

Sustainability Report

2024

The **co-operative** bank

Ethical then, now and **always**



The Co-operative Bank's 2024 Sustainability Report

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Where to find us:

 The Cooperative Bank

 @thecooperativebank

 @CooperativeBank

 The Co-operative Bank

Visit our website:
co-operativebank.co.uk



About The Co-operative Bank

Ethical then, now and always

Our story

The Co-operative Bank's story began over 150 years ago in 1872, as the Loans and Deposits department of the Co-operative Wholesale Society.

We have worked hard ever since to provide our customers with a real alternative to the larger retail banks. We always put our customers at the heart of what we do and we are committed to the values and ethics of the co-operative movement.

We were the first UK high street bank to introduce a customer-led Ethical Policy which sets out the way we do business. This policy has been shaped by 370,000 customer responses since 1992.

On 1 January 2025, Coventry Building Society completed its purchase of The Co-operative Bank Holdings p.l.c. We have returned to our roots, being owned by a mutual — an organisation which is owned by and run for the benefit of its members. Combined, we have total assets of approximately £90 billion, making the new group the seventh largest lender in the UK.

Our purpose

Driven by co-operative values and our customer-led Ethical Policy, we're the bank that's changing our communities, for good.

Our vision

To be the UK's leading ethical bank; together with our customers, we make banking a positive force for good.

Our strategy

We lend money to fund home ownership in the UK and to support a range of small and medium-sized ("SME") businesses from sole traders to national charities.

We aim to establish sustainable advantage by trusting in our customer-led Ethical Policy, our co-operative values and our committed colleagues, whilst removing cost and income inhibitors.

In 2023, we refreshed our strategic plan to focus on growth pillars, and in 2024, we implemented a new environmental, social and governance ("ESG") strategy.

Read our 2024 Annual
Report and Accounts



Our values



Take Responsibility



Do The Right Thing



Take Responsibility



Stronger Together

View information about our environmental, social and governance approach at:

www.co-operativebank.co.uk/about-us/investor-relations/ESG

About The Co-operative Bank continued

Our business model

Where our funding comes from

- Retail customer deposits.
- Business customer deposits.
- Wholesale funding.



What we do with our funding

- Provide mortgages to homeowners and landlords.
- Provide unsecured lending via credit cards or loans and secured lending to SMEs.



How we generate sustainable profits

- Recognise income on the difference in interest rates received from borrowers relative to that paid to our savers (our net interest margin) and also from fees and commissions receivable on our products and services.
- Pay interest on our wholesale funding and pay interest and commissions to intermediaries.
- Credit losses, operating costs and tax are deducted from the income we earn.



Our Sustainability Report

Our Sustainability Report provides updates to our key stakeholders on our ESG decision-making framework and performance, our sustainable business practices, and the impact we are having on our planet, people and communities.

We obtain independent assurance over some of the key metrics disclosed in this report from an ESG assurance specialist. Assured metrics are accompanied by explanatory footnotes, and the full assurance statement can be found on pages 48 to 50.

Elements of this report are produced in accordance with the Greenhouse Gas Protocol and Partnership for Carbon Accounting Financials. For a full description of the reporting methodologies of select metrics in this report, see pages 43 to 47.

Welcome and introduction

We are delighted to present our 2024 Sustainability Report.

This report is a record of our commitment to establishing sustainable practices and holds us to account in performing against our customer-led Ethical Policy, which underpins everything we do as a bank. The Ethical Policy drives our day-to-day decision making and the causes we support, the products and services we provide and the organisations we work with.

In 2024, we developed an ESG strategy with our Ethical Policy at its heart as the foundational principle. This strategy sets out our strategic priorities, key milestones and ambitious targets, and ensures that ESG is embedded in everything we do. It is implemented by our new ESG taskforce which contains representatives from across the Bank who champion ESG leadership.

Sustainability, values and ethics, and our ESG strategy combined in 2024 as we developed our Net Zero Transition Plan, with a summary and key roadmap included on pages 10 to 11. Our work towards becoming a Net Zero carbon business by 2050 continues, with our location based scope 1 and 2 emissions reducing by 14.8% since 2023 (although our market based emissions increased by 71.3%, as we could not verify that our scope 2 emissions were renewable until Q4 2024).

Minimising our own environmental impact is our biggest priority — our operations have been carbon neutral since 2007, we're committed to becoming a lifetime carbon neutral bank and we send zero waste to landfill. We have expanded our product range with new ESG products in 2024, including offering lower mortgage interest rates to customers who purchase energy efficient properties, helping to reduce their energy bills and do their bit for the planet.

Protecting the natural world has been at the heart of our customer-led Ethical Policy for over 30 years and was the number one priority for our customers in our 2021 Values and Ethics Poll.

We put ethics first when it comes to choosing the types of businesses we provide banking services to — we won't provide services to businesses involved in the extraction or production of fossil fuels, animal cruelty, oppressive regimes, or those who incite hatred. In 2024, we screened 262 business customers against the customer-led Ethical Policy, declining seven.

We partner with organisations who stand up for what is right. Together, we champion biodiversity in nature-deprived communities with Friends of the Earth, we work with Centrepoin to end youth homelessness, and we provide compassionate customer service for bereaved customers with Hospice UK.

We are a workplace that prioritises wellbeing, diversity, and fair pay. For communities, the Bank continues to provide free business banking to co-operatives and credit unions and the Customer Donation Fund has given back over £1.2 million to support 1,354 community organisations since 2003.

These initiatives and our commitment not to finance the extraction or production of fossil fuels resulted in the Bank being recognised as a Which? Eco Provider for current accounts for the second year running¹, and we've been rated as the UK's best high street bank for ESG by Morningstar Sustainalytics for the fourth consecutive year, with a score of 11.2.²

In 2025, the Bank was acquired by Coventry Building Society, and returned to mutual ownership. This is a huge step and opens our next chapter as the original ethical bank combined with a purpose-led mutual. Together, we can have an even greater impact on the planet, people and communities.

1. Which? Eco Provider for Current Accounts. October 2023 and 2024.

2. As of January 2025, The Co-operative Bank received an ESG Risk Rating of 11.2 from Morningstar Sustainalytics and was assessed to be at low risk of experiencing ESG issues. In no event should this Risk Rating be construed as investment advice or expert opinion as defined by the applicable legislation.

Our sustainability highlights

22.1%

Mean gender pay gap
0.7% reduction
(2023: 22.8%)



Scope 1 & 2 location
based emissions
14.8% reduction¹

c. £100k

Donated to 102 community
projects across the UK through
Customer Donation Fund



Friends of
the Earth

14 Postcode Gardener
projects established

14.4%

Mean ethnicity pay gap
3.7% reduction
(2023: 18.1%)



Community Directplus
accounts (4.1% increase)
(2023: 42,526)



New ESG strategy
developed



Risk ratings
maintained with
ESG rating agencies



First organisation awarded
Gold by Hospice UK



ENDING YOUTH
HOMELESSNESS

£129,169 raised for
Centrepont



Net Zero Transition
Plan updated



£83,468 raised by
colleagues for local and
national charities²

1. 2023 Scope 1 and 2 emissions have been restated to include actual data for Q4 2023, following assurance by SGS Assurance Limited.

2. Figure includes centrally organised fundraising initiatives and fundraising that was self-reported by colleagues through our matched funding scheme.

Environmental, social and governance reporting



ESG Reporting

Introduction

This section of our Sustainability Report outlines the environmental, social and governance framework we apply to our business decision-making. It consists of an overview of our ESG strategy approved in 2024, including an update on our Net Zero Transition Plan, as well as ESG governance and our key metrics, targets, external commitments and ESG risk ratings.

Environmental¹

Protecting the environment has been at the heart of our customer-led Ethical Policy since 1992. We report our direct and indirect emissions and have made decarbonisation commitments to achieve Net Zero. With our partner, Friends of the Earth, we are addressing the pressing issue of biodiversity loss by greening nature-deprived spaces across the country, through a network of Postcode Gardeners.

Throughout this report, metrics and targets related to ‘environment’ are marked with our environmental icon.



Social

Co-operative principles remain key to our business and we strive to demonstrate co-operative values in everything we do. As a national brand, we recognise our wider impact within UK society and work in partnership and co-operation with charities and community organisations to drive positive social change.

Metrics and targets related to ‘social’ are marked with our social icon.



Governance

Co-operative values and ethical policies are incorporated into the Bank’s Articles of Association, establishing them at the heart of our constitution. One way the Bank meets these objectives is via our customer-led Ethical Policy. Governance refers to our policies, procedures and decision-making framework.

Metrics and targets related to ‘governance’ are marked with our governance icon.



Structure of our ESG reporting

Strategy	Governance	ESG risk ratings
Our 2024 ESG strategy and how we incorporate ESG into decision-making.	A description of our governance arrangements with respect to ESG.	2024 risk ratings from top ESG rating agencies.
Net Zero transition update	Metrics and targets	Sustainable Development Goals
Our Net Zero roadmap into 2025 and beyond.	Our key performance indicators (“KPIs”) and external commitments	How we align to the United Nation’s Sustainable Development Goals.

1. Our 2024 Annual Report and Accounts contains our statutory climate-related financial disclosures on pages 27 to 39, and should be read in conjunction with the environmental disclosures of this report.

ESG Reporting continued

Strategy

In 2024, we implemented a new ESG strategy derived from our customer-led Ethical Policy. Our ESG ambition is to establish sustainable and inclusive business priorities, built upon key ESG fundamentals, and driven by our ethical pillars – Planet, People and Community. To help guide decisions and create positive impact in every part of the Bank, our strategy has been organised into a clear and robust framework.

Our customer-led Ethical Policy has been fundamental to shaping this framework, particularly the sustainable and inclusive business priorities, which ensure we are able to tackle climate change, campaign for social change and demand a fairer society.

1. Build on our customer-led Ethical Policy:

Driven by our customers, our policy will continue to determine how we operate as a business. Defining what we do and don't do for the planet, people and communities. We will never operate beyond its boundaries.

2. Codify our values and ethics strategy into our ESG fundamentals:

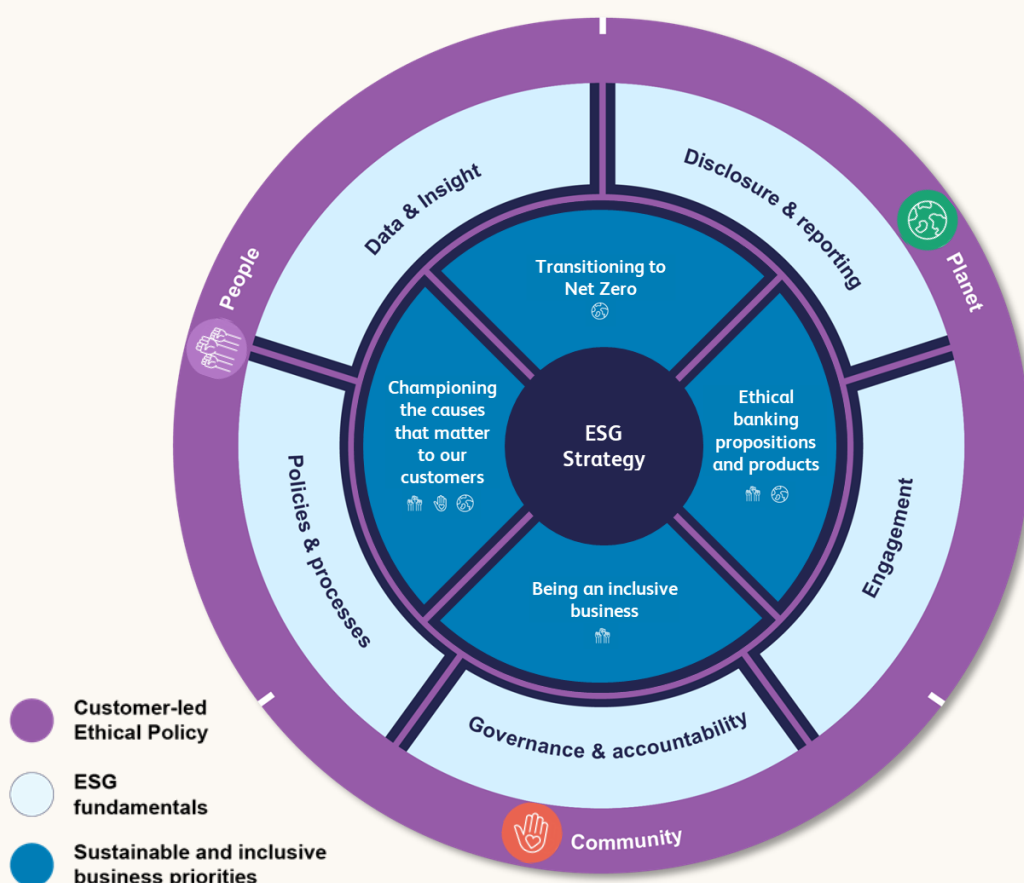
Our core ESG focus areas ensure we embed values and ethics into every decision we make. We will be compliant with ESG standards and regulations and operate on and deliver our ESG commitments.

3. Establish sustainable and inclusive strategic priorities:

We have established priorities that align with our biggest social and environmental impacts. These provide clear direction for our ESG strategy and business areas, as well as creating lasting value for all our stakeholders.



ESG Strategy



Aligning our strategy to the United Nation's Sustainable Development Goals

As signatories to the UN Principles for Responsible Banking ("PRB"), we are committed to aligning our strategy and activities with the United Nation's Sustainable Development Goals ("SDGs") and the Paris Climate Agreement.

We have identified the nine goals that align most strongly to our strategy — these are the SDGs where we feel we can make the most positive contribution.

See pages 17 to 18 for more detail

ESG Reporting continued

Strategy continued

ESG fundamentals

Data & Insight

Gathering and analysing ESG data for performance assessment.

Disclosure & reporting

Transparently communicating ESG information to stakeholders, regulators and interested parties.

Policies & processes

Establishing internal frameworks for ESG practices.

Governance & accountability

Ensuring responsible decision-making and oversight of ESG issues.

Engagement

Collaborating, educating and inspiring colleagues and external stakeholders to advance ESG goals.

Strategic priorities

Transitioning to Net Zero

Becoming a Net Zero carbon business and working together with customers to reduce their environmental impact.



Ethical banking propositions and products

Ensure the way our customers bank with us does good, not harm—for their communities and the planet.



Being an inclusive business

Building a diverse workforce where colleagues can thrive and designing accessible products and services that meet the diverse needs of our customers.



Championing the causes that matter to our customers

Using the power of our brand to take a stand on issues, make a difference in our communities, and shape a fairer society. Promoting and advocating the co-operative movement.



Through delivery of our ESG strategy, we can deliver bank-wide benefits and accelerate growth, differentiation and our transition to Net Zero.



Drive commercial growth, reaching new audiences



Future-proof our position as the original ethical bank



Accelerate our transition to Net Zero



Increase value for our members



Strengthen culture and talent retention

ESG Reporting continued

Net Zero transition update

In 2023, we reported our scope 3 emissions for the first time and committed to commence developing our Net Zero Transition Plan. The following pages provide an update of progress in 2024 and our Net Zero roadmap into 2025 and beyond.

Our Net Zero Commitments

We have committed to aligning our scope 1 & 2 direct emissions to Net Zero by 2030, and to transitioning our scope 3 emissions, including our mortgage lending portfolios, to align to Net Zero by 2050 at the latest.

For over 25 years The Co-operative Bank has refused to provide banking services to businesses who extract or process fossil fuels or who cause negative social outcomes. Thanks to this disinvestment, it is mortgage lending that has the largest impact on our emissions. To support decarbonisation of this, our role will continue to focus on supporting the Net Zero transition of the UK housing sector and our customers' homes, and we will continue to finance renewable energy activities. We will play our role in facilitating a just transition in the real economy through engagement with our customers and through offering products and services that support decarbonisation.

In setting our interim and long term Net Zero targets, we have aligned to best practice as provided by the Net Zero Banking Alliance and Science-based Targets Initiative methodologies. We aim to ensure our targeted reductions across all emission scopes are consistent with a maximum temperature rise of 1.5°C above pre-industrial levels and will align with scenarios from credible, well-recognised sources.

In 2024, we developed our Net Zero Transition Plan to outline how we intend to deliver on these ambitions. A cross-Bank collaborative approach has identified the planned activity required to align our operational approaches to reducing associated greenhouse gas emissions.

In 2025, we will look to operationalise our plans. Key milestones include:

- continuing to review our product offering to support customers with reducing the carbon emissions associated with their homes;
- refining and improving data collection methodologies to ensure our emissions data accuracy continues to improve and reflects effort to reduce emissions;
- fully embedding Net Zero governance across the Bank to ensure milestones are delivered in accordance with transition plan milestones; and
- reviewing existing relationships with partner organisations and suppliers and exploring potential new partnerships to support our Net Zero ambitions and our customers in their journey to Net Zero.

Following the acquisition of the Bank by Coventry Building Society, we will look align our approach regarding long-term climate commitments across the wider group.

2020 to 2024

- | | | | |
|--------------------------------|-----------------------------|--|---|
| ✓ Establish Baseline Emissions | ✓ Set Net Zero Target Dates | ✓ Publish emissions data for all available direct and indirect Bank activities | ✓ Develop Transition Plan outlining how we will achieve our targets |
|--------------------------------|-----------------------------|--|---|



By the end of 2030

- | | |
|--|---|
| □ Achieve Net Zero alignment for the Bank's direct (scope 1 and 2) emissions | □ Reduce emissions associated with our suppliers, business travel, commuting, and waste by 50% by the end of 2030 |
|--|---|



By 2050

- Achieve Net Zero alignment for all our reported direct and indirect emissions

ESG Reporting continued

Net Zero transition update continued

Our Approach and disclaimers

We use the Greenhouse Gas Protocol as our standard for reporting Bank emissions. As such we make every possible effort to report the emissions associated with our activities as completely and transparently as possible, in line with an internationally recognised standard and validated by third party assurance. We are aware that further work is required to continually improve the quality of our emissions reporting across our business activities.

Currently, our reporting is conducted on a standalone basis with emissions representative of The Co-operative Bank GHG profile. In future, our Net Zero targets are expected to support an aligned approach with Coventry Building Society.

While identifying credible plans for delivering interim and long term targets, we have made assumptions regarding wider systemic changes required to support delivery of the UK Government's ambition to transition to Net Zero. These structural changes are outside of the Bank's control. We recognise that these have a significant impact on our ability to deliver our Net Zero targets and will continue to monitor the validity of these assumptions and impact on our Net Zero journey. We also recognise the importance of ensuring that decarbonisation follows Just Transition principles wherever possible to ensure that the impacts of transitioning the economy are not borne disproportionately by vulnerable sections of society. As we develop our detailed Transition Plan, these considerations will be embedded into the design of our decarbonisation pathway.

Anti-greenwashing disclosure and Consumer Duty

The Bank complies with the Financial Conduct Authority's ("FCA") general anti-greenwashing rule. We ensure that any reference to the sustainability characteristics of a product or service is consistent with that product or service, and is fair, clear and not misleading.

All marketing communications and customer communications that refer to the Bank's values and ethics, sustainability or partnerships are approved through appropriate governance that considers risks surrounding greenwashing.

In 2024, we completed our first annual self assessment required to ensure compliance with the Financial Conduct Authority's ("FCA") Consumer Duty regulation. We achieved compliance against the FCA's 31 July 2024 milestone for closed book products by completing an assessment of our products to ensure they are in line with new consumer principles. We continue to work to identify, monitor and reduce customer harms and will report these in our 2025 self assessment.

Our statements and policies

Modern slavery and human trafficking statement

We are committed to ensuring that our business and our suppliers are free from modern slavery and human trafficking, and uphold the principles of our customer-led Ethical Policy. Our Modern Slavery and Human Trafficking statement sets out the steps we are taking to prevent modern slavery.

[Read our Modern Slavery and Human Trafficking Statement](#)



Freedom of association

We formally recognise the trade union Unite and work closely with them to ensure the voice of our colleagues is heard. We take a proactive approach to understand the needs of our colleagues and their members.

Anti bribery and corruption policy

The Bank has a 'zero tolerance' stance on bribery and corruption, and our anti bribery and corruption policy is included within the Bank's Code of Conduct. All colleagues must complete training on the Code of Conduct annually and confirm their understanding of the requirements of the anti bribery and corruption policy.

[Read our anti bribery and corruption policy](#)



Tax Strategy

We are signatories to the HM Revenue and Customs Code of Practice on Taxation for Banks and are committed to ensuring that nothing in our tax affairs is contrary to UK tax legislation.

[Read our Tax Strategy](#)



ESG Reporting continued

Governance

ESG governance is embedded throughout the Bank from the Board to our everyday operations. Everyone in the Bank is responsible for helping us achieve our ESG agenda and perform against our strategy. This section details how ESG governance is applied at the Bank and the responsibilities of the Board and management to support ESG-conscious decision-making.

Board

The Board has overall oversight of ESG matters and is responsible for shaping the Bank's sustainability and ESG strategy and vision.

Joint Audit Committee

The Joint Audit Committee is responsible for reviewing and approving ESG-related disclosures made within the Annual Report and Accounts and Sustainability Report.

Risk Committee

The Risk Committee reviews and challenges the Bank's risk appetite and oversees the implementation of our Risk Management Framework, which includes ESG-related risks.

Remuneration Committee

The Remuneration Committee approves the Bank's reward schemes which link part of executive pay to the delivery of ESG commitments. ESG performance and executive pay is outlined below.

Values & Ethics and Nomination Committee

The Values & Ethics and Nomination Committee oversees progress against the three pillars of our customer-led Ethical Policy.

Executive Committee

ESG Taskforce

The ESG taskforce is a coalition of representatives and ESG champions from each area of the Bank who together embed initiatives, report performance, and monitor ESG developments. Its outputs are reported to various management and risk oversight committees, where appropriate.

ESG & Executive Pay

We take a balanced scorecard approach to reporting performance. Our 2024 scorecard included two ESG metrics that are linked to variable colleague pay, including remuneration schemes for management: reductions in scope 1 and 2 emissions; and maintaining ESG risk ratings from rating agencies. All colleagues are required to have an ESG objective to ensure ESG is embedded appropriately throughout the Bank.

ESG Assurance

We underscore the importance of ESG to our business, brand and operations by obtaining third party limited assurance over some of our key ESG metrics. Assured metrics are provided overleaf, and their calculation methodologies are described in detail in our basis of reporting section on pages 43 to 47.

ESG Reporting continued

Metrics and targets

The table below sets out the KPIs and metrics we use to measure our ESG performance, and includes metrics we have identified as most important to understanding our ESG performance. The methodology used to calculate each metric can be found on pages 43 to 47.



Environmental

Scope 1 and 2 emissions (Location based, tCO ₂ e)	2024: 1,865.6 2023: 2,188.4 ¹	Electricity directly procured from renewables (%)	2024: 21% 2023: 70 %
Scope 3 emissions (tCO ₂ e)	2024: 310,008.8 2023: 358,423.6 ¹	Operational waste to landfill (%) ²	2024: 0% 2023: 0 %



Social

Total charitable donations (£)	2024: £1.0m 2023: £1.6m	Customer Donation Fund donations (£)	2024: £99,575 2023: £100,011
Colleague volunteering (% colleagues)	2024: 30% 2023: 51 %	Everyday Rewards donations to charities (£)	2024: £158,640 2023: £158,640
Colleague volunteering (# hours)	2024: 8,203 2023: 16,343	Vulnerable customer training completed (%) ³	2024: 99 % (customer facing); 67 % (all colleagues)
Value of colleague volunteering (£)	2024: £214,675 2023: £332,808	Gender pay gap (mean, %)	2024: 22.1% 2023: 22.8 %
Charities, co-operatives and credit unions who bank with us (#)	2024: 4,527 2023: 4,771	Gender pay gap (median, %)	2024: 23.7% 2023: 18.1 %
Community Directplus Accounts (#)	2024: 44,284 2023: 42,526	Ethnicity pay gap (mean, %)	2024: 14.4% 2023: 18.1 %
Funds raised by colleagues and matched funding (£)	2024: £89,568 2023: £72,136	Ethnicity pay gap (median, %)	2024: 12.5% 2023: 12.9 %
Non-customer ethical perception score (%)	2024: 22% (1st) 2023: 20 % (1st)	Digitally active customers (%)	2024: 70.3% 2023: 68.8 %

Governance



Business customers referred for ethical screening (#)	2024: 262 2023: 258	Business customers declined banking services (#)	2024: 7 2023: 9
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1. 2023 Scope 1, 2 and 3 emissions have been re-presented to include actual data for Q4 2023, following assurance by SGS Assurance Limited. Scope 1 and 2 emissions have been re-presented to 2,188.4 from 2,226.3 tCO₂e and scope 3 emissions have been re-presented to 358,423.6 from 358,422.0 tCO₂e.

2. 'Zero waste to landfill' only requires 99 % waste diversion away from landfill due to a legal requirement that certain types of waste must go to landfill.

3. Metric new for 2024, and hence no 2023 comparator.

ESG Reporting continued

Metrics and targets continued

Our performance against the 2024 targets we set out in our 2023 Sustainability Report is explained in the tables below.

Environmental



Our 2024 targets		How did we do?
Reducing our scope 1 & 2 emissions by approximately 10% by:		
<ul style="list-style-type: none"> Reducing energy consumption across our branches and offices by 6 % from 2023 levels. 		In 2024, we reduced our scope 1 & 2 emissions by 14.8 %, which was as expected.
<ul style="list-style-type: none"> Ensuring all electricity procured by the Bank is renewable (REGO backed or suitable comparable REGO alternative) by the end of 2024. 		We achieved this by reviewing heating and cooling across our branches and major occupancies, particularly in our data centres and branch server rooms, and through planned site changes.
<ul style="list-style-type: none"> Progressing our data management programme of work by delivering energy efficiency improvements throughout 2024. 		We registered smaller amounts of refrigerant leakages in the year, which count for scope 1 emissions. By the end of 2024, we ensured that our procured electricity was REGO backed.
Net Zero Transition Planning:		
<ul style="list-style-type: none"> Commence development of a robust Net Zero Transition Plan that outlines a pathway to Net Zero greenhouse gas emissions and delivers real economy decarbonisation in line with our Net Zero commitments and Just Transition principles. 		In 2024, the Bank developed its first formalised plan outlining how it intends to progress delivering against its Net Zero commitments.
<ul style="list-style-type: none"> Review our products and propositions offering to ensure they support our customers in their decarbonisation journey. 		In 2024, we launched new mortgage products for A & B EPC rated properties for first time buyers purchasing new build properties. We will review this target for 2025 with Coventry Building Society.
Improve biodiversity in our communities:		
<ul style="list-style-type: none"> Increase biodiversity in 300 spaces across 12 sites as part of our long term target to replenish 1,000 nature-depleted spaces by the end of 2026 with our partner, Friends of the Earth. 		14 new Postcode Gardener projects were established in 2024. Since the start of our partnership with Friends of the Earth, over 1,000 community members and nearly 100 community groups have taken part in gardening and nature based activities.
<ul style="list-style-type: none"> Develop and train Postcode Gardeners to engage with at least 1,100 community members and 30 community groups. 		Together we have transformed 186 public spaces ¹ and we are on track to achieve our 2025 and longer term commitments through this partnership.
Helping customers understand the environmental impacts of their financial decisions and be more sustainable:		
<ul style="list-style-type: none"> Conducting customer research to understand how we can better support them with reducing their home emissions, working with strategic partners to help customers identify the actions they can take to become more sustainable. We're also enhancing our online Sustainability Hub content to engage and inform customer on the actions they can take to reduce their carbon footprint or have positive a impact on their community. 		Whilst our environmental focuses in 2024 were developing our Net Zero Transition Plan and working with Friends of the Earth to restore green spaces across the UK, we still provided information to both retail and SME customers via our Sustainability Hub, publishing over 20 articles.

1. Based on data up to and including 30 September 2024.

ESG Reporting continued

Metrics and targets continued

Social



Our 2024 targets	How did we do?
Campaigning for fairer renting: We will amplify the voices of our customers with our campaign for fairer renting, which demands the transformation of the private rented sector to ensure safe and secure housing for all. We'll do this in partnership with Shelter, by calling for the introduction of a robust Renters Rights' Bill, and will work with our customers to raise awareness and grow support for the campaign.	<p>In 2024, we changed our focus to supporting the shocking number of families living in temporary accommodation, through supporting their Winter Appeal.</p> <p>We donated £50k to the appeal and our customers and colleagues raised over £10k through various fundraising activities.</p>
Community Directplus accounts: We'll demonstrate our support for registered charities, community interest companies and co-operatives, through increasing Community Directplus Accounts by 6 % compared to 2023 and supporting them in their missions to drive positive change across our communities.	<p>While we did not reach our target of a 6 % increase in Community Directplus accounts, we did achieve an increase of 4 % which equates to over 1,700 new accounts. Continuing to offer banking services to co-operative and community customers remains a key component of our PRB commitments.</p>
Colleague volunteering programme: We will continue to give back to our communities by providing charities and community groups 2,000 days of support from colleagues through our volunteering programme.	<p>Operational changes to our business model meant that we didn't meet our volunteering target this year. In 2024, our colleagues spent 1,172 days volunteering with local charities and community groups.</p> <p>However, we were proud that 30 % of our colleagues were able to give back to their communities by taking part in a volunteering activity.</p>

Governance



Our 2024 targets	How did we do?
Donations from our Charitable Fund: We will commit a proportion of Bank profits to driving positive social and environmental change, whilst responding to the needs of our communities.	<p>In 2024, we committed over £1m in funding to support national and local charities and community organisations.</p>
Committing to diversity, equality and inclusion: We aspire to have 45 % of senior positions filled by women. In 2024 we will develop a new Diversity & Inclusion strategy that will aim to enhance our commitment to the Women in Finance Charter and broaden all aspects of our diversity commitments going forward, and set an end date to achieve our 45 % target.	<p>In 2024, a new Equality, Diversity, and Inclusion ("EDI") lead role was created to support the Bank in developing its three-year EDI strategy.</p> <p>Despite changes to the operating model in the year, we maintained a strong balance of women in our senior leader positions, closing out the year with a 43.2 % representation.</p>
Embedding ESG into our everyday activities: All colleagues will have at least one ESG related objective for 2024, helping to motivate and empower them to perform at their best, with a clear sense of direction in delivering against the ethical commitments in our Ethical Policy and ESG strategy.	<p>Throughout 2024, we worked hard to embed our ESG strategy and sustainable business practices throughout the Bank.</p> <p>By the end of the year, 91 % of colleagues had at least one ESG-focused objective within their formal performance goals, and by aligning these with our strategy, we ensure everyone is</p>

ESG Reporting continued

Metrics and targets continued

Our commitments for 2025 are set out in the tables below. Following the acquisition of the Bank by Coventry Building Society, we will look align our approach regarding long-term ESG commitments across the wider group, and as we develop this approach, the targets below are subject to change.

Environmental



•	We will reduce scope 1 & 2 emissions in line with our Net Zero Transition Plan, by reducing energy consumption through optimising energy use across our branches and offices.
•	Scope 1, 2 and 3: We will begin to implement our internal Net Zero Transition Plan developed in 2024, which outlines a pathway to Net Zero Greenhouse Gas Emissions that delivers real economy decarbonisation in line with our Net Zero commitments and Just Transition principles (which you can read about on pages 10 to 11).
•	We will review our product and propositions to align these to our internal Net Zero Transition Plan in light of the acquisition of the Bank, and to ensure they support our customers in their decarbonisation journey and address our mortgage portfolio emissions (Scope 3 Category 15 – Financed Emissions) directly.
•	In 2025, we will positively impact biodiversity in over 400 spaces across 17 sites, meaning that with our help over 650 spaces across England and Wales will have been greened since 2023. We'll do this with our partner, Friends of the Earth, by funding Postcode Gardeners who will engage with over 1,500 community members and more than 90 community groups to transform the spaces.

Social



•	We are championing equality for all by campaigning with our partners on the causes that matter most to our customers: with our partners we'll expose the human rights crisis that is unfolding in the UK; raise awareness of domestic and economic abuse; work to secure a future for hospice care and we'll help to end youth homelessness, starting in our hometown of Manchester.
•	We will continue to give back to our communities by providing charities and community groups over 1,000 days of support from colleagues through our volunteering programme.

Governance



•	The Co-operative Bank Charitable Fund will commit a portion of underlying Bank profits to continue driving positive social and environmental change, whilst responding to the needs of our communities.
•	In 2025, we will continue to implement our new EDI strategy and will measure a wider set of metrics on EDI reporting in alignment with the wider Coventry Building Society group. In 2025, we will aim to keep at least 40 % of senior positions filled by women and will aspire to achieve 45 % as part of our commitments to the Women in Finance charter.
•	To continue embedding our new ESG strategy and to help motivate and empower colleagues with a clear sense of direction, all colleagues will have at least one ESG related objective for 2025. This further reinforces colleagues' commitment to our customer-led Ethical Policy after we introduced mandatory ESG objectives in 2024.

ESG Reporting continued

ESG risk ratings

Still the number one ESG-rated UK high street bank¹

Our commitment to the co-operative values and ethics on which the Bank was built over 150 years ago makes us a natural leader in ESG.

For the fourth year running, The Co-operative Bank has been rated as the UK's best ESG rated high street bank by leading ESG risk rating agency, Sustainalytics.²

In 2024, we also maintained our ratings from other ESG rating agencies, receiving an AAA rating from MSCI in November, and a Prime rating of C with ISS in July, reinforcing our position as a leader in ESG.

11.2

Sustainalytics
(2023: 8.5)

AAA

MSCI
(2023: AAA)

1st decile (Prime)

ISS
(2023: 1st decile (Prime))

Sustainable Development Goals

Signatory to the UN Principles for Responsible Banking

The Co-operative Bank has been a signatory to the United Nations Environment Programme Finance Initiative ("UNEPFI") Principles for Responsible Banking ("PRB") since 2020. The programme brings together over 300 banks from across the globe to accelerate a positive global transition for people and the planet. With signatory banks representing over half of the global banking industry, the Principles are the world's foremost sustainable banking framework.

Alignment to the UN Sustainable Development Goals

As signatories to the UN Principles for Responsible Banking, we are committed to aligning our strategy and activities with the United Nation's Sustainable Development Goals (SDGs) and the Paris Climate Agreement.



The activities of our Bank can make an impact on all 17 of the Sustainable Development Goals. We have taken steps to consider the impact and influence we have on these goals within a framework of our impact on our planet, on people and on our communities. This exercise has identified the nine goals where we feel we can make the most positive contribution.



1. We engage three ESG rating agencies to provide the Bank with an ESG risk rating based on a number of ESG-related factors. The Bank is periodically issued with an ESG risk rating.

2. As of January 2025, The Co-operative Bank received an ESG Risk Rating of 11.2 from Morningstar Sustainalytics and was assessed to be at low risk of experiencing ESG issues. In no event should this Risk Rating be construed as investment advice or expert opinion as defined by the applicable legislation.

ESG Reporting continued

Sustainable Development Goals continued

SDG	Target
1.2	By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.
3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.
3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
4.4	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
7.3	By 2030, double the global rate of improvement in energy efficiency.
8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
11.1	By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.
11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
13.2	Integrate climate change measures into national policies, strategies and planning.

Our actions	SDGs to which our actions align
Our SME business accounts support employment generation in economically underperforming regions and they support female entrepreneurship.	5.5, 8.3, 10.2
We take part in Help-to-Buy schemes and provide mortgages to individuals who are self-employed, contractors or entrepreneurs, as well as loans to accredited housing associations and co-operative housing providers registered in the UK. This helps to ensure access for all to adequate, safe and affordable housing.	1.2, 10.2, 11.1
We provide finance and free banking services (through our Community Directplus account) to local charities, social enterprises, non-profit organisations, foundations and philanthropic structures, which helps to provide socio-economic advancement and improvement for vulnerable populations.	1.2, 3.8, 4.4, 11.1
We provide financing to education, child care, healthcare and elderly care providers, helping them to improve access to their services for all.	1.2, 3.8, 4.4, 8.3, 10.2
We encourage the construction of buildings in an energy-efficient manner, reducing emissions and electricity consumption from non-renewable sources and fuels by offering access to lower interest rates to customers who purchase greener products. We offer products to help our customers to undertake renovations that will result in at least a two notch improvement in Energy Performance Certificate (EPC) rating, helping to mitigate climate change through our Green Further Advances and utilising our Energy Saving Improvement Tool.	7.3, 11.6, 13.2
Our people policies promote equality and diversity within our workforce and support the physical and mental wellbeing of colleagues.	3.4, 5.5

Our Values and Ethics **in action**



Our Values and Ethics in action

Our customer-led Ethical Policy

Our commitment to co-operative values and ethics has been fundamental to The Co-operative Bank since we were established in 1872 and it continues to underpin how we run our business.

To outline our ethical commitments, in 1992 we took a pioneering step and introduced a customer-led Ethical Policy. We were the first bank in the UK to do so, and we remain the only UK bank to have a policy of this kind.

We asked our customers what their key concerns were and how we, as their bank, could help. Their responses formed the basis of our customer-led Ethical Policy, which outlines our commitments to our customers on how we use and won't use their money, and how we act as a business.

Our Ethical Policy has been revised six times since then to reflect our customers' evolving priorities. In the last 30 years, we have taken a strong stance on fossil fuels, climate, labour rights, indiscriminate weapons and issues involving animal welfare, often before any other part of the UK banking sector.

In 2021, we conducted our most recent Values and Ethics Poll, which asked our customers about the issues they care most about and want to see us take action on. 47,177 customers, colleagues and stakeholders participated in the 2021 poll.

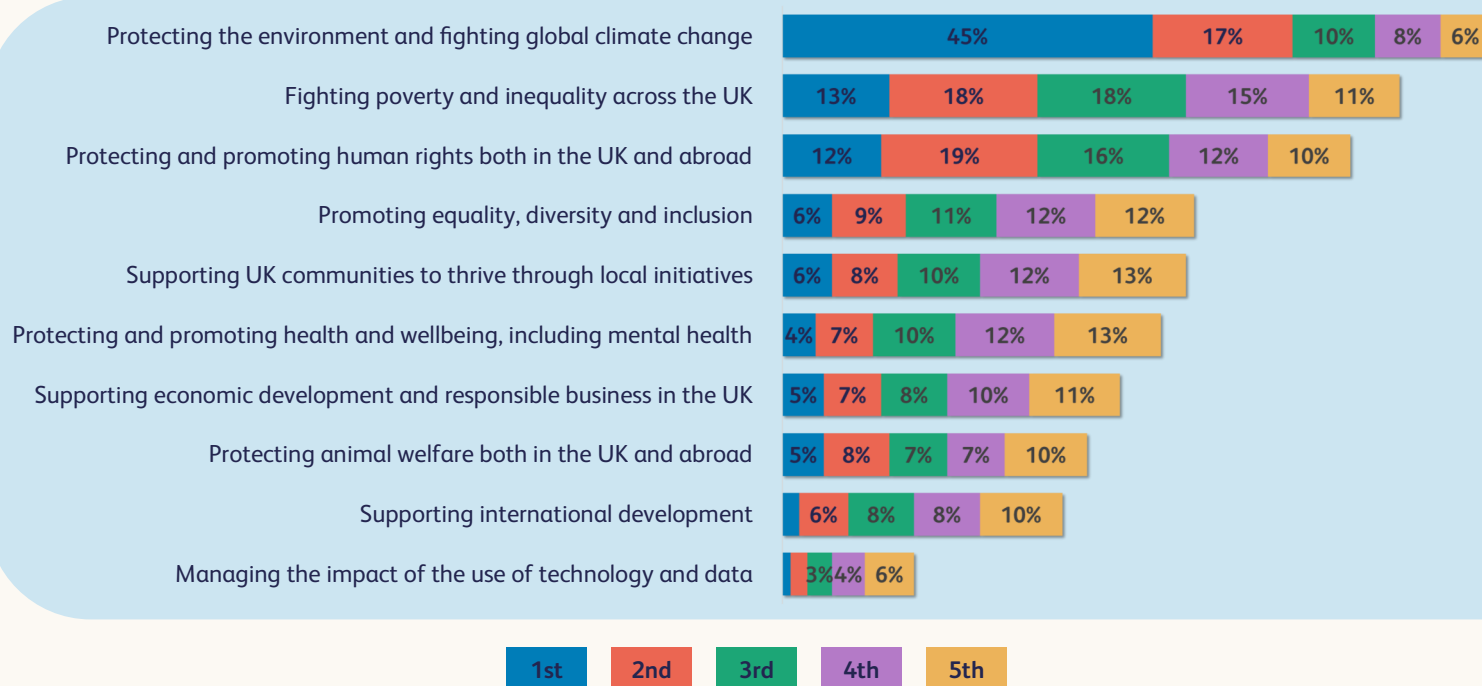
We asked customers 15 questions. The first of these asked, 'Which of the following ethical issues, if any, would you say are most important to you personally?' The ethical issues that our customers told us mattered to them most can be seen in the chart below.

Our customers have always been ahead of thinking on ethical issues and we believe this remains the case today. Their responses to our latest Values and Ethics Poll informed the 2022 update to our customer-led Ethical Policy, bringing together a cumulative total of over 370,000 customer responses since 1992.

[Read the results of our 2021 Values and Ethics Poll](#)



The ethical issues that matter most to our customers¹



1. According to responses to Question 1 of our 2021 Values and Ethics Poll. Customers were asked for the five ethical issues that matter to them most, ranked in order of importance, with 1 being the most important, 2 the second most important etc. The chart shows the percentage of customers ranking each ethical issue first, second, third, fourth, or fifth.

Our Values and Ethics in action continued

Our customer-led Ethical Policy continued

Non-customers continue to view The Co-operative Bank as the UK's top ethical banking brand.¹ In our latest Values and Ethics Poll, 83% of customers who responded told us that our customer-led Ethical Policy is a key reason they bank with us.

We believe that by acting together, and by acting co-operatively, we can have a significant impact in the areas people often feel powerless to influence.

As a business with deep and historic roots in the co-operative movement, we have enshrined co-operative values into how we operate. Those values are self-help, self-responsibility, democracy, equality, equity and solidarity.

In common with organisations across the co-operative movement, we also believe in the ethical values of honesty, openness, social responsibility and caring for others.

The latest iteration of our Ethical Policy remains true to the co-operative values and ethics on which our bank was founded in 1872.

Our updated Ethical Policy is structured around our customers' concerns for the **Planet**, for **People**, and for **Communities**. It sets out the business activities we will refuse to fund or provide banking services for, and states the positive steps we commit to taking to help improve the world and the communities we live in.

The 2022 update to our Ethical Policy reflects the priorities of our changing world. It ensures we remain aware of the issues our customers care about as they change over time, and confirms our shared commitment to protect the environment, campaign for change, and build a more sustainable society.

The three pillars of our Ethical Policy are explained below, and the progress we have made towards our commitments through our partnerships, campaigning and fundraising can be found in the following sections of this report.

[Read our Ethical Policy](#)



Planet

We are committed to sustainable practices across our business – in our own operations, actions and decisions - and in how we enable our personal and business customers to make more sustainable choices. We seek to operate in ways that minimise further environmental harm and to take actions that measurably improve biodiversity and the environment.

What we do for the Planet can be found on pages 23 to 28 of this report.



People

We are committed to acting in a way that supports individuals in being able to live freely, equitably and safely with consideration of both their physical and mental health. This includes how we treat our individual customers and colleagues and our support for human rights and equality around the world.

What we do for People can be found on pages 29 to 34.



Community

We are committed to being a good local, corporate and world citizen, working to improve all communities: domestic, international and remote. We commit to building stronger, more resilient, communities with economic and social opportunities for their members and will campaign for wider change when needed. We will continue to invest in our communities, good causes and co-operative businesses.

What we do for Communities can be found on pages 35 to 39.



1. Q4 2024 non-customer ethical perception score of 22 % (Q4 2023: 20 %). Ranked 1st in a survey of 10 major retail banks with a 7 % gap to the 2nd place bank.

Our Values and Ethics in action continued

Implementing our Ethical Policy

Our risk policy requires the closure of accounts for risk related issues, such as when customers are involved in or receive profits from organised crime or illegal activities, as well as where there are regulatory requirements.

In 2024, we closed 545 customer accounts (2023: 674) due to risk related issues, including suspicion of fraud, money laundering, and drugs trafficking.

We screen every business customer application against our Ethical Policy and decline businesses whose activities conflict with the exclusion statements within it.

When we launched our Ethical Policy in 1992, we introduced an Ethical Questionnaire which must be completed by every new business customer and also by existing business customers when they make a change to their account.

Where a potential conflict with our Ethical Policy is identified, enhanced screening is carried out. We'll carry out additional research and may reach out to independent experts to inform our decision.

In 2024, 262 businesses were referred for enhanced screening (2023: 258) and as a result, 7 were declined banking services (2023: 9) for the following reasons.

Human rights:

We declined banking services to two companies involved in the international supply of military equipment. One was selling arms into regions with oppressive regimes, and one was involved in the supply of indiscriminate weapons.

We also declined services to a company trading in an industry that is causing social, economic and environmental problems in developing countries.

Climate change:

We declined banking services to two businesses working in the oil and gas sector whose activities were considered to be in conflict with our Ethical Policy statement on the exploration, extraction and production of fossil fuels.

Animal welfare:

We declined services to a business that failed to meet our expected standards of animal welfare.

Irresponsible gambling:

One business was declined for failing to protect customers engaged in gambling activities.

Number of business customers referred for enhanced screening by issue	Referrals 2024 (2023)	Declines 2024 (2023)
Labour standards and human rights	157 (139)	3 (3)
Social inclusion	0 (6)	0 (0)
Irresponsible payment of tax	0 (0)	0 (0)
Irresponsible gambling	11 (10)	1 (1)
Irresponsible marketing	1 (3)	0 (0)
Protecting the environment:		
Climate change	11 (11)	2 (3)
Chemicals	0 (2)	0 (0)
Waste	0 (0)	0 (0)
Biodiversity	37 (39)	0 (2)
Protecting animal welfare	39 (45)	1 (0)
Other	6 (3)	0 (0)
Total	262 (258)	7 (9)

What we do for the Planet



What we do for the Planet

Greenhouse gas emissions



Our progress towards Net Zero

Our total scope 1 and 2 emissions (location based) reduced by 14.8% in 2024 compared to 2023 and we progressed the development of our Net Zero Transition Plan (see page 10).

To enable us to report our scope 1, 2 and 3 emissions in a timely manner, we use estimation techniques to calculate Q4 data, in line with many other organisations. Each year, we restate the previous year's emissions using actual data where available, and comparisons to 2023 data use restated data that may differ from our 2023 Sustainability Report.

Scope 1 emissions, the direct emissions from our operations, reduced in the year to 459.4 tCO₂e (2023: 672.1) due to a reduced estate following the strategic relocation of branches and sites and low refrigerant usage.

Location-based scope 2 emissions, which includes the electricity purchased by the Bank used in our operations, also reduced in the year due to increased meter data capture quality and renovated and relocated branches. Market-based scope 2 emissions increased significantly as we could not certify renewable energy sources until Q4 2024.

The key sources of scope 3 emissions, which are the indirect emissions derived from our operations, relate to category 15 financed emissions for our mortgage portfolio and category 1 purchased goods and services. Together, these two emissions categories account for 97.9% of our reported emissions data (2023: 97.7%).

Both categories decreased in 2024 compared to 2023, however this decrease was due to a change in calculation methodology rather than activity undertaken by the Bank.

Category 1: a change in emissions factors previously used, to 'EORA' factors, has led to reduced category 1 emissions. We use a spend-based methodology to calculate emissions for our purchased goods and services.

Category 15: We refined our data collection methods for our mortgage portfolio, which led to decreased scope 3 category 15 emissions. We are currently unable to accurately report financed emissions for other lending types, which includes retail and SME credit cards and loans.

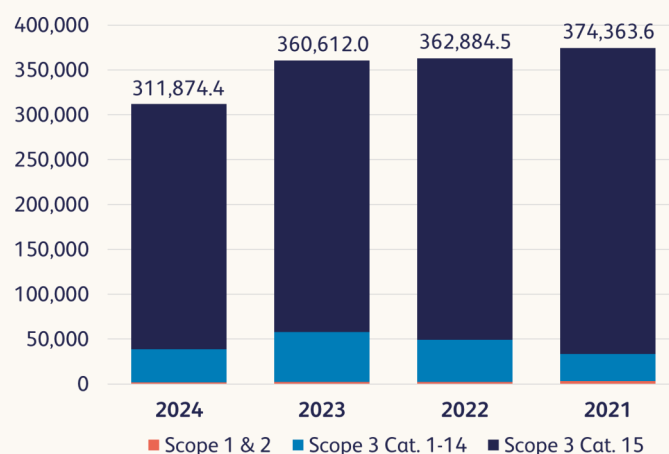
We recognise the challenges in data quality and the significant use of assumptions and estimating in calculating our scope 3 emissions, and a key objective of our Net Zero Transition Plan is to improve our data quality.

All emissions data reported is externally verified to a limited assurance basis. This ensures that a consistent approach has been taken which is reviewed independently. Wherever possible, primary source data is used as the basis for the emission calculations (such as invoices and maintenance reports for scope 1 and 2 emissions).

The calculation methodology used to calculate scope 1, 2 and 3 emissions is set out in the basis of reporting section of this report, and more information on data quality is included in the appendices to this report.

We benchmark our emissions against our baseline year, 2021 – four years of our emissions data can be found in the appendices to this report on pages 41 to 42.

Greenhouse gas emissions (tCO₂e) by source



Greenhouse gas emissions by source (tCO ₂ e)	2024	2023 ¹
Total scope 1 emissions	459.4	672.1
Total scope 2 emissions (location based)	1,406.2	1,516.3
Total scope 3 emissions	310,008.8	358,423.6
Absolute emissions (total scope 1, 2 & 3, location based)	311,874.4	360,612.0
Carbon intensity (kgCO ₂ e/FTE)	99,927.7	109,322.7
Carbon intensity (kgCO ₂ e/£Revenue)	0.63	0.70
Carbon intensity (kgCO ₂ e/kWh)	45.9	36.5

1. 2023 Scope 1, 2 and 3 emissions have been restated to include actual data for Q4 2023, following assurance by SGS Assurance Limited. Scope 1 and 2 emissions have been re-presented to 2,188.4 from 2,226.3 tCO₂e and Scope 3 emissions have been re-presented to 358,423.6 from 358,422.0 tCO₂e.

What we do for the Planet continued

Carbon offsetting



Carbon offset by source (tCO ₂ e)	2024	2023 ¹
Fuel combustion	375	478
Refrigerant leakages	84	207
'Non-renewable' electricity consumption (market based scope 2 emissions)	2,087	837
Business travel	98	123
Offset to be carbon neutral	2,644	1,645
Plus 10 % for past activity	264	165
Offset to be beyond carbon neutral	2,908	1,810

Beyond carbon neutral

We were the first UK bank with 'beyond carbon neutral' operations, a status we have maintained since 2007. We achieve this by offsetting our direct carbon emissions plus an additional 10% to address the impact our business activities have had in the past.

We will offset 110 % of our 2024 direct emissions in line with this commitment during 2025. This is 2,908 tCO₂e (2,644 tCO₂e + 10 %), comprising our scope 1 and 2 emissions plus business travel.

During 2024, we offset 1,810 tCO₂e to address the impact of the direct emissions from our 2023 operations.

Working with Climate Impact Partners

To meet our 'beyond carbon neutral' goal, our offsetting programme provides finance to projects that are reducing emissions and supporting the transition to a low carbon global economy.

We work with Climate Impact Partners, specialists in carbon market solutions for climate action, to deliver this programme. All of their projects are independently verified to assure emission reductions are occurring.

We select projects that have a positive impact on the environment and the local population. The offsetting for our 2023 emissions supported a number of impactful projects, such as the Bondhu Chula Stoves project in Bangladesh.

Climate Impact Partners Case Study: Bondhu Chula Stoves, Bangladesh

Less than 20 % of the 35 million Bangladeshi households have access to clean cooking. Traditionally, cooking is done over an open firepit, releasing smoke and pollutants. These pollutants contribute to 50,000 premature deaths a year and cause millions to suffer from lung, eye or skin infections.

The Bangladesh Bondhu Foundation is solving this problem through its Bondhu Chula, which loosely translates as the



'friendly stove' in Bengali. The Bondhu Chula is designed to ensure more efficient and cleaner home cooking, with over 5 million stoves installed to date.

Carbon finance is used to subsidise 50 % of the cost of stove installation, as well as a seven-day training programme for the local entrepreneurs who produce and install the stoves and provide after sales services.

In addition to delivering emissions reductions, this Gold Standard project delivers a number of other sustainable development benefits, including:

No poverty: Fuel consumption is reduced by as much as 50 %, saving money for families.

Good health and well-being: The chimney design reduces harmful indoor air pollution.

Decent work and economic growth: Creating a market for fuel efficient stoves in Bangladesh, involving over 5,000 entrepreneurs in manufacturing and distribution.

Gender equality: Women and children benefit as the ones most often preparing food.

1. We have not restated the emissions data for 2023 for the purposes of our carbon offsetting calculation, as our full year 2023 emissions restated to use actual data were lower than those using estimated data for Q4.

What we do for the Planet continued

Our responsible business



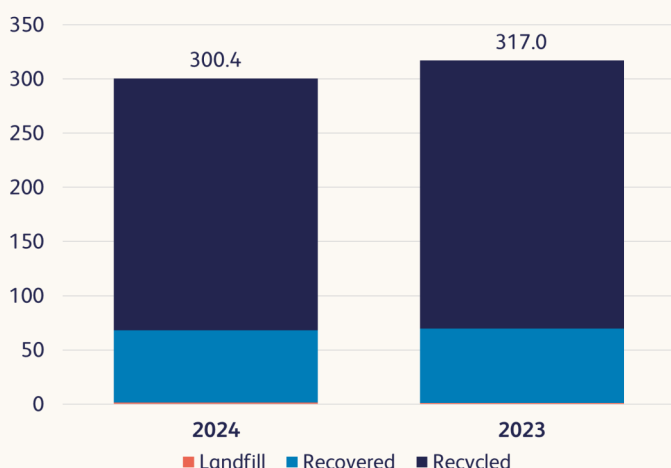
Zero waste to landfill

In 2020, we achieved ‘zero waste to landfill’^{1,2} for the first time, and we have maintained this status since. Alongside this commitment is our continuous journey to increase the percentage of operational waste we recycle.

In 2024, we recycled 78 % of operational waste (2023: 73 %), with the remaining 22 % being sent to energy recovery facilities (2023: 27 %). We produced 17 tonnes less waste in 2024 than in 2023.

In 2025 and beyond, we will re-engage colleagues on the types of waste that can be recycled, to help them to reduce, reuse and recycle more of their everyday waste and ensure that recyclables don’t end up in general waste.

Operational waste (tonnes) by treatment type



Office paper use

We used 8,280 reams of office paper in 2024, which is almost half the amount we used in the previous year (2023: 14,571). We will continue to encourage colleagues to moderate their use of paper in 2025 and beyond.

Procurement of electricity from renewables

21 % of the electricity procured directly by the Bank in 2024 was generated from renewable sources (2023: 70 %).

Up until October 2023, all electricity sourced directly by the Bank came from certified renewable electricity sources. Unfortunately, we’ve been unable to make that claim for 2023 or 2024, due to our electricity supplier being unable to provide the recognised Renewable Energy Guarantees of Origin (REGO) certificates to verify that electricity supplied was renewable. In October 2024, we switched to an alternative supplier who meets these requirements.

Climate-related financial disclosures

Our climate-related financial disclosures (“CFDs”), as required by sections 414CA and 414CB of the Companies Act 2006, can be found on pages 27 to 39 of our 2024 Annual Report and Accounts.

Our CFDs include detail on how we consider climate change and the environment in strategic and financial planning, risk management and governance, and the metrics and targets we use to measure performance.

[Read our 2024 Climate-related Financial Disclosures](#)



Our green lending

Green mortgage products

The UK has some of the oldest and least energy-efficient housing stock in Europe, so improving the energy efficiency of our customers’ homes is of importance.

We provide additional lending to mortgage customers who engage with our Home Energy Improvement tool. The tool, developed in partnership with the Energy Saving Trust, guides customers to make their home more energy efficient.

In October, we launched a new green mortgage product, offering lower interest rates to new borrowers who purchase

a property with an Energy Performance Certificate (“EPC”) rating of A or B and who meet our underwriting criteria.

Lending to renewable energy sector

Since 2007, we’ve been supporting and lending to small, localised hydro and wind farms, the majority being in the North of England and Scottish Isles.

In 2024, our lending to the renewable energy sector stood at £3.6m (2023: £5.4m). The value of our lending to the renewable energy sector has reduced year on year as historical loans have been repaid.

1. ‘Zero waste to landfill’ only requires 99 % waste diversion away from landfill due to a legal requirement that certain types of waste must go to landfill.

2. Only includes sites where the Bank has full control of waste management.

What we do for the Planet continued

Our green lending continued



Not financing fossil fuels since 1998

Since 1998, The Co-operative Bank has publically pledged to play no part in the provision of loans, underwriting or investments to aid the expansion of fossil fuel extraction, production or infrastructure.

We were the first UK bank to commit to not financing the coal industry by signing the Paris Pledge in 2015.



We were also the first UK bank to be part of the Bank.Green Fossil Free Banking Alliance, and we are one of only five Bank.Green Fossil Free Certified UK banks. Bank.Green helps climate-conscious consumers to choose a bank that isn't financing the climate crisis.

Check a bank on Bank.Green



A Which? Eco Provider

In October, we were proud to remain one of only three banks in the UK labelled as an Eco Provider by consumer champion Which?¹



Having examined the environmental policies of 13 of the UK's leading current account providers, Which? noted that we have no exposure to fossil fuels in our banking activities and set high ethical standards for the businesses we offer services and finance to.

Sam Richardson, Deputy Editor of Which? Money, said, "Consumers seeking to make more sustainable choices might want to consider switching banks if they are uncomfortable with their money being invested in the fossil fuel industry and other projects which could be damaging to the environment."

By choosing one of Which?'s three Eco Providers, customers can feel confident that their bank has impressive green credentials and steers clear of investing money in coal, oil or gas."

Partnerships

Campaigning for the Climate and Nature Bill with Zero Hour

Together with Zero Hour², we are campaigning for the Climate and Nature Bill, which is the only proposed legislation before UK parliament which could tackle the climate-nature crisis.

Back in 2006, our customers joined us in 'The Big Ask', a campaign led by Friends of the Earth for the Climate Change Bill, which then evolved into the Climate Change Act 2008. But as the environmental landscape continues to change, it's now time for new legislation.

The Climate and Nature Bill has been drafted by scientists, legal experts, ecological economists and environmentalists, and would require the UK Government to take responsibility for its contribution to greenhouse gas emissions, in an active attempt to restore biodiverse habitats, and stop further damage to our natural world through the production, financing, transportation, and disposal of goods we consume, globally.

In 2024, we sponsored a cross-party event in the Houses of Parliament, and we encouraged our customers to join us in

campaigning for this important bill and called upon them to contact their MP.

Fighting fast fashion with Oxfam

In September, we took a stand against the impact of fast fashion by encouraging our customers and colleagues to support Oxfam's Second Hand September campaign.³

Fashion has become one of the most polluting industries on the planet, with the production and transportation of clothing now a major contributor to climate change. Fast fashion's throwaway culture means millions of items of clothing go to landfill each year.

Buying, wearing and donating second-hand clothing can help to reduce the demands the fashion industry imposes on global distribution networks and reduce the damage being caused to our planet.

Throughout September, we spread the word about the importance of shopping second hand. We sold second hand clothing, which had been donated by our colleagues and customers in our branches and offices to raise money to support Oxfam.

1. Which? Eco Provider for Current Accounts. October 2023 and 2024.

2. CEE Bill Alliance Ltd, operating as Zero Hour, is a company registered in England and Wales under no. 12846343.

3. Oxfam is a charity registered in England and Wales under no. 202918 and in Scotland under no. SC039042.

What we do for the Planet continued

Partnerships continued



Bringing back nature with Friends of the Earth

Driven by our customers' concerns for biodiversity and the environment, we've been working with Friends of the Earth¹ since 2023 to restore greenery and wildlife in over 1,000 nature-deprived spaces across England and Wales.

The UK is one of the most nature-depleted nations in the world. This is devastating for ecosystems, and has an impact on people's mental and physical health. People living in the most nature-deprived communities are also those most affected by urban heating, pollution, flooding and biodiversity loss.

In 2024, we established 14 new Postcode Gardeners in nature-deprived communities to bring nature back to these areas. Postcode Gardeners are professional gardeners who co-ordinate the greening plan for their postcode, do some gardening themselves and upskill volunteers so that local communities can help make their streets greener and more biodiverse.

In September, we launched two Postcode Gardener projects in our hometown of Manchester, setting up in Wythenshawe and West Gorton. Our colleagues and the community were involved in nature-based activities such as apple pressing, bug hotel building and bulb planting.

In November, we expanded the project even further into Wales, including communities in Monmouthshire that have been devastated by flooding in 2024, demonstrating the urgent need for the restoration of nature in these areas.

In 2025, together with Friends of the Earth, we published our first Postcode Gardeners impact report. Below are some of the key achievements from the first year of the Postcode Gardeners programme.



Friends of the Earth

"Our partnership with The Co-operative Bank has been transformative to the work of our Postcode Gardener Project. With their support, we can deliver this hugely important project nationwide."

We have projects across the country, most importantly in the most nature-deprived neighbourhoods, to bring back nature and bring communities together.

Thanks to our partnership, more people now have access to green space in their city - green space that is vital to overall mental and physical wellbeing."

Jamie Peters, Interim CEO of Friends of the Earth



[Read our Postcode Gardeners Impact Report](#)



19

Postcode Gardeners operating across the UK



More than 5,000 pollinator-friendly plants planted

186

Public spaces restored



269 bumblebees of 7 species observed in our green sites



1. Friends of the Earth is a charity registered in England and Wales under no. 281681 and in Scotland under no. SC003442.

What we do for People



What we do for People

Looking after our colleagues



Championing diversity and equality

At The Co-operative Bank, we strive to create a vibrant and ethical working environment that celebrates diversity, promotes inclusion, and enables colleagues to achieve excellence. We know how powerful a truly inclusive and diverse community can be where everyone feels they belong, can be their authentic selves, and use their voice for positive change.

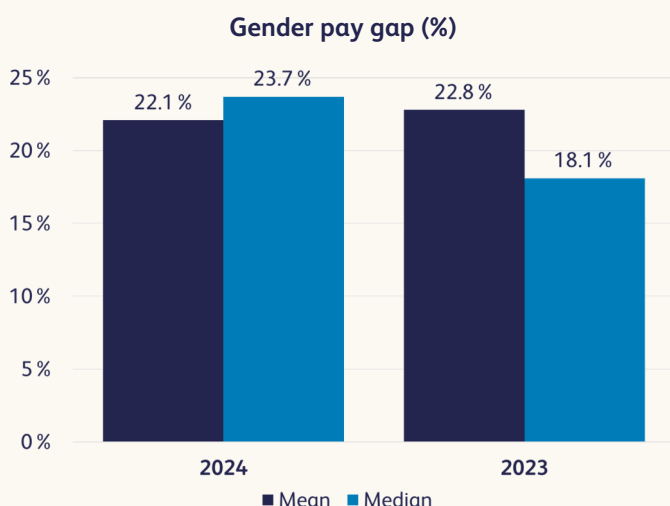
In 2024, a new Equality, Diversity and Inclusion (EDI) Lead role was created to support the Bank in developing our EDI strategy. We promote equality of opportunity and aim to create a workforce that is representative of our society, knowing that embracing difference enhances the capability of The Co-operative Bank.

Signatory of the Women in Finance Charter

Our commitment to achieving a more equal gender balance in our senior leadership remains as strong as it was back in 2016, when we were one of the first banks to sign up to HM Treasury's Women in Finance Charter.

Over the last eight years, we have seen female representation in the Bank's senior leadership roles increase from 32% to 43%. We will continue to encourage and support women to develop their confidence in seeking progression opportunities alongside their male colleagues in 2025.

This year our mean gender pay gap has remained broadly static and now sits at 22.1% (2023: 22.8%). Our median pay gap has increased this year, reporting at 23.7% (2023: 18.1%). Like many financial services firms, we employ more women, particularly in our customer facing and customer support roles. This leads to a gender split in different disciplines and at different levels across the organisation, which impacts our pay gaps. While this does not indicate that women are paid less than men in these roles (we conduct equal pay audits to ensure this isn't the case), it



does show that we must continue our long term focus on career progression and gender balance at all levels of our organisation.

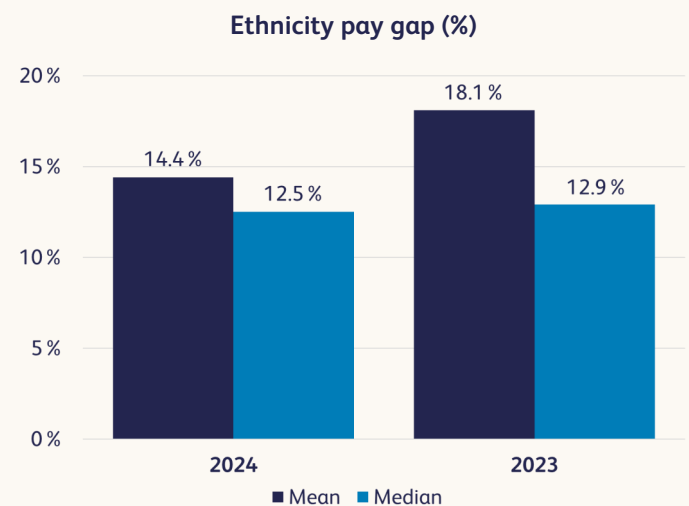
[Read our 2024 Pay Gap Report](#)



Signatory of the Race at Work Charter

The Co-operative Bank stands united against racism and rejects it in all its forms. We are proud to have been a signatory to the Race at Work Charter since 2020 and we support the Halo Code, which champions the right of colleagues to embrace all Afro-hairstyles.

Our mean ethnicity pay gap has reduced to 14.4% (2023: 18.1%), and our median ethnicity pay gap has reduced to 12.5% (2023: 12.9%). As with gender pay, it's important to stress that these figures do not indicate that ethnically diverse colleagues are paid less than non ethnically diverse colleagues in the same roles. Our equal pay audits ensure that this is not the case.



Disability Confident certified employer

We are proud to be a Disability Confident certified employer. We remain committed to recruiting and retaining people with disabilities or health conditions for their skills and talent.

Under our Disability Confident Scheme commitments, interviews continue to be offered to all candidates with a disability who meet the minimum criteria for the role, and we remain dedicated to making reasonable adjustments for colleagues with disabilities whilst in our employment.

What we do for People continued

Looking after our colleagues continued



A Real Living Wage employer



The Co-operative Bank has been an accredited Real Living Wage employer since 2015, ensuring

that all our colleagues are paid a fair wage that reflects the real cost of living.

A leading employer in Greater Manchester

In 2020, we became the first financial services organisation to achieve membership of the Greater Manchester Good Employment Charter, joining the movement to improve employment standards across the North West.



Our co-operative workplace

Our Freedom of Association Policy recognises our employees' right to join a trade union. We continue to work in close consultation with our recognised trade union, Unite, on proposals for change and fund two full time union representatives.

Our colleague inclusion networks

Our fair, diverse and inclusive culture is underpinned by our inclusion networks run by colleagues for colleagues.

'Elevate' is the Bank's gender equality network. The network supports women in the workplace and supports all colleagues in promoting the wellbeing and career progression of women at all levels of the Bank.

In March, we celebrated Women's History Month and International Women's Day. Elevate invited all colleagues to join a 'Wear Pink Day' on 6 March, which raised £600 for our charity partner Refuge through colleague fundraising.

'Reach' is our race, ethnicity and cultural heritage network. The network celebrates cultural occasions such as Black History Month, Lunar New Year, and Diwali, and hosted an interactive workshop on Unconscious Bias during National Inclusion Week. Reach has facilitated a safe space for discussion on racial inequality, in particular in response to the violence and riots across the country during the summer.

'Proud Together' represents LGBTQ+ colleagues across the Bank. The network leads on our support for Pride festivals in Manchester and Stoke-on-Trent, and promotes LGBTQ+ events such as World Aids Day and the International Day Against Homophobia, Transphobia and Biphobia.

'Access' supports colleagues with disabilities, long-term health conditions, mental health conditions, and caring responsibilities. In May, the network promoted Mental Health Awareness Week, to break the stigma around and normalise conversations about mental health.

Nurturing young talent

Our entry talent programmes continue to build a strong pipeline of future leaders across the Bank, with our 2024 recruitment campaign attracting around 2,800 applications.

In July, we introduced our new industrial placement programme, with two undergraduates joining us for a 12-month placement as part of their university studies.

Two undergraduates joined us for an exciting eight-week internship during their summer break. We hope the knowledge and skills they have gained will inspire them to join our graduate programme in future years.

In September, we welcomed seven colleagues onto our graduate programme. The programme, which is now in its tenth year, nurtures entry-level talent across the business, with placements in Audit, Finance, People, Product, Risk or Treasury.



Colleague learning and development

All new starters receive a comprehensive induction session that showcases our history and heritage, values, behaviours and ethics, as well as introducing them to our strategy and scorecard and giving them an opportunity to meet members of our executive team.

All colleagues receive technical training to ensure they are equipped with the right skills and knowledge. Our robust mandatory training programme provides colleagues with core knowledge training on the financial sector and the regulatory principles that govern us. All colleagues must complete this training at the beginning of their employment and on an annual basis thereafter.

What we do for People continued

Supporting our customers



Helping first time buyers

For first time buyers, raising a big enough deposit can be the most difficult part of the buying process. That's why we offer a 95 % loan-to-value mortgage, which allows first time buyers to put down just a 5 % deposit. In 2024, the Bank helped 2,125 customers to buy their first home (2023: 1,959).

Financially inclusive banking

Our financially inclusive Cashminder product provides banking services to people with no credit history, a low credit score, or those who have previously experienced bankruptcy. The Bank held 280,838 Cashminder accounts as at 31 December 2024 (2023: 283,865).

Supporting customers through difficult times

In 2024, 99 % of our customer facing colleagues completed vulnerable customer training. It's essential that our front line colleagues recognise signs of vulnerability in our customers and are able to offer appropriate support.

In partnership with Citizens Advice Manchester, we offer support to customers who are experiencing financial difficulties. Our referral programme refers the customer to a dedicated adviser who can provide advice and support on a range of matters, from managing debt and entitlement to benefits, to dealing with housing issues.

In 2024, we referred 718 customers to Citizens Advice Manchester, and since the programme started in 2016, we have referred 5,030 customers and supported customers to manage £11.4m of debt.

Protecting customers from fraud and scams

Criminals continue to use fraud and scams to try to steal our customers' money. We've continued our focus on keeping our customers' money safe by updating our security features and educating our customers on fraud and scams.

We also support the 159 phone service, which connects our customers safely and securely to us when they receive an unexpected or suspicious call about a financial matter.

Helping customers to be digitally active

We are determined to help our customers to benefit from our digital services, and ensure that no one is left behind as digital banking becomes the norm. 70 % of our current account customers use our mobile app or online banking services (2023: 69 %), and we are committed to increasing this metric.

We will continue to engage and educate customers on access to digital channels, while supporting those who are unable to or who choose not to use digital services for their everyday banking.

Partnerships

Proud sponsors of Sport Gives Back

The Co-operative Bank was proud to sponsor the Sport Gives Back Awards in February 2024.

The Awards took place in London, and were broadcast on ITV in March. Sport Gives Back celebrates the individuals and organisations that use sport to help change the lives of thousands of people across the UK.

The Awards were supported by a host of familiar faces from the world of sport, who all came together to recognise those who make a positive difference. This included Sir Mo Farah and Dame Kelly Holmes, along with a special message from the Duke of Sussex.

In recognition of our partnership with Sport Gives Back, in 2024 we donated £20,206 of funding from our Customer

Donation Fund to 21 of our Community Directplus business customers who have delivered positive impacts in their communities through sport.



What we do for People continued

Partnerships continued



Working with Centrepont to end youth homelessness

The Co-operative Bank has been working with Centrepont¹ to end youth homelessness since 2017. Tens of thousands of young people ask for help with homelessness every year. It's why we believe the work of Centrepont is so important and aim to do everything we can to support them in their mission.



Together with our colleagues and customers, we raised £129,169 for Centrepont in 2024 (2023: £206,612). Since 2017, we have donated over £2.5 million, and with our efforts, Centrepont have provided vital support to over 30,000 homeless young people in Manchester and across the UK.

For every new mortgage the Bank provides to our customers, we donate £5 to Centrepont, totalling £122,760 of our donations in 2024 (2023: £157,165).



In May, the Bank received a Bronze Pennies from Heaven award, recognising that 10% of our colleagues kindly donate the pennies from their payroll to Centrepont.

Colleagues donated £2,481 to Centrepont through our Pennies from Heaven payroll giving scheme in 2024 (2023:

£2,536). When a colleague opts in to this payroll giving scheme, they agree to round down their pay to the nearest pound and donate the pennies to Centrepont. For example, if net monthly pay is £1,000.35, then 35p would be donated to Centrepont.

Our donations are used to fund Centrepont's national Helpline, which provides specialist advice and guidance for young people who are homeless or worried about housing, and their Homelessness Prevention and Relief Service in Manchester, which provides a package of individual support for young rough sleepers.

A critical issue that homeless individuals face in accessing financial services is the absence of a fixed address. The Bank's 'Bridge to Banking' initiative, developed in partnership with Centrepont, allows young homeless people in Manchester to apply for the Bank's Cashminder account, using Centrepont's address as their own, prior to establishing a safe, permanent address.

"The Co-operative Bank has been a remarkable partner over the last eight years. The Bank's support for our nationwide helpline and our frontline services in Manchester has enabled us to effectively support thousands of young people forced into homelessness and rough sleeping."



ENDING YOUTH HOMELESSNESS

The funding support is critical, but the Bank has gone beyond that, rolling up their sleeves to break down the barriers that vulnerable young people face when rebuilding their lives, like opening bank accounts and accessing jobs.

Centrepont's ambition is to end youth homelessness. This is a monumental task and will be achievable only with unwavering support from partners like The Co-operative Bank. I extend my heartfelt thanks to their staff and customers for their incredible generosity over the years."

Seyi Obakin, CEO of Centrepont



Standing up for human rights with Amnesty International UK

For over 30 years, The Co-operative Bank has supported the work of Amnesty International UK². This is one of our longest-standing charity partnerships, reflecting our commitment to promote human rights across the world. We stand together for individuals who are at risk of experiencing human rights violations.

1. Centrepont is a charity registered in England and Wales under no. 292411.

2. Amnesty International UK is a charity registered in England and Wales under no. 1051681 and in Scotland under no. SC039534.

What we do for People continued

Partnerships continued



Working with Refuge to end domestic abuse

One in four women will experience domestic abuse in their lifetime. The Co-operative Bank has been working alongside Refuge¹ since 2015 to raise awareness of the variety of ways that domestic abuse can harm women and girls, and to show survivors who are experiencing domestic abuse that they are not alone.

"This year we saw violence against women and girls (VAWG) reach epidemic levels, but sadly specialist VAWG services like Refuge are experiencing an underfunding crisis. In this context, we are hugely grateful for our longstanding partnership with The Co-operative Bank, which continues to play a vital role in raising awareness of economic abuse."



As well as leading the industry when it comes to supporting survivors with online banking, our partnership with the Bank has resulted in vital research on economic abuse, and incredible fundraising for our life-saving services. We look forward to another year of working together to empower survivors and drive change across the whole of the banking sector."

Abigail Ampofo, Interim CEO of Refuge



Supporting families in crisis with Shelter

Since 2023, we've campaigned for a fairer housing system with Shelter, standing with individuals and families facing the worst of the housing emergency.

More than 5,000 families a month face homelessness and uncertainty. Throughout 2024, we stood with families facing homelessness in temporary accommodation by supporting Shelter's winter appeal, and with the help of our colleagues and customers, we contributed over £60,000 of crucial funds.



1. Refuge is a charity registered in England and Wales under no. 277424.

2. Shelter is a charity registered in England and Wales under no. 263710 and in Scotland under no. SC002327.

3. Hospice UK is a charity registered in England and Wales under no. 1014851 and in Scotland under no. SC041112.

Supporting Hospice UK

In 2024, we became the very first organisation to be awarded with a Gold Compassionate Customer Care Award by Hospice UK³.



The Award recognises businesses that provide exceptional compassionate service to any customers coping with bereavement, grief, and caring. Since 2003, we have worked closely with Hospice UK to better our services for customers experiencing loss, and we are delighted to have been recognised for this work.

We have donated over £750,000 to Hospice UK since our partnership began over 20 years ago. During that time, we have worked together to support their network of over 200 hospices and advocate for end of life care.



"One in four people who are dying go without the specialist care they need and deserve."

Since 2003, Hospice UK has been honoured to maintain a strong and enduring partnership with The Co-operative Bank. From the outset, The Bank has consistently demonstrated unwavering support, assisting us in advocating for equitable funding and enhancing access to high-quality palliative care across the UK.

Hospices care for over 300,000 people and their loved ones each year, yet the sector continues to face a critical funding crisis that threatens the sustainability of these essential services. The Bank's steadfast commitment inspires us daily, driving us toward our vision of hospice care for all – for now, forever. We are truly grateful for their ongoing support."

Toby Porter, CEO of Hospice UK



What we do for Communities



What we do for Communities

Customers



Supporting small businesses and community organisations

The Co-operative Bank is proud to look after the banking needs of 96,228 small and medium sized businesses (2023: 94,020). This includes 3,165 charities (2023: 3,470), 1,228 co-operatives (2023: 1,164), and 134 credit unions (2023: 137).

We offer a free business current account to sole traders and single director businesses, and our Community Directplus account provides free banking services to charities, co-operatives, credit unions, and community-interest companies. The Bank held 44,284 Community Directplus accounts as at 31 December 2024 (2023: 42,526).

Best Charity Banking Provider

In April, The Co-operative Bank was voted the winner of the 'Best Charity Banking Provider' award by Business Moneyfacts for the ninth consecutive year.



Supporting the co-operative movement

Our bank was born out of the co-operative movement over 150 years ago, and we remain just as committed to these values today. In partnership with Co-operatives UK¹ and through our Business Support for Co-ops programme, we actively support the growth and development of the co-operative sector.

Co-operatives are businesses that are owned and controlled by their members. The benefit of co-operatives is that they allow people to influence the things they care about, around the issues and places that matter most to them.

We are proud to support and help to build a resilient and successful co-operative economy. Since our partnership with Co-operatives UK began in 2016, we have granted £3.2 million in funding towards the Business Support for Co-ops programme, which gives co-operative businesses from all sectors of the economy access to the expert advice and guidance they need to thrive.

In 2024, 524 groups received support from the Business Support for Co-ops programme (2023: 319). This included 124 groups that completed the incorporation journey to become a co-operative (2023: 100). In total, more than 4,000 groups have been supported since the programme started in 2016.

1. Co-operatives UK is a society registered in England under no. 2783R.

CO-OPERATIVES UK

"The Co-operative Bank has been an unwavering ally in strengthening the UK's co-operative movement. Our partnership is about the opportunities democratically owned and run businesses offer people, communities, and the UK economy."

The Bank's investment into the Business Support for Co-ops programme is more than funding – it's a testament to their belief in the power of co-operatives to build stronger, fairer communities."

Rose Marley, CEO of Co-operatives UK



Proud sponsors of Co-op Congress

In June, we were proud to sponsor Co-op Congress for the fourth year running. This annual event, run by Co-operatives UK, brings together co-operatives from across the country to share ideas and take action to drive the co-operative movement.

This year's Congress took place in Birmingham and hosted a number of panel discussions led by guest speakers on topics including the culture of co-ops, the need for co-operative growth, and the important role that co-ops can play within communities.



What we do for Communities continued

Community investment



£1m

total community investment in 2024

£90k

raised by colleagues and match-funded

£100k

donated to our charity and community customers

102

charity and community projects supported by our Customer Donation Fund

Donating to charitable causes

In 2024, our community investment was £1,026,265 (2023: £1,567,598).

This included £158,640 (2023: £158,640) that was donated to a number of national charity partners through our Everyday Rewards initiative¹. The selected charities were Amnesty International, Hospice UK, Oxfam, Refuge, and the Woodland Trust.

Funding local community projects

We support our charity and community customers by awarding grants to support their projects. All Community Directplus account holders can apply for up to £1,000 from our Customer Donation Fund, with grants distributed twice a year.

In 2024, we donated £99,575 (2023: £100,011) to 102 community projects across the UK (2023: 103), and since the scheme started in 2003, we've donated over £1.2 million to 1,354 community projects.

Read about some of the projects we've supported



Fundraising for local and national charities

In 2024, colleagues fundraised £83,468² for the charities and community organisations that are most important to them (2023: £52,036). The Bank donated an additional £6,100 to these causes through our matched funding scheme (2023: £20,100).

Here are some examples of the fundraising completed by our colleagues in 2024.

Our London Marathon runners

When we asked our colleagues for volunteers to run the 2024 London Marathon on behalf of our charity partners, we were delighted when five brave runners stepped up for the challenge.

Our colleagues successfully completed the marathon on 21 April, raising £10,724³ for our charity partners Amnesty International UK, Refuge and Shelter through their fundraising.



Walking Coast to Coast

In June, one of our colleagues raised £2,382³ for our charity partner, Centrepoin, by completing the Coast to Coast Walk. The 200 mile trek from St Bees on the west coast of Northern England, to Robin Hood's Bay on the east coast, took 13 days to complete.



1. Although our Everyday Rewards initiative was discontinued on 31 May 2024, the Bank pledged to match last year's donations to honour our commitment to the selected charities, and we continue to support these charities through our other community investment initiatives and partnerships.

2. Figure includes centrally organised fundraising initiatives and fundraising that was self-reported by colleagues through our matched funding scheme.

3. Figure includes Bank matched funding.

What we do for Communities continued

Colleague volunteering



Giving back to local communities

Our colleagues are dedicated to supporting their local communities by volunteering with local charities and community organisations. Every Co-operative Bank colleague has the opportunity to take two paid volunteering days every year.

In 2024, 30 % of colleagues took part in the volunteering programme (2023: 51 %), giving a total of 8,203 hours to their local communities (2023: 16,343 hours), which is worth £214,675 of time (2023: £332,808).

Here are some examples of the volunteering our colleagues completed in 2024.

Volunteering at local charity shops

Colleagues have helped to sort donations and serve customers at their local charity shops, including Oxfam's new Manchester Superstore.



Supporting local food banks

Colleagues have volunteered at local foodbanks, including the Manchester Central Foodbank, which is part of a nationwide network of foodbanks supported by The Trussell Trust and supplies food parcels to over 1,500 local people facing hardship every month. Colleagues helped to move and arrange all of the food donations in preparation for the families and individuals who would be collecting them.

Supporting the redistribution of surplus food

Colleagues have supported The Bread and Butter Thing's warehouse teams in Manchester and Stoke-on-Trent. The Bread and Butter Thing procures unwanted food resulting from overproduction, food imperfection or damaged packaging, and re-distributes it at affordable prices, ensuring that no food is wasted. Colleagues helped to sort food donations and load the vans that distribute food across the region.

930

colleagues
volunteered in 2024

30%

of colleagues participated in
our volunteering programme

8,203

hours spent supporting
local communities

£214,675

worth of time spent
volunteering

Cleaning up litter in the streets of Manchester

Colleagues in our hometown of Manchester have taken to the streets to clean up litter in support of Keep Manchester Tidy, a partnership between Keep Britain Tidy and the Manchester City Council.

Planting trees with the Woodland Trust

In March, 18 colleagues spent a day volunteering with the Woodland Trust at Frodsham Woods in North Cheshire. Supporting the Trust's 'Plant More Trees' campaign, they joined a project that is transforming a former golf course into a haven for nature and wildlife.

Over the course of the day, the team helped to plant over 2,500 trees of native species such as oak, silver birch and Scots pine. In time, the project will create a rich variety of habitats, including broadleaved woodland, grassland meadows and wild flower glades.



Recognition for our hospice volunteers

In June, colleagues were recognised for their volunteering at Staffordshire hospice charity, Dougie Mac. At the charity's Business Partnership Awards, the Bank was awarded the Overall Corporate Volunteering Award, the Bronze Partnership Award, and the Charity Champion Award.

What we do for Communities continued

Partnerships



Proud sponsors of Pride

We've always believed in equality and inclusion for all, and that everyone has, and deserves, an equal place in society. We're incredibly proud to be part of Pride celebrations across the country, and especially in our hometown of Manchester, where we've sponsored the Manchester Pride Festival since 2016.

Our support for Manchester Pride is led by our LGBTQ+ colleague inclusion network, Proud Together. By supporting these joyful events, we aim to send a clear message that The Co-operative Bank stands up for equality and inclusion for the LGBTQ+ community. We're proud to celebrate LGBTQ+ culture and to contribute to the creation of equal opportunities for everyone.



In August, we sponsored Manchester Pride for the ninth consecutive year, with over 70 colleagues marching in the parade in solidarity with the LGBTQ+ community. As always, our colleagues made sure we were heard, spreading our 'Pride is more than a weekend' message far and wide.

This was our second Pride event of 2024, having sponsored Stoke-on-Trent Pride in June for the second year running.



Supporting international communities in need

Since October 2023, conflict across the Middle East has and continues to devastate and uproot the lives of millions. The humanitarian need in the region escalated to such an extent that our partner, the Disasters Emergency Committee (DEC), launched an urgent fundraising appeal to support those affected.



As a member of the DEC's Rapid Response Network, The Co-operative Bank supported the Middle East Humanitarian Appeal, and with the help of our customers and colleagues, we contributed £118,000 to the campaign.

DEC member charities, including our partner Oxfam, have been delivering life-saving medical care, shelter, food and clean water to civilians impacted by the conflict, funded by the millions of pounds raised by the appeal.

Our participation in the Middle East Humanitarian Appeal follows our support for the Ukraine Appeal, Pakistan Floods Appeal and Turkey-Syria Earthquake Appeal in recent years.



Donating blood with the NHS

In support of National Blood Week in June, the Bank partnered with NHS Blood and Transplant (NHSBT) to raise awareness of the importance of donating blood.

Blood donations are used to treat critically ill patients with medical conditions such as anaemia, cancer and blood disorders, as well as those who have lost blood through an accident, surgery or childbirth.

We encouraged colleagues to give much-needed blood donations and arranged the opportunity for colleagues in our hometown of Manchester to donate blood at the Manchester Norfolk House Blood Donor Centre.

1. Disasters Emergency Committee is a charity registered in England and Wales under no. 1062638.

Appendices



Appendices

Greenhouse gas emissions data

Our 2024 emissions data, which includes scope 1 and 2 emissions, as well as the categories of scope 3 emissions data that are relevant to our business (our category 15 financed emissions do not include our corporate and SME lending portfolios). Performance is benchmarked against our 2021 baseline year, and related footnotes and technical considerations should be read in conjunction with the data overleaf.

We recognise that financial institutions have an important part to play in the allocation of capital towards facilitating real-world decarbonisation activities. Therefore, we continue to disclose our scope 1, 2 and 3 emissions while recognising the challenges that arise in making that disclosure. Below are the definitions and technical considerations we have applied in presenting our emissions data in 2024.

Scope 1, 2 and 3 emissions: definitions

Scope 1 emissions are direct emissions resulting from sites owned or controlled and activities performed by the Bank in 2024.

Scope 2 emissions are indirect emissions resulting from the generation of purchased or acquired electricity, steam, heat or cooling consumed by the Bank in 2024.

Scope 3 emissions arise from the Bank's upstream and downstream activities. Scope 3 emissions consist of 15 different categories, of which the Bank reports its emissions from eight.

Further detail on individual scopes and categories of emissions are detailed in the basis of reporting appendix.

Scope and methodology for calculating emissions

Our loan book represents the most material contributor to our greenhouse gas emissions footprint, and these emissions are referred to as our 'financed emissions'. We only disclose the financed emissions relating to our mortgage book, excluding other retail and SME lending types as our mortgage book is the largest of our lending portfolio by far, and we do not lend to business who extract or produce fossil fuels or produce infrastructure to perform these activities.

Remaining scope 3 categories are reduced in line with an absolute contraction methodology. This means that the Bank will monitor and report all indirect emissions where data is available, and set targets to reduce total emissions across all categories in accordance with our Net Zero Transition Plan.

Data sources and data quality considerations

All emissions data reported is externally verified to a limited assurance basis, as set out in the assurance statement on page 48. Wherever possible, primary source data is used as

the basis for emissions calculations (such as invoices for scope 1 and 2 emissions). However, we recognise that further work is required to improve the accuracy of our emissions data – in particular, the two areas with particularly low data quality are our scope 3 category 1 (purchased goods and services) and category 15 emissions (financed emissions). Both include estimates and assumptions which are detailed in the basis of reporting appendix on pages 43 to 47.

Using estimation methodologies

The Bank uses estimates in producing its annual data, particularly in Q4, to enable timely reporting of its emissions. This is standard practice across much of the financial services industry. The following steps are taken when calculating estimated data: where partial data is received for any given quarter, data will be extrapolated on a pro-rated basis to cover the period for which data is missing; then, historic data is used as a proxy; and finally, if no data is available, either an industry benchmark or Bank-specific benchmark data is used.

All of our emissions categories reported use estimated data for Q4, except our category 15 financed emissions, which are calculated as at a point in time (31 October 2024). We will restate estimated emissions data in future sustainability reports.

Appendices continued

Greenhouse gas emissions data continued

Greenhouse gas emissions by source (tCO ₂ e)	2024	2023	2022	2021
Scope 1 - fuel combustion	375.0	465.2	522.0	805.4
Scope 1 - refrigerant leakages	84.4	206.9	70.3	163.5
Total scope 1 emissions (direct emissions)	459.4	672.1	592.3	968.9
Total scope 2 emissions (indirect emissions) (location based)	1,406.2	1,516.3	1,574.7	2,181.3
Total scope 2 emissions (indirect emissions) (market based)	2,087.2	814.2	441.0	198.7
Scope 3 category 1 - purchased goods and services	32,133.4	49,794.5	42,029.5	27,412.0
Scope 3 category 2 - capital goods	1,537.3	2,088.4	1,763.1	36.3
Scope 3 category 3 - fuel-and-energy-related activities	460.0	339.6	323.3	412.4
Scope 3 category 4 - upstream transportation and distribution	9.4	170.4	168.0	-
Scope 3 category 5 - waste generated in operations	5.2	18.3	28.6	22.3
Scope 3 category 6 - business travel	98.4	149.1	136.6	35.7
Scope 3 category 7 - employee commuting	2,592.3	3,298.4	2,435.8	2,449.7
Total value-chain emissions	36,836.0	55,858.7	46,884.9	30,368.4
Scope 3 category 15 - investments (financed emissions)	273,172.8	302,564.9	313,832.6	340,845.0
Mortgage portfolio building intensity (kgCO ₂ e/m ²)	45.0	46.2	44.9	46.9
Total scope 3 emissions	310,008.8	358,423.6	360,717.5	371,213.4
Absolute emissions - total scope 1, 2 (location-based) & 3	311,874.4	360,612.0	362,884.5	374,363.6
Absolute emissions - total scope 1, 2 (market-based) & 3	312,555.4	359,909.9	361,750.8	372,381.0
Carbon intensity (kgCO ₂ e/FTE)	99,927.7	109,322.7	131,567.3	152,676.8
Carbon intensity (kgCO ₂ e/£Revenue)	0.63	0.70	0.74	1.07
Total direct energy consumption (kWh)	6,791,783.4	9,870,402.8	11,002,688.2	14,670,098.0
Carbon intensity (kgCO ₂ e/kWh)	45.9	36.5	33.0	25.5

1. Data for all years assured by SGS Assurance Limited, an independent third party assurer who have provided limited assurance. The assurance statement can be found on pages 48 to 50. 2023 data has been restated to use actual emissions for Q4 2023, rather than estimated emissions. 2024 data includes estimates for Q4 2024, and will be restated in future reports to include actual emissions, except for scope 3 category 15 (Financed Emissions), which relates to the Bank's mortgage portfolio at a "point-in-time" (31 October). The methodology used to calculate each scope and category of emissions is overleaf.

2. Calculated using the average number of full time equivalent ("FTE") employees for each year.

3. Revenue is calculated as net interest income and net fee and commission income for the relevant reporting period as defined by IFRS 15.

Appendices continued

Basis of Reporting

Our Basis of Reporting includes details on the definitions, reporting scope and calculation methodologies of key ESG metrics that support our ESG strategy including our roadmap to Net Zero. Metrics that have been externally assured are marked with an asterisk (*).

Greenhouse gas (GHG) emissions in kilograms of carbon dioxide equivalent (kgCO₂e) is calculated for scope 1, 2 and 3 emissions by multiplying activity data by applicable 2024 UK Government GHG reporting conversion factors (<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>), then presented in tCO₂e.

Environmental

Metric and Unit of Measurement	Explanation	Methodology
Scope 1 emissions (tCO ₂ e)*	Direct emissions resulting from sites owned or controlled and activities performed by the Bank in 2024. This includes fuel combustion, refrigerant leakages, emergency backup generator use and fire suppression.	<p>Direct fuel consumed at Bank-controlled sites is derived from invoice data received from gas suppliers or meter data.</p> <p>Amount and type of refrigerant added to air-conditioning systems is derived from service sheets from maintenance contractors. Only amounts refilled, not used in the year, are tracked.</p> <p>Diesel consumed by emergency generators is provided by suppliers through invoices.</p> <p>Discharge from fire extinguishers and fire suppression systems is based on invoice data from contractors. Invoices are received following full discharge at a site.</p>
Scope 2 emissions (location-based or market-based) (tCO ₂ e)*	Indirect emissions resulting from the generation of purchased or acquired electricity, steam, heat or cooling consumed by the Bank in 2024. The location-based emissions figure reflects the average emissions intensity of the UK electricity grid. The market-based emissions figure takes into account the difference in emissions associated with using renewable electricity.	<p>Electricity directly procured by the Bank in 2024 is derived from supplier invoices and meter data.</p> <p>Any electricity purchased with REGO backed proof of renewable source of origin will be assigned an emissions factor of zero when calculating emissions using the market-based methodology.</p> <p>Where electricity is supplied by a third party (for example as part of a contracted serviced provision), it is assumed all electricity is derived from a non-renewable source, which will be reflected in the market-based emissions.</p>
Scope 3 emissions Category 1 – Purchased goods and services (tCO ₂ e)*	Indirect emissions resulting from the extraction, production and transportation of goods and services purchased or acquired by the Bank in 2024.	<p>Process-based and environmentally-extended input output (“EEIO”) modelling methods are used to calculate emissions arising from purchased goods and services and capital goods.</p> <p>All goods and services purchased and receipted by the Bank in the reporting period are categorised by the nature of the cost, with an associated emissions factor applied to each line item.</p> <p>This metric includes sources of estimation and uses key assumptions, the most significant of which is the category of spend applied to a supplier.</p> <p>This category also includes emissions from water supply – for sites without invoice data, water supply is estimated based on the number of full-time equivalent colleagues (“FTEs”) and opening hours of sites, and a Defra emissions factor is applied to consumption to calculate relevant emissions.</p>
Scope 3 emissions Category 2 – Capital goods (tCO ₂ e)*	Indirect emissions resulting from the extraction, production and transportation of capital goods purchased or acquired by the Bank in 2024. Any spend associated with depreciation has been excluded because it is not the cost of a good or service at a fixed point in time.	<p>All capital expenditure in the year is identified by supplier and an emission category is applied to each, which has a corresponding emissions factor.</p> <p>Non-cash items (such as depreciation) are removed from spend.</p> <p>This category incorporates assumptions leading to estimates, the most significant of which is the application of emissions category to supplier.</p>

Appendices continued

Basis of Reporting continued

Metric and Unit of Measurement	Explanation	Methodology
Scope 3 emissions Category 3 – Fuel-and-energy-related activities (tCO ₂ e)*	Indirect emissions resulting from the extraction, production and transportation of fuels and energy purchased or acquired by the Bank in 2024, not already accounted for in scope 1 or scope 2.	Fuel and energy related activities not included in scope 1 or scope 2 emissions are calculated using actual or estimated data for purchased fuel and electricity. For fuels and electricity, the relevant Defra Well-to-Tank ("WTT") and Transmission and Distribution ("T&D") emissions factors are applied to provide total emissions for the emissions from the supply of energy.
Scope 3 emissions Category 4 – Upstream transportation and distribution (tCO ₂ e)*	Indirect emissions resulting from (a) the transportation and distribution of products purchased by the Bank in 2024 between the Bank's tier 1 suppliers and the Bank's own operations, in vehicles and facilities not owned or controlled by the Bank, and (b) the transportation and distribution services purchased by the Bank in 2024, including inbound logistics, outbound logistics (e.g. of sold products) and transportation and distribution between the Bank's own facilities, in vehicles and facilities not owned or controlled by the Bank.	In the absence of data for logistics suppliers providing goods using actual distances, weights and routes, a Defra emissions factor was applied to spend from the cost ledger used in scope 3 category 1 and 2 emissions that relates to logistics suppliers. Costs incurred on couriers in 2024 is not included in scope 3 category 4 emissions. This category incorporates estimation uncertainty through assumptions, including applying emissions factors to categories of suppliers.
Scope 3 emissions Category 5 – Waste generated in operations (tCO ₂ e)*	Indirect emissions resulting from the disposal and treatment of waste generated in the Bank's operations in 2024, in facilities not owned or controlled by the Bank.	Emissions factors are applied to waste generated by the Bank's operations based on waste type and treatment type. Data is received from contracted waste management facilities. Waste types include: glass; food; cardboard; mixed recycling; general waste; and confidential paper. Waste treatment types comprise: recycling; recovery, and landfill. Estimated amounts are used for sites where regular waste generation data is unavailable based on site floor area and opening hours. Ad hoc waste collections are not estimated. Emission factors used are the applicable DEFRA factors based on waste and treatment type. Water waste treatment is based on water consumption from invoices received from our water suppliers.
Scope 3 emissions Category 6 – Business travel (tCO ₂ e)*	Indirect emissions resulting from the transportation of employees for business-related activities during 2024, in vehicles not owned or operated by the Bank. Includes land, sea and air travel, and hotel stays.	Emissions factors are applied to mileage amounts for different classes of transport and hotel stays based on area, which are derived from employee expense claims evidenced by expense receipts. Mileage is estimated in cases where only spend data is available using an assumed GBP per mile based on transport type. Emission factors used are the applicable DEFRA TTW and WTT factors based on the transport type.
Scope 3 emissions Category 7 – Employee commuting (tCO ₂ e)*	Indirect emissions resulting from the transportation of employees between their homes and the Bank's worksites during 2024, in vehicles not owned or operated by the Bank.	The Bank calculates employee commuting emissions by estimating the number of colleagues who commute daily (based on contracted working location) and using government data, the kilometres travelled and mode of transport used per employee using UK averages. The applicable Defra Well-to-Tank ("WTT") and Tank-to-Wheel ("TTW") emissions factor is then applied to give an emissions value. This method includes sources of estimation uncertainty, particularly in the number of colleagues who commute daily or work from home; the distance travelled; the method of transport for each; and the emissions used by the average colleague who works from home. For colleagues who have a contracted location as working from home, a weighting is applied for days spent in Bank-operated sites and a relevant emissions factor used to determine emissions from homeworking based on average country data.

Appendices continued

Basis of Reporting continued

Metric and Unit of Measurement	Explanation	Methodology
Scope 3 emissions Category 15 – Investments (tCO ₂ e)*	Indirect emissions resulting from the operation of investments (including equity and debt investments and project finance) in 2024, not already accounted for in Scope 1 or Scope 2. This makes up the largest portion of the Bank's emissions as it includes indirect emissions faced through mortgages.	<p>The Bank only reports financed emissions for its retail secured mortgage portfolios. No SME lending, or unsecured lending, is included in this balance due to being identified as not material and due to data quality considerations.</p> <p>The Bank's mortgage portfolio is divided into an assigned dwelling type. Defra emissions factors are applied to each dwelling type based on estimated floor space and energy consumption.</p> <p>In the absence of complete data points for a property, weighted averages will be applied based on dwelling type. The data is then aggregated to calculate the total emissions based on the outstanding loan value held by the Bank which provides a total tCO₂e figure.</p> <p>This category includes significant sources of estimation uncertainty due to data quality considerations, with EPC data, floor space data, dwelling type, and the primary source of heating and energy usage. The Bank reviews its calculation methodology annually and updates EPC data when new data becomes available.</p>
Carbon intensity (kgCO ₂ e/FTE)	The amount of CO ₂ e emitted in the Bank's operations per full time colleague employed by the Bank in 2024.	The amount of absolute emissions (comprising scope 1, scope 2 (location-based) and scope 3) (in kgCO ₂ e) in 2024 is divided by the average number of FTE colleagues employed by the Bank in the year.
Carbon intensity (kgCO ₂ e/£Revenue)	The amount of CO ₂ e emitted in the Bank's operations per GBP of revenue generated by the Bank in 2024.	The amount of absolute emissions (in kgCO ₂ e) in 2024 is divided by the amount of revenue (operating income) (in GBP) generated by the Bank in the year.
Carbon intensity (kgCO ₂ e/kWh)	The amount of CO ₂ e emitted in the Bank's operations per unit of electricity directly procured by the Bank in 2024.	The amount of absolute emissions (in kgCO ₂ e) in 2024 is divided by total direct electricity consumption (in kWh) for the year.
Electricity directly procured from renewables (%)*	The proportion of electricity directly procured by the Bank in 2024 that came from a certified renewable source.	The electricity supplier provides Renewable Energy Guarantees of Origin ("REGO") certificates to verify that the electricity supplied was generated from renewable sources. Direct electricity consumption (in kWh) from REGO backed supply agreements in 2024 is divided by the total direct electricity consumption for the year.
Operational waste to landfill (%)*	The proportion of waste generated in the Bank's operations in 2024 that was sent to landfill.	The volume of waste (in tonnes) that was sent to landfill in 2024 is divided by the total volume of waste for all treatment types for the year.
Operational waste recycled (%)	The proportion of waste generated in the Bank's operations in 2024 that was recycled.	The volume of waste (in tonnes) that was sent to waste recycling facilities in 2024 is divided by the total volume of waste for all treatment types for the year.
Operational waste recovered (%)	The proportion of waste generated in the Bank's operations in 2024 that was sent to energy recovery facilities.	The volume of waste (in tonnes) that was sent to energy recovery facilities in 2024 is divided by the total volume of waste for all treatment types for the year.

Appendices continued

Basis of Reporting continued

Social

Metric and Unit of Measurement	Explanation	Methodology
Gender pay gap (mean and median) (%)*	The difference in the average pay of female and male colleagues employed by the Bank in 2024.	The Bank calculates gender pay gap using the methodology prescribed by the UK government's Gender Pay Gap Reporting guidelines (https://www.gov.uk/government/publications/gender-pay-gap-reporting-guidance-for-employers). Data on the ordinary pay and bonus pay (in GBP) of male and female colleagues employed by the Bank in 2024 is derived from the Bank's HR system and payroll records. Two measures of gender pay gap are reported, one using the mean hourly pay as a measure of average pay, and the other using the median hourly pay.
Ethnicity pay gap (mean and median) (%)*	The difference in the average pay of ethnically diverse and non-ethnically diverse colleagues employed by the Bank in 2024.	The Bank calculates ethnicity pay gap using the methodology prescribed by the UK government's Ethnicity Pay Reporting guidelines (https://www.gov.uk/government/publications/ethnicity-pay-reporting-guidance-for-employers). Colleagues with a white ethnic background are classed as non-ethnically diverse. All other ethnic backgrounds are included under ethnically diverse. Data on the ordinary pay and bonus pay (in GBP) of ethnically diverse and non-ethnically diverse colleagues employed by the Bank in 2024 is derived from the Bank's HR system and payroll records. Two measures of ethnicity pay gap are reported, one using the mean hourly pay as a measure of average pay, and the other using the median hourly pay.
Digitally active customers (%)*	The proportion of customers who logged into and used either the Bank's online banking or mobile app in the last three months of 2024.	The number of customers who logged into and actioned a transaction using either of the Bank's online banking or mobile banking services in the last three months of 2024 is extracted from the Bank's statistical analysis system, then divided by the overall number of customers who actioned a transaction using any of the Bank's services in the period.
Vulnerable customer training (%)*	The proportion of Bank colleagues who completed vulnerable customer training in 2024.	The number of Bank colleagues who completed vulnerable customer training in 2024 is derived from e-learning participation records extracted from the Bank's HR system, then divided by either the average number of FTE colleagues (excluding Board members) employed by the Bank in 2024, or the average number of customer facing FTE colleagues only.
Charities who bank with us (#)*	The number of charities that were Bank customers at the end of 2024.	The number of registered charities that held a business current account with the Bank as at 31 December 2024 is derived from the Bank's mainframe.
Co-operatives who bank with us (#)*	The number of co-operatives that were Bank customers at the end of 2024.	The number of co-operatives registered with Co-operatives UK that held a business current account with the Bank as at 31 December 2024 is derived from the Bank's mainframe.
Credit unions who bank with us (#)*	The number of credit unions that were Bank customers at the end of 2024.	The number of credit unions registered with the Financial Conduct Authority that held a business current account with the Bank as at 31 December 2024 is derived from the Bank's mainframe.
Community Directplus accounts (#)*	The number of Community Directplus accounts held with the Bank at the end of 2024.	The number of Community Directplus current accounts held with the Bank as at 31 December 2024 is derived from the Bank's mainframe.
Total charitable donations (£)*	The amount of money donated to charities and community programmes by the Bank and third parties in connection to Bank activities in 2024.	Total charitable donations is an aggregation of the amounts of money (in GBP) donated to charities and community organisations by the Bank from our Charitable Fund in 2024. Amounts are derived from Charitable Fund payment records.
Charitable donations raised by colleagues (£)*	The amount of money leveraged and donated to charities and community organisations by Bank	The amounts of money (in GBP) leveraged by colleague fundraisers to which the Bank granted matched funding in 2024 are derived from proof of funds raised (for example, a donation webpage or cash deposit slip) and aggregated. Only colleague fundraisers that have been verified as part of the Bank's matched funding programme are reported in this

Appendices continued

Basis of Reporting continued

Metric and Unit of Measurement	Explanation	Methodology
Charitable donations raised by matched funding (£)*	The amount of money donated to charities and community organisations by the Bank through our matched funding programme in 2024.	The amounts (in GBP) of matched funding payments made by the Bank in 2024 are derived from matched funding payment records and aggregated.
Charitable donations from the Customer Donation Fund (£)*	The amount of money donated to Community Directplus customers by the Bank using funds from our Customer Donation Fund in 2024.	The amounts (in GBP) of grants paid out to Community Directplus current account holders using funds from the Bank's Customer Donation Fund in 2024 are derived from payment records and aggregated.
Charitable donations from Everyday Rewards (£)*	The amount of money donated to selected national charities by the Bank as part of our Everyday Rewards initiative in 2024.	The amounts (in GBP) donated to Amnesty International UK, Hospice UK, Oxfam, Refuge and the Woodland Trust by the Bank as part of our Everyday Rewards initiative in 2024 are derived from payment records and aggregated. Although our Everyday Rewards initiative was discontinued on 31 May 2024, the Bank pledged to match our FY23 donations to honour our commitment to the selected charities.
Colleague volunteering time (hours)*	The number of working hours spent volunteering with charities and community organisations by Bank colleagues as part of the Bank's employer supported volunteering programme in 2024.	Eligible activities are defined as 'voluntary and charitable' in line with the B4SI Community Investment Framework (https://b4si.net/framework). The duration (in hours) of each volunteering entry self-reported by Bank colleagues in 2024 is exported from the Bank's HR system and aggregated.
Colleague participation in volunteering (# and %)*	The number and proportion of Bank colleagues who volunteered with charities and community organisations during work time as part of the Bank's employer supported volunteering programme in 2024.	The number of colleagues who recorded volunteering in 2024 is divided by the average number of FTE colleagues (excluding Board members) employed by the Bank in 2024.
Value of colleague volunteering (£)*	The monetary value of working time spent volunteering with charities and community organisations by Bank colleagues as part of the Bank's employer supported volunteering programme in 2024.	The duration (in hours) of each volunteering entry is multiplied by the colleague's equivalent hourly pay (in GBP) at the date of volunteering, and the results are aggregated.

Governance

Metric and Unit of Measurement	Explanation	Methodology
Business customers referred for enhanced ethical screening (#)*	The number of business current account applicants and holders who were referred for enhanced ethical screening in 2024.	The number of business current account applicants or existing business current account holders who were referred for enhanced ethical screening by the Bank's Values & Ethics team in 2024 is derived from ethical screening records.
Business customers declined banking services following enhanced ethical screening (#)*	The number of business current account applicants and holders who were declined banking services following enhanced ethical screening in 2024.	The number of business current account applicants or existing business current account holders who were declined banking services or exited following enhanced ethical screening by the Bank's Values & Ethics team in 2024 is derived from ethical screening records.
Non-customer ethical perception score (%)*	The proportion of non-customers who associate the word 'ethical' with The Co-operative Bank, according to a brand tracking survey conducted by a third party in 2024.	Third party Hall & Partners conduct a brand tracking survey to assess how well the Bank's brand is perceived by consumers relative to nine other banks and building societies who have been defined as the Bank's main competitor set. One question asks, 'Which of these words do you associate with each bank/building society?', and one of the responses is 'ethical'. The non-customer ethical perception score is derived from the proportion of non-customers who selected 'ethical' for The Co-operative



ASSURANCE STATEMENT

SGS UNITED KINGDOM LTD'S REPORT ON SELECTED KPIS PERTAINING TO SUSTAINABILITY ACTIVITIES IN THE SUSTAINABILITY REPORT 2024 OF THE CO- OPERATIVE BANK PLC FOR THE REVIEW PERIOD 1ST JANUARY 2024 TO 31ST DECEMBER 2024

NATURE OF THE ASSURANCE/VERIFICATION

SGS United Kingdom Ltd (hereinafter referred to as SGS) was commissioned by The Co-operative Bank p.l.c. (hereinafter referred to as The Co-operative Bank) to conduct an independent assurance of selected KPIS included in the report 'Sustainability Report 2024' (herein referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all The Co-operative Bank's stakeholders.

RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors and the management of The Co-operative Bank p.l.c., and SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all The Co-operative Bank's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

In obtaining a Limited level of assurance in this engagement, we have used the guidance provided through the ISAE3000 (Revised, International Standard on Assurance Engagements) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and standard EN ISO14064-3:2019 Specification with guidance for the validation and verification of Greenhouse Gas assertions, to establish conformance with the requirements of the applicable reporting criteria. Assurance has been conducted at a Limited level of scrutiny as per both ISAE3000 and EN ISO14064-3:2019.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below:

Reporting Criteria Selected by The Reporting Organisation	
1	Social & Governance KPIS & Data - None selected
2	GHG Emissions Data - GHG Protocol - A Corporate Accounting and Reporting Standard

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

The scope of the assurance included data only for the following KPIS:

GHG & Environmental KPIS

FY2023 (Amended) & 2024

- Scope 1 & 2 emissions (tCO₂e)
- Scope 3 emissions (tCO₂e)
- % energy directly procured from renewables
- % operational waste to landfill

Additional verified KPIs for 2023 (Amended) and 2024:

- 70% and 21% (respectively) of energy directly procured is sourced from renewables
- Less than 1% operational waste to landfill for both reporting years.

Social & Governance KPIs

FY2024

- Total charity donations (£)
- Colleague volunteering (#colleagues, total hours)
- Value of colleague volunteering (£)
- % colleagues taking part in a volunteering activity
- # cooperatives, charities and credit unions who bank with The Co-operative Bank
- Vulnerable Customer Training (Customer facing, all) (%)
- Customer Donation Fund donations (£)
- Everyday Rewards donations (£)
- Funds raised by colleagues (£) and match funding (£)
- # business customers referred for ethical screening
- # business customers declined banking services
- Non-customer Ethical Perception Score (%)
- Gender pay gap (mean & median) (%)
- Ethnicity pay gap (mean & median) (%)
- Digitally active customers (%)
- # community direct plus accounts

ASSURANCE METHODOLOGY

CO2 emissions from The Co-operative Bank's own operations and value chain were verified at a limited level of assurance according to standard EN ISO14064-3:2019 Specification with guidance for the validation and verification of Greenhouse Gas assertions, to establish conformance with the requirements of the WRI/WBCSD GHG Protocol – A Corporate Accounting and Reporting Standard ('The WRI/WBCSD GHG Protocol'), within the scope of the verification. The materiality required for the verification was considered by SGS to be below 10%, based on the needs of the intended user. The engagement included verification of emissions from anthropogenic sources of greenhouse gases included within the organisation's boundary and meeting the requirements of the WRI/WBCSD GHG Protocol and the "less than 1%" waste to landfill claim. The organisational boundary was established following the operational control approach.

The assurance of social and governance KPIs and data comprised a combination of desk research, review of findings and corrective actions from the previous review period, interviews with relevant employees including Directors and other managers; documentation and record review.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process. The engagement included verification of emissions from anthropogenic sources of greenhouse gases included within the organisation's boundary and meeting the requirements of the WRI/WBCSD GHG Protocol and the "less than 1%" waste to landfill claim. The organisational boundary was established following the operational control approach. Types of GHGs included: CO2, N2O, CH4 (HFC's, PFC's, SF6 and NF3 are excluded).

STATEMENT OF INDEPENDENCE, ETHICS, QUALITY CONTROL, AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from The Co-operative Bank, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders. In conducting assurance engagements, SGS is governed by the 'SGS Code of Conduct' and the 'Assurance Ethical Code SAGSP2', which has been established with the requirements of the IESSA (International Ethics Standard for Sustainability Assurance), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

At SGS assurance quality control is governed through the Sustainability Assurance Global Systems Procedure (SAGSP). This quality management system compliments the requirements of ISAEs and are designed to be as demanding as quality control requirements stipulated by ISO17029:2019, and the ISQM1.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with relevant bodies. The assurance team comprised of; Lead Assurance Practitioners / Assessors - Indika Edussuriya, Abdullah Buhidma, Trainee Assurance Practitioner - Elisa Zandanel, Technical Reviewers - Jing Wang & Peter Simmonds.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

GHG & Environmental KPIs

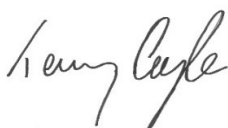
SGS concludes with limited assurance that there is no evidence to suggest that the presented CO₂ equivalent assertion is not materially correct and is not a fair representation of the CO₂ equivalent data and information and is not prepared following the requirements of the WRI/WBCSD GHG Protocol. We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a limited level of assurance that the CO₂ equivalent emissions for the calendar years 2023 & 2024 are fairly stated. This statement shall be interpreted with the CO₂ equivalent assertion of The Co-operative Bank as a whole.

The Co-operative Bank provided the GHG assertion based on the requirements of the WRI/WBCSD GHG Protocol. The GHG information for the period 2024 disclosing total gross emissions of **311,874.4** metric tonnes of CO₂ equivalent (Location-Based) and **312,555.4** metric tonnes of CO₂ equivalent (Market Based) are verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria. Additionally, the GHG information for the period 2023 (Amended) disclosing total gross emissions of **360,611.8** metric tonnes of CO₂ equivalent (Location-Based) and **359,909.7** metric tonnes of CO₂ equivalent (Market-Based) are verified by SGS to the same level of assurance, scope and verification criteria. Verified emissions by scope/category are presented Appendix A.1 attached to the Internal Management Report.

Social & Governance KPIs

On the basis of the methodology described and the verification work performed, nothing has come to our attention that causes us to believe that the specified performance information included in the scope of assurance is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

Signed for and on behalf of SGS UNITED KINGDOM LTD:

pp 

on behalf of Liz Moran
Business Manager
SGS United Kingdom Limited
27th February 2025