

# 2024 Sustainability Report





# Welcome to our report

This year, Coventry Building Society’s Sustainability Report balances the technical requirement of our sustainability disclosures with the human stories that lie at the heart of our purpose-led approach.

Our aim is to show accurately and transparently what we’re striving for, the progress we’re making and our future priorities. It’s been prepared by Society experts, overseen by the Chief People Officer, with reference to the Global Reporting Initiative (GRI) standards.

The report has been reviewed and endorsed by our ESG Steering Group as well as our Board and assured by our Internal Audit Function.

We’re always looking to improve what we do and welcome any feedback on our sustainability plans, or the report itself. Please contact us at

The GRI content index, along with our other data tables, can be found in our separate



Please find below the structure for our 2024 report. We’ll look at each of these topics in detail throughout.

## Environment

At Coventry Building Society, we believe that climate change is a critical issue for the UK and the wider world. We’re committed to making a positive contribution to the challenge of climate change by reducing the environmental impact of our business activities. At the heart of this commitment is our ambition to be net zero by 2040.

## Social

As a people and purpose-led organisation, we aim to meet the needs of multiple stakeholders. For members, this means offering long-term fair value, good customer outcomes and superior customer service. For colleagues, it means providing work that supports, engages and enables them to unlock their full potential. And we support local communities and national causes, creating opportunities and better outcomes for the most disadvantaged in society.

## Governance

Maintaining high standards of governance is integral to the successful delivery of the Society’s strategy, in a highly regulated industry. Our governance framework ensures that the Board is effective in making decisions and maintaining oversight, whilst keeping to our well-established purpose, mutual belief and values.

The report covers the activities of Coventry Building Society and its subsidiaries during 2024 unless it says otherwise.



# Coventry Building Society at a glance

## Who we are

We're a mutual building society and have been providing savings and residential mortgages to our members and customers for 140 years. We lend over £50 billion and have over two million customers.

The acquisition of The Co-operative Bank on 1 January 2025 will extend our propositions into the personal current account and business banking markets.



## Our purpose

Making people better off through life.

## Our values

Our values act as a key driver of employee trust, influence how we deal with members and customers, and sustain a strong culture across all areas of our business.

- Caring
- Ambitious
- Responsible
- Empowering
- Straightforward



## What we do

We provide residential mortgages to people to enable them to buy their own home or a property as an investment. We provide savings accounts to suit the needs of our members. We're a low-risk lender, so our members' savings are always safe and secure.



140  
years of history



64  
branches

3,074  
colleagues



Over  
2 million  
customers

## How we do it

We earn interest and fee income from mortgage loans to members buying their own homes and private sector landlords. We pay interest to savings members and wholesale investors who have placed deposits with us or bought our debt securities.



## Our products

Whether buying a first home or saving for retirement, our wide range of products help our members achieve their goals.

Cash ISAs

Easy access  
savings

Residential  
mortgages

Junior  
Cash ISA

Fixed rate  
bonds

Buy to Let  
mortgages

# Our 2024 highlights

## Environmental

### 2024 National Sustainability Award winners

for our carbon reduction programme 2020 to 2023

**50%**

reduction in emissions for Scope 1 and 2 (compared to 2020)

**ISO 14064 accredited<sup>1</sup>**

**59%**

reduction in paper target achieved (compared to 2017)

**Carbon neutral**

We're carbon neutral for our own operations since 2021

## Social

**83%**

Great Places to Work Trust Index® score<sup>2</sup>

**Over 12,000**

hours of colleague volunteering

**Over 15,000**

young people helped through our education programmes and hardship funding

**£4.5m**

invested in our communities<sup>3</sup>

**264 apprentices**

Achieved ambition to recruit 250 apprentices between 2021 and 2025

## Governance

**B Corp certified**

Continue to evidence our commitment to B Corp's philosophy through continuous improvement



**International ESG frameworks**

Continue to use best practice standards

**MSCI ESG rating AA**

upgraded from A in 2023



<sup>1</sup>An international standard that quantifies the reporting and verification of greenhouse gas emissions (GHG).

<sup>2</sup>A measure indicating a trust-based people first workplace based on positive responses to the annual Great Place to Work® survey.

<sup>3</sup>Full details of our total community investment, including the BS4I assurance statement can be found



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Contacts

The Society's Media team acts as the point of contact for sustainability related enquiries:

Coventry Building Society Principal Office:  
Coventry House, Harry Weston Road, Binley,  
Coventry, West Midlands CV3 2TQ

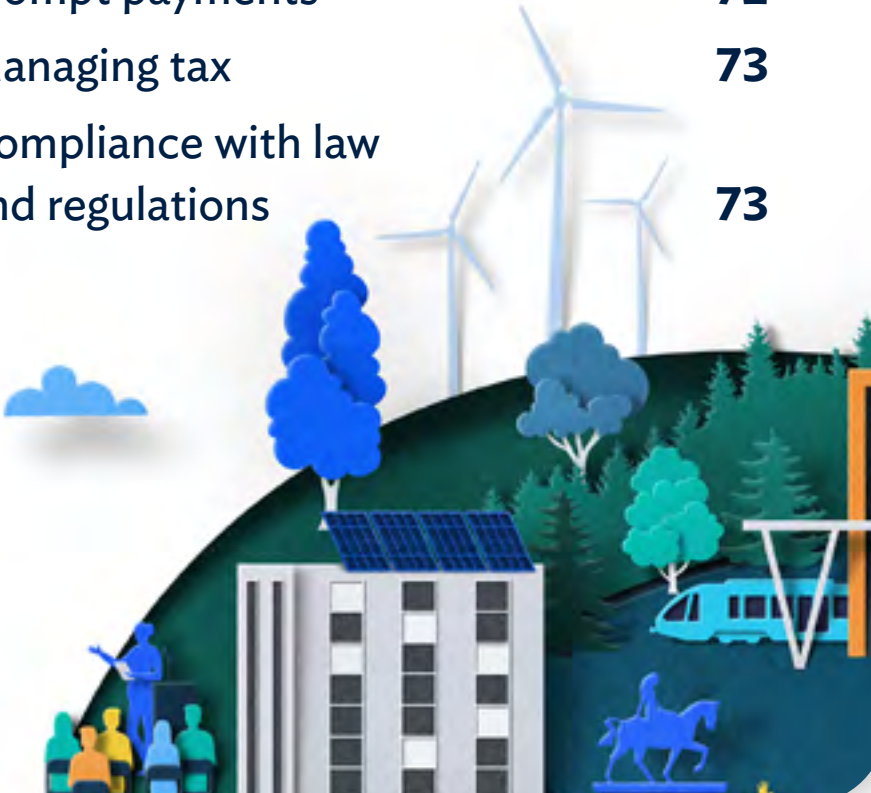
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# A view from the Board

Welcome to our fourth Sustainability Report.

It comes at a transformational moment for Coventry Building Society. In a year in which we celebrated our 140<sup>th</sup> anniversary, we also laid the basis of a successful future through our acquisition of The Co-operative Bank, which was completed on 1 January 2025.

I join the two milestones together deliberately. I believe our long and successful history was achieved through our mutuality, which enabled the Society to take a long-term view and act in the best interests of all our stakeholders.

The combination of the Society and The Co-operative Bank, itself known for its unique customer-led Ethical Policy, now gives us the opportunity to build a truly distinctive financial services provider based on our shared purpose and values. Over the coming years we will evolve to bring together our combined ambitions.

What we call sustainability today is the understanding that working in the long-term interests of all our stakeholders is the foundation of current and future success. The Board and I recognise that our stakeholders, while led by members and customers, include colleagues, investors, suppliers, the communities we work with and serve, and the environment we all live in. Only by understanding their needs and doing things which are relevant and effective in meeting those needs will we succeed over the next 100 years.

Steve, the Group Chief Executive, will talk a little about our aims, the progress we're making and the challenges we face. But I want to finish by clearly stating the Board's support for our sustainability plans, which will continue to evolve and develop.

## David Thorburn

Chair of the Board





# A view from the CEO

Welcome everyone. I absolutely believe that sustainability is hard-wired into our DNA. I also know that we need to work hard as an organisation, and harder still as part of the wider community, to tackle the challenges being faced by today's society.

The scope of these challenges is shown by the breadth of this report. We've set clear and ambitious targets to use our skills, expertise and resources to tackle issues where we can make a positive difference. Issues like improving financial resilience, enabling homeownership, reducing our environmental impact, and delivering more educational and career opportunities for the young people who need most support.

We are delivering a brilliant work experience that welcomes and encourages all colleagues to achieve their potential. And we are tackling loneliness and social isolation amongst the most vulnerable in society, as well as targeting youth homelessness. I'm as proud of the progress we are reporting on as I'm aware of the need to do more.

Focusing on these issues make a real difference to our communities and society. Many of the challenges need collaborative action involving public, private and third sector agencies and I've seen the power of partnerships in the work of organisations like Business in the Community. We'll continue to deliver on our plans, and our own combination with The Co-operative Bank will increase our scope and impact. I believe we are making a tangible difference.

## Steve Hughes

Group Chief Executive





# National Sustainability Award winners

This year we won the award for ‘Carbon Reduction Programme of the year’ at the National Sustainability Awards. This is down to our efforts in reducing our emissions by a third (34%) for Scope 1 and 2 in 2023<sup>1</sup> compared to 2020, achieved through a collaborative approach with members, colleagues and suppliers.

We won due to our comprehensive programme we have implemented to date, with the judges commenting, ‘because it is not just what might be done, it is an example of what can be done’.

“Showcasing what can be achieved with the technology we have today, this submission shows is not just dedication to a mission, but also how it’s entirely possible to achieve net zero right here, right now.”

“Coventry is reducing its footprint and helping others to do so, and the organisation continues to find new ways to drive down emissions in every corner of its operations. The sum of these parts add up to a comprehensive programme that swayed the judges, because it is not just what might be done, it is an example of what can be done.”

Judges’ comments



1.Reduction in scope 1 and 2 emissions is now 50% at the end of 2024.





# Our strategic priorities

Coventry Building Society is committed to supporting the United Nations Sustainable Development Goals (UN SDGs) and the B Corp Impact Area Pillars by integrating sustainability into the products we offer, the way we operate our business and the contribution we make to broader society.

More information on our strategy and 2024 business performance can be found in the Strategic Report section of our Annual Report & Accounts. Although the Society does not formally follow the precautionary principle, we assess risks in line with the processes described in the Risk Management section of our Annual Report & Accounts.

## Making people better off through life

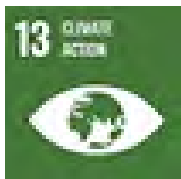
### A purpose-led approach to business, the environment and wider society

#### B Corp Impact Area

- Colleagues
- Environment
- Governance
- Community
- Customers

As a responsible business, we'll support sustainable growth and employment, while reducing our carbon footprint and use of natural resources. We'll continue to provide lending to support customers to lower the carbon footprint of their homes. Our purpose extends to supporting our local communities, changing our city for the better through increasing financial literacy and career aspirations, improving access to quality housing and reducing isolation and loneliness.

Our purpose also drives us to be open, honest and transparent in our dealings with our members, employees, partners and regulators, and in reporting our performance.

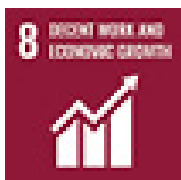


### An inclusive and inspiring workplace for everyone

#### B Corp Impact Area

- Colleagues
- Community

We're creating an inspiring place to work which better reflects the diversity of our city and communities. We provide a safe, inclusive and engaging workplace for our employees, supporting their health and wellbeing.



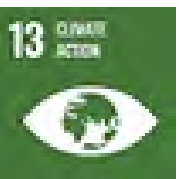
## Offering the best value products and services we can

### Making home ownership a reality and building a society of savers

#### B Corp Impact Area

- Community
- Customers
- Environment

Empowering customers to make better financial decisions and helping them achieve their financial and life goals through simple mortgage and savings propositions that offer good sustainable long-term value.



### Digital first, human always customer service

#### B Corp Impact Area

- Customers

We want customers to feel confident they've chosen the right provider for their mortgage and savings by:

- Providing better digital capabilities, offering an improved choice of product options, better servicing and better technology for our colleagues
- Being backed up by friendly, caring and well-trained employees offering tailored support and guidance to customers when they need it most.





# Our strategic priorities

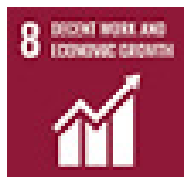
## All delivered in a resilient way

### Protecting our members' money and operational resilience

#### B Corp Impact Area

- Governance
- Customers

We'll keep our members' money safe and accessible, and their information secure, by investing in resilient technology, processes and infrastructure.



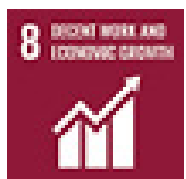
### A strong and sustainable financial performance

#### B Corp Impact Area

- Colleagues
- Community
- Customers

Our strategy is to deliver a sustainable and resilient financial performance, consistent with continuing to support UK economic growth and employment, while ensuring good outcomes for our customers.

To achieve this, we stress test our capital and liquidity resources to ensure we can continue to grow and remain profitable under severe but plausible stress. We're also careful to spend our members' money wisely and efficiently as an enabler of growth, good long-term value and market-leading customer service, while continuing to invest to meet stakeholder and regulatory expectations.





# Achievements in 2024

Throughout 2024, the Society has remained committed to achieving its targets and ambitions in relation to the four UN SDGs. This is where we have identified we can make a material difference.

## Goal 1: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

### Why we make a difference



- We're a leading local employer, wanting to provide employment opportunities for our local communities
- We're committed to enhancing the skills of our employees
- We have the resources to make a positive impact on education in Coventry.

### Our targets and ambitions

- 250 apprenticeships over five years from 2021
- 50% of senior management roles from internal recruits by 2025
- 10,000 children and young people in Coventry supported via education programmes over the three years from 2021.

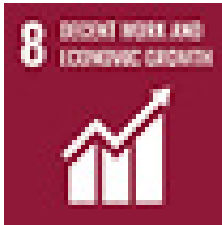
### In 2024, we delivered

- 264 apprentices since 2021
- 48% of senior management roles from internal recruits in 2024
- 44,170 children and young people supported since 2021.

## Goal 2: Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

### Why we make a difference



- We provide career opportunities at differing levels of seniority
- We spend around £211 million annually with our supply chain, enabling us to drive positive changes with our suppliers
- We can offer underrepresented groups career pathways.

### Our targets and ambitions

- Offer career development to enable colleagues to achieve their potential
- Progress the sustainability agenda with our suppliers
- 40% of all senior manager and above roles held by women by 2025
- 25% of manager and above held by colleagues from ethnic minority groups by 2025.

### In 2024, we delivered

- 44% of roles filled by internal candidates in 2024
- Sustainability features in supplier due diligence questionnaires and request for proposal documents
- 37% of all senior manager and above roles held by women in 2024
- 16% of manager and above roles held by colleagues from ethnic minority groups
- Social mobility action features in the Supplier Code of Conduct and request for proposal documents.



# Achievements in 2024

## Goal 3: Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

### Why we make a difference



- We provide financing for housing and can help first time buyers onto the housing ladder
- We can help homeowners with the transition to net zero
- Our community programme focuses on Access to Housing.

### Our targets and ambitions

- Number of people supported through Access to Housing is 1,000 between 2021 and 2025
- Double first time buyer numbers in 2021 (3,200 to 7,500) and move to supporting 10,000 first time buyers annually by 2023 (no change).

### In 2024, we delivered

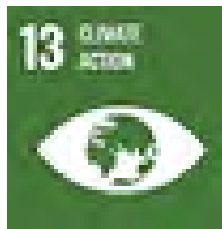
- 5,503 people supported through Better Foundations (formerly Access to Housing)
- We supported first time buyers to purchase 7,095 homes and are working on new build propositions to help them. The improved energy efficiency of these new builds will also align to our sustainability strategy.



## Goal 4: Climate Action

Take urgent action to combat climate change and its impacts.

### Why we make a difference



- Our own operations emit GHG emissions
- Our borrowing customers will need help to deal with the transition to net zero.

### Our targets and ambitions

- Become carbon neutral for our own operations in 2021 (no change)
- 43% reduction in our Scope 1 and 2 emissions by 2030 (baseline 2020)
- Working towards becoming net zero for scopes 1, 2 and partial 3 by 2030
- Ambition to be entirely net zero by 2040
- Zero waste to landfill.

### In 2024, we delivered

- Maintained carbon neutrality since 2021
- Reduced our scope 1 and 2 emissions by 50% (compared to 2020)
- Achieved 59% reduction in paper consumption in 2024 (2017 baseline)
- Zero waste has been sent to landfill since 2017
- Reduced our scope 1, 2 and partial 3 by 19% in 2024.





# Recognition in 2024

Throughout the year, the Society continued to be recognised as an organisation that puts its members first with competitive product offerings and as a great place to work for colleague support and engagement.



2024

**Savings Champion**

Best Building Society



2024

**Fairer Finance**

Gold ribbon for Customer Experience in savings



2024

**Fairer Finance**

Gold ribbon for Customer Experience in mortgages



2024

**Fairer Finance**

Most transparent for savings



2024

**National Sustainability Awards**

Carbon Reduction Programme



2024

**Black Talent Awards**


Best Employee Resource Group category



2024

**Great Place to Work**


#11 Best Workplaces™ 2024 (Super Large)



2024

**Great Place to Work**


#12 Best Workplaces for Women™ 2024 (Super Large)



2024

**Great Place to Work**


#35 Best Workplaces for Development™ 2024 (Super Large)



2024

**Great Place to Work**

#20 Best Workplaces for Wellbeing™ 2024 (Super Large)



2024

**Great Place to Work**

Best Workplaces in Financial Services & Insurance™ 2024 (Large & Super Large)





# Working together with our external associations

Our external associations reflect our ambition to deliver sustainable financial services, support the wellbeing of our members, colleagues and wider community and to be a force for good through our purpose, the products and services we offer and the way we operate our business.

We're proud to have signed up with key signatories that align to our ambitions, and are pleased to have achieved Fair Tax Mark, ISO 20400 for Sustainable Procurement and ISO 14064-1 for the accuracy of our energy and emissions reporting accreditations. Our sustainability performance is reported in accordance with industry-leading ESG frameworks and is underpinned by our memberships, as highlighted below.

## UNEP

Since 2021, we've been signatories to the United Nations Principles for Responsible Banking. Each year we undertake an impact analysis to understand our impacts, set targets to address the most significant impacts and disclose our process.



## Menopause Friendly Accreditation

The Society was awarded menopause friendly accreditation in 2023. This means we've demonstrated internally and externally that we're committed to changing the lived experience of people going through menopause now, and for generations to come.



## Women in Finance Charter

The Society signed the Women in Finance Charter in 2018, aimed at increasing female representation in senior management roles across the Financial Services sector. We continuously strive to meet our Women in Finance Charter targets.



## Race at Work Charter

The Society signed the Race at Work Charter, a set of seven actions aimed at progressing race equality, in 2021.



## Progress Together

The Society joined Progress Together in 2022, aimed at improving social mobility in the financial services sector. One of the key actions we've committed to is collecting colleague data on socioeconomic background.



## UN Global Compact

Our supplier due diligence process aligns with our commitment to the UN Global Compact and our standard contractual wording for all supply contracts includes provisions concerning compliance with the UN Global Compact.



## The Climate Pledge

We're proud to be the first UK bank or building society to sign The Climate Pledge, working towards reaching Net Zero carbon emissions by 2040.



## Global Sustainability Standards

We use the GRI Standards issued by the Global Sustainability Standards Board and the Financial Services Sector Supplements, as a framework to voluntarily report our sustainability performance.





# Working together with our external associations

## Task Force on Climate-related disclosures

We align to the Task Force on Climate-related financial disclosures (TCFD), with a section in our Annual Report & Accounts which describes our understanding of the risks and opportunities of climate change.



## CIPS Corporate Ethics Mark

We've been recognised by the CIPS Corporate Ethics Register as having taken proactive steps, in the last 12 months, to safeguard against unethical conduct in procurement and supply management. As such, we can proudly display the CIPS Corporate Ethics Mark.



## ISO

Since 2020, we've reported detailed GHG emissions verified according to the international ISO 14064 standard.

In 2023, we achieved ISO 20400 sustainable procurement standard.



## B4SI

We use the B4SI framework to measure and manage our social impact including our donations and investment into the local community.



## UNEP FI

In 2021, we became a member of UNEP Finance Initiative to demonstrate our commitment to advancing the sustainability agenda in a material way.



## Business in the Community

We're a member of The King's Responsible Business Network to maximise our social impact and contribute to a responsible business community.



## UN SDG

In 2020, we completed a detailed review of the UN SDGs, identifying those where the Society could make a material difference. In keeping with best practice, we continue to deliver against the targets and ambitions we've set for our goals of focus.



## UK Sustainable Investment and Finance Association

We're a member of the UK Sustainable Investment and Finance Association to share knowledge, push forward the sustainability agenda and develop shared solutions to common challenges.



## Sign Solutions

We partner with Sign Solutions to provide interpreting services for customers who are deaf or hard of hearing.



## B Corp

In 2023, we became B Corp certified and joined the global community of businesses that meet high standards of social and environmental impact.



## Fair Tax Foundation

Since 2021, the Society's approach to tax has resulted in it receiving the Fair Tax Mark from the Fair Tax Foundation. This accreditation reflects the importance of tax to our overall strategy for sustainability.





# Working together with our external associations

## Coventry Building Society Arena

Our relationship with the Coventry Building Society Arena allows us to engage colleagues, community members and charity partners with one-off experiences, helping bring together the Coventry community.



## Centrepont

In 2022, we formalised our ongoing support of Centrepont, the UK's leading youth homelessness charity.



## Peppy

Our colleagues have access to personalised health support through the Society's relationship with Peppy, focusing on menopause and fertility.



## The Pregnancy Loss Pledge

We've signed the Workplace Pregnancy Loss Pledge to demonstrate our commitment to providing support for colleagues through the distress of miscarriage.





# Our double materiality assessment

Since 2021, the Society has carried out an annual materiality assessment to identify the sustainability topics that are most important to our stakeholders.

This has given us a greater understanding of the material issues for our stakeholders and shaped our sustainability and strategic planning through the year.

At the end of 2023, we enhanced our approach and carried out our first double materiality assessment.

Our double materiality assessment involved asking our stakeholders:

- How external factors affected the Society’s financial wellbeing; and
- How the Society’s actions impact people and the planet.

In order to identify the material issues to our stakeholders, we surveyed our members, colleagues, investors, suppliers, community partners and our Senior Leadership team and Board. Undertaking a double materiality assessment has allowed the Society to understand not only what material issues our stakeholders believe affect our organisation, but also the impact they believe the Society has on issues beyond its financial performance. Understanding the Society’s effect on sustainability issues provides us with the necessary information to identify where our sustainability agenda will have the most material impact.

The outcome of our double materiality assessment was reviewed by our Board in January 2024 and has helped to inform strategic decision making and prioritising themes in our external reporting.

## Top material issues for our stakeholders

Here are our top material issues that were identified as part of the 2024 double materiality assessment which will drive our strategy going forward. They incorporate many of the material issues that previously informed our strategy, and all are underpinned by the Society’s primary focus of delivering good customer outcomes.

### Cyber and data security



The practice of protecting data, systems, networks, and devices from theft, damage, unauthorised access, or failure.

### Regulation and compliance



Adherence to laws and regulations across the Society’s activities, and embedding and training employees on the relevant policies and procedures. For example, our commitment to anti-bribery and corruption regulations, preventing modern slavery, and complying with tax governance, control and risk.

### Financial crime and fraud



Illegal activities that are committed to gain a financial benefit, either for an individual or an organisation. The Society’s efforts in this area include robust prevention policies and procedures as well as member training to help our members spot potential fraudsters.

### Ethics, culture and governance



The integrated system of principles, values, behaviours, and organisational structures within the Society that guides ethical decision-making, fosters a responsible culture, and ensures effective leadership and accountability. Our Board and Corporate Governance drives our culture of responsibility, transparency, and accountability.



# Our approach - now and into the future

## Anti-greenwashing

The Society 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 and customer communications that refer to our values and our sustainability are approved through appropriate governance that considers the risks surrounding greenwashing.

## Introducing The Co-operative Bank into our future disclosures

During 2025, our organisation will be undergoing change with the acquisition of The Co-operative Bank, so we understand the need for a collaborative approach as we bring together data and priorities across the combined portfolio. We will ensure our collective approach is realistic and achievable as we deepen our understanding of sustainability-related risks and opportunities.

The Society recognises that sustainability-related risks and opportunities will continue to reshape the global financial landscape, and while this continues to evolve, we see an opportunity to enhance our understanding and readiness. We will also continue to monitor the global macroeconomic environment as part of our strategy review and we will take steps to improve internal processes, engage with colleagues, members, and suppliers, and align with emerging expectations for sustainability.

Going forward, we will assess the Taskforce on Nature- related Financial Disclosures (TNFD) framework to further understand the impact on our business. We will complete a gap analysis for identifying, assessing, and managing nature-related risks. In 2024, our efforts have been focused on building internal awareness, and understanding our interdependencies with nature. We are also leveraging insights from our experience with the TCFD framework, and we will continue to recognise the overlaps between climate and nature-related risks.

Through 2025 we will leverage best practice from Coventry Building Society and The Co-operative Bank to enhance our sustainability initiatives. This collaboration will inform our combined Sustainability strategy, ensuring it is robust and achievable. Our focus will be preparing for structured disclosures over time as we integrate insights from across our operations. A key priority in the new year is integrating data from The Co-operative Bank to provide a comprehensive view across our combined portfolio. This integration will enable us to align our environmental management processes and ensure our future disclosures reflect the full scope of our operations. This will include understanding the nature-related dependencies, impacts, risks and opportunities.





Environment

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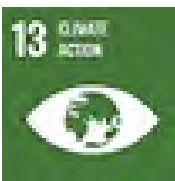
We outline the actions we’re taking to reduce our impact on the natural environment. Our aim is to reduce carbon emissions from our own operations and the suppliers, partners and customers we do business with. We’re applying a consistent methodology which reflects current best practice and are committed to transparent governance and reporting, as well as compliance with regulatory requirements.

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Our CARES alignment

Responsible | Ambitious | Caring

SDG and B Corp alignment



B Corp Impact Area

• Environmental



“ At the Society, sustainability is at the heart of all decision making and we are very proud that this has been affirmed with our B Corp certification. It’s pleasing to see the continued good progress on all fronts on our sustainability agenda in 2024 including the work towards our Climate Action Plan. ”

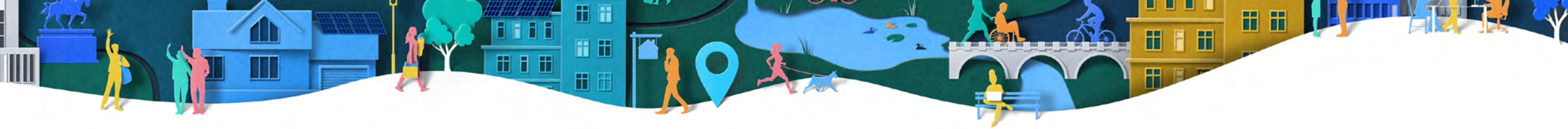
Shamira Mohammed  
Independent Non-Executive Director



# Environmental performance and target progress

<p><b>Goal</b></p> <p>Achieve and maintain carbon neutrality for our own operations</p> <p><b>Progress</b></p> <p>Carbon neutral business since 2021</p> <div><div></div></div>	<p><b>Goal</b></p> <p>Our ambition to be net zero for our scope 1, 2 and partial 3 emissions by 2030</p> <p><b>Progress</b></p> <p>19% reduction in line with plan 2024 vs 2023</p> <div><div></div></div>	<p><b>Goal</b></p> <p>Remove our usage of natural gas (56 sites)</p> <p><b>Progress</b></p> <p>49 sites converted to electrical heating 88% completed</p> <div><div></div></div>	<p><b>Goal</b></p> <p>Zero waste to landfill</p> <p><b>Progress</b></p> <p>Zero waste sent to landfill since 2017</p> <div><div></div></div>
<p><b>Goal</b></p> <p>Continue to purchase 100% renewable electricity only</p> <p><b>Progress</b></p> <p>100% renewable electricity procured since 2021</p> <div><div></div></div>	<p><b>Goal</b></p> <p>43% reduction in emissions by 2030 (Scope 1 and 2, 2020 baseline)</p> <p><b>Progress</b></p> <p>50% reduction 2024 vs 2020</p> <div><div></div></div>	<p><b>Goal</b></p> <p>100% electric vehicle fleet by 2030</p> <p><b>Progress</b></p> <p>75% electric vehicles within our fleet (101 EVs out of 135)</p> <div><div></div></div>	<p><b>Goal</b></p> <p>Our ambition to be net zero by 2040</p> <p><b>Progress</b></p> <p>Working towards our net zero plan</p> <div><div></div></div>
<p><b>Goal</b></p> <p>Achieve and maintain ISO 14064 for Scope 1, 2 and 3 emissions</p> <p><b>Progress</b></p> <p>ISO 14064 accredited since 2020</p> <div><div></div></div>	<p><b>Goal</b></p> <p>Achieve and maintain ISO 20400 Sustainable Procurement standard</p> <p><b>Progress</b></p> <p>ISO 20400 accredited since 2023</p> <div><div></div></div>	<p><b>Goal</b></p> <p>Achieve an approved Science Based Target in 2024</p> <p><b>Progress</b></p> <p>We are continuing to work with SBTi to set a target. We are working towards setting a target by March 2026.</p> <div><div></div></div>	<div><div></div> On track</div> <div><div></div> Not on track</div> <div><div></div> Achieved</div>





# Our environmental approach

To reduce our impact on the natural environment we focus on:

Climate change

Biodiversity

Energy and natural resources

Emissions to air

Pollution prevention and control

Waste management

Resource depletion

Our strategy is built on five pillars, detailing our approach to a net zero future.  
Further information can be found in our Climate Action Plan.

**Our plan**  
Our targets and actions to deliver emission reductions in line with our net zero transition plan.

**Our operations**  
Transitioning our buildings and fleet to net zero.

**Our products**  
Providing green homeowner and landlord improvements through innovative products, propositions and partnerships.

**Our influence on society**  
We will continue to work closely in line with UK net zero plans and engage with government, Non-Governmental Organisations (NGOs) and our members.

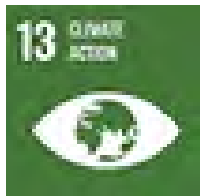
**Governance and risk**  
Our internal and external management of sustainability related topics and risks.



# Our environmental ambitions

We recognise that climate change is a critical issue for our stakeholders as well as for wider society.

As a certified B Corp, we are working towards a future that’s all together, better. We’re committed to making a positive contribution to address this challenge.



## 2024 progress and our achievements to date

### Our members

- We’ve continued to offer Green additional borrowing enabling our customers to benefit from a lower rate when borrowing more on their mortgage. Incentivising borrowers to make green home improvements, reducing their emissions and bills.
- The sustainable living section on our website helps our customers understand the impact of home energy use and provides hints and tips along the way. Our Home Energy Efficiency Tool also provides a personalised energy-saving plan, to help customers make energy-saving improvements to their home.

### Our operations

- We are a carbon neutral organisation and have been since 2021.
- 50% reduction in our Scope 1 and 2 emissions (2024 vs 2020).
- 18% reduction in our Scope 1 and 2 emissions in one year (2024 vs 2023).
- 19% reduction in our Scope 1, 2 and partial 3 emissions (2024 vs 2023).
- For the small amount of emissions we cannot yet remove entirely from our Scope 1 emissions, we have continued to invest in verified Gold Standard offsets. The project we invest in supports a wind farm consisting of 30 wind turbine generators which exports renewable energy into the Indian electricity grid.
- Continued to reduce our paper usage, 59% reduction in 2024 (vs 2017)
- We’ve reduced our gas consumption by 61% (2024 vs 2020) due to our decarbonisation program. We’ve electrified our heating in 88% of our sites so far.
- We’ve reduced our waste generated in operations emissions by 84% (2024 vs 2020).
- We continue to procure 100% renewable electricity from wind and solar.
- We have over 900 high efficiency solar panels to our head office campus. These improvements generate on average 30% of each of the building’s electricity needs and we continue to invest in on-site solar energy generation where possible.
- We continue to send zero waste to landfill and have done since 2017.
- Continued to progress against our net zero transition plan.
- Continued to be ISO 14064-1 certified for our Scope 1, 2 and 3 emissions data and we align with the TCFD framework.

### Our collaboration

- We won the award for ‘Carbon Reduction Programme of the year’ at the National Sustainability Awards in 2024.
- We continued our partnership with Tado, offering our colleagues Smart Thermostats at a discounted rate for their homes.
- Since launching our internal colleague carbon calculator app in 2022, this has delivered 525 tonnes in carbon savings.
- We’ve continued to plant a tree in Coventry for every employee and for each of our Young Saver accounts.
- We’ve continued to increase our Environmental Advocates community.
- We’ve engaged with our top 71 suppliers to gather actual emissions data related to our operational spend activities.

### Achieving external best practice

- We submitted to The Carbon Disclosure Project (CDP) for the second time in 2024 and received a C rating.
- We’ve maintained ISO 20400 Sustainable Procurement accreditation.
- We’ve maintained B Corp status since 2023.
- Worked with our suppliers to deliver carbon savings when migrating data centres to the cloud.



# Our environmental ambitions

2025 – 2040 ambitions



Our members

- Engage with our customers to increase awareness energy efficiency grants.
- Engage with our buy to let customers regarding the changing regulations with EPCs.
- Continue customer support and engagement campaigns.
- Member endorsement and engagement with our Climate Action Plan.
- Partner with a reputable retrofitting provider, to ease efficiency transitions for our customers.
- New and existing customer efficiency improvement borrowing incentives.

Our operations

- Continue to reduce in our Scope 1 and 2 emissions and we will remove all of our gas consumption.
- Continue to reduce indirect emissions from Scope 3 by 2030.
- Ambition to be fully net zero by 2040.
- Have 100% electric vehicles in our fleet by 2030 or sooner.
- Align our capital expenditure to 1.5°C pathway.
- During 2025 we will leverage best practice from Coventry Building Society and The Co-operative Bank to enhance our sustainability initiatives. This collaboration will inform our combined net zero strategy, ensuring it is robust and achievable.
- We will asses our business impact against theTNFD framework.

Our collaboration

- Increase awareness of our net zero ambition through our colleague sustainability eLearning.
- Continue engagement with our Environment Advocates and events.
- Commitment to planting a tree for every employee and every Young Saver customer each year.
- Further incentives for colleagues to reduce their carbon footprint at work and at home.
- Continue to work in collaboration with Coventry City Council as a member of the Coventry Climate Change Board.
- Continue to work with our supply chain regarding our collective decarbonisation roadmap.

Achieving external best practice

- Set a Science Based Target in 2026.
- Publicly disclosed climate strategy positions.
- Work with partners to deliver change.
- Engage with our suppliers and regulators on climate matters.
- Annual reporting on progress against our targets and external frameworks.
- Maintain our B Corp status.
- Continued to obtain third party assurance and ISO certification for ISO 14064 and ISO 20400.
- Work to achieve ISO 50001 and 14001 standards.



# Our net zero roadmap and strategy

We’re working to remove all emissions from our own operations, working with our suppliers and customers to reduce their emissions too.

Most importantly our plan is consistent with our commitment to be all together, better; where we commit to doing more for members and society, together making things better for everyone. By 2040, we have the ambition to reach net zero.

## 2025

### Low carbon

Continued installation of low carbon technology at our sites.



### Renewable energy

Seek to invest further in renewable energy for our energy demand by or before 2030.



## 2026 - 2030

### Gas consumption

Our gas consumption will be phased out by or before 2030.



### Supply chain

Ambition to reduce our supply chain emissions between 5-25% by 2030.



### Electric fleet

All of our company car fleet will be 100% electric by or before 2030.



### Net zero

Ambition to become Net Zero for Scope 1, 2 and partial 3 by 2030.



## 2030 - 2040

### Mortgage book

Improving our customers’ home energy efficiency, with an ambition to improve their Energy Performance Certificate (EPC) ratings to an average of C or above.

We’ll continue to evolve our plans, aligning with relevant industry and sector reviews. We will adapt as further science, data, and/or reviews become available, including frameworks and guidance from the Transition Plan Taskforce (TPT), Financial Conduct Authority (FCA), Glasgow Financial Alliance for Net Zero (GFANZ), International Sustainability Standards Board (ISSB), and Science Based Targets initiative (SBTi).

We also recognise the anticipated transition from the Task Force on Climate-related Financial Disclosures (TCFD) to the IFRS S1 and S2 standards and acknowledge the need to continuously monitor and align with evolving regulatory and industry developments.

We’ll work closely in line with UK Net Zero plans, specifically regulation and innovation (including some of our own planned products and support mechanisms) for domestic homes to reduce the significant emissions related to the Society and its borrowers.



# Short-term climate target

We've delivered our short-term climate target:

We are carbon neutral for our Scope 1 and 2 emissions (since 2021).

We're working in line with ISO 14064-1 to provide assurance against our GHG emissions data. We have reduced our Scope 1 and 2 emissions by 50% 2024 vs 2020.



Reduction in emissions

Reducing our emissions through energy efficiency and demand reduction measures.

Renewable energy

Sourcing renewable energy arrangements to ensure Scope 2 emissions are removed.

Carbon offset

After we've reduced our emissions as much as possible, balancing any remaining emissions through high quality offsetting solutions.

THE CLIMATE PLEDGE

ENVIRONMENT

Certified B Corporation

13 CLIMATE ACTION

# Medium-term climate target

Reduce indirect emissions from Scope 3 by 2030:

We're actively getting ourselves into a position to reduce Scope 3 indirect emissions to aid our sustainability objective to reach net zero. Achieving this objective will require a wide range of activities.

During 2024 we reduced our Scope 1, 2 & partial 3 emissions by 19% (compared to 2023).

Employee commuting

We will continue to encourage colleagues to commute to our premises using low carbon means of transport.

Wholesale activities

We'll assess the emissions created by our counterparties and will consider their plans for emission reduction in our decision making.

Pension fund

The default pension fund for our colleagues is consistent with the ethical and climate agenda with 50% invested in ethical funds.

Goods and services

We will continue to work with suppliers to eliminate the emissions in the products and services we buy. As our second-largest area of emissions, we aim to work with our suppliers to help them decarbonise between 5% and 25% by 2030.

Business travel

We will continue to work with colleagues to reduce business travel. We're offering colleagues an electric car scheme via salary sacrifice, providing them with access to zero emissions travel.

Waste disposal

We will continue to reduce the waste we generate and the emissions from its disposal, by ensuring we continue to send no waste to landfill and recycle at least 70% of all our waste.






# Long-term climate ambition

Aim to become net zero by 2040.

Our ambition to achieve net zero is challenging as this is a complex issue. Like many organisations, the largest sources of our emissions are indirect of our core operations. However we will continue to engage and incentivise decarbonisation activity where we can.


### Our emissions

97% of our total emissions relate to the emissions from the houses we help finance across the UK. The carbon emissions from our mortgage portfolio are weighted by Loan to Value. These financed emissions are much larger than those from our own operations and supply chain and are also more challenging to reduce, requiring changes to borrowers' homes and behaviour.







### Customer education

This is a challenging objective but one we think is important. Supporting and educating our customers to making their homes more energy efficient is a key way for us to reduce our impact on the environment.



### Customer propositions

We launched Green additional borrowing to assist customers to improve the energy efficiency of their homes. The customer uptake is limited due to higher costs of living and the impact from increased mortgages rates. We'll continue to support green homeowner and landlord improvements through innovative products, propositions and partnerships.



### Working together to drive change

We understand that we won't be able to achieve the reduction in emissions to deliver our 2040 net zero ambition without broader policy changes, significant cross-industry collaborative effort and further government support focused on UK housing.

We've taken an active role here, working with several organisations such as the Green Finance Institute, E3G, and UK Finance, supporting cross-industry green homes action groups to drive sustainable and responsible solutions.

We also work and partner with a number of specialist organisations to increase our expertise and member propositions around the areas where we can make the greatest impact in reducing our carbon footprint.



### Continued progress

We'll continue to recognise the instances where we can drive emissions reduction. We do not control our customers' choice of energy supplier or the carbon footprint of their home. Decarbonising the UK's energy grid is likely to have a far greater impact on emissions. But we're committed to being all together, better and commit to doing more for members and society, together making things better for everyone.

After proving we've reduced our emissions as much as possible, we'll look to balance any remaining emissions through high quality offsetting solutions. We continue to work on plans to decarbonise this aspect of our emissions throughout 2025 and beyond.





# Our net zero progress

50% reduction in our Scope 1 and 2 emissions 2024 vs 2020.  
19% reduction in Scope 1, 2 and partial 3 emissions 2024 vs 2023.

We have a comprehensive net zero transition plan to progress our climate ambitions, however our indirect emissions are our largest area of impact. Therefore, we continue to support our borrowers in making energy efficiency improvements and engage our supply chain to to reduce our carbon footprint.

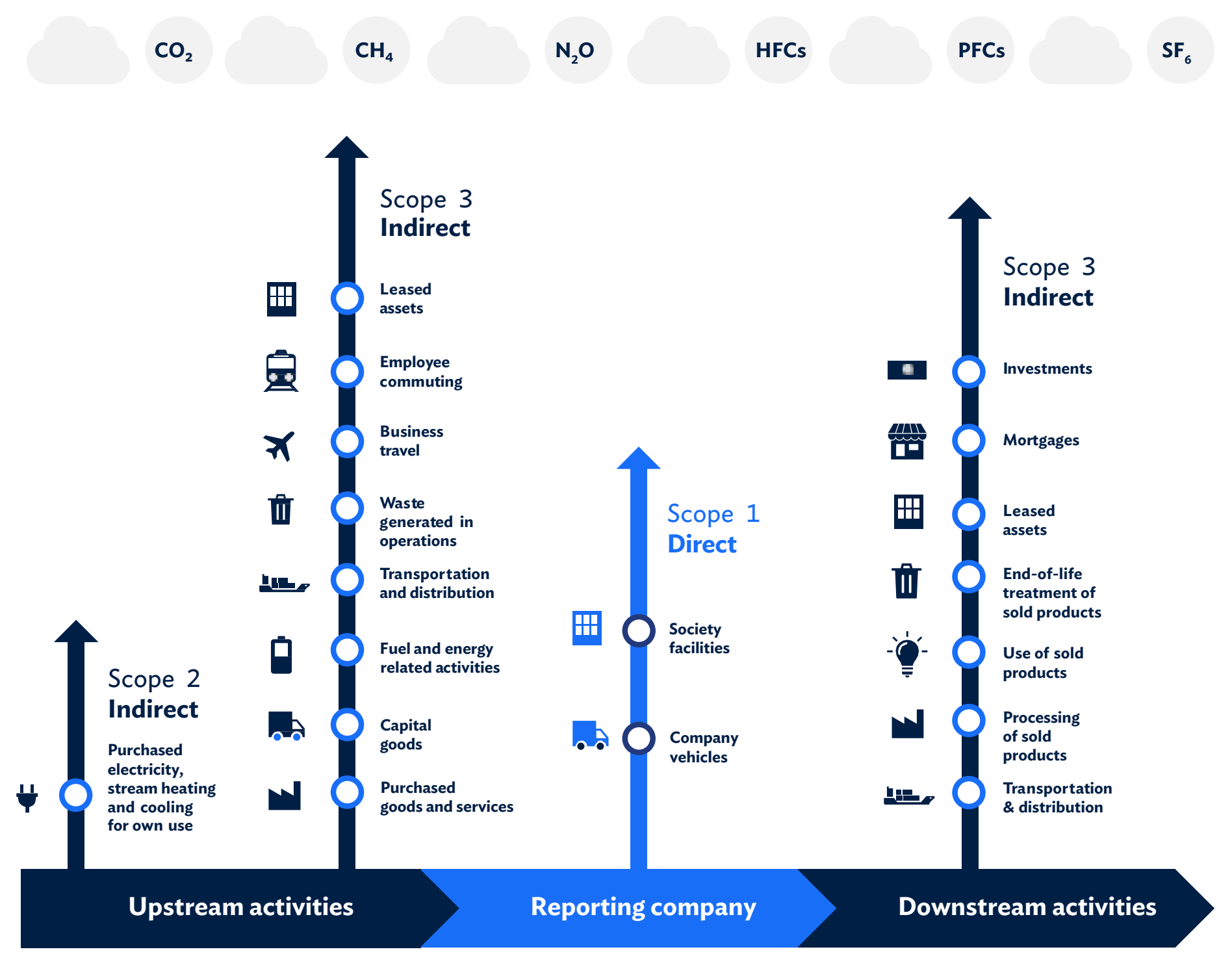
In 2024, the Society’s total greenhouse gas emissions were 701 thousand tonnes, 97% of our total emissions relate to the homes that we lend on (our financed emissions), with another 2.5% coming from suppliers we work with.

To facilitate further progress in reducing these 99.5% of our indirect emissions, we must first lead by example to our borrowers and suppliers. We’re achieving this through our targets and progress for our own operational emissions (Scope 1 and 2). We’ve continued to reduce emissions we have direct control over, and we ensure sustainability is central to our business operations. We aim to become net zero for our own operations by 2030.

We’re pleased to report that we have had significant reductions in our Scope 1 and 2 emissions, with a 18% reduction 2024 vs 2023 and a 50% reduction in emissions 2024 vs 2020. We’ve achieved this through targeted interventions to improve our property efficiencies, removal of gas usage and our continued investment within renewable energy contracts and onsite solar where possible for our electricity.

To align with our ambition, we continue to develop our net zero transition plan using the SBTi 1.5 degree pathway methodology and to ensure validation of our data and emissions we’ve been working in line with ISO 14064 since 2021.

During 2024, we signed the letter of intent with SBTi. However following the acquisition of The Co-operative Bank we took a conscious decision to pause setting a science based target, to ensure our approach regarding long term climate commitments are cohesive across the new larger group. We will recommence our review of setting a combined target during 2025.







# Our approach and emissions impact

During 2025, we will work to leverage best practice from both the Society and the Bank, enhancing our sustainability initiatives and ambitions. This collaboration will inform our combined net zero strategy, ensuring it is robust and achievable. We will look to submit a science based target collectively in the future. We will continue to engage with SBTi through the pilot scheme and consultation of their Financial Institution Net Zero Standard (FINZ), ensuring approaches to decarbonise UK homes remain within the best interests of our members and continue to drive the right behaviours within the financial sector.

## Our response to our emissions impact

To address our second largest emissions impact, our supply chain; this year we have proactively engaged with our top 71 suppliers which equates to approx. 80% of our supply chain emissions footprint. We've collaborated with these suppliers to gather their actual emissions data and their net zero decarbonisation plans. This has allowed us to calculate our supply chain emissions for 2024 using a hybrid methodology. This method has allowed us to use a combination of supplier-specific activity data and secondary data to fill the gaps. This method involves:

- Collecting allocated Scope 1 and Scope 2 emission data directly from our suppliers;
- Calculating upstream emissions of goods and services from suppliers' activity data on the amount of materials, fuel, electricity, used, distance transported, and waste generated from the production of goods and services and applying appropriate emission factors; and
- Using secondary data to calculate upstream emissions wherever supplier-specific data is not available.

This has enabled us to move away from solely using a spend-based method (as used in 2020-2023), which estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (industry average) emission factors (average emissions per monetary value of goods). We will continue to use this hybrid method going forward, to ensure our calculations for our supply chain are reported more accurately which enables us to track our progress towards our net zero ambitions.

This engagement and updating our calculation methodology has resulted in a 22% decrease or our supply chain emissions in 2024 compared to 2023. We will continue to improve and refine the hybrid methodology in 2025.

Our other areas Scope 3 emissions, such as employee commuting and working from home, have also slightly decreased in 2024 compared to 2023 due to initiatives we have put in place to continue to help our employees reduce this impact where we can (such as Tado smart thermostat kit discount, carbon calculator app and our electric vehicle scheme).

Details of our financed emissions follow on the next page, but for a full breakdown of our emissions data (calculated as part of this report in accordance with the GHG Protocol), energy consumption data and other environmental impacts can be found in our separate [datasheet](#). All data within the datasheet successfully meets the requirements of Net Carbon Zero certification, accredited by Achilles Information Limited, having measured the Society's GHG emissions in accordance with ISO 14064 Part 1:2006.

## Our position on offsetting

According to the Science Based Targets initiative, there are two broad categories of carbon credits:

**Compensation:** credits generated by action to avoid or reduce emissions outside of a company's value chain. This can include protecting forests that would have been cut down.

**Neutralisation,** often known as carbon removals: credits generated through direct removal of GHGs from the atmosphere. This can include planting new trees that sequester carbon.

We believe credible net zero strategies must lead with science-based emissions reduction pathways, complemented with carbon removals only when all feasible reductions have been implemented.

We currently offset the small amount of emissions we cannot yet remove entirely from our Scope 1 emissions. We purchase our offsets through credible and established offset brokers. The project supports a wind farm consisting of 30 wind turbine generators with a total capacity of 60MW, which is exported to the Indian electricity grid. This directly displaces an equivalent amount of electricity which would have otherwise been generated from a national energy mix dominated by coal and gas.

[The Gold Standard](#) ensures that credits are additional, measurable, conservative, permanent, independently verified, uniquely numbered and transparently listed.



# Our approach on financed emissions

Aligning with our net zero ambition, we’re aiming to improve our customers’ home energy efficiency to an average EPC rating of C or above.

As of September 2024, for the subset of properties in our portfolio (82%) that have an EPC the proportion of EPC A, B or C is 38%. This is an improvement on last year’s EPC distribution where 36% were EPC A, B or C.

EPCs, while not perfect, currently represent the best source of publicly available data on the energy efficiency of properties. This data is our starting point, we’ll continue to assess and use the best data possible, aligning with industry best practice, while recognising that this may change as and when more robust data sources become available.

Our financed emissions have slightly decreased by 1% in 2024 compared to 2023, despite business growth and an increase of number of homes within our mortgage book. This is due to increased EPC coverage and improving our average financed emissions per property within our portfolio to 2.18 (TCO2e). Since 2020 we have seen a decrease of 4% from our financed emissions when comparing to 2024.

During 2024, government opened a consultation to reform Energy Performance Certificate methodologies, over the next two years we expect there to be changes within the Energy Performance of Buildings framework. The current expectation is that this regulation will go live during 2026, therefore during 2025 we will continue to support our members and buy to let customers transition and abide by any new changes in regulation.

We will continue to raise awareness of, and support our customers with, potential improvements to the energy efficiency of the properties we lend on through the promotion of our retrofit lending product, our ‘Green additional borrowing’ and we will partner with a reputable retrofitting provider, to ease efficiency transitions for our customers. All while continuing to develop further innovative propositions.

To achieve our all together, better purpose, we’ll need further government action, key stakeholders to work together, and for members to do their bit, to collectively create greener homes. In the period to 2040, we expect energy efficiency improvements to be principally driven by buy to let properties and through the Society’s share of lending to new builds (typically EPC rated B or above).

	2021	2022	2023	2024
Total properties	304,400	303,695	308,039	310,121
Absolute financed emissions (MTCO2e)	0.71	0.68	0.68	0.68
Average FE per property (TCO2e)	2.34	2.24	2.22	2.18
FE intensity (KGC02e/m2)	44.30	44.83	44.39	43.52
% EPC match	77.00%	77.00%	81.00%	82.43%
PCAF Data Score	3.47	3.47	3.15	3.15







# Our net zero ambition

We have set ourselves an aspirational net zero ambition. Although we recognise that this is an industry-wide and generational issue which the Society cannot achieve alone, we will continue to engage proactively with the industry, NGOs and government to work towards this ambition.

We'll continue to align with government targets and incentivise our customers to influence positive action towards meeting this challenge.

This is a challenging objective but one we think is important to aim for, as supporting our members is our purpose. Our work in this area will therefore be based on the recognition that the instances where we can drive emissions reduction in this context are limited. However we will continue to equip our customers with the awareness, knowledge, confidence and ability to improve the energy efficiency of their homes, and we continue to offer a range of green propositions and initiatives to support this.

We'll look to balance any remaining emissions through high-quality climate solutions that benefit people and the environment.

Our business model means that our strategy does not involve lending to or investing in business which has a negative impact on the environment, such as those in fossil fuel industry; instead our largest area of emissions are from the UK homes we lend on. We recognise that we will not be able to deliver the reduction in emissions needed to achieve net zero without broader policy changes, significant cross-industry collaboration, and the further government support focused on UK housing.

None of the Society's direct lending supports development in sectors of the economy which carry heightened risk. These include automotive, power utilities, land transport and logistics, agriculture, construction, oil and gas, airlines and aerospace, building materials, shipping, chemicals, mining and metals. We do not offer commercial mortgages and so deep dive assessments of ESG-intensive industries is not applicable.

Definitions of Scope 1, 2 and 3 emissions are as follows:

Emissions	Description	Control and influence indicator*
Scope 1	Direct emissions from our owned sources, for example emissions from the Society's car fleet and gas usage.	High
Scope 2	Indirect emissions from the generation and consumption of purchased electricity and heating, for example the electricity bought by the Society to power its branches.	High
Scope 3 upstream	Upstream emissions are emissions which result from our supply chain, purchasing goods and services, capital goods, and transportation and distribution.	Medium
Scope 3 downstream	Scope 3 emissions cover all other indirect emissions that occur in our value chain. With our largest impact being our mortgage book for the homes that we lend on.	Low

\*The control and influence indicator provides an indicative view on our ability to control our emissions exposure, with high being a high level of control and fully within our abilities, and low being a low level of control with significant reliance on government and other industry parties.





# Other environmental impacts

Alongside our emissions we also monitor and manage our environmental impacts from waste, water and paper usage.

The Society’s waste related impacts arise from the activities of our employees and the facilities, paper documentation and correspondence we send to third parties and our customers.

We’ve put in place a variety of strategies across the Society to reduce waste and increase the number of reused and recycled products. By doing these things, we have materially reduced our amount of waste by 37% comparing 2024 vs 2020. In addition, we’re proud to say we delivered the 59% reduction in paper usage in 2024 from our 2017 baseline.

We continue to campaign to reduce printing wherever possible. As part of our digital agenda, we anticipate that more of our communications with customers will be electronic rather than paper based. With all these activities, we’re looking to materially reduce our amount of waste, specifically the plastic and non-recyclable material we generate.

In 2024, we had no fines or non-monetary sanctions for non-compliance with environmental laws or regulations. Our environmental standards are published within our Environment Policy which is available on our website.

## Reduce waste

- Removed single use plastic, disposable coffee and water cups from all sites
- Recycling bins installed at all sites
- Reduced total waste by 37% between 2020 and 2024, through our targeted interventions
- Since 2017, none of the Society’s waste has been sent to landfill and, in 2024, 85% of our total waste was recycled
- The remaining 15% of waste was sent for energy recovery, which means our non-recyclable waste materials have been converted into usable heat, electricity or fuel.

## Reduce paper

- Commenced campaign with colleagues to reduce printing
- Investment in digital technology to reduce paper for customer communications
- 100% of our paper consumption now originates from recycled sources or those certified by the Forest Stewardship Council (FSC)
- Paper usage across the Society has fallen from approximately 249 tonnes in 2023 to 226 tonnes in 2024.

## Reduce water consumption

- We use registered water suppliers for all water and sewage requirements, including kitchens and facilities across head offices and the branch network
- We have water saving taps and waterless urinals in all our head office sites
- We’ve reduced our water usage by approximately 27% when comparing 2024 consumption to that of 2020.



# Working in collaboration

## Our suppliers

We have proactively engaged with our top 71 suppliers to understand their actual emissions produced when they provide goods or services to the Society. We find this to be more accurate than using industry norms by spend. Therefore we will continue to engage further with the next tier of suppliers by volume of spend throughout 2025. We will also continue to improve our data quality, and to align to our net zero transition plan and our target to decarbonise our supply chain by 5 – 25% between 2020 – 2030.

At our annual Supplier Award ceremony, we celebrated sustainability by commissioning a local artist to create our supplier award trophies out of recycled materials.



## United Nations Global Compact

This year we took part in the UN Global Compact SDG Innovation Accelerator for Young Professionals. The programme is designed to harness the power of the Sustainable Development Goals as a driving force for the creation of pioneering products and services.

The programme provided a lot of learning, especially around using innovation frameworks and ideation techniques when designing solutions for sustainability issues. We had members from our innovation team on the programme, where they got insight into different industry sustainability challenges and the role businesses have to play in making the world a more peaceful and prosperous place. The programme highlighted the scope of some of the challenges we face, and the ways in which they impact our business, our members, the wider society, and the planet. Our Innovation team are key to influencing the future strategy, so having them educated and passionate about sustainability through this programme is a real benefit for our organisation.





# Working in collaboration

## Our members

Britain’s housing stock makes up more than a fifth of our national carbon emissions, and it’ll take a concerted effort by lots of stakeholders including government, industry and home-owners to improve the energy efficiency of the places we call home.

This includes retrofitting existing housing stock as well as improving new building standards, and at the Society we’re giving members all sorts of help to do just that.

Our green additional borrowing product allows members to borrow more at a lower rate than their mortgage to go towards home energy efficiency improvements, helping them to reduce their emissions and bills. We’ve launched a sustainable living section on our website to help our customers understand the impact of home energy use and provide hints and tips along the way. Our Home Energy Efficiency Tool provides a personalised energy-savings plan, to help customers make energy-saving improvements to their home.

In 2025, we’ll continue growing the green mortgage market and expanding the choice of products for customers – all part of creating a more sustainable market.

## Wates innovation

In 2024, we’re proud to partner with Wates, alongside other organisations to launch the first-of-its-kind environmental solutions call out for green masterminds across the UK. This is to find the next generation of sustainable products and services. We’re inviting businesses that can help improve biodiversity and reduce carbon in the banking sector to demonstrate their solutions to a panel of technical experts. Anyone successful will be considered for funded pilot projects and will secure a place on the Wates Innovation Network Portal in 2025.

**Over 300**  
applications for our  
Green additional borrowing



### Could you be our next innovation partner?

We are looking for sustainable innovations to help achieve a net zero future. Can you help us...

reduce embodied carbon in buildings?

reduce waste in the design, construction and use of buildings?

reduce business travel and commuting emissions?

enhance biodiversity?

drive energy efficiency through behavioural and cultural change initiatives?

reduce the energy produced from buildings?

**Tell us about your solution now.**  
**Become our next innovation partner.**

LLOYDS BANKING GROUP

COVENTRY Building Society

SKIPTON BUILDING SOCIETY Since 1853

Leeds Building Society

Rutland FORUMS Collaboration for Net Zero



# Working with our colleagues

During 2024, we've delivered the following with our colleagues:

2,974

trees planted in  
Coventry



Planting a tree for every employee

In February 2024, we continued our partnership with Coventry City Council and planted almost 3,000 trees at Clifford Bridge Road with over 100 Society colleagues volunteering their time. We've partnered with them to support their plans which could see 360,000 trees planted across the city over a 10 year period, helping to improve air quality and combating climate change across the city. We're all about contributing to a cleaner world, so we've committed to plant new trees each year for every employee. Not only that, but also plant a tree for every Young Saver Account member too.



Forest Carbon Scheme

We also partner with the Forest Carbon offsetting scheme to offset the tonnage of Forest Stewardship Council (FSC) sustainably certified paper that we use in our business operations. The scheme plants native woodland across the UK, ensuring the right trees have been planted in the right place. Our estimated carbon capture through this scheme is scientifically based and our woodland at the Croft in Cumbria is protected for the long-term and properly managed. It enables us to buy Woodland Carbon Units, carbon credits certified under the government-backed UK Woodland Carbon Code, for which we receive a certificate showing the amount of CO<sub>2</sub> we've balanced and the number of trees planted within our protected areas of land. These carbon credit volumes are calculated to cover the extraction, primary processing, manufacturing and transportation of our FSC certified paper. This tree planting scheme has also helped to reduce the risk of flooding in the local catchment areas. In 2024, we planted 693 trees, capturing 173,521kg of carbon.

100

Society colleagues  
volunteering  
their time to  
plant trees



Environment Advocate

We have a team of passionate colleagues at the Society who have chosen to sign up to be Environment Advocates to support our #SustainableSociety movement. This voluntary initiative started in 2021, with the aim of increasing the environmental impact and awareness of our net zero ambition, and engaging colleagues. Our Environment Advocates take action against climate change and provide local support, such as running local awareness campaigns aligned to our sustainability strategy. Together, we're driving our environmental movement throughout the Society by:

- Championing our targets: engaging our colleagues
- Getting the conversation going: leading to sustainable ideas or even changing the way we work
- Creating the right culture: sharing ideas on how to save energy and/or be more environmentally friendly
- Sharing our experiences: posting ideas on a dedicated Society intranet page and having regular catch-ups.



# Working with our colleagues

During 2024, we've delivered the following with our colleagues:



- Continued our partnership with Tado, offering our colleagues smart thermostats at a discounted rate for their homes, helping our colleagues to reduce their emissions and bills.
- Our internal carbon calculator app encourages our colleagues to take climate action at work, home or wherever they are. It also helps improve their climate literacy and aligns with our net zero ambitions for the future. Since the launch, we've collectively saved 525 tonnes of carbon emissions, equalling 1,576m<sup>2</sup> of sea ice surface or 951,339 miles driven- that's enough saved carbon to drive 38 times around the earth.
- Our colleagues have led internal engagement events to raise awareness of our impact on the environment, through hosting Plastic Free July, which included sustainable markets such as zero waste plastic free products, locally sourced suppliers and handmade goods.



- Maintained our wildflower meadow, installed bee hotels and ran our sunflower project at our head office campus promoting biodiversity and colleague wellbeing. To celebrate World Bee Day we raised awareness of the importance of bees and pollinators, what colleagues can do at home and in gardens to support them. We also used this event to spread awareness around the Asian Hornet, that poses a threat to bees, and how to report sightings of them.
- Reduced the amount of paper and branch literature.
- Maintained our Forest Carbon Scheme.
- Removed single use plastics from our office sites.
- We worked with a local artist to make LED lights out of recycled plastic drinks bottles.



- Shared our monthly environmental newsletters with our colleagues and educated them on climate change myths.
- Celebrated environmental awareness days, such as Recycle Week, World Environment Day and Earth Hour. Provided colleagues across the Society with opportunities to attend online webinars such as a recycling information session during Recycle Week.
- Organised community litter picks around Coventry #BinleyMegaPicky
- Engaged with our colleagues to reduce our waste and promote further recycling where possible.
- Continued our pre-loved programme for our community partner Hereward College.



# Working on our own operations

We're committed to making a positive contribution to address climate change. Therefore, we're reducing our direct impact as a business, enabling our progress towards net zero for our own operations by 2030.

We've made great progress within this space, by reducing our operational emissions by 50% within four years and we have been recognised for our efforts at the National Sustainability Awards. Our priorities remain to increase our on-site renewable generation wherever possible, remove the use of gas completely from our portfolio and transition our company fleet to 100% electric vehicles by 2030.



## Solar installations

Since 2022, we've installed over 900 high efficiency solar panels on two buildings at our head office campus. These improvements generate on average 30% of each of the building's electricity needs and we continue to invest in on-site solar energy generation wherever possible.

During 2025, we have plans to install solar panels at another one of our head office sites.



## Air source heat pump installation

In 2023, we replaced our gas boiler system in our Godiva office with an air source heat pump (ASHP), which runs on electricity, so it works seamlessly with our solar panels. It's 2.5 times more efficient than our old gas boilers so for every 1kW of electricity it uses, it can provide 2.5kW of heat.

ASHPs work by absorbing heat from the outside air. This passes through evaporators and compressors, transferring to the building and into our radiators via heat exchangers. This ASHP in addition to our continued removal of gas usage within our branch network has contributed to a 61% reduction in our gas usage since 2020.

During 2025, we will install another ASHP at our Coventry House head office.



## Electric vehicle fleet

In 2022, we launched our electric car scheme via salary sacrifice, open to all colleagues, providing them with access to zero emissions travel. So far, 75% of our fleet is full electric; we have 101 active full electric vehicles within our fleet. Over the next six years we'll transition our remaining 34 colleagues with company cars onto this scheme.

We believe investing in electric cars give us cleaner streets making our towns and cities a better place to be for pedestrians and cyclists. In over a year, just one electric car on the roads can save an average 1.5 tonnes of CO2. That's the equivalent of four return flights from London to Barcelona.



In this section

Our purpose guides the positive impact we aim to have on the lives of many of our stakeholders, including our members, colleagues and the communities we serve. We think global, looking at how we can contribute to the UN SDGs and translate these into local action, consulting with our stakeholders to understand the difference we can make.

We want members to have the products that help them achieve their goals, while making our services easy and convenient to use. Our ambitions for colleagues start when they first consider a career with us. We want to attract the best people, with no barrier standing in the way of talent, and give them an environment in which everyone feels included where they're able to thrive and progress. For our communities, we aim to change lives for the better, providing support and creating opportunities through our own efforts. We want to build strong and enduring partnerships and by doing so, we'll deliver transformational change in our home city.

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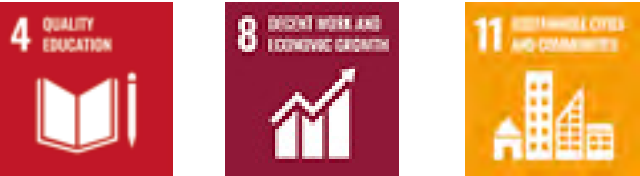
“ Our ambitions for people, our colleagues and our communities are at the heart of this section of the report. I hope you enjoy reading more about the meaningful impact of our work, which I truly believe can be life changing. ”

Lucy Becque  
Chief People Officer

Our CARES alignment

Caring | Straightforward | Empowered

SDG and B Corp alignment



B Corp Impact Area

- Community
- Colleagues
- Customers





# Social performance and target progress

**Goal**

50% of roles filled internally by 2025

**Progress**

44% of roles filled by internal candidates in 2024



**Goal**

40% of senior manager and above roles held by women by 2025

**Progress**

37% of senior manager and above roles held by women in 2024



**Goal**

25% of manager and above roles held by colleagues from ethnic minority groups by 2025

**Progress**

16% of manager and above roles held by colleagues from ethnic minority groups



**Goal**

250 apprenticeships over five years from 2021

**Progress**

264 apprentices since 2021



**Goal**

50% of senior management roles from internal recruits by 2025

**Progress**

48% of senior management role from internal recruits in 2024



**Goal**

10,000 children and young people supported via education programmes over three years from 2021

**Progress**

44,170 children and young people supported since 2021



**Goal**

1,000 people supported through Better Foundations (formerly Access to Housing) between 2021 and 2025

**Progress**

5,503 people supported through Better Foundations in 2024



**Goal**

Supporting 10,000 first time buyers annually by 2023

**Progress**

Supported first time buyers to purchase 7,095 homes in 2024



On track Not on track Achieved

As we have increased our community investment, we have also increased our targets on Better Futures and Better Foundations for the number of people we hope to reach.



# Coventry futures

7,095  
homes purchased

We have a role to play in creating better futures for all of our stakeholders. For our members, through helping them save, and supporting their home ownership journey. For our colleagues, helping them develop and reach their full potential. For our communities, in supporting children and young people, helping to build aspirations and show a future of possibilities.

## A future home

We know how important it is to be able to plan a future in your own home. In 2024, we continued to improve our products, borrower support and mortgage processes to help as many people as we can to realise their dream of homeownership and move up the property ladder.

We've had a record-breaking year with more applications from first time buyers than ever before, reflecting our purpose-led principles and commitment to supporting customers onto the property ladder. We've introduced innovative solutions such as our CV Mortgage and Loyalty Mortgage Saver, to give an extra helping hand to those buying their first or next home. Despite challenging market conditions, we increased our own first time buyer lending by 13%, supporting over 7,000 households into a first home.

In 2024, we've continued to improve the experience and offering to our existing customers, including extending our app capability to provide features for mortgage customers, implementation of our mortgage newsletter and enhancements to internal processes to make the application journey as smooth as possible.

On the savings side, we launched a new partnership with Salary Finance, to help employees of UK businesses to save directly via their regular pay. To date, we have supported nearly 3,000 employees to set up a savings account. This is reflected in the age profile of these new members, with 52% being under 40 years of age.

Other offerings in 2024 included:

- An energy savings tool on our websites, with support from the Energy Saving Trust, for our homeowners, landlords and brokers
- Continued Green additional borrowing aimed at our existing customers who wish to borrow to improve their energy efficiency
- Proactively contacting selected borrowers who may benefit from a product switch or are not using the product's benefits to their full potential.

For some young people, having a safe place to call home isn't always easy, and in 2024, over 118,000 found themselves homeless. Our new corporate charity, Centrepont, is working to end youth homelessness, and we're working with them to make sure this happens.





# Centrepont

In 2024, we donated over £1m to support our corporate charity Centrepont, with their ambition to ‘end youth homelessness’ by 2037.

Our donations help fund the Centrepont Helpline, which provides specialist advice and guidance for young people across the UK who are homeless or worried about housing, as well as helping more young people into education, training and employment opportunities, enabling them to realise their potential.

Together with local Centrepont partner St Basils, we’ve opened a brand new Youth Hub in Coventry. The new hub has revolutionised the support young people receive, ensuring every homeless and at-risk young person in Coventry has a place to turn to in a time of need.

The Society also funds a transformational prevention programme with schools, hitting at the heart of the problem by proactively identifying those at risk and taking steps to intervene early. This ambitious and much needed programme is the biggest of its kind to be piloted in the UK and will be part of the long-term route to ending youth homelessness for the next generation.

Society funding supported  
**1,820**  
young people through the helpline



**399**  
young people supported through Centrepont Works



**1,280**  
school children surveyed to identify those at risk of homelessness



**320**  
young people supported via the Coventry Youth Hub





# Coventry Youth Hub – a partnership with St Basils

The Coventry Youth Hub officially opened its doors in March 2024, thanks to the financial support provided by Coventry Building Society. The aim of the hub is a simple one – to be a place where young people in Coventry at risk of homelessness can get the support they need.

It’s a one stop shop for young people, where all factors that have led to crisis can be dealt with in a personal, non-judgmental way. A place where they only have to tell their story once. A place where they can feel heard and know that whatever has led them to the front door of the building, they can be assured that they will be on their way to progressing with a life where the threat of homelessness is reduced.

Since opening its doors, the hub has carried out 303 assessments of young people who have needed support, and taken an additional 117 calls where they have offered information, advice and guidance.

The issues the hub deals with are complex, covering a multitude of areas such as mental health support, financial concerns and accommodation needs. But, due to the partnership working that takes place in the city, the hub is able to provide support to those who need it.

Partnership working also came to the fore during the refit of the Hub as the Society’s Property team worked with nine suppliers to undertake all necessary works to turn a dilapidated office space into a bright and welcoming environment. All suppliers donated their time, professional services, labour and materials free of charge, saving the charity over £90k.

## Menkem’s story

Menkem first came to the Coventry Youth Hub in September 2024, homeless and in need of support to find accommodation.

Coventry Youth Hub team members worked with Menkem to assess her needs, supporting her to engage with ESOL (English for Speakers of Other Languages) and integration, with an application for Universal Credit, and setting up mobile banking. As a result, Menkem was housed in a St Basils project within Coventry.

Menkem is now in a much better place to succeed and achieve her goals in life.

The Coventry Youth Hub is changing the lives and outcomes of young people in the city, ensuring that a brighter future is possible for those who need it.



“I first approached the Coventry Youth Hub on the 8th of October 2024. I moved to a St Basils project where I’ve been supported by Linda to become more independent, how to set up accounts to pay my household bills like Council tax as well as supported me with looking into volunteering options to improve my communication and employability skills. I am hugely grateful to the support of the Youth Hub provided and think it’s a really valuable place that will help a lot of young people in need in Coventry”.

**Menkem**



# A future of possibilities

We launched our ‘Better Futures’ programme in 2020 with a long term commitment to our nine partner schools and the Positive Youth Foundation, to equip young people with the knowledge, skills and confidence to succeed, setting them up for a better future.

Each year we identify new ways to support the young people of Coventry, and improve future social mobility. In 2024, we had a greater focus on inclusion, adding a new ESOL (English for Speakers of Other Languages) category to our Young Writer of the Year competition, and using bilingual colleagues in our Coventry Counts sessions to share how they’re able to use their language skills to help members.

While most of our work in schools is delivered directly by colleague volunteers, we also work in partnership with specialist organisations. These include a local start up, Skint2Mint, set up by a young entrepreneur to teach children about managing money. Over 3,200 primary school children have benefitted from Skint2Mint sessions in 2024.

We have also launched a new partnership with the charity ‘TechSheCan’ whose mission is to ‘inspire more children, particularly girls, to see the possibility that a job in technology can bring.’ Supported by TechSheCan, volunteers from our CIDO department have been delivering primary school assemblies to help young people understand more about careers in tech. At a secondary level, we are working with small groups of girls to bring to life routes to success in digital careers.

15,113

young people supported by our education programmes and hardship funding



723

young people attended homework club at Positive Youth Foundation





# A future of possibilities

In a school with over 48% of children on the SEND register and over 35% of children coming from disadvantaged backgrounds, they enter our Early Years significantly below other children of a similar age in different parts of the city and county. As a school, the support that Coventry Building Society provides financially is second to none, but also the support in terms of enrichments to our curriculum and helping us to raise aspirations especially for our most vulnerable children e.g. young carers. In addition to this, they have provided us with unstinting support in managing trips through providing volunteers and support – this helps us to maintain our ‘entitlement for all’ and remain fully inclusive in all that we do.

Through the Society, there has been enhanced support for disadvantaged children through funding that supports families at key times of the year, opportunities that enhance our curriculum to help children manage challenges that lie ahead of them. This enables us to help close the gap between disadvantaged children’s outcomes and support community engagement through their collaboration with events that we run as a school.

**Jennie Burbidge**  
Headteacher  
Courthouse Green Primary School



Our partnership with Coventry Building Society has yet again enabled us to move beyond the classroom in support of our young people and make a real and sustainable impact on their wellbeing. The support we have from the Society in a financial capacity allows us to enrich our students through trips and visits, cultural capital experiences and opportunities such as international trips that many of our students would be unable to access otherwise. We have also been able to support our families in their homes because of this partnership impacting deeply on the social and financial wellbeing of our community.

In terms of the Better Futures programme of activity enriching our young people, the impact is immeasurable on their aspirations with the partnership exposing young adults to a range of careers paths, work experience and real-world work environments – this has proven incredibly successful in encouraging more young people to seek higher level apprenticeships, more competitive fields of work and university courses. We are so grateful to the team at Coventry Building Society for all that they do for Grace.

**Natasha Whiles**  
Headteacher  
Grace Academy







# Developing future careers

We want colleagues to have fulfilling futures at the Society and provide many opportunities for internal mobility. For some this is a promotion, for others, it’s the opportunity to move to a new part of the business and retrain. Vacancies are advertised internally on a dedicated microsite, enabling employees to search for open roles that match their interests.

Our approach to performance and development centres on having brilliant conversations and we work hard to make sure the process doesn’t get in the way of that. Our shared goals mean that colleagues understand priorities and can align personal and local activity to these. We don’t use performance ratings and we operate a more flexible annual timetable so that every employee can fully engage with the performance process. Our People function includes a dedicated Talent and Development team which has responsibility for supporting colleagues’ development needs. All colleagues undertake training modules throughout the year to ensure they have the skills necessary to undertake their roles and we also support colleagues to gain professional qualifications.

We have our own digital learning platform which provides a whole host of learning content, all of which is open to every employee working at the Society. We also recognise the important part that managers play in development and we provide a wealth of management development opportunities.

In 2024 we launched our Leadership Excellence programme. The programme is Institute of Leadership and Management (ILM) assured and is designed to offer personal development, self-reflection, team development and support techniques. It provides insight to develop, live and breathe the Coventry culture, and methods to drive our business forward giving the opportunity to think and plan strategically. To date, 60% of managers have engaged in one or more of the modules with the content receiving a Net Promoter Score of 63.

44%

of all roles are filled by existing colleagues



4,500 hours

of learning take place every month



32

new interns in 2024



84

new apprentices in 2024



3

graduates in 2024







# A caring Coventry

Our purpose guides the positive impact we aim to have on the lives of our stakeholders, and caring is at the forefront of our values. Whether this is caring about the service we provide to our members, caring for the wellbeing of our colleagues, or the more vulnerable members of our communities.

## Caring for our communities

We want to make significant, lasting improvements to the lives of the most vulnerable and disadvantaged in the communities in which we're based.

By talking to experts, practitioners and other stakeholders, we've developed a place-based community strategy, focusing on Coventry and three areas of need where we can bring relevant resources and experience to make a difference. These three focus areas are:

- Better Futures – supporting young people to build better careers
- Better Foundations – helping people stay in their homes
- Better Connections – tackling loneliness and related challenges.

We work in partnership with the public, non-profit and private sectors to improve opportunities for the most disadvantaged in our city to have a better life.

We also have the Coventry Building Society Charitable Foundation, which has donated over £3m over the last 26 years. The Foundation operates independently of the Society, and has a place-based focus, supporting charities in Coventry and Warwickshire primarily working to build communities, and alleviate loneliness.

£4.5million

total community investment in 2024

12,733

hours of colleague volunteering



21,309

people supported by our community programme





# A caring Coventry

Local collaboration between business, local government, community organisations and educational institutions is the most effective medium for businesses to support disadvantaged places. The work Coventry Building Society are doing in Coventry, and the support they have given to communities in the city is exemplary. Their willingness to build meaningful partnerships with the non-profit sector and other key local agencies is already making a difference for communities and will continue to drive meaningful transformation in the long-term.

**Baroness Jo Valentine**  
Place Director  
Business in the Community





# Caring for our members

Fluctuating interest rates have led to many conversations with members about their financial needs and what we can offer.

In 2024, we helped nearly 780,000 customers over the phone, and we supported more than 570,000 customers with making financial decisions following their fixed term accounts maturing. We also supported more than 2 million customers visiting our branches in person.

As part of our digital first, human always ambition, 2024 saw the launch of our mobile app with 130,000 customers already signed up. We continue to add more features to this important servicing channel and have used our member panel to help prioritise new features and act on their feedback.

## Supporting borrowers in financial difficulty

We recognise that from time to time our borrowers can experience challenges that could affect their payments. This has been heightened by the recent cost of living pressures. We work hard to contact our borrowers and encourage them to do the same if they have any concerns about making payments. There’s lots we can do to help and repossession is always the last resort after many attempts to support.

When we speak to our borrowers we’ll have a detailed look at their circumstances, understand what their challenges are and identify support through a range of forbearance solutions we can offer. We’ll keep in regular contact through any arrangement period and provide ongoing support. This can also include a referral to our debt advice partners who can help resolve any wider pressures with other creditors.

**+79 NPS<sup>1</sup>**

**Overall for the Society**  
(2023: +76)



**58**

**seconds average**  
**call waiting time**  
(2023: 105 seconds)



1. NPS (Net Promoter Score)



# Caring for our members

## Ensuring all customers get good outcomes

We have a track record of doing the right things for all our customers, including those that have characteristics of vulnerability. We have a well-established working group (since 2017) whose purpose is to champion the needs of vulnerable customers. We've delivered a number of initiatives that have arisen out of discussions at this forum.

## Colleague education

To support our network of Vulnerable Customer Experts (VCEs) who are embedded across our customer facing teams and in head office functions, we hold two events annually where they get the opportunity to share knowledge and expertise with each another and hear from guest speakers on various subjects.

This year we were joined by colleagues from our Product/Proposition and Research teams who shared more about the different stages of the product lifecycle, highlighting how vulnerability is considered throughout.

At induction, all Customer Service colleagues are provided with a guide on 'Supporting customers in vulnerable circumstances' which pulls together information on vulnerability, ranging from how to identify vulnerabilities, how to start the conversation, and the support services available.

Training for our customer facing teams also includes consumer financial protection and to ensure that knowledge is kept up to date, and there are a number of mandatory courses that are taken throughout the year.

## Support for members

A new customer leaflet has been created called 'Making our services accessible, find out what we can do to help' to promote our support services and explain how to arrange them.

We have rolled out the Alzheimer's Society's Dementia Awareness sessions, with colleagues becoming Dementia Friends, giving them a better understanding of how to spot signs of dementia and know how to handle interactions to make a customer feel more supported.

One of our Better Connections ambitions is to 'make Coventry a less lonely city'. We use our branch network to bring together members who may be struggling with grief, illness, or loneliness. Hundreds of people have been supported through the branch coffee mornings, with a number of them being invited to join our befriending events at the Belgrade Theatre and the Coventry Building Society Arena. For some, these are the only social activities they are able to take part in, and we've seen a number of new friendships grow as a result.





I have been with the Society for 51 years and they have always been so good to me. There's always a friendly face, and they all know me in there. I love going to the coffee mornings and socialising with others. And the befriending events have been brilliant, it makes such a difference having something to look forward to.

**Kevin**

Coventry Building Society member





# Caring for our colleagues

In 2024, we were delighted to place 11th in Great Place to Work’s® league table of super large organisations, in their list of the UK’s Best Workplaces™.

There are many elements to this, from our colleagues understanding our purpose as a business and how proud they are to support our members and communities, to how we care for and support them as individuals. And this is where our employee networks come in.

This year we’ve added networks supporting accessibility, social mobility, and women, to complement our existing networks – Black, Rainbow, Menopause, Neurodiversity, Asian and Carers. These colleague-led networks are empowered to take action, suggest changes, and connect with our diversity and inclusion governance groups – our Council and Think Tank – to share their feedback on working at the Society.

In 2024, our Black Network received the Employee Resource Group award for the most successful Black Network at the Black Talent Awards.

The awards team were looking for a resource group that was having a positive impact on its members and the wider black community. The team praised how the Coventry Building Society team had gone from launching their network to being a thriving and successful group within two years. They referenced our range of impact and activities including education, awareness, events, advocacy, leadership engagement, outreach with local community and charity groups including Coventry Fridays, Coventry MIND, experience sharing with Black Networks in other organisations, supplier diversity initiatives, fundraising for Centrepont and supporting each other’s career ambitions and skills development. The Black Network are incredibly proud to be recognised as best practice exemplars in the field and are grateful to the support provided to us by the Society and our Executive Sponsor for D&I Rachel Macfarlane who has empowered us to deliver on our vision.

**Rebecca Howard**  
Black Network Co-Chair





# Caring for our colleagues

The Accessibility Network was formed in 2024, bringing together our groups focussed on neurodiversity and disability awareness. This combined approach will further support the Society’s Disability Confidence journey by offering our ‘voice’ and continue to provide a safe space to connect with each other. In the summer, the Network gave colleagues across the Society an insight to living with impairments through a range of interactive sessions – this had fantastic feedback from those who took part, who took away an increased level of awareness of support available at the Coventry and an understanding of the challenges some of their colleagues may face.

**Abbie Beasley**  
Neurodiversity network



**86%**  
believe they can  
be themselves  
here



**86%**  
believe people  
are encouraged to  
balance their work  
and personal life

**83%**  
Trust Index®  
Great Place to  
Work





# Diversity and inclusion

We want the Society to be a place to belong – for everyone.

We believe in treating people fairly and recognise that different individuals bring different skills to our Society.

This means that our workforce should reflect the diverse and vibrant communities that we serve. In recent years, we've worked hard at diversity and inclusion.

To help create a more diverse management population, we established the Ethnicity Career Development Programme (ECDP), recruiting the fourth cohort in 2024. The ECDP is a career development programme for ethnically diverse colleagues (including White minorities) of all grades with the aim of supporting ethnically diverse colleagues in overcoming career barriers, and strengthening inclusive leadership.

Our Diversity Think Tank that we mentioned earlier is made up of colleagues from all levels across the Society and chaired by a member of the Executive team. It's this group, supported by local diversity and Inclusion groups representing different teams and functions, that helps to shape priorities and monitor progress. Alongside this, our executive and senior manager levels participated in a comprehensive training session on trust and inclusion.

Over 1,800 colleagues completed our fourth annual diversity and inclusion survey in 2024.

## Results from our 2024 GPTW survey were positive

- 90% of colleagues believe that they are fairly treated regardless of their position – **up 2% compared to 2023**
- 90% of colleagues believe that people care about each other here – **up 1% compared to 2023**
- The Society encourages colleagues to balance their work and personal life – 86%, **up 2% compared to 2023**
- 86% of colleagues believe they can be themselves at the Society – **up 1% compared to 2023.**

**We've set ourselves challenging targets and we're working hard to achieve them.**

## 25%

**of management and above roles to be held by colleagues from ethnic minority groups by 2025**

## 50%

**of management and above roles to be held by women by 2025**



My experience on the program was very insightful in many ways, both personally and from a career development perspective. At the beginning I did not have a definitive career pathway and had held various support roles in different sectors. I knew I wanted to do more with myself, but I always lacked the confidence to explore different opportunities and always questioned whether I was qualified enough to apply for certain roles that interested me. My sponsor was able to provide great mentorship when it came to applying for jobs and mapping out key skills required. They took the time to help me identify where I had demonstrated a particular skill in my existing role or past work experience and if there were any gaps we would then focus on developing clear, actionable goals and strategies to achieve them. When it came to interviews, both my manager at the time and sponsor ensured I was well equipped with how I approached them and were prepared to conduct mock interviews. Through this I grew my confidence and gained a deeper understanding of my strengths and unique perspective.

**Bwalya Sena**  
Second ECDP cohort

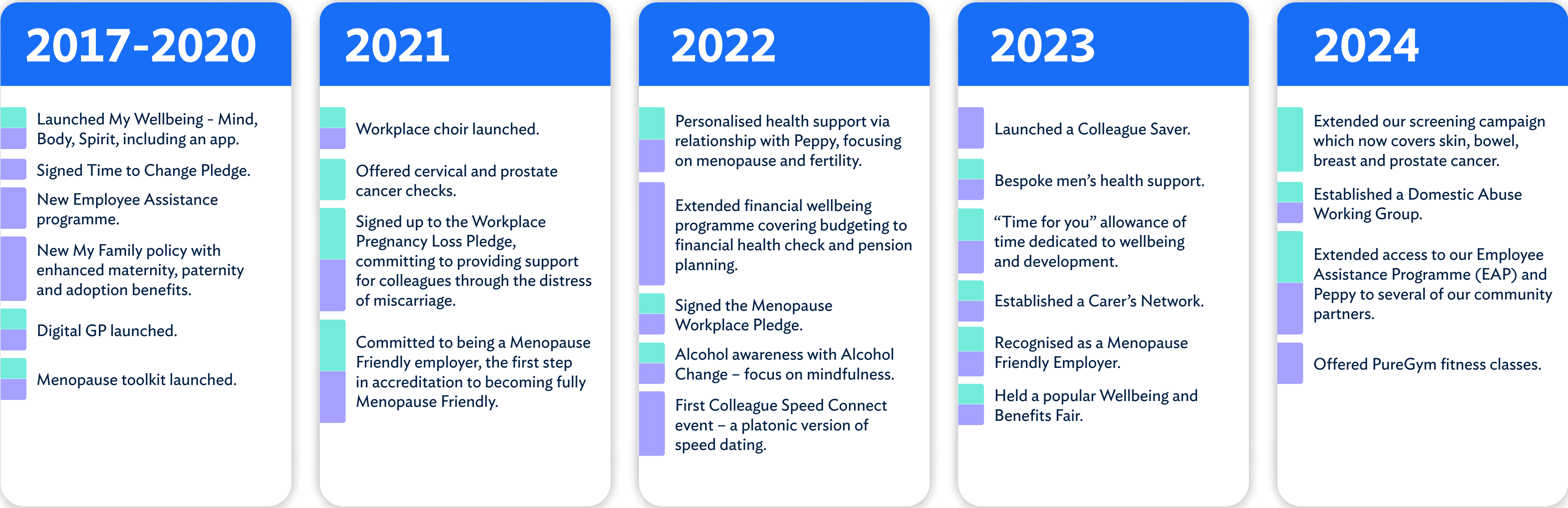




# Colleague wellbeing

These are challenging and demanding times, and we believe that our colleagues will do their best for an organisation that understands and supports them throughout their lives.

Our award-winning wellbeing programme is hugely important to us. It’s tailored to the key themes of mental and physical health, and financial wellbeing. We’re here to support our colleagues in all aspects of their professional and personal lives. In recognition of our efforts, we jumped up seven spaces to be ranked 20th in the 2024 UK’s Best Workplaces™ for Wellbeing.



Mental Physical



# Financial wellbeing

Our purpose is ‘making people better off through life’, across all aspects, but when it comes to finances, we work hard to help all our stakeholders achieve their financial goals.

Whether that’s ensuring our reward proposition works for colleagues, or that we’re paying great savings rates for our members, or helping the most disadvantaged to keep food on the table and a roof over their head.

## Better financial wellbeing for savers

During 2024, we continued to reward members via our program of exclusive loyalty savings products, with over 40,000 members benefitting. In October, we also launched the limited edition Loyalty Mortgage Saver account which was designed to help our mortgage members to save, and providing the opportunity to use the balances to overpay on their mortgage and reduce their costs.

When talking to members, they told us that saving for the good things in life can have a positive impact on their wellbeing. In response, we launched the limited edition Sunny Day Saver account. This proposition proved to be very popular, attracting a new younger audience to the Society, with over 11,000 members opening the account and regularly saving towards their goals.

### Nearly 3,000 members

saving directly from their regular pay via our Salary Finance partnership

A woman with blonde hair, wearing a light-colored sweater and jeans, is standing and reaching up to place a gold coin into the top of a large, blue, pill-shaped savings jar. The jar has a purple cap and a white band with the word "SAVINGS" in orange letters. A young girl in a pink shirt and blue overalls stands to the left of the jar, also holding a gold coin. Another young girl in a pink shirt and patterned pants is sitting on a blue block to the right of the jar, looking at a smartphone. A yellow armchair with blue cushions is in the background.

### £401 million

the additional interest paid to members relative to the equivalent average market rate

### Over 40,000 accounts opened

through our loyalty savings products

A woman is holding a large, stylized £10 banknote. The banknote is yellow and orange, with the number "10" and the words "Ten Pounds" visible. It is positioned next to the large blue savings jar.



# Financial wellbeing

## Better financial wellbeing for borrowers

It has been a record year for helping first time buyers, with over 10% of the increase in applications coming via our new CV Postcode Mortgage which is designed to support less affluent communities in our heartland to get onto the housing ladder.

To make sure our existing borrowers are able to get the very best deal in a fluctuating market, we allow customers to switch their mortgage product right up until maturity.

We continue to contact members who are identified as potentially vulnerable, or whose fixed rate mortgages are coming to an end and may experience increases in their mortgage rates due to the interest rate environment, highlighting support available in case of financial difficulty.

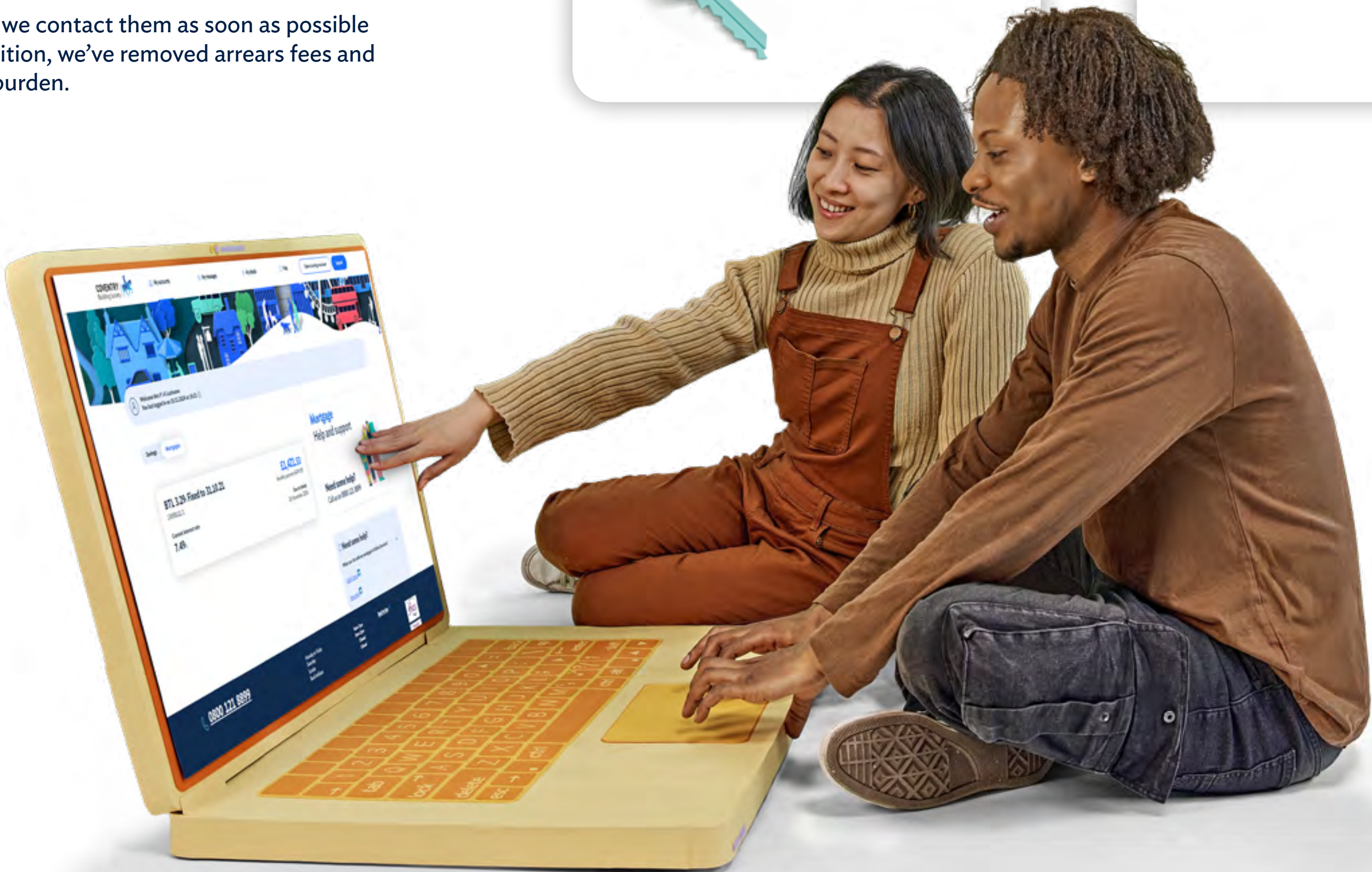
For our members experiencing financial difficulties, we contact them as soon as possible to provide support during their difficult time. In addition, we've removed arrears fees and Consent to Let fees to further reduce the financial burden.

11,743 first time buyer applications



Over 2,000 mortgage members

opened a Loyalty Mortgage Saver account





# Better financial wellbeing for colleagues

Our reward proposition reflects our values and focus on wellbeing. Pay is benchmarked externally with comparable roles in financial services. In our customer facing roles, we operate pay accreditation schemes that provide a mechanism to increase pay as colleagues gain role-specific skills and capabilities.

We're committed to pay equity and conduct regular reviews to ensure that all colleagues are paid fairly for comparable work. Society benefits are available to all employees regardless of whether they work full time or part time.

We don't offer individual bonuses to anyone, given the risks to our culture and the potential for such measures to drive a focus on individual priorities. Rather, we have a Success Share Scheme overseen by the Remuneration Committee which is anchored to our strategic scorecard. This has a range of measures including financial, risk, customer, ESG and people. Each of these carries an equal weighting. Under Success Share, every eligible colleague, regardless of role, receives the same percentage award.

We'll always try to avoid the need for redundancies but there might be circumstances where business needs change and redundancies can't be avoided. We have a redundancy policy to provide guidance should this become necessary, and we'll make sure that we:

- Consult with colleagues and, if appropriate, their representatives on any proposals
- Carry out any selection for redundancy fairly
- Explore ways to avoid redundancies – this could include, for example, deciding not to replace an employee who has resigned from their role or broadening roles to incorporate other business activities
- Explore if any suitable alternative roles might be available, and any other roles within the Society
- Offer a trial period for suitable alternative roles and where someone finds another role within the Society, allowing both the business area and colleague to check it's the right move
- Where a colleague does leave us due to redundancy, we'll offer them outplacement support to help them secure their next role externally
- Communicate clearly and in line with our values with all affected colleagues.

## Financial wellbeing package includes:

- Pension provision
- Life assurance
- Occupational sick pay
- A financial education programme
- Enhanced parental provision
- Car scheme for electric/hybrid vehicles through salary sacrifice
- Group Income Protection benefit.





# Partnership with Coventry Citizens Advice

For the last 15 years, we have been working with the Coventry Citizens Advice to help build financial resilience in our communities.

‘The support of Coventry Building Society has allowed us to provide valuable advice, guidance and support to local residents with a large range of issues, including: welfare rights, debt advice and support, housing issues and consumer rights.

When the cost of living crisis started to have an impact, Coventry Building Society stepped up, and with their financial support, we were able to take on additional Debt Workers to help people who were most affected.

In 2022 yet more support came which allowed us to recruit, train and supervise even more volunteers into the service. The Society also contributed towards our hardship fund to help vulnerable clients with emergency payments for food, utilities, travel and paying bankruptcy fees, rent arrears and debt relief orders. With this money we have helped over 300 clients with emergency payments and over 70 with debt relief.

In 2023, the Society helped us to set up a Debt Academy. This was vital to the service, as Debt Specialists are highly trained in this complex area, and there was a shortage of them across the country. With the investment we were able to recruit three new trainee Debt Advisers and provide them with full training and support.

In 2024, again with support from Coventry Building Society, we have recruited Outreach Support Workers who are able to attend social supermarkets to give help, advice and support. This also provides us with the opportunity to give more detailed advice if the client needs it. In the last five months, we have taken on over 30 casework clients from foodbanks and social supermarkets.’  
Vicki Fitzgerald, Interim CEO Coventry Citizens Advice.

In addition to offering financial support, we have also provided office space for the charity’s new HQ, and have extended some of our wellbeing offering to their staff too, in particular the Peppy App which provides advice on menopause, fertility and men’s health.





In this section

Good corporate governance is at the heart of everything we do and is consistent with our values and culture. This framework also applies to our sustainability strategy. In 2024, the Board continued to support and oversee the Society’s sustainability agenda to ensure we’re on track to deliver our targets.

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Our CARES alignment

Responsible | Straightforward  
| Empowered

SDG and B Corp alignment



**B Corp Impact Area**

- Environment
- Colleagues
- Customers
- Governance

“Ever since I joined the Board, I’ve been struck by how much focus the Society puts on strong governance, even to the extent of specifically asking the Nominations Committee to focus on governance in addition to other areas. It’s reassuring as a non-executive director and should give confidence to other stakeholders that the Society sees this as so fundamental to our way of working.”

Jo Kenrick  
Deputy Chair of the Board  
and Senior Independent Director





“ I feel we do a lot to reduce our carbon emissions as a business and I would rate us high as a standalone company. We do what we say we will and I’m proud of that fact. ”

Lucy Becque



## Our B Corp journey

In 2023, we were proud to become a certified B Corp building society

As a mutual, we aim to act in the wider interest, ensuring that the work we do benefits the many, not the few. B Corp’s philosophy of continuous improvement to be a force for good aligns with the Society’s belief of all together, better. This extends to not only our members, but to our colleagues, communities and the environment.

### Being a B Corp matters

#### To our customers

When you borrow or save with us, you’re choosing more than the right rate. You’re choosing a business that seeks to be a force for good to benefit people, communities and the environment.

#### To our communities

B Corps distinguish themselves by the role they play in their communities, taking collective action to address society’s most critical challenges. Through the initiatives we create and the projects we support, we’ll continue to make a positive impact to the lives of people around us.

#### To our colleagues

When you’re building something bigger than a career, being apart of a B Corp feels like business as usual. So we’ll always keep supporting each other, engaged in our mission to make a difference and create lasting sustainable success.

#### To the environment

Becoming a certified B Corp means that we remain committed to protect the environment and preserve its resources. Our own operations have been carbon neutral since 2021 and we have an ambition to become net zero by 2040.





The median score for non-accredited businesses who complete the assessment is currently 50.9. Each year, we continue to measure our impact and remain committed to identifying opportunities for improvement and driving change for the benefit of our stakeholders. To find out more about our performance against the five impact areas and the progress we have made in our first year as a B Corp please see our B Corp Impact Report and our B Corp profile on B Lab's website.

Every B Corp is scored using the five impact areas in the B Impact Assessment.

## UN Sustainability Goals

## Governance

How do we make sure our company's governance considers all stakeholders?

## Our B Corp Score



## Community

## How are we giving back and contributing positively to the community?

29.6

## Colleagues

How do we take care of our colleagues, improving their lives and wellbeing?



## Environment

## How are we prioritising and taking care of the planet?

## Members

## How are we having a positive impact on our member's lives?





# Our approach to governance

We pride ourselves on high standards of corporate governance and this includes our approach to the management and oversight of sustainability related topics.

The Board has overall accountability for the long-term stewardship of the Society and sets our strategic direction, including having responsibility for our approach to sustainability. Our governance processes are aligned with the Society’s ambitions in relation to sustainability and seek to ensure that the Board is effective in its oversight of the Society’s sustainability agenda, consideration of climate related risks and opportunities, and oversight of the Society’s performance against its sustainability ambitions. Addressing the challenge of climate change is a key priority for the Board. It’s integral to the Society’s ability to achieve long-term sustainable growth and is therefore at the forefront of the Board’s considerations and decision making throughout the year. From 2025, our governance structures will reflect the enlarged group to include The Co-operative Bank.

The Board is supported by nominated Non-Executive Director, Shamira Mohammed, who provides support and challenge to the Society’s activities on sustainability and climate change.

1. The Board considers and approves the Society’s annual strategic plan and monitors progress throughout the year.



2. The Board considers and approves the Society’s sustainability plan and the actions required to achieve this plan.



3. The Board considers and approves an assessment of the Society’s capital adequacy, known as an Internal Capital Adequacy Assessment Process (ICAAP), which includes scenario analysis of the climate change related risks relevant to the business.



4. The Board approves and receives updates on the Society’s Climate Action Plan.



5. The Board reviews sustainability related management information on a quarterly basis.



Throughout the year, the Board received two detailed updates on sustainability matters and approved the Society’s plan for sustainability and the material elements of the Society’s sustainability plan. Performance against key ESG metrics was also reported to the Board and reviewed bi-annually as a part of the Board’s sustainability updates.

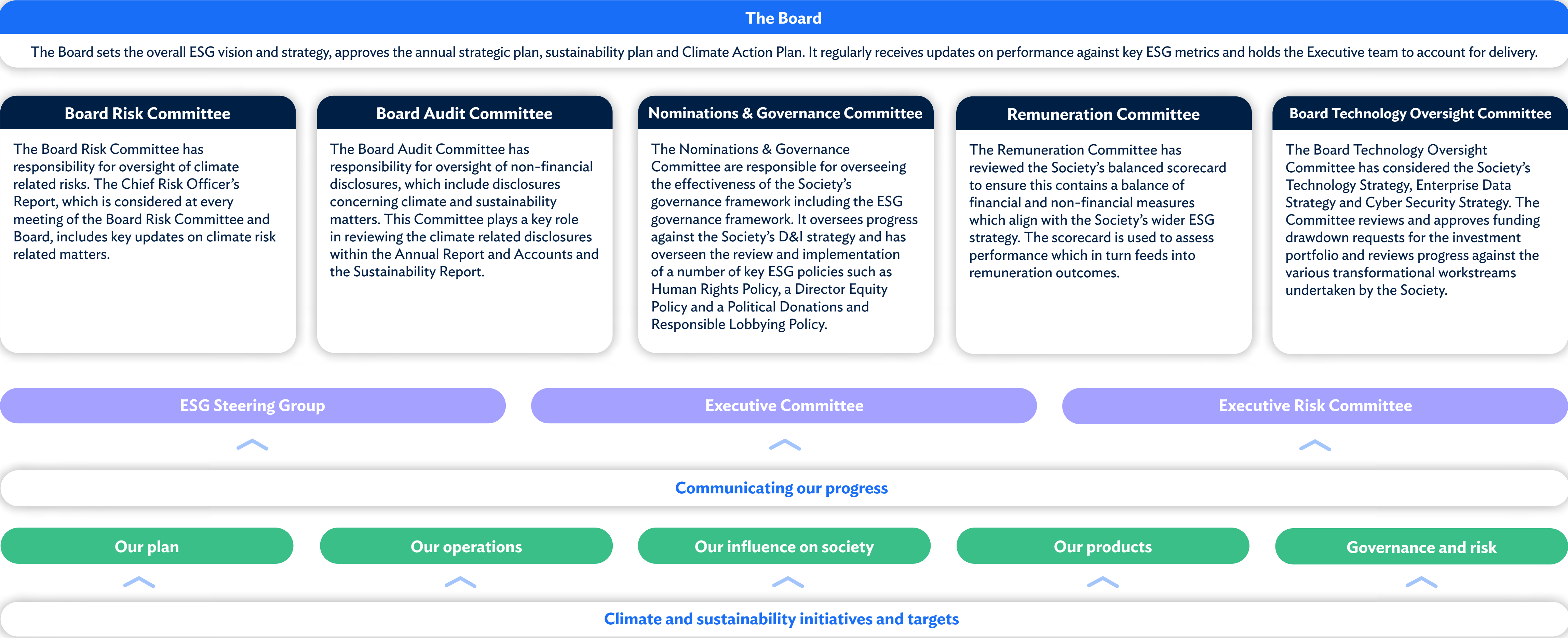






# Sustainability governance structure chart

The Society’s Board and its Committees play an important role overseeing the management of sustainability matters. The established governance structure supports the Board and its Committees in discharging their responsibilities in respect of sustainability matters as set out below:





# Governance at a glance

## Management's role

Steve Hughes, Chief Executive, has overseen the Society's engagement on a range of climate change matters and the broader sustainability agenda. The Chief Risk Officer (CRO) is accountable under the Senior Managers Regime for identification and management of the financial risks arising from climate change. He is also responsible for overseeing implementation of an appropriate strategy to understand, identify, measure, monitor, control and report risks from climate change in line with the Society's risk appetite set by the Board Risk Committee. The CRO also supports the development of appropriate processes to monitor and report exposures to the risks from climate change.



### Informing

#### Board

- Approves Society's Annual Strategy Plan.
- Approves Society's Sustainability Plan.
- Approves an assessment of the Society's capital adequacy, known as an Internal Capital Adequacy Assessment Process (ICAAP), which includes scenario analysis of the climate change related risks relevant to the business.
- Approves and receives updates on the Society's Climate Action Plan.
- The Board received two detailed updates on sustainability matters and approved the Society's vision for sustainability and the material elements of the Society's Sustainability Plan. Performance against key ESG metrics was also reported to the Board on a quarterly basis and reviewed bi-annually as a part of the Board's sustainability updates.

#### Executive Committees

- The Executive team devotes time monthly to the oversight of people and purpose. The execution of the Society's climate and sustainability strategy within the context of our broader sustainability agenda is overseen through this forum, chaired by the Chief People Officer.
- The Executive Risk Committee is chaired by the CRO, with membership formed from the Executive team, and has responsibility for executive oversight of climate related risks.

#### Management Committees

- ESG Steering Group which is also chaired by the Chief People Officer, develops and oversees the delivery of the Society's sustainability strategy and comprises of senior leaders across Operations, Product, Risk, Communications, Strategy, Legal and Shared Service functions.
- Climate Risk Forum has been established, comprising members from the Society's Risk, Finance, Strategy, Treasury and Governance functions. This broad membership ensures appropriate consideration, monitoring and management of climate related risks by senior management.

### Reporting





# Engaging with investors and ratings agencies

Our wholesale investors provide diversity of funding and capital, and we engage with ratings agencies to keep them up to date on developments at the Society to support their ratings process. Investors complement funds raised from members savings, support growth and lower risk, as well as providing value to members through balancing the overall cost of funding.

## What we offer

We believe there is strong alignment between the interests of our borrowers, investors and savings members, who all benefit from our low risk mortgage lending and sustainable approach to capital and liquidity planning and profitability. We choose our wholesale credit counterparties on an ESG rating and green bonds are something we invest in as long as the other elements of our risk appetite are met. We offer investors the opportunity to invest in an organisation with a lending strategy primarily focused on high quality, low Loan to Value mortgages, which is geographically spread across the UK. We create value for our investors through the operation of a business model which is simple, straightforward and well governed, and manages risks effectively.

## Engagement

To ensure that we optimise wholesale funding activities, we believe in creating long-term relationships with our investors through consistent and transparent engagement. Our primary engagement is following the publication of our annual and interim results. We offer individual meetings to ratings agencies and to a large number of our wholesale investors, and update them on performance, outlook and plans. Outside of these sessions, we regularly engage on an individual basis with investors to understand their views and outline details of the specific transaction.

In 2024, the engagement from investors remained high, with over 100 investor meetings through the year. Discussions primarily focused on the following key topics:

- The planned acquisition of The Co-operative Bank (‘the Bank’)
- Medium-term growth strategies
- Regulatory treatment of capital/MREL securities following the planned acquisition
- Economic headwinds and impacts upon trading, including mortgage borrowers, and affordability
- Asset quality and expected credit losses
- Impacts of regulatory developments, including Basel 3.1 and consumer duty
- Sustainability initiatives.

We maintain a dedicated investor relations page on our website, providing access to investor presentations, funding programmes and Annual Reports.

## 2024 key activities and issues

Throughout the year, we successfully completed five public wholesale debt capital market issuances:

- £500 million senior non-preferred (March)
- £665 million perpetual contingent convertible additional tier 1 capital securities (June)
- £500 million residential mortgage-backed securities (RMBS) (July)
- €500 million covered bond (October)
- €500 million senior unsecured (October).

Investor and ratings agency discussions in 2024 largely centred on the anticipated acquisition of the Bank, which was successfully completed on 1 January 2025. Key areas of focus included forecast financials and capital metrics, and integration plans/ milestones. Stakeholders also closely monitored margin compression and profitability challenges in a high, but reducing interest rate environment. These topics are expected to remain priorities for investors in 2025.





# Combating economic crime

We’re committed to combating money laundering, corruption and terrorist financing.

The Board Risk Committee oversees annually the approval of both the Anti-Money Laundering, Terrorist Financing and Facilitation of Tax Evasion and Sanctions Risk Management Policy and the Anti-Bribery and Corruption Policy.

Each of these policies provide for more detailed arrangements, procedures and internal controls which are designed to ensure the Society complies with relevant laws and regulations intended to prevent, detect and report money laundering, corruption and terrorist financing.

The Board oversees our efforts to combat money laundering, corruption and terrorist financing. These efforts are led by a dedicated Economic Crime team of anti-money laundering experts reporting to the Head of Economic Crime Strategy and Operations. The Money Laundering Reporting Officer (MLRO) provides oversight through the dedicated Economic Crime Oversight Team.

At the Society, we apply a risk-based approach and have a framework in place to identify and manage potential money laundering risks associated with customers and transactions. With our systematic assessment of money laundering risks, we strive to arrive at the appropriate level of initial and ongoing due diligence and monitoring of transactions throughout the course of a relationship. Our Anti-Money Laundering (AML) policy sets out the processes and risk criteria pertaining to politically exposed persons (PEPs).

## Anti-bribery and corruption

We’ve published policies on (ABC) and which detail responsibilities and how to raise concerns and questions.

The ABC Policy, which is owned by the Board, sets out responsibilities at all levels of the Society and each Executive Leader is responsible for adherence to ABC within their own area. The Board Audit Committee receives an annual report setting out the Society’s adherence to the policy and considers any ongoing issues.

The report is prepared utilising the standards set out in ISO 37001 and the report in 2023 identified no material concerns. In addition, activities in this area are periodically reviewed by both our independent Compliance and Internal Audit functions. Within the policy, colleagues are advised to raise any concern with their line manager. Alternatively, they can also use the Whistleblowing reporting process. All colleagues also have to complete mandatory learning on ABC policy which reinforces the message, and attest they understand their responsibilities within the annual Statement of Personal Responsibilities. In 2024, 99% of all employees were confirmed as having undertaking training on ABC.

Whistleblowing has its own section on the Society’s intranet setting out what the process can be used for. We use an independent outsourcer, NAVEX, to operate the online and telephone reporting services, and any concern is then investigated by the Whistleblowing team; however, all cases are reviewed and the outcome decided on by a member of the Whistleblowing Committee. All colleagues have to complete the mandatory annual learning, which ensures they understand what can be raised and how, while all managers complete an additional module of mandatory learning to ensure they are aware of their role in supporting colleagues. In 2024, 100% of all employees and managers were confirmed as having undertaking the relevant Whistleblowing training.

The ABC policy applies to all employees (temporary and permanent), contractors, members of the Board, individuals acting on behalf of the Society, and third party suppliers must adhere to the main requirements within the policy. The policy is published on the intranet. Employees have to complete the annual mandatory learning to ensure they understand the policy and their responsibilities. In addition, as part of the annual Statement of Personal Responsibilities employees attest that they understand their responsibilities, including those within the ABC Policy. Suppliers are subject to due diligence processes managed by Procurement, both at onboarding and on a regular basis thereafter, and this includes checks on adherence to relevant ABC requirements.

In 2024, 100% of employees received communication on the Society’s ABC policies and procedures and there was no confirmed incidents of corruption across the Society.





# Grievances, raising concerns and whistleblowing

We strive to maintain high legal, regulatory and ethical standards. We have long-standing procedures to help us resolve employee grievances, and colleagues are strongly encouraged to speak with their line manager or the People function about any concerns. They may also consult specialist departments such as Financial Crime, Compliance and Legal should they require advice about ethical or lawful behaviour in the course of doing their job.

We have a zero-tolerance approach to bullying and harassment, supported by a robust policy. In September 2024 we enhanced our policy to ensure there was greater reference to sexual harassment, and we also launched a new mandatory e-learning module ‘Building a Culture of Respect’. These steps were taken to emphasise the importance of respect, dignity and inclusion at work, to clarify our expectations and to raise awareness of the routes available to challenge inappropriate behaviour, along with meeting the enhanced obligations placed upon employers through the Worker Protection Act.

In the event an employee has a concern, our Whistleblowing Policy and procedures offer multiple channels (including an externally operated Whistleblowing hotline) for colleagues to raise concerns about any suspected breaches of laws, regulations, rules or other legal requirements, sexual misconduct or harassment, policies or professional standards. They may raise concerns openly or anonymously. Investigations of concerns raised are overseen by the dedicated Whistleblowing Committee, which comprises a range of senior individuals in the Society and is overseen by the Head of Economic Crime.

The Whistleblowing Policy and an annual Whistleblowing Report are considered by the Board. The Chair of the Board Audit Committee, who is also the Whistleblowing Champion and reports to the Board regularly on this topic, as well as overseeing the processes described above. All of the Society’s employees have to complete mandatory training on whistleblowing, which sets out how matters can be raised and confirms this can be done anonymously. In 2024, zero critical concerns were communicated to the Board.

The Society prohibits retaliation against employees for reporting a concern that they reasonably believe constitutes a breach or violation of this kind. More generally, there are a range of policies in place relating to how each function within the Society should operate. Should colleagues at the Society consider that these policies are not being followed, they can raise concerns to their line manager, the People function or via the whistleblowing processes. In addition, colleagues can raise concerns with the Compliance function or Legal function should they have a question concerning compliance with regulation or law. Tendering suppliers are able to express concerns related to the sourcing process during or after the tender process. The bid documents contain information about how to do this. Current suppliers are able to express concerns related to their existing relationship by using a dedicated email address detailing their experience. Suppliers will receive a response within 30 days. In relation to the Society’s products, the Society’s customers are provided with a range of ways to contact the Society should they have a concern or complaint. The Society’s Whistleblowing Policy is available on our website.

Complaint procedures follow relevant regulatory requirements and are handled by a dedicated Customer Relations function. Should a customer not be satisfied with the response received, they are notified of their ability to inform the Financial Ombudsman Service, which reviews the complaint and has the authority to require the Society to provide redress in cases where the Financial Ombudsman Service finds in favour of the customer. The Society carefully monitors the number of complaints it receives, the root causes of such complaints and the number of cases referred to and upheld by the Financial Ombudsman Service. These matters are also reviewed by the Executive and Board regularly.





# Health and safety

The Chief Executive is accountable for effectively managing health and safety within the Society. The Society’s Board nominates the Director of Corporate Services as the Executive responsible for health and safety. A dedicated Health and Safety team maintains our Health and Safety Policy and occupational health and safety management system.

The scope of the management system is as follows:

- Applies to all Society premises.
- Covers all employees, including full time, part time and temporary workers, customers and others (including third party contractors, visitors and the public) who may be affected by the Society’s activities.

A bi-monthly Health, Safety and Security Committee, chaired by the Group Chief People Officer, oversees the overall health and safety performance of the Society, and a quarterly forum, which engages with employees through safety representatives on all elements of health and safety, supports the Committee.

The Society’s incident reporting system asks employees to report all work related near misses and accidents, and they can also report hazards to safety reps, management, or regulators. Anti-bullying and Harassment, and Whistleblowing policies safeguard employees from reprisals.

The Society’s management system covered all its employees and workplaces in the reporting period.

In 2024, a Reasonable Adjustments Working Group was established. The group’s composition reflects the Society’s functions in delivering reasonable adjustments. The group aims to proactively advance the Society’s approach to reasonable adjustments, ensuring compliance with the Equality Act 2010, Society policy, and best practice guidelines. The group’s focus has been to raise awareness of the reasonable adjustment process amongst colleagues and training for line managers. A suite of support materials has been produced and is available for all colleagues, including examples of available adjustments. Following initiatives and listening to colleague feedback, the Society has improved accessibility to its head offices throughout the year.







# Cyber security and data privacy

Cyber threats continue to pose a significant risk to the financial services sector. The Society understands the importance of this risk and continues to invest to protect our members' data and critical systems from the ever changing cyber threats.

As a building society, we process large amounts of personal information every day to help facilitate our members' financial transactions. The Society takes our cyber security and data protection responsibilities very seriously. We have established a Technology Risk Committee and Data Risk Committee to give oversight of cyber security and data privacy respectively. Both committees have membership from the senior management team.

To remain on the front foot, we've refreshed our overarching Cyber Security Strategy, defining clear principles, objectives and a roadmap. The strategy drives our future cyber investment programme. Our cyber security policy framework ensures that we keep the Society safe and secure for members. Our policies are regularly reviewed and audited. The Society maintains strict access control and data security measures for the protection of personal and sensitive data.

Increasing colleague awareness of cyber threats remains a priority and we drive this through mandatory training and regular campaigns to bring the subject to life. It is mandatory for all employees and contractors to regularly undertake this training. It is recognised that technology remains an important part of our cyber defences and we continue to deploy layered security controls to protect the Society from current and emerging cyber and data loss threats. We use a combination of in-house and third party resource to ensure new initiatives are delivered with appropriate security. Further, we continue to invest in our Security Operations function which ensures that emerging threats and incidents are proactively handled and, as a result, we've had no significant cyber related incidents over the last year.

The member privacy notice on our website provide full details of the processing activities we undertake across the Society and the rights individuals have regarding their information, with a separate privacy notice for colleagues. In 2023, we created a youth privacy notice for members and applicants who are children. All privacy notices are reviewed annually.

We have an internal Group Data Protection Policy, which is reviewed annually. It documents the risks that need to be managed and the minimum control standards that need to be adhered to, to ensure all personal information is protected and an individual's right to privacy is observed at all times. A data retention and disposal policy governs the lifecycle of data storage and deletion. These policies are aligned to the data protection legislation which applies to the Society. The Policy is owned and overseen by the Society's Data Protection Officer (DPO) and approved at Data Risk Committee.

All colleagues are required to complete annual computer-based training and pass the accompanying test to ensure they clearly understand the obligations placed on them.

The DPO is supported by the Data Protection Manager and the Data Protection team who advise and provide support on the Society's obligations and undertake and support assurance activities to ensure ongoing compliance with data protection legislation. They also acts as a contact point for data protection regulatory bodies, such as the Information Commissioner's Office (ICO), and individuals who wish to raise concerns regarding the processing of their personal information and colleagues responding to data rights requests.

Data breaches can occur in the form of a malicious attack or accidental error, and can be wide scale or impact one individual. The Society has processes in place to help ensure data breaches are identified, reported and resolved appropriately. Whilst errors occur from time to time, in 2024, the Society did not experience any significant or widespread data breaches that compromised the security of the personal information it is custodian of. The Society suffered no data breaches that required notification to the ICO in 2024.

In 2024, three complaints were received from outside the Society that were substantiated by the Society and there were zero complaints from regulatory bodies. The complaints which were substantiated came from the Society's members and primarily arose in circumstances where the Society sent information in the post to an incorrect address.



## Be Safe

The is part of the wider Financial Crime education strategy. It's an employee and customer-led initiative, between Information Security and Financial Crime, where we educate our colleagues on recent scams and emerging fraud threats. We also have a presence in our contact centre and branches, where we provide scam awareness advice, under the Take Five Campaign.





# Human rights

The Society understands the importance of upholding and championing human rights, not just within its own operations but throughout its supply chain and takes proactive measures to protect the human rights of all its stakeholders.

## Modern slavery

We're committed to addressing modern slavery, servitude, forced labour and human trafficking in all its forms, and carrying out business in a fair, honest, ethical and open manner.

Our third party risk management procedures and controls require that potential modern slavery and human trafficking risks related to our business are understood. Active steps are taken to ensure our supply chain is not engaging in any form of modern slavery or human trafficking through our third party risk management, which includes due diligence and ongoing monitoring controls.

We've enhanced training for colleagues and we're using a financial services industry digital training tool provided via the UK Modern Slavery Training Delivery Group, the UK Independent Anti-Slavery Commissioner and Themis.

In 2023, a refreshed [Modern Slavery statement](#) was approved by the Board and published on the Society's website pursuant to Section 54, Part 6 of the Modern Slavery Act 2015. This statement details the policies the Society has in place and the ongoing actions that will be taken to continue to support the combating of modern slavery and human trafficking.

We'll continue to conduct an annual review of this statement and the actions the group takes to combat all forms of modern slavery internally and within its supply chain. In 2024, no instances of modern slavery or any associated concerns were identified.

## Human Rights policy

The Society is committed to operating in line with the UN's recognition of human rights across the products and services it offers, in its own operations as well as across its third-party supply chain.

In 2022, the Society formalised its commitment to human rights through the creation of its Human Rights Policy. The policy sets out the Society's commitment to meeting its responsibility to respect internationally recognised human rights standards.

Since 2021, the Society has been committed to the United Nations Global Compact (UNGC) corporate responsibility initiative and its 10 Principles. The 10 principles of the UNGC are part of the Society's strategy, culture and day-to-day operations. To embed these principles the Society undertook practical measures such as incorporating the principles in its contractual arrangements with suppliers and ensuring the commitments it expects from suppliers were consistent with the UNGC.

The Human Rights Policy continues the Society's commitment focusing on member and customer rights, employee rights and third-party rights, including in the Society's supply chain.

The [Society's Human Rights policy](#) can be found on our website.



# Our supply chain

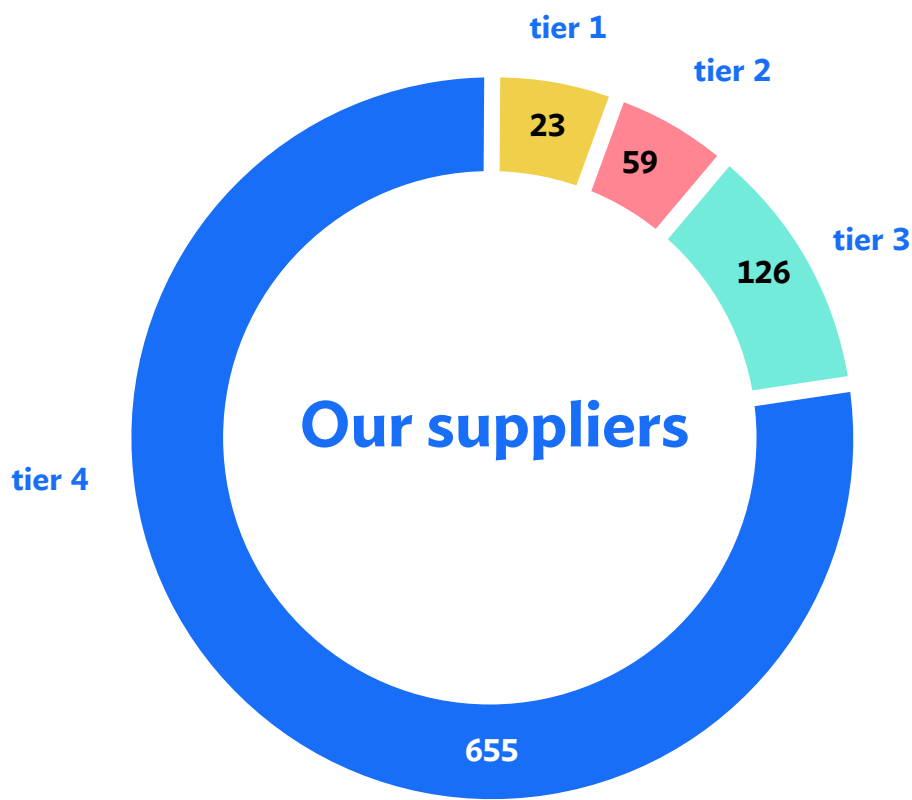
Suppliers include contractors and providers of goods and services to the Society.

## Our supply chain

In 2024, the Society spent around £211 million on a broad range of products and services with:

- 863 suppliers, of which around 82 are deemed key suppliers
- Tier 1 (highest criticality, of which there are around 23 suppliers)
- Tier 2 (lower criticality, of which there are around 59)
- Tier 3 (lowest criticality, of which there are around 126)
- Tier 4 (transactional suppliers, of which there are around 655).

The major areas of expenditure within the Society’s supply chain are technology support and services, professional services and property services. Supplier expenditure is committed through contracts, typically one to three years in duration.



In 2024, the Society held significant competitive bidding processes across providers of software and professional services. Overall, the Society’s supply chain remained consistent with previous years in terms of the number and identity of its key suppliers and their locations. As well as suppliers of goods and services, the Society maintains relationships with distributors for its mortgage and savings products. Our supplier relationships are principally with entities located in the UK.

## Proportion of spending on local suppliers

The Society defines its significant locations of operation as its head office in Coventry and defines suppliers as ‘local’ if they are headquartered within 50 miles of this location. Approximately 15% of expenditure with suppliers in 2024 was assessed as expenditure with local suppliers.

In 2024, the Society continued to identify which suppliers are diverse and managed by underrepresented groups including women, LGBTQ+ groups, people with disabilities, ethnic minorities and veterans. We define a diverse supplier as organisations at least 51% owned by members of these groups.

## Doing business responsibly with suppliers

Our procurement and supplier management services are provided by an internal procurement function which applies our third party risk management and sustainable procurement policies and processes. These policies set the minimum standards relating to the management of sourcing and third party risk and provide support through the sourcing lifecycle at all stages including supplier evaluation, risk based due diligence and contract management. Through these policies and frameworks, the Society seeks to apply consistent and proportionate governance and management of suppliers aligned to the risk appetite of our business. Potential suppliers are invited to review the Supplier Code of Conduct during the sourcing process and indicate their commitment to this document prior to entering into a contract with us.

Supplier conflicts of interest are prevented and mitigated through the application of the Supplier Code of Conduct. The Code requires suppliers to disclose all business activities that might result in a conflict of interest in relation to arrangements between the supplier and the Society. The Society’s \_\_\_\_\_ commits employees to disclose actual or potential conflicts of interest to the Head of Procurement if a conflict relates to a relationship with a supplier. Suppliers who wish to report a grievance may do so by following the process indicated in the Supplier Code of Conduct. No material issues were reported by suppliers in 2024.



# Working sustainably with suppliers

Since 2021, we've been working hard to take the time and care to deliver on this topic and ensure existing processes are not disrupted.

Our work will be ongoing to continue to develop sustainable practices with our suppliers but we've made great progress in this time, including:

- Implementing a Sustainable Procurement Policy and strategy
- Considering ESG as 20% of tender weighting
- 100% of our key suppliers agreed to our Supplier Code of Conduct or equivalent
- Identifying our diverse supplier numbers and increasing our local supplier spend
- Launching the Sustainable Procurement Working Group
- Receiving the CIPS Ethics Kitemark
- Creating a supplier decarbonisation plan and publishing minimum ESG standards for suppliers
- Attaining ISO 20400 and meeting UK Prompt Payment Code Conditions.

## Engaging with suppliers

Supplier engagement occurs at different times during the year depending on supplier criticality.

The Procurement function engages with all suppliers in end-of-contract discussions prior to contract expiry. Engagement also occurs for all Tier 1 suppliers through monthly governance meetings hosted by functional business owners of supplier relationships. These address supplier performance, strategy, risk, sustainability and value initiatives. For Tier 2 and 3 suppliers, these meetings occur quarterly and annually respectively. All suppliers in Tiers 1 to 3 are invited to take part in a supplier survey once a year to gather their perspective about working with the Society.

In the 2024 supplier survey, suppliers told us that they'd like to hear more from the Society about our future plans and they'd like greater empowerment to propose innovations, efficiencies and expertise to improve outcomes. We are planning a virtual event during 2025 to tell suppliers about our priorities post integration.

### Supplier Awards

23 suppliers joined Coventry Building Society business owners for the 2024 Supplier Awards. A special guest from Centrepont joined us to describe the work the charity has done with the Society and the impact of the careers fairs that several suppliers supported during the year. Award categories included Best Contribution to Member, business and colleague value and Best Contribution to Shared values and inclusion.



### Diverse supplier event

The Society invited current and potential suppliers who are owned and managed by underrepresented groups. The event provided an opportunity for potential suppliers to get to know the Society and understand pathways to partnership with us. The Society's current diverse suppliers showcased their career journeys and how they had gained corporate customers.

Our suppliers also engaged with the Society's wider community by generously donating their time and expertise:

- Supplier volunteers helped to refurbish the Joining Communities Together Hub in Coventry with colleagues from the Finance department
- Three suppliers supported the Centrepont careers fair in a Centrepont venue in Bradford providing information about technology careers and apprenticeships
- Four suppliers gave motivational speeches to school assemblies in Society partner secondary schools
- Over 150 students attended supplier workplace visits provided by four suppliers in Birmingham, Leamington Spa and London.





# Supplier standards, due diligence and prompt payments

We aim to reduce any negative environmental and social effects of the goods and services that we buy and we engage with suppliers to promote responsible practices.

## Our approach to sustainability

We aim to ensure that environmental and social risks are assessed when choosing and dealing with suppliers. Our supplier due diligence process involves identifying, assessing and monitoring supplier practices in the areas of human and labour rights, the environment, health and safety and anti-corruption, in line with our commitment to the UN SDGs and UN Global Compact. Our standard contractual wording for all supply contracts includes provisions concerning compliance with the UN Global Compact. In 2023, the procurement and supplier relationship management (SRM) team attained ISO 20400 and maintained in 2024. In order to obtain the standard, the Society continued to adapt our approach. Sustainable procurement continued to be embedded into the sourcing process and our supplier selection criteria with up to 20% of the overall weighting being assigned to sustainability issues and all suppliers undergoing a sustainability evaluation at onboarding, regular due diligence checks and audits.

All competitive bids feature sustainability questions including suppliers confirming current carbon footprint, net zero targets, waste and water management approaches and all partnership supplier governance meetings feature sustainability action plans.

## Committing our suppliers to our standards

A central component of our framework is the Supplier Code of Conduct to which our suppliers are bound by contract. The standard is key towards:

- Defining our expectations towards suppliers and their subcontractors regarding legal compliance
- Environmental protection
- Avoidance of child and forced labour
- Non-discrimination
- Remuneration
- Hours of work
- Freedom of association
- Humane treatment
- Health and safety
- Anti-corruption issues
- Whistleblowing mechanism to support and protect employees.



**100%**

**of suppliers committed to the Society's Supplier Code of Conduct**



**ISO 20400**

**retained**







# Managing tax

The Society is resident for tax purposes in the United Kingdom and has in place a tax strategy, which can be accessed on our website.

Our tax strategy is the day-to-day responsibility of the Chief Financial Officer and is overseen by the Board Audit Committee, which reviews and endorses this document on an annual basis. In the event that a significant change to the tax strategy is required, this would be a decision for the entire Board.

In 2024, no major changes were made to the Society’s tax strategy. We focused on an approach which is open and transparent, and looks to comply with the spirit and the letter of HMRC regulations and tax legislation. We always aim to engage with HMRC in an open and collaborative manner. Since 2021, the Society’s approach to tax has resulted in it receiving the Fair Tax Mark from the Fair Tax Foundation. This accreditation reflects the importance of tax to our overall strategy for sustainability, and due to the Society’s low risk approach on tax, no specific activity was undertaken to engage on this topic with stakeholders in 2024. Our effective tax rate this year was 24% and the amount of tax we paid can be found in the 2024 Annual Report and Accounts.

Management of our tax affairs (in line with the Society’s tax strategy), under the leadership of the Chief Financial Officer, is undertaken by a dedicated team within the Finance function. There are no specific arrangements for employees to report concerns about unethical or unlawful behaviour on tax matters, but employees can utilise the whistleblowing and grievance procedures described above. In 2024, no such concerns were raised by any employee.



Fair Tax Mark - is at the heart of a fair society, a strong economy and a functioning democracy. Its aim is to help those people who believe in a fair society and playing by the rules to say so publicly.

# Compliance with law and regulations

## Law and regulations

During the reporting period, there were no significant instances of non-compliance with law and regulation.

Legal risk is generally managed as a subset of operational risk within the Society’s Enterprise Risk Management Framework. During 2024, the Society was subject to no legal actions pending or completed concerning anti-competitive behaviour and violations of anti-trust and monopoly legislation. Similarly in 2024, the Society did not have any significant fines or non-monetary sanctions applied for non-compliance with laws or regulations relating to social or economic matters.

## Government and regulators

The Society is a politically neutral organisation and does not participate in political discussions.

This approach is formalised in our Political Lobbying policy, which is overseen by the Nominations & Governance Committee. We comply with legal requirements on disclosing political donations and we do not provide financial support to political parties. Consistent with this policy, in 2024, the Society made no political contributions directly or indirectly, including in-kind contributions. In 2024, the total monetary value of financial assistance received by the Society from any governmental body was zero. No governmental body has any ownership stake in the Society. As a firm regulated under the Financial Services and Markets Act 2000, the Society regularly engages with the PRA and FCA concerning matters of interest to the Society’s members and the future success of the Society. Details of consultations held in 2024 can be found on our published datasheet.



# Glossary

The following glossary defines terminology within the Sustainability Report to assist the reader and to facilitate comparison with publications by other institutions:





# Glossary

Term	Description
Business for Societal Impact (B4SI)	Global standard in measuring and managing corporate social impact.
Carbon neutral	Refers to any CO <sub>2</sub> released into the atmosphere from a company's activities, this is balanced by an equivalent amount being removed.
CO <sub>2</sub>	Carbon Dioxide
CH <sub>4</sub>	Methane
CIPS Ethics Kitemark	This is the foremost ethical practice accreditation given by the Chartered institute of Procurement and Supply (CIPS), the global body serving the procurement and supply industry.
Decarbonisation	Refers to the process of reducing carbon dioxide (CO <sub>2</sub> ) emissions resulting from human activity in the atmosphere.
E3G	A climate change think tank that works to accelerate the transition to a sustainable economy.
Energy Performance Certificate (EPC)	A rating system that measure the energy efficiency of homes/ buildings using grades from A to G (with 'A' the most efficient grade and 'G' being the least efficient).
Financial Conduct Authority (FCA)	Regulates the UK's financial markets to ensure fairness, transparency, and consumer protection.
Financial Institution Net Zero Standard (FINZ)	Launched by SBTi to guide financial institutions on setting and implementing credible net zero commitments.
Financial Ombudsman Service (FOS)	The Financial Ombudsman Service provides an independent and impartial service to resolve individual complaints that consumers and financial institutions have been unable to settle themselves.
Forest Stewardship Council (FSC)	An international organisation promoting responsible forest management through certification and labelling systems.
Glasgow Financial Alliance for Net Zero (GFANZ)	Formed by financial institutions to support the transition to net zero emissions.
Global Reporting Initiative (GRI) standards	Set of standards issued by the Global Sustainability Standards Board and the Financial Services Sector Supplements, which form a voluntary reporting framework for the disclosure of sustainability performance.
Great Place to Work®	Global authority on workplace culture that uses data and insights from employees to benchmark individual performance.



Term	Description
Green Finance initiative	Established in 2019 as a direct response to a key policy recommendation made by the industry-led Green Finance Taskforce to the UK Government in March 2018.
HFCs	Hydrofluorocarbons
Greenhouse Gas (GHG) Emissions	Greenhouse gases, or GHGs, are compound gases that trap heat or longwave radiation in the atmosphere. Their presence in the atmosphere makes the Earth's surface warmer.
Greenwashing	The act of making false or misleading statements about the environmental benefits of a product or practice.
IFRS S1 and S2 Standard	International financial reporting standards focused on climate-related disclosures for businesses.
International Sustainability Standards Board (ISSB)	Established by IFRS to develop global sustainability-related financial disclosure standards.
ISO 14001 standard	An international standard for environmental management systems, helping organisations improve environmental protection and performance.
ISO 14064-1 certification	An international standard that quantifies the reporting and verification of greenhouse gas emissions (GHG).
ISO 20400: 2017 Sustainable Procurement Standard	An international standard providing guidance on integrating sustainability within procurement processes.
ISO 50001 Standard	An international standard for energy management systems, aimed at improving energy efficiency and reducing consumption.
kgco2e	Kilograms of carbon emissions.
mtco2e	Million tonnes of carbon emissions.
N <sub>2</sub> O	Nitrous oxide
Net Zero	Refers to achieving a balance between the carbon emitted into the atmosphere, and the carbon removed from it. This balance – or Net Zero – will happen when the amount of carbon we add to the atmosphere is no more than the amount removed.
Scope 3 emissions	<p>Scope 3 emissions are the result of activities from assets not owned or controlled by the Society, but that the Society indirectly impacts in its value chain. Scope 3 emissions include all sources not within an organisation's Scope 1 and 2 boundary and can be separated into the following two categories:</p> <ul style="list-style-type: none"> <li>Upstream Scope 3 emissions: business travel by means not owned or controlled by the Society, waste disposal and purchased goods and services; and</li> <li>Downstream Scope 3 emissions: the emissions from the properties financed through the Society's operations – i.e. our mortgage customers</li> </ul>
NF <sub>3</sub>	Nitrogen trifluoride



Term	Description
PCFs	Perfluorocarbons
Paris Agreement	Refers to the legally binding international treaty on climate change which was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming.
Science Based Targets (SBTi)	Provide a clearly-defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered ‘science-based’ if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global
Scope 1 emissions	Scope 1 emissions are direct greenhouse gas (GHG) emissions that occur from our own operations (e.g. our company vehicles, gas usage and fugitive emissions).
Scope 2 emissions	Scope 2 emissions are indirect GHG emissions associated with the purchase of our electricity.
Scope 3 emissions	<p>Scope 3 emissions are the result of activities from assets not owned or controlled by the Society, but that the Society indirectly impacts in its value chain. Scope 3 emissions include all sources not within an organisation’s Scope 1 and 2 boundary and can be separated into the following two categories:</p> <ul style="list-style-type: none"> <li>Upstream Scope 3 emissions: business travel by means not owned or controlled by the Society, waste disposal and purchased goods and services; and</li> <li>Downstream Scope 3 emissions: the emissions from the properties financed through the Society’s operations – i.e. our mortgage customers</li> </ul>
SF <sub>6</sub>	Sulphur hexafluoride
Supplier Code of Conduct	Outlines the minimum requirements that our suppliers must meet with regard to integrity, conflicts of interest, labour practices, health and safety and impact on the environment.
The Carbon Disclosure Project (CDP)	A global organisation that runs disclosure system for companies, cities, and governments to measure and manage their environmental impact across 3 categories: climate change, forests, and water security.
The Climate Pledge	Initiative to reach Net Zero carbon emissions by 2040—a decade ahead of the Paris Agreement’s goal of 2050.
Taskforce on Climate Related Disclosure (TCFD)	The Financial Stability Board created the TCFD to improve the quality and quantity of reporting of climate related financial information, including the concentration of carbon related assets within the financial sector and the financial system’s exposure to climate related risks.
Taskforce on Nature Related Risk Disclosure (TNFD)	A global voluntary disclosure framework on nature related risks and opportunities to enable organisations to intergrate nature considerations into decision making.
tCO <sub>2</sub> e	Tonnes(t) of carbon dioxide (CO <sub>2</sub> ) equivalent (e)
Transition Plan Taskforce (TPT)	Set up by the UK government to develop best practice guidance for corporate climate transition plans.
UN SDGs	United Nations Sustainability Development Goals - framework of 17 global goals set by world leaders in 2017 that are designed to create better world by 2030, by ending poverty, fighting inequality and addressing the urgency of climate change. The Society has selected four goals of these goals to be our areas of focus.
Wholesale funding	Funding received from external counterparties that operate within the global financial markets (for example, insurance companies, pension funds, large businesses, financial institutions and sovereign entities).