

Environmental Policy

January 2023



Charity
bank



Introduction

Charity Bank is the loans and savings bank for charities, social enterprises and people who want to make the world a better place. We don't just avoid doing harm, we actively use finance to do good and **looking after the planet is an important part of our vision and mission.**



Vision

Our vision is for a society that fosters vibrant communities and a healthy planet, giving every individual the opportunity to thrive.



Mission

Our mission is to support and strengthen impact driven organisations that improve people's lives whilst empowering savers and investors to put their money to work for positive social change.



Ownership

Our shareholders are all charitable trusts and foundations and other social purpose organisations. They see social investment as a sustainable and impactful alternative to investing for maximum financial return.

Impact and commitment

Environmental Impact

We aim not for financial return alone, but rather a sustainable combination of social, economic, and environmental returns for the benefit of all the bank's stakeholders and our society at large.

As our mission is to support people and the planet, we are committed to reducing our environmental footprint in all areas of our work.

Charity Bank has an environmental impact in two main areas:

- our lending activities – through the projects and activities we fund, and
- our own activities – travel, materials, procured goods and services, and the operation of our office.

Board and management commitment

We believe that climate change has become potentially the most significant social challenge facing the world today.

Our board and senior management's commitment to the environment goes beyond regulated requirements. This dedication is demonstrated by the addition of 'healthy planet' to our vision statement in 2022 and prioritising the growth of our green lending portfolio in our 2023-2027 business plan.



Our lending **activities**

Since 2002 we have made over 1,100 loans to charities and social enterprises working across the arts, community, education, environment, faith, health, housing, regeneration, social care and sports sectors. Our lending activities represent our largest environmental impact.



Lending to combat climate change

Some of the organisations we support are directly seeking to combat climate change. This includes 59 loans to organisations with a primary focus on the environment, ranging from: conservation to recycling, and sustainable transport to renewable energy.

Other charities and social enterprises that we fund are seeking to reduce their carbon footprint and greenhouse gas emissions. This often includes the building of new sustainable buildings and making existing buildings energy efficient.



Building our green loan portfolio

We are committed to facilitating and incentivising green lending and growing our green loan portfolio. In 2022, we launched two [green loan offers](#) rewarding charities and social enterprises for using loan finance to buy or build an energy-efficient building or to improve the energy efficiency of their existing property.

We are also in discussions with potential partners on lending products and programmes to finance investments in energy efficiency for our charity and social enterprise clients.



Greenhouse gas (GHG) emissions financed by loans

Charity Bank is a member of [The Partnership for Carbon Accounting Financials](#) (PCAF) and has committed to measure and disclose the GHG emissions associated with our portfolio of loans, and ultimately to ensure that the climate impact of our loans is in line with the Paris Agreement.

The [Paris Climate Agreement](#) adopted in 2015 recognised the financial sector as having an enabler role in the achievement of the most ambitious climate-related goals. The text set specific targets to be collectively achieved to limit global warming to well below 2°C, and preferably to 1.5°C, offsetting the equivalent carbon emissions produced by the same amount elsewhere.

We plan to make our first disclosure in our 2022 Annual Accounts. We view measuring the financed emissions of our loan portfolio as the foundation enabling us to set targets, inform actions, and disclose progress.



Charity Bank is committed to aligning to the Paris Agreement and will set out more detailed plans in 2023.

Our operations

We acknowledge that our operations have an effect on the environment and have identified key environmental aspects that contribute to our environmental and carbon footprint:

- Consumption of electricity, gas, water, and other fuels
- Paper consumption
- Transport emissions
- Waste generation
- Procured goods and services

Our environmental commitment can be demonstrated in our established actions below:

- Compliance with applicable standards, laws, requirements, regulations, and public/customer expectations
- Monitoring our key resource usage and implementing conservation techniques to achieve our environmental targets
- Using electronic means of communication where possible and encouraging recipients to avoid printing
 - Committee and board meetings are predominantly paperless using a secure online portal
- Prioritising use of environmentally friendly products
 - Our paper is produced using raw materials from responsibly managed forests with the Mark of Responsible Forestry, Elementary Chlorine Free with Eagle Certification
 - Selecting low energy equipment wherever possible
 - Using a 100% [REGO-backed](#) renewable electricity supplier

- Implementing a waste reduction/recycling plan
 - With used furniture, IT and other electrical equipment donated for re-use where appropriate/practical
 - Recycling paper, cardboard, glass, cans, plastic bottles
 - Compost for used teabags and coffee
- Minimising unsustainable transport through the development of a travel plan
 - This includes hosting meetings by video conference to avoid unnecessary journeys
- Working with suppliers to ensure they acknowledge and improve the environmental impact of their products, services and transportation
- Publishing and distribution of an annual organisational sustainability report



Investors in the Environment

Charity Bank is currently working towards Investors in the Environment silver accreditation. Investors in the Environment is an environmental accreditation scheme designed to help businesses reduce their environmental impact.

We will continue to improve our environmental management system by working to the Investors in the Environment criteria, considering any changes in legislation, our organisation, and other factors. We will convey this policy to all our employees ensuring that they are provided with training to increase awareness of environmental matters.

Green Champions

In 2022, we formed a team of Green Champions from among our co-workers with the goal to help make our Charity Bank environment a greener, healthier, happier place to work. Our Green Champions promote sustainability, take on green projects and initiatives, encourage effective resource use and lead by example to help colleagues do the same.

Ownership

This policy is the responsibility of the Director of Marketing and Communications and will be reviewed and approved every two years by the senior management team.

Our Green Champions have designated responsibility for the day-to-day implementation of this policy.

Charity Bank will make this policy available when requested to interested third parties and on Charity Bank's website.



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Company registered in England and
Wales No. 4330018. Authorised by
the Prudential Regulation Authority
and regulated by the Financial
Conduct Authority and the Prudential
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Scheme (FSCS).

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