Published 31st March

Sustainability Report 2025

Read here



COVENTRY Building Society

Welcome to our first Group report

This report details the sustainability approach of the Group, including The Co-operative Bank. It aims to provide both the technical sustainability disclosures alongside the human stories and outcomes that lie at the heart of our purpose-led businesses and activities across the Group.

Our aim is to show accurately and transparently what we're striving for, the progress we're making and our future priorities.

It's been prepared by Group experts, overseen by the Group Chief People Officer, with reference to the Global Reporting Initiative (GRI) standards.

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

We're always looking to improve what we do and welcome any feedback on our sustainability plans or the report itself.

Please contact us at media@thecoventry.co.uk

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



Please find below the structure for our 2025 report. We'll look at each of these topics in detail throughout.

Environment

We recognise climate change as a critical challenge for the UK and the wider world. As a financial services Group, we are committed to making a positive contribution by reducing the environmental impact of our operations and supporting the transition to a more sustainable economy, through responsible business practises and considerations of environmental impacts across our activities.

View section

Social

As a people and purpose-led Group, we are focused on meeting the needs of our stakeholders. We deliver long-term fair value and excellent customer service for our members and customers. Provide meaningful work that enables our colleagues to reach their full potential. Support local communities and national causes, to help create opportunities for the most disadvantaged in society.

View section

Governance

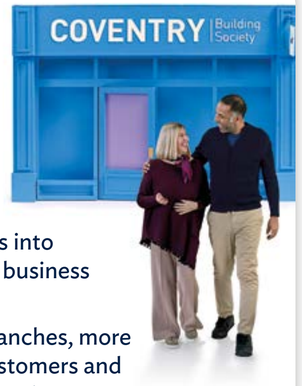
High standards of governance are essential to the successful delivery of our strategy in a highly regulated industry. Our governance framework ensures the Group Board provides effective leadership, makes informed decisions and maintains strong oversight, while remaining aligned with our purpose, values and shared principles.

View section

The report covers the activities of Coventry Building Society and its subsidiaries during 2025 unless it says otherwise.

The Coventry Building Society Group at a glance

Who we are



We're a mutual building society and have been providing savings and residential mortgages to our members for over 140 years.

In 2025, we welcomed The Co-operative Bank into the Group, extending our propositions into the personal current account and business banking markets.

Between us, we have over 100 branches, more than 4.5 million members and customers and almost 300 years of combined experience.

What we do

We provide residential mortgages to people to enable them to buy their own home or a property as an investment. We offer a range of current accounts and savings accounts to suit the needs of our members and customers to help them manage their everyday money. We support businesses, small and large, with current accounts, savings accounts, commercial lending and we offer specialist accounts for purpose led organisations like charities and co-operatives.



How we do it

We earn interest and fee income from mortgage loans to those buying their own homes and private sector landlords, as well as credit cards and current accounts. We pay interest to savers and wholesale investors who have placed deposits with us or bought our debt securities.



Our purpose

We power good with every pound.

Our values

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

We're ambitious

We care

We take ownership



Almost 300 years

of combined history



114

branches

Over 5,800

colleagues



Over

4.5 million

customers

Our products

Whether managing everyday banking for you or your organisation, buying a first home or saving for retirement, our products are designed to help you to achieve your financial goals.

- Personal current accounts
- Business current accounts
- Savings
- Residential mortgages
- Commercial lending
- Buy to let and limited company mortgages
- Unsecured lending

Our 2025 Group highlights

Environmental

Planted a tree for every colleague



6,000 trees planted in our local communities

62%

reduction in Group emissions for Scope 1 and 2 (compared to 2021)

Coventry Building Society remains

ISO 14064 certified[1]

Carbon neutral

Our Group remains carbon neutral for our own operations

Aligned

our Group Net Zero Strategy to 2050



CDP

Overall score for Coventry Building Society ‘B’

Social

76%

Great Places to Work Trust index® score[2]

Over 19,000

hours of colleague volunteering





Over 16,000

people positively impacted by our community programmes

Over £6m

invested in our communities

112 apprentices

recruited by the Group



Governance

B Corp certified

Coventry Building Society continue to evidence its commitment to B Corp’s philosophy through continuous improvement

Certified B® Corporation

International ESG frameworks

Continue to use best practice standards

MSCI ESG rating

AA at Coventry Building Society

AAA at Co-operative Bank



[1]An international standard that quantifies the reporting and verification of greenhouse gas emissions (GHG).

[2]A measure indicating a trust-based people first workplace based on positive responses to the annual Great Place to Work® survey.

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A view from the Board

Welcome to our first Group Sustainability Report. It comes at an important moment, as we celebrate one year of our combined organisation – Coventry Building Society and The Co-operative Bank.

Integrating the two organisations is progressing as planned, and with this comes careful consideration of how we can best meet the needs of our communities all across the country, as well as our colleagues and the environment.

The Board and I have been encouraged by the progress made so far to align our ambitions, and we look forward to seeing the evolution of our impact in the coming years.

Together, with almost 300 years combined experience, our two organisations are already on a path to creating something truly distinctive in financial services. The blueprints are clear – with the Society's B Corp status and the Bank's unique, customer-led Ethical Policy guiding the way – the Group's sustainability agenda promises to go from strength to strength.

Our Chief Executive, Steve, will now introduce our sustainability ambitions for the Group, and reflect on all our achievements from 2025.

David Thorburn

Chair of the Board



A view from the CEO

Welcome to our Sustainability Report. This is our annual opportunity to reflect, to celebrate our progress, and to look forward to what lies ahead.

On many occasions in 2025 I had the pleasure of meeting with members, community leaders, charities and young people, which reminded me of the importance of our work. There are too many in our society who are struggling to get by, to find a safe place to call home, or to withstand the growing impacts of climate change.

This inspired our vision for our combined organisation – 'We power good with every pound'. Put simply, this means ensuring that every pound makes a positive difference.

As a Group we have donated over £6 million to our communities, funding affordable housing for young people experiencing homelessness in Coventry and Manchester; investing in young people's futures through our employment and education programmes and bringing back greenery and wildlife to hundreds of nature-deprived spaces.

We have harmonised our own employment terms, meaning that all colleagues across the Group can expect the same rewarding, fulfilling and enjoyable experience when coming to work. The Group set itself ambitious targets on strengthening diversity, inclusion and colleague wellbeing, and we continue to bring significant focus and make progress but know there is more to do to achieve them.

Through the Bank's Ethical Policy, we ensured that money entrusted to us by our members and customers was not spent on unethical practices like deforestation, fossil fuels or animal cruelty. Instead, we've provided award-winning banking services to business customers who share our values.

Following the acquisition of the Bank, we have reassessed our net zero ambition and aligned our Group wide target from 2040 to 2050. This revised science-based target is consistent with the Bank, the UK Government's commitments and the Paris agreement and we remain committed to financing the transition to a low-carbon economy.

In the coming years, we'll take what we know from our impactful programmes in Coventry, and expand them to new communities in Greater Manchester. And we'll harness the Bank's campaigning spirit, to stand tall for communities in need.

I look forward to seeing what the Group can achieve together for our colleagues, our members and our customers – making a meaningful difference to our communities and the world around them.

Steve Hughes
Group Chief Executive



Our strategic priorities

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

Through 2025, we reviewed our strategy, reflecting the activities of the enlarged Group and building on the heritage of both organisations. This refreshed Group strategy has been developed to shape an exciting future for the combined organisation with the ambition to offer something meaningfully different to families, businesses and individuals across the country. We review our strategic plan each year to ensure it continues to meet the evolving expectations of our members, customers and other stakeholders and the changes to the markets in which we operate.

More information on our strategy and 2025 business performance can be found in the Strategic Report section of our Annual Report & Accounts. Although the Group does not formally follow the precautionary principle, we assess risks in line with the processes described in the Risk Management section of our Annual Report & Accounts.

We power good with every pound

Free from shareholders, and guided by our ethics, we are creating a meaningfully different organisation to redefine banking

B Corp Impact Area

- **Colleagues**
- **Environment**
- **Governance**
- **Community**
- **Customers**



As a purposeful business, we'll support sustainable growth and employment, while reducing our carbon footprint and use of natural resources. We'll continue to provide lending to support customers to lower the carbon footprint of their homes and businesses.

Our purpose extends to supporting our local communities, changing our host cities for the better through increasing financial literacy and career aspirations, improving access to quality housing and reducing isolation and loneliness.

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

An inclusive and inspiring workplace for everyone

B Corp Impact Area

- **Colleagues**
- **Community**



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

Our customer missions

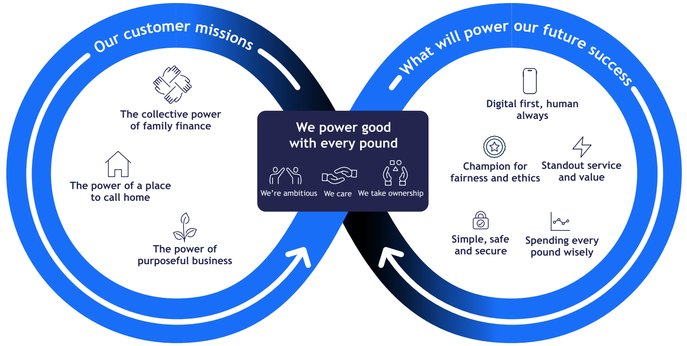
We are guided by a core belief that every pound holds the power to create positive change

B Corp Impact Area

- **Community**
- **Customers**
- **Environment**



Whether that's the power to live in a place you can call home, the power to manage your money in a way that's right for you and your family, or the power for purposeful businesses and partners to make a positive impact on the communities in which they operate.



Our strategic priorities

Enablers

Digital first, human always

B Corp Impact Area

- **Customers**

We will continue to invest in our customer ecosystem to better meet the needs of the combined customers of the Group including how responsible artificial intelligence will support our members and customers.

Standout member service and value

B Corp Impact Area

- **Customers**
- **Community**
- **Environment**

We prioritise the right outcomes for our customers and colleagues and continue to offer human service in our branches and contact centres alongside a growing digital offering. We aim to deliver value through our propositions, pricing and fees compared to the UK average.

Champion for fairness and ethics

B Corp Impact Area

- **Community**
- **Customers**
- **Environment**
- **Governance**
- **Colleagues**

The Group is committed to driving the highest standards of fairness and ethics in the treatment of customers and other stakeholders including its impact on the environment and wider society.
The Co-operative Bank remains committed to its customer-led Ethical Policy and the values of the international co-operative movement.

Enablers

Spending every pound wisely

B Corp Impact Area

- **Community**
- **Customers**
- **Environment**
- **Governance**

The UK financial services market is highly competitive and requires discipline over costs and investment. Managing our costs well enables us to maintain choice for members and customers, being able to use digital and chat when this is right for them as well as our UK based team being available when you need to speak to someone.

Simple, safe and secure

B Corp Impact Area

- **Customers**
- **Governance**

As we carefully integrate The Co-operative Bank within our Group, our primary objective remains to ensure that customers' money and the Bank's operations stay safe and secure. We continue to invest heavily in fraud and cyber protection and education. We strive to keep our customer journeys and communications simple and understandable as a key driver of good customer outcomes and long term efficiency.



Bringing our people together to create lasting impact

In 2025, we reaffirmed our commitment to environmental stewardship and community wellbeing by continuing our pledge to plant a tree for every employee across our newly formed Group.

This initiative marked an important milestone for our organisation, bringing colleagues together from across the Group to deliver tangible environmental benefits while strengthening connections within our expanded workforce.

Through a series of volunteer-led tree planting activities in Manchester and Coventry, 6,000 trees were planted by 77 colleagues who generously gave their time to support local communities and green spaces. This initiative reflects our belief that meaningful sustainability action is most powerful when it is combined with colleague engagement and social value.

Following the creation of our new, larger Group, one of our priorities has been to unite colleagues around shared values and a common purpose. Environmental responsibility and positive community impact sit at the heart of our Group business strategy of being a purposeful business.

Urban areas such as Manchester and Coventry face ongoing challenges related to air quality, biodiversity loss and the impacts of climate change. By focusing our efforts in these locations, we aim to support local environmental resilience while contributing to healthier, greener neighbourhoods for the communities in which we operate.

Collaboration across the Group

Volunteers travelled from across the organisation to take part, working side by side with local partners to plant trees in carefully selected sites where they could deliver long-term environmental benefits.

The activity created space for collaboration, shared learning and relationship building, helping colleagues to feel connected to the wider Group and aligned around a common sustainability goal. For many participants, the experience provided a tangible way to see how individual action can contribute to collective impact.

Environmental and social impact

Improved green spaces contribute to physical and mental wellbeing, create opportunities for community use and support more liveable cities. By investing time and resources locally, we reinforced our commitment to being a responsible and engaged organisation within the communities we serve.

A long-term commitment

This initiative forms part of our ongoing commitment to plant a tree every year for every employee across the Group. In addition, we've also continued our pledge to plant a tree annually for every Young Saver account member with the Coventry Building Society, reinforcing our focus on the future generation and long-term environmental stewardship.

By embedding tree planting into our annual activity, we are creating a growing, cumulative impact that will continue to benefit communities and the environment for years to come.

As our organisation continues to grow, initiatives such as this will remain central to how we bring colleagues together, live our values and deliver meaningful environmental and social outcomes. By combining colleague volunteering with purposeful sustainability action, we are contributing to a cleaner world while building a stronger, more connected Group.





Our Group double materiality assessment

Since 2021, the Coventry Building Society has undertaken an annual materiality assessment to identify the sustainability topics that matter most to our stakeholders and to our business. This process has played a key role in strengthening our understanding of stakeholder expectations and has informed our sustainability priorities, strategic planning, and external reporting.

A Group-wide approach in 2025

In 2025, following the coming together of Coventry Building Society and The Co-operative Bank, we completed our first Group wide double materiality assessment. This marked an important step in aligning our sustainability approach across the newly formed Group and establishing a shared view of the environmental, social, and governance (ESG) topics that are most material to our collective purpose and strategy.

As part of this enhanced approach, we adopted a double materiality lens, considering both:

- The impact of external sustainability factors on the Group's financial performance and long-term resilience; and
- The impact of the Group's activities on people, communities, and the environment.

This approach ensures our sustainability strategy reflects not only financial risk and opportunity, but also the wider role we play as a responsible financial organisation.

Stakeholder engagement

To identify the issues of greatest importance, we engaged a broad range of stakeholders across the Group, including, members and customers, colleagues, investors, suppliers, community partners, NGOs, our Executive team and Board members.

By gathering insights from across our stakeholder groups, we were able to build a comprehensive understanding of where the Group has the greatest potential to create positive impact, as well as where we face the most significant ESG-related risks and responsibilities.

Focusing on what matters most

In 2025, we refined our approach further by prioritising the top three ESG outcomes identified through the assessment. This focus allows us to direct resources and investment towards the areas of greatest impact, embed sustainability more effectively into business decision-making and strengthen accountability and clarity in our strategy and reporting.
We will continue to monitor and refine our approach in relation to all ESG topics identified to ensure we address and respond to changes in our stakeholder priorities and emerging trends.

Understanding the Group's impact on sustainability issues enables us to focus our efforts where they can deliver the greatest benefit for stakeholders, communities and the long-term success of the business.

Governance and oversight

The results of the Group double materiality assessment were reviewed and endorsed by the Board. The findings have informed strategic decision making, supported alignment with our Group business strategy and shaped the prioritisation of themes within our external reporting.

Double materiality – our top material issues

The following topics were identified as the most material ESG priorities for our stakeholders and will guide our sustainability strategy going forward:

Environmental



Ethical and sustainable lending



Access to green finance



Net zero planning

Social



Supporting vulnerable customers



Financial inclusion and resilience



Access to housing

Governance



Cyber and data security



Financial crime and fraud



Ethical practices

By focusing on these priority areas, we are strengthening our ability to manage risk, create positive environmental and social outcomes and deliver on our mission to power good with every pound.

Linking customer outcomes to our ESG impacts

Our role as a financial organisation gives us a unique ability to create positive environmental, social and economic outcomes. By directing capital responsibly, supporting customers through key life moments and operating with integrity, we can influence change both within our business and across the communities we serve.

Our customer outcomes provide the lens through which we deliver on the most material ESG topics identified through our double materiality assessment.

By aligning our mission, values, customer outcomes and double materiality priorities, we ensure that sustainability is fully integrated into how we operate and grow. Together, this enables us to deliver on our mission to power good with every pound, creating positive outcomes for customers, communities and the environment. Details of this alignment are on page 13.

Our customer outcomes

The collective power of family finance

Supporting families to build financial security, resilience and long-term wellbeing.

The power of a place to call home

Enabling access to safe, secure and sustainable housing.

The power of purposeful business

Building trust through responsible, ethical and sustainable business practices.

Our ESG impact alignment

Ethical and sustainable lending



Through responsible lending decisions, we help members and customers make choices that are financially and environmentally sustainable, partnering with a responsible business that shares their values.

Financial inclusion and resilience



We design accessible products and services that support saving, borrowing and financial planning across different life stages. This helps families build resilience, manage financial shocks and plan for the future.

Supporting vulnerable customers



We take ownership of identifying and supporting customers in vulnerable circumstances, ensuring fair treatment, tailored support and access to appropriate financial solutions when they need them most.

Ethical practices



We operate transparently and responsibly, ensuring customers can trust that our products, pricing and communications are fair, clear, and aligned with their best interests.

Access to green finance



We support customers to improve the energy efficiency and sustainability of their homes by increasing access to green finance solutions. This helps reduce household emissions while lowering long term energy costs.

Net zero planning



Housing plays a critical role in the transition to a low-carbon economy. By aligning our mortgage and lending portfolios with net zero ambitions, we support customers and communities to transition in a fair and achievable way.

Access to housing



We contribute to greater access to housing through responsible lending practices, supporting first time buyers and those seeking long term housing security, while managing affordability and sustainability risks.

Supporting vulnerable customers



We recognise that housing insecurity can create vulnerability. Our approach includes targeted support for customers experiencing financial stress, ensuring they remain supported through periods of change.

Ethical and sustainable lending



We ensure our lending and investment decisions reflect our broader responsibility to society and the environment, avoiding harm and supporting positive outcomes.

Cyber and data security



Trust is fundamental to a purposeful business. We protect customer data through strong cyber security and privacy controls, safeguarding personal and financial information.

Financial crime and fraud prevention



We actively prevent financial crime and fraud, protecting customers and the integrity of the financial system through robust controls, monitoring and education.

Ethical practices



Strong governance ensures we act in line with our values and The Co-operative Bank's Ethical Policy, comply with regulation and maintain the confidence of customers, communities and stakeholders.



Implementing The Co-operative Bank's Ethical Policy

The Co-operative Bank's Ethical Policy has been informed by over 370,000 customer responses since it was launched in 1992, and it reflects the co-operative values and ethics on which the bank was founded in 1872. In our last Values and Ethics Poll, 83% of bank customers who responded told us that our customer-led Ethical Policy is a key reason why they bank with us.

Our Ethical Policy addresses our customers' concerns for the planet, people and communities. It states the positive steps we commit to taking to help improve the world and the communities we live in, as well as the business activities we are not prepared to support.

We screen every new business customer and re-screen existing business customers when they make a change to their account. Where a potential conflict with our Ethical Policy is identified, enhanced screening is carried out. We undertake additional research and may reach out to independent experts to inform our decision.

In 2025, 297 business customers were referred for enhanced screening (2024: 262) and as a result, three were declined banking services (2024: seven) for the following reasons.

Climate change

We declined two consultancy businesses providing strategic services to support the oil and gas sector.

Biodiversity

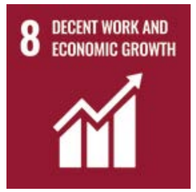
We declined banking services to a business involved in the mining industry.

The co-operative bank

No. of customers referred for enhanced screening by issue	Referrals 2025	Declines 2025
Labour standards and human rights	143	0
Social inclusion	0	0
Irresponsible payment of tax	1	0
Irresponsible gambling	13	0
Irresponsible marketing	0	0
Protecting the environment:		
Climate change	17	2
Chemicals	9	0
Waste	1	0
Biodiversity	37	1
Protecting animal welfare	74	0
Other	2	0
Total	**297**	**3**

Performance in 2025

In 2025, both Coventry Building Society and The Co-operative Bank continued to deliver against their respective UN SDG priorities. As a newly combined Group, we will use 2026 to review and fully align our UN SDG commitments, identifying the priority goals where we can make the most meaningful and material impact.

UN Sustainable Development Goal	Our targets and ambitions	Coventry Building Society performance	The Co-operative Bank plc performance
4 – Quality education By 2030, substantially increase the numbers of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. 	• 250 apprenticeships over five years from 2021 • 50% of senior management roles from internal recruits by 2025 • 15,000 children and young people supported via education programmes in 2025	• 376 apprentices since 2021 • 39% of senior management roles from internal recruits in 2025 • Over 16,000 children and young people supported in 2025.	
8 - Decent work and economic growth Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation 	• Offer career development to enable colleagues to achieve their potential • Progress the sustainability agenda with our suppliers • 40% of all senior manager and above roles held by women by 2025 • 25% of manager and above held by colleagues from ethnic minority groups by 2025.	• 45% of roles of roles filled by internal candidates in 2025 • Sustainability and social mobility features in the Supplier Code of Conduct, supplier due diligence questionnaires and request for proposal documents • 35% of all senior manager and above roles held by women in 2025 • We've not met the target of 25% of manager and above roles held by colleagues from ethnic minority groups, however we have made steady progress from 12% to 16% from 2021 to 2025.	• 35% of roles of roles filled by internal candidates in 2025 • 43% of all senior manager and above roles held by women in 2025 • 7% of manager and above roles held by colleagues from ethnic minority groups in 2025.

Performance in 2025

Throughout 2025, the Group has remained committed to its targets and ambitions in relation to the relevant UN SDGs. This is where we have identified that we can make a material difference.

UN Sustainable Development Goal	Our targets and ambitions	Coventry Building Society achievements	The Co-operative Bank plc achievements
11 - Sustainable cities and communities By 2030, reduce the adverse per capita environmental impacts of cities, including paying special attention to air quality and municipal and other waste management. 	• 5,000 people supported via Better Foundations (Access to Housing) in 2025 • Double first time buyer numbers in 2021 (3,200 to 7,500) and move to supporting 10,000 first time buyers annually by 2023 (no change) • By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.	• 5,565 people supported through Better Foundations (formerly Access to Housing) • The group supported first time buyers to purchase over 9,600 homes and are working on new build propositions to help them. The improved energy efficiency of these new builds will also align to our sustainability strategy. We didn't meet the target of 10,000 per year due to difficult market conditions.	
13 – Climate action Integrate climate change measures into national policies, strategies and planning. 	• Become carbon neutral for our own operations in 2021 (no change) • 43% reduction in our Scope 1 and 2 emissions by 2030 (baseline 2020) • Working towards becoming net zero for scopes 1 and 2 by 2030 • Ambition to be entirely net zero by 2040 • Zero waste to landfill.	• Maintained carbon neutrality for our Group operations • Reduced our Group scope 1 and 2 emissions by 62% (2025 vs 2021) • On track across our Group for net zero by 2030 (scopes 1 and 2) • Revised our Group net zero approach from 2040 to 2050 • 6,000 trees planted in our local communities • Zero waste has been sent to landfill. We define this as not disposing of at least 99% of waste to landfill, acknowledging that some waste legally requires disposal to land fill. • Our climate approach continues to evolve in line with UK net zero plans and emerging best practice, including guidance from the FCA, ISSB, GFANZ, SBTi and the transition from TCFD to IFRS S1 and S2, ensuring our pathway to 2050 remains credible, consistent and ethically grounded.	

Additional SDGs supported by The Co-operative Bank

Throughout 2025, The Co-operative bank supported the following SDGs in addition to our four common Group SDGs.

UN Sustainable Development Goal	UN targets
1 - No poverty 	• By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.
3 – Good health and well-being 	• By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being • Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
5 - Gender equality 	• By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.
7 - Affordable and clean energy 	• By 2030, double the global rate of improvement in energy efficiency.
10 – Reduced inequalities 	• By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Recognition in 2025

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

2025
The Co-operative Bank
Hospice UK
Compassionate customer care award

2025
The Co-operative Bank
Which Eco provider
Current accounts

2025
Coventry Building Society
Black Talent Awards
Finalist

2025
Coventry Building Society
Fairer Finance
Gold ribbon for Customer Experience in mortgages

2025
Coventry Building Society
Fairer Finance
Gold ribbon for Customer Experience in savings

2025
The Co-operative Bank
Best Charity Banking Provider
Winner

2025
Coventry Building Society
Leadership of the Year award
Winner

2025
Group
Great Place to Work
#13 Best Workplaces ™ (Super Large)

2025
Group
Great Place to Work
#25 Best Workplaces for Development™ 2025 (Super Large)

2025
Group
Great Place to Work
Best Workplaces for Financial Services and Insurance™ 2025 (Super Large)

2025
Group
Great Place to Work
#20 Best Workplaces for Wellbeing™ 2025 (Super Large)

2025
Group
Great Place to Work
#12 Best Workplaces for Women™ 2025 (Super Large)

2025
Coventry Building Society
Global Good Awards
Gold



Working together with our external associations

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

We're proud to have signed up with key signatories that align to our ambitions. Our sustainability performance is reported in accordance with industry-leading ESG frameworks and is underpinned by our memberships, as highlighted below.

UNEP

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

Women in Finance Charter

The Group signed the Women in Finance Charter which aims at increasing female representation in senior management roles across the Financial Services sector. We continuously strive to meet our Women in Finance Charter targets.

Progress Together

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



Menopause Friendly Accreditation

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

Race at Work Charter

The Group are signed up to the Race at Work Charter, a set of seven actions aimed at progressing race equality.

UN Global Compact

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

Global Sustainability Standards

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

Working together with our external associations

Task Force on Climate-related disclosures

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

B4SI

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

UN SDGs

The UN SDGs identify where our Group can make a material difference. In keeping with best practice, we continue to deliver against the targets and ambitions we've set for our goals of focus.

B Corp

Coventry Building Society are B Corp certified and are part of the global community of businesses that meet high standards of social and environmental impact. We aim to achieve a Group B Corp status in the near future.

CIPS Corporate Ethics Mark

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

UNEP FI

We are a member of UNEP Finance Initiative to demonstrate our commitment to advancing the sustainability agenda in a material way.

UK Sustainable Investment and Finance Association

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

Fair Tax Foundation

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

ISO

Since 2020, Coventry Building Society has reported detailed GHG emissions verified according to the international ISO 14064 standard. In 2023, Coventry Building Society achieved ISO 20400 sustainable procurement standard.

Business in the Community

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

Sign Solutions

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

PCAF

Our Group is a signatory of The Partnership for Carbon Accounting Financials (PCAF), it is a global initiative of financial institutions committed to measuring and disclosing greenhouse gas (GHG) emissions associated with our financial activities. PCAF aligns with the GHG Protocol, and by disclosing these emissions, we can better manage climate risks and align our portfolio with the Paris Agreement.

Working together with our external associations

Coventry Building Society Arena

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

Peppy

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

Fossil Free

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

Good Employment Charter

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

The Pregnancy Loss Pledge

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

Living Wage Employer

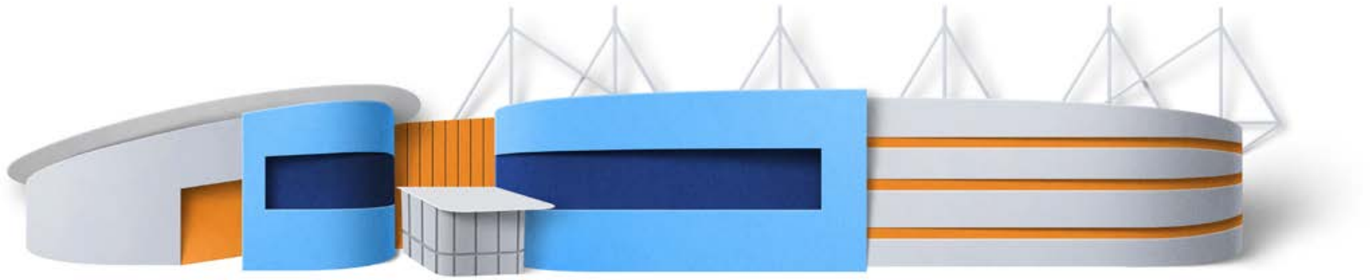
The Co-operative Bank has been an certified Real Living Wage employer since 2015, ensuring that all our colleagues are paid a fair wage that reflects the real cost of living.

Disability Confident certified employer

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

Carbon Disclosure Project (CDP)

Coventry Building Society has submitted disclosures to CDP since 2023, CDP is a global nonprofit that runs the world's leading environmental disclosure system, enabling companies to report on climate, water and forest impacts. The goal is transparency, helping organisation measure, manage and reduce environmental risks whilst supporting informed decisions by investors and stakeholders. We are proud to state that we improved our score to a B in 2025.



Environment

In this section

As an enlarged Group, following the acquisition of The Co-operative Bank, we are evolving our environmental strategy to reflect our increased scale, broader impact and shared ambition. While this means that some targets and approaches are being reviewed and refined, our commitment to environmental responsibility remains unchanged.

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“It’s pleasing to see that in a year of change and transformation for the organisation, our long term climate ambitions are still as important as ever. As we bring together the two organisations, I’m looking forward to seeing the continued progress towards net zero and the wider positive impact we can have on our environment.”

Shamira Mohammed
Independent Non-Executive Director

Ethical and sustainable lending

Access to green finance

Net zero planning

Certified B Corporation



Integrating our Group approach to the environment

During 2025, we unified our Group environmental strategy and brought our teams together across the expanded organisation, establishing a single, aligned approach to environmental management and delivery. This work has focused on integrating strategic objectives, governance, data and expertise from both businesses, while developing a shared group identity that reflects our combined purpose and values.

We have integrated GHG accounting methodologies, data collection practices, environmental and energy management approaches, a shared approach to offsets and renewable energy procurement and we have started to embed ISO 14001 and ISO 50001 across our estate. Retaining and jointly committing to 2030 Scope 1 and 2 targets, along with remaining carbon neutral for our operations represents a major achievement. Reducing our own emissions first demonstrates accountability and provides a foundation for influencing the wider transition through our financing activities.

By coming together, our expanded Group now has greater scale, influence and market power. This provides a stronger platform for shaping policy and sector practices, enabling us to drive greater impact through collective action. We focus on:

Our areas of focus to reduce our Group environmental impact across:

- **Climate change**
- **Biodiversity**
- **Energy and renewable resources**
- **Emissions to air**
- **Pollution prevention and control**
- **Waste management**
- **Resource depletion**

This integration provides the foundation for how we position ourselves and act as a Group on sustainability, net zero and the wider environmental agenda. Following our recent acquisition, our Board and Executive Team have approved our aligned Group-wide net zero target to 2050, using 2021 as our Group base year in line with the GHG Protocol, the earliest point at which we have reliable Group-wide emissions data.

This revised science-based aligned target reflects both the scale and complexity of our combined activities and the importance of setting a credible, science-based aligned pathway consistent with the UK Government's 2050 commitment and the Paris Agreement.

Our ambition remains unchanged: we are committed to financing the transition to a low-carbon economy. To lead by example, we are committing to be operationally net zero across Scopes 1 and 2 by 2030. As we reduce our emissions, we will remain carbon neutral for our own operations and invest in high-integrity avoidance projects, alongside carbon removals and nature investments from 2026. We are also going beyond our carbon neutrality commitment by investing an equivalent of 10% of our operational footprint into UK home retrofit and energy-efficiency projects to support a fair transition.

During 2026, we will work towards developing an interim reduction target to augment our long-term science-based 2050 pathway. This target will focus on Scope 3 emissions helping ensure our short-term actions remain ambitious and credible.

We are committed to ensuring a just transition to net zero, driving change that benefits everyone. Our members expect us to act with integrity – reducing emissions but also ensuring that the pace of change is fair, affordable, and does not disadvantage communities or businesses. Aligning our Group target to 2050 enables consistency across the combined business, while our 2030 commitment, retrofit investment and interim targets demonstrate early action already underway. External factors such as grid decarbonisation, housing retrofit timelines and customer affordability influence the pace of change, and acknowledging these realities helps ensure our strategy remains ambitious, credible and mission-aligned.

In 2026, we will continue our engagement with mortgage customers to support home energy improvements and ensure our corporate lending continues to align with strong ethical standards and client transition plans. By combining our Ethical Policy with our sustainability commitments, we are driving a new, higher standard of responsible finance across the Group.

Our environmental performance and target progress

Goal
Maintain carbon neutrality for our own operations

Progress
We are a carbon neutral organisation

Goal
Net zero for Scopes 1 & 2 across the Group by 2030

Progress
62% reduction in line with plan 2025 vs 2021

Goal
Remove our usage of natural gas (72 sites)

Progress
53 sites converted to electrical heating
74% completed

Goal
Zero waste to landfill[1]

Progress
We continue to send zero waste to landfill

Goal
We purchase 100% renewable electricity only

Progress
100% renewable electricity procured

Goal
Achieve a Group 'A' rated CDP score

Progress
In 2025 Coventry Building Society achieved a 'B' rating

Goal
100% electric vehicle fleet by 2030

Progress
86% electric or hybrid vehicles within our fleet (142 EVs out of 165)

Goal
To be net zero by 2050

Progress
Developing our Group net zero transition plan in 2026

Goal
Achieve ISO 14064 for the Group in 2026

Progress
Coventry Building Society remains certified

Goal
Set a Group interim net zero target during 2026

Progress
Developing our Group net zero transition plan in 2026

Goal
Plant a tree for every colleague (planting 60,000 trees between 2025-2035)

Progress
6,000 trees planted in our local communities in 2025

- **On track**
- **Not on track**
- **Achieved**

1. Which we define as not disposing of at least 99% of waste to landfill, acknowledging that some waste legally requires disposal to landfill.

Our environmental approach

To reduce our impact on the natural environment, we focus on the areas where we can make the greatest difference as a financial services Group. Our double materiality assessment confirms that our most significant environmental impacts and dependencies lie not only within our own operations, but in how we provide:



Ethical and sustainable lending



Access to green finance



Plan for net zero

Our environmental strategy is aligned to material priorities.
Our three material environmental impacts sit across and strengthen each of our five delivery pillars.

Our plan

We are setting a clear, Group-wide pathway to net zero, aligning targets, methodologies and governance across the combined business. This includes developing interim targets, improving data quality and aligning with evolving regulatory and best-practice standards.



Our operations

We are reducing emissions from our own operations first, transitioning our buildings, fleet and ways of working to net zero by 2030. This demonstrates accountability and creates a strong foundation for wider influence through our financing activities.



Our products

We are committed to financing the transition by continuing access to green finance and supporting improvements to the energy efficiency of homes and buildings on which we lend.
During 2026, we will continue our work with mortgage customers to improve home energy efficiency and ensure our corporate lending supports credible transition plans.



Our influence on society

We work closely with our colleagues, customers, members, suppliers, government and non-government organisations to support a fair and inclusive transition. From 2026, we are investing in high-integrity carbon avoidance, carbon removal and nature projects, alongside committing an additional 10% of our operational footprint to UK home retrofit and energy efficiency initiatives.



Governance and risk

Strong governance underpins our environmental approach. We apply transparent oversight, consistent methodologies and ethical standards to manage climate-related risks and opportunities across the Group, ensuring compliance with regulatory requirements and alignment with stakeholder expectations.



By embedding ethical and sustainable lending, access to green finance and net zero planning throughout our environmental strategy, we ensure our approach is focused on real-world impact, aligned with stakeholder expectations and targeted at the areas where we can make the greatest difference.

Our Group progress and achievements to date

Our plan

- As a Group we remain carbon neutral for our business operations.
- 62% reduction in our Group Scope 1 and 2 emissions from a baseline year of 2021 (29% reduction 2024-2025).
- 22% reduction in our Group Scope 3 emissions (excluding financed emissions) 2024-2025.
- 7% reduction in our Group Scope 3 Emissions (from 2021 baseline).
- On our journey to net zero we continue to invest in independently verified climate projects that prevent emissions.



Our operations

- 100% of our energy is procured from renewable sources, i.e. wind, solar, waste, biomass and anaerobic digestion.
- Coventry Building Society has over 900 solar panels at our head office campus. These improvements generate on average 30% of each of the building's electricity needs and we continue to invest in on-site solar energy generation where possible.
- Our Group continues to send zero waste to landfill[1].
- We've reduced our Group gas consumption by 63% (from 2021 baseline) due to our decarbonisation program.
- We've reduced our waste generated in operations emissions by 29% (from 2021 baseline).



Our products

- In line with The Co-operative Bank's unique, customer-led Ethical Policy, we have continued to refuse to fund businesses whose core activity directly contributes to fossil fuel extraction.
- We've continued to offer Green additional borrowing.
- The Group have Sustainability Hubs on our websites with advice and guidance available for our customers to help them on their sustainability journey. Customers can access a personalised Energy Savings Improvement Plan tool to help them reduce energy bills.
- The Co-operative Bank provided current account customers the opportunity to switch to a digital banking to decrease reliance on paper and reduce fraud vulnerability; we pledged to donate to our charity partner Friends of the Earth for every customer who made the switch.



Our influence on society

- Our partnership with Friends of the Earth has helped turn shared values into meaningful action, transforming over 700 public spaces through our Postcode Gardeners programme.
- We've launched our Group wide colleague Carbon calculator app, which has enabled all our colleagues the ability to reduce their carbon footprint.
- We've continued to plant a tree for every colleague across our Group and for every Coventry Building Society Young Saver account.
- Worked with our suppliers to deliver carbon savings when migrating data centres to the cloud.
- We are going beyond meeting targets by investing in UK home retrofit and energy-efficiency projects, helping improve the comfort and affordability of homes while supporting a fair transition to a net zero UK.



Governance and risk

- In 2025, we have fully integrated our approach to Climate Risk across the Group, developing a new policy that supports Key Risk Indicators to future proof our business model and deliver against key regulatory developments such as SS5/25.
- Coventry Building Society remains ISO 14064-1 certified for our emissions data and our Group aligns with the TCFD framework.
- Coventry Building Society received a 'B' rating against the Carbon Disclosure Project (CDP) successfully increasing our rating from a 'C'.
- Coventry Building Society maintained ISO 20400 Sustainable Procurement certification.
- Coventry Building Society has maintained B Corp status since 2023.



Environmental

1. Which we define as not disposing of at least 99% of waste to landfill, acknowledging that some waste legally requires disposal to landfill.

Our Group environmental ambitions 2026-2050

Our plan

- Target to be net zero for our Scopes 1 and 2 by 2030.
- Have 100% electric vehicles in our fleet by 2030 or sooner.
- Align our capital expenditure to 1.5°C pathway.
- Review our Group approach and complete a gap analysis against the SBTi framework.
- Publicly disclose decarbonisation strategy including transition plans on a regular basis.
- From 2026 we are investing in carbon removals and nature projects for the future which will responsibly neutralise the small amount of residual operational emissions that will remain by 2030.



Our operations

- Continue to reduce our Scope 1 and 2 emissions.
- Continue procurement of renewable electricity.
- Continue our zero waste to landfill commitment[1].
- Complete removal of gas consumption from our Group estate by 2030 or sooner.
- Continued installation of air source heat pumps at our office locations.
- Continued installation of solar PV and low carbon technology within our estate.
- We will continue to increasing biodiversity at our offices sites where possible.



Our products

- Explore partnering with a reputable retrofitting provider, to ease efficiency transitions for our customers and support the reduction of energy bills costs.
- Explore new and existing customer efficiency improvement borrowing incentives with an ambition to provide innovative lending solutions to finance the green transition.
- Engage with our customers to increase awareness energy efficiency grants.
- Engage with our buy to let customers regarding the changing regulations with Energy Performance Certificates (EPCs).
- Continue to develop data quality and achieve best practice data capture/analysis across Scope 3 emissions calculations in retail and corporate lending as well as suppliers, supporting further decarbonisation planning by moving away from estimated methodology where possible.



Our influence on society

- Continue customer support and engagement campaigns.
- Increase awareness of our net zero ambition through our colleague sustainability eLearning and carbon calculator app.
- Further incentives for colleagues to reduce their carbon footprint at work and at home.
- Continue to work with our supply chain regarding our collective decarbonisation roadmap.
- Engage with our suppliers and regulators on climate matters.



Governance and risk

- Annual reporting on progress against our targets and relevant external frameworks, ensuring transparency, accountability and consistency across the Group, including alignment with the Principles for Responsible Banking (UN PRB).
- Achieve our B Corp status for the Group in the near future.
- Continue to obtain third party assurance and ISO certification for ISO 14064 and ISO 20400.
- Work to achieve ISO 50001 and 14001 standards.
- Work towards embedding nature-related considerations into governance and decision making risks and opportunities alongside climate, and consulting with our customers and members to ensure that our Ethical Policy reflects their changing climate and nature concerns.
- Continue to develop and implement a Group-wide climate risk management framework, integrating climate risks into enterprise risk management, stress testing, decision-making and strategic planning.

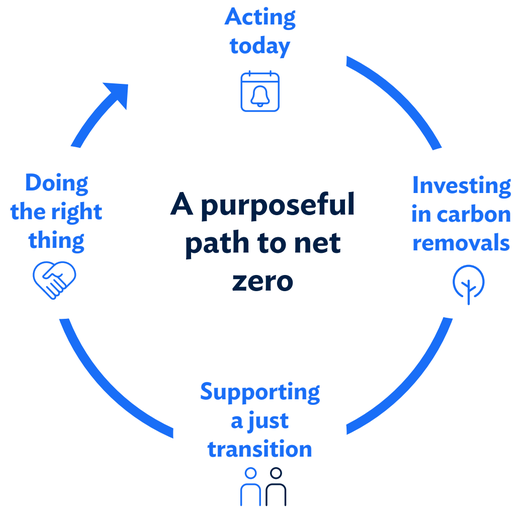


1. Which we define as not disposing of at least 99% of waste to landfill, acknowledging that some waste legally requires disposal to landfill.

Our purpose-led approach to tackling climate change

As a mutual we exist to help people have a place to call home and as a lender we support other responsible businesses. Being a purposeful business means doing the right thing for our members, our communities and the environment we all depend on.

That's why our approach is based on setting and striving to achieve ambitious targets with full accountability for our actions; grounded in these principles that define our mission and vision, we will; support our customers through the transition to net zero to expand the tools and products available to help customers make their homes more energy efficient, reduce costs and build long-term resilience.



Acting today while preparing for tomorrow

We are committed to reaching net zero for our Scope 1 and 2 emissions by 2030. Each year we continue to reduce our operational carbon footprint by investing in systematic building upgrades, improving insulation, modernising heating systems, optimising ventilation, and deploying energy-efficient technologies across our estate. We report both market-based and location-based emissions for full transparency. Through these actions we have already reduced our Group operational emissions by 62% since 2021.

While continuing to lower our emissions, we remain carbon neutral, verified by the Toitū Programme. We offset only our residual emissions through high-integrity avoidance projects that meet rigorous international standards. These credits are Core Carbon Principles (CCP) accredited, the highest standard of integrity in the voluntary carbon market, ensuring all projects are additional, measurable, conservative, permanent, independently verified, uniquely numbered and transparently listed.

This ensures our environmental impact is responsibly balanced today while we continue to reduce emissions at source across our operations.

Investing in carbon removal for the future

From 2026 onwards, to address our 2025 emissions and future years, we will invest in high-integrity carbon removal and nature restoration projects. This includes purchasing approximately 1,000 Pending Issuance Units (PIUs) or equivalent forward-issuance instruments annually, representing carbon that will be permanently removed from the atmosphere.

We do this because it is ethical, responsible and future-orientated. Securing these instruments now ensures that by 2030 we can address the small volume of operational emissions that cannot be fully eliminated.

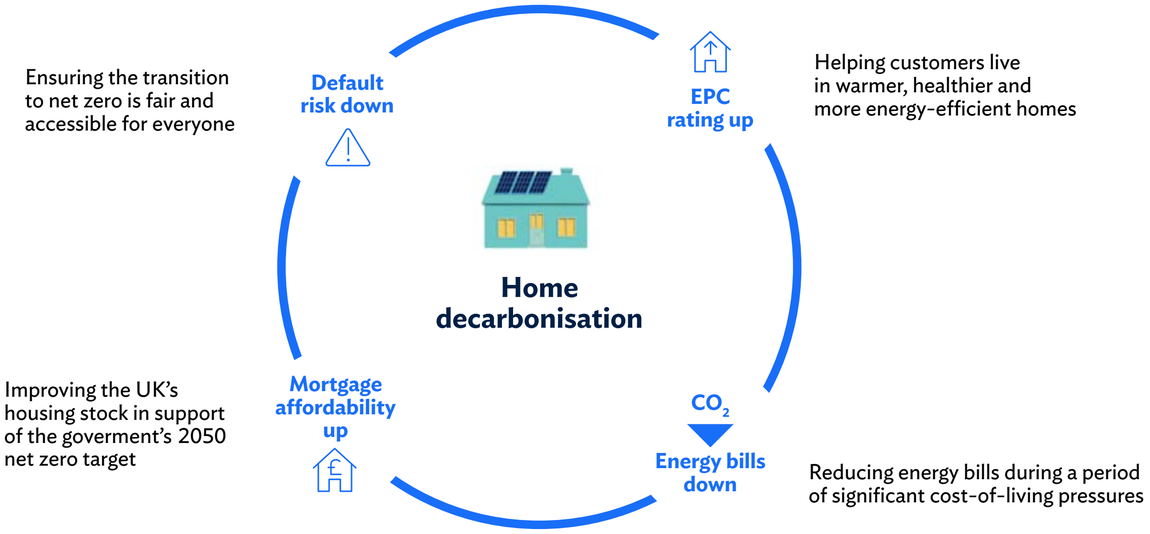
We do not see offsets as a shortcut; instead, we invest today in long-term solutions that support meaningful climate progress.



Our purpose-led approach to tackling climate change

Supporting a just transition through UK home retrofit projects

Each year, to meet our carbon neutrality requirements, we offset our residual emissions across relevant categories. Beyond this, we go further by offsetting an additional 10% of our operational footprint through UK-based home retrofit and energy-efficiency projects. These projects align with our values, support our business mission and our core purpose by:



By supporting retrofit initiatives, we are strengthening the communities we serve while tackling one of the UK's biggest sources of carbon emissions - our homes.

Doing the right thing for our members, customers and communities

We take a long term, ethical approach to climate responsibility. Our strategy is designed to:



We believe that a financial institution should contribute positively to the world around it and we are committed to using our influence to build a more sustainable, fairer future for the UK.

We actively participate in industry forums, cross-sector coalitions and government-facing initiatives that accelerate the financial sector's contribution to climate action. Through collaboration and advocacy, we will continue to help shape policies that support a fair and effective transition.

A purposeful path to net zero

By reducing our emissions, maintaining carbon neutrality, supporting UK households, and investing in permanent carbon removal, we are ensuring that our journey to net zero is credible, ethical and aligned with the needs of our members and customers. We are proud to play our part in building a cleaner, more resilient future for the UK.

Net zero in action

We're committed to making a positive contribution to tackling climate change. As a newly aligned Group, we're reducing our direct environmental impact and accelerating progress towards net zero across our own operations by 2030.

In 2025, we received executive approval to set a Group-wide net zero operational target for 2030, alongside approval of the investment needed to deliver it over the coming years. This provides clear direction, long-term certainty and momentum as we bring our plans together across Coventry Building Society and The Co-operative Bank. We remain on track to meet our 2030 target.

Our priorities:



Solar installations

Since 2022, we've installed over 900 high-efficiency solar panels across two buildings at our head office campus, generating around 30% of each building's electricity needs and helping reduce reliance on grid electricity.

As we come together as a Group, 2026 will be a key planning year. We will finalise plans to decarbonise our remaining office sites and branches and investigate where further solar installations can be delivered across our sites, supporting long-term emissions reduction and energy resilience.



Low-carbon heating

We are continuing to remove gas from our estate as part of our transition to low-carbon heating. At the end of 2024, all Coventry Building Society branch locations had gas fully removed, representing an important milestone on our journey to net zero operations.

Following executive approval in 2025, we will remove all gas consumption from The Co-operative Bank branch estate in 2026, marking our commitment to our operational decarbonisation journey.

At our Coventry House head office, an air source heat pump will be installed in 2026, further reducing emissions and supporting the transition away from fossil fuels. Alongside this, we will finalise decarbonisation plans for our remaining office locations to ensure a consistent, Group-wide approach.



Electric vehicle fleet

Our transition to an electric vehicle fleet remains on track. In 2022, we launched our electric car scheme via salary sacrifice, open to all colleagues. Today, 86% of our fleet is electric, with 142 active electric or hybrid vehicles on the road.

Over the coming years, we will continue transitioning the remaining vehicles, supporting our ambition to move to a 100% electric fleet by 2030, while helping improve air quality and reduce emissions in the communities where we operate.



Improving our carbon disclosure through our operations

In 2025, Coventry Building Society improved its Carbon Disclosure project (CDP) score from a C to a B, reflecting the progress made in strengthening climate related disclosures and advancing action to support our net zero operational ambitions.

The improved score was underpinned by tangible enhancements to how climate considerations are managed across our organisation and operations. As part of our net zero journey we strengthened improved the quality of our emissions data and enhanced internal processes for identifying, managing and monitoring climate related risks and opportunities. This has enabled a more robust transparent disclosure, better reflecting the actions being taken to reduce our environmental impact.

Our sustainability considerations are within our operational planning day to day decision making. Improvement to reporting and disclosure were not undertaken in isolation, but were closely linked to wider operational initiatives, including accountability for environmental performance, oversights of progress against targets and increased collaboration across teams responsible for facilities, procurement and products.

Looking ahead, 2026 will represent an important milestone, with the Coventry Building Society Group planning to submit its first CDP disclosure as a combined Group with The Co-operative Bank. This follows the bringing together of our environmental strategy and ESG teams at a Group level and therefore building on our progress to date. The Group aims to continue improving both quality of its disclosure and the effectiveness of its environmental initiatives, with an ambition to achieve a CDP score of an A in 2026. This reflects a commitment to embedding sustainability and ethical practices at the heart of how we operate.

CDP

Overall score for the Group ‘B’





Our products

Supporting our members and customers to make homes greener

Homes account for around a fifth of the UK's total carbon emissions, primarily from heating and hot water via fossil fuels, with the challenge being the near-complete decarbonisation of the housing stock to meet net zero goals by 2050.

Solutions focusing on improving insulation, switching to low-carbon heating like heat pumps and using renewable energy to improve the energy efficiency of Britain's housing stock remain one of the most important challenges on the path to net zero. Addressing this challenge requires coordinated action from government, industry, lenders and homeowners alike, particularly through the retrofit of existing homes and business premises alongside higher standards for new builds. We continue to support our members and customers to take practical steps towards more energy-efficient homes. Through our Green Additional Borrowing product, members can borrow extra funds at a lower rate than their existing mortgages to invest in energy-efficiency improvements such as insulation, low-carbon heating and other home upgrades. These improvements can help reduce household emissions while also lowering energy bills.

In addition, The Co-operative Bank's green mortgage offering plays an important role in encouraging more sustainable housing choices. By providing preferential terms for homes with higher energy performance, green mortgages help reward energy-efficient properties and incentivise improvements across the wider housing market, supporting customers to make more environmentally-responsible decisions when buying or improving their homes.

Throughout the year, The Co-operative Bank provided approximately £90m in lending towards social housing facilities. These funds will be used to invest in existing homes by making them safer and more comfortable for occupiers, dealing with health and safety priorities, as well as improving energy efficiency through retrofitting. Further, a portion of this funding will be used to build new homes as capacity allows, where EPCs for new housing stock are typically rated A.

All of our RSL (Residential Social Landlord) lending goes towards organisations who are held to account by the Regulator of Social Housing in England (and devolved governments in Scotland and Wales) who bring robust scrutiny to ensure that RSLs report against KPIs for consumer standards, governance and viability.

Alongside our products, we continue to empower members and customers with information and tools. Our websites provide accessible guidance on the environmental impact of home energy use, alongside practical tips to support everyday action and reduce energy bills. Customers and members can also use our Home Energy Efficiency Tool, which delivers a personalised energy-saving plan tailored to their property, helping identify improvements that can make the biggest difference.

Over the coming year, we will continue to grow our green mortgage portfolio and the range of sustainable finance options available to customers and work collaboratively to help create a more energy-efficient, lower-carbon housing stock.

Over 600

completions across our Group green lending in 2025 (retail and corporate combined)



Supporting our business customers to understand their environmental impact

To support our customers on their sustainability journeys, The Co-operative Bank partners with Zellar, a digital platform that enables businesses to measure, managed and improve their environmental impact in a practical and affordable way. This collaboration reflects the Bank's long-standing commitment to ethical and environmental action and aligns with our broader goal of helping customers reduce greenhouse gas emissions and accelerate progress towards net zero.

Zellar provides a user-friendly sustainability dashboard that guides business customers through each stage of their carbon management journey. From detailed emissions tracking and carbon accounting to customised action plans and access to certified offsetting projects, the platform consolidates tools and guidance in one place to make sustainability more accessible and actionable.

Through our partnership, our customers have discounted access to Zellar's services, with 20% off subscription costs and 50% off for our charity and community bank account holders, helping lower barriers to engaging with climate action.

Zellar's approach supports businesses in identifying where emissions are coming from, understanding opportunities for reduction and building clear sustainability plans that reflect individuals' business priorities. The platform also connects users with a community of like-minded organisations, fostering shared learning and collaboration.

By integrating practical sustainability tools into a simple platform, our partnership demonstrates how finance providers can play a meaning role in helping customers respond to the climate challenge. Together, we are enabling businesses to reduce emissions, uncover costs savings and embed sustainability into long-term decision making.



Turning waste into an icon

At our Coventry House head office, sustainability is not just something we talk about, it is something we build together.

Standing proudly within the wildflower meadow outside Coventry House is a striking two metre tall sculpture of Lady Godiva on horseback, created entirely from recycled plastic bottle tops. The sculpture celebrates both a powerful local symbol and the collective action of our colleagues, who came together to transform everyday waste into a lasting piece of public art.

A collaborative approach to sustainability

The project was delivered in collaboration with local artist Sarah Turner, who specialises in creating artwork from waste materials. Sarah worked closely with our teams to design and construct the sculpture using thousands of plastic bottle caps.

In 2025, colleagues were invited to donate clean, dry plastic bottle caps from items such as drinks bottles, shampoo containers, milk bottles and laundry detergent. Collection points were set up across our Binley campus, making it easy for everyone to take part.

The response from our colleagues was fantastic. What began as a call out for materials quickly became a shared mission, demonstrating how small individual actions can add up to meaningful impact when people work together.

Celebrating place, nature and biodiversity

Once completed and installed, the sculpture was given pride of place within our wildflower meadow, alongside established bee hotels. This setting reflects our wider commitment to biodiversity, supporting pollinators and creating greener, more engaging spaces around our workplaces.

The sculpture is visible not only to colleagues but also to visitors and passers-by, reinforcing our sustainability message beyond our own organisation. It serves as a creative reminder that waste can be reimagined and that sustainable choices can also inspire beauty and conversation.

More than a sculpture

Lady Godiva is an enduring Coventry icon and an important part of our brand heritage. Recreating her in recycled materials brings together local identity, environmental responsibility and colleague engagement in a way that feels authentic and impactful.

This project would not have been possible without the enthusiasm and generosity of our colleagues, nor without the dedication of our Property and Sustainability teams, who helped guide the project from concept to installation.

The Lady Godiva sculpture is a tangible symbol of what can be achieved when sustainability, creativity and community come together, turning something once disposable into something designed to last.



Our people powering change

Engaged colleagues are central to delivering our sustainability ambitions across the Group. Within Coventry Building Society, we have an established network of Environment Advocates a voluntary, colleague-led initiative launched in 2021 to support our sustainability strategy and raise awareness of our net zero ambition.

In parallel, The Co-operative Bank operates within a federated model, with colleagues supporting environmental activity and engagement in ways that reflect the Bank's structure and priorities. While approaches differ, both organisations share a strong culture of colleague involvement and a commitment to taking practical action on climate and sustainability.

Across our businesses, colleagues continue to play an active role in promoting environmental awareness, supporting local initiatives and encouraging more sustainable ways of working. These colleague-led efforts help embed sustainability into day-to-day decision-making and foster a culture of shared responsibility. This includes the launch of our AWorld carbon calculator app, which empowers colleagues to understand and reduce their carbon footprint at home and at work, as well as colleagues coming together to plant 6,000 trees across Coventry and Manchester, demonstrating collective action, local environmental impact in practice and a culture of shared responsibility.

Together, our colleagues support environmental progress by:

Championing our targets	Starting conversations	Creating the right culture	Sharing experiences and learning
Engaging colleagues and building understanding of our sustainability commitments	Encouraging ideas, innovation and positive changes to the way we work	Sharing practical actions to save energy, reduce waste and minimise environmental impact	Connecting through internal channels, local activities and regular engagement

Looking ahead, we are working towards bringing these approaches together into a single, Group wide programme in 2026. This will build on the strong foundations already in place, strengthen collaboration across the Group and provide a more consistent framework for colleague led environmental action.



Our people powering change

Our sustainability progress is strengthened by the active involvement of colleagues, whose ideas, enthusiasm and everyday actions help turn ambition into impact. Over the past year, colleague engagement has played a key role in delivering practical improvements.

Group colleague engagement

- In June 2025, we took a significant step forward in how we support our colleagues on sustainability, launching a new internal carbon app in partnership with AWorld across our entire Group. For the first time, colleagues at The Co-operative Bank have access to a shared, easy-to-use tool designed to help them understand and reduce their carbon footprint both at home and at work.

  This new benefit reflects our commitment to doing more for our people, investing in practical, engaging support that builds climate confidence, encourages positive action and connects individual behaviours to our wider net zero ambitions.
- In November 2025, 77 of our Group colleagues planted 6,000 trees in Manchester and Coventry, generously giving their time to support our local communities and green spaces. Reaffirming our commitment to plant a tree for every colleague each year.

Society colleague engagement

- Enhancing green infrastructure at Coventry House, with the installation of a grass roof on the bike shelter and green roof door awnings, supporting urban biodiversity while improving the working environment.
- Installing a rainwater capture system at our Binley campus, helping reduce mains water use and improve water efficiency across the site.
- Promoting biodiversity and wellbeing at our head office campus, through the ongoing maintenance of our wildflower meadow, the installation of bee hotels and delivery of our annual sunflower-growing project. These initiatives provide habitats for pollinators and create engaging green spaces for colleagues to enjoy.
- Raising awareness through our ‘Beyond the Buzz’ event, which celebrated native species & biodiversity and highlighted the vital role of bees and pollinators, alongside local wildlife such as bats, badgers and birds. The event equipped colleagues with practical ideas on how they can support biodiversity at home and in their gardens and invited local organisations such as Coventry Bee Keeping, Warwickshire Badgers, Warwickshire Bats, Warwickshire Wildlife Trust and Wylde Connections.
- Reducing paper use across our branches, by cutting back on printed literature and promoting more digital customer communications.
- Maintaining our Forest Carbon Scheme, supporting long-term carbon sequestration and reinforcing our commitment to responsible environmental stewardship.

Bank colleague engagement

- Throughout 2025, Bank colleagues have volunteered with the Group’s charity partner Friends of the Earth to support their efforts to green nature deprived spaces, in particular in and around Manchester. In total 23 colleagues supported volunteering efforts.
- Digital Carbon Footprint Taskforce: Set up by the Bank’s Technology Graduates following conversations around the environmental impact of the Bank’s digital and technology stack, the DCF operates as a colleague-led focus group, raising awareness and driving colleague engagement for managing the Bank’s digital carbon footprint.

Together, these initiatives demonstrate how colleague-led action continues to drive meaningful environmental improvements, while fostering a workplace culture that supports sustainability, wellbeing and shared responsibility.





A place to grow

Our partnership with Friends of the Earth has helped turn shared values into meaningful action. By supporting community-led gardening in Hull, the partnership has played a key role in creating safe, inclusive spaces where people can heal, connect and grow.

The Postcode Gardener, Jon Pearson, has recently started working with Hull Sisters – a safe space for women that supports migrant women facing multiple issues, such as domestic or financial abuse, social exclusion and language barriers.

It's a place of empowerment and sanctuary where women can rebuild confidence. When Jon started working with the safe space in July this year, he wanted to explore how gardening could be a part of the healing process for its residents.

"There's enormous cultural sensitivity needed for the women who come to us," explains Sonia Jalal, founder of Hull Sisters. "They're far from home with little social support. What they really want is somewhere they can come regularly – a place where they feel free of expectations, free of judgement, and are accepted for who they are."



"My main priority is creating a safe, inclusive space", says Postcode Gardener Jon. "For many, it'll be their only opportunity to spend time outdoors and interact with nature. It's really important to me that they get to enjoy the full experience that nature offers, including all the mental health and wellbeing benefits that it brings."

Impact in numbers

Within two years, our network of Postcode Gardener projects has:

17
Postcode Gardeners operating across England and Wales

43,000
pollinator friendly plants planted

733
public spaces transformed by Postcode Gardeners and their communities

5,100 +
community members taking part in gardening and nature based activities



Collaboration to accelerate sustainable change

In 2025, Coventry Building Society Group hosted an event for cross-sector sustainability collaboration, bringing together businesses, experts and leaders under the Sustainable Business Consortium.

Hosted at our Coventry Building Society Arena, the Consortium's first-ever All Forums event marked an important step forward in our commitment to collaboration as a driver of sustainable progress. With 84 attendees and a full room, the event brought together representatives from a wide range of sectors, including retail, logistics, banking, building societies, telecommunications, airports and energy, creating a rare opportunity for open dialogue across industries.

Why collaboration matters

Many of the sustainability challenges facing organisations today, from decarbonisation and energy resilience to supply chain transformation, are complex, systemic and cannot be solved in isolation. By convening diverse organisations and perspectives, the Sustainable Business Consortium provides a platform for shared learning, practical problem-solving and collective action.

Throughout the day, participants exchanged insights, explored common challenges and identified opportunities to accelerate sustainability initiatives together. The energy in the room reflected a shared recognition that progress happens faster when knowledge, experience and ambition are pooled.

Creating impact beyond our organisation

By hosting and supporting the Sustainable Business Consortium, Coventry Building Society Group is helping to enable collaboration that extends beyond our own operations. The Consortium reinforces our belief in the "power of many" that bringing together diverse voices across sectors can unlock solutions, build momentum and drive meaningful change at scale.

As we continue our sustainability journey, we remain committed to creating spaces where collaboration thrives and where businesses can work together to deliver positive environmental and social outcomes for the communities we serve.



Accelerating net zero through innovation

In 2024, Coventry Building Society partnered with Wates Group, alongside five leading high-street banks and building societies, to launch a first-of-its-kind Environmental Solutions Innovation Programme.

The initiative was designed to accelerate the identification and adoption of practical, scalable technologies that support the financial sector's transition to net zero, while fostering collaboration across peer institutions.

The programme issued a nationwide call for UK-based green innovators, attracting more than 100 submissions focused on addressing shared environmental challenges faced by financial institutions. In 2025, five finalists were selected following a rigorous desktop assessment conducted by independent sustainability and technical experts. Shortlisted innovators progressed through virtual pitches and a competitive 'Dragon's Den'-style final, with winning technologies selected based on their innovation, scalability, and potential to deliver measurable environmental impact.

The solutions identified through the programme target key drivers of operational emissions and wider environmental impact, including reducing operational carbon, minimising waste, enhancing biodiversity, and enabling more sustainable commuting. These focus areas directly support our operational net zero pathway by identifying opportunities to reduce Scope 1 and Scope 2 emissions, while also addressing broader environmental performance across our estate and supply chain.

The Coventry Building Society Group selected two winning innovations for funding, both of which are now progressing through feasibility assessment and trial planning. Subject to successful trials, these solutions have the potential to be embedded within our operations, supporting emissions reduction, resource efficiency, and long-term environmental resilience as part of our net zero strategy.

Importantly, the programme demonstrates the value of peer-led collaboration within the financial sector. By working collectively to identify and support emerging solutions, participating institutions reduce duplication of effort, share learnings, and accelerate the adoption of best practice across the sector.



"This year's awards are a testament to the power of collaboration. By uniting sustainability expertise with the ambition of multiple financial institutions, we are creating a platform that not only accelerates innovation but also ensures that the benefits are shared across the sector. The quality of submissions has been exceptional, and we are excited to see how these solutions will help shape a more sustainable future for the finance sector."

Dr Zainab Dangana, Head of Sustainable Technology Services at Wates Group



Our Group net zero roadmap

We're working to remove all emissions from our own operations, working with our suppliers and customers to reduce their emissions too via a just transition approach.

2026 – 2030

Low carbon

Continued installation of low carbon technology at our sites.



Gas consumption

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



Electric fleet

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



Financial lending

Following the acquisition of The Co-operative Bank, our lending activities now span both domestic mortgages and corporate customers across the Group, increasing our ability to support the transition to a low-carbon economy. All lending continues to be guided by our Ethical Policy, ensuring responsible and transparent decision-making.

In support of our Group net zero target by 2050, we are working with mortgage customers to improve home energy efficiency, with an ambition to improve the average Energy Performance Certificate (EPC) rating of homes we finance to C or above over time. This supports emissions reduction while improving comfort and affordability for households.

Through our corporate lending, we support businesses with strong ethical standards and responsible financing practices. Our approach will continue to evolve in line with UK net zero plans and emerging best practice, including guidance from the FCA, ISSB, GFANZ, SBTi and the transition from TCFD to IFRS S1 and S2, ensuring our pathway to 2050 remains credible, consistent and ethically grounded.

Renewable energy

Invest further in renewable energy for our energy demand by or before 2030.



Supply chain

Engage with our supply chain regarding our collective decarbonisation roadmap.



Net zero

Target to become net zero for Scope 1 and 2 by 2030.





Our governance

Our 2030 target

To be net zero for our Scopes 1 and 2 by 2030:

We are committed to reaching net zero for our Scope 1 and 2 emissions by 2030. To get there, we are reducing our own operational carbon footprint every year by improving our buildings, cutting energy use and travelling more responsibly.

PCAF Partnership for Carbon Accounting Financials

CDP

Certified B Corporation

Renewable energy

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



Reduction in emissions

Reducing our emissions through energy efficiency and demand reduction measures.



Carbon offset

We continue to reduce our own emissions on the path to net zero by 2030, staying carbon neutral and investing in high-integrity carbon avoidance projects.

From 2026 we are investing in carbon removals and nature projects for the future, which will responsibly neutralise the small amount of residual emissions that will remain by 2030.

Our governance



Our 2050 target

Like many organisations, the largest sources of our emissions are indirect of our core operations. However we will continue to engage and incentivise decarbonisation activity where we can.

Commuting

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

Pension fund

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

Our financed emissions

95% of our total emissions relate to the emissions from the homes we finance and the businesses we lend to. As a result, we remain focused on supporting our customers to improve the energy efficiency of their homes and operations

Waste disposal

We will continue to reduce the waste we generate and the emissions from its disposal, by ensuring we continue to send no waste to landfill and recycle at least 70% of all our waste[1].

Business travel

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

Goods and services

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

Working together to drive change

As a newly formed Group, bringing together Coventry Building Society and The Co-operative Bank, we recognise that our increased scale strengthens our ability to influence positive change. By combining our expertise, partnerships and ethical heritage, we are better placed to support the transition to a lower-carbon economy and deliver meaningful impact for our customers, members and communities.

We recognise that broader policy changes, significant cross-industry collaborative effort, and further government support focused on UK housing are required to meet our 2050 target. Progress will require supportive public policy, coordinated action across the financial sector and continued government focus on the decarbonisation of UK housing. As a larger, combined organisation, we are well positioned to contribute to this collective effort.

We take an active role in cross-industry collaboration, working with organisations such as the Green Finance Institute, E3G and UK Finance and supporting green homes action groups that bring together policymakers, lenders and industry experts to develop practical, responsible solutions.

Alongside this, we partner with specialist organisations to deepen our expertise and enhance the products and support we offer customers and members. By working together across the Group and with external partners, we are maximising our ability to reduce emissions, support a fair transition and accelerate progress towards our net zero goals.

Wholesale activities

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

Customer propositions

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

Customer education

Supporting and educating our customers to making their homes more energy efficient is a key way for us to reduce our impact on the environment.

1. Which we define as not disposing of at least 99% of waste to landfill, acknowledging that some waste legally requires disposal to landfill.



Our governance

Our net zero approach and emissions impact

We are reviewing and updating our Net Zero Transition Plan (NZTP) to ensure it remains credible, science-aligned and reflective of the scale and scope of the newly formed Group. This evolution ensures our climate strategy remains robust and aligned with recognised best practice, while accounting for our expanded organisational footprint and we will continue to review our NZTP at least once per year.

Our NZTP outlines the ambition, actions and governance required to reach net zero by 2050. It sets out the science-aligned pathways we will follow, the measures we will take to reduce emissions across our operations and value chain and the supporting activities such as customer engagement, product development and supplier collaboration that will enable real-world decarbonisation.

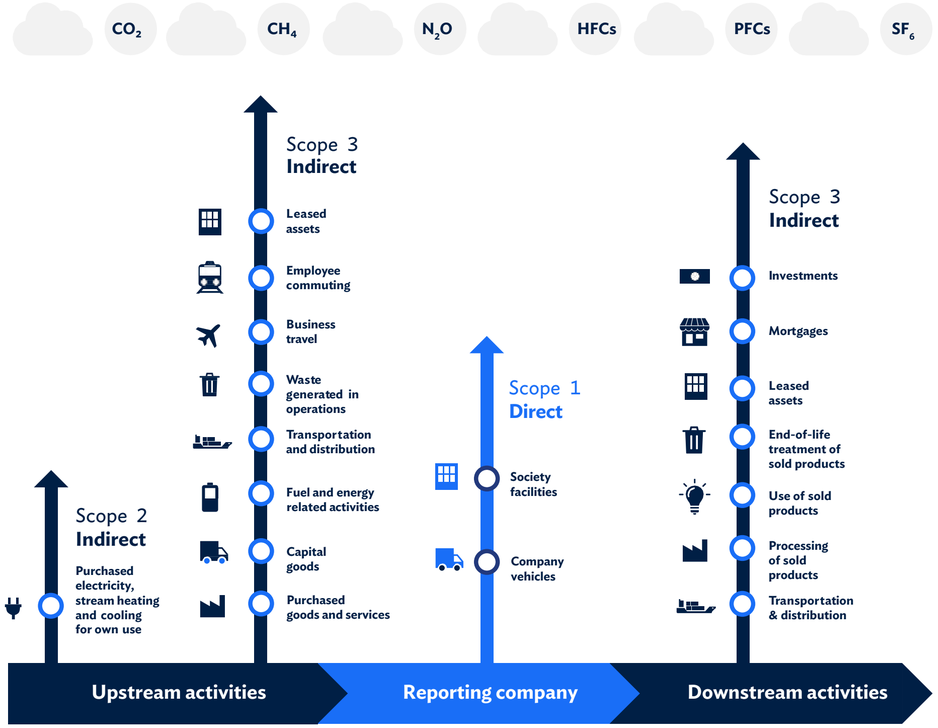
Like most financial institutions, the majority of our emissions come from indirect sources, particularly financed emissions and supply chain emissions. These reflect the energy performance of the homes we finance, the businesses we lend to, and the environmental performance of our suppliers. As a result, we remain focused on supporting customers to improve the energy efficiency of their homes and operations, while engaging with suppliers to reduce emissions across our value chain.

To strengthen the accuracy and credibility of our data, we apply the Partnership for Carbon Accounting Financials (PCAF) methodology to calculate financed emissions (further information on our financed emissions can be found on page 47).

To support our calculations of our supply chain calculations we use the CarbonSaver methodology. We continue to work with suppliers to collect actual emissions data and net zero transition plans. Our hybrid approach combines:

- Supplier-specific Scope 1 and 2 emissions data where available
- Supplier activity data (e.g. materials, fuel and electricity use, transport, waste)
- Spend-based secondary data where a supplier data gaps remain

This enables us to quantify our supply chain emissions more accurately than a purely spend-based method. We will continue refining this approach and will report the percentage split across methodologies as data quality improves.



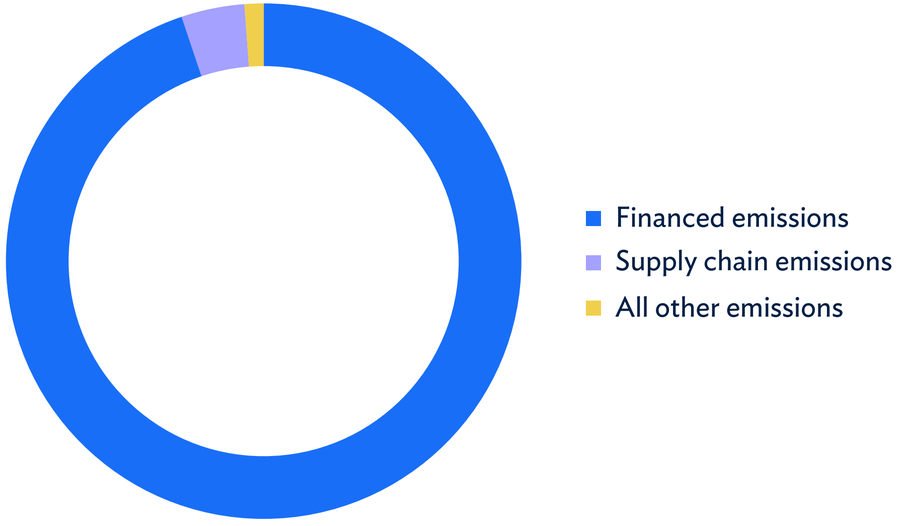


Our governance

2025 group GHG emissions

In 2025, our total Group greenhouse gas emissions were just over 1 million tonnes CO_2e. Of this, 95% related to our financed emissions and 4% to our supply chain emissions. These figures highlight the importance of influencing change beyond our own operations.

A breakdown of Scope 1, Scope 2 (market- and location-based), and Scope 3 emissions, energy consumption data and other environmental impacts are provided in our full data sheet. All data within the datasheet successfully meets the requirements of Net Carbon Zero certification, accredited by Achilles Information Limited, having measured the Society's GHG emissions in accordance with ISO 14064.



Leading by example

To influence change across indirect emissions, we believe it is essential to lead by example by reducing the emissions under our direct control. We remain committed to becoming operationally net zero by 2030. In 2025, we've made strong progress and reduced operational emissions (Scopes 1 and 2) by 29% compared to 2024 and by 62% compared with our 2021 base year. These reductions were achieved through property efficiency upgrades, phasing out gas, and increasing renewable energy procurement and onsite solar generation. We report both market-based and location-based emissions for transparency.

Adapting our approach following acquisition

All our carbon-reduction modelling continues to be aligned with the Science Based Targets initiative (SBTi) methodologies. Our governance processes require us to reassess our carbon reduction models whenever SBTi updates its frameworks to ensure continued alignment.

Following the acquisition of The Co-operative Bank, our Group's footprint, lending profile and emissions profile changed significantly. As a result, and given the 2026 deadline for a Society formal SBTi submission, we have chosen to defer registering our short- and long-term science-based targets with the SBTi. This ensures we have sufficient time to develop a credible, data-led, integrated target framework for the combined Group.

Our immediate focus is on strengthening our Group-wide NZTP, improving data quality, aligning methodologies, and embedding governance. We continue to apply recognised best practice, including the SBTi 1.5°C pathway methodology and maintain external verification of our emissions data through ISO 14064 certification.

Looking ahead

As Group integration progresses, we are maturing our Transition Plan reporting so that it clearly demonstrates how we are enabling real-world decarbonisation. This includes improving data quality, strengthening governance and transparency and aligning climate ambition with our financing activity, strategy and measurable outcomes. Our Transition Plan is approved through Group governance processes and overseen by senior leadership to ensure accountability.

We are developing products and services that help customers reduce emissions; for example, energy-efficiency-focused mortgage products and retrofit support. We continue to collaborate with industry partners, government and suppliers to accelerate value-chain decarbonisation. We are ensuring our transition approach is robust, achievable and aligned with our responsibility as a larger financial organisation to deliver lasting environmental impact.

By taking this deliberate and responsible approach, we are positioning ourselves to achieve impactful, long-term emissions reductions while supporting our customers, members and suppliers through a fair, transparent and achievable transition to net zero.



The challenge to achieve net zero

It's widely recognised that Scope 3 emissions are challenging to address, but we have moved beyond this paradigm by taking a deeper look at our indirect emissions. Through this work we have identified substantial areas where we can influence and contribute to meaningful reductions.

We distinguish clearly between two categories of Scope 3 emissions:

1. Non-financed Scope 3 emissions – including supply chain, waste, water, commuting and working-from-home emissions. These are areas where we have some influence and are actively driving improvement through supplier engagement, resource-efficiency initiatives, and internal programmes such as paperless working and recycling.
2. Financed emissions – arising primarily from the homes we lend on. These emissions sit outside our direct operational control, as we do not occupy these properties. We also recognise the need for fair and inclusive lending practices; strict exclusionary mortgage policies would contradict our ethos and risk disadvantaging lower-income households and those living in lower-EPC-grade homes.

To ensure a credible approach, we have undertaken detailed studies to understand the trajectory of our financed emissions to 2040 and 2050, including the pace of decarbonisation expected from UK energy-grid transition plans. This analysis has allowed us to quantify the scale of residual emissions that will remain without further intervention. We are now exploring proactive, positive solutions to help address these residuals, while continuing our work with policymakers, peers and regulators to shape fair, practical and supportive frameworks for the UK housing sector.

A realistic and responsible approach

Our sustainability governance structure including board oversight, committee engagement and cross-functional management involvement has informed the setting of our new climate target. This ensures both accountable decision-making and robust scrutiny of our assumptions, pathways and delivery planning.

We remain committed to reducing financed emissions and aligning our strategy to UK Government climate targets. However, progress at scale will also depend on policy stability, sector-wide collaboration, and continued investment in housing decarbonisation and grid transformation.

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

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



Our governance

The challenge to achieve net zero



Supporting customers and communities

Although we cannot directly control the emissions from the homes we finance, we are committed to driving down these emissions by equipping our customers with the knowledge, tools and incentives to make energy-efficient improvements. Our green propositions support lower emissions while improving household comfort and affordability.

We are committed to remaining a responsible lender for people across the UK. Our approach balances environmental ambition with fairness and accessibility, ensuring that the transition to net zero does not disadvantage those who rely on us to access and maintain a home.



Where our impact lies

We do not lend to or invest in activities with significant negative environmental impacts, such as fossil fuel extraction. Our largest source of emissions is the UK housing stock we finance. Addressing this challenge will require coordinated action across sectors and long-term investment. We continue to work constructively with regulators and policymakers to support a fair and effective transition.

Any remaining emissions that cannot be eliminated in the near term will be addressed through high-quality climate solutions. We structure our work across short-, medium- and long-term plans to ensure consistent progress.



Our path forward

Reaching net zero as a financial institution is challenging, but we are committed to influencing, engaging and advocating for change wherever possible. Through collaboration, responsible lending, customer and supplier engagement, and continuous evolution of our strategy, we aim to support a fair, people-centred transition.



Our approach on financed emissions

We're aiming to improve our customers' and members' home energy efficiency to an average EPC rating of C or above on our journey to net zero.

Our Group EPC coverage has improved slightly to 83%. Absolute financed emissions, representing the total emissions associated with all properties in our portfolio, offering a snapshot (31 October 2025) of the Group's overall mortgage-related and corporate lending emissions impact, remained steady at 0.97 MtCO2e.

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

The majority of the Group's climate impact is associated with financed emissions from residential mortgages, following acquisition of the Bank there is now a small portfolio of corporate lending. Given the importance of capturing these emissions accurately, we have adopted the Partnership for Carbon Accounting Financials (PCAF) methodology, a recognised industry standard for calculating Scope 3 financed emissions. In 2025, the Group joined this collective and became signatories of PCAF. The PCAF methodology provides a consistent framework for measuring and disclosing emissions associated with financial assets, ensuring that our metrics are comparable with those of other financial institutions and are aligned with global best practices.

In accordance with PCAF guidelines, the Group's Scope 3 financed emissions have been weighted by the loan to value (LTV) ratios of the mortgages in our portfolio. This approach enables a precise calculation of the proportion of emissions financed by the Group, reflecting our financial exposure to carbon-intensive properties.
The calculations are informed by property data, including EPCs sourced from publicly available government databases. These EPC ratings form the basis for modelling the GHG emissions associated with the properties within the Group's mortgage portfolio. Where data is unavailable at property level, representative archetypes or EPC distributions are used.

PCAF data scores are at a portfolio level and therefore there is no total Group score for 2025. The Society subgroup's 2025 PCAF score has remained stable at 3.12. By focusing on refining data collection methods and incorporating higher-quality data inputs over time, we are committed to improving our PCAF score and achieving a more accurate emissions profile. As we move forward, we will prioritise increased collaboration with external data providers and explore potential enhancements in data management to meet the evolving standards of emissions accounting. (For further information on our financed emissions calculations please see our TCFD report within our ARA 2025).

Our financed emissions have slightly decreased by 7% in 2025 compared to 2021, despite business growth and an increase of number of homes within our mortgage book. This is due to increased EPC coverage and improving our average financed emissions per property within our portfolio to 2.10 (TCO2e).

On our journey, we will continue to raise awareness of, and support our customers with, potential improvements to the energy efficiency of the properties we lend on, and we will look to partner with a third party, to ease efficiency transitions for our customers. All while continuing to develop further innovative propositions.

In the period to 2050, we expect energy efficiency improvements to be principally driven by buy to let properties and through the Group's share of lending to new builds (typically EPC rated B or above).

Across the Group, we will work to expand our support for members and customers, including working with mortgage customers and members to improve home energy efficiency, developing products that encourage sustainable home improvements and ensuring that corporate lending is underpinned by credible transition plans. We will also look to combine the Bank's Ethical Policy with the Society's existing sustainability commitments to establish a stronger Group-wide approach to responsible finance.

This integrated approach sets a higher benchmark for ethical, sustainable and socially responsible lending.

For full details of our financed emissions calculation methodology please see datasheet.

	Society sub-group Mortgage Book 2025	Bank sub-group Mortgage Book 2025	Bank sub-group Corporate Loans 2025	Total Group Mortgage 2025	Society Mortgage Book 2024
Total properties	312,309	130,431	N/A	442,740	301,121
Absolute financed emissions (MTCO2e)	0.66	0.27	0.04	0.97	0.68
Average FE per property (TCO2e)	2.12	2.05	N/A	2.10	2.18
FE intensity (KGCO2e/m2)	42.6	42.8	N/A	42.6	43.5
% EPC match	84.95%	81.47%	N/A	83.21%	82.43%
PCAF Data Score	3.12	2.81	5.00		3.15



Other environmental impacts

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

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

We've put in place a variety of strategies across the Group to reduce waste and increase the number of reused and recycled products. By doing these things, we have materially reduced our amount of waste by 29% comparing 2025 vs 2021.

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

In 2025, we had no fines or non-monetary sanctions for non-compliance with environmental laws or regulations. Our environmental standards are published within our Environment Policy which is available on our website. A full comprehensive breakdown of our emissions, consumption, waste and water data can be found within our datasheet.

Reduce waste

- Removed single use plastic, disposable coffee and water cups from all sites
- Recycling bins installed at all sites
- Reduced total waste by 2% between 2024 and 2025, through our targeted interventions
- Zero of the Group's waste has been sent to landfill and, in 2025 77% of our total waste was recycled[1]
- The remaining 23% of waste was sent for energy recovery, which means our non-recyclable waste materials have been converted into usable heat, electricity or fuel.

Reduce paper

- Continued campaign with colleagues to reduce printing
- Investment in digital technology to reduce paper for customer communications
- 100% of our paper consumption now originates from recycled sources or those certified by the Forest Stewardship Council (FSC).

Reduce water consumption

- We use registered water suppliers for all water and sewage requirements, including kitchens and facilities across head offices and the branch network
- We have water saving taps and waterless urinals in all our head office sites
- During 2025, we saw an increase in our water consumption across our Group. This is due to a high volume of estimated billing consumption across our sites, which we will look to resolve and reconcile during 2026.

1. Which we define as not disposing of at least 99% of waste to landfill, acknowledging that some waste legally requires disposal to landfill.

In this section

We power good with every pound, and nowhere is this more true than in the positive impact we aim to have on the lives of our many stakeholders, including our customers, members, colleagues and the communities we serve. We consult regularly with our stakeholders and wider society to understand what they need from us as a financial institution, as an employer and as a responsible business, and we translate this into action.

This means providing products and services to help customers and members achieve their goals, while making our services easy and convenient to use. For our colleagues it's about making roles accessible right from the outset, and giving them an environment in which everyone feels included, and able to thrive and progress. For our communities, we aim to change lives for the better, providing support and creating opportunities through our own efforts and strong and enduring partnerships, and campaigning for the rights of the most vulnerable.

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"Having a positive impact on society matters to us - whether that's in branches, classrooms, homelessness services or food banks. And we know it matters to our members and customers up and down the country too. In this section, I'm pleased to share the incredible impact made in our communities through the £6 million which we donated to charitable partners in 2025."

Lucy Becque
Group Chief People Officer



Supporting vulnerable customers



Financial inclusion and resilience



Access to housing



Social performance and target progress (Society only)

Goal
50% of roles filled internally by 2025

Progress
43% of roles filled by internal candidates in 2025

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

Progress
35% of senior manager and above roles held by women in 2025

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

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

Goal
250 apprenticeships over five years from 2021

Progress
307 apprentices since 2021

Goal
50% of senior management roles from internal recruits by 2025

Progress
39% of senior management role from internal recruits in 2025

Goal
15,000 children and young people supported via education programmes in 2025

Progress
16,571 children and young people supported in 2025

Goal
5,000 people supported through Better Foundations (Access to Housing) in 2025

Progress
5,565 people supported through Better Foundations in 2025

Goal
Supporting 10,000 first time buyers annually by 2023

Progress
Supported first time buyers to purchase 9,606 homes in 2025

On track **Not on track** **Achieved**

As we have increased our community investment, we have also increased our targets on education and Better Foundations for the number of people we hope to reach. Above figures are Coventry Building Society targets only.

Access to housing

9,606
first time buyers supported



Having a place to call home – somewhere that is affordable, safe and secure, is at the heart of our organisation. From improving our products, borrower support and mortgage processes to campaigning alongside charities like Centrepoint and Shelter, we continue to look for new ways to make home a reality for everyone.

In 2025

Despite challenging market conditions, we increased our own first time buyer lending by 5%, supporting 9,606 households into a first home, reflecting our purpose-led principles and commitment to supporting customers onto the property ladder. We continue to offer innovative solutions such as our CV Mortgage and Loyalty Mortgage Saver, to give an extra helping hand to those buying their first or next home.

In 2025, we've continued to improve the experience and offering to our existing customers, including extending our app capability to provide features for mortgage customers, our mortgage newsletter and enhancements to internal processes to make the application journey as smooth as possible.

On the savings side, we have the First Home Saver helping customers take their first step onto the property ladder. We also have a partnership with Salary Finance, to help employees of UK businesses to save directly via their regular pay. To date, we have supported over 5,000 employees to set up a savings account.

Other offerings in 2025 included:

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

For some young people, having a safe place to call home isn't always easy, and in 2025, 118,000 found themselves homeless. Our corporate charity, Centrepoint, is working to end youth homelessness, and we're working with them to make sure this happens. Our December Switch Incentive funded 440 beds over the Christmas period.

Ending youth homelessness

Alongside our charity partners, we are working to break the cycle of homelessness, helping to provide access to support, to create routes into employment, and genuinely affordable homes.

Guided by the expertise of our partners, we have adopted a holistic approach to ending youth homelessness.

This starts with prevention via Upstream England, Centrepoint's school-based early intervention model that identifies and supports children at risk of homelessness and school disengagement before they reach crisis point. Each identified child, and their family, then receives tailored one-to-one support, including conflict resolution and mediation to repair strained relationships, and practical support with housing, education and community connections.

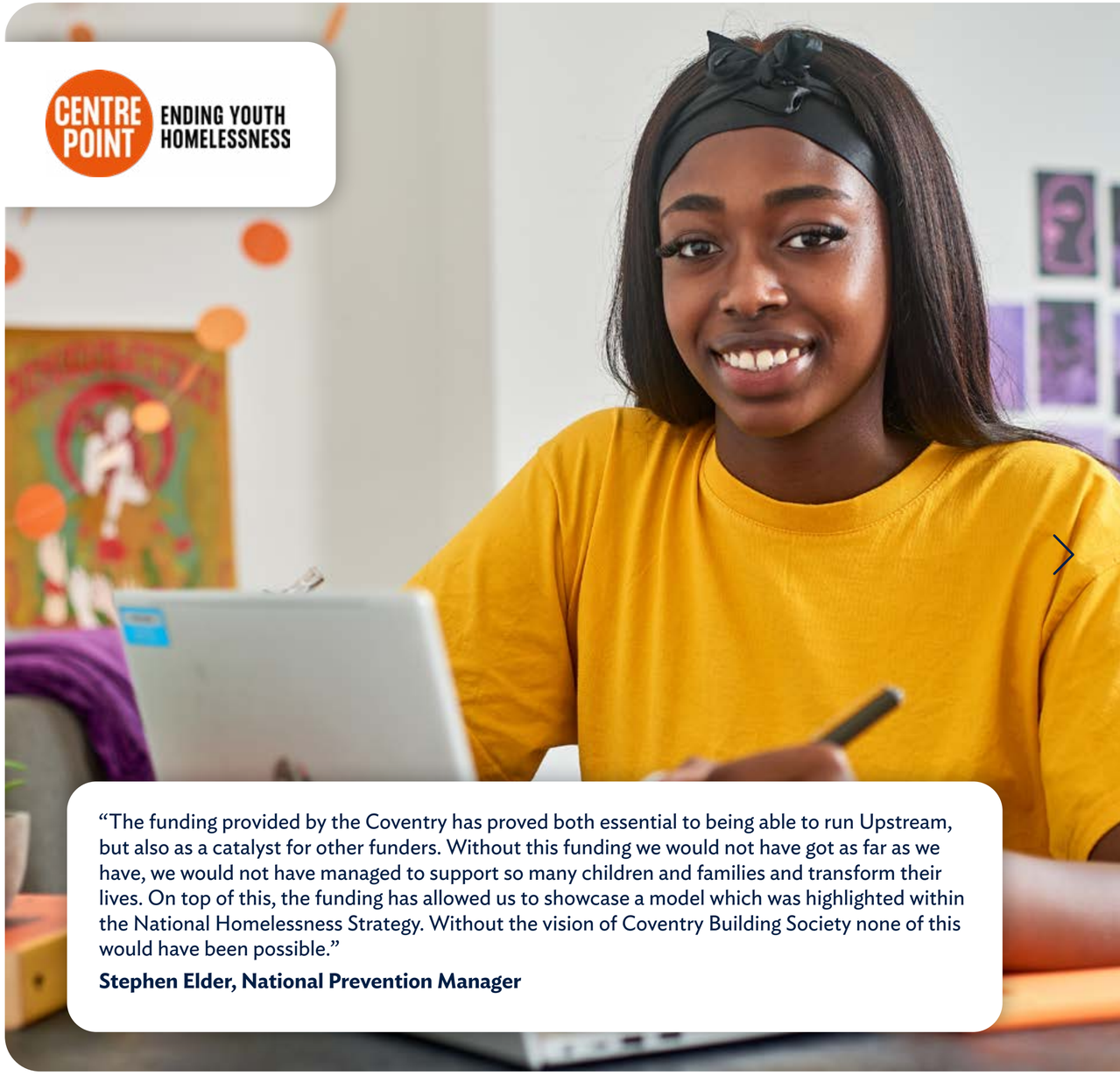
We then provide employability support which in 2025 meant not only providing funding for Centrepoint Works, but also inviting 34 young people into our offices in Manchester and Coventry for career's support, and working with St Basils to offer Purposeful Placements to some of their young people.

And for those who unfortunately find themselves on the streets, we provide support to Centrepoint's Manchester-based Rough Sleepers Initiative. The team start working with young people directly on the streets through daily outreach, finding emergency temporary accommodation, helping them access food, showers and mobile phones.

They go onto empower young people to identify and overcome any barriers preventing them from accessing long-term and stable accommodation, with the aim of ending their cycle of homelessness.

Through all of this, the ultimate goal is for young people without access to support networks, to still be able to have a safe space to call home, and to be able to have career prospects for a brighter long term future. This is exactly the aim of 'Stepping Stone Homes' – studio apartments provided by Centrepoint and St Basils with fixed, truly affordable rents for young people starting out on their careers. Last year, we provided £1m to support the building of such accommodation in Manchester, and in 2025, we donated a further £1m for a similar project in Coventry.

In addition to the Society funded Coventry Youth Hub – a one stop shop for all young people at risk of homelessness in the city – the new accommodation will help provide a sustainable route out of homelessness.



"The funding provided by the Coventry has proved both essential to being able to run Upstream, but also as a catalyst for other funders. Without this funding we would not have got as far as we have, we would not have managed to support so many children and families and transform their lives. On top of this, the funding has allowed us to showcase a model which was highlighted within the National Homelessness Strategy. Without the vision of Coventry Building Society none of this would have been possible."

Stephen Elder, National Prevention Manager

Almost 4000 young people supported through our partnership with Centrepoint

Our funding supported

1,723

young people through the helpline



"For the last year we have been calling on the Chancellor to fix a cruel quirk in the system that can leave young people worse off when entering work. It's an injustice affecting thousands of young people, and one we've been determined to see fixed. Thanks to Coventry Building Society and The Co-operative Bank signing the letter and amplifying the campaign, we won. In the Autumn Budget, the Treasury committed to fixing the system. This opens up the chance for young people in supported housing to work more hours, to take on new types of work, pursue their career ambitions and to improve their lives – without the fear of being left financially worse off."

Balbir Chatrik, Director of Policy and Prevention, Centrepoint

116

young people achieved stable accommodation



"The Coventry have enabled St Basils to provide a single front door for any young person aged 16-25 in Coventry by creating Coventry Youth Hub where all relevant services come together. Services wrap around the young person and find them the right accommodation and support to keep them safe, and open opportunities for a positive future.

The additional £1million donation will fund a ground-breaking Live and Work scheme for working young people who have experienced homelessness or are at risk of homelessness. It provides a safe, genuinely affordable housing offer which enables them to live, work and be benefit free.

These contributions are life-changing for young people in Coventry and would not be possible without your partnership, support, and contributions. These schemes are World Class."

Jean Templeton, CEO, St Basils

816

school children surveyed to identify those at risk of homelessness



After arriving in the UK as an unaccompanied minor, Hash found himself unable to manage his living situation whilst at university. After reaching out for support, Centrepoint were able to place him in a supported home, and his key worker arranged for employability support to help him get a part-time job he could manage around his studies.

"I moved to Centrepoint, and they supported me in every single way. Whether in education, in work, and gave me accommodation to live. I was 17 went I came to Centrepoint and now I'm 22".

"I'm really grateful for the people who supported me in that difficult time. Now I have my own space and I'm working full time as well – I'm a bit more confident now compared to my past."

Hash, Centrepoint beneficiary

94

young people gained employment

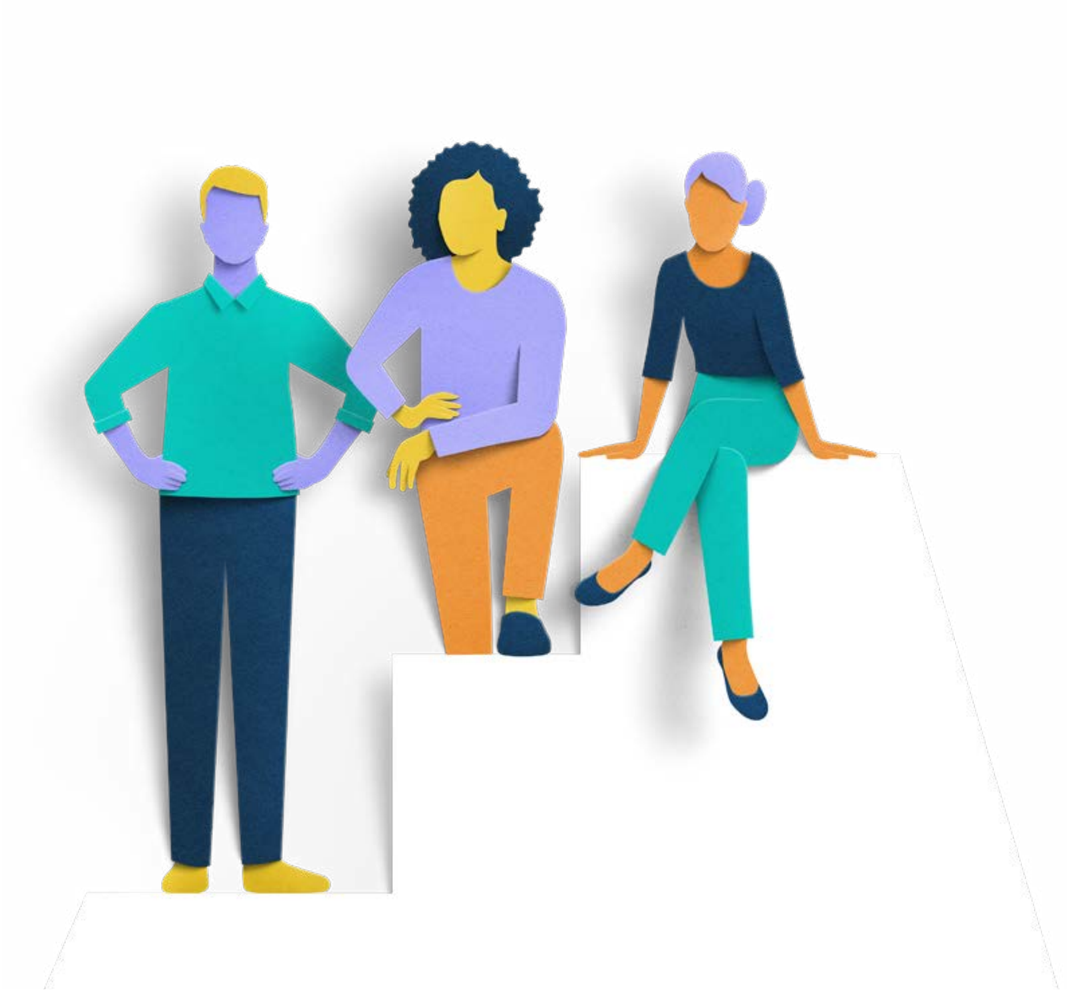


Social mobility

Socio-economically, our organisation is as diverse as the UK workforce, including at senior levels, which is rare in financial services. We work hard to be inclusive, with an open and accessible recruitment process and we take the time and effort to develop our colleagues and enable them to achieve their potential.

Equally important is creating a culture of inclusion and belonging. We measure engagement through our annual survey, and recent results show no difference in engagement scores for colleagues from working-class backgrounds compared to others.

To further encourage colleagues from lower socioeconomic backgrounds in their careers, we piloted the Accelerated Progress Programme (APP) and in 2025, four colleagues from middle management roles completed a twelve-month career development programme, which includes spending 6 months working in another financial institution.



"The APP course provided a valuable opportunity to strengthen my leadership capabilities and broaden my strategic perspective. The experience was both intellectually challenging and highly practical, equipping me with tools and insights to support with applying into my current role."

Badland, Mortgage Service Manager



Developing future careers

Once with our organisation, we want all colleagues to have fulfilling futures and provide many opportunities for internal mobility. For some this is a promotion, for others, it's the opportunity to move to a new part of the business and retrain. Vacancies are advertised internally on a dedicated microsite, enabling colleagues to search for open roles that match their interests.

Our approach to performance and development centres on having brilliant conversations and we work hard to make sure the process doesn't get in the way of that. Our People function includes a dedicated Talent and Development team which has responsibility for supporting colleagues' development needs. All colleagues undertake training modules throughout the year to ensure they have the skills necessary to undertake their roles and we also support colleagues to gain professional qualifications.

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

However, our commitment to social mobility extends beyond the workplace to the wider community. A good job offers the foundation for a better life. By focussing on young people facing the most disadvantage, we aim to provide routes out of poverty and the means to fulfil their potential.

Concentrating on those from lower socio-economic backgrounds, we start by protecting life chances and removing barriers to success at school. This might be not having access to uniform, or books, or not being able to afford school trips.

We then work with partner schools to tackle the attainment gap, through literacy and numeracy support, employability programmes, workplace visits and paid internships.

And throughout all our work with schools and colleges, we focus on raising aspirations. This includes expanding access to cultural capital, inspirational role models and inclusive workplaces.



23
new interns in 2025 (Society only)



2
T Level Placements in 2025 (Bank only)

45% / 35%
of all roles filled by existing colleagues in Society and Bank respectively

2
Graduates in 2025 (Bank only)



112
new apprentices in 2025 (43 Society / 69 Bank)



6
Purposeful Placements (Society only)



Social

Developing future careers



Our commitment to supporting children and young people achieve their potential was recognised both with a Gold Global Good award, and a Leadership Social Mobility Award.

‘The purposeful placements gave me direction, stability and the foundation to grow my future.’ Chantel, completed a 6 week Purposeful Placement, and now works full time as a **Customer Service Advisor.**

The Leadership of the Year award recognises those who have taken their commitment to social mobility to new places in unexpected ways, affecting systemic change along the way. Thoroughly deserved, well done.

SOMOs (Social Mobility Awards)

5,633

with improved skills



5,337

children with improved confidence



“CBS’s Employability Skills programme has been a mainstay of our offer for the last 9 years due to the impact it has on all the young people who take part in the scheme. Students are given the opportunity to learn vital skills that they can use in their future. The sessions are engaging, interactive and purposeful. This opportunity lays the foundations for students to access their aspirational next steps.”

Tom Martin, Assistant Principal 16+, Sidney Stringer Academy



Power of partnerships

We know that the best way to amplify the impact we can make is through partnerships. Through working closely with organisations at the forefront of issues that matter most to our stakeholders.

Some of these partners are small local charities operating in Coventry and Greater Manchester, and some are large national organisations providing voices to the vulnerable and marginalised communities.

Our approach to community investment involves talking to experts, practitioners and other stakeholders to gain an understanding of how we can best use our resources, including the time and skills of our people, to make a difference.

Over £6m
Total community investment in 2025

19,099
hours of colleague volunteering



23,285
people directly supported by our community programme

557
community organisations supported





"Collaboration between businesses, local authorities, community organisations, and education providers remains one of the most powerful ways to create opportunities in disadvantaged areas. Coventry Building Society's work in Coventry, working in partnership with local charities and schools, has set a benchmark for meaningful impact. It's exciting to see this approach now being replicated in the Greater Manchester area, where the Group has a long history of serving communities. Building on that legacy, these partnerships will help to drive lasting change across both regions."

Baroness Jo Valentine, Place Director, Business in the Community



Power of partnerships

Amnesty International UK

The Co-operative Bank has been partnered with Amnesty International UK for over 30 years, standing together for individuals experiencing human rights violations across the world. In 2025, we supported their important research into Economic, Cultural and Social Rights in the UK and took the findings to Westminster to call for better protections for the most vulnerable in society.

Hospice UK

2024 saw The Co-operative Bank become the very first organisation to be awarded with a Gold Compassionate Customer Care Award by Hospice UK. The Award recognises businesses that provide exceptional compassionate service to any customers coping with bereavement, grief, and caring. Our specialist bereavement teams have worked closely with Hospice UK to better our services for customers experiencing loss, and we are delighted that for the second year running we have been awarded with Gold standard customer care. In 2025, we helped to fund Hospice UK's vital campaign to safeguard the future of hospice care and their network of over 200 hospices across the country.

Shelter

Shelter's research in December 2025 showed that over half of teachers in England worked with children who are homeless. The Shelter @Home project in Manchester, funded by the Bank, works inside Manchester schools to support families on the cusp of homelessness - from attending parents' evenings to training teachers to spot early warning signs, housing rights workers are able to triage families and get them the support they need before they face homelessness. The project also works with organisations across Manchester to ensure a joined-up approach across the city.

Postcode Gardeners

In 2023, The Co-operative Bank started working with Friends of the Earth on an innovative partnership to bring communities together to transform where they live. The Postcode Gardener programme, deploys local community gardeners to bring people together in some of the UK's most nature deprived places to make their streets greener and more biodiverse.

The scheme seeks to restore greenery and wildlife in over 1,000 nature-deprived spaces across the country, 17 Postcode Gardener projects have been launched since 2023.

Caring for our members and customers

Every interaction we have with customers and members is an opportunity to make a difference and build trust. We want every pound spent with us to power something good – whether that's helping someone buy a home, save for their future, or support their family, or making a difference to the world around us by working with local businesses and the wider community.

As a group, we helped over 3.5 million customers with calls to our customer service centres and branches, and at Coventry Building Society, we supported over 600,000 customers with making financial decisions following their fixed term accounts maturing.

We supported more than 2.1 million customers visiting our Coventry Building Society branches in person.

As part of our digital first, human always ambition, we continue to improve the Coventry Building Society mobile app with over 104,000 new registrations in 2025, in total providing over 250,000 customers services through the app. We are always adding more features to this important servicing channel and have used our member panel to help prioritise new features and act on their feedback.

Supporting borrowers in financial difficulty

We recognise that from time to time our borrowers can have issues affecting their payments, these have been heightened by the recent cost of living pressures. We work hard to contact our borrowers and encourage them to do the same if they have any concerns, there are many things we can do and repossession is always the last resort after many attempts to support.

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

+75 NPS

overall for the Society



4.6 Excellent

Trust Pilot score for the Bank





95%

of colleagues believe good customers outcomes are important to the organisation

Caring for our members

Ensuring all customers get good outcomes

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

Colleague education

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

This year we had guest speakers from the charity Gamcare, who talked about gambling harm.

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

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

Support for members

In 2025, we extended our support services for customers who first language is British Sign Language. Customers can now access InterpretersLive!, an on-demand video relay service that allows Deaf customers to contact us, using qualified British Sign Language Interpreters.

We have a customer leaflet called 'Making our services accessible, find out what we can do to help' to promote our support services and explain how to arrange them.

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

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



‘I’ve been a member for 40 years. My favourite branch is Warwickshire Shopping Park where I’m a regular visitor for the Thursday coffee mornings. The team there all know me and I’m always greeted with a smile, a welcome and of course coffee and biscuits. I’m also a regular attendee at the befriending events which has been a lifeline allowing me to meet new friends and be part of the CBS community.’

Ray
Coventry Building Society member







Tackling economic abuse

2025 marked the 10th anniversary year of the partnership between Refuge and The Co-operative Bank, working together to support survivors of economic and domestic abuse.

In 2025, we increased our annual donation and diverted the funds towards the National Domestic Abuse Helpline, run by Refuge. The pressure on the helpline has been building in recent years, with Refuge receiving 10,000 calls in July 2025 alone.

Domestic abuse was declared as a National Emergency in 2025. With our contact centre colleagues often managing difficult conversations with customers and members, we wanted to make sure that they were equipped to spot the signs of domestic and economic abuse. Last year, we commissioned CPD-accredited, specialist training from Refuge practitioners, to help over 80 colleagues across the Bank and the Society with those conversations.

To mark International Women's Day, we co-funded a huge installation with Refuge to highlight the red flags of abuse. This impactful campaign was then distributed to Bank branches, with every branch having a red flag on display to help educate customers about the signs of abuse.

To support the campaign, colleagues undertook a step challenge and raised over £5,000.

And to be able to safeguard colleagues who are experiencing abuse, we introduced a new policy to all colleagues across the Group. Impacted colleagues can now take up to 10 days of paid leave to access support or to manage any legal matters or family responsibilities. We also offer access to emergency accommodation, providing paid temporary accommodation for up 10 days.

Vulnerable customer case study



A customer phoned us in need of financial assistance. She's vulnerable and has been subjected to domestic abuse for several years.

After many years of being homeless, she and her partner moved into a flat in August this year. She has been with her partner for many years and thought things would improve when they found somewhere to live.

That wasn't to be. She told us that she was still being bullied and her partner has been using her card.

She eventually had the courage to leave her partner and received support from Social Services as well as help with budgeting.

She was able to pay her rent but as her former partner took her money, she had nothing left to pay for electricity and food. She was using food banks, but she had run out of supplies.

When our colleague advised her that we were gifting her £100 from our Emergency Hardship Fund, she was so thankful for our support. This helped to heat her home and provide food until she received her next credit. She also has our direct line should she need further support.

Caring for our colleagues

In 2025 we conducted our first Group-wide Great Places to Work survey with 81% of colleagues taking part. The results show colleagues experience high levels of engagement, and an inclusive and supportive working environment.

- 84% believe they can be themselves here
- 78% believe people are encouraged to balance their work and personal life
- 76% Trust Index® Great Place to Work.

There are many elements to achieving this, from our colleagues understanding our purpose as a business and how proud they are to support customers and communities, to how we care for and support them as individuals. And this is where our employee networks come in. This year as we merge and strengthen networks across the Group, we've collaborated on events such as International Women's Day, Pride, our Wellbeing and Benefits Fair and National Inclusion Week. Our colleague-led networks are empowered to make connections, take action, suggest changes, and celebrate successes.

This year we celebrated six years since we widened conversations on the menopause across the business from publishing a toolkit and eLearning through to forming a Group colleague network, with bespoke events on nutrition, strength training and brain fog in the last 12 months.

Do employee networks make a difference? Absolutely. In the 2025 Great Place to Work survey, Trust Index scores show no significant difference among diverse groups.

We're proud of the difference our employee networks make to our people and they're a perfect example of all together, better.

84%
believe they can be themselves here



78%
believe people are encouraged to balance their work and personal life



76%
Trust Index® Great Place to Work





Diversity and inclusion

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

We believe in treating people fairly and recognise that different individuals bring different skills to our organisation. This means that our workforce should reflect the diverse and vibrant communities that we serve. In recent years, we've worked hard at diversity and inclusion.

To help create a more diverse management population, we established the Ethnicity Career Development Programme (ECDP), completing the fifth cohort in 2025 and currently running a sixth Group-wide programme for 2026. The ECDP is a career development programme for ethnically diverse colleagues (including white minorities) of all grades with the aim of supporting ethnically diverse colleagues in overcoming career barriers and strengthening inclusive leadership.

Our Group wide Diversity and Inclusion networks have collaborated closely throughout the year, delivering joint wellbeing activities and marking key awareness moments including International Men's Day, Autism Awareness Month and International Women's Day and over 100 of our colleagues supported Manchester and Warwickshire Pride.

The commitment of our people has even been recognised externally, with independent acknowledgement of our leadership in social mobility and diversity and inclusion.

Results from our 2025 diversity and inclusion survey were positive

- 85% of colleagues believe they are fairly treated regardless of their position, rising to 93% regardless of race and 95% regardless of gender
- 92% are made to feel welcome
- 86% believe that people care about each other here
- 78% agree that the Group encourages colleagues to balance their work and personal life
- 84% of colleagues believe they can be themselves at work

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

- 20% of management and above roles to be held by colleagues from ethnic minority groups by 2030.
- 45% of management and above roles to be held by women by 2030.





75%

believe the Society values diverse opinions and ideas

76%

feel a sense of belonging at Coventry Building Society

76%

Trust Index Great Place to Work



Wellbeing

Our award-winning wellbeing programme is hugely important to us. It's tailored to the key themes of mental and physical health, and financial wellbeing, and we've extended our offering in recent years.

We're here to support our colleagues in all aspects of their professional and personal lives, something recognised by the Society being ranked 20th in the UK's Best Workplaces™ for Wellbeing.

Following the acquisition of The Co-operative Bank by the Society at the start of the year, we're currently working towards harmonising the wellbeing support offered to all colleagues and in 2025 we:

- Published a Group-wide women's health guide, empowering everyone to have conversations about gynaecological conditions, menstrual health issues, and the menopause and seek support
- The Society became a Disability Confident level 1 employer and started work to progress to level 2, where the Bank are
- Trained 10 new mental health first aiders across the Group and refreshed the existing mental health first aiders
- Published our Domestic Abuse policy and became a member of the Employers Initiative on Domestic Abuse (EIDA).



Financial wellbeing

Financial wellbeing is at the heart of what we do and we work hard to help all our stakeholders achieve their financial goals.

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

Better financial wellbeing for savers

During 2025, we continued to reward members via our program of exclusive loyalty savings products, with over 64,000 members benefitting. In July, we also launched the limited edition Loyalty Mortgage Saver (2) account which was designed to help our mortgage members to save, and providing the opportunity to use the balances to overpay on their mortgage and reduce their costs.

When talking to members, they told us that saving for the good things in life can have a positive impact on their wellbeing. In response, we launched the limited edition Sunny Day Saver (2) account. This proposition proved to be very popular, attracting a new younger audience to the Society, with over 4,000 members opening the account and regularly saving towards their goals.

£398 million

the additional interest paid to members and customers relative to the equivalent average market rate*

***Between 1st January 2025 and 31st December 2025 (Source CACI)**

Over 64,000 accounts opened

through our loyalty savings products



Over 600 mortgage members

opened a Loyalty Mortgage Saver account

Nearly 5,000 members

saving directly from their regular pay via our Salary Finance partnership

Financial wellbeing

Better financial wellbeing for borrowers

We've continued to help first time buyers, with 4% of the applications coming via our new CV mortgage which is designed to support less affluent communities in our heartland to get onto the housing ladder.

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

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

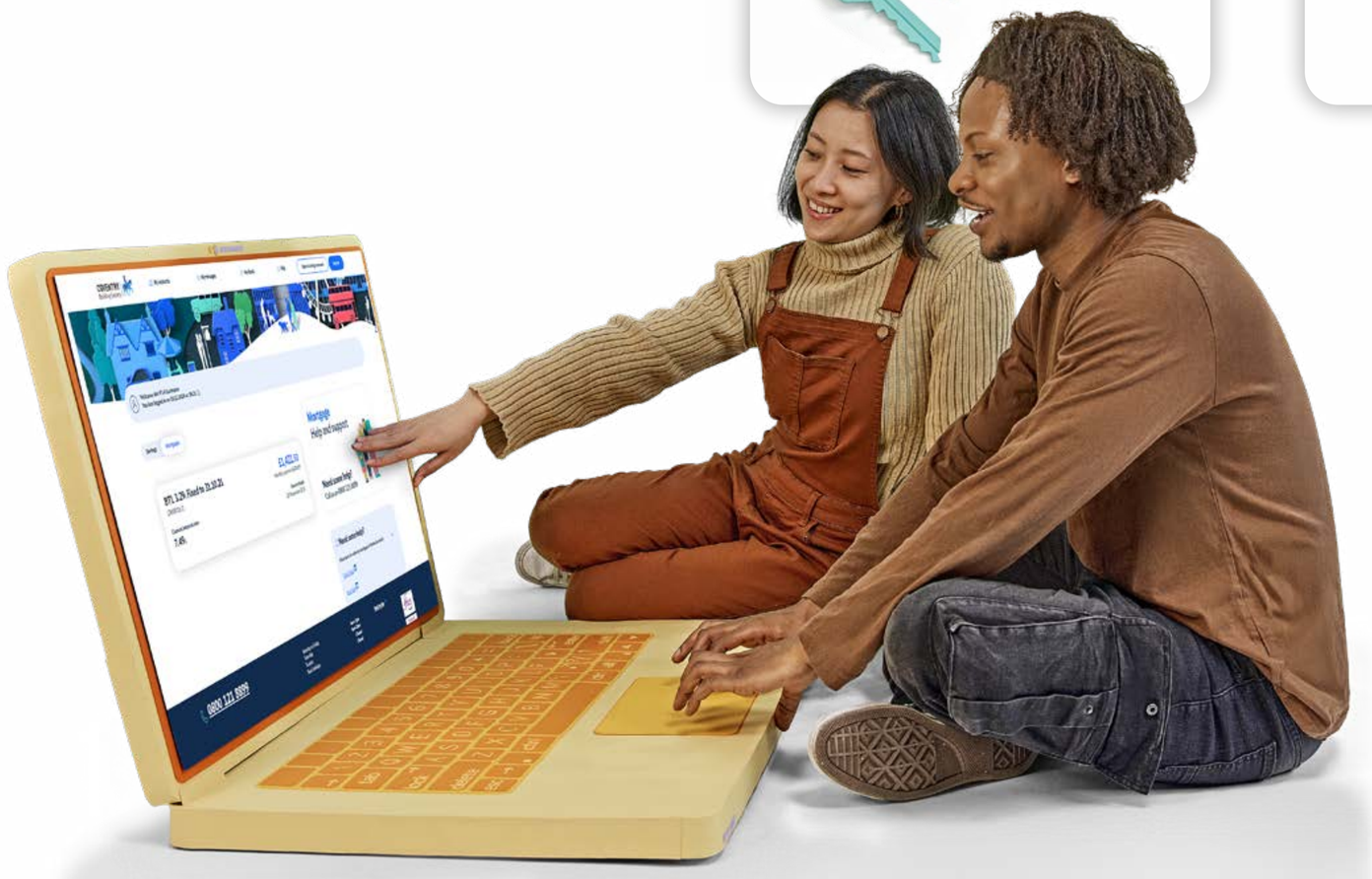
For our members experiencing financial difficulties, we contact them as soon as possible to provide support during their difficult time.

9,606 first time buyer completions



Over 64,000 accounts opened

through our loyalty products



Better financial wellbeing for colleagues

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

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

Coventry Building Society doesn't offer individual bonuses, given the risks to our culture and the potential for such measures to drive a focus on individual priorities. Rather, we have a Success Share scheme overseen by the Remuneration Committee which is anchored to our strategic scorecard. This has a range of measures including financial, risk, customer, ESG and people. Each of these carries an equal weighting. Under Success Share, every eligible colleague, regardless of role, receives the same percentage award. Success share will be extended to The Co-operative Bank colleagues from 2026.

Following the acquisition of The Co-operative Bank in 2025, we are working towards the harmonisation of our reward and benefits package across both organisations, to be effective in the first half of 2026. This will create fairness and consistency, reinforce our shared values and support a consistent colleague experience for us all, ensuring that every colleague feels part of one team. This harmonised approach reflects our commitment to doing the right thing for our people, so they can focus on delivering exceptional service for members and customers.

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

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



Financial wellbeing package includes:

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

Better financial wellbeing for our communities

We want financial wellbeing to be accessible for everyone and work hard to ensure that some of the most vulnerable in our communities are supported.

We work with a number of partners providing funding and other support to increase their capacity to support more people and work towards sustainable improvements to their lives.

This includes partners such as Coventry Citizens Advice, which provides debt advice, the Central England Law Centre, which provides legal support in cases of eviction, and a number of social supermarkets which provide food and support.

CO-OPERATIVES UK

Our support for Co-operatives UK has also led to an improvement in financial wellbeing in our communities. Through our partnership with Co-operatives UK, we have supported 52 co-operatives through the Business Support for Co-ops Programme. This programme helps businesses becoming co-ops to incorporate, and offers specialist advice and training to existing co-ops. In total, more than 4,000 groups have been supported since the programme started in 2016.

Beyond the Business Support programme, we were proud to sponsor Co-op Congress for the fifth consecutive year, which was this year hosted in Rochdale, the birthplace of the movement. Our Group Chief Executive, Steve Hughes, was proud to deliver the opening address to a delegation of co-operative leaders from across the world.

The Bank and Co-operatives UK also hosted the Mayor of Greater Manchester at our head office in Manchester to discuss the future of housing for apprentices in Manchester, conducting research into specialist halls of residence that will house apprentices in 2027. The Group were proud to be the first company to offer apprenticeship places for those taking part in this pilot.

5,565

people supported through Better Foundations





Governance

In this section

Good corporate governance is at the heart of everything we do and is consistent with our values and culture. This framework also applies to our sustainability strategy. In 2025, the Board continued to support and oversee the Group's sustainability agenda to ensure we're on track to deliver our targets.

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> **"From the Society's B Corp status to the Bank's position as the UK's best ESG rated high street bank, strong governance is at the heart of what makes us unique. Maintaining these standards matters deeply to the Board and I, and it's encouraging to see how empowered colleagues are to do the right thing when it comes to the safety, security and sustainability of our organisation."**

Jo Kenrick
The Co-operative Bank plc Chair of the Board
Coventry Building Society Deputy Chair of the Board
Senior Independent Director





Cyber and data security



Financial crime and fraud



Ethical practices



Our B Corp journey

In 2023, we were proud that Coventry Building Society became certified B Corp.

As a mutual, we aim with an overall score of 97.3 to act in the wider interest, ensuring that the work we do benefits the many, not the few. B Corp's philosophy of continuous improvement to be a force for good aligns with the Society's belief of all together, better. This extends to not only our members, but to our colleagues, communities and the environment. We have plans to re-certify as a Group in the near future.

Being a B Corp matters

To our customers

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

To our communities

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

To our colleagues

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

To the environment

Becoming a certified B Corp means that we remain committed to protect the environment and preserve its resources. Our own operations have been carbon neutral since 2021 and we have an ambition to become net zero by 2050.



Our approach to governance

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

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

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

The Board has oversight on five key aspects to deliver on its sustainability responsibilities:

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



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



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



4. The Board approves and receives updates on the Group's climate approach.



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



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





Sustainability governance structure chart

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

The Board

The Board sets the overall ESG vision and strategy, approves the annual strategic plan, sustainability plan and climate approach. It regularly receives updates on performance against key ESG metrics and holds the Executive team to account for delivery.

Group Board Risk Committee

The Group Board Risk Committee has responsibility for oversight of climate related risks. The Group Chief Risk Officer's Report, which is considered at every meeting of The Group Risk Committee and Board, includes key updates on climate risk related matters.

Group Board Audit Committee

The Group Board Audit Committee has responsibility for oversight of non-financial disclosures, which include disclosures concerning climate and sustainability matters. The Group Board Audit Committee plays a key role in reviewing the climate related disclosures within the Annual Report and Accounts and the Sustainability Report.

Nominations & Governance Committee

The Nominations & Governance Committee is responsible for overseeing the effectiveness of the Group's governance framework including the ESG governance framework. It oversees progress against the Society's D&I strategy and has overseen the review and implementation of a number of key ESG policies such as Human Rights Policy, a Director Equity Policy and a Political Donations and Responsible Lobbying Policy.

Group Remuneration Committee

The Remuneration Committee has reviewed the Group's balanced scorecard to ensure this contains a balance of financial and non-financial measures which align with the Group's wider ESG strategy. The scorecard is used to assess performance which in turn feeds into remuneration outcomes.

Group Board Change Committee

The Group Board Change Committee (formerly the Board Technology Oversight Committee) reviews and approves funding drawdown requests for the investment portfolio and reviews progress against the various transformational workstreams undertaken by the Group.

Group Sustainability Steering Forum | **Executive Committee** | **Executive Risk Committee**

Communicating our progress

Our plan | **Our operations** | **Our influence on society** | **Our products** | **Governance and risk**

Climate and sustainability initiatives and targets

Governance at a glance

Management's role

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



Informing

Group Board

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

Executive Committees

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

Management Committees

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

Reporting



Engaging with investors and ratings agencies

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

What we offer

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

Engagement

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

In 2025, the engagement from investors remained high, with over 100 investor meetings through the year. Discussions primarily focused on the following key topic:

- The acquisition of The Co-operative Bank which was successfully completed on 1 January 2025, and integration progress through 2025.

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

2025 key activities and issues

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

- £600m covered bond (January)
- £500m residential mortgage-backed securitisation (RMBS) (July)
- £600m covered bond (September)

These topics are expected to remain priorities for investors in 2026.





Combating economic crime

We're committed to combating all financial crime, including money laundering, terrorist financing, sanctions evasion, fraud, bribery and corruption and prevention of facilitation of tax evasion.

To manage financial crime risks, we have a comprehensive governance and control framework in place across the Group. Our Risk Assessments enables us to identify and assess the financial crime risk across all business activities and the outputs of this assessment support the Group in applying a risk-based approach to the design of its controls against all types of financial crime. In H2 2025, we have created a suite of Group Financial Crime Risk Policies and standards. These policies set out the systems and controls required to enable the Group to manage financial crime risks effectively and are designed to ensure the Group complies with relevant laws and regulations. Policies and standards are supported by more detailed arrangements, procedures and internal controls. All Financial Crime Risk Policies and supporting standards are approved annually by the Board.

The Group's governance framework provides oversight of financial crime risks monthly and to ensure risk exposure aligns with appetite.

All colleagues across the Group must complete training annually which incorporates all financial crime (money laundering, terrorist financing, sanctions evasion, fraud, bribery and corruption and prevention of facilitation of tax evasion).

Financial crime risk activities are subject to first line quality checking and assurance controls and are periodically reviewed by both our dedicated Financial Crime Assurance function as well as Internal Audit.

Bribery and corruption

The Group has a 'zero tolerance' stance on bribery and corruption and our Group Anti-bribery and corruption (AB&C) policy and procedures set out responsibilities at all levels and each Executive Leader is responsible for adherence to management of bribery and corruption risks within their own area of responsibility. The Group's policies and procedures detail how to raise concerns and questions, and more detail is provided in the section relating to Whistleblowing.

In 2025 100% of colleagues received communication on the Group's AB&C policies and procedures and there were no confirmed incidents of corruption across the Group.

Modern slavery and human trafficking

The Group are committed to ensuring that our business and our suppliers are free from modern slavery and human trafficking and our respective Modern Slavery and Human Trafficking statements set out the steps we are taking to prevent this. In respect of the Bank brand, we uphold the principles of our customer-led Ethical Policy.

We expect all colleagues to be treated fairly and with respect. Our Employee Code of Conduct applies to all colleagues (which includes contractors). Colleagues are requested to attest to the Code of Conduct on an annual basis which incorporates confirming adherence to all required policies and processes. More detail is provided in the section relating to Human Rights.



Grievances, raising concerns and whistleblowing

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

We have a zero-tolerance approach to bullying and harassment, supported by a robust policy. This policy has been enhanced to ensure there was greater reference to sexual harassment, and we also launched a new mandatory e-learning module 'Creating an Inclusive Workplace: Your Role in Equality, Diversity, Inclusion & Respect' for the Group. These steps were taken to emphasise the importance of respect, dignity and inclusion at work, to clarify our expectations in the way we expect colleagues to behave in the workplace and to raise awareness of the routes available to challenge inappropriate behaviour, along with meeting the enhanced obligations placed upon employers through the Worker Protection Act and the Employment Rights Bill.

Grievance and Whistleblowing are separate processes designed to deal with different types of concerns. A grievance can be raised when a colleague has an issue which impacts them individually, whereas whistleblowing is intended for raising concerns that are in the public interest and that affect other people or the wider organisation.

From January 2026 Whistleblowing will be managed at a Group level to provide a consistent reporting and investigations process for all colleagues.

In the event a colleague has a concern, our Group Whistleblowing Policy and procedures offer multiple channels (including an externally operated Whistleblowing hotline) for colleagues to raise concerns about any suspected breaches of laws, regulations, rules or other legal requirements, sexual misconduct or harassment, policies or professional standards. They may raise concerns confidentially or anonymously. Investigations of Whistleblowing concerns raised are overseen by the dedicated Whistleblowing Committee, which comprises a range of senior individuals across the Group and is overseen by the Head of Conduct and Compliance. The Group Whistleblowing Policy is available on our websites and further information is available on the Group's intranet. The Group Whistleblowing Policy and an annual Whistleblowing Report are considered by the Board. Iraj Amiri (former Chair of the Board Audit Committee and Chair of the Bank Board's Audit Committee), who is also the Group Whistleblowing Champion and reports to the Board regularly on this topic, as well as overseeing the processes described above. All of the Group's colleagues have to complete mandatory training on whistleblowing, which sets out how matters can be raised and confirms this can be done anonymously.
In 2025, zero critical concerns were communicated to the Board.

In the event a colleague wishes to raise a grievance, further information is available on our intranets.

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

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



Health and safety

The Chief Executive is accountable for the effective management of health and safety across the Group, encompassing all operations of Coventry Building Society and The Co-operative Bank.

The scope of the health and safety management system includes:

- All Group-owned and occupied premises
- All colleagues, including permanent, part-time, temporary, agency, and seconded staff
- Customers, contractors, visitors, and members of the public who may be affected by the Group's activities.

Group health and safety performance is overseen by the Non-Financial Risk Committee. The Committee meets monthly and reports into the Group Executive Risk Committee. Colleague engagement is supported through formal consultation arrangements, including safety representatives and colleague forums drawn from across the Group.

The Group operates a unified incident and hazard reporting framework, requiring all colleagues to report work-related incidents, near misses, and unsafe conditions. Concerns relating to health and safety, regulatory compliance, or management practices may also be raised through established escalation channels. Anti-bullying, harassment, and whistleblowing policies apply consistently across the Group and provide protection against retaliation or detriment.

The health and safety management system applies to all colleagues and workplaces throughout the reporting period. During 2026, work will continue to harmonise policies, procedures, and assurance processes, ensuring a consistent approach while recognising operational differences across the Group.

The Group Reasonable Adjustments framework supports compliance with the Equality Act 2010 and reflects best practice in inclusive workplace design. A cross-Group working party has been introduced to oversee the delivery of reasonable adjustments, promote awareness of available support, and provide guidance to managers and colleagues.

Ongoing colleague feedback and engagement during 2026 will aim to further improve workplace accessibility, health and safety arrangements, and the overall working environment.





Cyber security and data protection

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

As a group, we process large amounts of personal information every day to help facilitate our customers' and members' financial transactions. The Group takes our cyber security and data protection responsibilities very seriously. We have established Risk Committees and a Data Risk Forum to give oversight of cyber security and data privacy respectively. Both entities have membership from the senior management team.

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

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

The privacy notices for both the Coventry Building Society and The Co-operative Bank are on the relevant websites and they provide details of the processing activities we undertake across the Group and the rights individuals have regarding their information, with a separate privacy notice for colleagues. In 2025 the Society published more customers facing information to improve transparency including a short version of the Privacy Notice, a page on Data Rights and a page on Legitimate Interests. All privacy notices and web pages are reviewed annually.

We have an internal Group Risk Policy supported by a number of sub polices, which is reviewed annually. The policies document the risks that need to be managed and the minimum control standards that need to be adhered to, to ensure all personal information is protected and an individual's right to privacy is observed at all times. A data retention and disposal policy governs the lifecycle of data storage and deletion. These policies are aligned to the data protection legislation which applies to the Group.

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

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

Data breaches can occur in the form of a malicious attack or accidental error, and can be wide scale or impact one individual. The Society has processes in place to help ensure data breaches are identified, reported and resolved appropriately. Whilst errors occur from time to time, in 2025, the Group did not experience any significant or widespread data breaches that compromised the security of the personal information it is custodian of. The Group suffered two data breaches that required notification to the ICO in 2025.

In 2025, 87 complaints were received by the Group that were substantiated. The complaints which were substantiated came from the Group's customers and members and arose in circumstances where the Group sent information to the incorrect recipient.

There were six known incidents of lost data, five of which were internal and one of which data was lost by Royal Mail.

There were no complaints from regulatory bodies on data protection.



Be Safe

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



Human rights

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

Modern slavery

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

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

Across the Group, we provide training to help colleagues to identify signs of modern slavery, utilising industry specific tools provided via a number of external parties.

In 2025, refreshed **Modern Slavery statement** were approved by the Board and published on Group websites pursuant to Section 54, Part 6 of the Modern Slavery Act 2015. This statement details the policies the Group has in place and the ongoing actions that will be taken to continue to support the combating of modern slavery and human trafficking.

We'll continue to conduct an annual review of these statements and the actions the group takes to combat all forms of modern slavery internally and within its supply chain. In 2025, no instances of modern slavery or any associated concerns were identified.

Human Rights Policy

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

The Co-operative Bank's commitment to human rights has been part of its Ethical Policy since 1992 and, in 2022, Coventry Building Society introduced its Human Rights Policy to formalise its commitment. Through these policies, the Group has set out a commitment to meet or exceed internationally recognised human rights standards, with a focus on member and customer rights, employee rights and third-party rights, including in our supply chain..

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

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

The **Society's Human Rights policy** and the **Bank's Ethical Policy** can be found on our websites.

Our supply chain

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

Our supply chain

In 2025, the Society spent around £471 million on a broad range of products and services with:

- 888 suppliers, of which around 97 are deemed key suppliers
- Tier 1 (highest criticality, of which there are around 72 suppliers)
- Tier 2 (lower criticality, of which there are around 25 suppliers)
- Tier 3 (lowest criticality, of which there are around 118 suppliers)
- Tier 4 (transactional suppliers, of which there are around 673 suppliers).

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



In 2025, the Group held significant competitive bidding processes across providers of software and professional services. Overall, the Group's supply chain remained consistent with previous years in terms of the number and identity of its key suppliers and their locations. As well as suppliers of goods and services, the Group maintains relationships with distributors for its mortgage and savings products. Our supplier relationships are principally with entities located in the UK.

Proportion of spending on local suppliers

The Group defines its significant locations of operation as its head offices in Coventry and Manchester and defines suppliers as 'local' if they are headquartered within 50 miles of these locations. For Coventry Building Society, approximately 17% of expenditure with suppliers in 2025 was assessed as expenditure with local suppliers. We do not have local supplier information for The Co-operative Bank in 2025. However, we will be able to provide this in future years.

In 2025, the Group continued to identify which suppliers are diverse and managed by underrepresented groups including women, LGBTQ+ groups, people with disabilities, ethnic minorities and veterans. We define a diverse supplier as organisations at least 51% owned by members of these groups.

Doing business responsibly with suppliers

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

Supplier conflicts of interest are prevented and mitigated through the application of the Supplier Code of Conduct. The Code requires suppliers to disclose all business activities that might result in a conflict of interest in relation to arrangements between the supplier and the Group. The Group's **Supplier Code of Conduct** commits colleagues to disclose actual or potential conflicts of interest to the Head of Procurement if a conflict relates to a relationship with a supplier. Suppliers who wish to report a grievance may do so by following the process indicated in the Supplier Code of Conduct. No material issues were reported by suppliers in 2025.



Working sustainably with suppliers

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

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

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

Engaging with suppliers

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

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

Supplier awards

29 suppliers joined Coventry Building Society for our first group awards. We had guest speakers from our community team, talking about the work we are doing with schools and colleges across our Coventry and Manchester communities and better Futures program. Categories included Ethical Supplier, Collaboration and Culture and Innovation Superstar.





Supplier standards, due diligence and prompt payments

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

Committing our suppliers to our standards

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

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



Our approach to sustainability

We aim to ensure that environmental and social risks are assessed when choosing and dealing with suppliers. Our supplier due diligence process involves identifying, assessing and monitoring supplier practices in the areas of human and labour rights, the environment, health and safety and anti-corruption, in line with our commitment to the UN SDGs and UN Global Compact. Our standard contractual wording for all supply contracts includes provisions concerning compliance with the UN Global Compact. In 2023, the procurement and supplier relationship management (SRM) team attained IS0 20400 and maintained since. In order to obtain the standard, the Society continued to adapt our approach. Sustainable procurement continued to be embedded into the sourcing process and our supplier selection criteria with up to 20% of the overall weighting being assigned to sustainability issues and all suppliers undergoing a sustainability evaluation at onboarding, regular due diligence checks and audits.

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

100%

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



IS0 20400

retained



Governance



Managing tax

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

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

In 2025, no major changes were made to the Group's tax strategy. We focused on an approach which is open and transparent, and looks to comply with the spirit and the letter of HMRC regulations and tax legislation. We always aim to engage with HMRC in an open and collaborative manner. Since 2021, the Society's approach to tax has resulted in it receiving the Fair Tax Mark from the Fair Tax Foundation. This certification reflects the importance of tax to our overall strategy for sustainability, and due to the Society's low risk approach on tax, no specific activity was undertaken to engage on this topic with stakeholders in 2025. Our effective tax rate this year was -1.4% and the amount of tax we paid can be found in the 2025 Annual Report and Accounts.

Management of our tax affairs (in line with the Group's tax strategy), under the leadership of the Group Chief Financial Officer, is undertaken by a dedicated team within the Finance function. There are no specific arrangements for colleagues to report concerns about unethical or unlawful behaviour on tax matters, but colleagues can utilise the whistleblowing and grievance procedures described above. In 2025, no such concerns were raised by any colleague.

Fair Tax

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

Compliance with law and regulations

Law and regulations

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

Legal risk is generally managed as a subset of operational risk within the Group's Enterprise Risk Management Framework. During 2025, the Group was subject to no legal actions pending or completed concerning anti-competitive behaviour and violations of anti-trust and monopoly legislation. Similarly in 2025, the Group did not have any significant fines or non-monetary sanctions applied for non-compliance with laws or regulations.

Government and regulators

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

This approach is formalised in our Political Lobbying policy, which is overseen by the Nominations & Governance Committee. We comply with legal requirements on disclosing political donations and we do not provide financial support to political parties. Consistent with this policy, in 2025, the Group made no political contributions directly or indirectly, including in-kind contributions. In 2025, the total monetary value of financial assistance received by the Group from any governmental body was zero. No governmental body has any ownership stake in the Group. As firms regulated under the Financial Services and Markets Act 2000, the Group regularly engages with the PRA and FCA concerning matters of interest to the Group's members and customers and the future success of the Group. Details of consultations held in 2025 can be found on our published datasheet.

Glossary

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



Glossary

Term	Description
Business for Societal Impact (B4SI)	Global standard in measuring and managing corporate social impact.
Carbon neutral	Refers to any CO_2 released into the atmosphere from a company's activities, this is balanced by an equivalent amount being removed.
CO_2	Carbon Dioxide
CH_4	Methane
CIPS Ethics Kitemark	This is the foremost ethical practice accreditation given by the Chartered institute of Procurement and Supply (CIPS), the global body serving the procurement and supply industry.
Decarbonisation	Refers to the process of reducing carbon dioxide (CO_2) emissions resulting from human activity in the atmosphere.
E3G	A climate change think tank that works to accelerate the transition to a sustainable economy.
Energy Performance Certificate (EPC)	A rating system that measure the energy efficiency of homes/ buildings using grades from A to G (with 'A' the most efficient grade and 'G' being the least efficient).
Financial Conduct Authority (FCA)	Regulates the UK's financial markets to ensure fairness, transparency, and consumer protection.
Financial Institution Net Zero Standard (FINZ)	Launched by SBTi to guide financial institutions on setting and implementing credible net zero commitments.
Financial Ombudsman Service (FOS)	The Financial Ombudsman Service provides an independent and impartial service to resolve individual complaints that consumers and financial institutions have been unable to settle themselves.
Forest Stewardship Council (FSC)	An international organisation promoting responsible forest management through certification and labelling systems.
Glasgow Financial Alliance for Net Zero (GFANZ)	Formed by financial institutions to support the transition to net zero emissions.
Global Reporting Initiative (GRI) standards	Set of standards issued by the Global Sustainability Standards Board and the Financial Services Sector Supplements, which form a voluntary reporting framework for the disclosure of sustainability performance.
Great Place to Work®	Global authority on workplace culture that uses data and insights from employees to benchmark individual performance.

Term	Description
Green Finance initiative	Established in 2019 as a direct response to a key policy recommendation made by the industry-led Green Finance Taskforce to the UK Government in March 2018.
HFCs	Hydrofluorocarbons
Greenhouse Gas (GHG) Emissions	Greenhouse gases, or GHGs, are compound gases that trap heat or longwave radiation in the atmosphere. Their presence in the atmosphere makes the Earth's surface warmer.
Greenwashing	The act of making false or misleading statements about the environmental benefits of a product or practice.
IFRS S1 and S2 Standard	International financial reporting standards focused on climate-related disclosures for businesses.
International Sustainability Standards Board (ISSB)	Established by IFRS to develop global sustainability-related financial disclosure standards.
ISO 14001 standard	An international standard for environmental management systems, helping organisations improve environmental protection and performance.
ISO 14064-1 certification	An international standard that quantifies the reporting and verification of greenhouse gas emissions (GHG).
ISO 20400: 2017 Sustainable Procurement Standard	An international standard providing guidance on integrating sustainability within procurement processes.
ISO 50001 Standard	An international standard for energy management systems, aimed at improving energy efficiency and reducing consumption.
kgco2e	Kilograms of carbon emissions.
mtco2e	Million tonnes of carbon emissions.
N_20	Nitrous oxide
Net Zero	Refers to achieving a balance between the carbon emitted into the atmosphere, and the carbon removed from it. This balance – or Net Zero – will happen when the amount of carbon we add to the atmosphere is no more than the amount removed.
NF_3	Nitrogen trifluoride

Term	Description
PCAF data quality score	A 1-to-5 metric assessing the accuracy of financed emissions data, where 1 is the highest quality (verified data) and 5 is the lowest (estimates).
PCFs	Perfluorocarbons
Paris Agreement	Refers to the legally binding international treaty on climate change which was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming.
Science Based Targets (SBTi)	Provide a clearly-defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global
Scope 1 emissions	Scope 1 emissions are direct greenhouse gas (GHG) emissions that occur from our own operations (e.g. our company vehicles, gas usage and fugitive emissions).
Scope 2 emissions	Scope 2 emissions are indirect GHG emissions associated with the purchase of our electricity.
Scope 3 emissions	Scope 3 emissions are the result of activities from assets not owned or controlled by the Society, but that the Society indirectly impacts in its value chain. Scope 3 emissions include all sources not within an organisation's Scope 1 and 2 boundary and can be separated into the following two categories: • Upstream Scope 3 emissions: business travel by means not owned or controlled by the Society, waste disposal and purchased goods and services; and • Downstream Scope 3 emissions: the emissions from the properties financed through the Society's operations – i.e. our mortgage customers
SF_6	Sulphur hexafluoride
Supplier Code of Conduct	Outlines the minimum requirements that our suppliers must meet with regard to integrity, conflicts of interest, labour practices, health and safety and impact on the environment.
The Carbon Disclosure Project (CDP)	A global organisation that runs disclosure system for companies, cities, and governments to measure and manage their environmental impact across 3 categories: climate change, forests, and water security.
Taskforce on Climate Related Disclosure (TCFD)	The Financial Stability Board created the TCFD to improve the quality and quantity of reporting of climate related financial information, including the concentration of carbon related assets within the financial sector and the financial system's exposure to climate related risks.
Taskforce on Nature Related Risk Disclosure (TNFD)	A global voluntary disclosure framework on nature related risks and opportunities to enable organisations to intergrate nature considerations into decision making.
tCO2e	Tonnes(t) of carbon dioxide (CO_2) equivalent (e)
Transition Plan Taskforce (TPT)	Set up by the UK government to develop best practice guidance for corporate climate transition plans.
UN SDGs	United Nations Sustainability Development Goals - framework of 17 global goals set by world leaders in 2017 that are designed to create better world by 2030, by ending poverty, fighting inequality and addressing the urgency of climate change. The Society has selected four goals of these goals to be our areas of focus.
Wholesale funding	Funding received from external counterparties that operate within the global financial markets (for example, insurance companies, pension funds, large businesses, financial institutions and sovereign entities).