

INVESTORS
IN THE
ENVIRONMENT



ACCREDITATION REPORT

Charity Bank

April 2023



Executive Summary

The team at Charity Bank has implemented a good Environmental Management System (EMS) in order to understand and improve the organisation's environmental performance. This commitment is clearly communicated to internal and external stakeholders through the bank's Environmental Policy, including the addition of 'healthy planet' to Charity Bank's vision statement. Furthermore, the senior management team (SMT) and staff are clearly committed and engaged with the organisation's sustainability work.

To work towards Green level accreditation, Charity Bank should continue building on the great work undertaken this year including formalising and capturing regular data reviews to develop actions plans, including further Scope 3 emission sources within the bank's carbon footprint and undertaking further actions to manage the organisation's travel emissions.

Highlights

- The team at Charity Bank has implemented a good EMS in order to understand and improve the organisation's environmental performance.
- Charity Bank has included 'healthy planet' as part of the organisation's mission statement, demonstrating the bank's commitment to embedding sustainability.
- Charity Bank has implemented action plans to manage green lending as well as measured resources.
- The Bank has also achieved excellent reductions in resource use against the baseline year including a 21% reduction in electricity, 82% decrease in B&W printing and 77% reduction in colour printing.

Improvements

- To work towards Green level, at least 6 resources material to Charity Bank's impact should be measured such the impact of lending activities or green procurement.
- As data collection processes are embedded, formalise and capture regular data reviews to develop actions plans to achieve future targets.
- Build on the Travel Plan created in order to further encourage and support stakeholders to utilise low carbon transport.

Score

Investors in the Environment is pleased to confirm that, having recently completed that process, Charity Bank has achieved the Silver level accreditation with a score of **84%**.

KEY RESULTS

Carbon Footprint



Electricity Use



Gas Use



Printing (B&W)



Printing (Colour)



*The graphic depicts the percentage change in resource consumption from the year 2021 to 2022.



Charity Bank has achieved Silver Level certification as the bank has demonstrated a strong commitment to improving the environmental performance of the bank, established processes to measure and review the consumption of 5 resources material to the organisation's environmental impact, set future targets supported by action plans, established a waste management system with several streams, implemented a Travel Plan to manage the bank's travel requirements, calculated a carbon footprint including Scope 3 travel emissions, and established strong communication.

About the audit

The Investors in the Environment (iie) accreditation requires an organisation to provide evidence that it has met a range of pre-defined criteria, set targets to reduce its environmental impact and taken action to improve its performance whilst enhancing the community in which it operates. Evidence is presented at an annual audit and this report provides an evaluation of the organisation's performance as well as offers advice on the next steps for continued improvement.

The Investors in the Environment annual audit assesses five key areas of an organisation's Environmental Management System (EMS). These areas include:

- Environmental policy
- Resource management and monitoring
- Progress against targets
- Action planning including social/ environmental projects
- Communication

The purpose of the audit is to evaluate the organisation's EMS and make suggestions relating to its performance. Future opportunities and risks to the organisation's environmental practices may also be identified as a result.

The audit consisted of an examination of documentation evidence, and an interview with key personnel on 23rd March 2023 with final evidence submitted on 25th April 2023.

Evidence submitted included:

- EMS Pack which acts as an EMS Manual
- Resource Data
- iie Carbon Calculator

Summary Results Table

Audit category	Percentage
Section 1 - Leadership and Governance (Policy)	86%
Section 2 - Resource Use, Data, & Monitoring	79%
Section 3 - Performance, Action, & Targets	92%
Section 4 - Carbon Management	75%
Section 5 - Waste Management & Materials	88%
Section 6 – Transport & Travel Planning	67%
Section 7 - Environmental & Social Projects	100%
Section 8 – Communication & Engagement	67%
Overall Score	84%

Audit Scoring

Each section of the organisation's Environmental Management System (EMS) is scored as detailed below. Full reference to scoring can be found separately in the organisation's audit sheet upon request, including auditor comments against specific criteria.

Fail	<p>0 Points: A failing score means that this criterion has not been met nor is any progress demonstrated.</p> <p><i>No progress or commitment has been made in this area.</i></p>
Action Needed	<p>1 point: Action is needed to improve and should be considered in alignment with the auditor's comments and an appropriate timeline. These will be discussed during quarterly support calls to help improve.</p> <p><i>The organisation is considering developing this area, but no formal process has been established or meaningful progress has not been made.</i></p>
Pass / Compliant	<p>2 points: The criteria have been met, though there may also be suggestions to improve.</p> <p><i>The organisation is beginning or improving this area, is broadly compliant with the iiE criteria, and may be showing processes that support improvements.</i></p>
Outstanding	<p>3 points: This criterion has been exceeded as measured against the basic iiE criteria and may demonstrate a significant improvement since the previous year or may highlight best practice.</p> <p><i>The organisation is succeeding with supportive target achievement and may be leading or supporting others in their sector or influence to achieve improvements.</i></p>

Leadership & Governance (Environmental Policy)



86%

Charity Bank introduced an Environmental Policy in January 2023 which is approved by the Management Committee. The policy outlines the key aspects of the organisation that impact the environment including: the consumption of electricity, gas, water and other fuels; paper consumption; transport emissions; waste generation and procurement of goods and services. The bank's environmental commitments and objectives are clearly informed by Charity Bank's key environmental aspects.

Strengths

- The Senior Management Team (SMT) and Board has approved the addition of 'healthy planet' to Charity Bank's vision statement as the organisation believes climate change has become potentially the most significant social challenge facing the world today.
- Charity Bank is also demonstrating the bank's commitment to improving its environmental performance by signing up to The Partnership for Carbon Accounting Financials (PCAF). This requires Charity Bank to measure and disclose the greenhouse gas emissions associated with the bank's portfolio of loans in line with the Paris Agreement.
- In addition, Charity Bank also provides two green loans to support clients to buy and build energy efficient buildings, and upgrade existing premises, thus supporting other organisations on their sustainability journey.
- Ownership of the policy is clearly outlined within the policy.
- The Environmental Policy is available to all interested parties on Charity Bank's website and is included within the bank's induction process.

Actions for review

- As Charity Bank works towards Green level accreditation, consider including sustainability as part of the organisation's appraisal process, particularly for key members of the team. This will enable staff to shape how their role feeds into the organisation's environmental work and goals.
- Environmental training could be an area of focus over the next year to empower staff and support them in defining how their role can further sustainability within the organisation. The newly launched [iiE Green Champion course](#) (to which Charity Bank is entitled to one free space) provides an overview of sustainability and environmental management. iiE also delivers IEMA courses at a discounted rate for iiE members including the Foundation Certificate in Environmental Management, Environmental Sustainability Skills for the Workforce and Pathways to Net Zero.

Resource Use & Data Monitoring



79%

Charity Bank has implemented processes to measure electricity, natural gas, business travel, water and paper. A baseline year has been established for all measured resources, but electricity and gas are the only resources with more than one year's worth of data.

An explanation of how each resource is measured and used is provided within Charity Bank's EMS pack.

Strengths

- Charity Bank has implemented processes to measure electricity, natural gas, and business travel on a monthly basis, which is outstanding at Silver level.
- Electricity data is collected directly from the electricity meter.

Actions for review

- Gas is not sub-metered and can only be measured for the whole building, thus Charity Bank is unable to understand and monitor the impact of their actions to reduce gas consumption. Therefore, Charity Bank should consider measuring resources that the bank has more control over such as the impact of Charity Bank's green loans as well as the impact of the bank's wider loan activities for which the bank is already undertaking steps to establish a baseline.
- To work towards Green level accreditation, Charity Bank needs to measure an additional resource. Additional resources could be measuring the uptake of environmental training, the impact of green procurement, or the impact of projects.
- Charity Bank could also consider linking growth to a sustainability initiative and measuring this as an additional resource e.g., planting a tree when a certain number of customers are obtained, or new members of staff join the organisation.
- To score additional points within resource measuring and monitoring, undertake further impact assessment to understand how resources are used within processes of the organisation and where heavy use of each resource exists. Include understanding of areas where physical changes can be made (control) or only behavioural changes can be made (manage).
- To score additional points within resource monitoring, capture Charity Bank's data review process within action plan updates and/or meeting minutes. Data should be reviewed on at least a 6-monthly, but preferable quarterly, basis.

Performance, Action & Targets



92%

As previously stated, Charity Bank has established a baseline year for 5 resources, but only has more than one year of data for electricity, printing and natural gas. However, the bank has identified a 2% reduction for all resources, with the exception of natural gas as data can only be obtained for the whole shared building. Charity Bank has also set a future target for at least 5% of lending to have a direct positive impact and at least 10% to have an indirect positive impact.

An action plan is in place for electricity, natural gas, water, paper, and green lending, which demonstrates the progress in consumption over the last year as well as outlining actions to support future targets.

Strengths

- Charity Bank has achieved a 15% reduction in electricity consumption from the previous year and 21% reduction from the baseline year, earning a score of outstanding.
- Action plans are in place for green lending in addition to the organisation's measured resources, earning a score of outstanding.
- All actions are assigned a completion or review date, as well as an individual or team responsible for the action's progress.

Actions for review

- In order to further support future targets, consider breaking some actions down further.
- Action plans are currently reviewed on an ad hoc basis. To score additional points within action planning, formalise and capture the action plan review process. Reviews could be captured within Green Team meeting minutes or action plan updates.
- To reduce the environmental impact of the organisation's natural gas consumption, consider recommending a green gas supplier to building management.

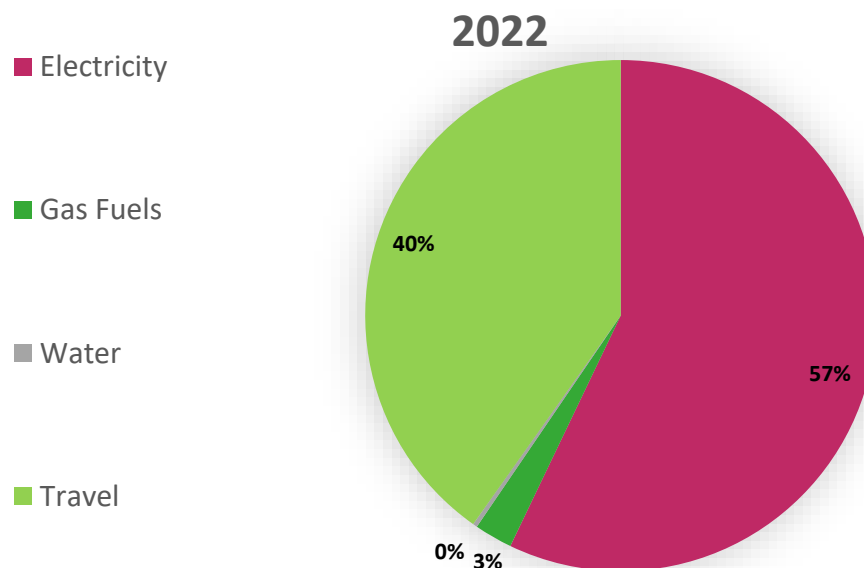
Carbon Management



75%

Charity Bank has calculated a carbon footprint for the years 2021 and 2022 using the iiE Carbon Calculator. Both carbon footprints included electricity, natural gas and business mileage. The carbon footprint for 2022 also includes water.

The total carbon footprint for 2022 is **32.77** tonnes of CO₂e. The pie chart below depicts the breakdown of Charity Bank's carbon footprint for 2022 by emission source. The greatest contributor to Charity Bank's carbon footprint is electricity use accounting for 23.43 tCO₂e (equating to 57%).



Strengths

- The inclusion of all Scope 1 & 2 emissions and Scope 3 emissions associated with business travel, which is a requirement at Silver level.
- Charity Bank has achieved a 9% (3tCO₂e) reduction in carbon emissions from 2021 to 2022, attributed to the bank reducing its electricity consumption.
- Electricity is supplied by a renewable energy supplier, Ecotricity.

Actions for review

- To work towards Green level, consider including further Scope 3 emissions such as working from home emissions, waste or emissions associated with the procurement of goods and services.

- Consider investigating alternative carbon footprint calculators that ease the collection and inclusion of Scope 3 emissions such as SmartCarbon (an iiE Partner). The [SmartCarbon](#) platform is based on the internationally recognised Greenhouse Gas Protocol and uses the latest UK Government conversion factors. The robust methodology and calculation also supports legal compliance for those required to meet the Streamlined Energy and Carbon Reporting (SECR) requirements. SmartCarbon can also help suppliers to calculate their own emissions for which Charity Bank can then apportion part of its Scope 3 footprint based on percentage of expenditure with that supplier.

Waste Management & Materials



88%

Charity Bank has established a waste management system in which waste is separated into general waste, paper and cardboard recycling, plastic and tin recycling, compost waste, confidential waste, crisp packets, ring pulls, postage stamps, batteries, coffee pods and toner cartridges.

Strengths

- A Waste Management System is in place in which waste is separated into several streams, earning a score of 'Outstanding'.
- Waste training is also part of Charity Bank's induction process to ensure all new starters understand how to use the waste system correctly, reducing incidents of contamination.
- Daily bin checks are undertaken by the cleaner and the Facilities Officer also checks the recycling bin every 2-3 weeks. The findings from these checks are communicated to staff through Teams messages.
- Sustainable Procurement is also part of Charity Bank's procurement policy.

Actions for review

- To consolidate the learning of the new starter waste training and ensure staff remain confident using the waste management system, particularly when new streams are introduced, consider implementing a short quiz.
- To support procurement decision making, consider implementing a green products list, or creating a traffic-light scoring system.
- Charity Bank could also measure procurement by measuring the percentage of suppliers that have an environmental/sustainability policy or accreditation or have a score above a certain threshold.

Transport & Travel Planning



67%

Charity Bank has established a Travel Plan which is supported by a Hybrid Working Policy, Environmental Policy and Social Impact Report. The Bank is currently trialling a four-day week to reduce commuter mileage and encourages virtual meetings where possible.

Strengths

- Charity Bank has introduced a Travel Plan which is supported by a suite of policies. The Travel Plan also addresses business travel, commuter travel and travel by visitors.
- A Travel Survey was undertaken in January 2023 with a high response rate of 70% with results shared through the Travel Plan.

Actions for review

- To support internal and external stakeholder travel decisions, consider including a travel decision tree and a map with sustainable travel information in the policy or a link to this information on the bank's website.
- When driving is unavoidable, encourage drivers to drive efficiently by adopting the practices suggested by [The AA](#). This could be shared with staff through the policy, existing communication channels (e.g., email), or through Travel Training.
- If Charity Bank decides to implement a Cycle2Work scheme, consider emphasising the purchase of electric bikes to encourage a higher uptake of the scheme.
- As 61% of respondents typically commute to Charity Bank by car, consider exploring Electric Vehicle Salary Sacrifice Schemes such as the scheme provided by [Octopus Energy](#).

Environmental & Social Projects



100%

Charity Bank has undertaken several projects to support communities and enhance the environment, earning a score of 'Outstanding' in this area.

Projects included fundraising activities for Nourish, undertaking a litter pick and building a bug house and planting planters. To work towards Green level Charity Bank should continue to undertake at least 3 significant environmental and social projects.

Communication & Engagement



67%

Charity Bank has established regular communication with the senior management team as well as the wider team.

Strengths

- Members of the senior management team are part of the Green Team and updates are regularly provided to the senior management team and Board.
- Staff are regularly updated by email and members of the Green Committee also cascade updates through their teams.
- Staff can also provide feedback and ideas through meetings, informal conversations and surveys.
- Beyond Charity Bank, the organisation's achievements and sustainability work will be shared via an impact report which is due to be published in June. The bank also plans to share initiatives and work within the annual accounts.

Actions for review

- To score additional points within communication with SMT, consider including evidence of sustainability as part of SMT meeting agendas and/or meeting minutes.
- Continue to share Charity Bank's journey with external stakeholders through social media, articles and/or case studies.

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