

2024

CORPORATE SOCIAL RESPONSIBILITY REPORT



PINNACLE'S COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

Banking is a business of improvement. We work to help improve people's finances, businesses and homes. We seek to help improve their standing in the world and the legacies they leave to their families.

That daily work has a cumulative effect that reaches outside of the direct service we give to clients. It should help improve quality of life for an entire community and as many communities and people as we can.

We at Pinnacle make intentional and strategic efforts to meet that responsibility. It's baked into our reason for being, the "why" behind our firm and the vision that we drive toward:

- We strive to be the best financial services firm and the best place to work in the Southeast.
- We seek to make a significant positive impact on the communities we serve.
- Because we believe every single person deserves a great place to work and a great place to do business.
- Because we believe that people are important and that every individual makes a difference.

Our mission, vision and values are so much a part of our DNA that it can be challenging to quantify the impact we make. Volunteer projects, charitable donations, affordable housing investments and the like are easy to measure. It's much more difficult when you have a firm made up of 3,600 difference makers all giving discretionary effort to making someone's day brighter or helping a client or stranger in trouble.

Still, this report is our best effort at calculating the level of improvement we've brought to the lives of our stakeholders, our communities and the world at large and to more fully account for and contextualize the work that can't be measured in numbers.

This is how we worked to take everybody with us in 2024.

EXCITED ASSOCIATES

3,608
ASSOCIATES

+209 INCREASE OVER LAST YEAR

94.6%
RETENTION RATE

+.6% INCREASE OVER LAST YEAR



96.8%

of associates say Pinnacle is a great firm where associates want to work.



95.6%

of associates say they are given the responsibility and freedom to do their jobs



91.9%

of associates say Pinnacle's policies and practices ensure fair treatment for all associates.



94.4%

of associates say Pinnacle's policies give them the flexibility to maintain balance in their lives.

ENGAGED CLIENTS

30 Coalition Greenwich Best Bank awards

more than any other bank in the country



83 Net Promoter Score

from JD Power and Coalition Greenwich



760,023

client contacts in our Client Service Center (CSC)



93.6%

of CSC calls answered by a person within three rings



99.5%

of CSC callers surveyed say we met their needs or resolved their issue

EMPOWERED COMMUNITIES

\$1.9 BILLION

committed to investments and lending for low- to moderate-income housing, small business and institutions serving underserved communities, as well as grants to nonprofits, including:



\$1.0 BILLION

committed to investment in community development to support affordable housing, small business support and institutions serving underserved communities



\$415.5 MILLION

in investments to create 5,026 units of affordable rental housing



\$244 MILLION

in home loans for low- to moderate-income individuals and families; 1,741 total home loans



\$412.3 MILLION

in funding through the Community Investment Tax Credit program in Tennessee



28,107

associate volunteer hours to 1,325 organizations

1,246 HOURS for Habitat for Humanity

848 HOURS for Junior Achievement

4 PEER Centers serving as hubs for financial services and improvement in historically underserved and underbanked communities

1. Memphis
2. North Nashville
3. Charlotte **NEW**
4. Atlanta **NEW**
5. Raleigh Durham **COMING SOON**
6. South Nashville **COMING SOON**
7. Memphis-Raleigh Springs **COMING SOON**



FINANCIAL EDUCATION

449 LEARNING
EVENTS

REACHING 18,200 PEOPLE

212 FINANCIAL
EDUCATION SESSIONS

REACHING 13,552 PEOPLE



**209 MASTERMIND COHORTS
WITH 3,277 PARTICIPANTS**

1,333
BUSINESS MASTERMIND

participants learning to grow
their companies by working on
the business instead of in it

1,944
CONSUMER MASTERMIND

participants building financial
independence and strength
through curriculum developed
in-house at Pinnacle

“

“ Being a part of the Pinnacle Consumer Mastermind has changed my finances completely. I learned so much in such a short amount of time. I believe that every adult should take a financial literacy class and I recommend it to anyone who is looking to maximize their income and credit.”

Consumer Mastermind Attendee

“ I learned so much about how important money and credit really is. I learned that even when we make mistakes early on in life, we do have the option and opportunity to do better. The instructors and the guests broke things down in a way in which it was very easy to digest and understand.”

Consumer Mastermind Attendee

COMMITMENT TO CLIMATE

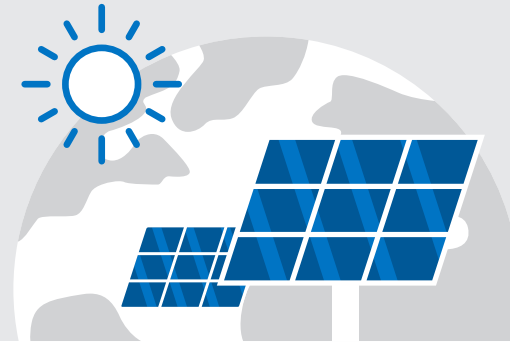
SOLAR CAPITAL ADVISORY

\$606 MILLION
in construction loans
for utility-scale projects

550 MEGAWAT
approx. generating
capacity funded in 2024

\$299 MILLION
in solar sale-leaseback
agreements

\$73 MILLION
in solar partnership
tax-equity investments



2 CLIMATE SUSTAINABILITY COMMITTEES (BOARD AND MANAGEMENT) FOCUSED ON:



Measurement and analysis of Pinnacle's direct and indirect impact



Firmwide energy and expense efficiencies



Regulatory requirements



Opportunities to help clients mitigate risk and evaluate the carbon transition

CREATE THE BEST PLACE TO WORK IN THE SOUTHEAST.

Work Environment Survey

Our annual survey asks 25 multiple-choice questions and three open-ended questions. We share the unedited feedback with all associates and establish firm-wide and team-based initiatives for improvement.

2024 Outcomes

96% of associates agree or strongly agree Pinnacle's culture is truly special.

72.9% of associate responses to the 25 questions on our survey were "top box," meaning associates strongly agree.

See full survey results, including responses broken down by demographic.

In a 2024 Great Place to Work™ survey of associates, 99% said they are proud to work at Pinnacle (benchmark is 92%).

Objectives for 2025

75% "top box" rating is our overall goal. We will continue our current strategy.

Based on survey feedback in 2024, we planned for the following initiatives in 2025:

- Restructured how we roll out technology changes to make it easier on associates and provide more support.
- Updated our parking stipend structure to allow for more associates to take advantage in areas where paid parking is required.

CREATE THE BEST PLACE TO WORK IN THE SOUTHEAST.

Listening to Associates

We listen to associates continuously so we know what's going well, what needs improvement and how they're feeling at any particular time. All leaders are encouraged to seek feedback regularly, and our CEO and senior leaders conduct formal listening sessions with associates.

2024 Outcomes

88.3% of associates say they are comfortable expressing opinions on issues that are important to them.

87.3% say they have opportunities to contribute to important decisions.

Senior leaders and regional presidents held more than 40 listening sessions with a cross-section of associates on a range of topics, including 4 held by the CEO.

Pinnacle's 16 market-based Councils focused on engagement and connectedness count 243 associates in their ranks providing continuous feedback and development opportunities for leaders and all associates across the firm.

Objectives for 2025

Continue our current strategies.

Senior leaders and market leaders plan to host at least as many listening sessions as they did in 2024 for continuous feedback and improvement.

CREATE THE BEST PLACE TO WORK IN THE SOUTHEAST.

Associate Orientation

Our CEO hosts a 3-day orientation focused exclusively on our mission, vision and values.

2024 Outcomes

Pinnacle hosted nearly 337 associates for four in-person orientation sessions, each led by CEO Terry Turner and other leaders across three days.

We conducted three sessions of a new “re-orientation” program reaching 217 veteran associates called Summit². These associates gathered with Turner and other leaders for a day of immersion in the Pinnacle culture, open dialogue and fellowship. They relived the experience of their early days at the firm and were re-energized in their cultural adoption.

A cross-functional team of dozens of associates help support orientation with planning, logistics, associate support and more for both events. Pinnacle’s orientation and Summit² have a casual, conference-like feel mixed with a pep rally atmosphere and includes multiple opportunities for social interaction between new associates, veterans, leaders and across geographies. One such opportunity is a songwriters night with a private concert from some of Nashville’s premier songwriters.

Objectives for 2025

We have plans for four orientation sessions in 2025. We continuously update orientation materials and presentations and continue emphasizing *team building activities and going over the wall*.

We also plan for three Summit² sessions.

CREATE THE BEST PLACE TO WORK IN THE SOUTHEAST.

Retention Rate

Ensuring our associates stay with us and with our clients creates a great client experience.

2024 Outcomes

94.6% retention rate in 2024, including voluntary and involuntary separations and retirements.

Objectives for 2025

Our goal is a 95% retention rate, including voluntary and involuntary separations and retirements.

Culture of Caring

Pinnacle’s workplace culture is nurtured by the genuine care and affection associates show for each other.

2024 Outcomes

95.4% of associates say the leadership team shows a genuine interest in their well-being.

\$1.7 million spent in 2024 by associates to WOW each other and clients with small gifts or tokens of appreciation. The WOW budget is a “no questions asked” line item everyone can access to show their fellow associates they care.

3,585 Pinnacle Cares packages sent to associates and clients experiencing illness or grief. These include a plush blanket and note of kindness from the sender. More than 13,500 packages have been sent since the program began in 2020.

Objectives for 2025

Continue our current strategies.

CREATE THE BEST PLACE TO WORK IN THE SOUTHEAST.

Balance and Flexibility

Balance has been a Pinnacle value since the very beginning. We apply it to everything, like balancing workload, learning, work and life. It's carried out by giving associates the flexibility and autonomy they need to properly prioritize the demands of work, personal life and family.

2024 Outcomes

Full-time associates receive 160 hours of paid time off annually for vacation, sick, personal, family, emergency or other time off. Every five years they earn 40 additional hours, up to a maximum of 240 hours.

94.4% of associates say the firm's practices give them the flexibility to maintain balance in their lives.

See full survey results, including responses broken down by demographic.

In response to 2023 internal work environment surveys, in 2024 we increased bereavement leave for immediate family members from 3 to 5 days.

All associates continue to enjoy room to balance personal and family needs whenever possible.

Objectives for 2025

Continue current strategies.

We continue to monitor legislation and associate feedback regarding PTO in order to best meet the needs of our associate population.

CREATE CONNECTED AND HIGHLY EFFECTIVE TEAMS.

Great Place To Work for All

We believe that a great place to work for every single associate is critical to our success and performance. We are committed to being focused in our efforts to ensure we are creating an environment where all associates feel connected, cared for and valued. We are guided by the foundational elements of our associate guide, code of conduct and other applicable policies.

2024 Outcomes

Percent of workforce, women: 64.73%

- 5.48% growth over 2023
- Full-time: 97%
- Part-time: 3%

Percent of people managers, women: 51.15%

- 4.3% growth over 2023

Percent of leadership team, women: 36.49%

- 11.59% growth over 2023

Percent of workforce, minorities: 18.51%

- 12.77% growth over 2023
- Full-time: 99%
- Part-time: 1%

Percent of people managers, minorities: 9.96%

- 10.64% growth over 2023

Percent of leadership team, minorities: 9.48%

- No change from 2023

Objectives for 2025

In 2025, we will continue to focus our actions in four key strategic areas.

Recruitment: We will continue to offer periodic workshops on recruiting related topics to reinforce our intentional focus on the recruitment of the most talented associates and leaders from all backgrounds. We will continue the expanded class size of our leadership learning communities so that we can continue to maintain the pace at which new and current leaders of people complete these sessions to ensure our recruiting approach is implemented throughout the organization. We will continue to assess all internal leadership focused programs and meetings to ensure every leader understands and is partnered with us to execute our recruiting approach.

Development: We will continue our strategy to develop leaders from all backgrounds through intentionally focused succession plan reviews and the identification of all high potential associates within our firm that we can begin developing for future leadership roles. We will continue the expanded class size of our leadership learning communities so that we can continue to accelerate the pace at which all potential future leaders complete our leadership learning community process.

CREATE CONNECTED AND HIGHLY EFFECTIVE TEAMS.

Foster Connection and Belonging through Associate Engagement

Pinnacle believes in an all “hands on deck” approach to inclusion through our proven model of associate engagement. While overall strategies are managed by a team of three dedicated leaders, locally based, volunteer Councils develop associate-driven practices, events and other opportunities for all associates to feel seen, heard and included while broadening horizons as a whole.

2024 Outcomes

243 associates sit on 16 locally based Councils, discussing and giving feedback on firm policies and practices, developing learning opportunities, leading celebrations and serving as thought leaders for the firm.

These Councils focused on engagement and connectedness and hosted 5 firm-wide streamed events to bring associates together to support and learn from each other and gain a better understanding of each other’s perspectives. 838 associates took part in these sessions.

A Pinnacle Forum featuring speaker Howard Ross drew 140 associates and clients in Middle Tennessee.

Read additional details of Pinnacle’s 2024 work toward associate access and engagement.

Objectives for 2025

In 2025, we will continue to focus our actions in 4 key strategic areas (contd.).

Councils: We will continue to provide dedicated financial resources to our Councils to empower them to fully execute their local strategies that support our organization wide strategies related to engagement, connectedness and belonging.

Continuing Education: We will continue the process of developing a suite of on-demand resources around connectedness including articles, videos, book recommendations and team building engagement activities that will be available to leaders and associates via our internal intranet. We will continue to offer our additional three-part suite of Pinnacle specific leadership courses focused on our inclusive leadership approach, having difficult conversations in a way that leads to productive outcomes and leveraging the power of storytelling to create connections and inspire elevated levels of engagement and execution. We will add a fourth leadership course in 2025 that focuses on helping leaders learn techniques for developing their teams.

CREATE CONNECTED AND HIGHLY EFFECTIVE TEAMS.

Leadership Accountability and Recruiting

Leaders are the principal recruiters at Pinnacle, and we work hard to ensure their networks include a wide-ranging talent pool and their work environment sets up all associates for success.

2024 Outcomes

100% of leaders and associates completed the equal employment opportunity and affirmative action training in 2024.

Continued to offer our work environment inclusiveness training to leaders as a part of our annual work environment review process. This session helps leaders intentionally focus their attention on high-impact areas of their work environment where they can simultaneously create highly engaged and high-performing teams while also helping all associates on their team feel a sense of belonging.

- 52 leaders of people attended this live virtual training session.

Continued the integration of our Intentional Inclusion training course into the new associate training process for new leaders joining the firm.

Continued our Leadership Learning Community cohorts which includes our integrated focus on the core elements of successful leadership at our firm.

- 44 leaders of people completed the Leadership Learning Community in 2024.

Objectives for 2025

Continue current strategies.

CREATE CONNECTED AND HIGHLY EFFECTIVE TEAMS.

Culture of Engagement

We win and lose together. Every non-commissioned associate participates in the annual cash incentive plan with the same company-level performance metrics. Everyone is an owner because we all receive annually awarded equity grants. Everyone matters; titles don't.

2024 Outcomes

A 2024 survey through Great Place to Work™ measured Pinnacle associates' positive responses on all questions related to these specific focus areas:

- Impartiality: 89% (benchmark: 78%)
- Equity: 93% (benchmark: 79%)
- Respect: 94% (benchmark: 85%)
- Fairness: 94% (benchmark: 84%)
- Caring: 95% (benchmark: 87%)
- Integrity: 96% (benchmark: 85%)
- Justice: 97% (benchmark: 91%)
- Leadership Behavior: 96% (benchmark: 87%)

According to our internal surveys:

- 88.8% of associates agree or strongly agree that when they offer an idea, it will be fully considered.
 - 90% of white associates
 - 87% of minorities
 - 88% of women
 - 88% of Black associates
 - 88% of Hispanic/Latino associates
 - 81% of Asian associates
- 87.3% of associates agree or strongly agree that they contribute to important decisions.
 - 87% of white associates
 - 88% of minorities
 - 86% of women
 - 89% of Black associates
 - 86% of Hispanic/Latino associates
 - 87% of Asian associates

See full survey results, including responses broken down by demographic.

Objectives for 2025

Continue current strategies.

CREATE CONNECTED AND HIGHLY EFFECTIVE TEAMS.

Fairness as a Value

We treat our clients, shareholders, business partners and each other the way we want to be treated. In short, we do the right thing.

2024 Outcomes

According to a 2024 associate survey through Great Place to Work™:

- 99% believe people here are treated fairly regardless of their sexual orientation (benchmark: 96%)
- 99% believe that when someone joins the company, they are made to feel welcome (benchmark: 94%)
- 91% believe management genuinely seeks and responds to suggestions and ideas (benchmark: 82%)
- 89% believe promotions go to those who best deserve them (benchmark: 76%)
- 87% believe managers avoid playing favorites (benchmark: 77%)

On our own internal surveys, 91.9% of associates overall agree or strongly agree that our firm's policies and practices ensure fair treatment for all associates. [See full survey results, including responses broken down by demographic.](#)

Objectives for 2025

Continue our current strategies.

EMPOWER ASSOCIATES TO LEARN AND DEVELOP.

Learning as a Value

Learning is one of our core values. As part of annual goal setting, associates work with their leader to create a professional development plan based on their personal goals. They have access to internal training programs, online learning and external opportunities.

2024 Outcomes

77,283 hours in associate training, average of 21 hours per associate.

1,490 associates participated in the Pinnacle book club

89.5% of associates agree or strongly agree that they are given a real opportunity to develop skills. *See full survey results, including responses broken down by demographic.*

Objectives for 2025

Continue current strategies.

EMPOWER ASSOCIATES TO LEARN AND DEVELOP.

Strategic Learning and Training

Our Learning and Development team are constantly engaged and connected to teams across the firm to anticipate needs and identify potential issues before they arise. They then work to address them through training and development.

2024 Outcomes

The Learning and Development team are embedded with multiple cross-functional teams to determine needs and mitigate potential issues before they arise. They include:

- Monthly “Let’s Meet” meetings to connect with operational support teams
- Regular “Meet the Experts” meetings open to all associates to have open dialogue with firm leaders in areas like IT, deposit operations and retail lending. 4,177 associates took part in 29 Meet the Experts meetings.
- Monthly Information Security Advisory Team meetings, which have helped improve and expand training on information security matters
- Internal communication meetings to review new and changes to existing policies, procedures and processes and ensure associated trainings are updated
- Participation in Operations and Automation meetings to review upcoming operational and technology projects to anticipate needs ahead of launch dates

48 associates took part in 5 Effective Advisor training sessions designed to strengthen the abilities of associates, particularly new associates, to recognize and meet all clients, needs and build stronger relationships with an advice-forward approach rather than the sales culture they experienced with previous employers.

Objectives for 2025

Continue our current strategies.

EMPOWER ASSOCIATES TO LEARN AND DEVELOP.

Leadership Development

Our development program has learning paths for new, acquired and seasoned leaders. We identified five attributes of successful leaders at Pinnacle. Our best leaders: recruit for values, inspire, develop others, create a great place to work and deliver results. We also seek to have a leader in every seat, meaning a less formal style of leadership where an associate does not have to manage people or a program to be a considered leader.

2024 Outcomes

23,275 hours of leadership development training

81 associates took part in a Leadership Learning Community called Influential Leaders that is aimed at associates who are not leaders of people yet but hold the potential for growing into a leadership role and/or are in roles that allow them to influence company culture and policy. Of these 81 participants, 74% were diverse associates with respect to race/ethnicity and gender. Leadership Learning Communities continue to be a requirement for all members of our Leadership Team..

The Leaders Playbook is a knowledge base for leaders, particularly new ones, to better equip them for daily tasks and functions for their role.

We held three virtual panel discussions reaching 215 associates on what it looks like to develop at Pinnacle and how it differs from development at other workplaces. Given our flat organizational structure, we want to be responsive to associates' desires to develop and grow at the company. These panels give them a path to bloom where they are planted, develop leadership skills and/or begin a path to future leadership.

Added three leadership courses designed to foster connectedness and belonging to build highly effective teams. They covered Inclusive Leadership, Connecting Through Conversation and the Art of Storytelling.

Objectives for 2025

Continue and expand on current strategies:

- A new leadership course called Influencing Greatness for leaders to learn new techniques for developing their teams
- Focused leadership topics throughout the year with resources, events and other communication on strategically important topics for Pinnacle leaders

EMPOWER ASSOCIATES TO LEARN AND DEVELOP.

Succession Planning

Through intentional conversations with our leaders, we are able to develop pipelines and direct succession plans that include high potential associates with leadership aspirations from all backgrounds for future leadership roles.

2024 Outcomes

First-choice successors:

- 14% minority representation when an internal candidate identified
 - 8.2% improvement in minority representation over 2023
- 60% women representation when an internal candidate identified
 - 3.6% improvement in women representation over 2023

Second-choice successors:

- 22% minority representation when an internal candidate identified
 - 28% improvement in minority representation over 2023
- 60% women representation when an internal candidate identified
 - 6.2% improvement in women representation over 2023

Objectives for 2025

Continue our current strategies.

EMPOWER ASSOCIATES TO LEARN AND DEVELOP.

Corporate Policies and Practices

We maintain an associate guide that includes our code of conduct, health and safety information, anti-harassment policy, and pay practices.

2024 Outcomes

100% of associates completed annual training on our associate guide and code of conduct and attested to their compliance with the code of conduct.

All corporate procedures catalogued and made available as appropriate via the company Intranet.

There were no reports of ethics concerns to our anonymous whistleblower hotline in 2024.

Objectives for 2025

Continue our current strategies.

Risk Management and Compliance

We have a responsibility to protect our clients and shareholders from unreasonable levels of risk. Associates are required to complete a number of risk-related annual training courses. These include fraud and security, cybersecurity, bank secrecy act/ anti-money laundering, fair and responsible lending and others.

2024 Outcomes

100% of associates completed assigned training and passed proficiency exams within our online learning management system.

Objectives for 2025

We continue to upgrade our systems, which should enhance our risk management controls tied to identifying money laundering and fraud. These systems are expected to be fully functioning in 2025.

CREATE A FAIR WORKPLACE CULTURE FOR ALL.

Incentives for All

All non-commissioned associates of Pinnacle Bank participate in the annual cash incentive plan with the same company-wide targets. Incentives are paid if the firm as a whole reaches its earnings, gross revenue and soundness targets. We win and lose as a team.

2024 Outcomes

Pinnacle paid \$80.4 million in cash incentives to all non-commissioned associates in 2025 for goals met in 2024.

96% of associates of Pinnacle Bank and 93% of associates firmwide are non-commissioned and receive incentives under our plans based on company-wide goals.

Objectives for 2025

Continue current strategies.

CREATE A FAIR WORKPLACE CULTURE FOR ALL.

Associate Ownership

Our associates have a vested interest in not just acting like owners, they are owners.

2024 Outcomes

100% of associates receive stock awards. In Jan. 2024, they received \$31.2 million in annual recurring equity grants, based on stock price at the time of award.

Total equity granted to associates over the firm's history would have equaled approximately \$1.1 billion at Dec. 31, 2024, based on our stock price on that date.

Objectives for 2025

Continue our current strategies.

Compensation Practices

Each year we review our internal equity and compensation practices to ensure alignment and fairness.

2024 Outcomes

All associates make at least \$17 per hour.

Annually, the Human Resources and Compensation Committee of the board of directors works with an independent advisor, Aon, to participate in an industry salary survey. The results show our compensation in the top quartile of the industry standard and also show us areas where we can improve. We also perform risk assessments for all associate compensation plans for the Human Resources and Compensation Committee.

In addition, we commission an independent analysis of our salaries as we seek to identify and address any disparities with regard to gender and racial diversity.

Objectives for 2025

For 2025, associates received an average pay increase of 3.5%.

We conduct a compensation study annually to ensure both competitive and fair pay. In 2025, we will continue our deep dive into equity, job descriptions, titles and more for fair compensation. We are also following proposed legislation in our markets on pay transparency.

CREATE A FAIR WORKPLACE CULTURE FOR ALL.

Full-time, Part-time and Non-regular Employment

Nearly all of our associates are employed full time by the firm, which we believe helps drive fairness and a better client experience. One of the keys to our distinctive client service is a consistent experience with the same associates, which we accomplish by driving turnover out of the system.

2024 Outcomes

We rarely hire part-time associates, and most instances are formerly full-time associates who asked for a reduction of hours. As of Dec. 31, 2024, just 2.4% of associates were part time, or 85 associates of 3,608 total.

Part-time associates who work at least 24 hours a week are eligible for full benefits.

We do very little contract hiring and only in very limited roles. All contract hires are vetted and on-boarded as if they are full associates in accordance with requirements on confidentiality, information security and other regulations.

Objectives for 2025

Continue our current strategies.

Associate Guide

Our associate guide outlines what we do for associates and what we expect of them to comply with applicable laws, ethical conduct and regulatory requirements. It includes cultural considerations and policies from human resources and legal.

2024 Outcomes

100% of associates attest to having read the associate guide and agree to the policies within. [View the guide online.](#)

Objectives for 2025

Continue our current strategies.

CREATE A HEALTHY AND SAFE WORKPLACE.

Benefits

Our benefits are available to associates working 24+ hours per week, which is nearly 98% of associates. They are eligible for full benefits on the first day of employment or a qualifying event. Associates 21 and older are eligible to participate in our 401(k) plan with immediate vesting and company match. We also offer a wide variety of company paid benefits available to all associates regardless of benefit eligibility to promote physical, mental and financial health.

2024 Outcomes

Pinnacle paid \$79.4 million in employee benefits, including:

- \$25.9 million for Pinnacle's portion of insurance costs
- \$31.8 million in payroll taxes
- \$16.2 million for 401(k) match
- \$1.7 million for life insurance
- \$1.5 million in employer HSA contributions
- \$401,868 for the corporate wellness program
- \$1.9 million for other benefits expenses

New and enhanced benefits added in 2024 include:

- Pinnacle and associates shared the 4.8% medical renewal increase for the 2024 benefit plan year.
- Pinnacle subsidized the 4.6% dental claims increase leaving associate premiums flat.
- Enhanced Livongo Diabetes and Hypertension benefit program to include pre-diabetic management and weight management options.
- Increased Short-Term Disability weekly benefit from \$2,000 to \$2,500.
- Changed Life/AD&D and leave management carrier to provide enhanced service and additional benefit programs to support associates.

This gave Pinnacle a benefit-to-compensation percentage of 14.42%.

95.2% of associates participate in our 401(k) plan. In 2024, we matched \$16.2 million in associate contributions that were immediately vested.

We contributed \$1.5 million to associate health savings accounts and provided overdraft protection to make 100% of each associate's annual HSA contributions available for use on Jan. 1.

In addition, Pinnacle paid \$149.3 million to associates in equity compensation, incentives and commissions for commissioned associates.

Objectives for 2025

New and enhanced benefits added in 2025 include:

- Maintaining benefit programs from prior year and making required 2025 changes for HSA telehealth and deductible change to maintain embedded deductible/out of pocket maximums.
- Adding Cost Plus Drug Company, a virtual pharmacy solution, as a cost savings option.
- Include coverage for Biosimilars which improves the access to high-quality, affordable medications.

CREATE A HEALTHY AND SAFE WORKPLACE.

Wellness Program

Our program is designed to create a culture of wellness and help associates balance their lives – one of our core values – by developing the physical, mental, social, financial and occupational well-being of associates.

2024 Outcomes

82% of associates participated in our wellness program in 2024.

170 trained wellness champions help coordinate and lead activities across the firm, including:

- 11 firm-wide wellness challenges
- 39 regional challenges
- 22 workshops on navigating our new wellness portal and financial wellness topics like using credit wisely and budgeting

120 associates earned CPR certification in classes offered by the Pinnacle wellness program.

Monthly webinars available from our wellness program provider include courses on stress, resiliency, emotional well-being, meal planning and coping during the holidays

925 associates redeemed \$125,255 in company-paid wellness reward dollars to buy fitness equipment and gift cards. Another significant amount goes toward charitable donations from wellness reward dollars

Objectives for 2025

Continue our current strategies.

CREATE A HEALTHY AND SAFE WORKPLACE.

Workplace Health & Safety

We are committed to maintaining a safe work environment free from recognized hazards in compliance with the Occupational Safety and Health Act.

2024 Outcomes

Pinnacle experienced no injuries on duty in 2024 and no fatalities.

We provide an approved workers' compensation program providing insurance coverage developed to protect workers who are injured during the course and in the scope of their employment. Associates receive needed benefits for medical treatments, lost work time, disability or death benefits, while the legal liability of employers is limited by workers' compensation.

We partner with Aflac for Leave of Absence management which includes case management of short- and long-term disability. We also utilize the Aflac and HealthJoy Employee Assistance Programs as one part of our behavioral health resources. Those are available to all associates regardless of enrollment in medical coverage.

Objectives for 2025

Continue our current strategies.

CREATE A HEALTHY AND SAFE WORKPLACE.

Associate Mental Health

We believe it is important to be mindful of and help care for all aspects of good health in our associates, including mental health.

2024 Outcomes

Pinnacle provides resources like:

- HealthJoy and Aflac Employee Assistance Programs – A company paid program available to all associates and their households regardless of eligibility or enrollment in medical coverage

Both programs provide three in-person, phone or video counseling sessions with a licensed professional and also include 24/7/365 access to a licensed mental health provider. The services range from counseling to financial and legal assistance, as well as other resources.

As part of Pinnacle's group medical plan, associates have benefits available to them for counseling and treatment for behavioral health needs.

Objectives for 2025

Continue our current strategies.

LISTEN TO THE VOICE OF THE CLIENT.

Client Surveys

We reach out to clients at key moments in their relationship: opening an account, closing a mortgage and annually for many clients on the anniversary of their first account. Questions cover overall quality of service and advice, as well as an open-ended comment. Results are shared with the involved associate and firm-wide.

2024 Outcomes

94.2% of clients agree or strongly agree that we are recognizably better than the competition. *See full results of our client surveys.*

We continued our work to address client feedback gathered through our relationship with J.D. Power.

Objectives for 2025

Continue partnership with JD Power to conduct an in-depth survey of consumer banking clients, identifying strengths and opportunities to improve client service delivery across the Pinnacle footprint.

LISTEN TO THE VOICE OF THE CLIENT.

Complaints and Feedback

Our complaint policy is comprehensive and designed to capture and address complaints coming from a variety of sources. All associates are trained on the policy and procedures for handling complaints. Complaints are logged and routed to the appropriate associates for follow-up and resolution.

2024 Outcomes

Our expanded and enhanced complaint management program continued, measuring performance against baselines so trends can be fully measured.

308 complaints received

15 complaints were filed against Pinnacle at the CFPB in 2024. All responses were timely.

100% of associates completed training on complaint management policy and procedure.

Objectives for 2025

We will continue to monitor the current system and work to promptly address complaints as they arise.

DELIVER AN EXCEPTIONAL CLIENT EXPERIENCE.

Distinctive Service

A live person answering the phone within three rings is our standard. But our associates go beyond what is expected to create a high-touch client experience. Our deeply engaged associates are empowered to make decisions that allow them to serve clients better and fairly.

2024 Outcomes

We earned 30 Coalition Greenwich Best Bank awards for service provided in 2024—more than any other bank in the nation. Pinnacle led the Southeast in every category among key drivers for client satisfaction. [Read more.](#)

One of our critical measures for client service is our “net promoter score,” which measures clients who are so satisfied with the service they receive that they actively promote our brand to their networks. We determine our net promoter scores through surveys of Pinnacle clients from Coalition Greenwich and JD Power.

- JD Power Net Promoter Score – 83
- Coalition Greenwich Net Promoter Score - 83

Our promise to answer the phone within three rings extends to our call center where associates answer the phone instead of an automated phone menu 24 hours a day, with short breaks for only Thanksgiving, Christmas and Easter.

- 760,023 client contacts received in our Client Service Center. That includes 613,584 calls and 146,439 emails and secure online messages.
- 93.6% of those calls were answered within three rings.
- 99.5% of clients who call our Client Service Center strongly agree that we met their needs or resolved their issue.

Objectives for 2025

Continue our current strategies.

DELIVER AN EXCEPTIONAL CLIENT EXPERIENCE.

Continuous Service Improvement

We don't rest on our laurels. We always push to be the best place to do business in the Southeast, finding and shoring up any weaknesses before they get a foothold and finding new ways to WOW our clients.

2024 Outcomes

Despite high levels of client satisfaction, in 2022 we established a Net Promoter Taskforce to deeply analyze research data from Coalition Greenwich and J.D. Power and develop new strategies for pushing service further and identifying and filling gaps. The taskforce continued its work in 2024, playing a role in:

- Using the Data Engage tool in Pinnacle's Digital Banking to highlight changes and important information. Examples include communicating a new requirement for stop payments, announcing some user interface updates to wire screens and alerting clients about recent fraudulent activity.
- Launching new demo videos to help onboard clients and walk through helpful features, including Debit Card Center and Spendable Balance, with more targeted possibilities available in 2025.
- Producing the Pinnacle Fraudcast and short fraud awareness videos.
- Moving interested clients to eStatements through a concerted campaign with a conversion rate of 8.5%.
- Significantly expanding the number of associates with the ability to place travel alerts.

Objectives for 2025

The task force continues to uncover and address areas of friction for clients through both first-hand experiences and consistent review of client feedback. In 2025, the group plans to tackle:

- Client resources and associate access to proactively address the questions that clients frequently ask
- Expanded use of Data Engage for clients new to Digital Banking
- Data Engage pop-ups in the mobile app to reach more clients with better visuals
- Provide insights from the associate and client perspective on several upcoming enhancements: Automatic addition of accounts in Digital Banking, a flag for closed accounts and improvements to processing credit card payments

DELIVER AN EXCEPTIONAL CLIENT EXPERIENCE.

Effective Advice

Pinnacle positions itself as top of mind for financial information, ideas and insights. Through events, book clubs, articles, videos and other channels we reinforce our advisory capabilities.

2024 Outcomes

More than 18,200 clients attended 449 in-person and virtual learning events designed to help with personal or business finances, as well as home ownership. These metrics include the Mastermind Program events held in 2024, which are discussed in further detail below.

Our website [PNFP.com](https://pnfp.com) features a [Learning Center](#) with more than 400 articles with advice on personal finance, small business and fraud and cybersecurity. Articles are 100 percent free from product pushing and sales pitches.

The Pinnacle Forums program continued across the footprint, with 37 events held in multiple markets and more than 8,600 total in-person attendance. Pinnacle Forums are large and mid-size events that connect clients with high-profile newsmakers and experts. Speakers have included Jon Meacham speaking on politics and history, former Secretary of State Mike Pompeo, Sen. Bill Hagerty, former Navy Seal Marcus Luttrell, General James Mattis, several with Dr. Arthur Laffer on the economy and more.

Workshops and “lunch and learn” events continued, as well, with a blend of virtual and in-person offerings.

91.2% of clients agree or strongly agree that they receive insights they would not have gotten if they did not bank with Pinnacle.

Objectives for 2025

Continue and improve current strategies.

The Learning Center of PNFP.com will be rebuilt for easier navigation and more effective ways to feature strategically important content.

More details on our work to advise clients is available in the Empower Communities section.

DELIVER AN EXCEPTIONAL CLIENT EXPERIENCE.

Mastermind Program

The *Mastermind program* was developed as a series of peer learning sessions for small business owners facilitated by a Pinnacle associate. It has since been expanded to include a personal finance version for those seeking greater financial wellness. With a strict rule against sales pitches, participants meet for 6 to 8 weeks to discuss their challenges in a loosely structured environment.

2024 Outcomes

Pinnacle associates hosted 209 Mastermind cohorts with 3,277 participants:

- Business Mastermind – 135 cohorts of 1,333 participants
 - A 73% increase in cohorts and 113% increase in participants over 2023
- Consumer Mastermind – 74 cohorts of 1,944 participants
 - A 573% increase in cohorts and 2,271% increase in participants over our pilot year 2023

See more on Consumer Mastermind in Empowered Communities.

Objectives for 2025

Continue current strategies while expanding availability of Consumer Mastermind through our growing PEER Center network

SERVE AND ADVISE CONSCIENTIOUSLY.

Needs-based Selling

Because our incentive plan does not reward specific product sales, our associates are free to focus on what is best for the client. We rarely advertise products or rates.

2024 Outcomes

100% of promotions and advertisements reviewed by compliance to help clients make informed decisions about the products and services that fit them best.

94.3% of clients agree or strongly agree that we make proposals that are responsive to needs.
See full results of our client surveys.

Objectives for 2025

Continue our current strategies.

Associate Training

Our online learning management system ensures associates receive training and testing on a number of topics – fair client practices, fair lending, Bank Secrecy Act and more.

2024 Outcomes

100% completion of all required annual training.

Objectives for 2025

Continue our current strategies.

SERVE AND ADVISE CONSCIENTIOUSLY.

Compliance Monitoring

Pinnacle, as part of its overall Compliance Management Program, works to foster and promote a culture of compliance with regulatory requirements, internal policies and industry guidance impacting consumer and business products and services.

2024 Outcomes

We maintain an ongoing program of compliance reviews and an independent audit of the effectiveness of the overall compliance program. The Risk Committee of Pinnacle's Board of Directors receives quarterly reports of the compliance monitoring, testing results and other key risks. Internal audit reports are reviewed and approved by the Audit Committee of the Board of Directors.

Objectives for 2025

Continue our current strategies.

Ethical Practices

In addition to the numerous legal and regulatory safeguards in place, Pinnacle's common incentive structure, shared goals and culture that emphasizes service and advice over sales help create protection from ethical lapses and poor decisions that are often driven by high pressure sales goals.

2024 Outcomes

100% of non-commissioned associates of the bank earn incentives for meeting firm-wide financial goals. Those goals include an asset quality metric that must be met before any amounts may be payable from the incentive plan. The shared nature of these goals being aligned with all stakeholders and the requirement for strong asset quality before paying incentives helps to control questionable decisions and further builds trust with our clients and the communities we serve.

Objectives for 2025

Continue our current strategies.

PROTECT CLIENTS FROM HARM.

Cybersecurity: Infrastructure

Cybersecurity is at the heart of protecting our clients. We make significant investments in our information security, regularly assess threats and vulnerabilities and report monthly on trends.

2024 Outcomes

Pinnacle experienced no cybersecurity breaches in 2024.

Pinnacle was named the No. 35 Most Cybersecure Bank by Forbes magazine.

Our Cybersecurity team implemented new tools and technology to increase capacity, capability, maturity and education including:

- Enhanced sign-in credential security with new tools for SSO, password management and mobile sign-in security
- Enhanced end-point protection tools
- A number of other initiatives that cannot be detailed to protect our security practices

Objectives for 2025

Continue current strategies and continuous improvements to our cybersecurity measures and enhance associate and client education

PROTECT CLIENTS FROM HARM.

Cybersecurity: Associate Preparedness

A chain is only as strong as its weakest link, so we take associate education and awareness of cybersecurity threats very seriously.

2024 Outcomes

100% of our associates completed required information security training.

5,768 hours of information security training overall

Cybersecurity and phishing awareness are included in our Welcome Aboard programming, reaching 100% of new Pinnacle associates on Day 1. This reached 400 new associates in 2024 over 46 Welcome Aboard sessions

131 associates chose to take part in proactive cybersecurity-related learning events.

Conducted regular phishing tests throughout the year to ensure associates are prepared for real-life phishing attempts.

Objectives for 2025

Continue strengthening proactive and required cybersecurity training after phishing test failures

Continue to strengthen effectiveness of phishing tests by further reducing predictability

Continue engaging in cross-industry collaboration through conference learning

PROTECT CLIENTS FROM HARM.

Cybersecurity: Client Education

Individuals and businesses of all sizes are vulnerable to cyberattack, and when a client experiences a loss, we feel it at the bank, too. Our proactive approach to client education and consultation raises awareness and helps them establish their own processes and best practices as they seek to protect themselves from bad actors.

2024 Outcomes

The Communications team developed and produced The Pinnacle Fraudcast, a video podcast series dedicated to cybersecurity and financial fraud education. In 2024, Fraudcast episodes and related Shorts were viewed more than 2,500 times.

Cybersecurity and Learning and Development leaders conducted 25 client education sessions on cybersecurity, reaching approx. 600 people. The course covers overall awareness, best practices and how to develop a comprehensive cybersecurity plan.

They also worked to expand the reach of these sessions by developing in-house “train the trainer” sessions. They were designed to prepare financial advisors and other associates to teach clients about best practices and how to build a plan for protecting their businesses.

More than a dozen articles and items were available on PNFP.com and other channels, promoted in various client-facing communications to advise and keep information security top of mind. These are regularly promoted through various client-facing channels including:

- Homepage of PNFP.com
- Social media
- Client Newsletters
- Associate sharing

Additional training on wire fraud is available to mitigate this risk and to remind associates to be aware of and heed red flags.

Objectives for 2025

Continue current strategies.

PROTECT CLIENTS FROM HARM.

Protection from Fraud

We take proactive measures to inform and educate our clients about potential threats and common fraud scenarios and protect them from becoming victims. When fraud does occur, our teams investigate and work diligently with other banks to recover funds whenever possible.

2024 Outcomes

We introduced more robust debit card controls allowing clients:

- Greater flexibility in automatically denying transactions over a certain limit, in certain merchant categories or of specific types
- Greater insights into transactions and spending
- Easier abilities to change PINs and turn cards on and off
- Improved transaction alerts
- Spending limits
- And more

More than 1.2 million check and deposit transactions were reviewed as potential fraud in 2024, with 1,343 confirmed cases opened preventing \$39 million in fraudulent activity.

Of \$17.1 million in wire and ACH fraud attempts on Pinnacle clients in 2024, our teams recovered more than \$7.6 million for clients that otherwise would have been lost to scammers.

- \$4.5 million recovered from wire fraud of \$7.2 million in attempts
- \$3.1 million recovered from ACH fraud of \$9.9 million in attempts

Implementation continued for our comprehensive fraud monitoring and management system. This is replacing several existing fraud systems to provide a more holistic view of fraudulent activity for our clients. The new platform provides a risk-based analysis for all types of fraud within our industry, including wire, ACH, check and deposit fraud, as well as activity regulated by the Bank Secrecy Act and Anti-Money Laundering rules. It uses machine learning and manual review by fraud-trained associates.

Early in 2024 we implemented a new debit card control system to give clients direct control over travel exemptions, greater transaction detail and history, plus more.

Objectives for 2025

The first modules of our new fraud monitoring system went live in the first quarter with positive results available almost immediately. Flagged items were of better quality and included transactions that may not have been flagged with previous systems. Implementation will continue in 2025 to cover check fraud, check kiting, deposit fraud, wires, ACH, elder abuse and other types of personal fraud.

We will continue our assessment of tools to enhance client verification of transactions, especially regarding real-time payments. That will include extensive client and associate training.

PROTECT CLIENTS FROM HARM.

Privacy Practices

We maintain an enterprise privacy program that provides guidance on how we use and share client information.

2024 Outcomes

100% of associates completed training on privacy practices.

Objectives for 2025

Continue our current strategies.

ENGAGE IN TWO-WAY COMMUNICATION.

Timely Regulatory Filings

Pinnacle is regulated by the SEC, FDIC, TDFI, Federal Reserve Bank of Atlanta and CFPB.

2024 Outcomes

We are in continuous conversation with our regulators both through verbal and written communication. This communication is channeled through our regulatory filings including, but not limited to, the Quarterly Call Report and Y-9 filings, the Quarterly Reports on Form 10-Q and Annual Report on Form 10-K filed with the SEC.

Objectives for 2025

Continue to timely file all regulatory reports with each of our regulating bodies.

Earnings Calls/Announcements

Pinnacle believes it is important to provide both timely and transparent financial data to our shareholders.

2024 Outcomes

We held investor calls quarterly to review our financial performance. Shareholders are encouraged to attend. These calls include a question/answer session following the prepared remarks.

Objectives for 2025

Continue our current strategies.

ENGAGE IN TWO-WAY COMMUNICATION.

Open Lines of Communication

Pinnacle provides its shareholders with the ability to communicate with its leadership and Board through multiple channels including through its Annual Proxy Statement for its Annual Meeting of Shareholders, an anonymous whistleblower hotline and quarterly investor calls.

2024 Outcomes

Our CEO and CFO met with 385 active investors in 2024 and attended (in-person or virtually) 19 unique events in 2024. There were no reports of ethics concerns to our whistleblower hotline in 2024.

Objectives for 2025

Continue our current strategies.

Responsiveness to Questions

Pinnacle believes it is important to respond to the questions it receives from its shareholders.

2024 Outcomes

As indicated above, there are multiple channels through which shareholders may communicate with our *Board of Directors and leadership*.

Objectives for 2025

Continue our current strategies.

GOVERN RESPONSIBLY.

Corporate Governance

Pinnacle believes sound Corporate Governance is essential to running the business effectively and maintaining the Company's integrity in the marketplace.

2024 Outcomes

Pinnacle's Board of Directors has published its governance documents on the Company's website and abides by its Corporate Governance Guidelines. These *guidelines* are also described annually in our *Proxy Statement*.

Objectives for 2025

Continue our current strategies.

Board Composition and Director Qualifications

Pinnacle places great importance on the structure of its Board.

2024 Outcomes

Each of Pinnacle's directors is elected annually. The requirements for our Board composition and director qualifications have been laid out in our *Corporate Governance Guidelines* as described in the *Proxy Statement* for our Annual Meeting of Shareholders. These requirements include, but are not limited to, the desire to maintain a board that is composed of a majority of independent directors and that consists of directors offering a diversity of experience, skillsets and education, as well as ethnic and gender diversity.

Objectives for 2025

The members of the Board will continue to monitor the Board structure and qualifications mix of its members.

GOVERN RESPONSIBLY.

Executive Compensation

Pinnacle believes that shareholder value is built by consistent and sound growth in operating results that exceed those of peer firms. As such, compensation for our executive officers is determined with that top of mind.

2024 Outcomes

Annually, the Human Resources and Compensation Committee of the Board of Directors works with an independent advisor, Aon, to provide compensation assessments for all associates, including executive officers, and to facilitate the executive officer compensation process. This includes the determination of an appropriate peer group for purposes of comparing compensation and any adjustments that should be made to the peer group to keep it aligned with Pinnacle's urban focus, size, corporate strategy and balance sheet composition. Additional details of the process for determining executive compensation and our relationship with Aon are described in the [Proxy Statement for our Annual Meeting of Shareholders](#), in the section titled "Compensation Discussion and Analysis."

Objectives for 2025

Continue our current strategies.

Board Structure

Our Board is structured so that there are eight committees as of March 1, 2024. Other than our executive committee, these committees are led by independent directors, each of whom serves on an executive committee which is chaired by our CEO and meets monthly to monitor the current status of the firm.

2024 Outcomes

Pinnacle's Board structure is outlined in its [Corporate Governance Guidelines](#) as well as in its Proxy Statement for its Annual Meeting of Shareholders.

Objectives for 2025

Continue our current strategies

COMMITMENT TO SHARED PROSPERITY.

Community Support

Our approach to community contributions (contributions, donations, sponsorships and support) is based on giving within five categories that improve quality of life:

- Education
- Health & Human Services
- Economic Development
- The Arts
- Underserved Communities

Annual community support budgets are given to each market, with decisions made locally based on associate recommendations and requests.

2024 Outcomes

\$8.0 million in contributions to community causes and nonprofits.

Objectives for 2025

Continue working with market leadership to direct contributions to best meet market-based goals and achieve our firm-wide target.

COMMITMENT TO SHARED PROSPERITY.

Geographic Community Lending Model

Pinnacle has intentionally designed how it meets the needs of every community, empowering local leaders to set goals and guide associates dedicated to offering these specialized products. With the right people, right products and a promotional approach that fits Pinnacle's model, we're able to serve more majority-minority communities and low- to moderate-income people.

2024 Outcomes

Local Community Development Managers are responsible for Community Reinvestment Act and other community-focused efforts in a given market, including supervision of financial advisors dedicated to community lending and other financial services.

Local Community Development Coordinators are responsible for forming consultative partnerships with market leaders and other internal stakeholders to help shape local CRA strategies. They also serve as key liaisons and relationship managers with community partners in community lending, like CDFIs, CDEs, CDCs and others.

Community Mortgage Advisors are responsible for building and managing client relationships and producing loan mortgage volumes.

Community Financial Advisors are responsible for building and managing client relationships and producing small business and other loan volumes and deposit growth.

Objectives for 2025

Continue our current strategies and expand availability through our growing PEER Center network

COMMITMENT TO SHARED PROSPERITY.

Pinnacle Economic Empowerment Resource (PEER) Centers

2022, Pinnacle designated its first PEER Center in the Whitehaven neighborhood of Memphis, TN. PEER Centers are designed to bring together a number of financial services and resources dedicated to underserved and disadvantaged areas. It also serves as a meeting place and office resource for nonprofit partners focused on meeting the financial and other needs of the community.

2024 Outcomes

Two additional PEER Centers opened in 2024, bringing the total to four in these markets:

- Memphis
- North Nashville
- Charlotte
- Atlanta
- A cross-functional team of associates planned throughout the year for three additional PEER Centers to open in 2025 and 2026
 - Durham, NC
 - Southeast Nashville
 - The Raleigh Springs community of Memphis

At the four existing PEER Centers:

- 59 community partners affiliated with the PEER Center focused on workforce development, crime prevention, family services, youth services, social change, business training and more
- 45 community partner meetings hosted at the PEER Centers with 552 attendees
- 37 financial education classes at or through the PEER Centers with approximately 906 total attendees
- Third-party financial counseling partnership with RISE Memphis and the Shelby County Trustee's Office with 26 client counseling hours

Watch to learn more about the work done at our Memphis PEER Center.

Objectives for 2025

Open PEER Centers in:

- Raleigh Durham
- Southeast Nashville

Continue planning for the Memphis Raleigh Springs PEER Center to open in 2026

Continue and expand on current strategies with greater outreach, more community partners and exploration of additional PEER Centers in more markets.

COMMITMENT TO SHARED PROSPERITY.

Community Development Investment

Pinnacle leaders take very seriously our position as a deployer of capital, and we seek to do so in the most equitable ways possible. We use our resources to help improve the quality of life in the communities we serve, working with organizations like:

- Community Development Financial Institutions, including minority-owned financial institutions
- Small Business Investment Companies
- Community Development Entities
- Community Development Corporations
- LIHTC investments and others

2024 Outcomes

Approx. \$1.0 billion in committed investment for community development for 2024, or 1.93% of assets as of Dec. 31, 2024.

This total includes the Affordable Housing: Multifamily Investment item and a portion of the Community Investment Tax Credit (CITC) item detailed later in the report.

[Learn more about our community work, including financial work, volunteer service and more.](#)

Objectives for 2025

Continue working with market leadership to increase community investment and meet market-based goals to achieve our firm-wide goals.

COMMITMENT TO SHARED PROSPERITY.

Affordable Housing: Multifamily Lending

We support the creation of affordable housing units through direct and indirect lending.

2024 Outcomes

We are the largest provider of funding for the Community Investment Tax Credit program in the state of Tennessee with \$412.3 million in funding for low- and moderate-income housing on our books as of Dec. 31, 2024. Additionally, we had \$144 million in lending through Freddie Mac Small Balance Loan program as of Dec. 31, 2024, with 98% (\$141 million) for affordable and underserved market segments. Pinnacle is one of only twelve lenders in the Freddie Mac Small Balance Loan program. We embrace their objective to provide liquidity, stability and affordability for the multifamily housing market. Freddie Mac's Multifamily division continues serve as a stable source of rental housing financing through all economic cycles, with an emphasis on creating opportunities for affordable and sustainable rental housing nationwide.

Objectives for 2025

Continue our current strategies.

Affordable Housing: Multifamily Investment

We have a specialized group to support the creation of affordable multifamily and elderly rental housing through investment in projects that are awarded low- income housing tax credits.

2024 Outcomes

\$415.5 million in investment commitments creating 5,026 units of affordable rental housing, a 15.1% dollar increase over 2023. These investments are also reflected in the aggregate Community Development Investment total noted above.

Objectives for 2025

Continue our current strategies.

COMMITMENT TO SHARED PROSPERITY.

Affordable Home Ownership: Lending

Affordable housing is a top priority because it is a path to wealth creation and a break in the cycle of poverty. We invest heavily in programs that remove barriers to low- to moderate-income home ownership including direct lending, lending partnerships with community organizations, down payment assistance, construction financing, counseling services, loan servicing and volunteer efforts for Habitat for Humanity and many more.

2024 Outcomes

1,741 home loans totaling \$244 million made to low- and moderate- income individuals; includes standard mortgages, as well as a product designed for up to 100% financing, alternative perspectives on credit history (like rent payment history), no private mortgage insurance and fixed rate for 30 years. This includes home equity lines of credit (HELOCs) and down payment assistance loans detailed later in the report.

Objectives for 2025

Continue our current strategies while evaluating ways to improve our capacity to meet the needs of underserved communities.

Affordable Home Ownership: Down Payment Assistance

We want to help home buyers overcome one of the most common obstacles to purchasing a home. Through savings programs for our clients and through Habitat for Humanity, Pinnacle matches up to \$1,000 per borrower to use for a home down payment. We also offer an affordable down payment lending product.

2024 Outcomes

68 Individual Development Accounts funded, totaling \$67,245 in funds to help low-income families with down payments for home purchases.

541 down payment assistance loans closed in 2024 worth \$6.2 million.

Objectives for 2025

Continue our current strategies.

COMMITMENT TO SHARED PROSPERITY.

Affordable Housing: Direct Service

Direct service comes through contributions to and volunteer projects with Habitat for Humanity, as well as an affordable housing construction program in High Point, NC. Working with the city, Pinnacle purchases blighted homes and finances construction or renovation for a new affordable housing unit, which is then sold to a low- to moderate-income buyer.

2024 Outcomes

In partnership with the city of High Point, Pinnacle has financed, built 37 homes over the life of the program. Of those, 35 have sold. Another 10 were under construction at Dec. 31, 2024.

1,982 loans serviced through Habitat for Humanity and other affordable housing partners at no cost to the organization or homeowners.

1,246 associate volunteer hours at affordable housing organizations, including Habitat for Humanity, through board service, committee appointments and various other activities

Objectives for 2025

Continue our current strategies.

Minority Home Equity Offering

In our effort to take everybody with us, we introduced new home equity line of credit options for minority communities and low- to moderate-income households in minority communities. They were designed to help these homeowners increase the value of their homes and/or be able to afford to stay in their homes and neighborhoods as they change and property values increase.

2024 Outcomes

487 specialized HELOCs worth \$38.1 million made in minority communities, representing:

- A 92% increase in the number of loans
- A 98% increase in loan volumes

Objectives for 2025

Continue current strategies while increasing awareness and advisory capacity among our associates and community partners

COMMITMENT TO SHARED PROSPERITY.

Small Business Support: Financial Services

Pinnacle has always had a strong small business practice. The Small Business Community Lending Program is intentionally designed to ensure we are supporting small businesses more equitably, with a focus on lifting up businesses owned by members of underserved communities. The program launched in 2021 with products and services designed specifically for businesses and entrepreneurs in underserved and disadvantaged areas. The offerings include:

- Loans with extended terms
- Adjusted down payment requirements for certain real estate transactions
- Vehicle and equipment loans
- Community Development Corporations

2024 Outcomes

62 Small Business Community Lending loans worth \$6.7 million in 2024; 250 loans worth \$29.5 million over the life of the program.

We continued increasing our partnerships, including introducing these products to nonprofits and business support organizations throughout the Southeast.

Objectives for 2025

Continue current strategies and increase awareness and volumes through our growing PEER Center network.

COMMITMENT TO SHARED PROSPERITY.

Small Business Support: Advice, Education and Partnerships

Our brand promise of effective advice extends to everyone, and we've made intentional efforts to bring our associates' expertise to small business leaders who need it most.

2024 Outcomes

We held 810 Business Mastermind sessions across 135 cohorts, reaching 1,333 participants.

Many of those were clients of CDFIs, CDCs and other business support organizations.

We continued partnerships with organizations that offer one-on-one financial counseling for entrepreneurs and other individuals.

Objectives for 2025

Continue current strategies while strengthening partnerships with direct service organizations

COMMITMENT TO SHARED PROSPERITY.

Adult Financial Education with Mastermind

The increasing importance of financial education at banks has only strengthened our belief in offering advice and coaching to any client who wants it. Pinnacle associates teach and facilitate a variety of financial wellness classes and workshops. In 2023 we developed a new Consumer Mastermind program, which is an eight-week series targeted at individuals who want to strengthen their personal financial position.

2024 Outcomes

After a successful pilot year in 2023, we rolled out Consumer Mastermind firmwide in 2024, training associates how to facilitate and beginning outreach to client companies, nonprofit partners, community groups and even our own associates to offer this new course.

In 2024 we held 444 Consumer Mastermind sessions across 74 cohorts reaching 1,944 participants. Many of those were done in partnership with nonprofit partners for underserved communities, including several through our PEER Center network.

Pinnacle associates also used the Money Smart curriculum from the FDIC to teach additional classes, including some in Spanish.

Objectives for 2025

Expand our Consumer Mastermind program with greater awareness and opportunities through our PEER Center network

We have developed and rolled out standalone financial wellness workshops covering many of the same topics as Consumer Mastermind available as single sessions instead of a series. Additional topics are being added to cover aging parents, divorce, paying for college and how to best use HSAs. These are expected to reach thousands of people through in-person and virtual sessions.

COMMITMENT TO SHARED PROSPERITY.

Youth Financial Education

Pinnacle is a major supporter of Junior Achievement and the education opportunities it brings to young people. Pinnacle associates regularly volunteer to teach and facilitate JA Programs.

2024 Outcomes

848 associate volunteer hours at Junior Achievement chapters in the Southeast, a 14% increase over 2023.

In addition to work through Junior Achievement, many associates use the Money Smart curriculum from the FDIC to teach classes in schools and with nonprofit partners that serve children.

Objectives for 2025

Continue current strategies

SERVE BROAD COMMUNITY NEEDS

Associate Volunteer Service

We empower our associates to serve the causes they are most passionate about by giving their time. We allow for time away from work for volunteer commitments as needed and encourage them to organize group service projects. Each year, we set aside one day in April as “Make a Difference Day,” when associates organize volunteer projects for nonprofits or individuals in need.

2024 Outcomes

28,107 associate volunteer service hours given to 1,325 organizations

Objectives for 2025

Continue current strategies

Small Business Administration Lending

Our support of small business extends through government-guaranteed lending for companies that might not otherwise have a traditional path to financing.

2024 Outcomes

133 loans totaling \$138 million made through the SBA program.

Pinnacle was the No. 1 SBA lender in Tennessee by dollar volume, No. 4 in North Carolina and No. 7 in South Carolina, and No. 4 nationwide.

Objectives for 2025

Increase education and participation among financial advisors

Hire new SBA financial advisors in the National Capital Region and North Florida

SERVE BROAD COMMUNITY NEEDS

Local Suppliers

We strive to support local economies with our purchasing power. We believe in using local business partners and working directly with our clients as much as possible to meet the firm's needs.

2024 Outcomes

A significant percentage of Pinnacle vendors are based within the states where we do business, and many of them are classified as minority, woman, or veteran-owned. All facilities maintenance and other work are performed by local companies

Vendor selection is guided, in part, by local market leadership who are more closely connected to local business owners and can identify potential vendors.

We continued to identify qualified suppliers with the local market leaders for participation in upcoming contracts.

Objectives for 2025

Continue current strategies

ADVOCATE RESPONSIBLY.

Community Advocacy

We don't often get involved in advocacy action but do when we feel it is in the best interest of the community as a whole, including making our cities more equitable places to live and earn a living.

2024 Outcomes

No direct giving to voter or legislature-related campaigns in 2024. Some Pinnacle-supported organizations, like chambers of commerce, education foundations, regional partnerships and others, are regularly involved in political advocacy.

Objectives for 2025

Continue our current strategies.

Political Advocacy

While we have no policy against individual political contributions, we stay out of the fray and do not contribute to campaigns or activity around elections and legislation. We sometimes, however, facilitate associate contributions to political action committees that serve the banking and finance communities statewide within our footprint.

2024 Outcomes

No organized associate and director contributions to PACs in 2024.

Objectives for 2025

Continue our current strategies.

TRACK AND REPORT CSR ISSUES.

Corporate and Social Responsibility Committee

This committee includes senior leaders and cross-functional associates. It promotes a culture that sets high standards for corporate and social responsibility and reports on our performance against those standards. It reports to the Climate Sustainability Committee of our Board of Directors. [View the CSR Committee charter online.](#)

2024 Outcomes

Created and published this updated Corporate Social Responsibility Report. View the [full report online](#). Our Corporate Social Responsibility Committee met or received updates throughout 2024 to research and discuss potential improvements to the issues covered in this report. These focus areas include:

- Credit policy
- Reporting and disclosures
- Policies
- Environmental impact

Objectives for 2025

Continue current strategies.

ENGAGE WITH STAKEHOLDERS

Reputation Management Plan

We build an annual plan that outlines how we understand the needs and engage with a broad range of stakeholders. In addition to strategies to share our story and practices, we outline how we solicit feedback and maintain two-way communication.

2024 Outcomes

Reputation management planning continued with market leadership. Each market's plan outlines how we engage with key stakeholders including our associates, clients, Board of Directors, shareholders, business partners and the community at large.

Objectives for 2025

In 2025 we will prioritize expansion markets and those that would benefit from the most direct engagement while using markets with strong reputation management plans as mentors and models for others

OPERATE SUSTAINABLY.

Climate and Sustainability Committees

As a major financial institution, we are committed to helping safeguard the environment, managing risk responsibly and increasing shareholder value. We believe the increasing risk of major severe weather-related events and potential shifts toward a lower-carbon economy require attention and oversight by firm leadership so we can better understand the impact of these events on our business.

2024 Outcomes

In 2023, the Board of Directors established a Climate Sustainability Committee which is comprised of five independent directors and our President and CEO, Terry Turner as a non-voting member, to oversee the firm's climate sustainability practices and policies, as well as to monitor compliance with evolving regulatory requirements. We also have a Management Climate Sustainability Committee to assess potential risks and opportunities related to severe weather-related events and the transition to a lower-carbon economy, as well as to prepare for any potential regulatory reporting requirements.

Objectives for 2025

Continue current strategies

As of March 1, 2025, G. Kennedy Thompson chairs this committee.

OPERATE SUSTAINABLY.

Climate Risk and Impact Measurement

Pinnacle leaders are committed to:

- Measurement and analysis the Company's impact to the environment
- Preparation for potential regulatory reporting requirements
- Integration of impact analysis into strategic areas of the firm, where appropriate
- Finding greater firmwide efficiencies to reduce expenses and climate impact
- Developing financial and advisory capabilities to meet client needs in these areas

2024 Outcomes

Pinnacle's climate change strategy includes:

Measurement & Analysis

In 2023, Pinnacle engaged a third-party consultant to measure its climate impact and assist in developing data regarding its carbon emissions. Measurement and analysis took place throughout 2024, resulting in work that we believe is foundational to the Company's other climate priorities. Broadly, Pinnacle leaders believe the firm's direct and purchased emissions are slightly lower than similarly sized firms and available public bank benchmarks. Geography contributes to this, with the Southeast's favorable climate requiring less building heat and the electric grid being less emissive due to nuclear, hydroelectric and other renewable power generation.

Preparation for Reporting Requirements

Pinnacle leaders have closely tracked the many developments in climate regulation for public companies and financial institutions and are developing the information necessary to allow the firm to respond to reporting requirements to which it becomes subject consistent with industry practice.

Firmwide Energy and Expense Efficiencies

We use the Energy Star program to better monitor and track usage and costs associated with the direct purchase of utilities and certain services, including electricity, water, garbage removal, etc. for all facilities. Integration of climate impact analysis into an environmental management strategy through facilities and purchasing may uncover further opportunities for energy and expense reductions. That could include continued pursuit of efficiencies in our buildings, especially in new construction and leases, as well as business travel. Pinnacle's new headquarters building includes several sustainability features, including efficient structural designs, internal systems, insulated curtainwalls and low solar heat gain glass, open spaces, a pedestrian-friendly design and more. Newly constructed offices tend to be lower emissive, according to EnergyStar, thanks to more efficient designs and internal systems

Client Advisory and Banking Capabilities

Given the potential economic impact of severe weather events, Pinnacle leaders continue to develop in-house knowledge of related business needs and risks. For example, we invested and recruited experienced professionals to form the firm's Solar Capital Advisory unit to direct the firm's ongoing investment in and lending to the solar industry.

Objectives for 2025

Continue current strategies with priority placed on regulatory preparation and strategic integration of climate impact data in credit, risk, facilities and purchasing.

OPERATE SUSTAINABLY.

Solar Power Finance

Formed in 2021, Pinnacle's Solar Capital Advisory focuses exclusively on providing structured financing solutions to facilitate the build-out of significant solar capacity throughout the country. Our footprint enjoys a high level of demand for green power, large-scale solar development activity and homegrown companies pushing the solar transition forward.

2024 Outcomes

Solar Capital Advisory arranged construction loans on 16 utility-scale solar projects under development and, upon completion, provided permanent financing in the form of leases and partnership financings. These projects have a combined generating capacity of approximately 550 MW and are located in Georgia, Tennessee, Mississippi, Kentucky, North Carolina, South Carolina and Pennsylvania.

Volumes in 2024:

- Construction Loans - \$606 million
- Sale-Leaseback agreements - \$299 million
- Solar Partnership Lending - \$73 million

Objectives for 2025

Solar Capital Advisory continues to see robust demand for creative tax-advantaged funding solutions. Tax credits available for solar projects have changed under the Trump administration and our 2025 pipeline of solar-related construction loans, leases, and partnerships exceeds \$700 million.

OPERATE SUSTAINABLY.

Environmental Credit Positions

Every bank must decide how they will approach credits that negatively contribute to the environment and/or are affected by a changing climate as they may introduce increased risk to the firm. Pinnacle leaders have carefully considered that position and reflected it in our credit policy many years ago.

2024 Outcomes

Pinnacle views making loans to environmentally responsible clients as desirable and making loans to companies that reflect other behavior, like harmful carbon emissions, as higher risk. We may identify certain industries or specific credits that are at a higher risk for a negative environmental impact for which enhanced due diligence is warranted prior to extending credit. We additionally may seek enhanced due diligence for certain credits, particularly in real estate, to assess the potential impact of severe weather events.

Objectives for 2025

Continue current strategies.

With reporting from the Climate Sustainability Committees, the credit team will work with the risk team to determine how best to integrate climate impact data into credit processes.

OPERATE SUSTAINABLY.

Client Practices

The firm provides numerous options for clients to minimize the carbon impact of their operations – eStatements, online banking and remote deposit capture among them. This enables fewer trips to the bank, reducing the impact on the environment.

2024 Outcomes

226,641 deposit accounts receive eStatements instead of mailed paper statements as of Dec. 31, 2024, resulting in 2,817,248 statements produced electronically instead of being printed and mailed. In 2024, we conducted a campaign for eStatement adoption with a conversion rate of 8.5%.

266,963 online banking users

1.4 million deposits made via mobile deposit (personal) and remote deposit capture (business) rather than driving to an office

1.3 million bill payments made via online and mobile banking rather than mailing a paper check.

Objectives for 2025

Continue with the implementation of our digital banking roadmap for continuous improvement, greater ease of doing business and less reliance on paper and physical travel.

OPERATE SUSTAINABLY.

Our Facilities

We consider the environmental impact and cost efficiency of our footprint in the construction and maintenance of facilities. Our projects focus on energy conservation including factors like recyclable materials, occupancy sensing LED lighting, programmed HVAC systems and water conservation, as well as high performing insulation practices like reflective roofing materials, continuous exterior insulation and energy efficient windows and structural design.

2024 Outcomes

We have continued use of the Energy Star system as part of our environmental management strategy to track the firm's greenhouse gas emissions, wastewater and other metrics of our environmental footprint.

The Company's new headquarters building includes several sustainability features, including efficient structural designs, internal systems, insulated curtainwalls and low solar heat gain glass, open spaces, a pedestrian-friendly design and more. Newly constructed offices tend to be lower emissive, according to Energy Star, thanks to more efficient designs and internal systems.

Objectives for 2025

Continue current strategies. With reporting from the Climate Sustainability Committees, the properties team will work to determine how best to integrate climate impact data into their processes.

Our Electronic Waste

While our first mission when retiring old electronic equipment is securing and destroying our clients' private and sensitive data, our business partner is committed to protecting the environment and guarantees that none of the IT waste will ever wind up in general or global waste streams.

2024 Outcomes

Materials are recycled following strict EPA, R2 and ISO practices and federal regulations.

Objectives for 2025

Continue with current strategy.