



ACCREDITATION REPORT

CHARITY BANK

June 2025





Executive Summary

Charity Bank provides financial services to support charities and social enterprises, as well as enable savers to support positive environmental and social change across the UK. Environmental and social sustainability is part of the ethos of Charity Bank and its vision is a society that fosters vibrant communities and a healthy planet that gives every individual the opportunity to thrive.

The bank's office is based in a shared building, thus structural changes need to be approved and supported by the landlord and building managers. Although Charity Bank has worked hard to influence and enact changes within the building, there remain challenges in obtaining data and implementing further energy efficiency actions.

Despite this, Charity Bank remains an exemplar member of the Investors in the Environment scheme, once again scoring highly in the annual audit and retaining green accreditation status.

The bank has continued to maintain an effective Environmental Management System (EMS) and has enhanced performance in several areas including leadership & governance; resource use, data and monitoring; and transport and travel planning. The organisation continues to excel in terms of waste management, environmental and social projects and is an exemplar for communicating its sustainability journey. The Bank has continued to extend its focus beyond its own impacts by building on previous initiatives to support customers on their own sustainability journey, including green loans, funded energy audits and additional learning resources.

The bank has further reduced its carbon footprint by 15% and has achieved further excellent reductions in electricity (9%), gas (15%) and mileage (20%). The inclusion of 81% of emissions associated with its loan portfolio (as at 31st December 2024) and the ongoing development of the Net Zero Working Group stand as further testimony to the Bank's commitment to eliminating carbon emissions and reducing environmental impacts. Charity Bank should review the recommendations outlined in this audit report and identify which can be assimilated most readily into the existing action plan for 2025/26 to help continue further enhancing their sustainability credentials.

Highlights

- The bank has reduced its carbon footprint by 15% and has achieved further excellent reductions in electricity (9%), gas (15%) and mileage (20%).
- Charity Bank has again undertaken an outstanding number and variety of projects to increase resource efficiency, and support staff wellbeing and local communities. 37% of employees actively volunteered in 2024 delivering 2,770 hours of support to social and environmental initiatives
- Charity Bank has established and maintained highly effective communication channels for sustainability across the organisations and there is well evidenced support from senior leadership and the Board.



Improvements

- Continue to investigate a process for securing viable waste data in order to track progress towards continually reducing waste and improve Charity Bank's carbon footprint calculation.
- Continue to develop a strategy to work towards the bank's Net Zero ambition including intermediate targets, short and long-term action plans (e.g., 5-year, 10 year and 15 year) and stakeholder engagement.
- Include working from emissions and additional Scope 3 emissions within Charity Bank's future carbon footprint calculations such as travel by public transport.
- The Bank should consider the value of normalising data for the resources being measured. This requires the adoption of an intensity metric – for example electricity use in kWh measured against the office occupancy hours; or paper use measured against total number of customers. This will enable the Bank to track progress in terms of efficiency gains against the backdrop of a growing business (more employees, more customers, increased value of investments, etc)



Score

Investors in the Environment is pleased to confirm that, having recently completed the audit process, **Charity Bank** has achieved the **Green** level accreditation with a score of **91%**.



To achieve Green level accreditation, an organisation is required to demonstrate continual improvement through the implementation of their Environmental Management System, working towards a minimum 2% efficiency improvement year-on-year. At Green level, the organisation is focusing on driving wider sustainability development throughout and is starting to consider their value chain with the implementation of sustainable procurement practices, and associated carbon emissions.



About the audit

The Investors in the Environment (iE) 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 **30th April** with final evidence submitted on **13th May**.

Evidence submitted included:

- Updated EMS Reporting Pack
- Resource measurement sheets
- Action Plans
- Carbon Footprint Calculation
- Evidence of Communication

Summary Results Table

| Audit category | Score |
|--|------------|
| Section 1 - Leadership and Governance (Policy) | 100% |
| Section 2 - Resource Use, Data, & Monitoring | 79% |
| Section 3 - Performance, Action, & Targets | 92% |
| Section 4 - Carbon Management | 79% |
| Section 5 - Waste Management & Materials | 100% |
| Section 6 – Transport & Travel Planning | 89% |
| Section 7 - Environmental & Social Projects | 100% |
| Section 8 – Communication & Engagement | 100% |
| Overall Score | 91% |



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)



100%

The process of developing an environmental policy includes a review of the environmental aspects of an organisation and the impacts these have on the wider environment. This should consider material use and consumption, energy use, water management, waste minimisation, etc.

The policy is the main driver for environmental performance improvements and needs to be led by the Senior Leadership Team (SLT). It should be reviewed annually, alongside environmental performance updates.

In time, wider strategies and long-term objectives should be considered by the organisation and used to inform the commitments outlined in the policy. The policy should be communicated to staff and made available for all to review, both internally and publicly.

Strengths

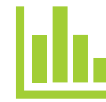
- Support from senior leadership remains very strong with members of the senior management team (SMT) being part of the Green Team and excellent communication and reporting channels in place.
- There is strong evidence to show the process by which the Environmental, Social and Governance (ESG) Policy is continually reviewed to ensure it remains up to date and continues to communicate the full extent of the bank's commitment to reducing environmental impact.
- Both the Bank's intranet and induction process are utilised to good effect to ensure that staff are encouraged to engage with the sustainability journey and that new employees understand the commitments that have been made with respect to environmental performance.
- The bank continues to provide green loans for impactful projects and further work to help customers understand and improve their environmental performance has been completed, including the '6 steps to environmental management' video produced in partnership with iiE.

Actions for review

- Explore the potential to incorporating key performance indicators relating to sustainability into the appraisal process for senior staff. This will further embed the Bank's commitment to environmental performance and correlate it to wider operational and financial. A similar approach could be considered for appropriate members of the wider workforce to empower staff to define how they engage and contribute to the bank's sustainability goals.
- Consider implementing a half yearly review of staff engagement and involvement with sustainability efforts. This could be done in the form of a survey and could potentially be incorporated into other work such as the travel to work survey

- Consider documenting actions with respect to training, both formal and informal, of the wider workforce. The new iiE Sustainability Training Record template could be utilised for this.

Resource Use & Data Monitoring



79%

Resource use and data monitoring is pivotal for any organisation to ensure good management of performance. Within this section of the EMS, an organisation is required to develop robust data recording procedures and set a process for data revision that aligns with general performance reviews – which could be monthly, quarterly, or even half yearly, depending on the measured resource and planned activity.

To support the monitoring of data, a review of operations and processes across the organisation needs to be carried out to understand how and why resources are used and where opportunities for improvement exist.

As part of resource management, prioritisation is key, to ensure activities and resources focused on efficiency gains are deployed in areas which can have the biggest impact.

Strengths

- Charity Bank continues to demonstrate a strong understanding of how resources are used across the bank and continues to implement appropriate actions where feasible to do so.
- Charity Bank continues to measure and monitor a wider range of resource use including electricity, natural gas, water, printing, paper use, business mileage (petrol and diesel), and the direct and indirect environmental impact of the Bank's green loans.
- Data is collected monthly, and reviews are now completed bi-monthly by the Net Zero Working Group, this enables more regular analysis and enables the NZWG to implement additional actions if required to ensure performance remains on track against annual targets.

Actions for review

- As Charity Bank is within a shared building, consider measuring resources for which the bank has more control over usage (such as the carbon impact of digital storage), the impact of actions to support other organisations on their journey (such as the number of green loans accessed or number of video views), or impact areas Charity Bank can take greater action around such as the impact of events.
- Whilst securing waste data in a shared building is challenging, continue discussions with the landlord to ascertain whether data around the overall tonnage of waste arising and how much waste is recycled can be captured, If this

is possible consider tracking the percentage of overall waste that is being recycled.

- If reliable waste data can be captured this can be incorporated into the annual carbon footprint calculation.
- The Bank should consider the value of normalising data for the resources being measured. This requires the adoption of an intensity metric – for example electricity use in kWh measured against the office occupancy hours; or paper use measured against total number of customers. This will enable the Bank to track progress in terms of efficiency gains against the backdrop of a growing business (more employees, more customers, increased value of investments, etc)

Performance, Action & Targets



92%

Setting targets provides an opportunity to measure performance against planned activities. Where performance is falling short of achieving targets, future or underway activity or project plans can be refined to ensure set out goals are achieved.

Targets can be set against activity metrics to analyse how annual changes to business activity have affected performance, with the aim to always improve efficiency where absolute reductions are not achievable.

Clear, relevant and well managed action plans should record intended activities and support the review of performance, with the aim to achieving the set targets.

Strengths

- Charity Bank has achieved further excellent reductions in electricity (9%), gas (15%) and mileage (20%) with small decrease in printing (2%).
- Engagement with the landlord remains positive and the installation of further LED lighting is now planned for 2025, resulting from the careful management of this relationship
- Further reduction targets have been set for year ahead. These are well considered and realistic and the Bank articulated a strong understanding of how these might be achieved and the potential challenges that may need to be addressed. This included a review of opportunities relating to technical, operational and behavioural changes, a consideration of previous actions and any limiting factors (i.e. difficulties securing water data, rented building, etc)
- The setting of targets is again supported by well-considered action plans for each nominated resource which have taken into account suggested actions from the previous audit.

Actions for review

- Ensure that the action plan continues to be reviewed as regularly as possible, to enable effectively reporting back to the workforce as actions are successfully completed, but also to ensure, where progress is not on track, mitigating measures can be implemented in a timely manner.

Carbon Management



79%

With increased focus on working towards Net Zero and the importance of Climate Action, carbon management is a key element of the iiE accreditation process. Organisations are required to calculate their footprint starting at buildings level (energy consumed within the buildings), then water, travel, and finally including additional aspects of business activity, such as waste, etc.

Carbon Management provides an opportunity for an organisation to consider which resources or operations need to be prioritised to decarbonise as quickly as possible, in line with Climate Science. The output from a carbon footprint calculation should be used to inform these decisions, which is another reason data capture and accurate data reporting is necessary.

In accordance with the [GHG Protocol](#), iiE encourages the dual reporting of an organisation's carbon footprint, which results in the provision of two outputs for those organisations on a renewable energy tariff, a 'location-based' and a 'market-based' carbon footprint.

The 'location-based' method reflects the impact of electricity drawn from the grid, using the UK grid's average emission factor, regardless of the tariff to which an organisation has signed up.

The 'market-based' method uses an emission factor which is either specific to the electricity tariff to which the reporting organisation has signed up, or a generic 'UK renewable energy' factor, which allows electricity from renewables or low carbon sources to be reported with lower emissions than those generated through the burning of fossil fuels. An energy provider should be able to provide the emission factor for any of its tariffs.

Any electricity purchased and distributed through the National Grid is generated from a variety of sources and will always have a carbon footprint as a result. Location-based reporting demonstrates the organisation's awareness of the overall impact Grid sourced electricity contributes towards climate change. Direct carbon reduction using location-based reporting can only be achieved through the installation of solar or other renewable technologies. However, the market-based reporting provides an opportunity to demonstrate an organisation's commitment to support the reduction of emissions through its purchasing decisions.

Strengths

- Charity Bank remains committed to measuring and disclosing the greenhouse gases associated with its loan portfolio. As part of this commitment the Bank is signed up to the Climate Change Commitment and remains an active member of The Partnership for Carbon Accounting Financials (PCAF).
- The Net Zero Working Group set up in 2024 is proving effective and is well supported by senior management and the Board and is on track to publish the Bank's first Net Zero Strategy in January 2026.
- The bank has calculated an operational carbon footprint incorporating use of electricity, natural gas, water, and business travel by car and recorded a 15% reduction for the 12-month period being reviewed.
- In addition, the bank has calculated the carbon footprint for 81% of its loan portfolio as at 31st December 2024 (a slight reduction from the previous 12 months).
- Charity Bank has maintained a priority focus on reducing carbon emissions but continues to offset direct operating carbon emissions through Retrofit Credits and Earthly.
- The bank has set a well-considered target to reduce its carbon footprint by 4.4%. This is based on the action plans to reduce resources across the organisation.

Actions for review

- Continue to develop a strategy to work towards the bank's Net Zero ambition including intermediate targets, short and long-term action plans (e.g., 5-year, 10 year and 15 year) and stakeholder engagement.
- To further enhance the carbon footprint calculation, consider including emissions associated with additional modes of transport such as public transport and aviation (where relevant).
- With a number of employees working from home, future carbon footprint calculations should include homeworking emissions and continue to undertake actions to empower staff to reduce their emissions whilst at home.
- As the Bank starts to further review Scope 3 emissions, consider encouraging suppliers to sign an agreement to make their own carbon reductions. Initially this could target suppliers above a certain value threshold with the aim of reducing this year on year to eventually incorporate all suppliers.
- To further enhance understanding of climate issues relating to the organisation as well as individuals to help drive forward the Bank's Net Zero Strategy, consider enrolling senior management and selected employees from the wider workforce for [Carbon Literacy](#) training.
- Consider normalising the data for the carbon footprint relating to the loan portfolio. As the volume and value of loans increase it is inevitable that associated carbon emissions will also increase. Measuring these carbon emissions on a per capita basis, such as CO₂e per £ lent or average per loan, are worth considering.

Waste Management & Materials



88%

Organisations are required to review and improve upon waste management. This should start with how waste is managed on site and ultimately disposed of to ensure the correct processes are followed.

From Silver level onwards, thought should be given to procurement and how waste is generated on site, from the materials purchased that end up in the waste stream, through to the activities on site that create waste.

Finally, circular economy concepts and thinking should be introduced, with the waste hierarchy leading to decision making, opting for elimination as the priority, followed by choosing products that can be reused or repaired.

Strengths

- Charity Bank has implemented a well-structured Waste Management Plan and maintained an effective waste management system that includes confidential waste, paper & cardboard, general waste, tin cans, crisp packets, plastic, ring pulls, postage stamps, batteries, coffee pods, and toner cartridges.
- Initiatives such as the successful 'Waste Free Wednesdays' have been maintained and help act as a focal point to engage staff with the bank's waste management system and encourage waste reduction behaviours.

Actions for review

- Keep monitoring adherence to the Waste Management Plan by carrying out regular checks across the site throughout the year and record the results for future audit evidence.
- (As per recommendation in resources section) Whilst securing waste data in a shared building is challenging, continue discussions with the landlord to ascertain whether data around the overall tonnage of waste arising and how much waste is recycled can be captured, If this is possible consider tracking the percentage of overall waste that is being recycled.
- Consider signing up for waste related campaigns such as [Zero Waste Week](#) or [Plastic Free July](#) maintain momentum and further staff engagement. There is a Zero Waste Week Guide available in [the resources area of the members portal](#)

Transport & Travel Planning



89%

A travel plan must consider the travel needs for an organisation, including access, availability of public services, and safety of travel where relevant. Travel is the single largest contributor to UK Greenhouse Gas Emissions, and can be a challenging area to manage, given the need for transport within any operation.

The plan should aim to remove barriers for individuals to choose active / shared transport over single car occupancy, and then to consider electrification of vehicles over internal combustion engines.

Surveys are a useful tool to engage with individuals around travel habits and to support identification and implementation of barrier removals, to improve good travel habits.

Strengths

- Charity Bank has a detailed and impact focused Sustainable Travel Plan that focuses on the sustainable travel hierarchy and incorporates the findings of the 2023 staff travel to work survey. It highlights how the banks' hybrid working arrangements and move to a 4-day week have significantly reduced travel to work mileage but highlights a number of other mechanisms whereby travel-related impacts can be reduced further.

Actions for review

- Consider investigating and sharing (with building management) the new grant-funded program provided by [Green Energy Switch](#) offering free EV charger installations for businesses. Further information can be found [here](#), and to check eligibility, email commercial@greenenergyswitch.co.uk.
- Evaluate the benefits of joining a programme such as [Climate Perks](#) which links actively engaging in more sustainable travel with work-related benefits (such as additional time off to travel by rail rather than air)
- Communicate eco-driving and car maintenance tips to staff, to encourage efficient driving and reduce fuel consumption and emissions. The [AA](#) provides a range of advice relating to this.
- Explore the feasibility of facilitating a car sharing scheme for staff commuting to work in their own vehicles.

Environmental & Social Projects



100%

All organisations need to consider their corporate responsibility, both for social, community and wellbeing impacts, and for environmental impacts through biodiversity or conservation efforts.

This section requires organisations to undertake a range of projects that not only aim to achieve impacts, but to also encourage individual participation and engagement – to raise conversation and encourage individuals to consider what they can do outside of the organisation as well.

It is strongly encouraged that organisations undertake projects in all three areas, Resource Efficiency, Biodiversity / Conservation, and Social / Community.

Strengths

- Charity Bank has again undertaken an outstanding number and variety of projects to increase resource efficiency, and support staff wellbeing and local communities.
- The bank has continued to implement initiatives to support other organisations on their own sustainability journey including green lending and creating films to educate customers on environmental management and energy efficiency.
- A Staff Volunteering Survey showed an incredible 2770 hours (346 days) of support was given to environmental and social initiatives, with 37% of staff currently volunteering.

Actions for review

- iiE now produces three different annual campaigns calendars that focus on Resource *Efficiency*, *Social and Wellbeing*, and *Biodiversity and Conservation*. Collectively they highlight over 50 campaigns that member organisations can sign up to and further staff engagement with their sustainability efforts. The calendars can be downloaded [here](#)

Communication & Engagement



100%

The scheme requires that active and engaged communication happens at all levels, as sustainability cannot only happen within the Senior Team or only happen at ground level but requires a collaborative approach. Regular and consistent communication and engagement is therefore pivotal to ensuring objectives are achieved.

In addition, regular reporting is necessary to highlight the success of activities and improvements achieved. These should be produced both for the SLT, but also for wider staff to celebrate success and recognise efforts they have made through participation.

In time, reports should be made available publicly alongside the environmental policy to further demonstrate the commitment and celebrate the achievements of the organisation.

Strengths

- Charity Bank has established and maintained highly effective and impactful communication channels across the organisation. The Green Team and Net Zero Working Group includes senior managers and there is strong evidence of regular communication with the Senior Management Team and Board to update on progress against sustainability targets.
- Charity Bank publishes an annual ESG report on its website to communicate its commitment to environmental stewardship, achievements from the year, key initiatives, as well as plans for the next year.
- Internal communications are particularly strong with regular updates by internal messages, emails, newsletters, and regular team meetings. The effectiveness of these is highlighted by the high level of staff engagement, particularly with respect to involvement in social and environmental projects.

Actions for review

- Consider highlighting Charity Bank's sustainability work more effectively on the website, perhaps by including a more prominent link on the homepage that takes users to a sustainability landing page incorporating all aspects of the Bank's work in one place.
- Create a suggestions box or conduct a survey to both collect ongoing feedback from staff about sustainability focused actions, but to also provide an opportunity for the wider workforce to contribute ideas to reduce environmental impact.
- With a significant percentage of working hours taking place in employees homes, consider signposting employees to sites such as [Giki](#) to help them understand their own carbon footprint and review opportunities to reduce it



Next steps

To continue to develop sustainability within the organisation, the business should consider and prioritise the following next steps below.

- Continue to investigate a process for securing viable waste data in order to track progress towards continually reducing waste and improve Charity Bank's carbon footprint calculation.
- Continue to develop a strategy to work towards the bank's Net Zero ambition including intermediate targets, short and long-term action plans (e.g., 5-year, 10 year and 15 year) and stakeholder engagement.
- Include working from emissions and additional Scope 3 emissions within Charity Bank's future carbon footprint calculations such as travel by public transport.
- The Bank should consider the value of normalising data for the resources being measured. This requires the adoption of an intensity metric – for example electricity use in kWh measured against the office occupancy hours; or paper use measured against total number of customers. This will enable the Bank to track progress in terms of efficiency gains against the backdrop of a growing business (more employees, more customers, increased value of investments, etc)
- Review the other recommendations outlined in this audit report and identify which can be assimilated most readily into the existing action plan for 2025/26 to help continue further enhancing their sustainability credentials.



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