



Save Our Bank

Crowd power to keep our bank ethical

The Co-operative Bank
P.O. Box 101
1 Balloon Street,
Manchester
M60 4EP

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COMPARISON OF CURRENT ETHICAL POLICY STATEMENTS WITH VALUES AND ETHICS POLL

To The Co-operative Bank,

We are sure you have seen the Save Our Bank campaign's reaction to The Co-operative Bank's Values and Ethics Poll, which we are urging our supporters and all bank customers to complete. We were particularly pleased by the message that the bank is not aiming to drop any of its existing policies, and we welcome the positive engagement of the bank with the Save Our Bank campaign so far.

We would like with this letter to draw your attention to a small number of Ethical Policy statements which *do not appear* in the Values and Ethics Poll, or which appear only in watered-down versions. In order to reassure our members and all of your customers regarding your intent not drop existing positions, can the bank provide us with reassurance that these Ethical Policy positions will be maintained in the final policy?

In the interests of transparency we would like to share this letter and the bank's response to it on the Save Our Bank Campaign website.

Human Rights

- The survey does not include reference to the existing policy not to finance **“any government or business which fails to uphold basic human rights within its sphere of influence”**. Although it contains references to refusing to support businesses linked to oppressive regimes, and to support businesses which promote and respect human rights, any reference to a commitment not to finance those companies which fail in their established duty to respect human rights is absent.
- The survey does not include reference to the existing policy not to finance **“the manufacture or transfer of indiscriminate weapons, e.g. cluster bombs and depleted uranium munitions”**. Although it references refusing to support businesses which trade weapons with oppressive regimes, or which manufacture torture equipment or other equipment used in the violation of human rights, it is not clear if the existing policy not to finance such indiscriminate weapons will be upheld.

International Development



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- Whereas the existing Ethical Policy contained a commitment not to finance businesses which “take an irresponsible approach to the payment of tax in the least developed countries”, the survey references only “not banking, investing in or lending to businesses that illegally avoid paying tax in developing countries”. Given the very significant development impacts of *legal* tax avoidance, e.g. through the egregious use of tax havens, this represents a significantly lower level of ambition.

Yours sincerely

The Save Our Bank Campaign team



Appendix: Save Our Bank Comparison of current Co-operative Bank Ethical Policy and survey statements

Key:

Red = existing Ethical Policy statements missing from the survey

Blue = statements which can be matched with a similar or equivalent statement in the Ethical Policy and Survey

Black = statements in the survey which are new or do not have an equivalent in the Ethical Policy

1. Human Rights

Current Policy:

We support the principles of the Universal Declaration of Human Rights. In line with this, we will not finance:

- any government or business which fails to uphold basic human rights within its sphere of influence
- any business whose links to an oppressive regime are a continuing cause for concern
- any organisation that advocates discrimination and incitement to hatred
- the manufacture or transfer of armaments to oppressive regimes
- the manufacture or transfer of indiscriminate weapons, e.g. cluster bombs and depleted uranium munitions
- the manufacture or transfer of torture equipment or other equipment that is used in the violation of human rights.

Survey

- Paying men and women who work at the Co-operative Bank equally and encouraging others to follow suit
- Refusing to support businesses involved in the manufacture or trade in torture equipment or other equipment used in the violation of human rights
- Refusing to support businesses that advocate discrimination or incitement to hatred
- Supporting organisations that promote and protect human rights
- Refusing to support businesses that are involved in illegal surveillance
- Supporting the promotion and protection of human rights
- Refusing to support businesses with links to oppressive regimes
- Refusing to support businesses that are involved in the manufacture or trade in weapons with oppressive regimes
- Other (please specify)
- Don't know
- None of the above

2. International Development



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Current Policy:

We will seek to support poverty reduction. In line with this, we will not finance organisations that:

- fail to implement basic labour rights as set out in the Fundamental ILO Conventions, e.g. avoidance of child labour, or that actively oppose the rights of workers to freedom of association, e.g. in a trade union
- **take an irresponsible approach to the payment of tax in the least developed countries**
- impede access to basic human necessities, e.g. safe drinking water or vital medicines
- engage in irresponsible marketing practices in developing countries, e.g. with regard to tobacco products and manufacture.

We will support fair trade and the provision of finance to the working poor in developing countries, via microfinance.

Survey

- Not banking, investing in or lending to businesses that impede access to basic necessities like food and medicine
- Supporting micro lending (loaning small sums of money to entrepreneurs) to relieve poverty overseas
- Campaigning publically to support international development issues
- Not banking, investing in or lending to businesses that illegally avoid paying tax in developing countries
- Not banking, investing in or lending to businesses that fail to implement basic labour rights set out by the International Labour Organisation e.g. opposing the rights of workers to join a trade union and employing child labour
- Campaigning publicly to promote equal opportunities and equal pay for women in the developing world
- Not banking, investing in or lending to businesses that engage in irresponsible marketing in developing countries (e.g. tobacco marketing)
- Other (please specify)
- Don't know
- None of the above

3. Social Enterprise

Current Policy:

“We will seek to support charities and the broad range of organisations involved in the Social Enterprise sector including: co-operatives, credit unions, and community finance initiatives.”

Survey

- Supporting micro lending (loaning small sums of money to entrepreneurs) to relieve poverty in the UK
- Supporting initiatives like the Living Wage and committing to implement it at the Co-operative Bank



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- Doing more to support new business start-ups in the UK
- Encouraging all suppliers to The Co-operative Bank to help tackle low pay among their workers through initiatives like the Living Wage
- Providing opportunities for young people through a Co-operative Bank apprenticeship scheme
- Supporting schemes which enable people to get together to collectively fund projects (e.g. crowd funding or peer-to-peer lending)
- Not banking, investing in or lending to companies that illegally avoid paying tax in the UK
- Actively promoting co-operative businesses
- Supporting businesses that create jobs or local economic development in the UK (e.g. more loans for small businesses)
- Supporting credit unions
- Supporting organisations (but not political parties) that promote social and economic development in the UK
- Not banking, investing in or lending to companies whose core business is focused on irresponsible gambling.

4. Ecological impact

Current policy:

We will not finance any business whose core activity contributes to:

- global climate change, via the extraction or production of fossil fuels (oil, coal and gas), with an extension to the distribution of those fuels that have a higher global warming impact (e.g. tar sands and certain biofuels)
- the manufacture of chemicals that are persistent in the environment, bioaccumulative in nature or linked to long term health concerns
- the unsustainable harvest of natural resources, including timber and fish
- the development of genetically organisms where there is evidence of uncontrolled release into the environment, negative impacts on developing countries, or patenting e.g. of indigenous knowledge
- the development of nanotechnology in circumstances that risk damaging the environment or compromising human health.

Furthermore, we will seek to support: businesses involved in recycling and sustainable waste management, renewable energy and energy efficiency, sustainable natural products and services (including timber and organic produce), and the pursuit of ecological sustainability.

Survey

- Encouraging suppliers to The Co-operative Bank to comply with strict environmental standards
- Not banking, investing in or lending to companies whose core activities generate global climate change, via the extraction (e.g. fracking), production or distribution of fossil fuels
- Publishing the Co-operative Bank's environmental performance



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- Supporting companies that invest in renewable energy
- Not banking, investing in or lending to companies that manufacture chemicals that persist in the environment or are harmful to health
- Making a commitment that The Co-operative Bank will be carbon neutral
- Not banking, investing in or lending to companies that are involved in the development of genetically modified organisms
- Not banking, investing in or lending to companies that are involved in the development of nanotechnology in circumstances that risk damaging the environment or harming human health
- Not banking, investing in or lending to companies that are involved in the unsustainable exploitation of natural resources
- Participating in campaigns which seek to protect the environment
- Supporting organisations that protect the environment
- Providing paperless statements
- Other (please specify)
- Don't know
- None of the above

5. Animal Welfare

Current policy:

We will not finance any organisation involved in:

- animal testing of cosmetic or household products or their ingredients
- the exploitation of great apes, e.g. in experimentation or general commercial use
- intensive farming methods, eg caged egg production
- blood sports, which involve the use of animals or birds to catch, fight or kill each other
- the fur trade.

Furthermore, we will seek to support: businesses involved in the development of alternatives to animal experimentation and farming methods that promote animal welfare (e.g. free range farming).

Survey

- Not banking, investing in or lending to companies that are involved in blood sports
- Not banking, investing in or lending to companies whose activities threaten endangered species
- Supporting businesses engaged in farming practices that promote animal welfare
- Supporting organisations that promote animal welfare
- Not banking, investing in or lending to companies that engage in intensive farming methods
- Supporting businesses that are developing alternatives to animal testing
- Not banking, investing in or lending to companies that engage in animal testing of cosmetics or household products



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- Not banking, investing in or lending to companies that are involved in the fur trade
- Supporting businesses that are involved in protecting endangered species
- Not banking, investing in or lending to companies that exploit the Great Apes for commercial advantage
- Other (please specify)
- Don't know
- None of the above