

The Telent logo consists of the word "telent" in a bold, lowercase, sans-serif font. Above the letters "e" and "n" are two horizontal bars, one above each, that extend slightly beyond the width of the letters.

talent with technology

A large version of the Telent logo is mounted on the exterior of a modern glass and metal building. The logo is white with a purple horizontal bar above the letters "e" and "n". The building's facade is composed of large glass panels and metal frames, and the sky is visible in the background.

## SUSTAINABILITY AND SOCIAL VALUE

### AT TELENT

Covering the period FY23 (April 2022 to March 2023)

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## INTRODUCTION

At Telent, sustainability and social value is about managing our overall impact on society and the environment, creating a sustainable inclusive and positive effect through the way we manage our operations and contribute to changing for the better, the lives of the local communities we work in.

This includes the direct impact of our operations and the inherent social value of the services we provide, the wider embedded sustainability and social value impact across the value chain, from suppliers to customers and consumers, and the added social value through the voluntary contributions we make and how we use our position to help the communities of which we are a part.

We focus on three key areas:



**Planet**



**Workforce**



**Communities**

During FY23 (April 2022 – March 2023) Telent made significant steps in its social value journey by publishing its first Social Value Policy to ensure that Social Value becomes fully integrated in all Telent offerings. A Social Value working group was also established to further embed Social Value in the company.



## PLANET

### Sustainability Vision:

***“To be a leading partner in the road to Net Zero, providing outstanding service and solution offerings that help deliver our customers’ climate action ambitions. Partnering with our supply chain to enhance and support the communities affected by our choices and operations.”***

We are committed to minimising our impact on the environment, reducing our carbon emissions, and continually improving and enhancing our sustainability performance.










To deliver this we aim to:

- Make effective preparations for climate change and manage associated operational and financial risks.
- Ensure our products and services support our customers’ adaptation to climate change.
- Meet all environmental compliance obligations, including our customers’ requirements.
- Promote economic security, social betterment, and environmental stewardship.
- Minimise energy consumption and achieve a year-on-year reduction in our carbon emissions.
- Minimise waste generation and reduce waste disposal to achieve zero waste to landfill by 2025.
- Use resources efficiently through a life cycle approach from design to decommissioning.
- Embed circular economy practices for decision making and service delivery.
- Ensure responsible, sustainable, and ethical procurement of all goods and







## FY24 (April 2023 – March 2024) Objectives

Ongoing implementation of our Environment and Sustainability Strategy to support the delivery of our Science Based Targets and our journey to Net Zero:

FY24 Sustainability & Social Value Objectives	
	Continued implementation of our decarbonisation plan for our fleet, estate, operations and supply chain to deliver our science-based carbon targets.
	Developing and implementing our Roadmap to Net Zero.
	Implementing tools to improve the accuracy of our carbon accounting at project level.
	Improving the quality of data associated with emissions from our value chain.
	Engaging key suppliers in partnerships to support climate change action.
	Increasing environment and sustainability awareness and competency throughout Telent: <ul style="list-style-type: none"> <li>○ Implementing practical solutions to enable 100% diversion of non-hazardous waste from landfill by 2025 and to deliver an 80% recycling rate at all sites.</li> </ul>
	Developing and implementing our Social Value Policy to ensure that social value is delivered in all projects.
	Developing and implementing our Biodiversity Action plan to address business risk and opportunities.
	Developing processes to embed lifecycle carbon reduction into project design and delivery and develop lifecycle assessments for identified Telent solutions.



## Carbon

Targets	2024	2025	2030	2050
 Net Zero GHG emissions.				
 50% overall reduction in GHG emissions.				
 Zero waste to landfill.				
 80% recycling rate at all premises.				

### What do we mean by Net Zero?

'Net zero' refers to achieving an overall balance between the greenhouse gas emissions Telent produce and the greenhouse gas emissions we remove from atmosphere.

To achieve this, we focus on reducing carbon emissions as much as possible first and only offset unavoidable, residual CO<sub>2</sub> as a last resort.

Telent has committed to achieving Net Zero Carbon by 2050 at the latest. We have also committed to achieving short-term science-based targets aligned to no more than 1.5°C warming. During FY23 Telent's science-based targets were approved by the Science-Based Targets Initiative (SBTi) and implemented into business strategy. Telent commits to:

- Scope 1 and Scope 2 GHG emissions– 46% absolute reduction by 2030 from a FY20 baseline.
- Scope 3 GHG emissions from purchased goods and services and capital goods – 55% reduction by 2030 from a FY20 baseline using intensity metric of TCO<sub>2e</sub> per £ turnover.

### Carbon Performance

Telent measures its CO<sub>2</sub> emissions and reports performance through the Carbon Disclosure Project (CDP) annually and in line with UK Government requirements, the SECR financial report submission. Telent's carbon performance is benchmarked against similar businesses through the Carbon Disclosure Project. Scores are received for governance, strategy and for emissions management in business operations. Telent performs well in this benchmarking and further information can be provided on request.

In 2016, Telent set a 2020 objective to maintain a zero increase in our carbon footprint measures despite corporate growth (in line with our business strategy) against a 2015 benchmark of our Scope 1 and 2 emissions. This target was extended to 2022 until such a time as the Science-based targets were available. During FY23 our Science-based targets were approved by the SBTi and as such targets will now be made against this FY20 benchmark.

FY23 also saw the accuracy and completeness of our Scope 3 emissions significantly increase, and the full Scope 3 footprint has now been calculated as per Table 1 – Telent Carbon Performance FY23.

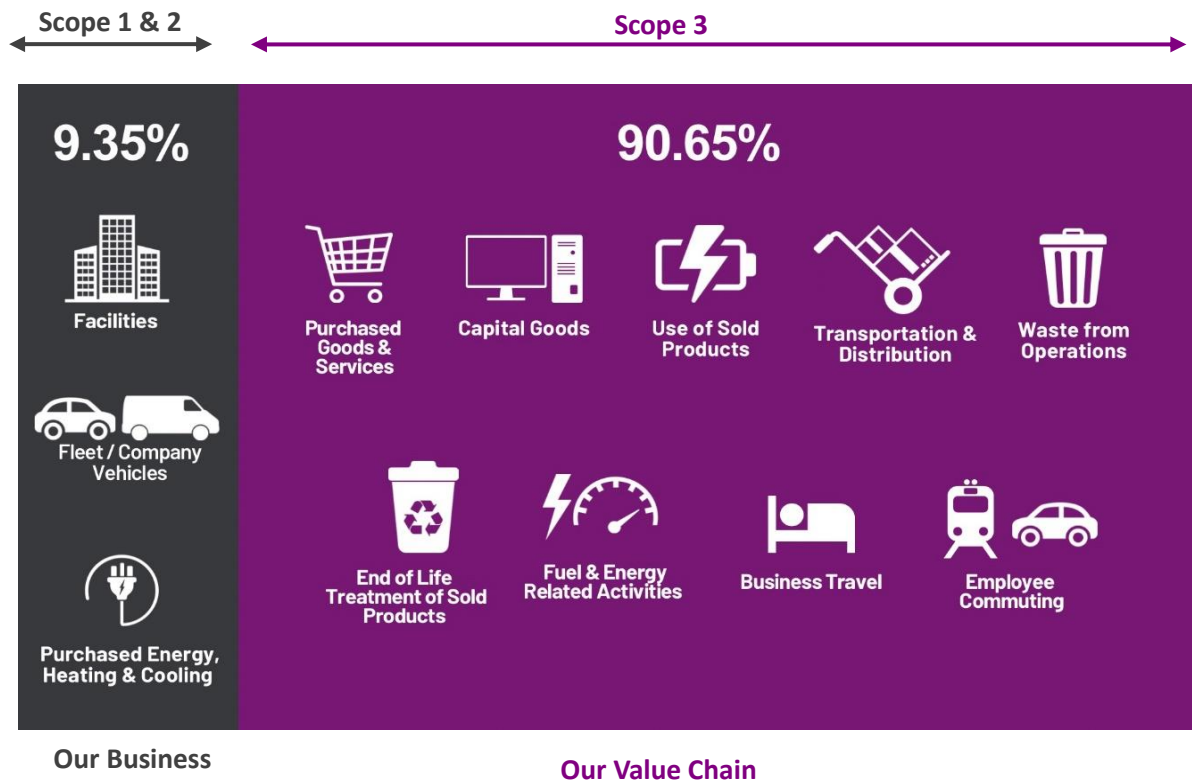
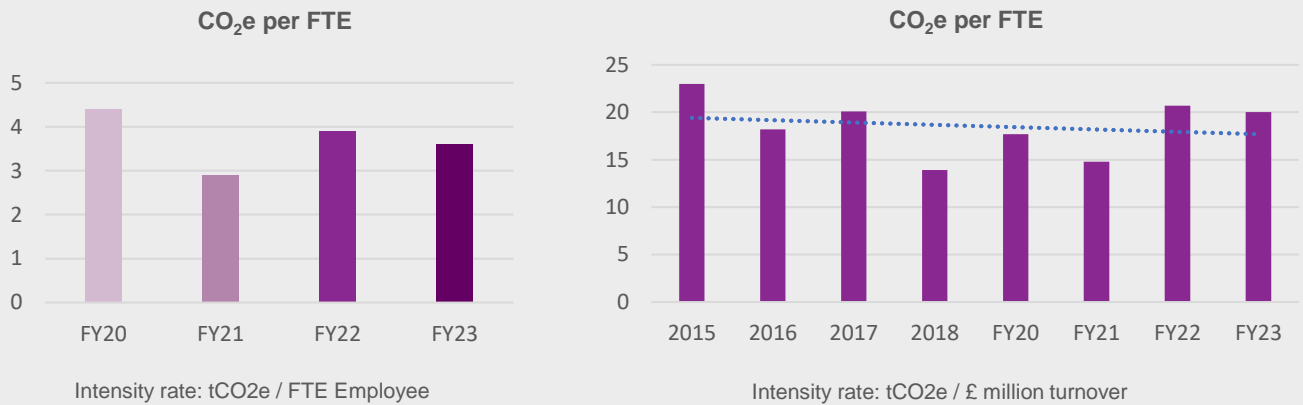
Our overall FY23 carbon footprint decreased by 45.8% compared to our FY20 Baseline.

**Table 1 – Telent Carbon Performance FY23**

Description	Unit	FY20	FY21	FY22	FY23
<b>Carbon Footprint - Scope 1, 2 &amp; 3 according to GHG Protocol</b>	<b>Tonnes CO<sub>2e</sub></b>	<b>184,283</b>	<b>-</b>	<b>-</b>	<b>99,874.43</b>
<b>Scope 1</b>	<b>Tonnes CO<sub>2e</sub></b>	<b>6,761</b>	<b>5,225</b>	<b>7,433</b>	<b>7815.64</b>
<b>Scope 2 (location based)</b>	<b>Tonnes CO<sub>2e</sub></b>	<b>2,161</b>	<b>1,719</b>	<b>1,896</b>	<b>1520.54</b>
<b>Scope 2 (market based)</b>	<b>Tonnes CO<sub>2e</sub></b>	<b>308</b>	<b>208</b>	<b>300.5</b>	<b>217.32</b>
<b>Scope 3</b>	<b>Tonnes CO<sub>2e</sub></b>	<b>175,361</b>	<b>-</b>	<b>-</b>	<b>90,538. 25</b>
Energy	kWh	39,508,497	28199482	39,025,439	37,555,980
Electricity Consumption	kWh	8,026,611	7,294,246	8,131,879	7,826,587
Fossil Fuel Consumption	kWh	26108171	20044674	27,431,552	28,045,115.3
CO <sub>2e</sub> from purchased goods and services and capital goods	Tonnes CO <sub>2e</sub>	163,114	-	-	82, 988.04
CO <sub>2e</sub> from fuel and energy-related activities (not included in Scope 1 and 2)	Tonnes CO <sub>2e</sub>	2,180	-	-	2,295.74
CO <sub>2e</sub> from upstream transport and distribution	Tonnes CO <sub>2e</sub>	1,627	-	-	594.43
CO <sub>2e</sub> from waste generated in operations	Tonnes CO <sub>2e</sub>	20	-	-	125.66
CO <sub>2e</sub> from business travel	Tonnes CO <sub>2e</sub>	1,914	140	1196	854.92
CO <sub>2e</sub> from employee commuting	Tonnes CO <sub>2e</sub>	1,553	-	-	1408.17
CO <sub>2e</sub> from use of sold products	Tonnes CO <sub>2e</sub>	4,761	-	-	2,045.31
CO <sub>2e</sub> from end-of-life treatment	Tonnes CO <sub>2e</sub>	192	-	-	225.78

In addition, company growth coupled with the slower rate of conversion to ULEV and EV vehicles due to supply chain challenges contributed to the FY22 and FY23 Scope 1 increase above the FY20 baseline.

Telent continues to measure carbon performance intensity metrics as an additional indication of carbon efficiency.

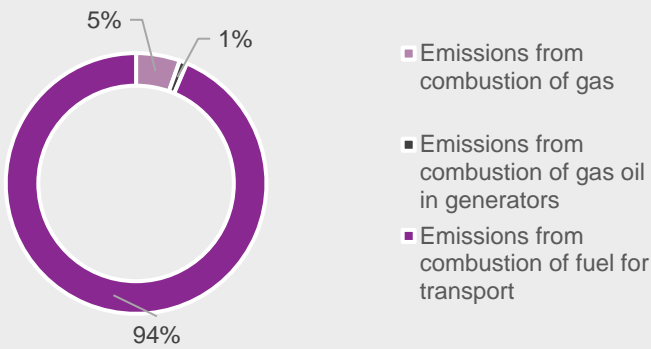


### Scope 1 Emissions

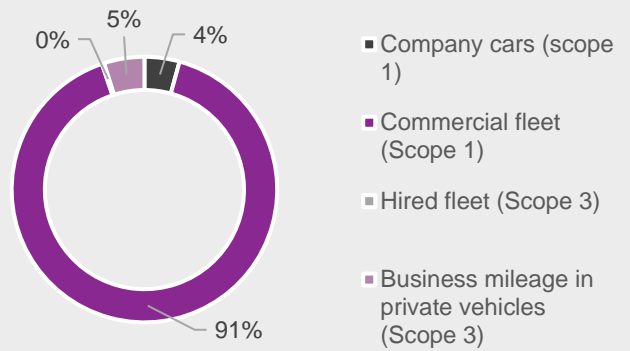
Telent’s direct emissions are composed of fuel consumption within the Essential Fleet (cars, vans and HGVs), gas usage at Telent managed premises and diesel consumption in back-up generators at Telent premises and temporary operational sites.



### Composition of Scope 1 Emissions



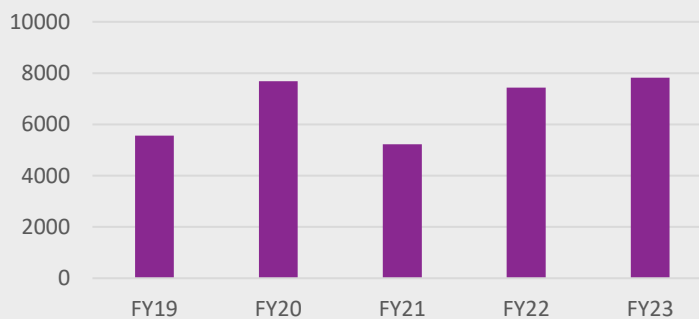
### Composition of Fleet Emissions



The use of vehicles remains Telent’s biggest source of direct carbon emissions. Our vehicles comprise of a commercial fleet, company cars, hire cars and employees’ private vehicles used for business purposes, as such, emissions from vehicle usage are split between Scope 1 and Scope 3 GHG emission categories.

As our fleet continues to grow so does the proportion of low emission, ultra-low emission and zero emission vehicles. EV related business mileage increased 4% from FY22 to FY23, resulting in 8% of overall company mileage being assigned to electric vehicles. This is in line with the overall strategy to reduce carbon emissions due to business mileage. A 51% reduction in scope 3 emissions from rental and private vehicles was achieved due to a reduction in the use of short-term hires and private vehicles for business related travel and the transfer for drivers to fleet vehicles where necessary. In addition to increasing the availability of fully electric vehicle options to our benefit users, our HGV fleet has also reduced in size due to changes in our operations.

### Total Scope 1 Emissions



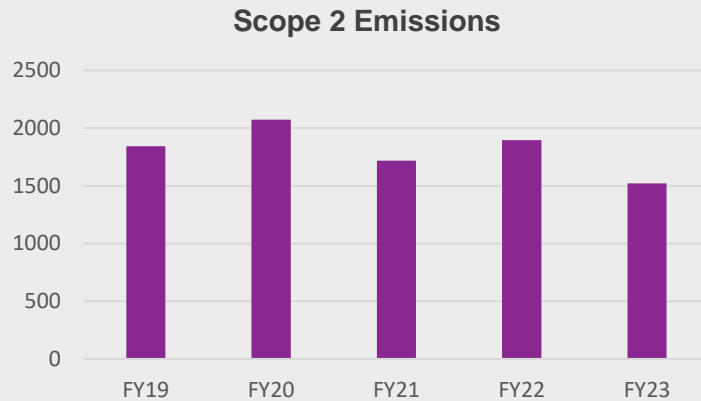
Through our existing vehicle optimisation strategy, we have been able to grow our fleet without negatively impacting our Scope 1 carbon performance. We are developing a Fleet Decarbonisation Plan to support the delivery of our science-based carbon targets.

The practical measures completed during FY23 and planned for FY24 to manage and reduce Scope 1 emissions are further detailed below.

## Scope 2 Emissions

With regards to energy usage across our buildings, where Telent is responsible for a buildings energy usage we ensure the supply is delivered under a 100% green REGO backed tariff and actively encourage our landlords to also adopt REGO backed tariffs.

During FY23 our Scope 2 emissions decreased to the lowest level over the last four years. Our emissions from purchased electricity decreased by 21% from 2021/2022. This reduction during the reporting year is the result of office rationalisation due to organisational changes, continued adoption of agile working by employees, upgrades to lighting and heating infrastructure and an investment in free-air cooling for our Wellingborough Laboratory. Our desk and meeting room booking system has been in use for over 12 months and is being used effectively to manage employee numbers and to monitor office usage.



## Scope 3 Emissions

Scope 3 emissions reporting has significantly increased during FY23. Telent now reports categories 1, 2, 3, 4, 5, 6, 11 and 12. The largest portion of emissions sits in Categories 1 and 2 Purchased Goods and Services and Capital Goods. This will be the main focus of improvements during the near future, working with our supply chain in order to see the biggest impact in our overall carbon footprint reduction.



Practical measures completed in FY23 to manage and reduce carbon:

Business Area	Action / Innovation	Details
Fleet	Decarbonisation Plan	Development of a short to medium-term plan for Fleet Decarbonisation to deliver our Science-based targets for Scope 1 & 2 GHG emissions by 2030.
	ULEVs	Exchanged a further 21 benefit fleet cars to suitable LEVs with an estimated saving of 104 tCO <sub>2</sub> e per year.
	EV	Addition of 6 fully electric vehicles to the essential fleet, replacing diesel vehicles and saving an estimated 30 tCO <sub>2</sub> e each year.
	EV	Removal of 23 diesel vehicles from the fleet saving an estimated 361 tCO <sub>2</sub> e each year.
	EV	Installation of EV charging point at Warwick Head Office.
Office Use	Building upgrades - heating	Installation of under sink water heaters and free-air cooling system at Wellingborough with an estimated saving of 44 tCO <sub>2</sub> e per year.
	Building rationalisation	Ensuring our buildings are appropriate for business needs whilst delivering improved energy efficiency.
	Building upgrades	Installation of LED lighting and energy-efficient hand-dryers at multiple depots saving 24 tCO <sub>2</sub> e per annum.
	Building Upgrades	Installation of LED floodlights and under-sink water heaters at Chorley saving 6 tCO <sub>2</sub> e per year.
Operational Delivery	Highways innovation project – Free air cooling	Investigating free air cooling in Highways Transmission Stations

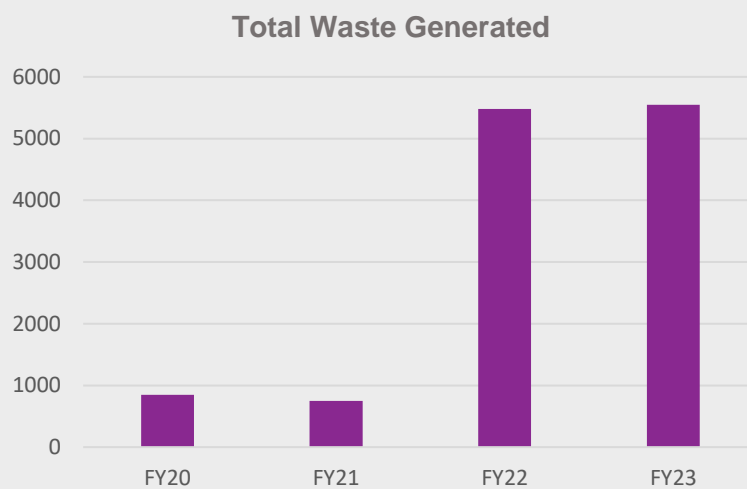
Practical measures planned for FY24 to manage and reduce carbon:

Business Area	Action / Innovation	Details
Corporate	Net Zero Road Map	Development of a Roadmap to Net Zero aligning with our Science Based Targets.
Procurement	Low carbon supply chain	Further development of our procurement policies to transfer to low / reduced carbon supply chains
Fleet	Electric fleet	Exchange further commercial fleet vehicles within our essential van and car fleet for suitable electric vehicle alternatives.
	EV charging points	Undertake supply assessments at key Telent premises to identify locations suitable for installation of EV charging points.
Operations	Technology implementation	Development, implementation and expansion of use of technology that reduces the requirement for engineers visits for maintenance and repair of customer assets.
	3D scanner technology	Utilising 3D scanning and modelling technology on Rail projects to eliminate the need for multiple site visits saving an estimated 3 tCO <sub>2</sub> e per year.
Estates and Facilities	Building / Premises rationalisation	Ensuring our buildings are appropriate for business needs whilst delivering improved energy efficiency.
	Building renovation projects	Upgrading our main office buildings through major renovation projects to improve energy efficiency and EV charging points.
	Building upgrades – free air cooling	Investigating free air cooling to reduce electricity consumption associated with air-conditioning in laboratories and data centres. Estimated savings of up to 51 tCO <sub>2</sub> e per year.
	Energy monitoring	Installation of energy monitoring across the estate to improve visibility of our energy usage.

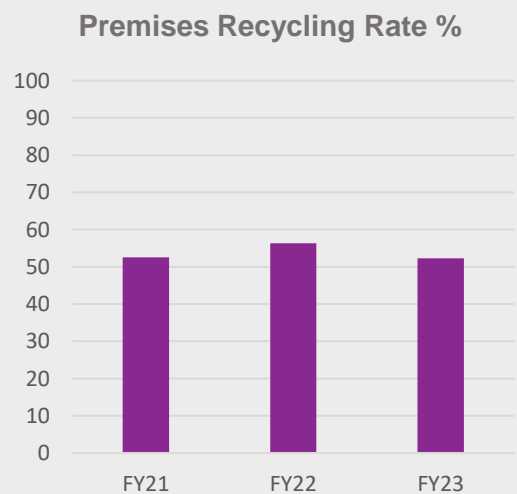
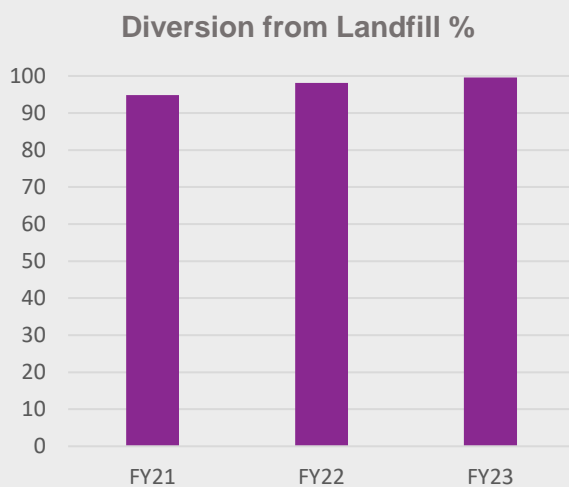
## Waste

Telent's waste management and compliance approach is built on adherence with the waste minimisation hierarchy. Telent applies a focussed approach in viewing waste foremost as a resource and keeping resources in use for as long as possible. This promotes a circular economy approach.

During FY23 Telent continued to work towards our targets for waste management including zero non-hazardous waste to landfill by 2025 and 80% recycling rate at every Telent premises. To achieve these targets Telent have been working closely with licenced waste contractors across the UK and Republic of Ireland to develop and implement an action plan.



Due to the expansion of the Infrastructure Services business unit, total waste arisings in FY22 and FY23 were higher than in previous years. Fortunately, the material generated is 99.9% recyclable therefore does not impact our overall landfill diversion target. Our internal waste reporting has also improved significantly since FY20, increasing the accuracy of overall data.



## Biodiversity

Telent acknowledges the current, unprecedented rate of decline in global biodiversity and recognised the need for better understanding of our own nature-related risks and opportunities.

As a result of this international crisis and in recognition of its wider social benefit, protecting our ecosystems is an increasing priority for Telent.

In FY23 Telent appointed Ecological consultants to undertake a series of desk-based studies to form an overall Telent Biodiversity Review. As a result of the review, it was determined that our overall company impact on biodiversity was low risk but there were opportunities for Telent to improve biodiversity through our operations.

We currently operate across over 35 sites in the UK including offices and depots, the majority of which Telent has leasehold agreements for. These sites are largely situated in urban locations with limited or no green space; therefore, our biodiversity strategy will largely focus on enhancements to accommodate wildlife in an urban landscape through creative solutions.

In FY24 we commit to further our understanding by undertaking a series of site walkovers and ecological appraisals to map our existing biodiversity assets and evaluate their status, condition and importance. Recognising the unique nature of each Telent site, with its own biodiversity related risks and opportunities. Giving flexibility for each business unit and estate to specifically address opportunities in a way that is specific to its own landscape. We are in development of our Telent Biodiversity Action Plan which will set out our ambitions and actions for how we will meet the challenge of responding to the dual climate and biodiversity crisis.



## Sustainable Procurement

Increasing economic, social and environmental value is at the heart of our procurement policies. To maximise MSME engagement, we have committed to providing all UK businesses access to our supply chain. We take responsibility for the performance of current suppliers and our MSME Action Plan focusses on providing comprehensive resources and information to:

- Generate greater employment, skills and business building opportunities
- Support skills development initiatives and encourage talent into our sectors
- Promote Equality, Diversity and Inclusion (EDI)
- Improve the environment (air quality, CO2e)

All MSME partners are offered a range of resources including training materials, guidance, practical support and the opportunity to share best practice. We hold interactive supplier webinars to facilitate peer collaboration on topics including:

- Carbon Reduction
- Equality, Diversity and Inclusion (EDI)
- Strategic Labour Needs & Training (SLNT)
- GDPR
- Modern Slavery
- STEM Education
- Quality & Environmental Management Systems

Telent's Procurement team commit at least 100 hours of its resources per year to building suppliers' capabilities in sustainability and social value.

Diverse supply chains are integral to our delivery strategies, and we depend on the regional capabilities of MSMEs. We are proud that the sub-contracting opportunities we provide to local businesses promote employment, economic growth and regional development.

Our strategy is to achieve maximum social value on a whole-life basis. This is by generating benefits not only for Telent and our customers, but also society and the economy, whilst minimising damage to the environment.

### Fair share

Telent are committed to inclusive procurement and supplier diversity, ensuring that all UK businesses have access to the same economic opportunities.

In FY23, our direct expenditure with MSMEs around the country was over £181m. This accounted for 67% of our suppliers and 57% of applicable procurement expenditure in the year. According to the National Social Value Task force, this spend creates an average of over £40m of additional socio-economic benefits for the suppliers' communities\* meaning we are delivering real Social Return on Investment (SROI) to our customers.

## Engagement in FY23



### Fair Share

**£181m+** spent with MSMEs which was **67%** of suppliers and **57%** of expenditure.



### Fair Payment

**90%** of MSME's contracted to 30-day payment terms or less and we mirror customer terms.



### Fair Terms

We are committed to removing unnecessary barriers for MSMEs



*\*Figures based on using the GVA Multipliers in the National Themes, Outcomes and Measurements (TOMs) Framework 2022 for total amount (£) spent through contract with local micro and small enterprises within your supply chain.*

### **Fair payment**

To ensure fair business relationships, our customer payment terms always flow-down to our subcontractors. We do not impose onerous terms on our small business suppliers, or unjustifiably withhold payment. In

FY23, 90% of the MSMEs we worked with were contracted to 30-day terms or less. We have also committed to signing the Prompt Payment Code (PPC) to work towards paying 100% of MSME's in 30 days.

### **Fair Terms**

To enable maximum MSME participation in our supply chain, our expectations and contracts are fair, balanced and reflect individual scopes of work. We are also committed to process simplicity to reduce disproportionate administration.

Our strategy is to achieve maximum social value on a whole-life basis. This is by generating benefits not only for Telent and our customers, but also society and the economy, whilst minimising damage to the environment.



## **WORKFORCE**

At Telent we're passionate about creating an environment that champions diversity and inclusion, where everyone feels they belong, can be themselves and empowered to reach their full potential. People are at the heart of our business, and we believe that our teams should reflect the diverse experiences and backgrounds of the communities we support. We want our colleagues to feel able to share their unique identities, cultures, experiences, skills, expertise, and insights. It's why we're committed to creating a welcoming environment that ensures everyone feels respected and valued.

### **Workforce Communities**

Telent Community Groups offer a central place for people to link in with one another on common issues and themes. They are led by volunteers from around the business and provide a place for colleagues to connect, support and engage with one another. During FY23 there were 5 community groups running across Telent – Pride at Telent, Black Professionals, Neurodiversity, Menopause and Armed Forces.



## STEM

Telent's Science, Technology, Engineering and Maths (STEM) programme aims to encourage students to study STEM subjects and inspire pupils of any age to progress onto STEM related careers. This is achieved through career talks, interactive classroom sessions and career fairs led by Telent STEM Ambassadors, where students are presented with the opportunity to gain a great insight into where STEM can take them.

During FY23 our team of STEM Ambassadors have been going out into the community to educate and enlighten young people on STEM opportunities.



## London transport museum – Enjoyment to Employment

Telent is part of the London Transport Museum's Enjoyment to Employment scheme tackling the skills shortage in the transport sector by turning childhood enthusiasm into future careers. This includes:

- Changing perceptions about careers in transport and engineering from an early age
- Combining creative STEM activities inspired by the history of transport in London with opportunities for children, families and teachers to meet industry professionals
- Breaking down barriers that stop young people pursuing careers in transport.

## Graduate / Apprenticeship Programme

Telent Graduate programmes are work based training programmes with the aim of developing new colleagues with a high level of aptitude to become our talent of the future. We currently provide two successful hands-on programmes, each lasting two years and includes a variety of classroom-based, field-based and experience-based activities.

Total number of employees

**2,700**

Number of community groups

**5**

Number of STEM Ambassadors

**35**

Number of STEM Hours undertaken

**107.65**

Number of New Graduates

**28**

Number of Apprentices

**42**

Number of Wellbeing Champions

**63**

Telent has a long history of employing and training apprentices, our apprenticeship programme has evolved to include a wider variety of courses and a stronger focus on the needs of the business. We fund apprentices to undertake these programmes to ensure that we remain at the cutting edge.

In FY23 Telent recruited 59 new graduates and apprentices. 28 graduates filled roles in Engineering and Project Management. This was the biggest intakes of graduates at once for Telent and double last year's intake.

In addition, 31 apprentices joined the company in Rail, Telecoms and Finance.



## COMMUNITIES

Telent is a values-based organisation that is committed to managing our overall impact on society, creating a sustainable inclusive and positive effect through the way we manage our operations and contribute to changing for the better, the lives of the communities we work in.

### **Social Value Graduate challenge**

As part of the Telent's Graduates Programme, our graduates take part in an annual programme of social value initiatives. The programme encourages involvement with local organisations by utilising experience and skills from around the business and enables the Graduates to develop personal and professional skills.

## Support for Communities

As the Estates and Facilities team made progress with the refurbishment projects at various Telent sites, an opportunity to further development Telent's Social Value agenda and waste reduction presented itself through the donation of office furniture and equipment to charitable organisations in the local community.

More than 14.5 tonnes of furniture and equipment, with a value of £38,000 was donated to Community Transport and Global Orphan Empowerment Academy in Gambia and a further £40,000 worth of catering equipment from the former canteen at Warwick Point 3 was donated to a number of local charities in the area. A number of additional items including canteen chairs, bookshelves, filing cabinets and pedestals were also donated to Telent charity partner Mind.

Telent's Procurement team also made arrangements for PPE stock including hand sanitiser and paper towels which was close to the end of its shelf-life to be donated to St Laurence's Church in Chorley for its Hardship Fund. The stock will be shared with other local churches to support the most vulnerable people in those communities. Some of the excess was also donated to Hexagon Care Services, who provide a range of support for vulnerable young people including residential care, therapy, crisis intervention and education.

Telent supports a range of local community groups aligned with our local sites and contract works, providing funding and/or equipment as appropriate. For example, we continue to support the Onside Youth Zone Inspire in Chorley with an annual donation of £15,000.

## Charitable Giving

Telent encourages everyone to support charities and give something back to local communities. Mirroring this value, Telent is partnered with the mental health charity Mind, pledging 2022-2024 corporate fundraising campaign to the charity and continuing its commitment to supporting and raising awareness of mental health problems. Since pledging its support, Telent and its staff have raised in excess of £95,000, with £83,000 of this being raised in the financial year ending 31<sup>st</sup> March 2023.

Supporting staff in community contributions is also a core Telent value and staff are encouraged to share and promote their personal fundraising efforts through the Telent employee communications platform PULSE. The Company directly supported charities and educational programmes to a sum of £30,000 during the financial year ending 31<sup>st</sup> March 2023. This excludes the non-cash support by Telent and by Telent employees to community groups and educational programmes.

## Annual charity golf day raises fantastic amount for charity partner Mind

Telent colleagues, clients and suppliers took part in its Annual Charity Golf Day at Lambourne Golf Club, Burnham on Thursday 8 September 2022.

The event surpassed all fundraising expectations with a huge £74,600 raised for Mind.

