

# Principles for Responsible Banking Progress Statement 2026



# Introduction

In January 2025 Coventry Building Society (Society) acquired The Co-operative Bank (Bank). Both institutions have been signatories to the Principles for Responsible Banking since February 2021 and October 2020, respectively.

The following report outlines the progress made towards implementation of the Principles by the combined organisation, which will be called the Coventry Building Society Group (Group) for the purposes of this report. This is the first time The Coventry Building Society Group is reporting its annual progress as one entity, rather than as two separate brands.

Providing a framework for a sustainable banking industry, the UN Principles help to align the banking sector with the UN Sustainable Development Goals (and the Paris Climate Agreement). The Coventry Building Society Group is one of over 360 financial institutions globally – representing approximately 50% of global banking assets- that have signed up to the Principles to date.

## The six Principles are:

1. Alignment
2. Target Setting
3. Plans for Target Implementation and Monitoring
4. Progress on Implementing Targets
5. Governance Structure for Implementation of the Principles
6. Progress on Implementing the Principles for Responsible Banking



## Principle 1:

# Alignment

### Background

The Society is a mutual organisation based in the United Kingdom and founded in 1884. It is owned and run for the benefit of its mortgage and savings customers who are known as “members”. The Society is a people and purpose-led building society committed to powering good with every pound. Since 2023 the Society is BCorp certified and is also a member of the UN Global Compact, further demonstrating alignment of sustainability within overall strategy and operations.

The Bank was the first UK high street bank to introduce a customer-led Ethical Policy, which sets out the way we do business. This policy has been shaped by over 370,000 customer responses since it was first introduced in 1992 and it is our customers’ voices that form the basis of our Ethical Policy and our ethical commitments. Adherence to co-operative values and ethics is written into the Articles of Association of The Co-operative Bank to ensure that this vital aspect of our heritage continues to shape the approach to how we operate.

### Group Approach

The Group published its first Sustainability Report on the 31st of March 2026. The report outlines its approach to continuing and building on the legacy of its member organisations. It includes the mapping of Group-wide activity against the UN Sustainable Development Goals (pages 15-17).

TCFD disclosures for the Group were included in the Annual Report and Accounts (pages 62-72).

Modern Slavery Statements have been published in 2025.

### Links & references

[The Co-operative Bank Ethical Policy](#)

[Articles of Association, page 4](#)

[2025 Sustainability Report](#)

[2025 ARA Report](#)

[Slavery and Human Trafficking Statement \(Coventry Building Society\)](#)

[Our Modern Slavery and Human Trafficking Statement \(The Co-operative Bank\)](#)



## Principle 2:

# Impact & Target Setting

In 2025, the Group undertook a detailed Double Materiality Assessment to identify its most significant impacts. A wide range of stakeholders were consulted to ensure a comprehensive assessment of material topics across Environment, Social and Governance was completed. Details of the results of the assessment can be found in the Sustainability Report (pages 11&12).

Both Coventry Building Society and The Co-operative Bank have completed the UNEP FI Impact Analysis prior to acquisition, and both independently identified the same high impact areas: Climate and Financial Health and Inclusion (see previous PRB Reports).

### Climate

The Group has set ambitious targets for reaching Net Zero both for its operations as well as its material Scope 3 categories. It has announced a Net Zero target date for its Scope 1 and 2 emissions of 2030 and for its Scope 3 emissions by 2050 (See Sustainability Report page 23). In 2026 the Group will work towards setting interim (i.e. near and medium terms) Scope 3 targets to ensure a credible science-based decarbonisation pathway is in place and supports transition planning.

### Financial Health and Inclusion

Our 2025 Double Materiality Assessment identified Financial inclusion and resilience as a key material issue for our stakeholders. We have made a commitment to design accessible products and services that support saving, borrowing and financial planning across different life stages.

In 2025, a target to support 5,000 people with access to housing was exceeded, with 5,565 people receiving support. A target to support 10,000 first time buyers annually was narrowly missed, with 9,606 first time buyers becoming homeowners in 2025 (see Sustainability Report pages 66-69).

Further examples of our financial health and inclusion impacts can be found within our Sustainability Report.



#### Links & references

[2025 Sustainability Report](#)

[PRB Progress Statements \(Coventry Building Society\)](#)

[PRB Progress Statements \(The Co-operative Bank\)](#)

## Principle 3:

# Clients & Customers

### Client & Customer Engagement

The Group publishes Sustainability Hubs on its websites with advice and guidance available for customers to help them on their sustainability journeys. Customers can access a personalised Energy Savings Improvement Plan tool to help them reduce energy bills and the Group uses its Members panel for direct engagement on key issues.

The Co-operative Bank's customer-led Ethical Policy is central to our responsible relationship with our customers. Customer consultation exercises ensure the Ethical Policy continues to reflect their most pressing ethical concerns. The last customer consultation – our Values and Ethics Poll – was carried out in 2021, with an update to the Ethical Policy delivered in 2022. . We ensure that the results of this poll continue to shape our engagement approach by aligning our strategy development with our Ethical Policy which was built upon the poll results themselves. The Co-operative Bank continues to refuse to provide banking services to businesses or organisations involved in the exploration, extraction or production of fossil fuels, and has similar exclusion statements on a range of environmental and social issues, as detailed in The Co-operative Bank Ethical Policy.

### Business Opportunities

The Group works to engage with members to make sustainable lending more accessible. Our Green Additional Borrowing scheme and Green mortgage product range offer discounted borrowing for qualifying green home improvements and homes with stronger EPC ratings to help improve our members energy efficiency, reduce their emissions and bills and address our financed emissions. Throughout 2025, 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. In total, we achieved over 600 completions across our Group green lending portfolio in 2025 (retail and corporate combined).

The Co-operative Bank provided current account customers the opportunity to switch to digital banking to decrease reliance on paper and reduce fraud vulnerability.



#### Links & references

[The Co-operative Bank Ethical Policy](#)

[2021 Ethical Poll Results](#)

## Principle 4:

# Stakeholders

Following the acquisition of The Co-operative Bank by Coventry Building Society on 1 January 2025, both organisations are now in mutual ownership.

The Group engages with its stakeholders regularly through many mechanisms, including its Annual General Meeting (AGM), direct engagement with members on key issues via the Members panel and the Values & Ethics Poll, supplier relationship management meetings, in-house research and external benchmarking including canvassing the views of employees through our employee opinion survey, the Great Place to Work Trust Index.

Regular engagement with stakeholders allows the identification of the sustainability issues that are most relevant to them, ensure our sustainability strategy aligns with those areas of impact and informs our broader decision making. All identified stakeholder groups were consulted in the completion of the 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. For details refer to the Sustainability Report (pages 11-13).

We have many partnerships with external organisations that help us to deliver our impact goals. These include a partnership with the Friends of the Earth Postcode Gardener project, which has engaged over 5,100 community members in gardening and nature-based activities, our partnership with youth homelessness charity Centrepont, which supported almost 4,000 young people in 2025, and many more. For details see our Sustainability Report (pages 34-39, 51-58).

### Links & references

[2025 Sustainability Report \(p11-13, 34-39, 51-58\)](#)



## Principle 5:

# Governance & Culture

### Governance

A detailed summary of the governance structures in place relating to sustainability can be found in the Sustainability Report (pages 72-74).

### Culture

The Group's values support a strong culture across all business areas. These are: We are ambitious, We care, and We take ownership. This culture is demonstrated in the actions taken by our Group colleagues in 2025 to support sustainability and wellbeing (See Sustainability Report page 36)

#### Links & references

[2025 Sustainability Report](#)



## Principle 6:

# Transparency & Accountability

The Group reports relevant information in its Sustainability Report, and Annual Report and Accounts and the ESG Databook. In addition, Coventry Building Society reports into CDP, receiving a score of 'B' for its 2024 information.

The Sustainability Report and this Progress Statement have been audited by the Group Internal Audit function and the Annual Report and Accounts are audited by a third party auditor (PriceWaterHouseCoopers LLP)(See ARA Report pages 122-130)). Group greenhouse gas emissions data for 2025 is undergoing ISO 14064 certification to provide independent assurance of reported data which includes some estimates. Certified data will be provided in the 2026 Sustainability Report.

In 2026 the Group will continue to develop and implement its strategic delivery against identified impacts. This includes the addition of all Group activity to future CDP disclosures to further enhance transparency.

### Links & references

[Scores and A Lists - CDP](#)

[ESG Databook](#)

[2025 ARA Report](#)

[2025 Sustainability Report \(p2\)](#)

