

The Co-operative Bank

Environmental, Social and Governance Business Approach 2024

The **co-operative** bank

Ethical then, now and **always**

Introduction and foreword

Nick Slape, Chief Executive Officer

2023 was a landmark year for The Co-operative Bank, delivering significant transformation and acquisition projects as part of our strategic plan. After celebrating 150 years of ethical banking in 2022, it was important for us to live up to our position as the original ethical bank, embodying the co-operative values on which we were founded back in 1872 whilst continuing to embed Environmental, Social and Governance (ESG) across the business.

Throughout the year, our focus remained on supporting and bringing about change for our planet, for people and for our communities, through delivering on the commitments outlined in our unique, customer-led Ethical Policy. For over 30 years, our Ethical Policy has guided how we do business, informed by responses from 370,000 of our customers since its first iteration in 1992.

I'm incredibly proud to introduce this ESG Business Approach which evidences the activities, initiatives, products, policies and campaigns that make us a market leader in ESG.

Nick Slape
Chief Executive Officer



ESG Business Approach

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About The Co-operative Bank

The **co-operative** bank

Ethical then, now and **always**

The Co-operative Bank at a glance

Methodology and overview

The Co-operative Bank has been in a leader in ethical banking for over 150 years. Driven by co-operative values and our customer-led Ethical Policy, we are the Bank that's changing our communities, for good. Our vision is to be the UK's leading ethical bank - together with our customers we make banking a positive force for good.

Our Business Approach Methodology

Our stakeholders, including our investors and shareholders, assess our ESG performance through their own research and through the valued assessments of ESG risk rating agencies including Morningstar Sustainalytics, MSCI and ISS amongst others. This pack has been designed to aid both stakeholders and risk rating agencies in assessing our implementation of ESG risk management, as well as activities, initiatives and policies we put in place to further embed ESG into our business.

In the following pages, you will see the full extent of how ESG plays a part in what we do every day.

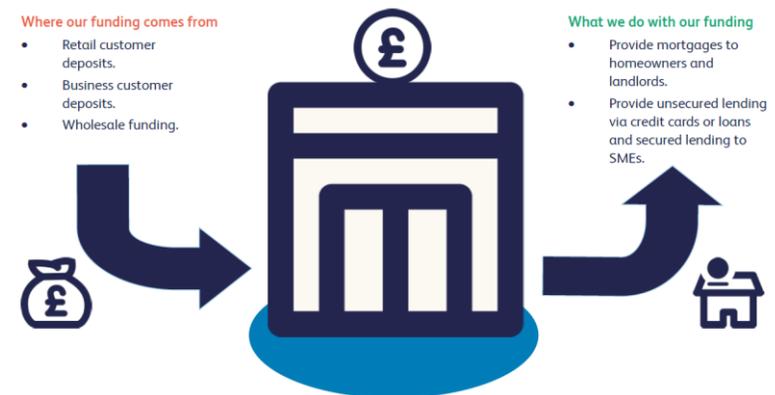
The Co-operative Bank key notes to readers

- The Co-operative Bank p.l.c. provides a full range of banking products and services to retail and SME (Small and Medium Sized Enterprises) customers and is committed to values and ethics in line with the principles of the co-operative movement.
- The Co-operative Bank is a UK only bank and does not operate anywhere else in the world.
- The Co-operative Bank does not offer any wealth or investment management services.
- The Co-operative Bank is subject to and compliant with all UK legislation and regulation. The United Kingdom has laws in place in relation to a wide range of employment and business practices, and The Co-operative Bank is compliant with these.

Our business model

Where our funding comes from

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



What we do with our funding

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

Our business model as depicted in our 2023 Annual Report and Accounts

The Co-operative Bank at a glance

The original ethical bank

In 2022, we marked the 150th anniversary of The Co-operative Bank. The Bank's story began in 1872, as the Loans and Deposits department of the Co-operative Wholesale Society, and we have worked hard ever since to provide our customers with a real alternative to the larger retail banks. We always put our customers at the heart of what we do and we are committed to the values and ethics of the co-operative movement.

We offer high street, telephony and online services, including current accounts, savings, mortgages, personal loans and credit cards to retail customers and offer banking services for small and medium sized businesses, charities, social enterprises and co-operatives including current accounts, savings, loans, overdrafts and credit cards.

Read more about us
here



Our Ethical Policy

Our commitment to co-operative values and ethics has been fundamental to us since we established the Bank in 1872 and still underpin how we run our business. To outline our ethical commitments, in 1992 we took a pioneering step and introduced a customer-led Ethical Policy. We were the first bank in the UK to do so, and are still the only UK high street bank to have one of its kind.

We often ask our customers to tell us about the things that matter to them, through a Values and Ethics and regularly update our Ethical Policy to reflect this. After listening to our customers, our latest Ethical Policy focuses on what we do for our planet, people, and the community, and our commitments within these spaces.

Read our latest Ethical
Policy here



View the results of our
latest Ethical Poll (2021)



The Co-operative Bank at a glance

Our guiding values

Our guiding values set out the key behaviours that will help us to deliver on the Ethical Policy and our brand promise to our customers.

The way we work sets us apart, as a different kind of bank. As colleagues and leaders, we need to have conversations about how we deliver our business strategy guided by our values, which have been created with, and for, us all. Our values have not been defined in isolation. They are our own words and they stand for who we are and how we work.

Take Responsibility



We are performance driven, we look for and drive opportunities and risks, and deliver good customer outcomes

Do the Right Thing



We listen, understand and challenge constructively to deliver for our Bank, colleagues, customers and communities

Step Up



We embrace change, seek to continuously improve and simplify the Bank with a can do, will do attitude

Stronger Together



We are People with Purpose, collaborating with respect and challenge, focusing on shared goals to unlock our co-operative spirit

Colleagues are recognised and held to account for ‘how’ they work as well as ‘what’ they do as part of performance management. The ‘How’ and the ‘What’ form part of objective setting and development discussions with leaders.

The values are embedded throughout our colleague lifecycle including our recruitment and on-boarding processes and colleagues receive annual training as a reminder. Colleagues are introduced to the values as part of our Bank wide induction where we discuss how the values were created in consultation with colleagues, how they guide or behaviours day to day and how they align to the wider values of the co-operative movement.

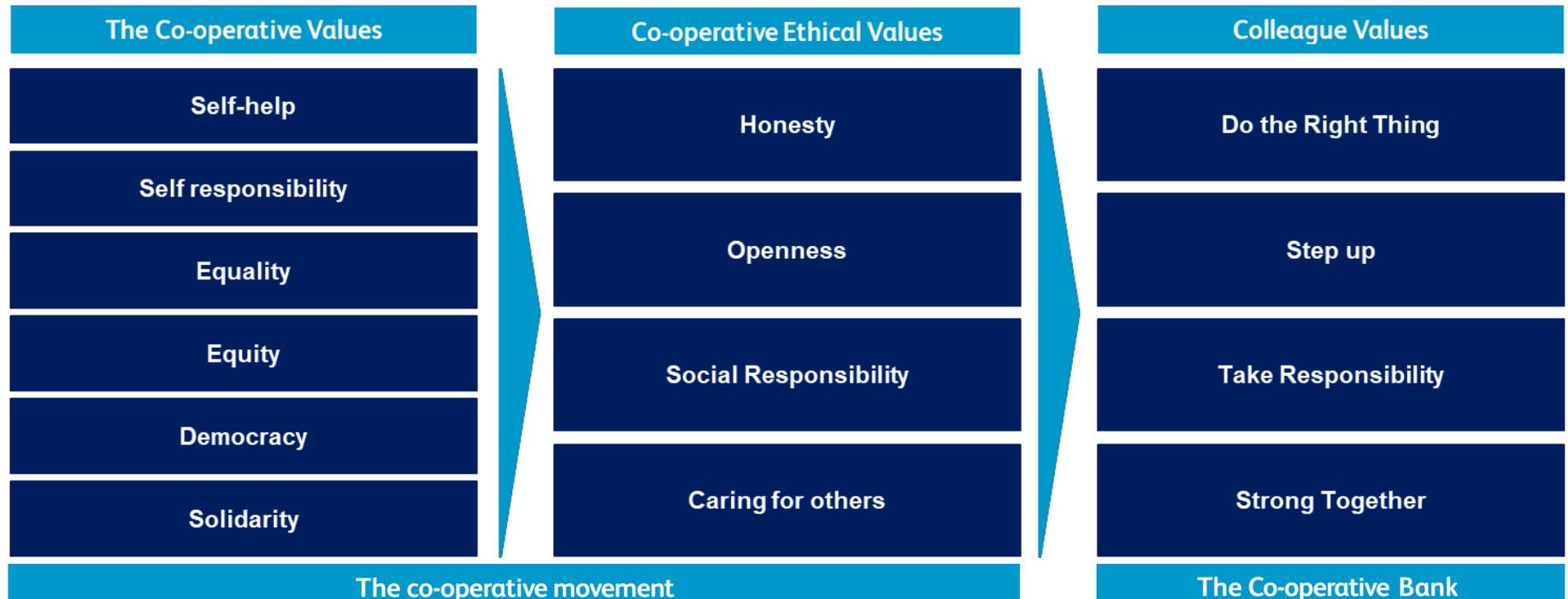
Our history

Our co-operative values

We are a bank built on co-operative values

The Co-operative Bank was born from the co-operative movement over 150 years ago. The co-operative values on which the movement was founded are still important to us today; they are more than the foundations of the bank, they are what brings us together – colleagues, customers, the businesses who bank with us, the charities we support and the campaigns we stand for.

We operate under both the co-operative values and co-operative ethical values of the co-operative movement. These values also form the basis of our colleague values, which guide how we work. Continuing to demonstrate how these values guide us is what enables us to continue to use our co-operative name. We measure and report on this on a quarterly basis, to Co-operatives UK, the central membership organisation for co-operative enterprises throughout the UK. The ability to use the brand is primarily driven by our alignment to these co-operative values, and how we consequently operate, rather than our ownership structure.



Our policies

Documents and external references

Unlike a lot of businesses, we haven't just developed an ethical approach — we've had one from the very start. And our policies are key in helping us make sure that remains at the heart of everything we do.

Our policies are how we protect and support our colleagues, our customers, and the world around us.

[Visit Our Policies page](#)



ESG reporting and verification

Sustainability Report 2023

Unlike a lot of businesses, we haven't just developed an ethical approach — we've had one from the very start. Our policies are key in helping us make sure that remains at the heart of everything we do.

Our policies are how we protect and support our colleagues, our customers, and the world around us.

Read our 2023 Annual Report and Accounts >

External Assurance of our Ethical Credentials

In 2023, we commissioned SGS to undertake assurance of our Sustainability Report and provide commentary on materiality, inclusivity and responsiveness of the Bank's overall sustainability approach.

Their Assurance Statement can be found within our Sustainability Report.

Read more in our Sustainability Report, p.47 >

Read our 2023 ESG Datasheet >



Our 2023 highlights

Sustainability Report 2023

Alongside our annual financial results, The Co-operative Bank published its Sustainability Report on 28 February 2024. Our ESG and Sustainability highlights from 2023 are summarised below and in the report.



We continued to refuse banking services to businesses whose activities **conflict with our Ethical Policy**.



Friends of the Earth

We joined with **Friends of the Earth** to **bring back nature**. Over the coming years, our Postcode Gardeners will help to restore greenery and wildlife in over **1,000 nature-deprived spaces**.



We championed an **inclusive society** by supporting **Pride events** in Manchester and Stoke-on-Trent.



We were one of only **three banks** labelled as an **Eco Provider** by consumer champion **Which?**



We launched our campaign with **Shelter** to **transform the private rental sector**. We're urging the government to pass a robust **Renters Reform Bill** and protect those at risk of homelessness.



2,335
days volunteered

51% of our colleagues volunteers in their local communities.

[Read more in our Sustainability Report](#)



[Read our 2023 ESG Datasheet](#)



Our commitments

Our 2024 Environmental, Social and Governance (ESG) targets

In 2024, The Co-operative Bank announced new ambitious commitments under Environmental, Social and Governance (ESG).

Our Environmental Commitments

In 2024 we will make strong progress against our Net Zero commitments as we strive to decarbonise the Bank and achieve Net Zero status by 2050.

Scope 1 & 2: We will reduce Scope 1 & 2 emissions by approximately 10% by:

- Reducing energy consumption by 6% from 2023 levels through optimising energy use across our branches and offices
- Ensure all electricity procured by the Bank is renewable (REGO backed or suitable comparable REGO alternative) by end of 2024
- Progressing our data management programme of work by delivering energy efficiency improvements throughout 2024.

Scope 1, 2 & 3: We will commence development of a robust Net Zero Transition Plan which will outline a pathway to Net Zero Greenhouse Gas Emissions that delivers real economy decarbonisation in line with our Net Zero commitments and Just Transition principles.

In 2024, we will increase biodiversity in 300 spaces across 12 sites as we work towards our long term target to replenish 1,000 nature-depleted spaces by the end of 2025. We'll do this with our partner, Friends of the Earth, by introducing community gardeners who will engage with at least 1,100 community members and 30 community groups.

- We will continue to help our customers to understand the environmental impacts of their actions and become more sustainable by:
- Conducting customer research to understand how we can better support them with reducing their home emissions
- Working with strategic partners to help customers identify the actions they can take to become more sustainable
- Enhancing our online Sustainability Hub content to engage and inform customers on the actions they can take to reduce their carbon footprint or have a positive impact in their community.

In line with current work on Net Zero Transition planning, we will review our products and propositions offering to ensure they support our customers in their decarbonisation journey.

Our Social Commitments

We will amplify the voices of our customers with our campaign for fairer renting, which demands the transformation of the private rented sector to ensure safe and secure housing for all. We'll do this in partnership with Shelter, by calling for the introduction of a robust Renters Reform Bill, and will work with our customers to raise awareness and grow support for the campaign.

We'll demonstrate our support for registered charities, community interest companies and co-operatives, through increasing Community Directplus Accounts by 6% compared to 2023 and supporting them in their missions to drive positive change across our communities.

We will continue to give back to our communities by providing charities and community groups 2,000 days of support from colleagues through our volunteering programme.

Our Governance Commitments

The Co-operative Bank Charitable Fund commits a proportion of Bank profits to driving positive social and environmental change, whilst responding to the needs of our communities.

We aspire to have 45% of senior positions filled by women. In 2024 we will develop a new Diversity & Inclusion strategy that will aim to enhance our commitment to the Women in Finance Charter and broaden all aspects of our diversity commitments going forward, and set an end date to achieve our 45% target.

All colleagues will have at least one Environmental, Social and Governance related objective for 2024, helping to motivate and empower them to perform at their best, with a clear sense of direction in delivering against the ethical commitments in our customer-led Ethical Policy and ESG strategy.

Financial Reporting

Annual Results and TCFD Reporting

Annual Report and Accounts

Our Annual Report and Accounts 2023 were published on 28 March 2024 and detail The Co-operative Bank's financial results from 1 January 2023 – 31 December 2023.

Read our 2023 Annual Report and Accounts



Climate-Related Financial Disclosures (CFD)

The Co-operative Bank has been ahead of the curve in disclosing our climate-related commitments. We have not financed fossil fuel extraction, production or infrastructure since 1998 and one of the three pillars of our refreshed Ethical Policy is 'Planet'. Our climate-related financial disclosures demonstrate how we embed the four pillars; Governance, Risk Management, Strategy and Metrics & Targets, throughout the Bank from Board to branch in line with TCFD recommendations.

Read more in our 2023 Annual Report and Accounts, p.43



The Co-operative Bank

2023 Annual Report and Accounts

The **co-operative** bank
Ethical then, now and **always**

Performance against strategic objectives
complete our mortgage and savings

£120.9m¹
Underlying profit before tax
2022: £136.0m

36.1%
Statutory cost:income ratio
2022: 72.8%

firm live for new business, migration of
ers initiated; new savings platform live for
majority of existing customers migrated.

mortgage platform, reinforcing our brand and
arket.

ance of £200m MREL funds in May 2023,
m Tier 2 regulatory capital in November
ssuances under our Green, Social and
SSS") Financing Framework.

Acquisition of mortgage portfolio

Acquired Sainsbury's Bank mortgage portfolio representing approximately 3,500 customers with balances of c.£0.5 billion.

1. Underlying profit is a non-statutory measure that management uses to assess business performance. It is adjusted for certain expenses and is reconciled to the relevant statutory measures on page 56.

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Environment

How we protect the planet

The **co-operative** bank

Ethical then, now and **always**

Our Environmental and Biodiversity Policy and Environmental Management System

Environmental and Biodiversity Policy

The Co-operative Bank is committed to acting in a way that minimises its impact on the environment. As part of its Environmental and Biodiversity Policy, The Co-operative Bank has committed to comply with all relevant environmental legislation, prevent pollution and minimise the use of natural resources. This commitment resonates in the Bank's engagement with its supply chain, including the requirement for fair trade and FSC/PEFC product specification, all aspects of its operation, and engagement with customers and society.

Read our Environmental and Biodiversity Policy here



The Bank's environmental impacts are managed and mitigated against through the following processes and practices:

- Our Sustainable Procurement and Supplier Policy, which dictates the environmental aspects of the procurement process
- Our continued commitment to **Zero Waste to Landfill**, which ensures that the Bank does not send any operational waste to landfill. We also work continuously to increase the proportion of waste that we recycle
- Our **commitment to align to Net Zero by 2030** for our operational emissions and by 2050 for our indirect emissions. Delivery of this target includes reduction in energy consumption by increasing energy efficiency and optimisation of Bank infrastructure to ensure alignment to Net Zero by 2030.
- Our campaigns to bring about positive change for the environment, such as the work with Zero Hour to support the Climate and Nature Bill.
- Supporting our customers to make sustainable choices via our green product offerings.
- Supporting industry wide initiatives such as the UN Environment Programme Finance Initiative Principles for Responsible Banking.
- Taking action to reduce our environmental impact and **offsetting** our operational carbon emissions plus an additional 10%. This means that The Co-operative Bank is 'beyond carbon neutral'.
- Supporting environmental projects around the world through our carbon offsetting payments, in partnership with our carbon offsetting partner
- Our colleagues regularly use their **volunteering** time to support local environmental projects, including beach cleans and tree planting.

Net Zero GHG reduction and pathway

Scope 1, 2 and 3 Emissions, Carbon Intensity and Energy Usage

We recognise that financial institutions have an important part to play in the allocation of capital towards facilitating real-world decarbonisation activities. To align to best practice, we have calculated our Net Zero pathway for financed emissions (Scope 3 Category 15) in line with the requirements of the Net Zero Banking Alliance (NZBA). We further utilised the SBTi (Science-based targets initiative) methodology to provide more detailed decarbonisation plans for its Scope 1, 2 and Scope 3 Category 1-14 emissions.

Through the beginning of our Net Zero journey, it has been important to ensure that decarbonisation follows the Just Transition principles wherever possible to ensure that the impacts of transitioning the economy in line with Net Zero are not borne disproportionately by vulnerable sections of society. As part of progressing our sustainability agenda, in our 2023 Sustainability Report, we committed to commencing development of a robust Net Zero Transition Plan to outline the path to achieving the Bank's Net Zero ambitions.

Net Zero Calculations and Reduction Targets

In 2024, we reported our carbon emissions and carbon intensity metrics across all three scopes in their entirety for the first time, this includes Mortgage Portfolio Building Intensity (kgCO₂e/m²), Carbon Intensity (kgCO₂e/FTE), Carbon Intensity (kgCO₂e/£Revenue) and Energy Intensity (kgCO₂e/kWh). We comply with Streamlined Energy and Carbon Reporting within our Sustainability Report. This marks a significant step forward in our Net Zero journey as we have increased transparency around our value chain emissions and the environmental impact of our products, services and product portfolio as well as clearly articulating the methodology behind the calculation of our carbon footprint. See the Sustainability Report for more detail.

We have set targets to reduce energy consumption (Scope 1 & 2) in 2024 by 10% by optimising energy use at offices and branches, progressing our data management programme of work by delivering energy efficiency improvements, and ensuring all electricity procured by the Bank directly is REGO-backed. In our 2023 Annual Report and Accounts, we committed to reducing scope 1 & 2 emissions by 90% by 2030, and scope 3 categories 1-14 emissions by 50% by the same target year. This builds on our original commitment to align our Scope 1 & 2 direct emissions to Net Zero by 2030, and to transitioning our Scope 3 mortgage lending portfolios to align to net zero by 2050 at the latest.

Read more in our
Sustainability Report



Sustainable Procurement

Our Supplier Policy and processes

As a business, we need to ensure that we behave ethically not only in the direct impact of our activities, but also indirectly through our supplier relationships. Therefore we make the following commitments as part of our Ethical Policy:

- We assess whether the operations of suppliers directly engaged by The Co-operative Bank are consistent with our Sustainable Procurement and Supplier Policy, which reflects our Ethical Policy.
- We aim to work with our suppliers to manage The Co-operative Bank's own environmental impact and support our policy of being beyond carbon neutral. In particular, we seek to:
 - Use renewable energy and manage our energy efficiently.
 - Reduce our reliance on fossil fuels.
 - Reduce our reliance on chemicals that persist in the environment and have the potential to harm health.
 - Embrace natural products and services.
 - Minimise waste through recycling and other sustainable waste management practices.

The process in summary:

- As part of the Bank's Third Party Risk Management (TPRM) Operating Model, all new services (and at point of renewal) are assessed for materiality and inherent risk (M&IRA) against determined risk policy domains. Depending on the classification, the Bank completes additional governance requirements such as: performance reviews, business continuity plans & exit plans. The documentation identifies geographical location of where the service is performed including sub-contractors; people risk such as TUPE & training.
- Suppliers are also issued the SPSP & a supporting SPSP questionnaire; for any incumbent suppliers upon renewal Procurement ensure that the supplier is signed up to the current version. The supplier is asked to confirm that they have read the Policy and attest that their business activities do not breach the policy; the supplier completes the questionnaire and returns the response for review. If a supplier does not meet the Bank's appetite then the escalation process is followed and alternative providers where required are to be sourced. For our key suppliers c70 we ask at Governance & Control meetings to attest that there are no changes to their responses and if there are any changes the supplier must notify the Bank.
- In addition, for new and material suppliers the Bank completes a due diligence checklist which covers regulatory requirements including anti-money laundering; anti bribery & corruption and ensuring the supplier is consistent with the Bank's values & code of conduct, including sub-contractors.

[Read our full Sustainable Procurement and Supplier Policy here](#)

Sustainable Procurement

Ongoing monitoring

The process in summary:

The SPSP questionnaire covers:

- Human rights and equality
- Economic and social development in Britain
- Protecting the environment
- Supporting international development
- Protecting animal welfare

Living Conditions, Human Rights and Equality

The SPSP states that we expect our suppliers to provide wages for a standard working week that meet at least the legal or industry minimum standard, whichever is the higher, and are sufficient to meet basic worker needs and provide some discretionary income.

Here are a few specific questions from our SPSP questionnaire to demonstrate how we apply our policy to ALL new suppliers:

- *Do you have policies in place to protect the rights of all employees, customers and other stakeholders?*
- *Do you pay your employees the Real Living Wage as specified by the Living Wage Foundation: www.livingwage.org.uk*
- *Do you have policies in place that provide support and assistance for your employees, such as family friendly policies, work life balance policies?*
- *Do you implement the basic labour rights as set out in the Fundamental UN International Labour Organisation Conventions?*

Read our full Sustainable
Procurement and Supplier Policy here

Sustainable Procurement

Ongoing monitoring

- The Bank's Third Party Risk Management (TPRM) Operating Model (previously Supplier Management Framework -SMF) outlines the end to end Procurement lifecycle, which includes, planning and selecting a third party provider through to exit. The TPRM Operating Model ensures the Bank consistently manages its third party relationships in line with risk appetite, legal and regulatory obligations,.
- All third party arrangements are materially assessed and classified as High, Medium or Low. Where a material or outsourced arrangement has been identified, risk assessments are conducted prior to contract signature and on an annual basis or as a result of a material change to the services provided thereafter. The Materiality & Inherent Risk Assessment (M&IRA) captures details relating to the supplier and contract which include but are not limited to the below, services provided by the third party
 - Geographical location including Cloud arrangements, Size, 4th / 5th party relationships , Substitutability to support, Exit and if the services are critical in resolution or support one of the Bank's Important Business Services (IBS)
- Due diligence is completed for all third party suppliers at the point of on boarding, with ongoing monitoring conducted throughout the relationship at an agreed frequency relevant for the supplier risk classification (High = annually, Medium = every 2 years and Low = significant change to service and or contract) and aligned to supplier compliance obligations. The due diligence questionnaire and risk assessment are aligned to the below risk domains.
 - Fraud, AML & Geographical location
 - People
 - Information Security
 - Financial
 - Business Continuity & Exit
 - Concentration
 - Values & Ethics
 - Delivery & Operational
 - Consumer Duty
 - Regulatory & Legal
- As part of this the Bank has set thresholds for concentration risk under the following focus areas:
 - Concentration risks from multiple engagements with the same third party
 - Risk arising from third party arrangements that are difficult or impossible to substitute
 - Risk arising from multitude of arrangements in the same geographic jurisdiction or region
 - Risk of fourth party/supply chain dependencies

[Read our full Sustainable Procurement and Supplier Policy here](#)

Sustainable Procurement

Ongoing monitoring

- To monitor and mitigate risk, third party assurance is undertaken by subject matter experts. Where suppliers operate on Bank systems, or vice versa, enhanced controls exist in relation to assurance with ongoing attestation controls and monitoring of system and operational performance. In addition, for material and / or outsourced suppliers monitoring exists in the form of financial due diligence checks and performance managed against an aligned scorecard. A standardised key control has been implemented into each Business areas' risk, control, self-assessment RCSA to ensure the effectiveness and standardisation of performance assessments.
- Enhanced assurance is in place for Business Continuity and Exit Planning to ensure continuation of service in the event of an unplanned disruption, which is exercised via extreme but plausible scenario testing. Off-site and on-site reviews take place by the Banks Cyber Team aligned to risk profile, with design effectiveness testing performed across a multitude of topics. Assurance outputs will be reported as a consolidated output in Procurement forum from June 24, with defined triggers in place to execute audit rights if required.
- Adherence to the TPRM Operating Model is monitored via monthly Procurement Forum governance, with escalation via Operating & Customer Committee (OpCo). Any areas of non-compliance are reported to the forum and escalated appropriately, with issues managed in line with the Bank's Risk Management Framework (RMF). The Bank's 2LoD and Internal Audit function will assess supplier management in line with their annual schedule, to ensure policy adherence and effective risk management. Both functions attend the Procurement Forum to provide independent oversight of non-compliance and remediation actions.
- The Bank's confidential and whistleblowing helplines are available to third party suppliers.
- Throughout 2023 / 24 a training programme was rolled out by Procurement, which included training colleagues on the procure to pay process and TPRM Operating Model.
- The Bank's Sustainable, Procurement and Supplier Policy (SPSP) details a number of requirements within a questionnaire that cover labour rights and working conditions. All suppliers must adhere to the SPSP.
- The Bank Third Party Supplier Risk Policy; Third Party Control Standard and Sustainable Procurement and Supplier Policy (SPSP) are reviewed annually and approved through Governance.

[Read our full Sustainable Procurement and Supplier Policy here](#)

Responsible asset management

Responsible Investing and Green Financing

Treasury implemented a counterparty V&E screen in H1 2020 to supplement the Supplier screening policy (“Sustainable Procurement Supplier Policy“ SPSP) already in place. This exercise takes place on an annual basis.

The framework ensures the Treasury function:

- Does not execute transactions with banks controlled by oppressive government regimes
- Does not transact with counterparties that take an irresponsible Taxation approach*.
- Does not transact with counterparties with reputational concerns that conflict with the Bank’s Ethical Policy*.

**Unless there is an exceptional Treasury business need and this is approved by the CFO.*

Responsible Investment Policy

During 2021, Treasury introduced an ESG framework for investments made for the Bank’s liquidity portfolio. Sustainalytics ESG Risk Ratings are monitored on an on-going basis and ahead of any new investments. Entities with a High or Severe Risk Rating are excluded for front book investment. The policy is subject to annual review and approval at the Bank’s Asset & Liability Committee.

Green, Social and Sustainability Financing Framework

In March 2022, the Bank announced its introduction of a Green, Social and Sustainability Financing Framework. The Framework enables The Co-operative Bank to issue green, social and sustainability debt instruments to facilitate the funding of assets with environmental or social benefits that directly contribute to the United Nations Sustainable Development Goals (“UN SDGs”). It also provides a transparent set of criteria to bring positive social benefits, transition to a low carbon economy and support our purpose to make a positive difference to the lives of its customers and communities. The Co-operative Bank will allocate the proceeds of its green, social and sustainability debt instruments to Eligible Green Assets and Eligible Social Assets (together referred to as “Eligible Assets”) as defined within the Use of Proceeds section of the Framework.

[Find out more about the framework here](#)

Green Financing

GSS Financing Framework and Green Bond Proceed Allocations

Total Green Bond Issuances Outstanding - £650m

Further to the inaugural Green £250m 5NC4 HoldCo Senior bond priced March 2022, on Wednesday 17 May 2023, The Co-operative Bank Finance p.l.c. successfully priced a Green £200m 5NC4 HoldCo Senior bond at 9.500 % and on Tuesday 14 November, The Co-operative Bank Holdings Limited successfully priced a Green £200m 10.5NC5.5 Tier 2 bond at 11.750 %

Green Bond Allocation: Summary (as at 31 December 2023)

The GSS Financing Framework stipulates Bank can select Eligible Assets originated up to 24 months prior to the respective green, social or sustainability debt issuance, therefore the 2023 Allocation and Impact Report confirms that in total, since 6th April 2020 (2yrs prior to the inaugural green bond issuance) £1.271bn of eligible green residential mortgage assets (assets which had an Energy Performance Certificate rating of A or B) have been originated up to 31 December 2023.

The Bank's second Allocation and Impact Report confirms that a total of £220m of eligible green assets with a valid EPC at completion were completed in 2023.

Of the £220m, £95m was originated between 24 May 2023 (the day following the settlement date of our second green bond) up to 31 December 2023, which represents 47.5 % of the net proceeds from the second green issuance. The Bank expects to fulfil its intention to utilise at least 50 % of the proceeds of the transaction for the future origination of eligible green assets (i.e. an additional 2.5 % of the proceeds) in the remaining period within the 12-month window post issuance (before 23 May 2024). However, until such time, the proceeds have been allocated temporarily against older eligible green assets within the pool, i.e. those which have been originated pre issuance. The remaining £100m (50 %) of the proceeds have been allocated against assets originated before the issuance date of the Bank's second green bond.

The Bank completed its third green bond issuance on 22 November 2023, once again committing to allocate 50 % (£100m) of the net proceeds to the future origination of eligible green assets.

The Bank will continue to work to meet the future financing commitment of the third bond by 22 November 2024 (12 months post issuance) and intends to report progress in the next iteration of the Allocation & Impact Report due March 2025. Whilst the Bank continues to work towards the 50 % forward financing target, £100m (50 %) of the proceeds have been temporarily allocated to eligible green assets originated pre issuance. The other £100m (50 %) of the proceeds has now been fully allocated against assets originated before the issuance date of the third bond.

[Read our Green Bond Allocation Impact Report for more information](#)

[Read our Impact Report Second Party Opinion here](#)

Guiding customers to become sustainable

Customer initiatives

Renewable Energy Funding Scheme (REFS)

With our Renewable Energy Funding Scheme (REFS), SME customers can borrow up to 100% of the cost of investment in renewable energy technologies to help improve the sustainability and energy efficiency of their business. Examples of how this funding could be invested are:

- Relocating to energy-efficient premises
- Changing to an energy-efficient boiler
- Improving your insulation
- Introducing recycling schemes
- Investing in electric vehicles
- Installing solar power
- Changing to LED lighting
- Other renewable energy projects

[Find out more about REFS here](#)

REFS was launched in 2022 as is available to all our SME customers, subject to application and credit assessment.

Zellar platform

zellar

In July 2022, the Bank launched a new partnership with Zellar, a digital sustainability service which helps businesses to measure the environmental impact of their business, build action plans to improve this and access a marketplace of green services. Zellar can help customers to:

- Make sustainability simple
- Accelerate net zero goals
- Save money and time
- Enhance reputation as a sustainable business
- Give a business a competitive edge
- Improve community and environmental impact

[Find out more about Zellar here](#)

In 2023, Zellar helped over 200 SMEs develop a sustainability action plan which enabled clients to save 85 tonnes in CO2, and identify energy bill savings of £100,000.

Green additional borrowing

In 2022, the Bank took its first step in to green mortgage lending by launching a 'green' further advance mortgage product range aimed at existing mortgage customers wanting to reduce their home's carbon footprint and making energy efficient improvements.

In partnership with the Energy Saving Trust, the Energy Saving Home Improvement Tool offers customers help understand the energy performance rating of their home and what measures can help reduce energy bills, carbon emissions and improve their EPC rating.



[Find out more about our Energy Saving Home Improvement Tool here](#)

Guiding customers to become sustainable

Our Sustainability Hub

Our Sustainability Hub is a dedicated space within our mobile banking app which encourages existing customers to educate themselves on how they can live more sustainably in their day-to-day lives. The Hub also provides information on how we as a bank are living up to our own commitments. The Hub features articles for customers to read and customers are able to filter the articles by selecting categories, so their interests and needs are met more effectively. As part of our mobile channel, we have run multiple campaigns since it launched using push notifications and banners linking to the articles within the Hub, to ensure we are engaging with our customers regularly on matters that are close to our brand values. The mobile Sustainability Hub provides an important vehicle for communicating with our customers on these topics, encouraging them to do their bit to protect the planet whilst also holding ourselves accountable as a business.



We're always looking for ways to help our customers and work on the things that matter to them the most. We've remained committed to **protecting the environment** over the past 30 years — and we're not stopping any time soon.

Filter by category

Trending

Advice



Latest articles



New year, new sustainable you

January is a time when many of us stop to think about how we can do things differently this year. So, it's the perfect opportunity to make some sustainable choices. Here are our 3 resolution suggestions for a sustainable 2024 (and beyond).

[Read more about New year, new sustainable you](#)

12 January 2024 7 min read



Choose sustainable festive gifts

Our tips can help you choose gifts that are both thoughtful and sustainable for your friends and family this festive season.

[Read more about Choose sustainable festive gifts](#)

23 November 2023 5 min read



How to do Veganuary: going vegan for a month

If you're looking for ways to make healthy and eco-friendly changes this year, trying Veganuary could be the perfect place to start. The Veganuary team aims to make trying a vegan diet simple and judgement-free. It's an opportunity to try new things, and that's why over 700,000 people signed up last year.

[Read more about How to do Veganuary: going vegan for a month](#)

10 January 2024 4 min read

Social

How we support our
colleagues and communities

The **co-operative** bank

Ethical then, now and **always**

Our ethical workplace and culture

Reflecting our co-operative values and ethics

We are committed to creating an ethical workplace by:

- As a minimum, paying our colleagues the Real Living Wage, and not just the minimum as required by the government.
- Applying policies for reasonable adjustments, flexible working and leave options to support colleagues through difficult life changes and events.
- Recognising the right of our employees to freedom of association and welcoming trade union membership.
- Valuing the benefit of working closely with our trade union to ensure the voice of the colleague is heard.
- Ensuring pay and rewards for all colleagues, including executives, is fair, responsible and clearly linked to achievable individual and company performance including, the creation of sustainable value for all stakeholders.
- Ensuring that executive remuneration is linked to the delivery of our environmental, social and governance commitments.
- Prioritising our colleagues mental and physical health by providing training, support and resources as well as fostering a safe environment to be open about their needs.

See our Ethical Policy
Page 14 >

Read our Freedom of
Association Policy >

We are committed to ensuring that values and ethics are embedded in our workplace culture by:

- Ensuring that the workplace values which govern our employees behaviour are aligned with our Ethical Policy and co-operative values.
- Ensuring that values and ethics are part of our mandatory code of conduct and that colleagues receive regular training on them.
- Regularly reviewing our policies and practices with a progressive mindset, ensuring they are underpinned by our values and ethics, and meet all legislative and regulatory requirements. Many of our policies include enhanced provisions where appropriate and are in line with our colleagues focus.

We promote equality of opportunity and aim to create a culture and environment that attracts and retains a workforce that is representative of our society:

- We support our colleague-led inclusion networks, helping them to drive social and cultural change internally and externally.
- We demonstrate our commitment to being an inclusive employer through taking part in and/or communicating our commitment to local and national inclusion initiatives.
- We operate a fair recruitment process that seeks to attract candidates from diverse backgrounds as well as endeavouring to work towards a selection processes free from bias.
- We will monitor and address diversity related pay gaps as appropriate.

Evidence of these commitments in action can be found in our latest Sustainability Report.

See our Sustainability
Report 2023 >

Building a high performance culture

Supporting our colleagues

Our stated purpose is to build a high-performing culture, underpinned by our values and ethics, ensuring our people recognise the vital role that they play in supporting others, driving business performance and that they have a clear understanding of the impact they've made.



- **Colleague Value Proposition** – supports work- life balance, wellbeing and career development.
- Our total reward package offers an **attractive range of benefits**, time off work options and **family friendly** policies and support.



- **Recruitment** - brand and V&E is our **Unique Selling Point** to attract, investing in early careers, **graduates, apprenticeships and internships**.
- **Retention** - by providing challenging job roles that give **opportunity to flourish**.



- **High-performing workforce** – We invest in **leaders** to build high performing remote teams. **Focus on results and delivery**, rather than presentism.
- **Scorecards remain integral** to all we do.



- **Simplification** - deliver cloud based, mobile enabled technology to **digitise people processes**.
- Give colleagues & leaders the tools & freedom **to do the job by self-service**.

Employer accreditations

Evidencing our commitments to colleagues

Greater Manchester Good Employment Charter

The Bank was the first Financial Services organisation to gain membership status of the **Greater Manchester Good Employment Charter**. We have achieved membership through our *'commitment to putting good employment into action and being exemplars of employment excellence, even through these challenging times.'*

The aim of the Good Employment Charter is to improve employment standards across the North West region and contribute towards a thriving and productive economy, with members like us committed to paying the real living wage, enabling flexible working and supporting the health and wellbeing of colleagues, amongst other things.

Through our membership of the Good Employment Charter, we have an opportunity to reinforce our position as a major values and ethics led employer in the North West and demonstrate our continued commitment to our colleagues, our customers and our communities.

In 2024 our support of the Charter has been further strengthened by one of our Senior People Business Partners joining the Charter Programme Board. The prime purpose of the Programme Board is to “strategically champion Good Employment generally and drive the Charter forward to deliver the outcomes and benefits for all employers across Greater Manchester, and to coordinate and govern the resources across the programme”.

London Good Work Standard

The Bank is recognised by the Mayor of London as a **Good Work Standard employer**. This recognition demonstrates our commitment to our People. It also reflects the many ways in which we are striving for the best working conditions for our employees.

Additional accreditations including Disability Confident Employers, HMT Women in Finance and Race at Work charter are detailed on page 39.



[View the list of Good Employment Charter members >](#)



[Visit the Good Work Standard website >](#)

Health and safety

Our commitments to customers and colleagues

At The Co-operative Bank, we believe that excellence in the management of health and safety is an essential element within our business activities. Ensuring the health, safety and wellbeing of all colleagues, customers, contractors, visitors and others who are in any way affected by the undertakings of our Bank is incredibly important to us and the Board of Directors and the Executive Committee are committed to this aim.

From a legal perspective, we are committed to ensuring that we comply with all relevant health and safety legislation. Where it is reasonably practicable to do so, we will strive to go beyond the requirements of legislation, with the aim of achieving best practice where possible. Objectives and targets will be set and reviewed at least annually to demonstrate this intention is being strived for and achieved.

We also aim to develop a culture where continuous improvement in health and safety performance is integral to all of our commercial activities. We strive to create a working environment where accidents are not expected to occur, and where health and safety and productivity are given an equal priority.

All colleagues are reminded of their personal responsibilities in respect of health and safety to themselves and others who may be affected, and the need to co-operate with the Bank. We expect all colleagues to constructively challenge unsafe behaviours when they occur. Health and safety is regarded as an integral part of every colleague's duties. An appropriate level of resources and specialist support will be maintained to enable individuals to discharge their duties properly.

[Read our Health and Safety Statement of Intent here](#)



Health, Safety and Physical Security



This Bank's Health and Safety Policy Statement sets out the overall vision of the Bank to meet its legal obligations by:

- Ensuring appropriate health and safety advice and guidance is provided
- Providing information and training via our e learning training programme and face to face training where required
- Consulting our colleagues on matters relating to health and safety
- Ensuring appropriate workplace facilities are in place
- Providing first aid at work
- Ensuring there is an appropriate accident, incident and near miss reporting system in place
- Preparing and providing appropriate risk assessments and understanding and acting on control measures/actions which arise

Colleague learning and mandatory training

Our colleague offering

We offer a mix of on-the-job and formal training, with role-specific inductions and upskill training in our high volume areas.

Our **Bank-wide induction session** provides great networking opportunities and a chance to meet members of our executive team, as well as showcasing our history and heritage; values, behaviours and ethics; Bank strategy and scorecard; our union partners and our customer and colleague propositions.

The Bank also provides **technical training** for new and upskilling colleagues in our customer facing areas to ensure they have the right skills and knowledge to support customers and their banking needs. This is aligned to a training and competency framework to ensure that we are following regulatory and business processes and also following the principles of Treating Customer Fairly. Each induction is a minimum of 5 days and we have regular upskill activity to develop colleagues in their role.

Our **My Development platform** is available to colleagues to access anytime for self directed development. This offers a multitude of training resources that are accessible by all colleagues and can be selected based on personal development wants and needs.

We have a **robust risk and mandatory training programme** that provides colleagues with core knowledge training which all colleagues must undertake. This training demonstrates to our regulators that as a business we have a robust framework and process in place that allows users to have a sufficient understanding around the financial sector we operate in and the principles that govern us. This is achieved through a curriculum of mandatory training modules that ensures our colleagues maintain a core knowledge and understanding that all colleagues must complete at the beginning of their employment and then on an annual basis thereafter or as required. There are 10 modules covering key topics from Money Laundering and Fraud to Inclusion and Diversity*. Annual refresher training includes our Code of Conduct, which defines how we behave in line with our Ethical Policy and guiding values, how we deliver the right customer outcomes and how we comply with regulatory requirements.

Training Hours

In 2023, a total of 213,068 hours of training was undertaken across the Bank by colleagues. This amounts on average to **61.3** hours per colleague across the year**. Training took place across a range of areas including:

- 20% off the job training to support apprentices to get their qualifications (approximately 130 colleagues are taking part in apprenticeships in H1 2024)
- Webinars on ESG and net zero, stress management, neurodiversity and financial wellbeing.
- Leadership development sessions including managing wellbeing, people policies, performance and talent management.
- Executive training
- Role specific customer service training and role specific upskilling
- Mandatory training
- Role specific mandatory training
- Class of 2023 inductions
- Health and Safety Training including First Aid and Mental Health First Aider training
- Personal development through our online tool My Development
- Consumer Financial Protection (FCA Consumer Duty)

*Full list of mandatory training modules: Anti Money Laundering; Conduct Risk; Data Protection Awareness, Display Screen Equipment (DSE), DSE Assessment; Fire Safety; Fraud Awareness; Inclusion, equality and diversity; Information Security; Risk Management Framework; Code of Conduct ; The Conduct Rules; Applying the FCA Consumer Duty; Environmental, Social and Governance.

**This represents a small decrease from 2022 figures (average of 68.5 hours) due to the insourcing of c.400 colleagues and resulting increase in headcount.

Colleague learning and mandatory training

Our colleague offering

As part of our internal training process, Bank employees must complete a series of training modules each year. Each module consists of learning material followed by a test which must be passed in order to complete the training. All colleagues complete 12 modules each year, (up to 45 mins per module) equating to 9 hours per person/per year. Our target for completion of mandatory training is 100 % of colleagues. Below are some examples of our key mandatory training modules

Responsible product offering and marketing training:

Training Module	Summary	2023 Employee Completion Rate
The Conduct Rules	This module helps colleagues to understand why we have the conduct rules, what they are and how their role relates to them. It covers conduct rule breaches how these are reported to the regulators. Case studies and scenarios are used to bring this to life and check understanding.	98.3 %
Conduct Risk	Helps colleagues to identify how they can contribute to mitigating conduct risk, ensuring they do not deliver poor outcomes or cause harm to customer. It details what to do if a colleague identifies something which may result in poor customer outcomes or harm for customers. Case studies and scenarios are used to demonstrate how to achieve good outcomes.	98.5 %
Code of Conduct	Provides colleagues an understanding of the purpose and scope for the Bank's Code of Conduct policies, guidance documents and support available. It details how to act in the Customer's and the bank's best interest, explaining their responsibilities to comply with the bank's Code of Conduct with reference to our ethical policy and values.	97.8 %

Regular training modules on data privacy management:

Training Module	Summary	2023 Employee Completion Rate
Data Protection Awareness	This module gives colleagues an understanding of personal data and how to process this alongside the data protection principles. It details their responsibilities in regards to data protection legislation and the rights that customers and colleagues have in respect of their personal data.	98.7 %
Information Security	Supports colleagues' ability to recognise why information security is critical to our business. It covers how and why information is classified, how to use email and the internet safely, how to follow network access procedures and details our physical security procedures. The module helps colleagues to recognise how and when to report actual or suspected data breaches.	98.0 %

Colleague learning and mandatory training

Integrating Environmental, Social and Governance

In 2023, we made significant progress in integrating ESG into our ways of working.

ESG Training

- Introductory Training for new recruits: On recruitment to the Bank, each and every colleague receives a Welcome session, which includes training on ESG, Values and Ethics;
- Colleague ESG Training: 98 % of colleagues completed mandatory ESG training in 2023. Further training to embed ESG is planned to be completed in 2024.

Further embedding of ESG

The Bank has committed to ensuring that: All colleagues will have at least one Environmental, Social and Governance related objective for 2024, helping to motivate and empower them to perform at their best, with a clear sense of direction in delivering against the ethical commitments in our customer-led Ethical Policy and ESG strategy.

Colleague learning and mandatory training

Prioritising colleague education

- With so many roles, business areas, and specialisms across the Bank, it is not possible to take a one-size-fits-all approach. Our partnerships with educational institutions are an important way in which we can deliver further education for our colleagues, developing and delivering joint training programmes and courses. Each of our four partner providers offer **job-specific programmes** to new and existing colleagues across a range of areas and further information on each can be found by clicking on the logos.



- **Workpays** - We've been working with Workpays since 2019. They're our main programme provider for our customer-facing business areas.
- **Manchester Digital** - Onboarded in 2023, Manchester Digital have developed a range of Level 4 programmes for software developers and business and data analysts.
- **Code Nation** - We partnered with Code Nation in 2020. They offer tech and digital-related apprenticeships.
- **BPP** - Partnered since 2019, BPP are a private sector training partner with University status. They offer a wide range of programmes in non-customer facing areas, primarily at Level 4 and above.
- Colleagues at all levels have access to live lessons from leadership development specialists at [Hult International Business School](#), as well as access to online content via their learning platform designed to support colleagues address their unique development needs.
- **Entry Talent:** All Graduates complete apprenticeship training in a subject aligned to their chosen Graduate Programme. Apprenticeships range from Bachelor's degree equivalents to Master's degree equivalents in a variety of subjects, including professional courses via ICAEW, ACCA or CIMA, Applied Digital Technology Degree apprenticeship, MSc Applied Data Analytics, Financial Services Professional and Senior Compliance Risk Specialist.
- Colleagues also have opportunities to raise ad-hoc requests through our central Apprenticeships team. Governance exists to manage requests and oversight all apprenticeship activity, including supplier/learner management, exploring and on-boarding new suppliers (where appropriate).
- Latest UK Department for Education (DfE) data (March 2024) shows our achievement rates in colleague apprenticeships to be approximately 80%, significantly **above the national average** of 54.3% (2022/23 UK DfE data).

Internal talent development and career progression

Our talent development programmes

The Bank's Entry Talent (ET) Agenda is aligned to business strategy, developing key capabilities to meet the future resourcing needs for the Bank and establish a strong talent pipeline. To support the Bank in achieving its strategic objectives we create ET pipelines through a multi-channel approach which educates, develops and supports individuals to reach their potential.

Graduate programme

Accelerated leadership and technical development programme recruiting high calibre Graduates through small targeted external attraction and robust selection process. Developing leadership skills and technical knowledge across the wider Bank whilst completing a series of rotational placements and a relevant apprenticeship qualification. Designed to support talented graduates in reaching their full potential and ensuring the Bank is in the best position to build a strong talent pipeline of future leaders in specialist areas.

Summer Internship Programme

The 8 week Summer Internship programme is designed to give students an insight into the Bank and provide them with the opportunity of building their knowledge and skill set as well as taking ownership of real work assignment and projects that contribute to the success of the Bank.

Industrial Placement Programme

The new for 2024, 12 month placement programme allows undergraduates to gain vital experience by working on some of our biggest projects. Designed to enable colleagues to explore different opportunities and interests before returning to University the following year.

Mentoring

The Bank offers a range of mentoring programmes for all colleagues to participate in as either mentors or mentees.

Bank wide mentoring programme: Our Bank-wide Mentoring programme offers all colleagues the opportunity to be a mentor and/or a mentee. Traditional mentoring usually involves a more senior person mentoring a more junior colleague, but we believe that anyone can be a Mentor; its just about having some experience, skills or knowledge that you can share with others to support their development.

Career Progression/Talent Development mentoring: Colleagues on our Graduate programmes will be offered a mentor to support them through the duration of their programme.

Internal talent development and career progression

Succession and development

Succession Planning: In line with regulatory requirements, we have a strong succession plan for all critical roles across the Bank, striving for at least 2 emergency successors for every position, plus colleagues identified as 0-2 and 3-5 year successors for all. We continually evaluate and refine this plan gauging colleague readiness and implementing targeted development where required to eliminate gaps.

Talent Reviews: Regular local talent reviews supported by robust performance management processes ensure we are nurturing our internal talent pipeline and supporting colleague development and retention. This process feeds into our Executive Talent review cycles to highlight any gaps in skills, knowledge or behaviours.

Leadership Development: Internally focussed and facilitated leadership development offering, providing all colleagues with the opportunity to engage with personal and professional growth aiding career mobility within the Bank. Learning through live events facilitated by Senior Leader SMEs plus offline resources and content.

Growing our 2024 Leadership Pipeline: 2024 Entry Talent Programmes

- To enable the Bank to continue building and nurturing our talent pipeline and developing the key capabilities needed for the future, the Bank continues to take a multi channel entry talent approach enabling us to maximise attraction of high calibre talent and create different routes for graduates and students
- Our Graduate scheme, which is now in its tenth year, continues to provide a strong pipeline of future leaders with many of our Graduate alumni occupying a number of senior leadership roles. We are in the process of recruiting 8 Graduates across 5 programmes including Finance, Treasury, Risk, Products and People.
- Our 8 week Summer Internship Programme which runs annually is designed to give students an insight into the Bank and provide them with the opportunity of building their knowledge and skill set as well as taking ownership of short term work assignments and projects that contribute to the success of the Bank. Our new for 2024 industrial placement programme is aimed at undergraduates studying for a degree or degree equivalent who are required to complete a placement year as part of their study. The twelve-month programme is designed to give students support, development opportunities and maximum exposure to colleagues across the Bank, whilst adding value and delivering on key projects. Our selection process is now underway to recruit 4 Summer Interns and 2 Placement students who will commence their programmes in July 2024.

Individual training needs: All colleagues participate in the performance management cycle by attending bi-annual performance reviews at mid and end of year. In preparation for these reviews, colleagues have access to template performance packs and are actively encouraged to discuss their Personal Development Plans with their line managers to identify and action individual training needs.

External talent identification and on-boarding

Embedding diversity and inclusion in our hiring process

Visit our Careers Portal >

Our in-house Resourcing Team provide an expert service for the identification and on-boarding of external talent into our Bank. A key focus for the team is attracting and retaining colleagues that reflect the values and ethics which are so important to our customer base. The interaction with the resourcing team allows external talent to see our brand in action and get a real sense of our colleague value proposition.

It's vital that we are transparent with all candidates throughout the recruitment process. For each vacancy we create a tailored recruitment strategy plan which often include the use of video adverts to help provide an authentic view of the Bank and bring to life the key deliverables of each role. Hiring managers have a huge part to play and are fully supported to ensure we deliver an inclusive candidate experience.

We continually review and improve our candidate and hiring manager support packs to improve our candidate experience which includes video interviewing at Entry Talent levels to ensure bias is eliminated. It's very possible that our candidates are customers so it is imperative that they receive a great experience whether they are ultimately successful in securing the role or not.

We value the diversity of ideas that come with bringing external talent into the organisation and always looking for ways to enhance our offering. Quarterly reviews of our attraction methods, team performance and by using market insights to ensure the experience we provide is always evolving.

The use of our inclusion partners below supports & ensures a diverse talent pool by: advertising directly to disabled and socially mobile applicants; understanding the diversity of the external market per role; writing inclusive job adverts and video interview technology has eliminated any bias from the recruitment process and ensure hiring decisions are focussed on aptitude and ability.

Advertising

You'll find the below statement on every one of our job adverts:

"Our Bank is committed to continuing to create a diverse workforce and an inclusive environment where all colleagues can fulfil their potential. We welcome applications from talented individuals from all backgrounds and lifestyles who can work with us in maintaining a culture of belonging, where people are valued and respected."

If you require more information or this document in a different format, please contact careers@co-operativebank.co.uk"



[Level 2: Disability Confident Employer - GOV.UK \(www.gov.uk\)](https://www.gov.uk)



[Labor Market Data and Talent Analytics | Horsefly Analytics](#)



[Get-Optimal](#)



[Our Science | HireVue Online Interviewing & Recruiting Platform](#)



[The Social Mobility Foundation](#)

People metrics

Types of employment and colleague turnover

Our Executive Team receive monthly People Packs with an overview of key People Metrics for their areas including attrition, absence, headcount and FTE flow, performance metrics, salary metrics and structural overviews. The packs also support our management of key people risks and feed into the people sections of local and Bank-level risk forums and governance committees.

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Permanent Employees	2527	2554	2596	2613	2671	2680	2698	2688	2715	2790	2832	2842	2858	2904	3390	3420	3464	3447	3445	3381	3372	3351	3330	3298
Contractors	65	69	82	87	87	93	92	101	104	106	111	119	124	124	131	128	129	121	108	100	91	82	80	69
Temporary Employees	20	6	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Permanent	85	75	84	87	87	93	92	101	104	106	111	119	124	124	131	128	129	121	108	100	91	82	80	69
Non Permanent vs total (%)	3.3%	2.9%	3.1%	3.2%	3.2%	3.4%	3.3%	3.6%	3.7%	3.7%	3.8%	4.0%	4.2%	4.1%	3.7%	3.6%	3.6%	3.4%	3.0%	2.9%	2.6%	2.4%	2.3%	2.0%

A key Bank-wide focus within our people metrics and people risk management is **colleague turnover and voluntary attrition features as a measure on our Bank-wide scorecard.**

Maintaining a healthy level of colleague turnover is essential to an organisation; too little and you risk stagnating, too much and you risk losing essential knowledge and skills. At The Co-operative Bank, we carefully monitor our turnover levels to ensure that we strike the right balance. We also endeavour to engage with our leavers to understand their reasons for leaving to help us shape our approach to supporting and retaining colleagues across the Bank.

Our FTE or headcount as at 31 Dec 2023 can be viewed in our annual reports and accounts:

[Read page 209 of our 2023 Annual Report and Accounts](#) >

Employee Turnover

The Employee Turnover Rate assesses the Bank's retention of permanent full-time and part-time employee retention. The below table represents the proportion of avoidable and total leavers across 2022 and 2023 compared to headcount. The difference between avoidable and total leavers includes turnover due to redundancies and retirement, which has remained steady over the last two years.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022 - Avoidable Turnover	17.10%	16.53%	16.10%	15.04%	15.09%	16.11%	16.36%	16.95%	16.83%	16.28%	15.73%	15.50%
2022 - Overall Turnover	20.42%	22.67%	22.98%	22.39%	21.48%	22.79%	23.03%	23.86%	23.86%	23.16%	22.72%	21.98%
2023 - Avoidable Turnover	12.18%	12.08%	11.80%	12.69%	12.57%	12.44%	12.30%	12.63%	12.61%	12.53%	12.64%	12.44%
2023 - Overall Turnover	19.73%	19.16%	18.36%	18.04%	17.59%	17.43%	17.17%	17.93%	18.03%	17.73%	17.56%	17.40%

Colleague voice

Listening to and acting on feedback

We're committed to listening and acting on colleagues' feedback to improve the service we provide our customers and to ensure we have an inclusive environment that supports our colleagues. Some of the ways we achieve this include:

- **Site Leads** – In Q1 2023, to support driving positive colleague changes across key occupancy sites and our Branch Network, we have introduced Corporate Site Leads. The role of the Site Leads are to be the eyes and ears of the site they're accountable for; continuing to have regular on-site presence to gauge how colleagues are feeling and the challenges they may be facing; strengthen collaboration across teams - bringing teams together, understanding their needs, looking for improvements and driving positive change and supporting the engagement of colleagues on key strategic deliverables and campaigns taking place
- **Bi-Monthly pulse surveys**: Run via our intranet, these surveys give colleagues the opportunity to provide meaningful feedback on a regular basis and for the Bank to respond.
- **Roadshows and leader events**: Virtual roadshows and events at both a Bank-wide and local level give colleagues an open platform to hear updates from, and ask questions to, our senior leaders.
- **Team meetings and 121s**: All colleagues attend regular team meetings and 121s to discuss updates and give feedback for leaders to address.
- **Colleague Co-operative Forum**: Our network of colleague representatives work together to *'help the Bank to understand and act on colleague sentiment and feedback, and further engage and support colleagues, to evolve our ethical workplace and culture'*. These representatives lead on colleague engagement within business areas, ensuring that whilst we are all working hard we also enjoy our time at work. Our union reps also join this forum as standing invitees.
- **Colleague inclusion networks**: Run by colleagues for colleagues, all of our inclusion networks look to offer support and drive forward our inclusion and diversity strategy.
- **The Buzz (Our colleague intranet page)**: Blogs, comments and forum posts are regularly monitored by the Internal Communications Team and intranet editors who welcome feedback and respond to it as necessary.
- **Annual Engagement Survey**: we undertook an externally benchmarked engagement survey in November 2023 to assess how colleagues experience working at the Bank and how this compares to our peers within Financial Services. Our results demonstrate strong engagement across 76% of colleagues with engagement remaining high across all tenures. Our top 3 drivers of engagement are 1) Belief that people's opinions are heard 2) The ability to learn and grow 3) Belief that everyone has equal opportunities
- **Freedom of Association and Trades Union Recognition**: We recognise the right of our colleagues to freedom of association and we publicly share our Freedom of Association Policy on our website. We welcome colleagues to join a trade union if they wish and we work in close consultation with our recognised trade union Unite on proposals for change. We are proud to say a large proportion of colleagues at the Bank are members of Unite. We have a Recognition Agreement between Unite and the Bank detailing collective bargaining rights which cover the majority of colleagues at the Bank. We also work closely with the unite representatives at the Bank to proactively understand the interests and needs of members/colleagues.
- **Exec visits**: Exec visited major occupancy sites and branches, they held Q&A sessions and visited teams in small groups to provide colleagues with the opportunity to ask questions and raise concerns, these visits will continue this year, Bob Dench also visited sites in Q1 2023 holding Q&A sessions with colleagues at Manchester, Leek and Skem.

2023 Engagement Survey Highlights

We achieved an overall Engagement Score of 76% (2 points above the industry average)

More than four in five colleagues say the Bank's purpose is one they believe in (11 points above benchmark)

77% of colleagues feel motivated to do their best work for the Bank (7 points above benchmark)

71% of colleagues would recommend the Bank as a great place to work (2 points above benchmark)

Freedom of Association and Collective Bargaining

Unite the Union at The Co-operative Bank

Visit the Unite the Union website



Statement from our Union

"With a long history in the co-operative and labour movements and with our commitment to the principles and ethics of co-operative business, Unite the Union has been long welcomed into The Co-operative Bank as a key stakeholder. The Ethical Workplace and Culture Section of the Bank's Ethical Policy has been developed with Unite to reflect the ambition of the business to be the best employer that it can be, and to ensure that its employment policies and practices are intended to reflect that ambition.

Unite believes all aspects of working life should be the subject of discussion and agreement. We meet regularly with senior management, including the CEO, to consult and negotiate on a wide range of issues and policies, and to discuss matters of concern. We work closely with the HR Advisers and Business Partners on a daily basis to ensure our members are treated fairly and properly whilst at work, and to get the best possible outcomes for them.

The relationship between Unite and the Bank is regulated by a Recognition and Facilities Agreement. This sets out how both parties will operate in relation to each other, what each will provide and what each can expect. The agreement provides for the presence of union reps in the workplace, and for two senior full time reps, who are on hand to deal with more serious and involved issues.

Unite provides confidential assistance, advice and representation for members in formal meetings such as disciplinary, sickness absence, performance, grievance and appeals. All our reps receive a range of training from Unite and the senior reps also have a Diploma in Employment Law. Whilst we do have disagreements with the business on occasion, and we don't shy away from that, we're here to sort out problems, find solutions, enforce members rights, and ultimately make the Bank the best employer it can be.

Every year the union reps work on behalf of members on the annual pay negotiations. From start to finish, a full pay negotiation cycle takes approximately six months. We survey members to find out what they want, we research other pay deals across the finance sector and look at any terms and conditions changes that may need to be tabled. We then draft and agree a pay claim and request a range of data from HR so that we can assess the impact of any claim. Pay negotiations normally start once we have submitted a claim, and when they have reached a conclusion we hold a full reps meeting to decide on a recommendation. A ballot of members is then organised.

Of course, no business is static. Organisations change and evolve, and to facilitate that Unite and the Bank have negotiated an Organisation Change Agreement which lays out how changes affecting staff will be undertaken, including restructuring, redundancy terms, etc. Unite is always consulted in advance on restructures and reorganisations, so that we have a chance to understand the changes and challenge them where necessary. We then support members who are impacted, ensuring processes are followed properly, challenges investigated and redeployments offered where possible. Essentially, we do everything we can to make the process as pain free as possible for our members".

Union membership

- 100 % of eligible colleagues are covered by collective bargaining agreements. All Grade B, C and D colleagues, who make up 99.2 % of the colleague population are eligible. Colleague Grades range from Executive Grade through to Grade A, Grade B, Grade C and Grade D, in descending order of seniority.
- Membership of Unite at the Bank is 42 %, calculated by the number of members as a % of the Bank's eligible colleague population.
- The Co-operative Bank believes that trades unions make an important contribution to business and society as a whole. Every new employee of The Co-operative Bank is informed of their rights through the colleague induction process, within our Code of Conduct Policy and information is readily available to colleagues on our intranet site.

Read our Freedom of Association Policy



Colleague wellbeing

Supporting colleague health and wellbeing

Colleague wellbeing is important to us, and our focus is supporting colleague mental health, physical, financial and social wellbeing.

Policies – We offer a vast range of people policies to support colleagues wellbeing during different stages in their lives and promote our flexible working policy to improve work life balance. Flexible working options include compressed hours – where colleagues can work their contractual hours over a shorter period of time than is standard. We listen to colleagues needs and have a menopause policy & pregnancy loss policy.

Support – We offer a 24/7 EAP service to colleagues and their partners providing advice, support and unlimited mental health support. Through our Help@Hand app we also offer unlimited GP appointments, physio and medical 2nd opinions, in addition to one to one coaching with a Personal Trainer and Nutritionist. Wellbeing webinars are offered to colleagues on a range of wellbeing topics including resilience, financial wellbeing, sleep, neurodiversity.

Mental Health is a continuous focus and demonstrated when we signed the ‘Mental Health at Work Commitment’ in 2023. We have a range of webinars for colleagues, including building resilience, stress management and regular communications to raise awareness of mental health conditions and encourage colleagues to take steps to manage their mental wellbeing. We promote an open culture where colleagues can openly discuss their feelings, proactively identify any issues through a Stress Risk Assessment and utilise a range of support including Mental Health First Aiders. We work with our wellbeing provider to assist colleagues who return to work following an absence with detailed return to work plans to ensure appropriate support and adjustments are in place. Such adjustments may include temporary changes to workload, duties, hours of work.

Listening to colleagues – We regularly monitor colleague wellbeing through our annual colleague survey and regular pulse surveys, and take pro-active action to address any workplace wellbeing issues. We promote wellbeing discussions during regular 121’s to enable Leaders to provide support and necessary intervention.

Financial Wellbeing – As a Real Living Wage Employer, we continually review our reward package and offer colleagues salary advances, an income protection sickness scheme, a colleague retail discount platform and free sanitary products which are available at our main sites. We provide a range of resources to colleagues to manage this finances including webinars hosted by Citizens Advice.

Training and Development – We have an extensive learning offering to support colleague self development, including a leadership development programme which focuses on managing colleague wellbeing and a mentoring scheme for all colleagues.

Our inclusion networks – Our networks, specifically our Access network spotlights a range of wellbeing topics, raising awareness and providing advice with colleagues sharing personal experiences and stories to help other colleagues

Communications – We communicate regularly about Wellbeing with monthly wellbeing blogs on different wellbeing and health topics, providing guidance and reminding colleagues of available support. Colleagues can access resources on our Wellbeing intranet site. We regularly encourage colleagues to talk about their mental health is advocated by our Executive through regular communications.

Volunteering – we offer colleagues two days volunteering per year to improve social wellbeing in the community.

Equality, Diversity and Inclusion

Committed to co-operative values and ethics

We are proud of our diverse colleague community and our workplace culture, where colleagues are encouraged to bring their whole selves to work. This tone comes from the top with our Executive Leaders committing to sponsoring our colleague networks; our Board Diversity Policy; and the key role played by our Board level Values and Ethics committee. Our SMF responsibilities map sets out that CEO, Nick Slape has overall accountability for overseeing the adoption of the Bank's culture in the day-to-day management of the Bank and Chairman, Bob Dench has the responsibility for leading the development of the firm's culture by the governing body as a whole.

Our inclusion commitments include an absolute focus on equality for all, regardless of personal demographics. We are a Disability Confident certified employer and our HMT Women in Finance and Race at Work Charter commitments underpin our gender and ethnicity focus. In 2022, in addition to our Gender Pay Gap, we began publishing our Ethnicity Pay Gap in our annual Pay Gap Report.

The Co-operative Bank was one of the first banks to sign up to the HM Treasury's Women in Finance Charter in 2016, and our commitments continue to feature on our Bank-wide scorecard. Our Women in Finance Charter and Pay Gap Reporting is published on our website annually, with this year's report stating the Bank has:

- **43.3%** women in senior roles,
- Improved our gender pay gap, now sitting at **22.8%** (down from 25.0% in 2022), whilst median gender pay gap also improved and stands at **18.1%**
- Developed a Diversity and Inclusion strategy which will be launched in 2024, for a better inclusive culture and society.

[Read the Jan 2024 Women in Finance Charter here](#) >

This diversity monitoring is reported annually and features within our Sustainability Report and Annual Report and Accounts, both of which are externally assured.

Our Diversity and Inclusion Policy, published in April 2024, explains that simply having a diverse workforce is not enough, instead we must create an inclusive environment where all people can contribute their best work. We value people for their contribution and celebrate diversity in all aspects of our business, whilst we promote equality of opportunity and aim to create a workforce that is representative of our society. We also expect our suppliers and partners to actively support us in achieving a diverse and inclusive culture and to be able to demonstrate this. We recognise that supporting the unique and diverse needs of our customer and community base is essential and work to ensure that we exceed their expectations of us.

[Read our latest Sustainability Report](#) >

[Read our Diversity and Inclusion Policy](#) >

Equality, Diversity and Inclusion

Committed to co-operative values and ethics

We have five colleague inclusion networks, run by colleagues for colleagues, each sponsored by an Executive member, who help to drive forward our inclusion and diversity strategy (detailed on the next slide)

We also run annual mandatory Equality, Diversity and Inclusion training to support an inclusive work environment that engages the talents, beliefs, backgrounds, capabilities and ways of working of unique individuals, creating a culture of belonging in which people are valued and respected.

Our commitment to the values and ethics of the co-operative movement continues to be demonstrated in our inclusion and diversity strategy, which includes a strong focus on:

- Increasing the number of women in senior roles at The Co-operative Bank
- Increasing the number of women in historically male dominated areas
- Building an even gender balance across all levels of the organisation
- Building an ethnicity balance which is representative of the UK population across all levels of our organisation
- Overall building a more diverse workforce which reflects the diverse society we operate within

The HaloCode – leading the way in Diversity and Inclusion

In January 2021 we became the first Bank to adopt the Halo Code, the UK's first Black hair code and we continue to support this initiative to this day.

Under the code, we affirm that:

- Our workplace champions the right of staff to embrace all Afro-hairstyles. We acknowledge that Afro-textured hair is an important part of our Black employees' racial, ethnic, cultural, and religious identities, and requires specific styling for hair health and maintenance.
- We recognise and celebrate our colleagues' identities. We are a community built on an ethos of equality and respect where hair texture and style have no bearing on an employees' ability to succeed.



Co-operative values remain at the heart of our culture

Our colleague networks; run by colleagues for colleagues



	Access	Elevate	Futures	Proud Together	REACH
Network Focus	Supports those with disabilities, long-term health conditions, mental health conditions and caring responsibilities.	The Gender network, supporting all colleagues with gender-based issues, with a primary aim to empower women in the workplace.	Early careers network aiming to engage, retain, and grow internal talent.	To represent LGBTQ+ colleagues and to offer support and information to anyone.	Celebrating our Race, Ethnicity and Cultural Heritage.
Sponsors (inc Exec)	Gary McDermott	Catherine Douglas	Craig Downing	Maria Cearns	Nick Slape
Aims	<ul style="list-style-type: none"> Supporting and doing what is right for colleagues, particularly those who may have to face daily adversity. Tackling stigma around key issues through education and discussion Bringing colleagues with shared experience together to improve wellbeing Promoting support available through Employee Assistance Programme (EAP) 	<ul style="list-style-type: none"> Empower members to achieve their potential by building skills and experiences and prioritising wellbeing. Supporting members with gender-based issues including: <ul style="list-style-type: none"> Gender pay gap Career inspiration Parenting Women's Health Sexism and Discrimination Economic and domestic abuse 	<ul style="list-style-type: none"> Provide a network that focusses on colleague development and allows colleagues to network with current and future leaders. Support colleagues in building their confidence and credibility in a professional environment Contribute to the collective upskilling of the Bank's existing talent pool and general talent retention across the Bank. 	<ul style="list-style-type: none"> To provide a space for colleagues to network and share information on LGBT issues, in a safe, welcoming and confidential environment. To provide opportunities for personal and / or professional development. To promote and raise awareness of LGBT issues and provide visibility across the Bank, including encouraging straight ally membership to assist with advocacy. To establish and develop links with other LGBT networks and groups. 	<ul style="list-style-type: none"> Develop an environment that supports a truly diverse and inclusive workplace for everyone. Encourage people to feel comfortable in sharing their stories. Open and normalise talking about our differences. Enable us all to bring our whole selves to work.



Equality, Diversity and Inclusion

In 2023: a look back on some of our activity

- In March 2024 following completion of our disability confident self assessment, we were once again recognised as a Disability Confident Employer for a further 3 year period (2024-2027).
- Our inclusion networks hosted a wide variety of events, including: career inspiration sessions with senior women leaders, guest speaker events for Black History Month, education around MEN-tal Health Awareness Month and supporting colleagues through their grief journeys during Bereavement Awareness Month.
- The Reach network was shortlisted for the 'Network Group' category in the 2023 Ethnicity Awards, demonstrating its commitment to supporting and educating colleagues across the Bank.
- In August 2023, the Elevate network announced that free period products had been made available across all our branches and occupancy sites for colleagues who menstruate. These products are bio-degradable and environmentally friendly, and are available to all colleagues to increase accessibility and reduce stigma.
- For the eighth year running we sponsored Manchester Pride, demonstrating our support for colleagues and customers who are part of the LGBTQ+ community, and supported colleagues in our branch network who took part in their local pride celebrations
- In May 2023, we signed up to the Mental Health at Work Commitment. This enshrines six standards at the Bank, aimed at creating an open culture around mental health and opportunities for colleagues to access meaningful support. We also launched the Mental Health Advocate service, made up of 16 volunteer colleagues, to provide mental health first aid, a confidential space to talk, and signposting.
- The Bank's Menopause Policy – introduced in 2021, the policy encourages open and honest discussions about the menopause and empowers colleagues to seek support. Colleagues can also access a safe space on the intranet to share tips on coping with the menopause at work. By taking the menopause seriously, discussing it openly and having a policy in place to support those experiencing it, we can help to mitigate the potential negative impact of symptoms on the colleague and the Bank, such as reduced job satisfaction and higher sickness absence.



Read more about our Diversity, Equity and Inclusion in our Sustainability Report, p.22 >



Equality, Diversity and Inclusion

Management responsibility

In order to realise and satisfy both regulatory requirements and the Bank's aspirations of a fully inclusive culture and due to continued growth at The Co-operative Bank, a new role - Equality, Diversity, and Inclusion (EDI) Lead - has been created to support the Bank in developing our EDI Strategy, aligning our goals with our values and ethics, ESG Strategy and strategic cultural aims.

In addition, the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) have published two Consultation Papers (CPs) with proposals for a new regulatory framework on EDI in the sector to commence in 2024. The regulators will require a Board Strategy to sit alongside our Diversity and Inclusion Policy. The regulators propose that the Board has ultimate accountability for EDI, including setting and reviewing the EDI strategy and targets required within the proposals.

The EDI Lead will be responsible for implementing a three year EDI Strategy that will drive positive changes within the Bank. They will work with Senior Leaders and the People Team to deliver practitioner advice and guidance whilst supporting the development of internal colleague policies, practices and EDI provisions. The first year of the EDI strategy covers:

- Aligning EDI Strategy to Regulators EDI requirements reporting annually on EDI progress and development
- Policy review project to refresh and create policies and practices; fill gaps of essential policies needed and communicate out; benchmark through data analysis of delivery, usage and implementation
- Aligning all performance scorecards, frameworks, and strategies to include relevant EDI elements
- Establishing EDI Governance structure to oversee EDI Strategy
- An inclusive recruitment review
- Development of an EDI communications plan
- EDI Risk Management awareness and practice addressed through Equality Impact Assessment requirements.

The EDI Strategy has engaged with many stakeholders across the business to date including HR, Risk, Reward, Recruitment, Communication, Learning and Development, Policy and Estates, Branches and Occupied sites and policy. Some of these areas already have an EDI focus although this will be enhanced through the strategy themes. Thus far, 300+ stakeholders have been engaged.

Equality, Diversity and Inclusion

Mandatory training

All colleagues have a responsibility to uphold our co-operative values and ethics, which is why Equality, Diversity and Inclusion mandatory training modules are required to be completed by all colleagues on an annual basis. This training includes numerous modules, videos and quizzes:

The image displays three screenshots of mandatory training modules from The Co-operative Bank. Each screenshot shows a slide with a title, an image, and text.

Module 1 - Equality, Diversity and Inclusion 2023

The Equality Act

At our Bank we aim to create a culture where we all feel valued irrespective of our differences. **The Equality Act 2010** legally protects people from discrimination in the workplace and in wider society.

This means discrimination or unfair treatment on the basis of certain protected characteristics is **against the law**. All colleagues have a duty not to discriminate on any of the protected characteristics.

The Bank has **zero tolerance** against discrimination, victimisation, harassment and bullying - **it is not acceptable**.

Our **Bullying and Harassment Policy** outlines how we expect our colleagues to behave, how to create a respectful environment and what to do if you see/hear/experience inappropriate behaviour.

This module will explain all of this in more detail.

We'll now take a look at the nine Protected Characteristics within the Equality Act.

Module 2 - Equality, Diversity and Inclusion 2023

Do The Right Thing by...

- Ensuring you take an open-minded and fair approach with customers and colleagues at all times. Thinking carefully about why you have asked a certain person to do a certain task.
- Thinking about the unexpected consequences of your actions and words - remember what might be amusing to you, could be offensive to others. Think about what you say and how you say it.
- Respecting the value every colleague brings to the diversity of our Bank - we need people who act and think differently, who see things in different ways to help us find the best outcomes.
- Ensuring everyone has a voice in meetings - consider the structure of your meetings and how you can ensure everyone gets the opportunity to participate in a way that is comfortable for them.

Module 2 - Equality, Diversity and Inclusion 2023

Step Up by...

- Challenging and feeling empowered to speak up when you see or experience something that isn't right, or when something doesn't look or feel right. Find out more on how to do this in the next module.
- Joining our **Inclusion Networks** and getting involved in their work.
- Updating your diversity data in our **CoreHR** system.

The demographic information you provide supports our Bank's commitment to inclusion and diversity by allowing us to identify, measure and monitor trends throughout your journey with us. It helps us identify current and future needs; we can get a deeper understanding of our people and identify any existing gaps or issues and work towards improving them.

By updating this data it is helping each and every one of us to work in an inclusive and diverse Bank.

[Click here to see our confidentiality notice.](#)

Equality, Diversity and Inclusion

Our Diversity Calendar for 2024

As part of our commitment to promoting Diversity, Equality and Inclusion, we regularly commemorate and celebrate key calendar events throughout the year. A sample of these can be seen below, with colleague initiatives or communications regularly marking these dates, whether it's through our Race, Ethnicity and Cultural Heritage Network, our Access network, our LGBTQ+ network, our gender network, or their members or executive sponsors.

January	
1	Veganuary
2	Holocaust Memorial Day
7	

February	
1	LGBT History Month
	Time to Talk Day
10	Chinese New Year
14	St. Valentine's Day

March	
1	St. David's Day
8	International Women's Day
11	Ramadan Begins (Muslim, 11/03-09/04)
25	Holi (Hindu)
31	International Transgender Day of Visibility Easter Sunday (Christian)

April	
1	Autism Awareness Month
	Stress Awareness Month
10	Eid al-fitr (Muslim 10/04)
22	Stephen Lawrence Day
	Earth Day

May	
13	Mental Health Awareness Week (13/05-20/05)
17	International Day Against Homophobia, Transphobia and Biphobia (IDAHOBIT)

June	
	Pride Month
1	Volunteer's Week (01/06 - 07/06)
10	Carer's Week (10/06-16/06)
22	Windrush Day

July	
1	Disability Pride Month
1	International Non-Binary People's Day
	International Disability Awareness Day

August	
1	Manchester Pride Month

September	
1	World Alzheimer's Month
15	World Afro Day
23	Bi-Visibility Day National Inclusion Week (23/09-29/09)

October	
	Black History Month (UK)
1	ADHD Awareness Month
	Breast Cancer Awareness Month
9	Baby Loss Awareness Week (09/10 - 15/10)
10	World Mental Health Day
11	National Coming Out Day
	Yom Kippur (Day of Atonement-Jewish 11/10 – 12/10)
18	World Menopause Day

November	
1	Diwali (Hindu)
1	Remembrance Sunday
0	
11	Armistice Day
20	Transgender Day of Remembrance
25	United Nations International Day for the Elimination of Violence Against Women
30	St. Andrew's Day

December	
1	World Aids Day
10	United Nations Human Rights Day
25	Christmas Day (Christian)
31	New Year's Eve/Hogmanay

Rewarding and recognising colleagues

Remuneration for colleagues

Salary and Bonus

As a Real Living Wage employer, we're proud to be one of almost 12,000 UK businesses signed up to the voluntary agreement, who believe colleagues deserve a fair day's pay. It's one of the ways we live up to our ethical workplace commitments.

Visit the Real Living Wage website >



Our competitive total reward offering includes market based pay, excellent pension and car allowance (depending on grade). All colleagues also have the opportunity to take part in our bonus scheme, subject to the scheme rules applicable to a particular year.

Alongside this we run optional payroll giving schemes; one of which (Pennies from Heaven) enables colleagues to round down their pay to the nearest pound and donate the surplus pennies to our charity partner Centrepoin. Working together co-operatively we really can and do make a real difference.

Find out more about our membership of Pennies from Heaven >



Pension and Insurance

We offer:

- **A defined contribution pension scheme:** The Bank contributes up to 10%.
- **Paid pre-retirement leave:** If colleagues retire at 55 years or over, they can take up to six days paid pre-retirement leave.
- **Life assurance:** In the event of a colleague's death, named dependents will receive three times salary if they are in the pension scheme; one time salary if they are not.
- **Income protection:** Provides benefits should colleagues be incapacitated and unable to carry out their role due to ill health.
- **Personal accident insurance:** Offers peace of mind in the unlikely event of a serious accident whilst at work or on company business.
- **Health care benefit:** Our business funded health care benefit gives eligible colleagues access to specialist care for acute medical conditions.

Rewarding and recognising colleagues

Leave policies and family support initiatives

Leave Policies

Taking holidays is important to ensure a good work-life balance as well as supporting good mental and physical health and wellbeing. That's why our colleagues are entitled to:

- **27 days paid annual leave** (plus eight bank holidays, so 35 days). This rises to **30 days paid annual leave** (plus eight bank holidays, so 38 days) in the third year of service with us.
- **Buy additional holidays** during a November holiday buying window for the following holiday year.
- **Two paid volunteer days per year** for the opportunity to make a valuable contribution to local communities.
- **Extended leave** enables colleagues to take a mini unpaid career breaks of up to four weeks, or a full career break of between three months and one year unpaid.
- **Carer's leave** enables eligible colleagues to take up to 5 days (pro-rata) unpaid leave, with additional days at leader discretion
- **Emergency leave** allows colleagues to take time off to deal with an immediate emergency; with half the time off paid and the other half is unpaid.
- **Compassionate leave** provides colleagues with paid time off when they suffer the loss or there is a serious illness of a dependant or close family member.
- **Pregnancy loss leave** provides colleagues (and a partner) impacted by pregnancy loss. This will typically be up to five days at full pay, but can vary depending on personal circumstances. Colleagues will be eligible from day one of employment.
- **Domestic Abuse leave** recognises that colleagues experiencing domestic violence may need to be absent from work and will assist them with using the leave policies available and paid leave where needed to support the colleague

Family Support

We support flexible working arrangements to help maintain a healthy balance between career and home life. This includes working part time, reduced hours, job sharing, having different start and finishing hours and working from home. In addition, we offer colleagues:

- **Expecting or adopting:** Primary carers 16 weeks paid leave (maternity and adoption leave) and secondary carers four weeks paid leave (paternity/secondary carer leave).
- **Fostering:** Five days paid leave to undertake foster carer training.
- **Participating in fertility or IVF treatment:** Up to three occasions of five days paid leave in a 12 month period to support time off to undergo treatment for IVF or fertility.
- **Shared parental leave:** Up to 16 weeks paid leave shared between parents.
- **Parental mentoring scheme:** To support working parents no matter what stage of the journey they are on.

Rewarding and recognising colleagues

Specialist support available

Total reward statements

We provide each colleague with a Total Reward Statement to help more fully understand the value of their total reward and benefits package at the Bank. The statements provide colleagues with the key aspects of the Bank's reward and benefits that have a tangible value attached to them. In addition our Colleague Value Proposition booklet helps colleague's to understand the less tangible aspects of the Bank's reward and benefits package.

Additional Support

As well as the support of our leaders and inclusion and diversity networks, all colleagues also have access to:

- **An employee assistance programme (EAP):** Colleagues can access our EAP 24 hours a day, 365 days a year and talk in confidence to qualified advisers who are trained to help. Colleagues can also access resources and support via the EAP app.
- **Help@Hand app:** Access to remote GP services, mental health and physiotherapy consultations and a medical second opinion service, for colleagues and their families. Colleagues can also access lifestyle, nutritional and personal training coaching from qualified professionals with this benefit.
- **My Reward discounts:** Our My Reward website and app offers discounts on a range of retailers and services, UK-wide.
- **Cycle to Work scheme:** Colleagues who cycle to work can hire a new bike and equipment up to the value of £1,000 that can be repaid through their salary.
- **Eye care vouchers:** For colleagues regularly using Display Screen Equipment (DSE), we offer a voucher for a full eye examination every 2 years and payment for glasses if they are solely required for VDU use.
- **Season ticket loans:** We recognise the cost associated with travelling to and from work. Season Ticket Loans for the purchase of season tickets (from any travel company) for travel to and from work and employee discounts with Metrolink, Stagecoach and First Travel are made available to our colleagues to help with public transport costs. These interest free loans are recouped via pay and can be repaid over 6 or 12 pay periods.
- **Public Service Duty Leave:** we recognise the efforts of colleagues in their involvement with public duties, by providing time off work to undertake these duties. This includes paid time off for Jury Duty and two weeks paid leave of absence (pro rata for part time employees) for Military Reservists to attend annual camp, or for other authorised Military use.
- **Private Healthcare** is available to all staff, however company contributions towards the cost is made only for senior colleagues
- A **Car Allowance** is provided to senior colleagues, in line with market practice, however an allowance is available for other colleagues where there is a 'job need' and the role involves significant travel



Unlock your consultations with a lifestyle coach

These quick questions indicate your 360 Wellbeing Score, and unlock your access to lifestyle coaching to help improve your wellbeing

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Lifestyle coaching >

Visit the Help@Hand website >

Rewarding and recognising colleagues

Colleague recognition scheme

Colleague recognition schemes

Our Ethical Policy sets out our commitment to support and recognise our colleagues. We do this in a number of ways including, Bank-wide, through our STAR Awards.

Our STAR (Spotlighting Talent and Recognition) Awards give us the opportunity to recognise colleagues who consistently demonstrate our co-operative values and go above and beyond. Nominated by colleagues, award winners are chosen from every business area, every month and every quarter, with gifts and an annual awards event to recognise the winners.

We also set aside at least one Recognition Day a year to reflect on achievements and thank our colleagues for their commitment to our customers and each other.

Many colleagues have worked with us for many years and we have a loyalty scheme to thank them for their long service, recognising 25, 30 and 40 year service anniversaries.



Performance Management and Development

Colleague guiding principles

All colleagues have regular formal performance reviews aligned with their career development.

Purpose: the Bank believes that effective performance management and development are key drivers for success. Our approach to performance is designed to ensure that all colleagues are clear about what success looks like, what we need to do to become a high performing organisation and how each individual colleague contributes towards that. Colleagues are supported to succeed with feedback, challenge and reward designed to encourage high performance.

Guiding Principles

- Performance management is a two way process with colleagues and managers jointly accountable for participating in and adhering to the policy
- All colleagues should be clear on what is expected of them and all efforts are aligned to the Bank's strategic plan
- Performance is assessed against Values and behaviours as well as the role requirements and objectives, taking into account **how** things are done as much as **what** is achieved
- Role expectations and objectives are set in line with time in role and previous experience where colleagues are new to Bank or have changed roles
- Colleagues receive regular feedback with support and challenge to help them be the best they can be
- Personal development plans are in place to enable colleagues to grow and continuously develop within their current role and to support career development
- Any problems restricting a colleague's performance are recognised and addressed
- There is a clear rating scale for differentiating between performance levels
- Indicative ratings are moderated to ensure fairness, consistency and alignment with organisational performance levels
- A link can be made between individual performance and reward

The Performance Management Cycle: there are three formal stages within the performance management cycle: Objective Setting, Mid-Year review and End of Year review. However, performance management isn't isolated to these 3 stages and continuous and regular 1:1s are held throughout the year.

Development Plans: the Bank is committed to creating an environment where colleagues can thrive and reach their potential through growth within their current role or developing capability to make future lateral or upward career moves.

Performance management conversations are a key enabler for this, providing opportunity for colleagues to discuss their career aspirations with their leader and agree supporting longer term development goals. Colleagues are expected to take ownership for their development through keeping their development plans up to date and seek opportunities to develop their skills and capabilities to meet future career aspirations. All colleagues who were in active roles (i.e. not long term absent) in December 2023 underwent full year performance appraisals. The results of these appraisals determined their end of year grade, which influenced remuneration changes reviewed under the Annual Salary Review (ASR) process.

Organisational Change

Helping colleagues to manage change

When managing change in the Bank, we do so in line with the Bank's values, policies and processes to ensure that colleagues are managed fairly and consistently. The Bank will consider appropriate steps to avoid redundancies, wherever possible. Where redundancies are an inevitable outcome, the Bank commits to consider ways to keep redundancies to a minimum, for example reduction in overtime, review of contractors and agency workers, redeployment, review of existing vacancies, consideration of changes in working hours/shift patterns. The appropriateness of these options in any particular situation will be discussed as part of the consultation process.

Consulting for change

The "Organisational Change Agreement" is an agreement between The Co-operative Bank and Unite the Union (the Bank's recognised union). It outlines the key principles agreed between the Bank and the union to effectively manage change (including relocation, restructuring, reductions in headcount, redundancy), aiming to ensure that the Bank meets its legal obligations and that colleagues are managed fairly and consistently throughout the process.

Key to the agreement and consultation process are:

- Early information sharing with the union and colleagues
- Formal consultation periods with the union and impacted colleagues
- Appeals procedure
- Colleague support and outplacement
- Enhanced severance terms.

Notice periods from the Bank to colleagues start at 4 weeks from day one of employment increasing to 12 weeks based on years' of service.

Severance terms

In the event of redundancy taking effect, enhanced severance payments are made to colleagues. Where a colleague has at least 12 months' service will be entitled to a payment of 5 weeks pay. Severance payments increase with service up to a maximum payment of 52 weeks. The enhanced severance includes any entitlement to a statutory redundancy payment.

Redeployment and outplacement support

When a colleague is served with notice, the Bank will provide them with outplacement support via a third party provider. Penna is the Bank's current outplacement provider. They provide CV advice, interview guidance and tools and techniques for job searching to help individuals identify and secure their next career move.

We will also support colleagues to seek redeployment in the Bank through our Careers Website. Colleagues at risk of redundancy are supported through the recruitment process. Colleagues will be provided with reasonable time off (paid) to attend any outplacement support session and for internal/external employment interviews.

Wellbeing support

An employee assistance programme is available 24 hours a day to provide advice on a range of topics including resilience, change and money. Colleagues can also access resources and support via app and website which offers a Financial Wellbeing toolkit with guidance and podcasts covering topics such as budgeting, debt and stress. Help@Hand app: Access to a remote GP service, mental health support consultations, physiotherapy consultations for colleagues and their families

Organisational Change

Help and support for colleagues

Support available for all colleagues

There are a number of support resources available to all colleagues through periods of change which are actively signposted:

- Their leader
- Their Trades Union representative (see Trade Union support slide)
- Information available on the 'Organisation Change Hub' on our intranet site
- Telephone support via our Employee Assistant Programme (offering confidential support from an expert team 24 hours a day, 365 days a year at any time, day or night)
- Access to unlimited mental health support on their mobile device via the **Help@Hand App**

Organisational change hub

Intranet page: The Organisation Change hub is available to **all** colleagues and can be found on our intranet site. The site offers support on:

- Organisational change frequently asked questions
- Redundancy terms
- Pension Q&A's and contact details
- Outplacement support

We also have the following additional resources available:

- All available Bank job vacancies can be found through our HR system, **CoreHR**.
- **MyDevelopment:** Online learning tools available to **all** colleagues
- **Outplacement support:** Any colleagues on notice of redundancy will have access to services to support them through this change

Pensions advice

- There is a comprehensive set of Pension Q&As on our intranet for colleagues who are leaving the Bank.

Our Values and Ethics in action

Supporting our charity partners through our product propositions

Donating over £1.5million to our Everyday Rewards charity partners

From 2016-2024, our Everyday Rewards proposition gives eligible current account customers the option to donate their monthly rewards to one of five charities. Thanks to the generosity of these customers **£151,659** was donated to these charities in 2022. This proposition will end on 31 May 2024, however, we will continue to work closely with our long-standing partners to support them in other ways.

Centrepont mortgage donations

We make a donation to Centrepont for every new mortgage we provide. These donations are used to fund the charity's national Helpline and their Homelessness Prevention and Relief Service in Manchester.

There were a record number of calls to the Helpline in 2023, with more young people than ever struggling to find affordable accommodation. More than 6,271 young people were supported by the Helpline in 2023 with 3,897 calls, 1,648 emails and 726 webchats answered. Our donations have allowed the Helpline to increase the team to 14, so that more calls can be answered. In Manchester, the Homelessness Prevention and Relief Service received 1,331 referrals in 2023. The team works closely with other services to provide a package of individual support that helps young rough sleepers, who often have complex needs, to move on from homelessness.

Hospice UK and Co-ops Legal Services partnership

In 2023, we partnered with Co-op Legal Services (not linked to The Co-operative Bank) to provide our customers with access to specialist legal support. As a result we donated £25,000 to Hospice UK - a proportion of the commission that the Bank earned through the partnership. Access to legal services is something that many of our customers require and giving the option to take these services in partnership with Co-op Legal Services, whilst helping to make a donation to Hospice UK, is an important way that we can support our charity partner.



Our Values and Ethics in action

Supporting our charity partners

The Co-operative Bank, our colleagues and customers are committed to driving social change in line with our values and ethics. We do this by:

- Supporting UK co-operatives by funding the Business Support for Co-ops Programme, a business development programme for co-operatives, and by providing free banking services for UK co-operatives.
- Supporting the third sector by providing free banking to charities, social enterprises and credit unions.
- Working to end youth homelessness through our partnership with Centrepoin.
- Supporting survivors of economic abuse and driving positive change for victims within the financial services industry in partnership with Refuge.
- Defending human rights in partnership with Amnesty International UK
- Supporting our colleagues' volunteering and fundraising activities through our employer supported volunteering programme and match-funding programme. All colleagues are afforded two working days per year to volunteer in their communities.
- Ensuring access to basic bank accounts for under-served members of the community, including prisoner bank accounts and facilitating access to banking for homeless people
- Supporting our partner – Zero Hour – in promoting the Climate and Ecology Bill
- Galvanising support from our colleagues and customers for Disasters Emergency Committee Emergency Appeals

We campaign for social and economic change in line with our values and ethics.

The Co-operative Bank believes that operating with values and ethics must go beyond simply ensuring we are ethical in how we behave as a business. We also have a duty to use our voice to stand up for causes in line with our values and ethics.

We commit to campaigns based on the following principles:

- The causes we support must be in line with our values and ethics.
- The causes we support must be strengthened by the expertise we can bring as a bank.
- The causes we support must be underserved and represent genuine needs that others have neglected and where our support can therefore make a major impact.
- The impact we can make will be more powerful if we focus our resources rather than backing multiplicity.



Our values and ethics in action

Campaigning for fairer renting with Shelter

The Renters Reform Bill

In 2023, The Co-operative Bank joined forces with housing charity Shelter to campaign for fairer renting and to transform the private rented sector for good. Through our latest poll, we know that our customers want us to support organisations that work to tackle homelessness, inequality and the lack of affordable housing, making this partnership an integral part of our work in 2023 and beyond. Together with Shelter, we're calling on the government to deliver a robust Renters Reform Bill to end unfair evictions, stop discrimination in renting, and to secure stronger rights for all renters. With the prospect of a General Election looming, it's never been more urgent for the Government to ensure the Renters Reform Bill is made into law. We know that renters' voices are powerful and that, together with Shelter, we can make a real difference to the future of the private rented sector. By amplifying the voices of our customers and supporters, we can make a difference together.

Westminster public stunt

In July 2023, we conducted a stunt in Parliament Square to call on the Government to move the Renters Reform Bill through Parliament and end 'no fault' evictions. We set up 172 moving boxes to provide a visual representation of the families who are served a Section 21 notice every single day, through no fault of their own. Alongside this, real stories of renters played across Parliament Square, highlighting the broken private rented sector. This impactful stunt demonstrated the huge numbers of renters who are demanding better housing security and lasting change, which can be delivered through the Renters Reform Bill.



Projection stunt in Richmond

In October 2023, we headed to the Prime Minister's constituency, and projected a video onto the town's key buildings and landmarks. In the video, David, a local renter, spoke about his recent eviction after he and his pregnant wife had complained to their landlord about the mould in their property and asked for it to be fixed for the safety of their baby. David urged the PM to make the Renters Reform Bill into law, for the benefit of his constituents and renters across the country.

"Standing proudly together, Shelter and The Co-operative Bank are demanding a fairer private rented system through the delivery of a robust Renters Reform Bill.

By funding our campaigning work, The Co-operative Bank are helping us to create a lasting change for renters and a fairer, more secure system for all."



Polly Neate CBE
Chief Executive, Shelter

Our co-operative values and ethics in action

Bringing back nature with Friends of the Earth



Friends of the Earth

Our Postcode Gardener programme

In 2023, The Co-operative Bank and Friends of the Earth joined forces to bring back nature by helping to restore greenery and wildlife in over one thousand nature-deprived spaces across the country. The UK is now one of the most nature-depleted nations in the world and this decline in nature has a very real impact on people's mental and physical health. Our multi-year partnership will address nature deprivation in communities through the Postcode Gardener programme.



Postcode Gardeners are professional gardeners, who can guide, organise and support local people to connect with each other and work together to help greenery and wildlife flourish in their local area. The idea was born out of the realisation that whilst many people want to live on streets thriving with greenery and wildlife, they need help to make it happen. Supported by Friends of the Earth and The Co-operative Bank, Postcode Gardeners will work street-by-street to green their neighbourhood and bring communities together to transform where they live.

Postcode Gardeners will work with local residents to encourage nature back into neglected public spaces by planting wildflowers and edible plants; creating wildlife corridors between properties and by building planters to line walkways. They plan and co-ordinate activities, teach people which plants to grow where and run events to share knowledge and skills. It's a powerful combination of gardening and community organising that helps to build social connection and to nourish mental and physical wellbeing, whilst replenishing nature. In the process, they'll co-create resilient, thriving and healthy neighbourhoods to benefit nature and local communities across the country. Over the coming years, our Postcode Gardeners will transform over one thousand green spaces for the benefit of nature and local communities across the country.

Our first Postcode Gardener site launches

In 2023, we identified new areas that would benefit from some street gardening, by mapping out places that lack green space and are most at risk of air pollution, flooding and urban heating. Following this analysis, we opened Postcode Gardener sites in Hackney (London), Bideford (Devon), Notting Dale (London), and Balsall Heath (Birmingham). Over the next three years, we'll be setting up more and more Postcode Gardeners in the communities that need them the most.

"20% of people in England live in nature depleted areas, including 1.6 million children under 12. Despite this, green space in urban areas continues to decline even though we know that it helps make us happier and healthier. A sincere thanks to The Co-operative Bank and all its customers for supporting our mission to increase nature and biodiversity in over 1,000 spaces across the country."



Miriam Turner
Co-ED, Friends of the Earth

Our co-operative values and ethics in action

Ending youth homelessness with Centrepoint

Our work with Centrepoint

Since 2017, our longstanding partnership with Centrepoint has made us a leading voice against youth homelessness.

We make a donation to Centrepoint for every new mortgage we provide and our colleagues undertake fundraising for Centrepoint throughout the year. These donations are used to fund the charity's national Helpline and their Homelessness Prevention and Relief Service in Manchester.

In 2023, we also launched the Bridge to Banking scheme which enables young people with no fixed address to apply for a bank account. This can subsequently help them to access benefits, employment and financial independence.

The Co-operative Bank also carried out work experience and employment workshops for Centrepoint's beneficiaries, with two young people going on to join the Bank as apprentices.

Stay Active September

Since 2017, our longstanding partnership with Centrepoint has made us a leading voice against youth homelessness. In September colleagues took to the streets to raise funds for Centrepoint as part of our annual Stay Active fundraiser. Teams completed 5 and 10 mile walks, raising over £2,000.

In Manchester the team were invited into Centrepoint's Oldham Street hub where they heard from Laura, a team leader at Centrepoint's helpline. Colleagues learnt how the cost of living crisis is impacting young people, with the charity reporting that they're now receiving calls from people in full-time employment, and have had to start issuing food bank vouchers.

In this extremely difficult economic climate, our support for young people facing housing difficulties and homelessness is more important than ever.



“Every four minutes, a young person faces homelessness in the United Kingdom. They are isolated, vulnerable and need help to get back on their feet and get their lives back on track.

We are delighted to have The Co-operative Bank's staunch support for our vision of a society in which youth homelessness is a problem of the past.”



Seyi Obakin OBE,
Chief Executive, Centrepoint

Our co-operative values and ethics in action

Standing up for human rights with AIUK



Write for Rights

For over 20 years, Amnesty International's annual Write for Rights campaign has harnessed the power of words to change lives for the better.

In 2023, Co-operative Bank colleagues and customers once again supported this impactful campaign. Over 3,500 actions (including letters, signed postcards and petition signatures) were collected and sent to governments and judiciaries worldwide to ask them to free human rights defenders from prosecution for standing up for their communities.



Team Amnesty

Amnesty International UK is one of our longest-standing corporate charity partners. In 2023 we were proud to become the official partner of the charity's fundraisers, Team Amnesty.

Team Amnesty consists of passionate supporters who raise funds to support Amnesty International's vital work to expose human rights abuses, educate and mobilise millions of people around the world and protect those facing human rights injustices. Whether supporters walk, run, cycle, bake, or jump out of planes – all money raised supports Amnesty International's work.



"2023 was a year of challenges for human rights globally, from conflicts to crisis and economic uncertainties all further intensifying inequality and injustices. Amnesty International UK and The Co-operative Bank have been working together to promote and protect human rights for 25 years and we're proud to have the staff and customers of the Bank alongside us."



Sacha Deshmukh
Chief Executive Officer, Amnesty International UK

Our co-operative values and ethics in action

Supporting survivors of economic and domestic abuse

We have partnered and campaigned with national domestic abuse charity, **Refuge** since 2015. Our work with Refuge led to **the launch of an industry-wide Financial Abuse Code of Practice in 2018**, which aims to provide survivors of economic abuse with better and more consistent support from across the banking and financial sector. To date, 19 banks and building societies have signed up to the initiative.

Towards the end of 2021, in partnership with Refuge, we commissioned research which concluded that **one in seven people in the UK had experienced economic abuse** in their current or former relationship. Responding to this evidence, Refuge and The Co-operative Bank joined together with representatives from the banking sector, domestic abuse organisations, parliamentarians and the Domestic Abuse Commissioner, to publish a recommendation report which was designed to improve the experience of survivors of economic abuse. The recommendations were as follows:

1. Introduce a safe online tool for survivors to contact their bank to request support from their vulnerable customer support team in relation to economic abuse
2. To ensure that this tool is accompanied by appropriate signposting to advice and support for tech abuse from specialist domestic abuse organisations, given the high coincidence of tech and economic abuse.

In 2023 we introduced **Safe Spaces** across our branch network. This is an initiative created by organisations Hestia and UK SAYS NO MORE to provide a safe and discrete way for anyone experiencing domestic abuse to safely call a helpline, support service or loved one. We're proud to be part of this movement and offer Safe Spaces across our branch network.

Additionally, in 2023 we updated our website following Refuge's recommendation to add definitions of financial and economic abuse to the site, along with advice on how to access support. This information page was designed not be shown in customers' browser history, protecting those experiencing abuse from the possible consequences of seeking support.

Our ongoing work with Refuge challenges the financial industry to update the support and protection they offer to survivors of economic and domestic abuse.

Our resources for people
experiencing financial and
economic abuse >



Refuge

For women and children.
Against domestic violence.

Our values and ethics in action

Campaigning for the Climate and Nature Bill with Zero Hour

The Climate and Nature Bill

In 2023, we continued our work as an ambassador of Zero Hour, the campaign for the Climate and Nature Bill (formerly the Climate and Ecology Bill). Protecting our planet is a fundamental part of our unique customer-led Ethical Policy, and a cause that needs support now more than ever.

On 5 June 2023, World Environment Day, the Bank's CEO joined Zero Hour to hand in the United for Nature petition, calling on the Prime Minister to halt and reverse nature loss by 2030. This is an important target from the Climate and Nature Bill that, if enacted, would see our natural world on the road to recovery. The petition was signed by over 15,000 members of the public and is supported by key organisations, such as UK Youth for Nature and the Wildlife Trusts.

Environmental changemakers and event sponsorship

The Bank sponsored Zero Hour's strategic roundtable on the future of the Climate and Nature Bill in London. The session brought together campaigners, influencers and environmentalists to discuss how the Bill can gain further support and be prioritised by the Government.

We also funded Zero Hour's attendance at the Anthropy 23 conference at the Eden Project in Cornwall. This enabled Zero Hour to host a key discussion session with top business leaders, and engage with potential new supporters of the Climate and Nature Bill.



"Zero Hour is proud to continue our partnership with The Co-operative Bank as we head towards 2024 - a defining year as the last, best chance for the UK to get to grips with the climate and nature crises. The Bank has a clear commitment to tackling these interconnected emergencies and has a long history of campaigning on the causes that matter most to its customers..."

As we head towards an election year, the Bank is once again leading the charge for historic new legislation to turn the tide on the climate-nature crises once and for all."



Dr Amy McDonnell
Campaign Co-Director



Oliver Sidorczuk
Campaign Co-Director

Our values and ethics in action

A history of our ethical campaigning

1992: First Customer Led Ethical Policy
Oppressive Regimes



<https://youtu.be/6HCeJJA0jnY>
<https://youtu.be/YBZ34iQM3-Y>

1995: Fairtrade vending machines
in head office buildings



<https://youtu.be/PyTNN3bN23g>

1996: Landmine Advert



<https://youtu.be/J3xdq5miyFE>

1997: Wanker Advert
about disability rights



<https://youtu.be/6IJZ2PyxTKA>

1998: Ethical Policy



2002: Cluster Munitions
Campaign



2003: Opposing anti-gay
hate speech



2007: "Burma – We're
still watching" campaign



2008: Campaign to stop
Tar Sands



2016: My money, my life



<https://youtu.be/1opXSBiGDN8>

2019: Guardian advert against
fossil fuel funding



2019: Manchester Pride
Sponsor



Manchester Pride Facebook
Album

2019: Climate Strike



Climate Strike Facebook Post

2019: Amnesty International
Write for Rights campaign



Write for Rights Facebook
Post

2022: Withdraw from This
Campaign



<https://www.youtube.com/watch>

Pictured in situ in the Guardian Newspaper

Our values and ethics in action

Ethical products and services

Our commitment to UK co-operatives

We support the UK's co-operative sector by offering free business banking to co-operative businesses through our Community Direct Plus Current Account. This account remains one of the most generous community free banking products available to UK community organisations. In 2024, we have committed to increasing Community Directplus Accounts by 6% compared to 2023.

Find out more about our
Community Directplus
Account here >

Business Support programme for co-operatives

We've also provided £2.9m of funding to Co-ops UK for the provision of a range of support packages and information to help new and existing co-operatives. This unique support package has previously been referred to as The Hive, and has been rebranded in 2023 to broaden the reach and range of support services on offer. This unique business support programme created by Co-operatives UK in partnership with The Co-operative Bank, gives co-operative businesses from all sectors of the economy access to the expert advice and guidance they need to thrive. Since the start of the programme to the end of 2022, 1,786 groups had benefited from technical advice, peer mentoring, training and introductory workshops.

Find out more about the
Business Support programme
for co-operatives >



Customer Donation Fund

All of the Bank's Community Directplus account holders can apply for up to £1,000 from the Customer Donation Fund to support special projects and fundraising activities. Over £1.1 million has been donated through the Fund to over 1,100 local causes since it was launched in 2003. The projects that we have supported span across the whole of the UK and make a positive difference to their local communities. From supporting positive mental health, to collecting surplus food and delivering it to the most vulnerable, to supporting disabled children to build their confidence, to equipping young people with the skills they need for a better digital future, the Fund ensures that our community banking proposition makes a difference to local communities.

Find out more about our
Customer Donation Fund here >

Charity and Co-operative Lending Fund

The Co-operative Bank has committed to providing £25m of loan funding to help charities, co-operatives and social enterprises grow and invest in their organisations throughout 2023. The fund offers a range of options to help organisations achieve their objectives now and into the future.

Find out more about our charity
and co-operative lending fund
here >

Our Values and Ethics in action

Ethical products and services

Find out more about how
our products are governed >

We take an ethical approach to banking and are the only high street bank in the UK with a customer-led Ethical Policy. We offer a range of products and services. Our products and services are governed by our Product Governance Framework which is managed at our Product Governance Committee, which is Chaired by our Chief Commercial Officer.

Personal Banking

- **Cashminder accounts** - We offer a basic bank account to support people who may not qualify for a standard Bank account ensuring everyone has access to banking.
- **Student accounts** - Our student account offers an interest free overdraft limit.
- **Prisoner accounts** - We offer a basic bank account to prisoners close to their release date. This supports in helping ex prisoners get access to employment, housing and improving their overall self esteem.
- **Mortgage Applications** - For every new mortgage or product switch application completed, we donate £5 to youth homelessness charity Centrepont.
- **Children's Savings** - We offer a Future Fund account for children under 18. Children between the ages of 7-18 can solely operate this account.
- **Green Further Advances** – Existing customers of the Bank can now apply for one of our Green Additional Borrowing products to help home energy efficiency.

Business Banking

We provide practical support by offering banking services (and helpful funding) to support co-operatives, community businesses and charities.

- **Community Directplus** - An account that offers registered charities, community interest companies and credit unions an ethical way to bank.
- In 2024, we committed to demonstrate our support for registered charities, community interest companies and co-operatives, through increasing Community Directplus Accounts by 6% compared to 2023 and supporting them in their missions to drive positive change across our communities (**2024 ESG Social Commitment**).
- **Customer Donation Fund** - For every £100 increase across collective balances held in Community Directplus accounts the Bank adds 20p to the Customer Donation Fund, with a minimum of £5000 being awarded twice a year. These donations go towards supporting community organisation and community projects. During the pandemic we awarded all applications for the fund to ensure we could help communities at a grass roots level.
- **The Business Support for Co-ops Programme** - We've committed £2.9 million of funding to support growth in the co-operative sector since our partnership began in 2016. This investment has helped hundreds of co-operatives and groups with expert business advice, workshops, training and mentoring.

Our values and ethics in action

Awards, ethical products and services

We take an ethical approach to banking and are the only high street bank in the UK with a customer-led Ethical Policy.

Our credit and debit cards

In line with our Ethical Policy statement against the release of chemicals that persist in the environment, we continue to issue PVC-free credit and debit cards and have been doing so since 2007. In its place we use the plastic glycol-modified polyethylene terephthalate (PETG), which does not contain or use chlorine in its production. Furthermore, all the inks we use in our customer mailings are chlorine-free, and either water or vegetablebased.

Awards

- **Moneyfacts** Best Current Account Provider (2020).
- **Better Society Awards**, Commitment to the Local Community Award and Good Money Award (2021)
- **Moneyfacts** Branch Network of the Year (2022 for the fifth year running)
- **Business Moneyfacts Awards** Best Charity Banking Provider (2022 for the seventh year running)
- **Business Moneyfacts Awards** Best Charity Bank Provider (2023 for the eight year running)
- **Prolific North Awards** Creative for Good award for our 'Withdraw from This' campaign, aiming to lift the lid on the damage other banks are doing to the planet.
- **Which? Eco Provider** (2023) - recognised as one of only three Eco Providers, a testament to the longstanding commitment we've had since 1998 to withhold finance to any business whose activity contributes to fossil fuel extraction or production.
- **Fossil Free Banking Alliance**: We were the first UK high street bank to become members of the Fossil Free Banking Alliance, a group of ethical and environmentally friendly organisations founded by Bank.Green.
- We are a **MotherTree recommended bank** thanks to low registered carbon emissions associated with our products.



Our values and ethics in action

Ethical screening

We do not provide banking services to businesses and organisations that conflict with our Ethical Policy. We implement a robust screening process to ensure that every new application for business banking services is screened against our customer-led Ethical Policy. In 2023, 258 businesses were referred for enhanced screening and as a result, nine applicants were not accepted as Co-operative Bank customers

In particular, the Bank does not offer services to companies associated with:

- Extraction of minerals and deep sea bed mining
- Intensive farming methods
- Unsustainable harvest of natural resources, including timber, fish and palm oil
- Exploration, extraction or production of fossil fuels

Customers who bank with us want to understand how their money will be used. Our customers' money will not be put to use in a way that conflicts with our values and ethics. They also want to know that we strive to provide banking services to businesses and organisations that share our values and ethics. Support will be given to such organisations provided they meet criteria regarding risk and return.

In 2022, we released an updated version of our Ethical Policy, informed by current views of our customers. We strengthened our commitments under new pillars of **People, Planet and Community** and updated our screening guidelines, building on our historic list of reasons why we would not provide banking services to businesses or organisations.

Our new commitments mean that we now screen businesses against:

- Participation in deep sea mining
- Degrading irrecoverable carbon stores in peatlands and forestlands
- Exploration for fossil fuels
- Activities that use exotic or specialty leather as just a few examples.

Managing customer risk:

Our Risk Policy requires the closure of accounts for risk related issues, such as when customers are involved in or receive profits from organised crime or illegal activities such as the sex trade, drugs or human trafficking, as well as where there are regulatory requirements. In 2023 we closed 674 customer accounts (502 in 2022) due to risk related issues, including suspicion of money laundering and failure to provide documentation to satisfy Customer Due Diligence requirements.



Consumer Duty

Embedding Consumer Financial Protection across the Bank

On 31st July 2023, the Financial Conduct Authority (FCA) introduced Consumer Duty designed to increase the current level of consumer protection in the retail financial services market. The FCA's publication is a "paradigm shift in its expectations" of firms and impacted all areas of our business. It moves from a rules-based, prescriptive approach to a more data-led, outcomes focused approach requiring firms to consider the impact of their products and services on their customers.

The Consumer Duty applies to all new and existing products and services that are open for sale or renewal from the end of July 2023 and all other closed book products and services by end of July 2024. Consumer Duty is split into three areas:

- The Consumer Principle that requires firms to act to deliver good outcomes for retail customers;
- The Cross-cutting rules requiring firms to act in good faith, avoid causing foreseeable harm, and enable and support customers to pursue their financial objectives, and
- Four Outcomes rules requiring firms to ensure consumers receive communications they can understand, products and services meet their needs and offer fair value, and the support they need.

Embedding Consumer Duty

The Group welcomes the introduction of the FCA's Consumer Duty. This requirement for firms to act to deliver good outcomes for retail customers is entirely aligned to our ethical principles. A lot of work has been put into making sure the bank is compliant with Consumer Duty not just before the 31st July 2023 deadline but ongoing. We acknowledge however, that the Bank is still on the journey of developing, improving and evidencing the appropriate data-led outcomes focused required under the Duty to fully understand the outcomes our customers are receiving.

As part of the Duty, each firm must prepare a report for its governing body to attest to, setting out the results of its monitoring of customer outcomes and any actions required as a result of the monitoring. A significant body of work is underway and will continue over the coming months, across all elements of the Group, to attest to the outcomes our customers are receiving and further implement a more outcomes, data-led approach with a continuous cycle of monitoring to enable the Group to identify where things are not operating as expected for customers and to act quickly to minimize the risk of harm.

As an ethical bank, we already strive to ensure that we act in good faith, avoid causing foreseeable harm and support customers in pursuing their financial objectives. Consumer Duty is a further opportunity to strengthen and sharpen our conduct frameworks to evidence that the Group is delivering good outcomes.

Our customer channels

What we offer to customers

There are a number of channels that our customers can use to get in touch with us.

- **Branch network:** our high-street branch network operates nationwide, with colleagues on hand to offer expert advice, services and support. Customers are able to find their nearest branch using our branch locator, and can also withdraw money through their local Post Office.
- **Mobile banking:** our highly-rated free mobile banking app is available on the App Store and Google Play, enabling customers to access banking services on the go. Customers are able to check their balance and transaction (including pending debit card transactions) transfer money and set up new payments, apply for savings accounts and credit cards, get fraud alerts and manage personal details. Customers are also able to log in and send a secure message 24/7, which we will respond to in 48 hours.
- **Online banking:** customers can bank securely online without having to visit a branch or call us, and without the need for a smartphone.
- **Telephony:** phone lines are open 8am to 6pm Monday to Friday, 9am to 5pm Saturday and Sunday. Customers can listen to their latest transactions, available balance, pay bills, transfer money and order statements through telephone banking.
- **Online:** we have a strong online presence through a variety of social networking sites, including X (Twitter), Facebook, LinkedIn and Instagram. Customers can reach out through these platforms through a private direct message and request support with issues that they are facing.
- **British Sign Language (BSL) interpreters:** customers that use British Sign Language can call us using a video interpreter through InterpretersLive! This service is available on demand from Monday to Friday 8am to 6pm and Saturday 9am to 12pm.

Find out more about our
accessibility services



Our customer objectives

Treating customers fairly



The Co-operative Bank

Reviews 8,897 • Great



VERIFIED COMPANY

Our customer objectives

At The Co-operative Bank, supporting our customers **when** they need us, in the **way** they need us to, is at the heart of all we do.

Driven by our unique customer-led Ethical Policy, our focus is on:

- Ensuring good customer outcomes and treating our customers fairly
- Communicating with them in a way they can understand
- Being transparent in our interactions and working hard to evolve our products and services.

Colleagues are empowered to support our customers' needs and we respond to all customer feedback, using this to enhance our processes and procedures in order to improve the customer experience for everyone who chooses to bank with us.

Ways to contact us

Our customers are encouraged to contact us whenever they need to. This could be to:

- **Report a scam** (we're supporting the 159 initiative which aims to quickly connect UK consumers with their bank when they suspect fraud)
- **Share accessibility needs** (we've joined up with Experian so that our customers can easily share their needs with us and other organisations, all in one go)
- **Seek support with online or mobile banking**

All the ways to contact us are listed on this [page](#)

Read more about 159 and our Experian Support Hub >

Reporting on our customer service

Feedback from our customers is really important to us as part of our commitment to being an ethical bank.

- **TrustPilot:** customers are encouraged to leave us honest, unbiased feedback through TrustPilot to help us improve our service. We are proud to have earned a 'Great' 4.2 out of 5 rating, and use this platform to reach out to customers if they report an issue or require further assistance.
- **Complaints Data** - Whilst we are proud of our record of high customer advocacy and recognition by external commentators, we also recognise that sometimes things can go wrong. When it does we encourage our customers to tell us and we try to put things right as quickly as possible. The feedback we receive from our customers is invaluable and it helps us to shape the way we do things in the future. Every six months we submit information to the Financial Conduct Authority (FCA) about the complaints we have received from our customers. The information includes details of the number of complaints we receive, how many we have closed and how many we have upheld (found in favour of the customer). **This data is shared with the Bank's Board of Directors and Executive Management team on a quarterly basis.**
- **Independent service quality results** - as part of a regulatory requirement, an independent survey was conducted to ask approximately **1,000** customers of each of the **16 largest personal current account providers** if they would recommend their provider to friends and family. The results represent the view of customers who took part in the survey.

Visit our TrustPilot page here >

View our Complaints Data >

View our Service Quality Survey Results >

Our values and ethics in action

Supporting our most vulnerable customers

Specialist Financial Support

If a customer is experiencing financial difficulties, we ask them to get in touch as soon as possible by calling us to ensure the customer receives the specialised support and advice they require from the right team. We provide a free phone number for our financially vulnerable customers. Alternatively customers can send a secure message once logged into online banking 24/7. For some customers who find themselves in an emergency situation we have a Hardship Fund available which can gift up to 3 x 100, providing immediate support.

Accessibility services

We have a range of tools available to support customers, including providing a range of documents in large print, Braille and audio, BSL interpreters at branch appointments and hearing induction loops. For visually impaired customers we ensure correspondence, statements, PIN advice and brochures are available in large print, Braille and audio. Our website also adheres to WCAG AA standards where possible, and before any page goes live we use automated testing, expert reviews and direct feedback from our users.

Partnership with Citizens Advice

The Co-operative Bank and Citizens Advice Manchester have developed a referral programme for customers who are experiencing difficulties. The programme provides access to a dedicated adviser who completes a holistic assessment to understand the customer's issues. The adviser provides immediate advice and support, and can refer customers with more complex issues to their local Citizens Advice. We have added a self-referral link on our website and posters with QR codes in branch so customers can go to them directly without needing to speak to us first.

Money management and Financial Education

We want to help our customers when they need us the most, from major life events to everyday financial hints and tips. That's why we've created an online money management hub, offering help and advice on managing finances with links to helpful tools and internal and external support.

Responsible treatment of clients with debt repayment problems

Customers are selected for a Pre-Arrears strategy due to them showing a high likelihood of entering financial difficulties in the next 12 months. This is based on a risk assessment which includes a wide range of internal account behaviours and external information from Experian. Customers who are selected for Pre-Arrears contact are sent a letter advising them to contact the Bank if they feel they require assistance. However, customers may also contact the Bank themselves because they are concerned regarding their finances. Outbound dialling and SMS messages are also sent to a selection of customers.



Find out more about how we support our customers >

Financial Inclusion

Supporting survivors of abuse

We have created online support information for people experiencing Economic Abuse, the information contains advice such as how to stay safe online and signposts to support. The information will not show in their search history for safety.

We have also created a digital disclosure form so customers can let us know if they are experiencing abuse and tell us what they need.

Our colleagues have received training from Surviving Economic Abuse, with guidance on how to identify and support customers. We have also volunteered to participate in their pilot of an Economic Abuse Evidence Form, to make it easier for people to disclose to multiple firms.

On the footer of every website page, our customers can access a pop up, which signposts customers to support with economic abuse, without leaving a digital footprint, keeping survivors safe when they are seeking support.

Safe Spaces

All our branches are now a 'safe space', this is an initiative created by UK SAYS NO MORE, a national campaign facilitated by Hestia that works with partner agencies to provide a safe space for people who need it. The space will enable them to seek support if they need it with access to a phone and contact numbers.

Find out more about
Safe Spaces here



Find our economic abuse pop up
at the footer of our website pages



Financial Inclusion

Supporting our customers

- **Bridge to Banking:** we are continuing to work with youth homelessness charity, Centrepoin, to help those with no fixed address access financial services. Unlike with many other financial services providers, the Bridge to Banking initiative does not rely on charity case workers and applicants travelling to branch as the application can be sent to our processing team directly. This process is more convenient for Centrepoin staff as it requires less time and resource, meaning more applications can be made and more support offered to young people experiencing homelessness.
- **Prisoner banking:** as part of our Unlocked Scheme we allow prisoners who are within 6 months – 6 weeks of their release to apply for a basic Cashminder account, so long as they have no existing bank accounts already set up. As these customers get ready for their release and their reintegration into society, we support them with this integration by helping them to have a bank account ready for them to use when they are released from their incarceration.
- **NIVO app for bereavement:** this enables customers to contact the Bank about the bereavement process. Customers can use NIVO to communicate via smartphone messaging, send documents securely and send queries to the team. This provides customers with clear communication at a time that suits them, during a very difficult period, and reduces call wait times.
- **Experian Support Hub:** Across the UK millions of people have accessibility or support needs, like reading letters in large font, getting statements in Braille, being given more time to complete tasks, or using a British Sign Language interpreter. Experian Support Hub delivers a single online portal for consumers to share support needs with multiple organisations in one simple process. As a member of the Support Hub, we are providing our customers with a further channel where they can conveniently communicate their support needs to us, so they can access assistance, save time and avoid repeating themselves unnecessarily.



Financial education

Supporting our customers

Financial and debt-related problems

There are a number of external agencies and charities that can offer help to customers around financial and debt-related worries. Numerous links are shared on our website for our customers to access.

Signposting to independent
help for financial support >

Digital inclusion and supporting customers with their finances

- The bank is committed to supporting all customers with their financial objectives and have introduced the following:
- A network of colleagues across the bank 'Digital Bees' who actively support in the community with financial education
- A dedicated financial support section on the public sites, which also includes signposting of dedicated third parties
- Tools & Guides hubs for each product, providing specific educational content
- Articles and advice, providing top tips in navigating the economic climate
- Educational content around fraud, educating our customers and helping them to keep their money safe.

Visit our tools and guides
page

Financial education

Informing our customers

Financial education and guidance

We've put together a set of helpful guides and calculators to help our customers manage their money better. Through our tools and guides page on our website, our customers can access information about:

- The types of banks accounts that they can apply for
- How to open a bank account
- Credit history and bank accounts
- What a joint bank account is
- How affordable overdraft facilities are
- How a credit card works
- How to save money
- Types of mortgages and what is involved in buying a home
- Banking services for young people
- How to manage money

Visit our tools and guides
page >

All of this and more can be accessed on our website.

Managing fraud

Protecting our customers from fraud is a priority for the Bank. We take extra measures to educate our customers about fraud, common fraud threats, scams, and how they can protect themselves online.

Read more on our security
and fraud page >

Promoting human rights

Our actions as a Bank

We support the UN Guiding Principles on Business and Human Rights. As detailed in our Ethical Policy, we will not provide banking services to any business, organisation or government that:

- Fails to implement basic labour rights as set out in the Fundamental UN ILO Conventions (e.g. avoidance of child labour, or that actively oppose the rights of workers to freedom of association, e.g. in a trade union)
- Impedes access to basic human necessities (e.g. safe drinking water or vital medicines)
- Engages in irresponsible marketing practices (e.g. with regard to tobacco products and manufacture)

[Read our full approach in our updated Ethical Policy here](#) >

Modern Slavery and Human Trafficking

We are committed to ensuring that our business, and our suppliers, are free from modern slavery and human trafficking, upholding the principles of our Ethical Policy. Our Modern Slavery and Human Trafficking Statement sets out the steps we're taking to prevent modern slavery.

The maximum working hours for school leavers in the UK is 40 hours per week our contract states 35 hours per week for all employees. We also have detail in our modern slavery document regarding suppliers to not engage in or support the use of child labour, and to provide specific consideration to young persons between the ages of 15 and 18, particularly in respect of their hours of work and safety.

[Read our Modern Slavery and Human Trafficking statement here](#) >

Governance

How we embed ESG in our
business

The **co-operative** bank

Ethical then, now and **always**

ESG Governance

Our Articles of Association

In November 2014 we wrote the co-operative values and ethical policies into The Co-operative Bank's Articles of Association, **ensuring they are a permanent and important element of our governance.**

Without values and ethics we could become just like any other bank and our customers have told us that's not what they want – values and ethics are some of the main reasons why many of our customers choose to bank with us. So, as well as embedding values and ethics into our Articles of Association, we also created the Values and Ethics Committee, a Board Committee with an independent chair, Sue Harris, to ensure values and ethics remain at the heart of the Bank.

The purpose of the Values and Ethics Committee is to oversee the adoption of co-operative values and ethics within the organisation and to report at least annually to the board on the Bank's compliance with its statement to Cooperatives UK. It monitors compliance with the Bank's values, ethics, and Environmental, Social and Governance (ESG) strategies; including the Bank's journey to 'Net Zero'. The Values and Ethics Committee is Chaired by **Sue Harris, Non-Executive Director.**

Read the Values and Ethics
Committee Terms of Reference

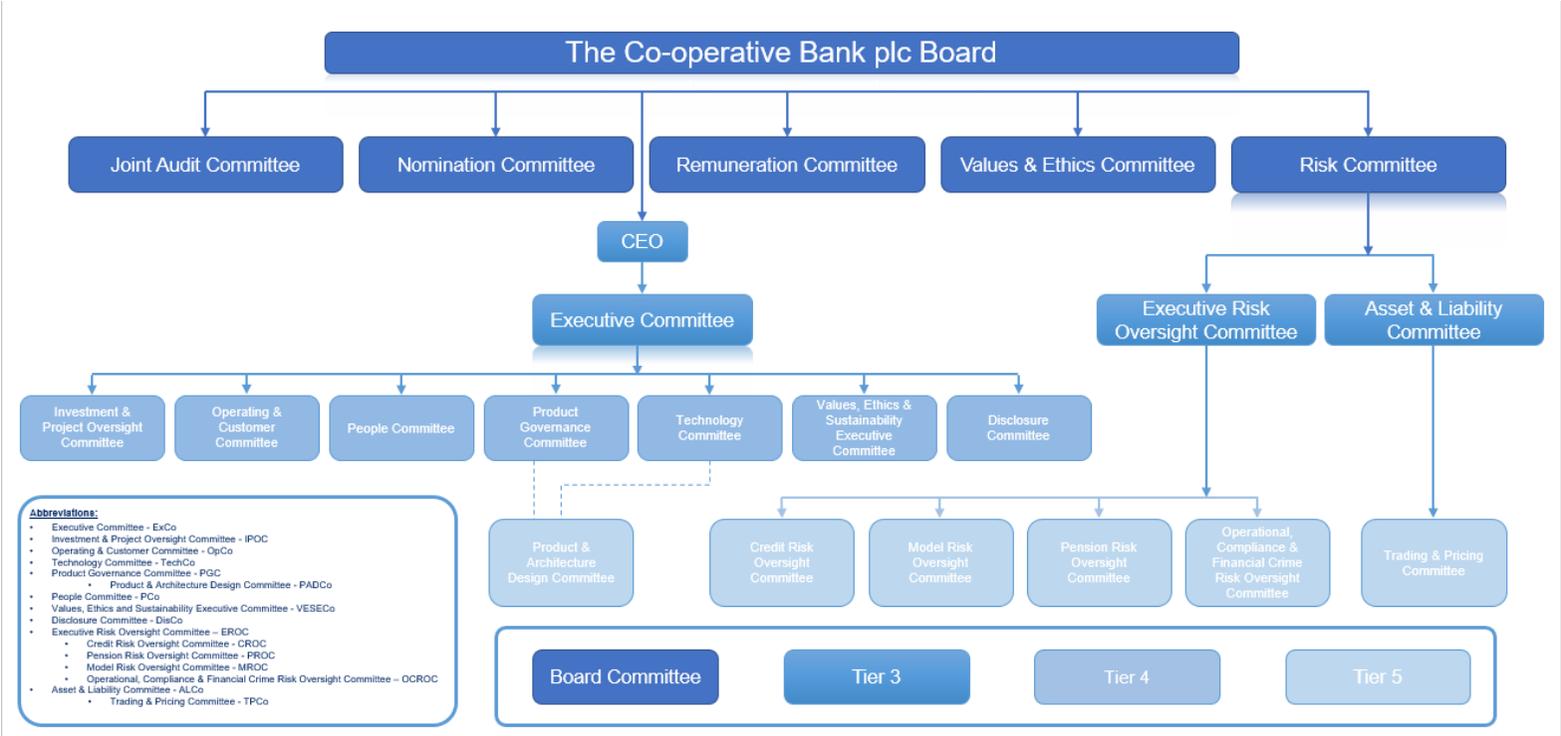


Governing our business

Our governance structure

The Co-operative Bank plc Board and Committees of the Board Structure including Executive Level Committees

For more information regarding the Bank’s governance framework, please see the Corporate Governance Report in the 2023 Annual Report and Accounts (p.67 onwards).



Read our Corporate Governance Report, p67 >

For more information regarding the Bank’s Corporate Governance, please see our 2023 Annual Report and Accounts.

Risk Management

Governance

Board & Committee	Risk focus
Board	The Board has collective responsibility for the long-term success of the business. Its role is to provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed. It sets the values and standards and ensures the obligations to its shareholders, customers and other stakeholders are understood and met. The Board sets the strategy and approves plans presented by management for the achievement of the strategic objectives it has set. It determines the nature and extent of the significant risks it is willing to take in achieving its strategic objectives and is responsible for ensuring maintenance of sound risk management and internal control systems.
Risk Committee (RC)	RC is responsible for reviewing and reporting its conclusions to the Board on the Bank's risk appetite and propose for approval by the Board and oversee the implementation of a Risk Management Framework, taking a forward-looking perspective and anticipating changes in business conditions.
Executive Risk Oversight Committee (EROC)	EROC is responsible for oversight of the risk profile of the Group (within the agreed Board risk appetite). The Committee reviews and challenges the risks associated with the Group's business strategy, plans and overall management of risks. EROC achieves some of its objectives through delegating responsibility to sub-committees including OCROC, MROC, PROC and CROC. EROC will escalate, where appropriate, to the Board via the RC.
Executive Committee (ExCo)	ExCo is responsible for defining and implementing the Board-approved strategy successfully by monitoring and managing delivery against plan and applying appropriate risk management actions to emerging risks.
Asset and Liability Committee (ALCo)	ALCo is primarily responsible for overseeing the management of capital, market, earnings, liquidity and funding risks. Its responsibilities include identifying, managing and controlling the balance sheet risks in executing its chosen business strategy, ensuring the capital and liquidity position is managed in line with appropriate policies and that adequate capital is maintained at all times. In order to align the function of key committees more closely, ALCo started to report directly to the RC. This change will further reinforce the mitigation of financial risks through embedding a structure whereby key asset and liability management decisions are set within a risk governance setting.
Model Risk Oversight Committee(MROC)	MROC ensures, on an ongoing basis, that the model rating systems and material models are operating effectively. This includes providing Executive level review and challenge of the model risk and the impact of model risks on the Group's business model and strategies. MROC also provides oversight of the Group's IRB permissions, including the exemptions where the Group applies the Standardised Approach to calculate Pillar 1 capital requirements.
Credit Risk Oversight Committee(CROC)	CROC is responsible for monitoring significant credit risks and issues within the entire credit lifecycle, the controls and management actions being taken to mitigate them and to hold to account the executives responsible for actions. CROC reviews the credit risk strategy on an ongoing basis, making recommendations to EROC as appropriate.
Operational, Compliance & Financial Crime Risk Oversight Committee (OCROC)	OCROC is responsible for monitoring significant operational risks and issues including significant conduct, regulatory, product, reputational, fraud and AML risks and issues, the controls and management actions being taken to mitigate them and to hold to account the executives responsible for actions. OCROC oversees the current and emerging operational risk profile, ensuring key risk exposures are managed within risk appetite and reported to EROC as appropriate, including the monitoring of adherence to the RMF alongside a process for continuous improvement.
Pension Risk Oversight Committee (PROC)	PROC is responsible for oversight of all aspects of pension arrangements which the Group either sponsors or participates in, to ensure cost, risk, capital, investment and employee requirements are met.

Governing our business

Our Board Committees

The Bank Board has established Board Committees, namely: the Risk Committee, the Values and Ethics Committee, the Remuneration Committee and the Nomination Committee. There is a Joint Audit Committee of the Holding Company, Finance Company and Bank Company.

All Board committees have terms of reference, describing the authority delegated to them by the boards of the Companies. Each of these committees has a role in ensuring the effective oversight by the boards of the Holding Company, the Finance Company, the Bank Company and their subsidiaries.

More information regarding each of these Board committees, along with an introductory statement from each of the committees' chairs, can be found within the Corporate Governance Report contained within the 2023 Annual Report and Accounts (p.67 onwards).

Read our Corporate Governance
Report, p.67 onwards



Governing our business

Executive Governance

Committee	Purpose
ExCo	<p>Meetings are held weekly, chaired by the CEO with his direct reports as members (apart from the Chief Internal Auditor and Company Secretary who are standing invitees). The CEO appoints all members. Only members and regular attendees attend meetings, unless invited by the Chair.</p> <p>The core responsibilities of the Committee include, but are not limited to, the oversight and implementation of:</p> <ul style="list-style-type: none"> • Strategy, Direction and Performance of the Bank including development and maintenance of the Bank’s business model; • Culture, Values and Ethics including overseeing the adoption and embedding of the Bank’s culture, values and ethics statements and overseeing the implementation and periodic refresh of the Bank’s Values and Ethics Policies; • Matters Reserved for the Board including identifying matters required or appropriate for escalation to the Board or appropriate Board Committee and to review and agree all submissions to the Board or Board Committees; • Customer experience / service including ensuring service delivery meets agreed performance levels and any exceptions are highlighted, understood and where necessary, have action plans to remediate; • Product and pricing including approval of any new products and / or significant changes to existing products or supporting processes; • Risk and Governance including monitoring the Bank’s performance against risk appetite and where required approving the implementation of risk management actions where breaches have been identified or are considered likely; • Capital, Assets, Liabilities and Profitability including managing the capital and liquidity position of the Bank. Monitoring the Bank’s capital, assets, liabilities and profitability performance versus forecasts and approving the implementation of mitigating or remedial actions where required. Oversight of significant financial performance issues affecting the successful delivery of the Bank’s strategic objectives or plans; • Transformation and Change Delivery including monitoring significant change initiatives including major capital expenditure projects and their associated risks, breaches and proposed management actions for resolution; • Organisation and Operations including ensuring that appropriate levels of authority are delegated to senior management and overseeing breaches of operational processes; • People and Resourcing including identifying and developing strategies to effectively deal with people and resource related issues that might adversely affect the Bank’s ability to achieve its strategic objectives; and • External Reporting including oversight of key materials presented to external stakeholders (including regulators) and investors. <p>Members: Nick Slape (Chair), Louise Britnell, Gareth Jones, Maria Cearns, Catherine Douglas, Gary McDermott, Mike Errington, Adrian Walker</p> <p>Standing invitees: Karen Bassett and Catherine Green</p>

Governing our business

Executive sub-committees

All Executive Committees have Executive and senior management representation.

Sub-committees of ExCo	Purpose
Operating & Customer Committee	Agrees and monitors operational strategies and plans; operating and financial performance; policies controls and risks; performance for customer service and operational people and resourcing matters.
Product Governance Committee	Considers and agrees, in the context of the Bank's product and risk appetite, strategy and financial plan, the Bank's product, customer and channel strategies, product launches, product and tariff reviews, pricing decisions and RoE analysis.
Disclosure Committee	Acts to support the CEO to consider whether materials might be published against the tests of inside information, confidentiality or privilege.
People Committee	Reviews remuneration matters that impact Senior Management Functions, Material Risk Takers and the Bank as a whole and discusses and reviews risk matters escalated through the Risk Adjustment Process and any other material bank wide people matters.
Investment and Project Oversight Committee	Prioritises programmes, approves business cases and agrees programme expenditure in line with the Bank's strategic plan.

It should be noted that the Values, Ethics and Sustainability Executive Committee (a previous Executive sub-committee) was disbanded in early 2024 in an effort to simplify the Bank's governance. Execution of the Bank's Values, Ethics and ESG strategies is now the responsibility of the Executive Committee (ExCo).

Governing our business

Board composition and responsibilities

Board composition

During the year, there have been changes to the Boards of the Holding Company, Finance Company and to the Bank (the Boards). More information regarding the composition of the Boards, biographies and length of service of the directors, and diversity can be found in the Corporate Governance Report contained within the 2023 Annual Report and Accounts (p.67 onwards).

Role and responsibilities of the Boards

The Boards have collective responsibility for the long-term success of the Holding Company, Finance Company and Bank. Their role is to provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed. They set the values and standards and ensure that their obligations to shareholders, customers, employees and other stakeholders are understood and met and that the Bank's strategy for the Group is delivered by management.

Read our Corporate Governance
Report, p.67 onwards



Governing our business

Board effectiveness

Read our Corporate Governance Report, p.67 onwards



Performance evaluation

The Board agendas continue to balance the need to provide oversight and governance across the business and to provide challenge where appropriate.

The Bank Board, its Committees and individual Directors were subject to an external performance review which started during the fourth quarter of 2022. The assessment comprised a series of one-to-one interviews with all Directors and members of senior management and observation by the Chartered Governance Institute, who had been selected to conduct the review, of Board and Committee meetings in November 2022. The outcomes of the external assessment were provided to the Board in the first quarter of 2023 and actions arising from the recommendations within the report were presented to the Nomination Committee in July 2023 outlining how all actions had been, or were in the process of being, addressed.

Senior Managers and Certification Regime (SMCR)

The Bank continues to deliver robust compliance with its governance over the Senior Managers and Certification Regime. Directors have been briefed extensively and received further annual training in connection with the requirements set out in the SMCR.

Conflicts of interest

Pursuant to the Companies Act 2006, the Directors have a duty to avoid situations in which they have or may have interests that conflict with those of the Bank Company, Finance Company and Holding Company unless that interest is first authorised by the other Directors. The Bank Company, Finance Company and the Holding Company's Articles of Association allow the Boards to authorise such potential conflicts and there is a procedure to deal with actual or potential conflicts. All potential conflicts approved by the Boards are recorded in the Conflicts of Interest Register, which is reviewed at each Board meeting to satisfy itself that all potential conflicts are appropriately considered and have been approved.

The Boards have determined that a Director with a potential or actual conflict will not be permitted to form part of the quorum or vote upon the matter giving rise to the conflict. The Boards have put in place protocols to address potential conflicts arising from the appointment of the Non-Executive Directors who are not independent for the purposes of the Companies Act 2006. Prior to taking up any external appointment or responsibilities, Directors are asked to consult with the Company Secretary and the Chair of the Board.

Governing our business

Board independence

- Information regarding the independence of the Board can be found within the Corporate Governance report contained within the 2023 Annual Report and Accounts (p.67 onwards) and on the Governance pages of the Bank website.
- The Board is one-tiered with executive representation from two executive directors. The two executive directors are not independent.
- As at 31 December 2023, the Board consists of ten Directors, eight of whom are non-executive directors (NEDs) and two are executive directors (CEO and CFO).
- Five of the NEDs are independent (INEDs) and the NED Chair of the Board was considered to be independent on his appointment.
- Two NEDs are designated B Directors (as defined in the Articles of Association of The Co-operative Bank Holdings Limited, the ultimate parent company of the Bank) and are not considered independent.
- Details of the percentage B shareholdings are publically disclosed in the Corporate Governance Report contained within the 2023 Annual Report and Accounts. No one B shareholder has a controlling shareholding.

Read our Corporate Governance Report, p.67 onwards



Governing our business

Board independence

- The share capital of the ultimate parent company of the Bank, The Co-operative Bank Holdings Limited (“the Holding Company”), is divided into Class A ordinary shares and Class B redeemable preference shares. Except in particular circumstances (as defined in the Holding Company’s Articles of Association), holders of A shares are not entitled to receive notice of, nor attend to vote at general meetings of the Holding Company.
- The Bank has established a Joint Audit Committee, as well as other Board level committees. Details of the principal responsibilities of each of these Committees can be found within the Corporate Governance Report, contained within the 2023 Annual Report and Accounts. The terms of reference for these Committees are publicly available on the Bank’s website.
- Although the Bank does not have a premium equity listing and does not voluntarily comply with the Financial Reporting Council’s (FRC) 2018 UK Corporate Governance Code (the “2018 Code”), it is comfortable that its corporate governance framework reflects many of the principles and provisions set out in the 2018 Code, which includes provisions relating to Board composition. The FRC reviewed the 2018 Code in 2023 and the “2024 Code” will come into effect from January 2025. The Bank voluntarily carried out a gap analysis during 2024 and remains comfortable that many of the principles and provisions of the 2024 Code are embedded within its own corporate governance framework.
- Excluding the Chair, at least half of the Board are independent non-executive directors which is in line with the requirements of the UK Corporate Governance Code.
- The Directors have to declare any interests in related parties at every BAU Board meeting and no nominally independent directors are affiliated with the company/ controlling shareholder/ the CEO or other insiders.

Read our Corporate Governance
Report, p.67 onwards



Governing our business

Board diversity

The Board re-adopted the Board Diversity Policy, as recommended by the Nomination Committee, in July 2023, followed by approval of a three year Equality, Diversity and Inclusion ('EDI') strategy in February 2024. A new role, EDI Lead, was created to support the Bank in developing the EDI strategy, bearing in mind proposals for a new regulatory framework on EDI in 2024.

During 2023, in addition to approving the Diversity Policy, the Board continued to oversee progress with the Bank's diversity targets, with an aspirational target of 40% diverse membership of the Board.

In addition, the Nomination Committee continues, when required, to identify and nominate, for approval by the Board, candidates to fill Board vacancies having regard to the balance of skills, knowledge, independence, experience and diversity on the Board. The Nomination Committee also annually reviews the Board Diversity Policy, and the measure of objectives set in implementing the policy and progress on achieving the objectives.

Further information relating to the activities undertaken by the Bank in relation to inclusion and diversity can be found within the 2023 Directors' Report.

Read our Director's Report,
p.96 onwards



Governing our business

Embedding our Values, Ethics and ESG Commitments

Under the Holding Company, Finance Company and Bank's Articles of Association, there is a requirement for each of the companies to promote and conduct the company's business to the extent practicable, in a manner informed by the established values of the cooperative movement.

In particular, the Bank is required to promote and conduct its business in such a manner with regard to:

- how it relates to, communicates with, balances the interests of, and otherwise deals with its stakeholders; and
- how it applies the profits of the Bank, in accordance with the dividend policy set out in its Articles of Association.

More information regarding how the Bank's Values and Ethics are enshrined in the Bank's Corporate Governance framework can be found in the Bank's Articles of Association, which are published on the Bank's website. Further information regarding what this means in practice can be found in the Values & Ethics Committee Report contained in the 2023 Annual Report and Accounts and the 2023 Sustainability Report.

[Read our Articles of Association here](#)



[Read our Corporate Governance Report, p.67 onwards](#)



Embedding our co-operative values and ethics and ESG principles

Our Values, Ethics and ESG principles are embedded throughout our governance structure, where it is mandatory for us to align the terms of reference to our commitments.

The Bank's ESG Strategy is formally governed through the Board, Values and Ethics Committee, our Operating and Customer Committee and the Executive Committee (ExCo). In addition, Climate Risk is managed as a thematic risk through the Executive Risk Oversight Committee (EROC).

All Environmental, Social and Governance (ESG) matters are escalated to ExCo to the Values & Ethics Committee as necessary, or from EROC to the Risk Committee.

Governing our business

Statutory disclosures

Transfer of shares

The shareholder of the Bank Company and Finance Company may transfer any shares in any manner which is permitted by law and is from time to time approved by the Board of the Bank Company and Finance Company respectively. Restrictions on the transfer of the B redeemable preference shares can be found within the Holding Company's Articles of Association.

Approval is required from the Prudential Regulation Authority if a person intends to acquire or increase its 'control' of a UK authorised person (which includes the Bank).

Voting rights

Subject to the Bank's Articles of Association, and to any special rights or restrictions as to voting for the time being attached to any shares, the provisions of the Companies Act 2006 shall apply in relation to voting rights of the Bank's shares.

B redeemable preference shareholders are entitled to receive notice, attend and vote at a general meeting of the Holding Company in accordance with the Holding Company's Articles of Association.

For more information regarding the Bank's statutory disclosures and shareholder voting rights and underlying processes, please see the Corporate Governance Report in the Annual Report and Accounts (p.79) and the Bank's Articles of Association, which are published on the Bank's website.

[Read our Articles of Association here](#)



[Read our Corporate Governance Report, p.67 onwards](#)



Governing our business

Board and Executive Remuneration

Details of the governance arrangements and approach to the Bank's remuneration, including remuneration disclosures, can be found within the Director's Report on Remuneration, contained in the 2023 Annual Report and Accounts. Within this report, individual compensation for both the CEO and CFO is disclosed. Aggregate compensation for the Executive Management team can be found within the Pillar 3 disclosures within our Annual Report and Accounts.

Read our Corporate Governance Report, p.67 onwards



Details of how Executive and colleague remuneration is linked to Environmental, Social and Governance (ESG) performance can be found in the Director's Report on remuneration to the shareholder.

Read our Corporate Governance Report, p.102-104



Climate Risk

Our approach towards Climate Change Risk

Climate Change poses a significant threat across society and it is important that the Bank takes action to assess and minimise the financial risks it poses through the Bank's operations and its customers. These risks will arise through both Physical means and in the Transition to a Net Zero economy.

As such, the Bank has established a robust approach towards managing the financial risks posed by Climate change:

Ethical Banking and protecting and enhancing the environment

We don't provide banking services to organisations that conflict with our customers' views on a comprehensive range of issues, including: human rights, the environment, international development and animal welfare.

We will not provide banking services to any business or organisation whose activity contributes to global climate change or the destruction of ecosystems, via:

- The exploration, extraction or production of fossil fuels (oil, coal and gas, including from tar sands and hydraulic fracturing)
- The operation and development of fossil fuel fired power stations or fossil fuel infrastructure, such as oil and gas pipelines
- The exploration or extraction of minerals using deep seabed mining, including the conduct of research that facilitates deep sea mining
- The degradation of areas that are critical stores of irrecoverable carbon
- The manufacture of chemicals that are persistent in the environment, bio-accumulative in nature or linked to long-term health concerns
- The unsustainable harvest of natural resources, including timber, fish and palm oil
- The development of genetically modified organisms where there is evidence of uncontrolled release into the environment, negative impacts on developing countries, or patenting, e.g. of indigenous knowledge
- The development of nanotechnology in circumstances that risk damaging the environment or compromising human health.

We make sure the businesses we provide banking services to do not conflict with our Ethical Policy and the views of our customers by applying a stringent screening process throughout the lifecycle of our business accounts.

[Read our approach towards Climate Change Risk in the Risk Management section within the ARA](#)

Climate Risk

Our approach towards Climate Change Risk

Risk Management

The Prudential Regulation Authority's Supervisory Statement 3/19 - Enhancing banks' and insurers' approaches to managing the financial risks from climate change, required regulated entities to embed the consideration of the financial risks from climate change in governance arrangements, incorporate the financial risks from climate change into existing financial risk management practice, use long term scenario analysis to inform strategy setting and risk assessment and identification, and develop an approach to disclosure on the financial risks from climate change. The Bank remains compliant with these requirements.

The Bank recognises that ensuring climate change risks are embedded across the Group's governance framework is critical to supporting climate-conscious decision-making. Climate change risk is currently incorporated into the Risk Management Framework and is managed as a thematic risk, recognising the linkage and impact of climate-related risks upon other principal risks. Decisions to mitigate, transfer, accept or control any significant climate-related risks identified are made in accordance with RMF principles. All reports presented to the Board and its committees must disclose the risks, including financial risks arising from climate change where relevant, that have been considered in relation to the recommendation.

The risks and opportunities arising from climate change are a key focus of the Bank. In 2023, the Bank assessed all material exposures relating to financial risks arising from climate change as part of the Internal Capital Adequacy Assessment Process. We are continually identifying and assessing climate-related risks and opportunities to ensure we are positioned as the ethical banking alternative for our customers and stakeholders. In 2024, the Bank aims to develop its Climate change risk management processes under a wider ESG Risk taxonomy, reflecting the array of ESG-related risks that are of particular importance to us as the original ethical bank.

[Read our approach towards Climate Change Risk in the Risk Management section within the ARA](#)

Climate Risk

Our approach towards Climate Change Risk

Assessing capital requirements in relation to Impacts of climate change

The Co-operative Bank has an embedded process to assess its capital requirements, the Internal Capital Adequacy Process (ICAAP). The purpose of the ICAAP is to inform the Board of the continuing assessment of the Bank's risks, how the Bank intends to mitigate those risks and how much current and future capital is required having considered other mitigating factors. The Bank is then required to assess whether it meets the overall financial adequacy rule by meeting the assessed capital requirements across the planning period. This process is a requirement set by the Bank's regulator, the Prudential Regulatory Authority (PRA), and is a requirement for all UK financial services firms.

The ICAAP is a process to ensure the management body (both supervisory and management functions):

- Adequately identifies, measures, aggregates and monitors the institution's risks;
- Ensures the institution holds adequate internal capital in relation to the institution's risk profile; and
- Uses sound risk management systems and develops them further.

Climate risk forms a key component of the Bank's risk assessment. As such, the Bank assesses a variety of approaches to determine climate related risks and the appropriate action required to mitigate these risks. This includes:

- Stressing the Bank's secured portfolio with a detailed scenario analysis. This involves taking the latest Bank of England Climate Based Economic Stress (CBES) scenario and applying it to the Bank's portfolio of mortgages. Key components this analyses are:
 - Transitional risks – Risk to customers credit quality and property values whereby the UK Government were to enforce minimum house efficiency standards to prevent material climate change and reach its EU commitments
 - Physical risks – risk to customers credit quality and property values in the event of a climate disaster, looking at properties that currently have an element of flood and subsidence risk
 - The Bank considers the impact of both of these types of risks and considers how this may be impacted by early government action, late government action and no government action.
- The Bank performs a more qualitative approach relating its Corporate portfolio, understanding industries at risk and the potential impact to the Bank's capital position
- Finally, the Bank performs a peer analysis to ensure the Bank is not an outlier in regards to action being taken to reduce climate related risks across its product offerings and operations
- These approaches help inform the Bank on the areas of climate related risks and any potential gaps/actions. A key step of the ICAAP is to assign Executive owners for each proposed action and drive accountability in mitigating these potential climate related risks.

Climate Risk

Our approach towards Climate Change Risk

Climate Modelling Approach

Although the Group's IFRS9 models do not explicitly consider the potential impacts of climate risk, the Group recognises a climate-related judgement adjustment in respect of relevant physical and transition risks. Through the use of a bespoke climate risk model, we are able to assess exposure to climate risks against key credit risk parameters. We monitor exposure to physical risks on the retail secured book on an ongoing basis and, in our Expected Credit Loss Calculation, we have recognised a climate-related judgemental adjustment in respect of the transition risk associated with the low-energy efficient housing stock, where low EPC rated properties are assumed to be exposed to value risk.

ESG Risk Monitoring

As part of our simplification process, we now capture EPC for applications where physical valuations are completed. Monthly EPC monitoring is completed on mortgages to track portfolio EPC against industry averages.

Read our approach towards Climate Change Risk in the Risk Management section within the ARA

Climate Risk

Our approach towards Climate Change Risk

Governance

The corporate governance framework is continuously reviewed to ensure it includes sufficient focus on ESG topics, including climate risks and opportunities.

- Board: Reviews, challenges, and approves the Group's strategic plan, including its ESG strategy and strategic approach to managing climate change risk.
- Risk Committee (RC): Reviews and approves the results of climate-related scenario analysis and stress testing. Challenges the Group's ongoing management of climate change risk.
- Executive Risk Oversight Committee (ERO): Provides oversight of the Group's prioritisation, treatment and management of any significant climate-related risks identified. Reviews the embedding of climate change risk within the RMF, policy development, developing materiality determinations and scenario analysis/stress testing.
- Risk Oversight: Delivers the day-to-day management of climate change risk through the RMF. Scenario analysis and developing materiality determinations are owned within the Risk function, including the Group's modelling of climate change risk.

As part of our 2024 ESG Commitments, The Co-operative Bank has committed to providing additional ESG training for all colleagues including the Executive and Board as well as introducing a mandatory ESG objective to further embed ESG Risk considerations across the bank.

Read our approach towards Climate Change Risk in the Risk Management section within the ARA

Climate Risk

Our approach towards Climate Change Risk

ESG Risk approach to Corporate Finance – ESG Integration

As well as our business screening approach outlined on slide 80, all business lending that is subject to a full credit application goes through a qualitative ESG Risk analysis:

- All new and increased lending applications that are part of our Relationship Managed corporate portfolio are assessed against a number of ESG Risk-related considerations as part of the Credit Application Template;
- Applications are reviewed against a business' ESG strategy, exposure to Climate and Transition Risk as well as considering any social risks that the business may present that conflict with our Values and Ethics, such as whether they pay employees a Living Wage;
- After completion of the Credit Application by the Relationship Manager, our Corporate Credit Underwriters will review the application, including the ESG Risk section, to ensure that the lending proposal is not overly exposing the Bank to ESG Risk;
- On top of this risk assessment; all secured corporate lending is subject to a minimum EPC Key Credit Criteria.

Achievements and Actions-to-date:

- In 2007 we became the first bank to go 'beyond carbon neutral'. We have since carried out annual carbon offsetting to address operational emissions
- In 2015 we were the first UK high street bank to sign the Paris Pledge denying finance for coal mining and power generation;
- Commitment in our Ethical Banking policy to not provide banking services to any business or organisation whose core activity contributes to global climate change;
- The Bank signed up to the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking in February 2020. In April 2024, we published our [third report](#);
- In 2022 we became the first UK high street bank to be part of the Bank.Green Fossil Free Banking Alliance, which helps climate-conscious consumers to choose a bank that isn't financing the climate crisis;
- Established our Green, Social and Sustainability (GSS) Financing Framework to facilitate the funding of assets with environmental or social benefits and issued our inaugural Green Bond in 2022;
- **In our 2023 Sustainability Report and ARA, we reported our Scope 3 emissions in full for the first time alongside Scope 1 and 2 data. We also increased our number of reported carbon intensity metrics for completeness; this supports comparative analysis and ensures different aspects of the Bank's carbon emissions profile are represented in final reporting.**

Read our Green, Social and Sustainability Financing Framework

UNEPI membership

Tax Strategy

Our Corporate Responsibility

The tax strategy of The Co-operative Bank is set by the Bank's Board of Directors on the recommendation of the Audit Committee. The tax strategy is reviewed on an annual basis.

The Bank is a signatory to HMRC's Code of Practice on Taxation for Banks. The Code of Practice sets out certain obligations for adopting banks and governs the Bank's approach to governance, tax compliance, tax planning and its relationship with HMRC. The Code of Practice requires banks to have adequate governance to control the types of transactions they enter into; not undertake tax planning that aims to achieve a tax result that is contrary to the intentions of Parliament; comply fully with all their tax obligations; and maintain a transparent relationship with HM Revenue & Customs. Furthermore:

- The Bank aims to minimise and has a low appetite for tax risk in line with the Code of Practice on Taxation for Banks
- The Bank is committed to a responsible approach to the payment of tax and to complying with both the spirit and the letter of tax law
- The Bank's Taxation Control Standard sets out the control objectives and minimum control requirements to ensure the principles set out in the Financial Reporting Risk Policy can be translated into real, owned controls
- A key objective of the tax strategy is that the Bank pays the correct amount of tax at the right time, according to all relevant laws and regulations applicable to the Bank
- Tax planning transactions having no commercial purpose other than the avoidance of tax, or which are not aligned to the Bank's strategy will not be undertaken
- Transactions will not be structured in away that will have tax results for the Bank inconsistent with the underlying economic consequences unless there exists specific legislation designed to give that result
- Remuneration packages for employees, including senior executives, will be structured so that the Bank believes that the proper amounts of tax and national insurance contributions are paid at the right time on the rewards of employment
- The Bank is committed to engaging with HM Revenue & Customs (HMRC) in a professional, open and transparent manner.
- The tax strategy is approved by the Board annually and was last approved in November 2023.
- Our Ethical Policy states "**We will not provide banking services to any business or organisation: That takes an irresponsible approach to the payment of tax in the UK and elsewhere**".
- A note on Tax Jurisdiction - The Co-operative Bank is based solely in the UK.
- As a UK based retail bank with limited products there is limited risk of supporting customers in tax evasion or tax avoidance.
- The Bank provides customer data to HMRC under its BBSI, ISA and AEOI reporting obligations.
- The Bank is obligated by law to have reasonable procedures in place to prevent facilitation of tax evasion – failure to do so would result in the business carrying out a Corporate Criminal Offence (CCO). This risk is managed by our Financial Crime team (more on this can be found in the next section under **Financial Crime**).

Read more on page 210 of our
Annual Report and Accounts



Read more in our Ethical
Policy



Read more in our published
Tax Strategy



Cyber Security

Management and ISO270001

Criminals continue to demonstrate increasing levels of sophistication and ambition to attack organisations and their colleagues. The threat environment continues to evolve, with recent examples of financial services organisations or supporting industries being targeted. The Co-operative Bank, along with all other financial institutions, is required to ensure regular user awareness work is conducted to help combat certain cyber-attacks and to embed a cyber aware culture across the organisation. This is done through:

- **Regular colleague communications** – The Cyber Security team publish regular communications on the Bank Intranet which focus on key topics to improve cyber awareness and are also used to issue topical reminders around internet security. Written communications are also supplemented with ad-hoc lunch and learns sessions hosted by one of the Cyber Security team.
- **Cyber Security Awareness Week** – An annual Cyber Security Awareness Week is hosted at the Bank to bring attention to cyber risks and provide colleagues with opportunities to ask any questions they may have in open fora. The week consists of daily intranet articles, regular blogs from senior leaders, talks from industry experts as well as competitions to encourage engagement.
- **Bank-wide user education** – All Bank employees are mandated to complete an Information Security training module every year. The training module covers common cyber threats and what colleagues should do to stay safe from them.
- **Targeted user education** – In addition to the Bank-wide mandatory training, privileged users who may be at a higher risk of social engineering attacks have been identified so that they can receive targeted training to help them combat any of these attacks.

Cyber Security Management and ISO270001

The Bank also has a Board-approved Cyber Security Strategy and aligns to industry best practice and frameworks with regular independent assessment. As part of this, the Bank received ISO27001 certification for the facilitation of internal cyber security services for corporate infrastructure, inclusive of server architecture, end point management, firewalls, and systems internally managed for the delivery of core services to The Co-operative Bank; awarded by the British Assessment Bureau. This certification was first issued on 21 February 2023 and the Bank was recertified as of 20 February 2024. ISO27001 is one of the most widely recognised and internationally accepted information security standards, designed to help a business set up, administer, and maintain an information security management system (ISMS).

A copy of our certificate can be found on this slide →



Provided by the British Assessment Bureau following our successful ISO27001 certification.



Cyber Security

Empowering our customers

As well as supporting the education of Bank colleagues, the team looks to empower our colleagues, customers and local communities to be more assured when using technology by providing them with educational resources, encouraging them to move forward in the digital world confidently. As a Bank that does the right thing, it is important that we offer support to our customers where it is needed.

- **Cyber Awareness Modules** – The Bank’s Cyber Security team have developed a number of resources to help our business customers supplement any training they already offer to staff. These have been created in partnership with BPP, a training service provider, and modules can be accessed from the Bank’s public site. The e-learning modules are freely available to any Bank customers but it is believed significant benefit could be gained by business customers. The modules are publicly available which means that the resources could also be used by charities to help improve local communities’ understanding of cyber security at no cost to them.

Find our cyber security awareness modules here



- **Cyber Resilience Centre** – The Bank is a core member of the Greater Manchester Cyber Resilience Centre helping our business customers stay safe. The Resilience Centre looks to grow and strengthen the region’s resilience to online crime by providing the highest standards in leadership, integration and collaboration across the cyber eco-system in Greater Manchester.
- **Community Support Sessions** – The Bank is a partner of Greater Manchester’s Chamber of Commerce (GMCC), an organisation designed to provide business support to companies of all shapes and sizes, with over 4500 members. The Bank’s Cyber Security team have hosted sessions in conjunction with GMCC allowing us to provide cyber education to individuals and organisations across Manchester.
- **Responsible Disclosures** – In continuing to build a safe and secure online community, we have developed our responsible disclosure programme to best work across our customers, suppliers, industry, academia and the cyber security community. The Bank maintains a responsible disclosure process that provides an appropriate channel to report security concerns which are then triaged by the Bank.

Find out more about responsible disclosures



Our Values and Ethics in action

UNEP FI membership

On 3 March 2020, we became an official signatory of the UN Principles for Responsible Banking – a single framework for a sustainable banking industry, developed through an innovative partnership between banks worldwide and United Nations Environment’s Finance Initiative.

Since signing up to the Principles for Responsible Banking we have continued to implement the principles of alignment, impact and target setting, clients and customers, stakeholders, governance and culture, and transparency and accountability.

We have published regular update reports detailing the implementation of the principles. In our latest report published in February 2024, targets set to further the Bank’s achievements in key identified high impact areas of climate as well as financial health and inclusion have been announced.

For further details regarding the Bank’s progress with regards to the Principles for Responsible Banking please refer to the report provided in the link below.

Financial Health and Inclusion

Since the publication of our last report in March 2023, we have successfully identified significant impact areas and set targets to further its positive impacts. In order to support our commitment to embedding our positive impact on one of the two impact areas, Financial Health and Inclusion, we have committed detailed a number of specific targets using the UNEP FI target setting methodology:

- We aim to deliver training to all colleagues on financial health and inclusion in 2024 with a review of impact and further training requirements to follow in the first quarter of 2025;
- We are targeting an increase in number of Community Direct Plus accounts by 6 % in 2024, providing charities, community interest companies and co-operatives with a free bank account to support the important work they do to support vulnerable society members;
- The Co operative Bank is targeting to reach 75 % digitally active customers by 2028, increasing 1.5 % annually to reach this target.

[Read our Second Update Report February 2024](#)



[Principles for Responsible Banking Signatories](#)



Communicating our approach with our stakeholders

ESG in Investor Relations

As the UK's original ethical bank, we want to be as clear as possible with both our investors and our customers about how we operate as a business and communicating our commitments to ESG is a key part of our work with investors.

- ESG is regularly discussed as part of direct engagement
- ESG is covered in every financial market update and quarterly investor presentation to the market

Read more about our approach
to Investor Relations



See page 26 in our Full Year
2023 Investor Presentation



- ESG is covered within each debt prospectus that we issue.

See all of our debt prospectuses
at the bottom of this page



Our policies and external references

Our ESG Policies

Code of Conduct Policy

All colleagues, as well as agency workers and contractors who undertake activity on behalf of the Bank, are covered by the Bank's Code of Conduct requirements.

The Code of Conduct details the required individual behaviour to ensure we are operating in line with our Ethical Policy and Guiding Values, delivering the right customer outcomes, taking appropriate attitudes to risk and complying in full with regulatory requirements.

The Code of Conduct has four sections:

1. Upholding our Ethical Policy and Guiding Values

The Code of Conduct incorporates the areas of responsibility outlined in our Ethical Policy and Guiding Values. Together, these define the behaviours and conduct that the Bank expects from all colleagues. The Ethical Policy includes the Co-operative values of self-help, self-responsibility, democracy, equality, equity and solidarity. These values have been enshrined in the Bank's Articles of Association. Everyone who works for the Bank has a responsibility to apply the Ethical Policy to their areas of responsibility and to live up to the promises we have made to our customers.

2. Good Customer Outcomes

Colleagues are expected to at all times act in the customers' and the Bank's interests.

3. Risk

Managing both internal and external risk is essential to enable the Bank to remain financially strong and to achieve its objectives. We take steps to reduce the risk of fraud by colleagues, customers or members of the public.

4. Regulation

Colleagues must be fully aware of all responsibilities to comply with applicable legislation, rules, and codes of practice or conduct laid by external authorities including the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA).

You can read our full Code of Conduct on our website.

Read our latest Code of
Conduct here



Bullying and Harassment Policy

Including Discrimination, Victimization and Exclusion

The Bank's policies and approach are designed to develop a work environment in which bullying, harassment, discrimination, victimisation and feeling isolated are unacceptable, and where colleagues have the confidence to challenge inappropriate behaviour without fear of reprisal. Equality of opportunity regardless of personal demographics and fostering a culture of inclusivity is integral to our brand. The Bank has a zero tolerance against discrimination, victimisation, harassment and bullying.

The Bank's Bullying & Harassment policy and annual mandatory training for all colleagues on Inclusion and Diversity seeks to help colleagues understand inclusion and diversity and why it is important; the Bank's zero tolerance approach to harassment, bullying, discrimination and victimisation; as well as how to practice everyday inclusion and how to call out unacceptable behaviour when colleagues see it.

Where it is found that bullying, harassment, discrimination or victimisation has occurred, action will be taken in line with our Disciplinary Policy.

The Bank has provided bullying and harassment training for some leaders with plans to consider additional training to ensure appropriate action is taken when issues are raised by colleagues.

[Read our Bullying and Harassment Policy](#)



Our ESG Policies

Diversity and Inclusion Policy

The concept of diversity encompasses acceptance and respect. It means understanding that each individual is unique, and recognising our individual differences. These differences include, but are not limited to gender, pregnancy and maternity, ethnicity, culture, age, physical and mental ability, sexual orientation, gender identity, religion or belief, marital and civil partnership status, education and those with a caring responsibility.

We recognise the importance that equality legislation has to play in promoting equality and eliminating unlawful discrimination, but seek to exceed our legal obligations and to provide an inclusive environment for all.

We understand that simply having diversity in our work force is not enough; we must create an inclusive environment where all people can contribute their best work.

Inclusion is engaging the uniqueness and talents, beliefs, backgrounds, capabilities and ways of working of individuals, joined in a common endeavour, to create a culture of belonging, in which people are valued and respected.

By embracing employee inclusion and diversity, we mean that talent, contribution, commitment are key to achieving our aims, and we know we can draw on the best of these from all backgrounds..

[Read our Diversity and Inclusion Policy here](#)



[Read more about how we champion D&I in our Sustainability Report, p.27](#)



Whistleblowing

Concern at Work Policy

As a Bank we are committed to maintaining ethical, as well as professional standards in line with our legal and regulatory obligations. We take any failure to comply with our ethical, professional, legal or regulatory standards seriously. We believe individuals should escalate any concerns they have through appropriate routes. Doing so helps correct wrongs, fix problems or highlight risks. The investigation of any concerns raised will, where requested and so far as possible, be undertaken confidentially, colleague's will not be treated unfairly or be at risk of losing their job if they raise genuine concerns, whether they use the Bank's normal risk processes or the Concern at Work (whistleblowing) escalation routes.

Colleagues, customers or third parties can raise concerns at any time to the independent Major Investigations team about an incident that has already happened, is happening now, or they believe may happen in the near future. An independent whistleblower reporting hotline is available to all colleagues 24/7 and, where appropriate, the Bank's appointed Whistleblowers Champion can be contacted directly by phone. Anonymous reporting is possible and reports are treated confidentially.

The Bank's policy includes structures to process whistleblowing reports. The Chair of the Joint Audit Committee is the organisation's Whistleblowing Champion and is responsible for ensuring and overseeing the integrity, independence and effectiveness of the Bank's whistleblowing policies and procedures.

The Concern at Work Policy also sets out a structure which details the responsibilities of all persons, line managers, the People directorate, the Bank's 2nd Line of Defence, the Major Investigations team, the Bank's Legal team and the Board level Joint Audit Committee.

Due to the low number of cases, types of misconduct and any measures taken have not been included to ensure personal confidentiality is maintained.

You can read our Concern at Work (Whistleblowing) Policy Overview on our website*:

[Concern at Work Policy Overview >](#)

**As The Co-operative Bank solely operates in the UK, the Concern at Work (Whistleblowing) Policy is only available in English*

Conduct Risk

Acting on behalf of our customers

Colleagues are expected to act at all times with integrity and honesty in their business and personal dealings to protect the interests of our customers and the Bank.

Colleagues are expected to act at all times conscientiously and with due skill, care and diligence when carrying out every aspect of their role as an employee.

Conduct Risk

The Conduct Risk Policy also reflects the FCA's Consumer Duty requirements, enhancing the Bank's attention to delivering good consumer outcomes through a more data-led, outcomes focussed approach. Implementation has led to positive enhancements of the Bank's customer centric product and service governance frameworks and associated outcomes management information.

"Conduct Risk" is in simple terms about putting the customer at the centre of what we do to achieve good customer outcomes. It is essential that colleague's consistently act in line with the Bank's Conduct Risk Policy and the Bank's Values to ensure that they:

- Put the customer first.
- Put themselves firmly in our customers' shoes before they act.
- Understand how they affect the experience we create for our customers.
- Play their part in ensuring good customer outcomes.
- Be reliable, flexible and understand without doubt we exist for our customer.
- Understand our products and how they operate.
- Don't assume to know what our customers want.
- Don't ignore customer feedback.

Following these requirements will help keep the customer at the heart of how we operate and help us meet expectations set out by the Financial Conduct Authority and Prudential Regulation Authority.

You can read an overview of our Conduct Risk Policy and our 2023 Code of Conduct on our website:

[Conduct Risk Policy
Overview](#)



[Code of Conduct Policy](#)



Compliance Procedures

Risk Assessments and Audits

Compliance Risk Assessments and Audits

Every year, the Compliance function completes regular risk assessments and audits according to the Compliance Assurance Annual Plan. The primary objectives of these assessments are the:

- Validation of the effectiveness of the control activities performed by the Bank's first line Risk management function;
- Provision of assurance across compliance and financial crime areas as required by Senior Management Function responsibilities.

Bank activities within the annual plan are selected through consideration of the following key criteria: Critical Customer Interactions, Strategic Goals, Key Risks, Regulatory Priorities and Stakeholder Feedback.

There is a strong focus on customer-centric assurance activity within our Compliance Assurance Plan. Outcome testing, regulatory, product and conduct risks are considered through different assurance activities to assess whether good customer outcomes are being delivered, to identify customer harm, and through the identification of improvements to processes and controls, enhance the customer experience.

The Compliance Assurance Plan is approved by our Director of Compliance, and is subjected to review and challenge by our Operational, Compliance & Financial Crime Risk Oversight Committee.

Risk Management Framework Assurance

As well as Compliance Assurance activities, our second line of defence Risk function carries out quarterly reviews of specific Risk Management Framework (RMF) areas to ensure compliance with our Operational Risk policy. These risk assessments and audits are carried out by a separate team to the Compliance Assurance function and specialise in specific Risk types to maintain the integrity of the Risk Management Framework.

Compliance Procedures

Our Policies and Processes

Business Ethics

All employees at the Bank must complete annual mandatory training on the Bank's Code of Conduct, as referenced earlier in this document. Further, all Bank employees provide confirmation that they have read and understood the Code of Conduct through this training course.

Whistleblower Policy

Our Whistleblower Policy details our anonymous and confidential reporting channels for employees which is also provided to our suppliers.

Third Party Supplier Policy

For information regarding our Third Party Supplier Policy and due diligence process, please see details on our Sustainable Procurement and Supplier Policy as well as our Third Party Supplier Policy:

Read our Third Party Supplier Policy and other policies
on our Policies page



Our Policies

Financial Crime

The Bank has zero tolerance for financial crime and this includes money laundering, terrorist financing, financial sanctions breaches, proliferation financing, fraud (internal and external), tax evasion or the facilitation of tax evasion, bribery & corruption, modern slavery and human trafficking and will not knowingly do business with or facilitate the activities of individuals or entities that it believes to be engaged in these.

The Bank has no appetite for actions that result in a breach of legal or regulatory requirements leading to censure or financial penalty and will maintain compliance with its legal and regulatory obligations. The Bank enforces the following policies, which collectively provide a framework to protect the Bank and our customers from the harms of financial crime. These policies are underpinned by mandatory minimum standards, which drive our internal controls.

- Anti Money Laundering (AML), Counter Terrorist Financing (CTF), Proliferation Financing (PF) & Financial Sanctions (FS)
- Fraud Risk Policy, which includes an Internal Fraud & Anti Bribery & Corruption (ABC) Control Standard and an External Fraud Control Standard

These policies and the supporting control standards are subject to regular review and approval at the relevant Risk Reporting Committees.

Each year the Bank undertakes a risk assessment of the AML, CTF, PF & FS, Internal Fraud & AB&C (including the facilitation of tax evasion) and External Fraud risks that are relevant to the Bank and its business model. An update is provided to our Risk Reporting Committees.

To complement our individual policies we also have a section on AML, fraud, including AB&C and gifts and hospitality, in the colleague Code of Conduct Policy providing further guidance especially around conflicts of interest.

Externally, we have a section on AB&C on the Bank's website which outlines the Bank's stance on Bribery & Corruption and confirms that we conduct our business fairly and lawfully and will not tolerate crime offences such as Bribery & Corruption in any guise.

You can read our full Financial Crime Policy Overview on our website:

Financial Crime Policy
Overview



Our Policies

Data Privacy and Security Policy

Protecting the privacy of our colleagues and customers is extremely important to us. The Bank is committed to ensure that we abide by the Data Protection Act 2018, The UK GDPR and the Privacy and Electronic Communications Act which are the laws that set the minimum standards for data protection. We look to exceed all standards where possible/practical. The bank's Data Privacy and Security policies relate to 100 % of the business and include a full set of controls and risk mitigation measures for Cyber security (covering both Operational and technical areas of concern). It also includes a series of Privacy notices that cover personal data relating to Customers (both Retail and Business), Colleagues and Applicants.

Data protection law requires us to manage all personal information in accordance with the data protection principles. In particular, we are committed to:

- Obtaining user data through lawful and transparent means, with explicit consent of the data subject where required.
- Collecting and processing user data that is limited to the stated purpose.
- Requiring third parties with whom we share data to comply with our Policies on data.
- Notifying data subjects in a timely manner if there is a change in policy or data breach.

To support this we detail clear terms involving the collection, use, sharing and retention of user data including data transferred to third parties through the following policies and principles which cover all parts of the Bank's operations:

Policy/Principle	Key Components
Privacy Notice	Displayed on the website, mobile site, in all branches and is available in paper form on request from the bank.
Third Parties	Any 3rd parties that we deal with have a contractual obligation to the bank and as part of that there is a data protection schedule in place that calls out their requirements as described in the legislation.
Applicant Privacy Policy	The Bank will only gather and process the relevant type and amount of personal information required, allowing us to help recruit and then manage candidates employment with us.
Broker Privacy Notice	The Bank will only gather and process the relevant type and amount of personal information required, allowing us to help on-board the brokerage and maintain a business relationship ongoing.
Colleague Privacy Notice	The Bank will only gather and process the relevant type and amount of personal information required, allowing us to help recruit and then manage candidates employment with us.
Changes to Privacy Notice	We will update this notice to reflect changes to our information practices. If we make any material changes we will notify you by means of a notice on our website prior to the change becoming effective. We encourage you to periodically review co-operativebank.co.uk/global/privacy-and-cookies for the latest information on our privacy practices.

Data Privacy Programme

Managing our data risk

The Bank's stated policy in respect of Data Privacy, Protection and Security is that it fully abides by all the prevailing legislation in the UK. This includes, but is not limited to the, Data Protection Act 2018, The UKGDPR and the Privacy and Electronic Data Regulation (PECR). To monitor this compliance it uses a number of artefacts on a regular basis to manage compliance and be able to evidence such compliance to the UK Regulator (ICO) as required. The 2 key artefacts are:

Data Protection Impact Assessment (DPIA):

- The DPIA is a mandated process by ICO that looks for an organisation to call out all elements of the personal data lifecycle during any change that is implemented;
- A DPIA is completed for all change that is undertaken its is first completed during the "Initiate" phase of the project and for any projects that are consider high risk is revisited at all stage gateways through to delivery;
- If the DPO is not satisfied with the input in a DPIA it has the full power to stop the change until the right safeguards are in place and visible;
- At any given time there will be up to 200 DPIAs in force across the organisation.

International Data Risk Assessment (IDRA):

- When the bank enters into a restricted transfer of data outside the UK it will only do so when an IDRA (an ICO mandated audit) is completed;
- The assessment looks at both the Operational and Procedural process of the foreign contractor (Importer) to ensure that similar privacy and security measures to those required in the UK are in place;
- It also does a detailed assessment of the political outlook in the importing country, specifically to ensure that the human rights of the individuals whose data is shared are protected - inputs into this include both HMFO and NGOs (Amnesty, Oxfam etc.).

Data Breaches:

- Data breaches are managed within the banks standard Risk Management Framework (RMF). Dependant on the circumstances highlighted within this process breach may be raised with the regulator - ICO. The bank received confirmation that the last breach that was reported with ICO was dealt with in an appropriate manner and, following initial notification, ICO agreed that no further action was required and that the bank had controls and a RMF that was appropriate for the data that it manages.

Data Privacy Programme

Protecting data security rights

Data Request Management:

- To support our historical commitment to human rights and to address key data protection concerns, the Bank has published an Information and Data Policy Overview which summarises our internal risk policy and explains that how we conduct regular risk assessments linked to data privacy.

Key activities undertaken to enshrine an individuals Data Security Rights and Protections:

- The bank completes DPIA and IDRA's wherever they are required within the change lifecycle and the DPO will stop or force change onto projects where data protection is not visible/evidential;
- The bank respects all individuals human rights in through the audit/assessment process outlined within this paper;
- All customers, Colleagues and Applicants are made fully aware of how their data is processed via the various Privacy Notices that it holds and makes available to all on its numerous websites/Intranets or by hard copy on request – when appropriate all relevant individuals are made aware of changes to the Privacy Notices;
- Managerial responsibility for data requests made by government agencies/Police or local government to ensure that all requests are legitimate for the reason they are requested and that the requests are made in line with all prevailing legislation;
- Ensuring that all individuals have access to their full data protection rights including access to data, the rights to delete, change or restrict the use of their personal data and full transparency around how the bank process such information;
- Full breach management process in place to ensure that any breaches are managed in line with ICO guidance;
- In the highly unlikely event that If a breach was found to create human rights violations as a result of the company's data sharing practices, suitable remedies would be found and implemented.

Read our Information and Data
Policy Overview



Data Request Management

Managing Data Privacy

Protecting the privacy of our colleagues and customers is extremely important to us. The Bank is committed to ensure that we abide by the Data protection Act 2018, The UK GDPR, and the Privacy and Electronic Communications Act, which are the laws that set the minimum standards for data protection. We look to exceed all standards where possible/practical.

Data Subject (Customer) Requests

The Bank complies with all requests from data subjects for copies of the data that the bank holds on them including, but not limited to, account records, statements of accounts, application forms, CCTV coverage and call recordings.

Non-data subject requests

The Bank abides by all relevant legislation and on occasions this will require the Bank to produce records relating to data subjects (customers or colleagues) when required to do so through a law instrument that is called out in the Data Protection Act 2018 or the UK GDPR.

All such requests must be accompanied by a duly authorised order that states which specific piece of legislation is being used to make the request and all these orders are checked to ensure that any data released is in line with the regulation.

The Bank is primarily subject to UK law and to date there have been no requests from foreign agencies for data relating to customers or colleagues. If such a request was received the Bank's Data Protection Officer and legal team would liaise closely with the Information Commissioners Office to ensure that the rights and freedoms of all data subjects are protected.

Click here to find out more
about our privacy policy



*Any queries on the Bank's approach to Data Privacy can be addressed to the Bank Data Protection Officer data.protection@co-operativebank.co.uk

Data Request Management

Managing Data Privacy

Policy commitment to respect human rights in data management

We do not have a specific policy relating to the protection of human rights within its policy control framework but this commitment is explicit in that it respects, without exception, absolute compliance with all applicable laws within the UK including international legislation that the UK government has signed up to - this includes the UN Convention on Human Rights. Additionally, when the bank agrees to transfer personal data outside of the protected EEA/EU area it carries out strict auditing of both the companies it is exporting to as well as the political regimes within the countries to ensure that there can be no human rights challenges through such exportation - this is in line with the guidance given by the UK regulator (ICO) in this area. No personal data would be exported to a country that does not meet the required standards as set out by the regulator. On request, we can supply a copy of the template used to assess the risk of data being transported to a country where there are known human rights issues however this is not a document that is shared publically.

Managerial responsibility for government data requests oversight

All requests by the UK government are subject to challenge and in addition to calling out the exemption that they are using to request the document requested (fraud, criminal, health reasons etc.) they must supply the supplementary legislation that they are using to do so. For example, "We require information on this person due to criminal behaviour and the legislation that allows for this request is the Proceeds of Crime Act 2002".

Regular reporting on compliance with any government data requests

Regulatory Contact Principles: The Bank is required to provide a number of regulatory returns either through regulatory reporting system such as BEEDS and RegData (previously Gabriel) or directly via email. Senior Management Function Holders retain responsibility for meeting their periodic reporting obligations. Functions responsible for supply of regular reports and returns must maintain appropriate procedures and return schedules with clear responsibilities for data production, review and sign-off as well as delegated authorities for data submission. The Director of Risk Governance, Regulatory Affairs and Prudential Oversight retains responsibility for oversight of submissions and will escalate any failure to meet periodic reporting requirements to the Chief Risk Officer.

Customers are made aware of their data protection rights when they first apply for a product and then periodically when any significant changes are made to the Privacy Notices. A copy of our Privacy Notices is available 24/7/365 on the bank website or by hard copy if requested. The rights enshrined in the Privacy Notices align exactly with those required within the UK Data Protection legislation.

Our Policies

Bribery and Corruption

We have zero tolerance of bribery and corruption. The Bank is committed to acting with integrity and fairness in all its business dealings and commercial relationships.

Fraud

We have a Fraud Policy which includes Anti Bribery & Corruption (AB&C) and a specific Internal Fraud and AB&C Control Standard. Both are reviewed on an annual basis and signed off at the relevant Risk Committee (OCROC).

To embed our Fraud Policy all colleagues are required to complete annual Fraud mandatory training which includes a module on AB&C. Included in the training is the reinforcement that the Bank has a zero tolerance approach to AB&C.

Each year the Bank undertakes an AB&C and Facilitation of TaxEvasion risk assessment and an update is provided to our Risk Reporting Committees.

Gifts & Hospitality

We have a Gift & Hospitality Procedures document which must be adhered to and followed by all colleagues. Our gifts and hospitality levels are reviewed quarterly by our Risk Function with confirmation of accuracy provided and reported to our Risk forum.

To compliment our individual policies we also have a section on fraud, including AB&C and gifts and hospitality, in the colleague Code of Conduct Policy providing further guidance especially around conflicts of interest.

Externally, we have a section on AB&C on the Bank's website which outlines The Bank's stance on Bribery & Corruption and confirms that we conduct our business fairly and lawfully and will not tolerate crime offences such as Bribery & Corruption in any guise.

You can read our full Financial Crime Policy Overview here:

Financial Crime
Policy Overview



Our Policies

Responsible Marketing

As an ethical bank, we are committed to Responsible Marketing practices.

- While some of our emails keep you updated on essential information to do with your account (such as changes to terms and conditions and fees and charges), opting into marketing emails means you can receive additional information about our products and services, support with managing your money, and updates on how we're putting our values and ethics into action.
- Careful consideration is given to the number of communications received by customers and we work hard to ensure that our customers only receive information that we believe is relevant to them personally.
- In accordance with the Financial Conduct Authority Consumer Duty regulation and updated Information Commissioner's Office guidance, we focus on communications that are in the customer's best interest.
- In line with best practice, our minimum font size is 6pts, however, we work to ensure that all of our customer communications are legible. Customers who are blind or partially sighted can request larger print sizes.

[Read our Responsible Marketing Policy here](#)



[Read more about our range of accessibility tools to help you with banking](#)



Our Policies

Our Advertising Policy Overview

The Co-operative Bank’s advertising is managed by a 3rd party media buying agency, Omnicom Media Group (OMG) UK who have oversight of our advertising approach.

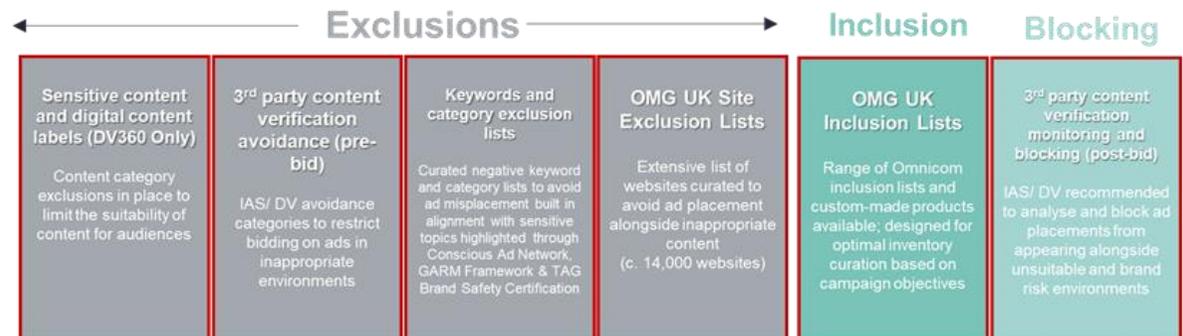
As the original ethical bank we hold our selves and our agencies to certain advertising standards that are aligned with our Ethical Policy.

OMG UK are committed to the promotion of media ad placements that are non-fraudulent, viewable, brand safe and brand suitable that delivers high user engagement to support effective and efficient media across quality platforms, publishers and content”.

We ensure that all our media placements following our Brand Safety requirements:

1. **Brand unsafe environments** cover topics that are potentially harmful for a brand’s reputation and avoided to ensure media investment is not shown alongside and in support of these topics i.e. hate speech
2. We also identify **brand unsuitable environments** meanwhile are more subjective topics that may differ by industry and brand that allow an advertiser to restrict media investment amongst content that is least appropriate for a brand i.e. gambling or certain newspapers that we boycott as part of the Stop Funding Hate campaign
3. Across is the process that OMG UK follow before placing any advertising.

OMG UK take brand safety and suitability online very seriously and have invested in developing strict protocols and proprietary products to minimise our clients’ exposure to inappropriate content.



*Note not all DSPs, formats and routes to market support all measures, but OMG UK will apply where it is possible to do so and fits within advertiser goals and campaign objectives
 Despite these changes and safeguards, no system is 100% perfect and there is still a risk of showing ads against unwanted content.

Read more about their approach here



Our Policies

Political Involvement Disclosure Policy

The Co-operative Bank prides itself in being an ethical bank, and as such our customers rightly expect us to conduct our business with honesty and transparency. This expectation extends to our relationships with public institutions and individuals of political importance. As a business, we are strictly politically neutral and have commitments in place to ensure that we uphold our neutrality. We publicly disclose all formal meetings on behalf of the Bank between political figures and members of the Bank's Board and Executive, as mandated by our Ethical Policy and update this quarterly in our Political Involvement Disclosure Policy. This Policy states that we will never donate to a political party, politician or party political campaign group.

[Read our Political Involvement Disclosure Policy here](#)



Campaigning for the causes that matter to our colleagues and customers

Our unique customer-led Ethical Policy is informed regularly by the views of our customers, who tell us the issues that matter most to them through our Values and Ethics Poll. In our last poll in 2021, protecting the environment was the most important issue that customers wanted us to act upon. This poll of approximately 50,000 customers mandates us to campaign for environmental change, which is why we are proud to support organisations like Zero Hour and Shelter who are working to address the UK's response to the climate crisis and the housing crisis.

[Read our latest Ethical Policy here](#)



[For more information on our ESG Approach, please get in contact by clicking here](#)



For any queries, please contact
corporate.partnerships@co-operativebank.co.uk