obvious in terms of helping to meet global carbon reduction targets, we make ourselves a business which is more attractive as both an employer and supplier which can lead to increased growth and long-term sustainability.

### **What potential challenges could Pinnacle face in reaching both its short and long-term targets?**

Currently, we're experiencing supply chain constraints in obtaining suitable EVs within the time frames we require them. This has a direct impact on achieving our ambitious short term targets. However, we are continually adapting our strategies and working with our suppliers and clients to achieve the most practical and financially viable solutions. Working with our supply chain is key on both short and long term targets, and we will continue to do so as part of our journey by working with both our supply chain and clients as being Net Zero can't be achieved in isolation. Long-term, strategic partnerships are key.



# Our Journey to Net Zero

As a growing and evolving business, having access to data and being able to accurately interpret and act on it is crucial to ensuring we can adapt quickly to challenges and maintain our net zero targets. Below are some insights from Paul de Kock, Head of Projects & Governance on how Pinnacle is balancing various challenges on its journey to being net zero.

Pinnacle established its carbon footprint baseline in FY20, since then the company has grown significantly, turnover increased by 80% to £192m, full time equivalent employees(FTEs) are up 48% to 3,140 employees and our fleet has increased by 64% to 662 vehicles.

This growth has its own challenges when trying to reduce total carbon emissions year on year. We have continued to roll out EVs, switch to green energy and engage with our supply chain to reduce emissions.

FY23 is our first full non-pandemic year since our FY20 baseline, and is therefore best to compare changes against our baseline as opposed to the two intervening years, although these figures are provided for completeness.

The significant growth, driven by the acquisition of two businesses and the Group's largest contract win to date, has led to an increase in emissions due to the resultant increase in supply chain spend, additional offices and depots, increased vehicles, mileage & fuel consumption. Due to these factors and to ensure we can accurately compare year-on-year figures we use industry standard practice of comparing our carbon footprint per FTE and per £1m revenue.



TOY

FY23 v FY22 YoY		FY23 v FY20 Baseline
+26%	Turnover (£192m)	+80%
+18%	Fleet (662)	+64%
+2.4%	FTEs (3,140)	+48%
+15%	Total Emissions (16,429 tCO <sub>2</sub> e)	+17%
+12%	Total Emissions per FTE (5.23 tCO <sub>2</sub> e)	-21%
-8.7%	Total Emissions perm £1m revenue (85.48 tCO <sub>2</sub> e)	-35%

### We're changing our timeline

After careful consideration and a thorough review of our sustainability strategy, we have adjusted our Net Zero targets on direct emissions by two years from FY26 to FY28. The decision was not made lightly and is rooted in our commitment to making meaningful and lasting contributions to the environment.

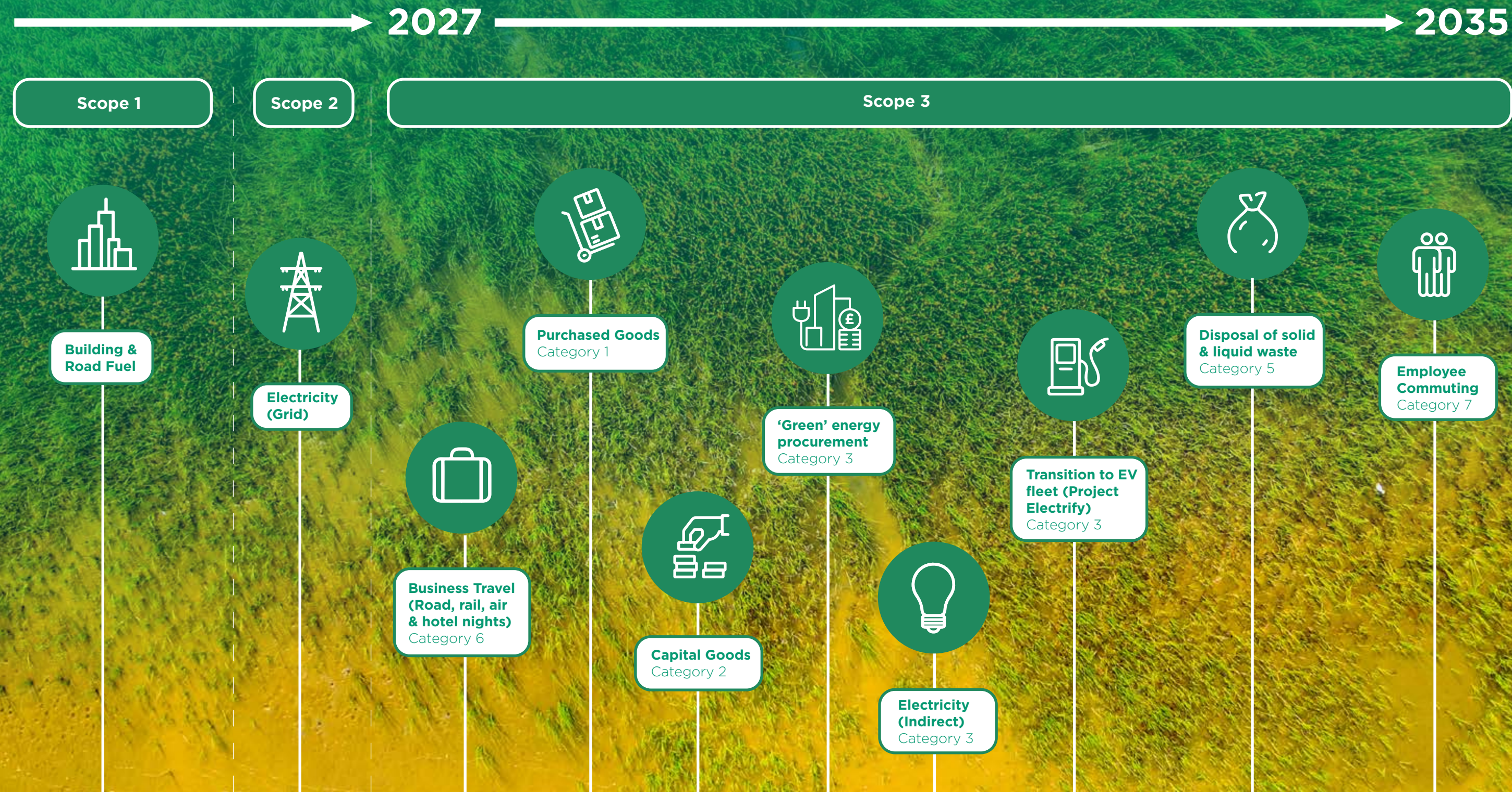
### Why the re-alignment?

Several factors have influenced this decision, including unforeseen challenges, evolving industry landscapes and the need for additional time to implement sustainable solutions effectively and commercially successfully. Despite this adjustment, our dedication to sustainability remains steadfast. We have made significant strides towards our Net Zero goals, and this change in timeline allows us to recalibrate our approach, ensuring that our strategies are not only ambitious also practical, sustainable over the long term and appropriate for a growing business.



# Our Plan to Net Zero

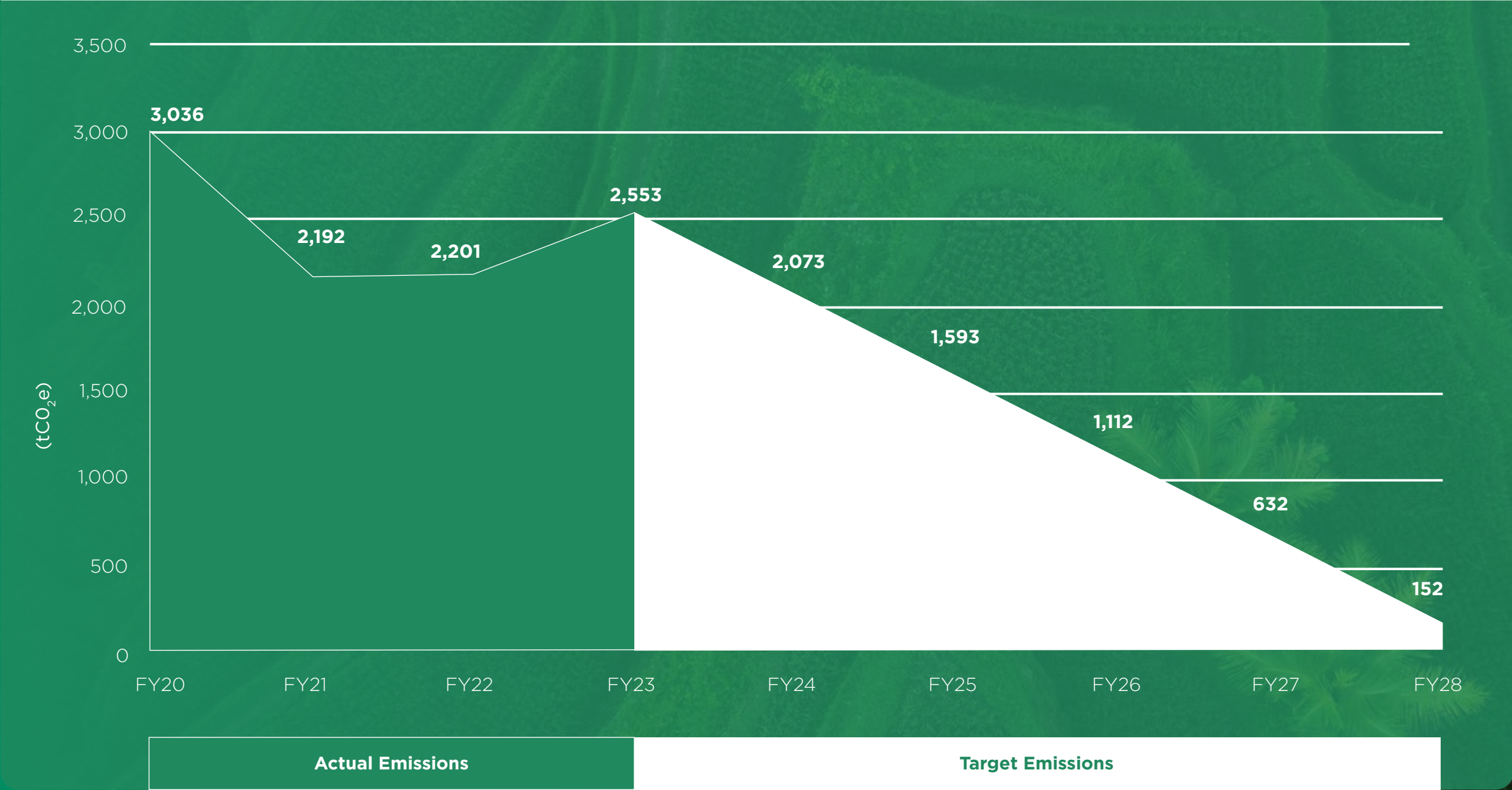
Our Plan to Net Zero details our pathway to achieve our Net Zero target on direct emissions in 2027 and total emissions in 2035. The plan is pivotal to ensure we remain on track and monitor our progress towards reaching our Science Based Target initiative (SBTi) aligned targets.





Understanding our current position on our journey to Net Zero is important for mapping future carbon reduction milestones. The following graphs provide a visual representation of where our current carbon footprint is and where we need to be for both direct (Scope 1 and 2) and indirect emissions (Scope 3).

Carbon Reduction: Target VS Actual (Direct Emissions to FY28)







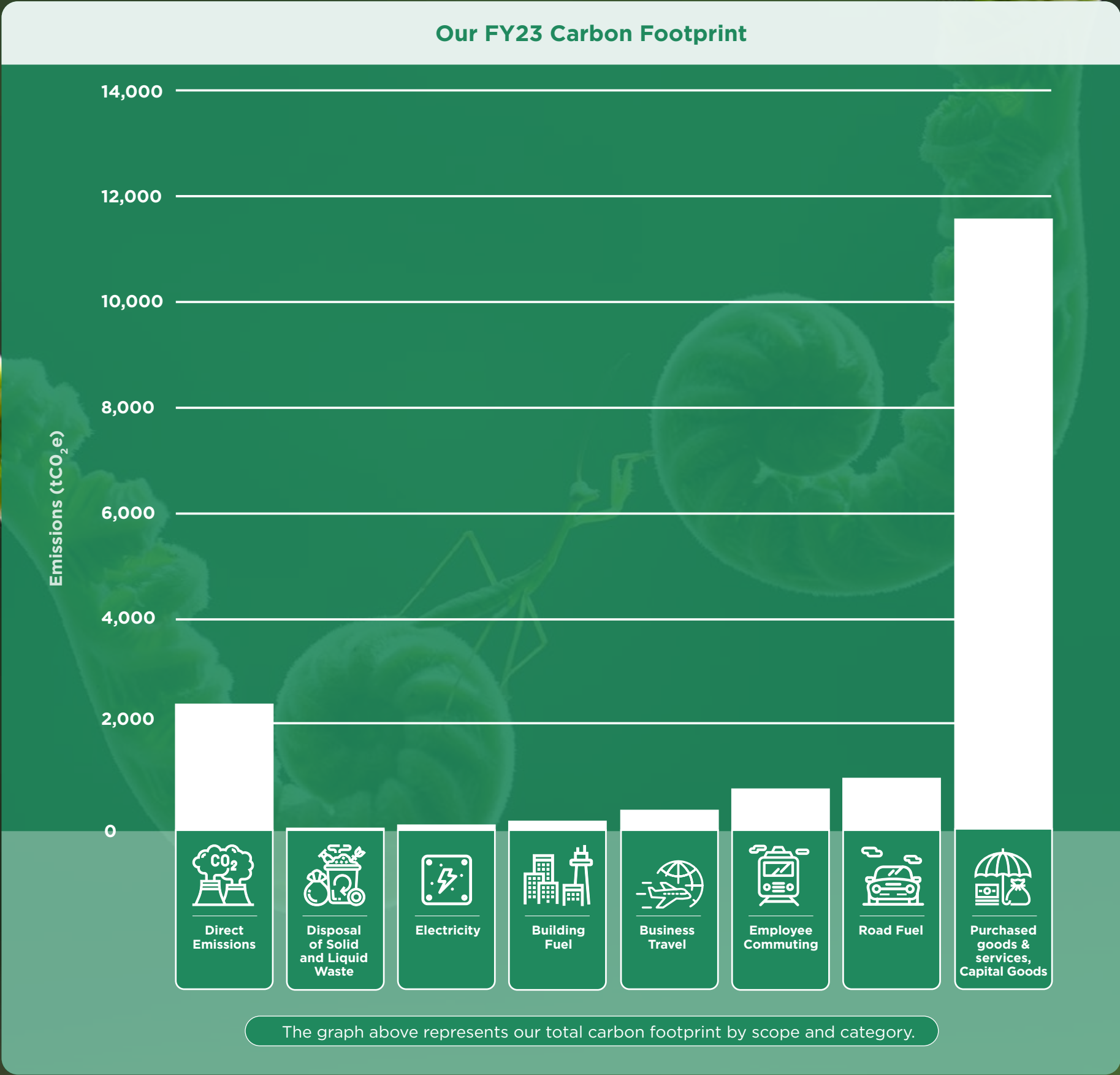


# Our FY23 Carbon Footprint

During the reporting year, we continued to work alongside our carbon reduction consultants, Greenstone, to ensure the Group’s reporting is robust and meets the very best industry standards.

Over the summer of 2023, Greenstone updated its software with the new Department for Environment Food and Rural Affairs (DEFRA) Emission Factors for all scopes and categories, which were last updated in 2009. This ensures that our carbon footprint calculations follow latest guidance, are up to date and more accurate. The biggest impact of these changes has been realigning our scope 3 supply chain spend to match the new product categories and emissions factors. The new categories are more specific in what spend data should be included within each category. To ensure that we can accurately compare year on year emissions, the Group’s annual carbon footprint has been recalculated from the FY20 baseline to present.

We are decarbonising our operations through programmes such as Project Electrify to transition to an electric fleet, Project Green Energy to sustainably run our offices and depots and by partnering with responsible suppliers such as Bunzl, who are a multinational distribution and outsourcing company dedicated to reducing their impact on the environment. We can use their advance carbon reporting and environmental impact accreditation system on chemicals and consumables to gain insight into the environmental impact of our suppliers.







## Pinnacle's Direct Emissions

Our first milestone is to reach Net Zero on direct emissions in FY28. We are doing this through the continuous optimisation of our energy performance within our fleet and buildings.

### Electrifying our fleet

### Decarbonising our sites

When broken down, our direct emissions were a result of:

- Scope 1 Building and Road Fuel 88%
- Scope 2 Electricity 3%
- Scope 3.6 Business Travel 9%



## Project Electrify

We aim to provide our services through an electric fleet by converting the majority of our light commercial vehicles from diesel-power to fully electric.

We have seen great progress since the project began in 2021.

Our Pinnacle Service Families contract has rolled out 53 electric vehicles and continues to convert the full fleet of 150.

# 53



electric vehicles

### Our Progress so far:



### Baseline

Initial discussions

Analysis of vehicle usage requirements

Introduction of Fleet Management Dashboard



### FY23

12% of fleet consists of EV's

70 EV's delivered to Group and DIO contract

Continued installation of charging points



### Looking Ahead

Installation of home and depot charging points.

Saving up to 1,920 tCO<sub>2</sub>e

“

It has been a challenge to select electric vehicles that meet our operational needs and ensure we have a process that works for paying our teams for the charging costs when they are in use. Due to the change of vehicle, we have also introduced a Benefit In Kind allowance so employees aren't hit with any extra costs for switching to electric.

Tom Peters (National Housing Lead at Pinnacle Service Families)

”

13

CLIMATE ACTION







# Green Energy Transition

We partnered with Planet First Energy last year, a social enterprise and green energy broker. This has meant that we have switched 20% of our offices and depots to be supplied with sustainably sourced heat and power.

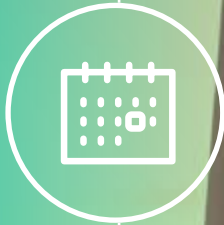
**88 tCO<sub>2</sub>e**  
from electricity

**45 tCO<sub>2</sub>e**  
from gas



## Baseline

Initial discussions around potential partners



## FY23

20% of Group's depots and office supplied with green energy

Saving up to 17 tCO<sub>2</sub>e



## Looking Ahead

Main office transitioned, saving 5 tCO<sub>2</sub>e annually

Continue prioritisation of green energy suppliers





#### Baseline

Initial discussions around partnerships

Established partnership with Bunzl



#### FY23

Bunzl offsets carbon emissions associated with deliveries

Equating to annual saving of c1,355kg CO<sub>2</sub>e

Total reduced plastic (against relevant benchmark) 158kg

£551,015 in social value (TOMs framework)



#### Looking Ahead

Continue to work with Bunzl to prioritise sustainably sourced chemicals

Work towards use of 100% PCR bottles being put back into circular economy



## Engaging our Supply Chain

We are working to reduce our supply chain emissions and have several projects to support this underway:

- Project Switch
- Supplier Code of Conduct
- ESG Dashboard (as detailed in Responsible Business pillar)
- Supply Chain Management (GEP) (as detailed in Responsible Business pillar)



## Sustainable cleaning through Project Switch

Project Switch is a nationwide sustainability benchmark for commercial cleaning and hygiene provisions, in collaboration with Bunzl Cleaning and Hygiene Services.

Since we began working with Bunzl in 2020, we have made significant progress to reduce our carbon emissions.





## Educating our Staff through our Carbon Footprint Awareness Sessions

Towards the end of FY23, the ESG team developed and finalised Carbon Footprint Awareness Sessions aimed at different areas of the business. The sessions provide insight into our carbon footprint, Net Zero targets and what this means in terms of carbon emissions reductions over the coming years.

## Engaging Our Teams with ESG

As part of our ESG commitment we want to ensure that ESG is embedded in everything we do, this can only be achieved through the involvement and support from our staff. We work closely with our people to engage and educate them on the Group's carbon footprint and what they can do to get involved.





# Responsible Business

We are committed to conducting business with the highest standards of integrity, ethics, and professionalism. The Pinnacle Way is our Corporate Code of Conduct and Ethics and serves as a guiding framework for the behaviour and actions of every team member.

## Our commitments



Be transparent, resilient and accountable in how we do business with all our stakeholders



Maximise our social impact through our delivery partners and support their growth as responsible businesses



Run a highly principled and ethical business that listens to staff, customers, delivery partners and shareholders



**How has the continuous drive towards raising awareness of data privacy and security issues helped to ensure that Pinnacle is always doing the right things in the right way?**

Protecting company, employee, client and customer data remains at the top of our governance agenda. Not unlike many other businesses, where the volumes of data being managed is ever-growing, human error sits behind the vast majority of security incidents and data breaches. To combat this, we run monthly on-line IT security training sessions and ad-hoc simulated phishing campaigns for all staff. This ensures that they know what a security incident / data breach is, how to report one if it happens, but most importantly know how to prevent it from happening in the first place. We encourage our staff to stop before they send, check all key information is correct and ask for help if they are not sure - a “pause and prevent” rather than a “bolt and breach” approach.

**How have the enhancements and adoption of available technologies in our governance processes ensured Pinnacle continues to be an ethical and transparent business?**

The advancements we have made in recent years, with SharePoint, Dynamics, Power BI and Power Platform development has gathered pace, significantly enhancing our management and monitoring capabilities across all areas of the business. For example, our comprehensive governance, risk, contract and policy repository provides an always current single version of the truth for employees to access. Where possible we have automated authorisation processes to ensure that internal controls are followed, and through the use of automated alerts and version control, our governance framework and processes are regularly reviewed and updated to reflect changes to the environment within which we work and in line with industry best practice. This transparent and accessible approach means that our staff have the tools they need to always act responsibly and ethically and can easily “Speak Up” if something they see or hear is not right.

**What is Pinnacle doing to remain ahead of the curve when it comes to being a responsible business?**

Our Pinnacle values (Respect, Involve, Trust, Challenge and Deliver excellence) lie at the heart of us being a responsible business. We have a robust yet flexible structure in place, ready to learn from our mistakes and from others. Understanding, managing and mitigating current and emerging risks is embedded in our culture. This means our people are prepared for change and we can capitalise on opportunities when they arise.

## Q&A with Nick Wright, Group Commercial & Legal Director





# Our accreditations help us drive continuous improvement

Our teams are continuously working to improve how we do things, so we can flex and change with the world around us. Drawing from industry best practice via our accreditations helps us do this effectively.







**Pinnacle is committed to opposing modern slavery in all its forms and preventing it by whatever means necessary.**

**We actively promote awareness and understanding of modern slavery and over the past three years our modern slavery working group has run various training programmes which help our teams know how to spot issues and be confident in being able to report concerns.**

The working group meets regularly and supports the ongoing development of our responsible business practices, develops guidance materials to improve awareness, monitor risks and deliver training and communication campaigns.



## Always trained on GDPR

**We run mandatory monthly GDPR training session for all IT enabled staff.**

This includes video, scenario based questions and a test, top tips and advice. The current programme has been in place since 2020 with over 26,000 training videos watched to date equating to over 2,160 training hours.



Over  
**26,000**  
training videos watched

## Statutory Reporting

Our [S172 Report](#), Corporate Governance Statement, [Gender Pay Gap Report](#), [Modern Slavery Statement](#), are all publicly available either on our website or via our submitted Report & Accounts and helps us to provide assurance to our stakeholders that the company is well run.



**97%**

feel confident in identifying the signs of modern slavery

**Our well-established governance groups support the delivery of our purpose: transforming communities, changing lives. We have 12 groups, with key stakeholders who work together regularly, all of which sits within a robust risk management framework.**





# We empower our leaders to run their contracts responsibly.

We have made a significant commitment and investment in developing a full suite of power BI dashboards which places real-time operational data at our managers finger tips.

By developing this easy to access, and intuitive suite of contract dashboards we have created a highly agile framework for contracts to be able to better govern themselves and operate responsibility.



## Job Watch Dashboard

Provides access to key information to help managers monitor all planned and current jobs in real time.



## People dashboard

Shows strength of culture, sickness, turnover, headcount, structures, TUPES and more.



## Fleet Dashboard

Sets out key fleet information for EV's and ICE vehicles including maintenance, driver and vehicle behaviour, route planning and full life costs.



## Financial dashboard

Hosts in-depth data for budgets, invoices, spend and detailed analysis of each contracts financial health.



## Health & Safety dashboard

Provides data on incidents, RIDDORS, audits and general H&S matters.

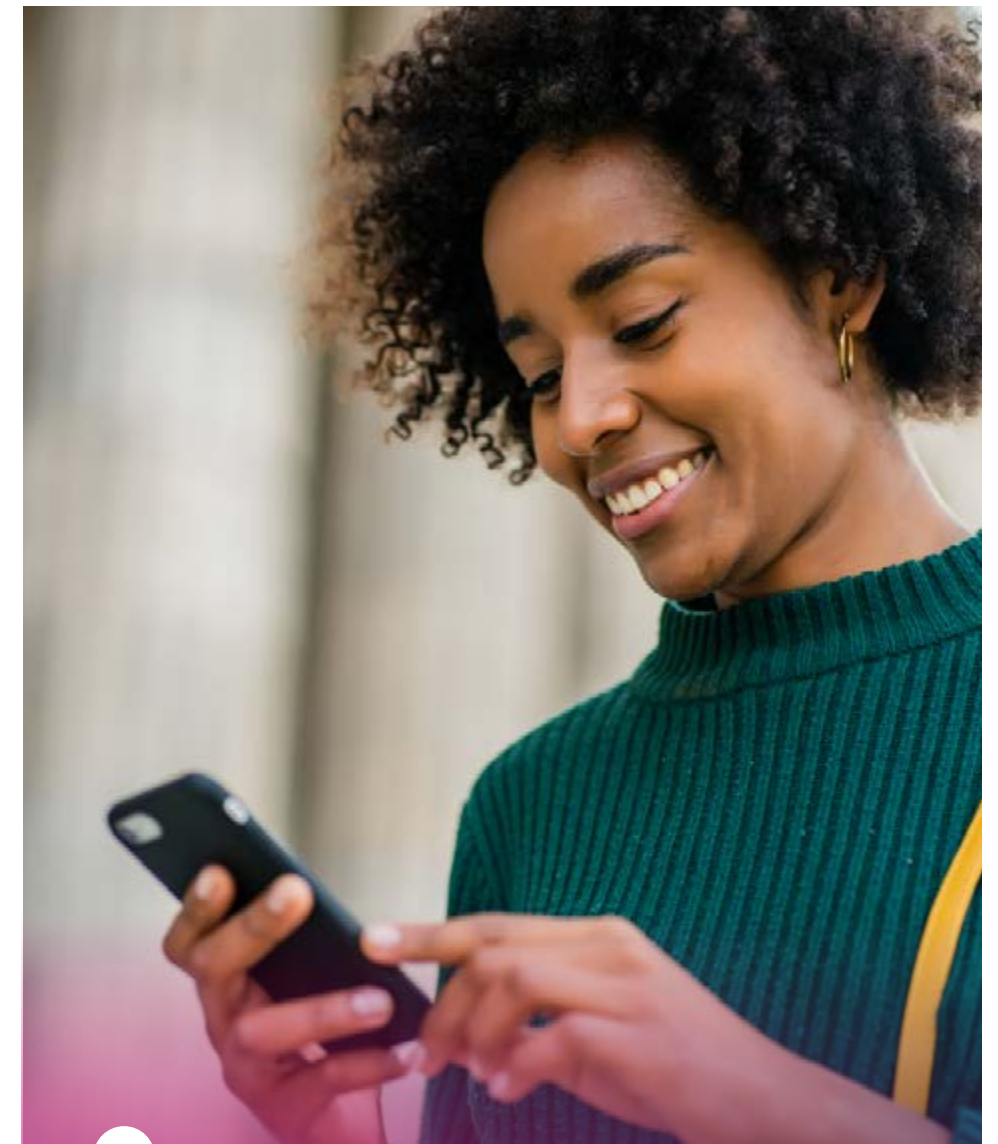


## ESG dashboard

Brings together data covering our four pillars. Protect Our Planet, Our People & Culture, Community Impact and Responsible Business.

# Our Resident App

Our new App allows customers to interact with us via their smartphone whenever they wish, as well as being able to access all their tenant and property documents in one place. Some of the main benefits include push notifications, real time 'chat' function with concierge or management team, real time updates on repairs and building information, online rent payments, repairs reporting/monitoring and tenancy renewal.





# Case Study: Skill Schooling

**Our Hackney contract worked with St John Ambulance and the British Safety Council to deliver a range of training for teams to become Authorised or Responsible Persons in different Health and Safety disciplines such as Confined Spaces, Mechanical and Pressure systems.**

Working at Heights, Fire Marshal and First Aid courses were delivered by St John Ambulance. In addition, IOSH certifications for both managing and Working Safely were delivered by the British Safety Council. These professional courses have not only been beneficial for the teams professional development but has also prepared them to provide a safer working environment for those around them.



We also run an accredited conflict training course for all public facing team members. The aim - to turn confrontations into conversations and help keep our teams safe.



## Partnering with the National Cyber Security Centre (NCSC)

We have joined forces to make sure we operate in the most secure way possible.

We held security webinars with a guest speaker from the NCSC aimed at giving context to challenges faced by businesses and taking a look externally to best practice and common areas of concern. It gave an insight to how we can all keep security at the forefront when at work, and at home.



# Safety at the centre

The safety of our teams and the members of the communities we work in is of paramount importance to us. We drive safety into everything we do and support our teams to be able to carry out their work safely and responsibly.

We have launched our seasonal safety campaigns with winter toolbox talks covering driving conditions and dark night safety advice, as well as summer ones tackling working in hot conditions.

# Speak up at Pinnacle

We continually promote the way in which our teams can raise concerns. To ensure we are a responsible business we ask for feedback from employees through surveys, embedded in manager/employee relationships, through annual performance development reviews and via our Speak Up mechanism, a dedicated email centre for raising concerns surrounding:

- Business Integrity
- Bribery and Corruption
- Environmental Health and Safety
- Money Laundering
- Modern Slavery
- Other misconduct not in compliance with our Code of Conduct

## Auto focus launched

Many of our people drive to and from work, or as part of their job. This is why it's so important for us to help keep our drivers safe. This campaign looks at behaviours, and provides a wealth of tools, guidance and training for our teams to keep driver safety front of mind.

### How's my driving?

[www.pinnaclegroup.co.uk/drivers](http://www.pinnaclegroup.co.uk/drivers)

We are increasing the safety and tracking devices used in our vehicles to help protect, train and guide our drivers to safer habits.

How's my driving stickers have been added to our vehicles to seek public feedback and help tackle any concerning practices.



