

## How PTSG embraces ESG

As a company that has achieved dominance in the market sectors in which it operates, Premier Technical Services Group Ltd (PTSG) has firmly grasped the opportunities and challenges of Environmental, Social and Governance (ESG).

ESG criteria are a set of standards for a company's operation that socially conscious investors use to screen potential investments. They cover a wide spectrum of issues that are not traditionally part of a company's business decision-making, and yet they may have direct relevance financially. For example, how a large (and growing) service provider such as PTSG might respond to climate change, how effective their water management practices and health and safety policies are, and how they manage their supply chains.

PTSG has always taken a collaborative approach in delivering specialist services for clients in a multitude of industry sectors – which has invariably led to an improved result, with all contractual partners aligned to the same view of success. By putting Environmental, Social and Governance at the top of the agenda, we can be sure that we are doing our utmost to work towards the most sustainable outcome in every area of business.



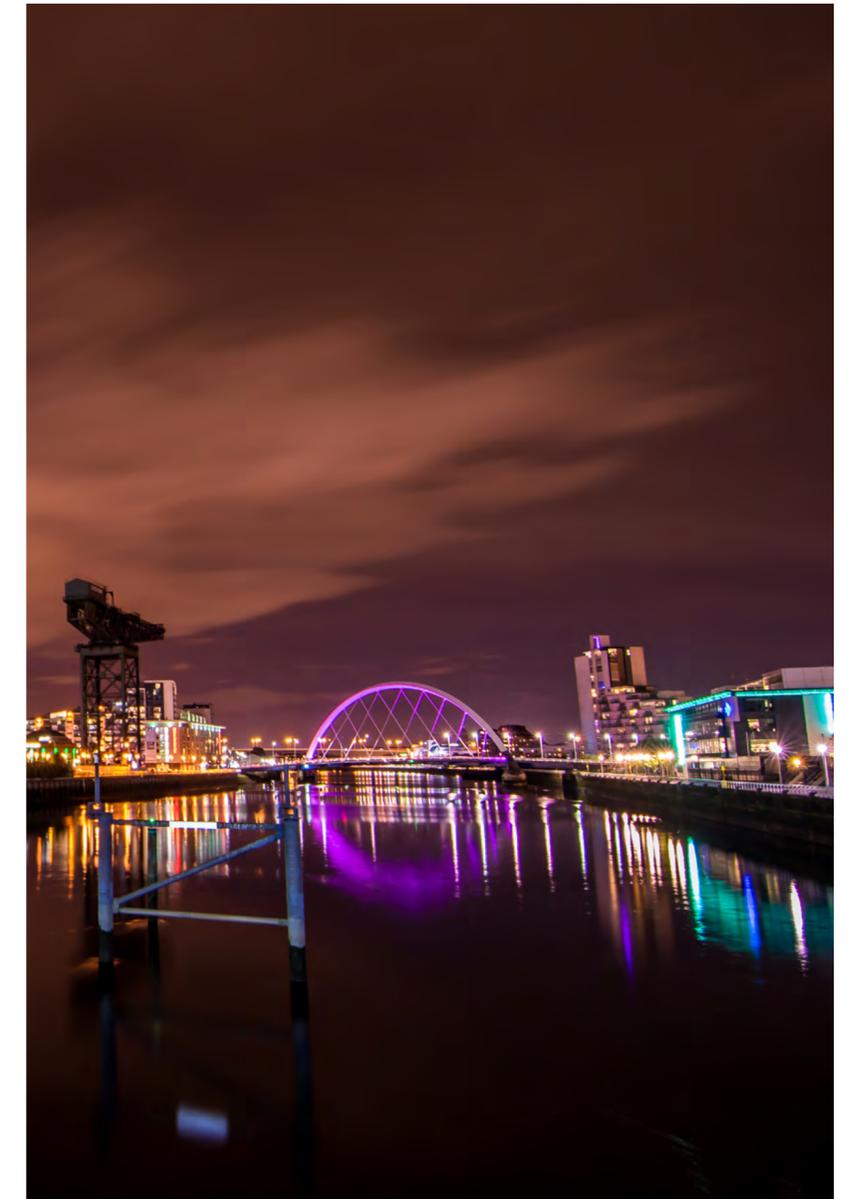
# The growing importance of ESG in business

The term ESG was first coined in 2005 in a landmark study called “Who Cares Wins”. Today, ESG investing equates to around a quarter of all professionally managed assets around the world, and its rapid growth builds on the Socially Responsible Investment (SRI) movement that has been around much longer.

2021 was the year in which the United Nations Climate Change Conference – COP26 – took place at the SEC Centre in Glasgow, from 31st October to 13th November. David Attenborough addressed the conference by saying that humanity was “already in trouble”. He called on leaders to be “motivated by hope rather than fear” to avoid climate catastrophe.

‘[It is time] To turn this tragedy into a triumph – we are after all the greatest problem solvers to have ever existed on Earth. We now understand this problem, we know how to stop the number rising and put it in reverse.’

Whilst cynics may argue that responsible investing is just a fad, a closer look at the forces that have driven the movement over the past 17 years suggests otherwise. Firstly, technology and the rise of transparency are here to stay. Gathering and processing data is set to become ever easier and cheaper. Smart algorithms will increasingly allow for better interpretation of non-traditional financial information, which appears to be increasing exponentially.



## The growing importance of ESG in business (cont.)

Secondly, environmental changes – and climate change in particular – will, with scientific certainty, put a growing premium on good stewardship and low carbon practices as natural assets will appreciate in value over time. And thirdly, people everywhere are increasingly empowered by technology. ESG investing allows them to express their own values and to ensure that their savings and investments reflect their preferences, without compromising on returns.

The best way to capitalise on opportunities and avoid potential future challenges is to embrace the factors that relate directly to Environmental, Social and Governance. For Premier Technical Services Group Ltd (PTSG), which occupies a significant part of the supply chain in the construction and FM sectors, we can ensure our 2,300+ people act in a responsible way at all times – on and off site. We can also aim to influence the behaviour of those we work with.

ESG and Corporate Social Responsibility (CSR) are strongly aligned in our way of thinking and working. We view CSR as a self-regulating part of our business model. It helps us to be socially accountable – to ourselves, our customers and the public.

To engage in CSR means that, in the ordinary course of business, PTSG operates in ways that enhance society and the environment, instead of contributing negatively to them.



# Energy use and carbon offsetting

PTSG's energy use has been meticulously monitored and recorded for a number of years across company headquarters and all constituent office locations. Detailed spreadsheets are produced annually to measure energy usage and calculate the Group's carbon footprint:

- Vehicles – make and model, fuel type and usage (commuting, driving to site)
- Utilities – electricity, gas, water

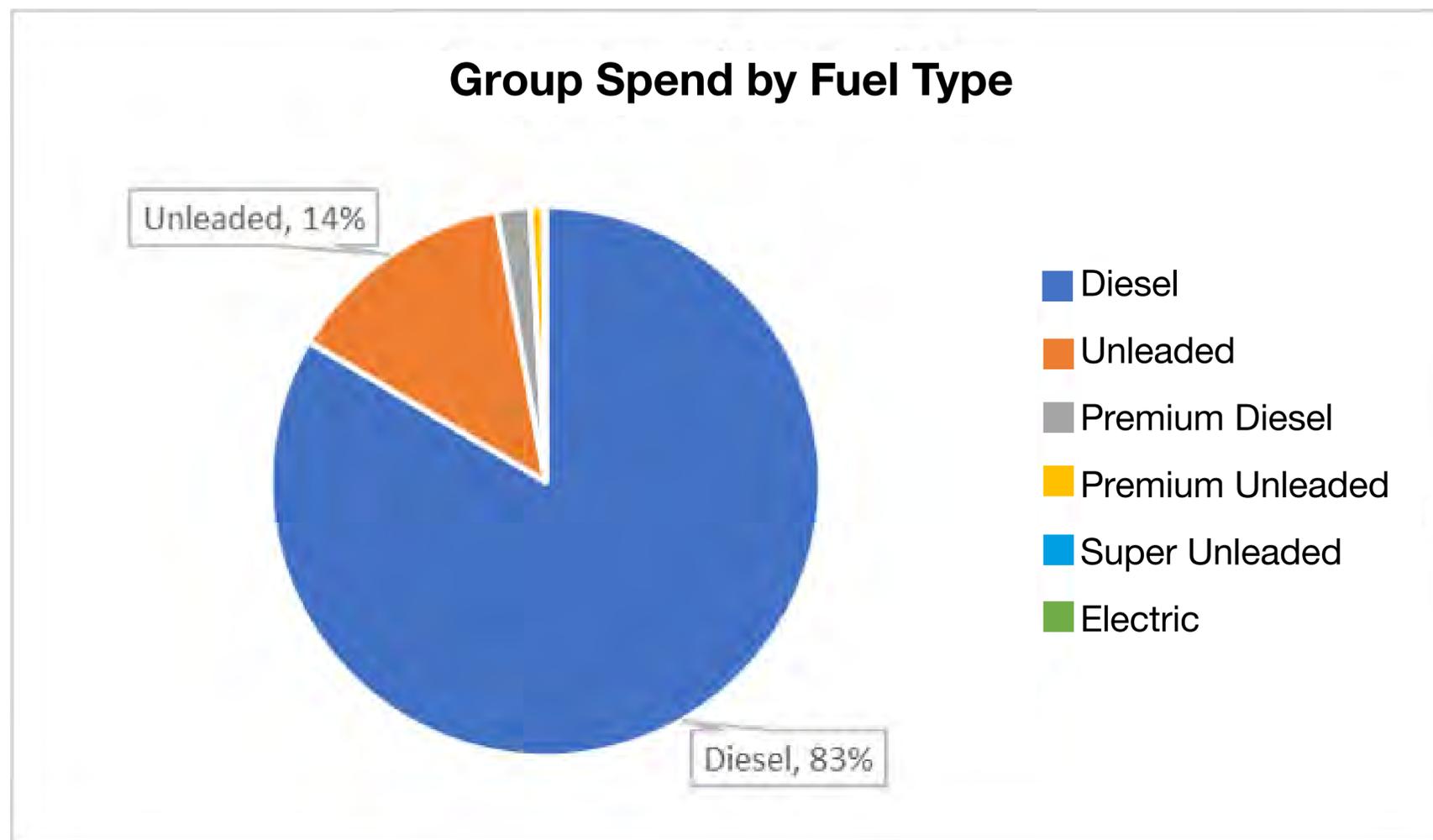
A typical office uses the above utilities; it is lit and heated and provides a range of facilities for employees, all of which use energy. All of this is documented to show exactly what is being used by all offices within the Group, from the water boiler down to the number and type of lightbulbs. Recommendations are then drawn from this data and made by the Group's HSEQ team, one example being the use of energy-efficient LED lighting.

The average person at PTSG has a carbon footprint of 5.7 CO<sub>2</sub> tonnes per year (the UK average is 10 CO<sub>2</sub> tonnes per year).



# Making our vehicles greener

Fuel is by far the biggest contributor to PTSG’s carbon footprint. As a whole (including all constituent companies) PTSG is using 5.6 million litres of fuel per annum. The current split of fuel types is shown below:



Of the total fleet of 185 cars in the Group, 34 are now hybrids. That’s 18.4%.

## Making our vehicles greener

Trinity Fire and Security (Trinity) is a constituent company that forms part of PTSG Fire Solutions Ltd. It currently operates 275 vehicles throughout its business at 10 UK office locations. 220 are vans used by engineers, representing by far the largest proportion of the company's vehicles.

It simply isn't practical to switch to electric vans due to the distances driven by engineers on a daily basis; charging points would need to be guaranteed to be available while out on site to avoid a flat battery on a regular basis. However, Trinity has moved from diesel to petrol vans, which emit less carbon. It has also reduced the size of the engines in its vans from 1.8 litres to 1.4 litres. The company's fleet provider, Wessex Fleet, is continually looking to provide cleaner vehicles.

15 of the company's vehicles are in use at London Heathrow, the location of Trinity's largest account. Here, Toyota self-charging hybrids are used throughout its fleet; plans are being discussed to extend their use elsewhere.



# ESG in action at PTSG - Supply chains

## 1. Local project spend (within a 60-mile radius)

We have a policy of spending in the area local to each project in order to contribute to that region's economy and to help local people. It is well known that money spent locally has a multiplier effect; the local companies with whom we spend put that money back into the local community, thus circulating that money and allowing the community to thrive. As a large company with a local presence in many different areas around the UK, we have a duty to do this – and it makes for a better environment in which to work and live.

Companies with a strong local presence, such as PTSG, have a positive effect on the environment, too. Being situated close to the project site reduces the amount of driving and the pollution created as a result.

We also strive to recycle as much of the material on site as possible. For example, if we are required to remove existing products or equipment, our first concern is whether they can be reconditioned or repurposed and used again elsewhere. Where this isn't possible, we ensure all materials are recycled where possible.

PTSG is committed to achieving high standards of environmental performance in all aspects of its business activities, including complying with all relevant legislation and ISO standards. As part of this commitment we have focused on reducing key impacts in many significant areas such as waste management, energy reduction and carbon emissions.

We will:

- Measure and, where possible, reduce our impact on the environment.
- Minimise the consumption of energy.
- Measure and reduce our carbon footprint as part of the carbon reduction commitment.
- Seek to reduce our waste and to recycle as much as possible.
- Ensure compliance with all relevant environmental legislation and ISO certification.



# ESG in action at PTSG

## 2. SME spend

Wherever possible, we buy goods and materials from small and medium-size businesses. We fully appreciate that SMEs are a vital part of the supply chain for contractors throughout the country. Furthermore, smaller business can often deliver a superior, more personal level of customer service – something that resonates with PTSG, as giving our customers the very highest level of service is always our first priority.



# ESG in action at PTSG

## 3. Using a workforce within a 25-mile radius

Responsible sourcing is not only something we should be promoting throughout our company, it is a logical approach to working for PTSG. As a large company that has achieved comprehensive coverage of the UK, we always put the emphasis on “local” – wherever that may be in the UK. Helping to grow the number of jobs in specific areas makes for a better place to live and work, which creates a healthy economy for the community.

Where there is a shortfall in our own staff body for a particular project, it is our policy to source suitably skilled workers from the immediate area, wherever possible.



# ESG in action at PTSG

## 4. Community or social benefits

PTSG's involvement in the local community extends to the support of local fundraising efforts recommended by different members of staff. We also believe strongly in giving back to the communities in which we undertake works. This includes supporting local initiatives and community programmes.



# ESG in action at PTSG

## 5. Apprenticeships

Our apprenticeship programme is built in such a way as to both identify talented young people and to develop the skill sets of more mature employees.

Due to the specialist works we undertake, we need to ensure our teams are fully equipped to face an array of challenges. Therefore, we have in place a programme of development for PTSG's workforce, helping to identify ways in which we can improve on delivery and stay up-to-date with the latest policies, procedures and practices.



# ESG in action at PTSG

## 6. Work placements

PTSG is very keen to give work placement opportunities to talented and keen young people. Our business is all about teamwork and collaboration, with everyone working together towards common goals. We are delighted to welcome people to our sites who share our vision that specialist services are vital in protecting buildings and keeping their users safe.

We have a Group-wide development programme for talented young people, which runs in conjunction with our apprenticeship and training programmes. We are committed to helping our young people grow, both professionally and personally.



# ESG in action at PTSG

## 7. Job creation

In every PTSG contract, we assess the number of skilled personnel required to perform the highest possible quality of work to meet the required deadline, or complete the job before this date, and compare it with our employee base within the immediate area.

With 2,300 employees skilled in many different disciplines, covering five discrete areas in the FM and construction sectors, we can respond quickly and easily to jobs of all kinds. We are the UK market leader in the design, installation, test and inspection of lightning protection, surge and earthing systems, with offices in several different parts of the UK. Therefore, we have skilled specialists who can be deployed in a number of localities, with the contingency of mobilising further engineers for larger projects.



# ESG in action at PTSG

## 8. Continuous Professional Development (CPD)

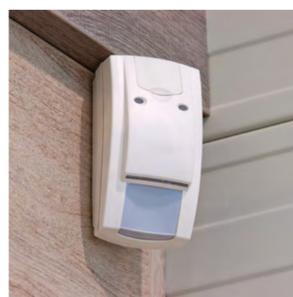
Everyone at PTSG is well remunerated and given bespoke, individually-tailored training packages designed and detailed for their own personal development. There has long been a skills shortage in the UK FM industry and long before Brexit became a reality, PTSG opened a training centre to ensure its engineers had the skills, training and qualifications required to perform the highly specialised work to the highest level in each of its business divisions.

This approach was recognised in 2018, when PTSG won the Apprentice of the Year award at the Steeplejack and Lightning Protection Training Group at Apprentice Awards ceremony. It continues to reap rewards as more of PTSG's engineers are trained to the highest standards every year.



# ESG in action at PTSG

## 9. Measures to make offices more energy efficient



Passive infrared sensors (PIRs) are motion sensors that switch lights off automatically in areas of buildings that are not in use. These have been installed in a large number of

office locations so far, with the aim of including all offices in the Group.



Remote controlled air conditioning is a potentially significant contributor to greenhouse gases and therefore carbon footprint. While this is in place in a

number of offices within the Group, measures are taken to limit the time that heating is in use and also to cap the temperatures. This lowers the use of energy used and therefore the carbon footprint.



Solar panels are one of the greenest ways to generate energy. A cost/benefit analysis has resulted in plans to install solar panels at a select number of locations to

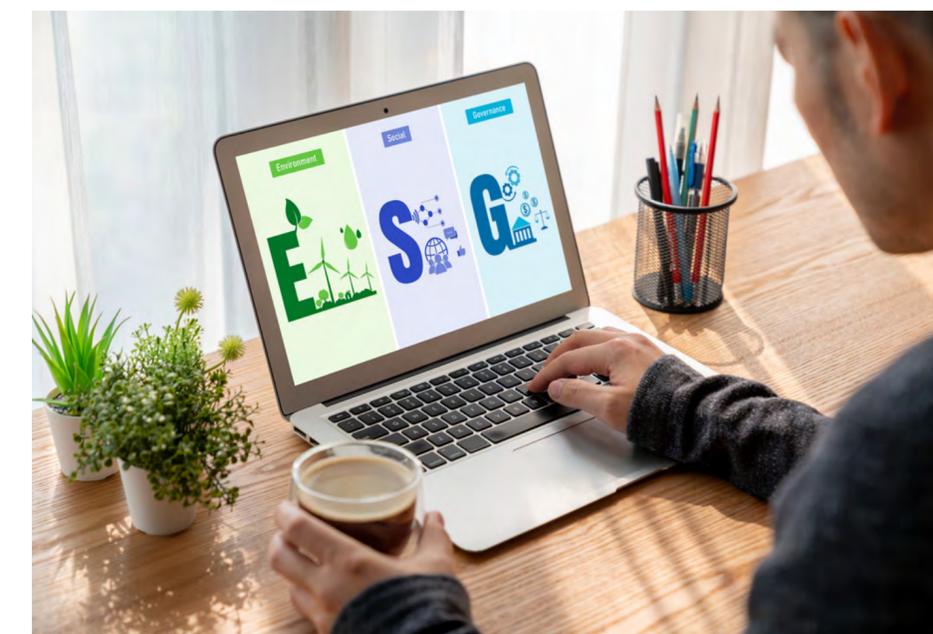
trial their effectiveness – with a view to roll-out in all locations.



Planting trees Reducing carbon emissions to zero is incredibly difficult in today's world and this is one of the best ways of offsetting carbon emissions. Through

photosynthesis trees absorb carbon dioxide to produce oxygen and wood. PTSG is putting plans into motion for tree planting as a way of offsetting carbon emissions.

In addition, every individual use of energy at every office location continues to be monitored. When a more efficient alternative can be recommended, this is changed and entered onto the annual spreadsheet, with its energy output monitored regularly.



## ESG in action at PTSG - Health and safety management

Our approach to safety is influential in the industry and we have received ten consecutive Golds from RoSPA, arguably the most rigorous judge of health and safety in the world. We have also been recognised by the British Safety Council no fewer than ten times for our uncompromising approach to safety.

On three occasions we have achieved a distinction for a score of 49 out of a possible 58 in the judging criteria.

Much of our work is safety-critical, often performed at height. We will never compromise – if a task can't be completed safely, we won't do it. PTSG was the first company of its kind to have a dedicated Health, Safety and Environment department.



## ESG in action at PTSG - Charity

PTSG is a strong advocate of partnership working and has forged a number of long-standing relationships with tier 1 contractors, with a large number of contracts being formed across different sectors, based on previous success.

This has also led to PTSG supporting its partners' charitable activities – for example, the Mitie Charity Ball.

PTSG has supported the Ball, which aims to raise funds for various good causes, every year since its inception. In 2018, the Ball was held on behalf of two charities – the Beatson Cancer Charity and the Multiple Sclerosis (MS) charity. PTSG has donated a new Apple iPod Touch for the event's grand prize draw.

We celebrate the many charitable endeavours of our 2,300+ people in our staff newsletter. Below are just two examples of recent triumphs.



## ESG in action at PTSG - Trekfest 2021

In September 2021, colleagues from PTSG Water Treatment Ltd were thrilled to announce they had raised £4,300 for Dementia UK.

This fantastic sum of money will help provide specialist dementia support for families through their Admiral Nurse service.

The team from PTSG had waited over 18 months to take part in this event and it felt like they would never get a chance to head out of the start gates. The summit of Pen y Fan sits at 886 metres (2,907 ft) above sea-level and is south Wales' highest peak. The team joined hundreds of other walkers from across the UK and beyond to take on this tough challenge.

Dementia UK's Admiral Nurses are continually trained, developed and supported by Dementia UK. The expert care and support provided to families mean that they have someone that truly understands the impact that the condition has.

These nurses are a lifeline helping families to live more positively with dementia in the present, and to face the challenges of tomorrow.

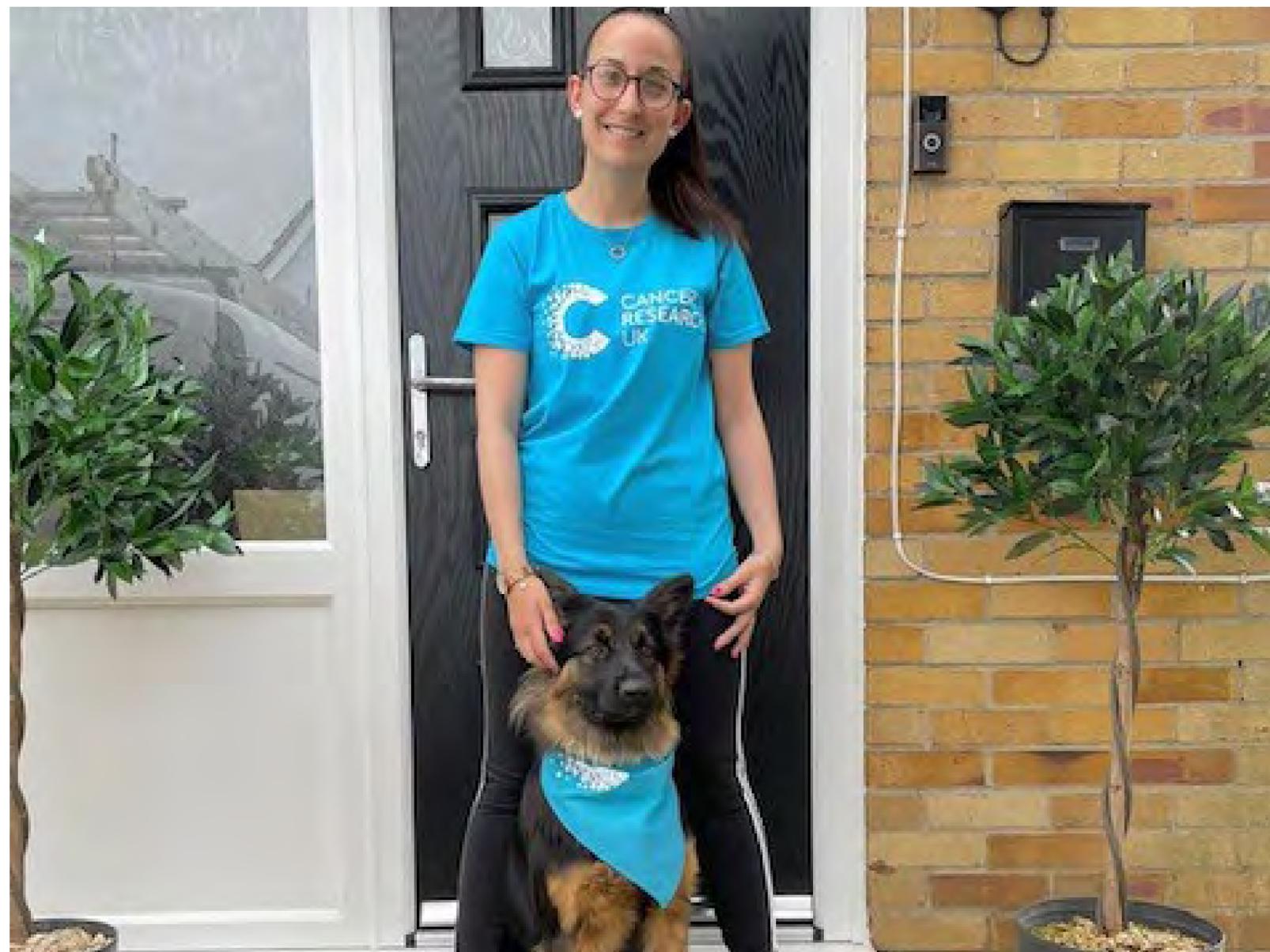


## ESG in action at PTSG - Walk for Cancer Research UK

In June 2021, Carra Gale – Bid Administrator from PTSG Fire Solutions Ltd – and passionate fundraiser – took part in “Walk 60 miles in June with your dog for Cancer Research”.

Her first target was £150, which Carra reached in 24 hours, so she upped it three times since (£300, £500 & £600). After completing 60 miles on 22nd June, Carra had raised nearly £1,000 for the charity.

Cancer Research is the world’s leading independent cancer charity dedicated to saving lives through research, influence and information. The organisation’s work is almost entirely funded by the public. It raises money through donations, legacies, community fundraising, events, retail and corporate partnerships. Over 40,000 people are regular volunteers. The charity funds the work of over 4,000 researchers, doctors and nurses throughout the UK, supports over 200 clinical trials and studies cancer and cancer risk in over a million people in the UK.



# ESG in action at PTSG - Charitable Foundation

The **Sally Bedford Foundation** was launched on the first anniversary of Sally's passing. As a Foundation, we focus on raising and giving funds to cancer charities so that patients can receive vital care and support while research can be done to eventually find a cure.

## Considerations in setting up the foundation

In deciding to set up a corporate foundation, consideration was given to the fact that the foundation must be set up only to further charitable purposes for the public benefit.

There are two key principles of charity law which are particularly relevant when setting up and running a corporate foundation:

- A charity must have exclusively charitable purposes for the benefit of the public.
- The trustees must act in the best interests.

Corporate foundations are legally separate organisations from the company with their own charitable purposes, governance and executive structures. This does not prevent a charity's trustees deciding to undertake work that may be commensurate with a specific corporate social responsibility programme, but only if it furthers the charity's purposes for the public benefit and is in the best interests of the charity. A real or perceived threat to the independence of a charity could have a negative impact upon the reputation of the charity and its company donor.



# ESG in action at PTSG - Charitable Foundation (cont.)

## Agreements

Where a corporate foundation enters into an agreement with a company it is important that they have a clear understanding of the terms on which they enter into it. Any agreement should be documented so that the charity knows what it is entitled to and what it is responsible for.

- Funding. Trustees should be clear about the conditions upon which they receive funding – e.g. whether it is a donation or a loan and whether there are any specific conditions attached.
- Seconded employees. Some companies provide support by having employees seconded to a charity. The charity should have an agreement with the company that sets out the terms of employment and who has contractual responsibility for that individual.
- Use of premises and equipment. Where an external party provides a charity with access to its premises and/or equipment the terms should be documented and agreed between the two parties – e.g. how long the charity can use the facilities, the length of the notice period and whether they have any legal responsibility for the maintenance and upkeep of the building.



## ESG in action at PTSG - Water management

Established in 2021, PTSG Water Treatment Ltd is the Group's fifth business division offering a wide range of services to ensure companies adopt a safe, hygienic and efficient approach to water management that complies with the latest legislation.

PTSG itself aims to be a leader in the practice of its own principles, with its own expert practitioners ensuring the latest measures are followed within PTSG's 47 centres of operation, and onwards for its 20,000+ customers.



## ESG in action at PTSG – PTSG Clarity

Clarity is a software system that is unique to PTSG. It was developed to streamline the administrative function, simplifying processes for PTSG staff and, crucially, vastly reducing the time in which customers receive their certificates, costings and quotations. It has transformed the service delivered by PTSG to its customers.

Before Clarity, handling very large quantities of paperwork was time-consuming and vulnerable to human error. Engineers would receive job packs in the post to their home address, which included blank worksheets, quotation sheets, drawings and a programme of work including specifications/ RAMS. This was inefficient and subject to loss of data on occasion.

Clarity has completely removed paperwork, enabling engineers and office staff to work far more efficiently with mobile and cloud-based systems that inform each other – and the client – of the progress of each job.

Clarity's mobile app provides PTSG's engineers with everything they need to do their job safely and efficiently, including sat-nav, real-time engineer location tracking and a job recording and submission facility.

Above all, Clarity keeps clients informed of the progress of their job, and allows them communicate with PTSG staff and make requests. After each job is completed, Clarity sends out a certificate and invoice instantly, as well as informing clients of any work that required as a result of the test and inspection PTSG has carried out.

Clarity is scalable, meaning it works equally well for a project with 100s of data as with projects involving over a million data. This has proven to be the case, with no errors or problems at either end of the scale. Therefore, if PTSG continues to grow as expected, Clarity will be an integral part of its future.

