Sustainable leadership

Case studies from the financial services sector for a greener economy

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Contents

The role of finance in supporting the transition

UK Finance is the collective voice for the financial services industry. Representing over 300 member firms across the industry, we act to enhance competitiveness, support customers and facilitate innovation. Our membership is diverse and representative of a dynamic industry with a global footprint, gathering small and large banks, building societies, international wholesale banks, as well as payment services firms.

The financial services sector is playing and will continue to play a critical role in the transition to Net Zero and delivery of wider sustainability commitments. This includes investing in and lending to crucial sectors such as low-carbon energy and greening the housing stock, supporting clients as they transition to low carbon practices, and financing the green economy in line with the UK's and global environmental objectives.

The transition to a low-carbon economy offers vast opportunities to drive investment, create jobs, and secure long-term growth. As a leading international financial centre, the UK is also well-placed to become a global hub for transition finance which will benefit the UK economy and help unlock private investment for the sectors and regions of highest impact to Net Zero ambitions. The financial services sector is ready to play a leading role in the greatest energy shift of our time through lending and financing.

Case studies from the financial services sector for a greener economy

This paper compiles case studies from our members, across the banking and finance sector. It offers a sample of the wide variety of activities undertaken by our members to support the transition of the wider economy.

Our case studies cover three themes, reflecting the priorities of the sector

- **Supporting communities and customers** – At the core of the sector's mission, climate impact should also deliver benefits for the homeowners, small businesses and communities that lenders serve.
- **Investing in net zero growth** – The financial sector plays a crucial role in financing green projects and the transition of highly emitting and hard-to-abate sectors. These are key to delivering domestic and international decarbonisation goals and often require innovative financing models in partnership with the public sector.

- **Building knowledge and capacity for change** – Firms use their expertise to bring change both internally and at a system-wide level.

The facts are compelling: financial institutions, of all sizes and operating in all areas of the economy, are creating positive impact and delivering commercial returns on climate-focused investments.

The need for clear policy

Our members, and the economy as a whole, need strong signalling from the top and clear pathways for delivery in order to support domestic and global decarbonisation goals. Positive examples of action and efforts undertaken by the sector and its clients should not detract from the need for clear policy to drive the transition.

UK Finance engages with policymakers in the UK and internationally to address systemic failings and propose solutions to policy shortcomings affecting the demand for, and the provision of, sustainable finance.

Our recommendations include:

- Effective de-risking and mobilising of private capital through vehicles such as GB Energy and the National Wealth Fund, as well as multilateral development banks internationally.
- Within the UK, implementing the upcoming Warm Homes Plan through a full capitalisation of the £13.2 billion allocated. Deploying concessionary finance to enable lower-cost green home lending; and a government-led advisory and information campaign to stimulate demand for retrofitting.
- Designing and implementing a full strategy for SME support.
- Aligning all government strategies (including the Industrial Strategy, the Infrastructure Strategy, the Clean Power Plan, etc.) to support green growth in the UK.
- The UK should continue to use its global leadership to secure ambitious outcomes for negotiations in key international forums (UN Climate Conferences, G20 and G7, etc.). There is a particular opportunity to provide the private sector with the right signals to scale up lending and investment, including by encouraging the use of concessional finance, guarantees and other blended finance tools to de-risk capital flows for emerging and developing economies (EMDEs). We stand ready to back the UK government in pushing for strong outcomes from international negotiations.

Our policy asks and recommendations can be found in our reports

"Greening Homes, Creating Growth: Unlocking demand for green home finance", 2025

"UK Finance's plan for growth", 2025

"Unlocking the SME net zero transition", 2024

"Keeping the pace on green growth", 2024

"Mobilising capital for a net zero transition", 2023

"Net Zero Homes: Time for a Reset", 2022

Supporting communities and customers

Our members help customers by developing innovative financing mechanisms to improve lives in communities in the UK and elsewhere. They deliver tools to support smaller businesses to reduce their emissions, and help homeowners improve the warmth, resilience and carbon footprint of their homes.

Atom bank

Financing biodiversity: secured lending for habitat banks to unlock housing

Atom bank is deploying its balance sheet to provide secured business lending for the creation of **Biodiversity Net Gain (BNG) habitat banks**, directly supporting the emerging natural capital market and helping to unlock new housing supply. By financing the transformation of poor-quality arable land into diverse habitats, the bank is developing a lending model to address complex challenges around land valuation changes and developers' lumpy payment schedules, demonstrating the banking sector's critical role as a capital vehicle for environmental solutions.

58 hectares of habitat creation financed
One 20-hectare project has the potential to unlock 500 new homes

Case study

The introduction of Biodiversity Net Gain (BNG) legislation in the UK requires developers to achieve at least a 10% net gain in biodiversity when building new sites. This mandate has created a new, rapidly emerging natural capital market for off-site BNG units, where landowners are incentivised to create 'habitat banks' to sell these units to developers. Atom bank recognised an opportunity to use its core lending business to provide the crucial capital needed to accelerate this market, directly supporting its climate-positive strategy.

The bank provided secured business lending to a client for the creation of two significant habitat banks: a 20 hectare site in Boxworth, Cambridgeshire, and a 38 hectare site in Northampton. These projects involve transforming low-yielding arable land into rich, diverse habitats, thereby generating the statutory BNG credits needed by developers. The BNG units from the Cambridgeshire site, for example, are expected to offset the biodiversity loss associated with approximately 500 new homes, directly linking environmental support with the unlocking of much-needed housing approvals.

The activity required Atom bank to work closely with the new BNG legislation and new market entrants. A significant challenge lay in establishing how to accurately treat changes in land value and maintain balanced Loan-to-Value (LTV) ratios as arable land is converted into a habitat bank. Furthermore, the nature of the BNG unit market means developers often make lumpy payments in bullet repayments, requiring the bank to demonstrate flexibility in its loan conditions to manage and accept this non-standard cash flow.

The positive impact of this engagement is threefold: it unlocks new affordable and energy-efficient housing by providing the necessary BNG units; it supports biodiversity by creating and securing new habitats for at least 30 years; and it positions the bank as a leader in deploying financial capital into a new, high-growth natural capital market. Achieving good outcomes on these initial deals has motivated Atom bank to explore creating more tailored products and propositions to support the wider creation of habitat banks and increase the release of housing approvals in areas of high demand, solidifying its role as a key financial enabler of the UK's net zero and nature recovery goals.

Deutsche Bank

£110 million Sustainability-Linked Loan (SLL) for university accommodation provider

£110 million Sustainability-Linked Loan (SLL) for university accommodation provider. UPP Group Holdings Limited (UPP), the leading provider of on-campus student accommodation infrastructure in the UK, has completed the financing of a new £110m sustainability-linked corporate revolving credit facility (RCF) with Deutsche Bank.

Case study

The deal marks UPP's inaugural foray into sustainability-linked financing, tying the cost of borrowing to the company's progress on environmental objectives. The facility incorporates KPIs in respect of carbon reduction, water consumption reduction and increased biodiversity net gain across UPP's c.35,000 room portfolio. These KPIs reinforce UPP's corporate commitment to enhancing the sustainability of its existing portfolio and to delivering new accommodation schemes that will have sustainable development as a key tenet of the transaction. This innovative funding aligns with UPP's vision to prioritise sustainability while addressing the growing demand for sustainable student accommodation.

This is also one of the first known SLLs with a KPI on the nascent UK regulation on Biodiversity Net Gain (BNG). Biodiversity Net Gain (BNG) is a regulation requiring most new developments to deliver at least a 10% increase in biodiversity value compared to the pre-development state, measured using a specific metric and secured for at least 30 years. This aims to ensure that development leaves nature in a measurably better state than before. UPP is exceeding BNG: instead of focusing purely on new housing developments, they intend to increase biodiversity across their entire portfolio.

UPP's ESG KPIs are aligned with its five environmental pillars: achieving Net Zero carbon emissions, reducing water consumption, zero waste to landfill, driving sustainable design, and enhancing biodiversity. UPP is also aligned with leading frameworks such as: Science Based Target Initiative, Global Real Estate Sustainability Benchmark, Global Reporting Initiative, and the Social Value Portal.

Deutsche Bank is active in supporting its clients raise sustainable finance, having set a €500 billion aggregate target by 2025. It has played an active role on nature topics for example through its establishment of the first external expert led Nature Advisory

Panel, its commitment as the first bank to join the Ocean Risk and Resilience Action Alliance (ORRAA), along with other efforts to include nature into its sustainable finance product offering.

HSBC UK

Working with Ecovadis to offer Sustainability Improvement Loans

The Sustainability Improvement Loan is a new solution designed for mid-market and smaller businesses to link the cost of financing to their sustainability performance. In the UK, HSBC has partnered with Ecovadis, to link Ecovadis scores to their customers' cost of capital.

Case study

The HSBC UK Sustainability Improvement Loan gives businesses the opportunity to demonstrate their commitment to sustainability and link the cost of financing to their sustainability rating. We've partnered with EcoVadis – a leading provider of sustainability ratings – so that businesses who complete an EcoVadis ESG assessment may access reduced interest rates as their EcoVadis rating improves in line with agreed targets. Similarly, interest rates may increase if their EcoVadis rating declines.

With customers increasingly expecting sustainable products and with growing regulatory ESG (Environmental, Social, Governance) requirements, many businesses are aware of the need to become more sustainable. However, the resource, time and expertise required to develop a sustainability strategy can be a barrier to meaningful change, particularly for small and medium-sized firms. This can prevent businesses making decisions to enhance their ESG profile.

EcoVadis offers pricing plans tailored to the scale of different businesses and their reporting needs. After the assessment, businesses receive an EcoVadis scorecard measuring performance out of 100 across four areas: environment, labour and human rights, ethics, and sustainable procurement. This score is then linked to their cost of capital and the learnings and improvements can be built into overall business strategy.

HSBC UK client Muntons was one of the HSBC customers to take advantage of this offering. Muntons is a leading producer of malt-based products, with an impressive sustainability track record. With the help of HSBC UK's Sustainability Improvement Loan, linked to their Asset Based Lending facility, Muntons is investing in further developing its sustainability footprint.

In 2015, the company set science-based targets to reduce on-site emissions by 45%, meeting them in 2022 – the first "maltster" (malt producer) to do so[3]. It aims to reduce emissions from the growing of malted barley by 30 percent by 2025, with targets to reduce landfill waste to zero and reach carbon net zero by 2030. It has also innovated new brewing ingredients such as its Maltichoc product, that can reduce the use of cocoa powder in recipes by up to 25%, leading to a 96 percent reduction in the carbon footprint of their cocoa powder.

In a bid to further advance its sustainability credentials, Muntons has secured an £83.8 million funding package from HSBC UK, supporting further investment in its sustainability initiatives. “This funding reaffirms our commitment to sustainable practices and also provides us with the necessary capital to expand both domestically and internationally,” says Kate Dixon, Head of Sustainability, Innovation and Marketing, Muntons.

HSBC UK

Supporting UK farmers with their sustainability ambitions

HSBC UK has partnered with sustainable farming charity LEAF (Linking Environment And Farming) to launch the HSBC Sustainable Farming Pathway. Under the scheme, farming businesses with the LEAF Marque certification, or who complete a LEAF Sustainable Farming Review (LSFR), are eligible for discounted loan arrangement fees on applicable products.

Case study

Like many markets globally, agriculture in the UK is facing sustainability challenges. The sector needs to meet consumer demand for nutritional food, while supporting human health and protecting the environment.

The HSBC Sustainable Farming Pathway's aim is to support farmers transition to more sustainable farming practices and contribute to a more resilient food supply chain, by offering access to discounted loan arrangement fees. The LEAF Marque is an environmental assurance system that certifies the entire farm business across all enterprises, from arable to livestock, and from horticulture to vertical farming. It demonstrates a farm's commitment to sustainability through practices such as soil and water management, pollution control and community engagement, and is recognised by large retailers.

Alongside improvement in the farm's sustainability credentials, the LEAF Marque aims to bring together people, farming systems and wider society to share knowledge throughout the food system, and to create more diverse, improved and connected habitats that both protect and enhance biodiversity.

LEAF's director of technical business development Clare Mike said: "LEAF Marque farmers are increasingly focused on incorporating sustainable practices into their operations. They're reviewing how to best balance soil sensitivity, enhance landscape and nature habitats, protect water, invest in renewables and boost biodiversity. Sustainability is high on the agenda for the UK's agriculture sector, and the new HSBC Sustainable Farming Pathway can help many businesses in their transition journey."

One of the first customers to use the Sustainable Farming Pathway was Stewarts of Tayside. They are an established, family-owned farming business, focusing on growing swede and soft fruit. Established in 1930 in Scotland, the business is one of the largest growers of swede in the UK and the largest independent soft fruit grower in Scotland. In September 2024, HSBC UK provided a $1.58m Term Loan finance package to Stewarts of Tayside tied to its sustainability credentials. The funding will be used to purchase farmland to support their expansion within the growing area of fresh produce.

Stewarts of Tayside ensures ethical and sustainable practices are prioritised throughout their production process. Several methods have been implemented to their field management work including crop rotation polyculture, cover cropping, water conversation and integrated pest management. Stewarts of Tayside holds certification with LEAF, BRC Food, Red Tractor, Global G.A.P & Scottish Quality Crops. HSBC UK has partnered with sustainable farming charity LEAF for the launch of this new proposition. Stewarts of Tayside were eligible for the Pathway, having previously obtained a LEAF Marque certification. An annual recertification of the LEAF Marque is required to ensure sustainable practices are maintained.

J.P. Morgan

Landmark deal for Brazil's farmers in climate fight

J.P. Morgan has arranged an $800 million loan for Banco do Brasil, supporting thousands of smallholder farmers in adopting sustainable no-till farming practices, reducing soil erosion and fossil fuel use.

Case study

J.P. Morgan has led a deal that will help thousands of smallholder farmers in Brazil to farm their land more sustainably.

The $800 million loan arranged for Banco do Brasil will be distributed to farmers across the country to fund greater use of no-till farming practices that prevent soil erosion and reduce the need for heavy machinery powered by fossil fuels.

A team at the firm began working on the deal in 2023, pitching the idea to Banco do Brasil, which is majority owned by the government, and the World Bank, guarantor of the transaction.

J.P. Morgan already has a strong relationship with Banco do Brasil, serving as a core relationship bank partner across multiple lines of businesses.

For this deal, the firm's Development Finance Institution (DFI) was instrumental in securing the win and gaining the backing of the World Bank. The DFI helped to spell out how the deal will support the United Nations Sustainable Development Goals around food security, sustainable agriculture and action for the climate as well as Brazil's own plans to reduce emissions.

The country has set a target to reduce greenhouse gas emissions by 53% by 2030 and carbon neutrality by 2050. Agriculture accounts for nearly 40% of Brazil's total emissions.

In August 2025, after months of negotiations and complex paperwork to secure the necessary guarantees, the process of distributing the funds to farmers can finally begin. Loans of up to $2 million will go to smallholder farmers who use conservation agriculture methods, such as no-till practices. This involves seeds being planted directly into undisturbed soil instead of churning the soil with a plow, which helps to reduce soil erosion and retain nutrients. And because these methods do not require a tractor, they also help to cut emissions.

J.P. Morgan worked with the Multilateral Investment Guarantee Agency (MIGA), an arm of the World Bank Group, to complete the deal. The loan has also been syndicated with a number of other global banks.

According to MIGA, the loan could finance the cultivation of nearly one million hectares and help avoid almost 12 million tons of greenhouse gas emissions over the deal's 10-year guarantee period.

Among other milestones, the transaction is the first commercial bank deal globally with MIGA and the biggest-ever MIGA deal in Latin America under its Non-Honoring of Financial Obligations guarantee program.

Lloyds Banking Group

Financing improvements for social housing

Social housing is an integral part of the UK's housing landscape with millions of people benefiting from stable and genuinely affordable homes. Through strategic partnerships with the public sector and innovative funding, Lloyds Banking Group is accelerating the retrofit of social housing, helping communities thrive with warmer, greener homes.

£500 million funding to support the retrofit of social housing in the UK

80 new affordable homes planned in Lloyds' former office sites in West Yorkshire

Case study

National Wealth Fund Partnership: In 2024, Lloyds Bank and the UK's National Wealth Fund (NWF) signed a £500 million funding commitment to support the retrofit of social housing in the UK. This marked the first investment since Chancellor Rachel Reeves announced that the UK Infrastructure Bank had transformed to become the NWF. Funding is flexible and competitively priced to support housing associations to meet their net zero ambitions. Improvements such as low-carbon heating and insulation create warmer homes, lower bills and better life outcomes for residents.

This deal showcases how innovative public and private expertise can come together to deploy private capital to deliver warmer, greener homes for social tenants, while supporting the UK's broader net zero ambitions.

Capital has already been deployed to support housing providers such as New Start, a family-run not-for-profit organisation that provides quality, supported housing and residential care services to vulnerable men, women and children. With backing from Lloyds, New Start has helped hundreds of people experiencing homelessness across Merseyside.

Converting old sites into new social housing: To increase the supply of new social housing in the UK, Lloyds has announced intentions for the redevelopment of decommissioned data centres and former office sites into new social housing projects. Lloyds has plans to identify suitable housing partners who will be responsible for redeveloping the sites to increase the availability of social housing.

The construction of the first site in Pudsey, West Yorkshire, formerly an office and data centre, is set to commence in 2026. Subject to planning permission, the first redevelopment in Pudsey will create up to 80 new homes that could be available for social rent and help to increase the supply of good, affordable homes in the UK.

Lloyds Banking Group

Supporting farmers to switch to more sustainable farming practices

Lloyds Banking Group is committed to supporting British agriculture's transition to nature-positive and profitable practices. By partnering with the Soil Association Exchange (SAX), Lloyds empowers farmers to adopt sustainable methods, driving purposeful growth and safeguarding the future of UK farming.

Case study

British agriculture is changing and finds itself under more pressure than ever. The UK is one of the most nature depleted countries in the world and it's estimated that soil degradation is costing £1.2 billion a year[1], while a third of farms in the UK fail to make a profit when considering Net Farm Income.

Lloyds' partnership with the Soil Association Exchange (SAX) has developed tools and services to support their farming clients, such as:

- **Exchange Explore App** – a free to use service available to any farm in the UK, that enables farmers to record their sustainability data. The app then provides recommendations for changed practices, including available funding from both public and private sources as well as accessing a Learning Hub
- **Exchange Excel Consultancy** – Lloyds has funded a select group of around 850 farmers to benefit from bespoke support. Their onsite farm measurements are completed by a dedicated SAX adviser and farm technician, who provide farmers with bespoke agricultural advice and offer ways in which farmers can be rewarded for farming with nature-positive methods

To analyse the whole farm, both tools focus on six impact areas: soil, water, biodiversity, carbon, animal welfare and social impact. This will help farmers unlock the benefits of sustainable farming practices while retaining a focus on profitable food production and capitalising on income opportunities. Recognising the essential nature of such data to the transition, Lloyds intentionally made the Exchange Explore App freely available online to any farmers – not just their own clients.

Lloyds created a blueprint for delivering the transition to a more sustainable future having launched 'Grounded in evidence: A way forward for British farms' in 2024.The outcome of this work with the SAX represented the largest and most comprehensive baseline of environmental farm performance in the UK and associated action plans.

As the largest provider of finance to UK farming, around 850 farms have benefitted from Exchange consultancy.

This year, by combining multi-source geospatial intelligence from Earth Blox with over 685 on-farm environmental assessments through the SAX partnership, Lloyds has built a comprehensive map of the opportunities that exist to improve nature's co-existence with farming, with the insights published in a new report 'Farming with Nature: Mapping the growth opportunity for UK agriculture'.

With more than 5.1 million hectares analysed, the findings provide a new level of insight, which can enable farmers to align farm-level action with the UK's environmental and economic goals.

The analysis identifies specific geographic areas where practices, such as cover cropping, tree planting and water management can deliver the greatest environmental benefits. As such, it offers an important new tool in delivering on the ambition of improving farm profitability and boosting resilience.

[1] Summary of the state of the environment: soil - GOV.UK

Nationwide

0% Green Additional Borrowing

Nationwide's Green Additional Borrowing mortgage offers customers a 0% interest loan of up to £20,000 for investments made on energy efficient home improvements.

0% interest loan of up to £20,000 for investments made on energy efficient home improvements

Case study

In 2023, Nationwide launched its 0% Green Additional Borrowing pilot. The pilot provides eligible homeowners, with a Nationwide mortgage, the opportunity to borrow £5,000 - £20,000, up to a maximum of 90% loan to value (LTV) to finance a range of energy efficient home improvements. The 0% interest rate is fixed for the first 2 or 5 years.

The aim of the pilot is to understand the extent to which the cost of borrowing impacts customers' ability, and interest in, making green home improvements. All of the loan must be used to fund non-structural, energy-efficient home improvements, such as solar panels, installation of an air source heat pump, window upgrades, boiler upgrades, cavity wall insulation, or loft insulation.

In 2024, Nationwide published its 0% interest Green Additional Borrowing pilot research paper 'How low-cost finance supports the greening of UK homes' which summarises key learnings from testing Nationwide's 0% interest Green Additional Borrowing. The testing aimed to gauge how the cost of borrowing impacts customers' ability and interest in making green home improvements. Whilst the uptake of green mortgage propositions continues to increase, it is not at the rate needed to make a significant difference to greening UK homes.

Alongside the launch of the research paper, Nationwide removed the requirement for new customers to wait six months before being eligible for the loan. Nationwide also partner with the Energy Savings Trust to supply a Home Energy Efficiency Tool, which provides a personalised action plan for customers to understand the costs and benefits associated with retrofitting. Through enhancing the product, and removing barriers to access, Nationwide hope that more customers will use it to finance their green home improvements.

NatWest Group

Financing the retrofit of existing social housing and building new social housing

NatWest has a £7.5 billion lending ambition to the social housing sector by the end of 2026. This includes a partnership with the National Wealth Fund with NatWest agreeing to loan up to £500 million to enable retrofit of existing social homes, supported by a guarantee from the National Wealth Fund that was announced in April 2025. In June 2025, NatWest launched a new ringfenced tranche of £500 million in lending to build social rented housing as the latest step in the bank's support.

£7.5 billion lending ambition to the social housing sector by the end of 2026

£500 million to enable retrofit of existing social homes, supported by a guarantee from the National Wealth Fund; and £500 million lending for building social rent housing

Case study

There are 4.5 million social homes in the UK with 2.9 million owned by private registered providers.[1] Of these homes in England and Wales, 28% have an EPC rating of D or worse and 10% do not meet the Decent Homes Standard.[2] The number of social housing properties across the UK has declined over the years due to restricted financial capacity, stemming from lower public funding for home development, rising costs, limited rent increases, and increased commitments to remediate existing stock to meet building safety and environmental standards.[3]

NatWest Group brings significant expertise and market share in the social housing sector, with a strong regional presence across England, Scotland, Wales and Northern Ireland, enabling it to offer retrofit solutions to registered providers right across the UK. The proposed loans aim to help accelerate retrofits and improve these figures.

[1]Source: Social landlords continue to build new homes, RSH statistics show - GOV.UK
[2] Sources: Annex tables for English Housing Survey 2023 to 2024 headline findings on housing quality and energy efficiency – GOV.UK
[3]Source: Affordable housing in England

Retrofitting existing social homes: The National Wealth Fund (NWF) will guarantee 80% of each retrofit loan originated by NatWest Group up to £500 million for a total commitment of up to £400 million. The guarantee commitment will help to enable private capital to be mobilised into the social housing sector at both scale and an attractive price, removing a significant barrier to the deployment of funds within the sector by increasing access to financing for registered providers of social housing.

The lending aims to help registered providers of social housing reduce energy consumption and accelerate the decarbonisation of their housing stock. In line with NWF's previous social housing retrofit investments, the loans will be used on eligible measures for retrofit, including the installation of energy efficient heating and lighting, insulation, renewable energy generation, ventilation and heating controls, as well as work on resilience measures and biodiversity.

Support from the NWF has enabled NatWest Group to bring these fully unsecured mid-to-long duration loans to market, building on the Group's green retrofit pilots, to roll out financing at scale.

Building new social homes: In June 2025, NatWest Group launched new lending of up to £500 million entirely ringfenced for the building of social rent housing across the UK. This is a first of its kind offering to the market that shows the bank's commitment to supporting the sector. The loans will be made available to eligible housing associations, which are existing customers of the bank, and is in response to customer feedback asking for more funding to be made available for this purpose. The social loans will be incentivised with discounted interest margins and no arrangement fee. NatWest anticipates that the discount in fees and margin on the £500 million when fully deployed could save the housing association sector up to £25 million of finance costs that could be used to invest in new social rent homes.

NatWest Group

Financing electric vehicle deployment

On 29 June 2024, NatWest Group successfully issued its first Electric Vehicle Green bond (the "EV Green Bond") raising net proceeds of €750 million from institutional investors based in the UK, Europe & Asia. The issuance makes NatWest Group the first UK bank to issue a green bond where the use of proceeds is intended to exclusively finance or re-finance electric vehicles.[4]

> "EV Green Bond" raising net proceeds of €750 million from institutional investors based in the UK, Europe & Asia

Case Study

The EV Green Bond is intended to finance or refinance Eligible Assets in the form of leases (financial and operating), hire purchase agreements, loans and other arrangements to enable the use and purchase of electric vehicles. The green label of this bond derives from the inclusion of electric vehicles as Eligible Green Assets under the "Clean Transportation" category defined in NatWest's Green, Social & Sustainability Financing Framework and the ICMA Green Bond Principles "Clean Transportation" category.

The electric vehicle financing the EV Green Bond is intended to support will originate from the banking group's asset finance arm, Lombard. Lombard, which recently won the accolade of Best Business Motor Finance provider, is the UK's largest asset financier based on net lending volume.[5] In 2023, Lombard provided UK business with over £2.3bn of climate and sustainable funding for sustainable transport.[6]

NatWest Group intends to report on the allocation of the proceeds of the EV Green Bond and provide an estimate of the resulting tailpipe CO2 emissions avoided, based

[4]Includes Cars and Light Commercial Vehicles
[5]Asset Finance UK Top 50, 2024.
[6] For more information on how we define climate and sustainable funding under our CSFF criteria see: Climate and sustainable finance

on management information and/or industry data, within 12 months of the date of issuance.[7]

In 2019, the bank developed its Green, Social & Sustainability Financing Framework (the "GSS Framework"). Since launching the GSS Framework, up to 31 December 2023, NatWest Group has issued three social bonds and three green bonds with a combined aggregate principal amount at issuance of £3.9 billion.[8] The impact of the green bonds for the 12-month period ended 31 December 2023 is an estimated 0.121 million tonnes of CO_2e emissions avoided.

[7]Data availability and data quality related to the wider CO2e GHG emissions and whole life cycle/well to wheel emissions can be difficult to obtain, validate, clean and standardise at an individual Vehicle Identification Number (VIN) basis. These methodologies may show different impacts and outcomes. See: https://www.eea.europa.eu/highlights/eea-report-confirms-electric-cars

[8]Source: gss-bonds-allocation-and-impact-report-2023.pdf (page 6). There can be no assurance or representation that the allocation of amounts to Eligible Assets will have the result or outcome (whether or not related to environmental, social or other objectives) as originally expected or anticipated by the Issuer (page 27).

Paragon

Sustainable housing scheme at Dundashill

Paragon funded the transformation of a disused industrial estate into a low-carbon neighbourhood built for the future, called 'Dundashill' in Glasgow.

The scheme was funded through a £15.9 million development finance facility from FTSE 250 company Paragon.

78 energy-efficient homes (EPC rating: A)

Paragon Development Finance's Green Homes Initiative is a £300 million fund dedicated to supporting developers to build sustainable homes.

Case study

Dundashill, igloo Regeneration's sustainable housing scheme in Glasgow, recently reached practical completion, delivering 78 energy-efficient homes for the region. The scheme was funded through a £15.9 million finance facility, which has now been repaid in full almost six months ahead of loan expiry following strong sales performance across the scheme. Equity funding for the scheme was also provided by Housing Growth Partnership and igloo.

The first phase of private housing at Dundashill took just over two years to complete, with work starting on-site in January 2023. This phase has 78 three and four-bedroom homes that have all achieved an EPC rating of A.

igloo's Dundashill scheme has benefited from Paragon Development Finance's Green Homes Initiative – a fund of £300 million dedicated to supporting developers to build sustainable homes. Any developer can utilise this fund if they believe their scheme will achieve an EPC rating of A across 80% of units, with the remaining being a C or above. If achieved, they can receive a 50% reduction on their exit loan fees.

All homes in this phase of Dundashill are modular buildings, constructed off-site at Glasgow-based contractor CCG Scotland. The properties have been fitted with solar panels, air source heat pumps and shower water heat recovery systems, along with other energy-saving features.

This video shows how Paragon partnered with housing developer igloo to support their vision to build a climate-conscious community.

Paragon

Innovative pay-per-use funding model for zero emission taxis

Paragon's SME lending team provided funding for Otto Cars to acquire a fleet of zero-emission taxis, using an innovative pay-per-use funding model – a first for Paragon which sees it partnering with a leading fintech company Zeti.

Total lending of £760,000

29 electric vehicles

Case study

Otto Cars provides private hire cars to drivers working for ride-sharing companies such as Uber. By investing in electric and hybrid vehicles, it is playing a key role in decarbonising some of London's busiest streets.

To support the deal, Paragon partnered with Zeti, a leading innovator in clean transport financing solutions, to use an innovative pay-per-use funding model. The pioneering approach allows Otto to repay its facility depending on the usage of the vehicles, thanks to the tracking technology which offers real-time monitoring of the vehicles, which in turn records the CO_2 (carbon dioxide) and NOx (nitrogen oxide) emissions saved.

The initial financing allowed Otto to purchase nine Skodas, this was further expanded to provide Otto funding to purchase a further twenty fully electric Kia Niro vehicles.

Santander UK

Supporting sustainability in Milton Keynes

In partnership with Milton Keynes City Council, Santander UK is running a year-long research project to gain insight into citizens' attitudes and appetite to improving their home energy efficient. This is supporting the city's new Sustainability Strategy, and their role in the European NetZeroCities Programme.

Case study

In April 2024 Santander UK produced the 'Tomorrow's Homes' report.

This showed half (48%) of UK homeowners think improved home efficiency would have a significant effect on their lives. However, three-fifths (61%) say they won't upgrade glazing, loft or wall insulation in the next two years, with upfront costs being one of the main barriers.

Milton Keynes (MK) City Council and Santander UK came together to work on a year-long engagement exercise with local residents to understand the challenges they face in improving energy efficiency in their homes. The original framing was the City Plan 2050, with commitments around sustainability, and building decarbonisation, including social housing.

MK City Council and Santander were keen to work together to identify the barriers people living in Milton Keynes are facing to improving the energy efficiency of their homes and to understand what can be done to make the homes in Milton Keynes warmer and more efficient.

With this focus on Milton Keynes, the independent research agency Diffley Partnership were commissioned to conduct research engagement across 2025:

1. A community survey of MK residents
2. The recruitment and establishment of a Citizen's Panel of MK residents
3. Focus groups with the Citizen's Panel
4. An Open Day in MK
5. An online survey
6. Engagement with stakeholders

Diffley Partnership designed a survey, using the earlier national Tomorrow's Homes report survey for inspiration. 507 Milton Keynes adults took part in a telephone survey in March 2025. This means that Santander UK and MK City Council have Milton

Keynes level data on what residents do, think and feel is important relating to sustainability.

Through this survey, and other complementary recruitment techniques, Diffley Partnership formed a panel of Miton Keynes residents. We called this the Tomorrow's Homes Panel. There are 80 active participants on the panel, with a range of characteristics. They have been invited to take part in various research activities across the year.

Panellists have responded to short online polls on topics such as Electric Vehicles and Green Finance. They have taken part in focus groups, discussing topics together. One example is sessions held to discuss MK City Council's draft Sustainability Strategy for the city.

In all cases the research activities have focussed upon Milton Keynes and its future.

Standard Chartered

Nature Finance: the Bahamas debt conversion project for marine conservation

Standard Chartered has partnered with the Government of The Bahamas, The Nature Conservancy, the Inter-American Development Bank (IDB), and other financial partners to launch an innovative debt conversion for nature and climate.

$300 million loan from Standard Chartered

$300 million in guarantees from the Inter-American Development Bank (IDB)

$124 million savings unlocked for marine conservation

Case study

Standard Chartered acted as the sole lender in this transaction, underwriting a new $300 million loan. This demonstrates the strength of our commitment to sovereign clients, sustainability and the development of this asset class.

By buying back $300 million of its external commercial debt, through the new loan funded by Standard Chartered, The Bahamas is expected to generate an estimated $124 million for marine conservation. An endowment, expected to grow to $20 million by 2039, will continue funding marine conservation in The Bahamas beyond the project's 15-year term.

This will support The Bahamas to effectively manage its unique system of almost 6.8 million hectares of MPAs, complete a national Mangrove Management Plan, and develop and implement a Marine Spatial Plan (MSP) aimed at addressing increased demands for the use of The Bahamas' ocean using a transparent, participatory and science-based process. Enhancing conservation and management of these areas can help protect extensive coral reefs, seagrass meadows, and mangrove forests – all of which provide critical habitats for diverse species, protect coasts from storms and sustain local livelihoods.

The Nature Conservancy, the world's largest conservation organisation, mobilised the guarantee package for the transaction and will be providing long-term conservation support to the government.

West Bromwich Building Society

Supporting members through physical and transition risk

To best support their members withstand physical and transition risks, West Brom Building Society has been engaging with members directly to understand their views.

Case study

To ensure members' voices shape their decisions West Brom uses their Member Council – a group of members who represent the views of the wider community. Earlier this year, West Brom engaged with the Council to understand their views on how EPCs should influence lending decisions. Members were keen that the Building Society avoids creating mortgage prisoners and instead continues to support members with lower-efficiency homes, whilst managing the overall risk responsibly. Members also expressed concern for First Time Buyers who are often limited to older and less energy efficient housing stock due to affordability pressures. Feedback also recognised that societal expectations are changing as we see a new generation of savers and borrowers who place greater importance on sustainability-related values.

West Brom are now integrating this feedback into decision making to best support their members improve the energy efficiency of their homes without adversely impacting access to housing. As a preliminary intervention, West Brom have launched a Greener Homes Hub on their consumer website to help existing members and prospective customers to understand EPCs, learn how to improve their homes energy performance, and access practical guidance for support. West Brom will continue to engage with their Member Council and address transition risk with members' views at the centre of decision-making.

In addition to transition risk, West Brom also takes proactive steps to manage and mitigate the impacts of physical risk. They assess physical risks across their mortgage portfolio under a range of future looking climate scenarios, focussing primarily on flood-related risks, and monitor emerging climate-related threats that could affect members or the value of their properties. West Brom's current exposure to flood risk is modest with 73% of residential properties projected to have no risk of flooding.

Through further modelling, West Brom translates flood and subsidence risk into additional expected losses over the base expected loss. By identifying these risks and expected losses early, they can support members and ensure lending remains sustainable and resilient in the face of climate-related risks.

Wise

Building systemic climate impact and resilience: £1.5M climate investment strategy across Asia-Pacific and Latin America

Wise partnered with Opna to develop a £1.5 million climate strategy focused on supporting high-impact carbon removal projects in climate-vulnerable regions across Asia-Pacific and Latin America where Wise operates. The collaboration is delivering measurable results, including supporting the training of over 1,600 women in leadership roles in India, supporting the creation of 2,600+ jobs in India, creating a 10-person fire prevention brigade in Mexico, and supporting a biochar facility in the Philippines that repurposed thousands of tonnes of rice husks. This partnership demonstrates how fintech companies can leverage specialised expertise to create sophisticated carbon strategies that authentically connect environmental action with social impact whilst maintaining strategic alignment with business objectives.

£1.5 million total investment (£500k for FY25 and £1m in FY26).

Case study

Wise, a global financial technology company, recognised the need to continue integrating and expanding climate action into its business strategy while ensuring meaningful social impact in its key markets. The company developed a climate investment approach aligned with its principle of transparency while focusing on climate-vulnerable regions where the company operates. The challenge extended beyond simple environmental considerations, as Wise continued its desire to address climate change as a systemic issue requiring holistic solutions that would deliver measurable social benefits beyond traditional Sustainable Development Goals (SDGs).

To address these requirements, Wise entered into a strategic partnership with Opna, a carbon removal and climate finance company, to develop and implement a comprehensive carbon removal strategy. This collaboration focused on supporting high-impact nature-powered carbon projects in climate-vulnerable areas across APAC and LATAM markets where Wise maintains significant operations. The partnership took an integrated approach that treated climate change as a systemic issue rather than an isolated environmental concern, ensuring that all selected projects would deliver both environmental and measurable social benefits through a carefully designed dual impact framework, as well as focusing on durability and supporting innovative technologies.

Working collaboratively with Opna, Wise undertook a systematic approach to building their carbon removal portfolio with a total investment of £1.5million for FY25 and FY26. The partnership began by establishing clear investment criteria that aligned with Wise's business goals, followed by the identification of priority regions based on both climate vulnerability and the company's market presence. Leveraging Opna’s impact framework which measures social and environmental impact beyond carbon removal and SDG’s, together they created a portfolio approach designed to maximise both climate and social outcomes across Wise’s target markets.

The FY25 partnership has already delivered tangible results across multiple regions. In Mexico, Wise supported EcoForectCO2's forest management project in San Bernardino de Milpillas Chico, which created fire prevention brigades, funded reforestation efforts, and improved local housing whilst monitoring 42 forest plots. In India, the company backed Carboneers' biochar programme in Assam and Odisha, which has trained over 1,611 women in leadership roles, created 2,600+ jobs, and increased farm yields by 10-30%. In the Philippines, Wise supported NuevaChar by Alcom, a leading biochar facility, which repurposed thousands of tonnes of rice husks into 900+ tonnes of biochar, boosting yields and reducing fertiliser dependence. In Brazil, the partnership supported two of X Prize winner NetZero's biochar projects, turning coffee husks into soil carbon and increasing yields by 56%, alongside InPlanet's enhanced rock weathering technology .

The partnership successfully enabled Wise to create a carbon removal strategy that authentically connected environmental action with social impact, whilst maintaining strategic alignment with the company's geographic footprint and business objectives. This demonstrates how fintech companies can leverage specialised partnerships to deliver measurable climate and social results that address systemic challenges.

Investing in net zero growth

The financial sector plays a crucial role in financing green projects and the transition of highly emitting and hard-to-abate sectors. These are key to delivering domestic and international decarbonisation goals, and often require innovative financing models in partnership with the public sector.

Barclays

Transition update

Barclays' Transition Update, published in July 2025, sets out how the bank plans to continue delivering against its net zero ambition in an evolving landscape, focusing on nine high emitting sectors where they work closely with their clients and the commercial opportunity this presents for Barclays and their clients.

Barclays has facilitated over a quarter of a trillion dollars in Sustainable and Transition Financing since 2020.

Barclays generated approximately half a billion pounds in revenue in 2024 from sustainable and transition transactions, products and counterparties.

Barclays invested £239 million in climate tech startups between 2020 and June 2025 through Barclays Climate Ventures.

Barclays launched more than 20 new sustainable and transition finance products or propositions for Barclays UK and UK Corporate Bank clients.

Case study

Barclays' Transition Update, published in July 2025, sets out how the bank plans to continue delivering against its net zero ambition in an evolving landscape, focusing on the high emitting sectors where they work closely with their clients and the commercial opportunity that this presents for Barclays and their clients.

Taking an in-depth look at nine sectors, this transition plan was structured around three themes: working with clients on their transition, financing clients' transition, and scaling climate tech.

Working with clients on their transition

Understanding clients' priorities is central to how Barclays aims to support the transition, acknowledging that each client is at a different point in their transition.

The Transition Update outlined how Barclays has developed a Client Transition Framework tool to help build a detailed understanding of their clients' current and future transition activities. This insight allows Barclays to support their clients and identify opportunities from the transition, as well as manage the bank's transition-related risks.

The Transition Update outlined sector-level findings from the 1,250 client assessments completed in 2024, and what Barclays is doing with these learnings. For example, carbon pricing was highlighted as an issue by clients across Barclays' industrials portfolio. Barclays published a recommendation for how to integrate emission removals into the UK's Emissions Trading Scheme and publishing recommendations for how the UK Government could support the scaling of climate tech.

Financing clients' transition

With a large proportion of clients now embedding transition plans into their corporate strategies, the role for Barclays to support their clients has expanded.

This is reflected in the $220.2 billion in Sustainable and Transition Finance that the bank has delivered as of June 2025, progressing towards their target to facilitate $1trillion by 2030. These activities generated approximately half a billion pounds in revenue for the bank in 2024, demonstrating the commercial opportunity from the transition.

The Transition Update also revealed that this growth in Sustainable and Transition finance has been a significant driver of the reduction of Barclays' financed emissions in high-emitting sectors. For example, for the Power sector, financed emissions reductions were 19% greater than they would be without Sustainable and Transition financing.

Scaling climate tech

Scaling climate technology is integral to accelerating the transition and opening new avenues for profitable decarbonisation for high-emitting sectors.

Barclays is proud to be playing a role in accelerating the growth of climate tech companies from idea through to IPO and beyond, as delivered by the Barclays Climate Tech Escalator. The Escalator connects teams across the bank as well as partners and programmes like Unreasonable Impact, which provide mentorship and non-financial support to founders.

The Transition Update highlighted Barclays Climate Ventures, a key pillar of the Climate Tech Escalator, which has invested £239 million since 2020 into over 20 climate tech companies, towards a mandate to invest £500 million by 2027. These investments have been catalytic; every £1 invested in rounds led or co-led by Barclays enabled £2.18 of further investment, helping to address the funding gap facing early and growth-stage climate technology companies.

HSBC Innovation Banking

Supporting early-stage climate technology businesses to break new ground

HSBC Innovation Banking ("Innovation Banking") specialises in supporting the most innovative founders and their investors. While Innovation Banking collaborates with many industries, it is particularly focused on climate tech founders, ranging from energy and carbon technologies to mobility and restoration.

Case Study

HSBC Innovation Banking goes beyond traditional banking by partnering with early-stage climate tech businesses. Innovation Banking offers bespoke and varied lending solutions for fast-growing businesses. These include venture debt, cash flow lending, and structured finance—all designed to help climate tech businesses achieve their next stage of growth.

Nuada and Material Evolution are both early-stage climate tech companies that have scaled successfully while in partnership with Innovation Banking, utilising a variety of solutions and services.

About Nuada

Nuada is a carbon capture technology company that has developed mature vacuum swing technology to deliver an ultra-efficient system, enabling the separation of CO2 from process emissions without the need for heat or chemical solvents.

In Nuada's earliest stages, HSBC Innovation Banking helped identify the most suitable form of capital to kick-start the company's ambitions, beginning by securing a venture debt facility, which offered additional working capital for Nuada. HSBC Innovation Banking also provided a full range of banking services, including foreign currency management tools, corporate card facilities, and term deposits bespoke to Nuada's circumstances.

One of the biggest challenges for any capital-intensive climate business is bridging the gap between early-stage venture capital and late-stage funding. HSBC Innovation Banking is working with Nuada to explore more options for diversifying capital, such as other forms of non-dilutive debt to complement existing investors and grant funding.

Nuada have already passed key milestones by deploying solutions on the ground and are now focused on advancing to their next scale-up project and developing a commercial-scale facility.

About Material Evolution

Material Evolution is a team of innovators, scientists, and experts committed to driving change in the cement and concrete industry. They aim to decarbonise the cement sector. With 8% of global emissions coming from the cement industry, making cement the second-most used commodity after water, the gravity of the challenge is clear.

Material Evolution has developed a proprietary product called MevoCem. It is a versatile, ultra-low-carbon cement designed to meet the needs of a wide variety of ready-mix and precast applications. MevoCem is formulated to exceed industry standards, ensuring superior performance.

As part of HSBC Innovation Banking's mission to support early-stage businesses, Material Evolution was keen to connect with them to discuss growth through financial solutions. Material Evolution evolved its financing from equity and grants, and now uses venture debt to support Capex and achieve the next stage of growth with HSBC Innovation Banking's support.

"As a climate tech hardware business, we know that debt will become an important part of our capital stack as we mature and scale globally," said **Dr. Liz Gilligan,** Co-founder and CEO of Material Evolution. "Securing this venture debt facility from HSBC Innovation Banking is a first step toward diversifying our own."

Lloyds Banking Group

Financing innovative UK carbon capture and storage (CCS) projects

Lloyds Banking Group plays a leading role in financing innovative carbon capture and storage projects, demonstrating a commitment to supporting the UK's transition to net zero. By enabling large-scale decarbonisation and fostering regional economic growth, Lloyds is driving purposeful change for a more sustainable future.

Case study

In December 2024, Lloyds supported two major UK CCS projects, Northern Endurance Partnership (NEP) and Net Zero Teesside Power (NZT Power), as part of an £8 billion financing package. Lloyds acted as Mandated Lead Arranger, Hedge Provider, Global Facility Agent, Intercreditor Agent and Security Trustee on both projects, in addition to Account Bank on NEP.

NEP, a collaboration between BP, Equinor and TotalEnergies, is a first of a kind CO_2 transportation and storage product project in the UK which is expected to store 100 million tonnes of CO_2 across the Teesside and Humber industrial regions.

NZT Power, a joint venture between BP and Equinor, involves the construction of an 742MW fully abated combined cycle gas turbine power plant, equivalent to the average annual electricity needs of over one million UK households, complete with associated carbon capture facilities, located in Teesside, UK.

Supported by the UK government's Dispatchable Power Agreement, NZT Power will deliver flexible, dispatchable, and clean power, and the capture of up to two million tonnes of CO_2 per annum, which will be stored via the Northern Endurance Partnership project.

The projects represent a significant opportunity for the UK supply chain, in particular for businesses across the north of England. The region will also benefit from the creation of thousands of jobs throughout the project's construction and operation.

MUFG

Financing Inch Cape Offshore Wind Farm

MUFG played a pivotal role in financing the 1.1 GW Inch Cape Offshore Wind Farm—one of Scotland's largest renewable energy projects. MUFG helped secure £2.7 billion in debt financing, enabling the project to move forward and support the UK's 2030 offshore wind targets.

Inch Cape has so far spent more than £300 million with more than 300 UK companies and is expected to contribute another £700 million at least to the UK economy.

Case study

Sited in the North Sea off the east coast of Scotland, the project's capital cost is more than £3.5 billion, and once operational in 2027, its 72 turbines able to power more than half the homes in Scotland and significantly contribute to the UK's 2030 target of 43-50GW of offshore wind installations. Onshore, the project is constructing a new substation at the brownfield site of the now decommissioned Cockenzie coal power plant, where the project will connect to the national grid.

MUFG joined the project in 2020 as financial advisor to support the sponsors and project team through the various phases of the project. MUFG coordinated £2.7 billion in senior debt facilities from 22 commercial banks. For greenfield offshore wind projects, this deal stands as one of the largest debt raises from the commercial bank market to date.

The MUFG team's almost two decades of experience financing global offshore wind projects proved crucial in executing the Inch Cape project, as it manoeuvred a supplier market with a notably reduced appetite for risk. Adapting its strategy, the project team undertook an in-depth feasibility analysis of the options available, including effectively using the permitted 25% reduction in the contracted volumes secured under the initial AR4 CfD contract in 2022.

This reduction made the project investment case more attractive, clearing it to enter into specific supply chain commitments on a limited-notice-to-proceed basis.

As financial advisor, MUFG was responsible for ensuring that the project's strategy across procurement and offtake was communicated effectively to the bank market to underpin lender appetite, ensure robust liquidity, and ultimately deliver a cost-competitive debt package.

After 18 months of negotiations and problem-solving to satisfy all parties involved in the project, MUFG and its consortium of lenders reached financial close on the project in January 2025. Construction of the Inch Cape wind farm is already underway and is set to be completed in 2027.

Inch Cape has so far spent more than £300 million with more than 300 UK companies and is expected to contribute another £700 million at least to the UK economy.

Mark Fogarty, Finance & Strategy Director for Inch Cape Offshore Limited, said:

"We have worked very closely with the MUFG team to develop and execute the project financing of Inch Cape. MUFG was highly effective in their role due to their significant expertise in offshore wind and also an ability to effectively develop solutions with the project team to overcome the challenges that we faced."

For more information, visit: Case Study: MUFG supports financing of one of Scotland’s largest offshore wind farm project or Home - Inch Cape Offshore

NatWest Group

Supporting the real economy's transition

Supporting the real economy alignment and transition towards net zero, in line with the 2015 Paris Agreement, will require vast investments not only in those industries delivering climate solutions, but across a broader spectrum of industries. These include the hard-to-abate and emissions intensive sectors such as iron & steel, cement, petrochemicals, shipping and aviation.

£200 billion target in Climate and Transition Finance (CTF) between 1 July 2025 and the end of 2030

Exceeded target to provide £100 billion in Climate and Sustainable Funding and Financing (CSFF) between 1 July 2021 and the end of 2025

Case study

During Q1 2025, NatWest Group exceeded its target to provide £100 billion in Climate and Sustainable Funding and Financing (CSFF) between 1 July 2021 and the end of 2025. To reflect progress to date, NatWest has announced a new target to provide £200 billion in Climate and Transition Finance (CTF) between 1 July 2025 and the end of 2030.

The CTF Framework has been developed to expand, enhance and replace CSFF to include what NatWest has identified as Climate Finance and Transition Finance. This evolution recognises that supporting the real economy alignment and transition towards net zero will require vast investment not only in those industries delivering climate solutions, but across a broader spectrum of industries, including hard-to-abate and emission intensive sectors.

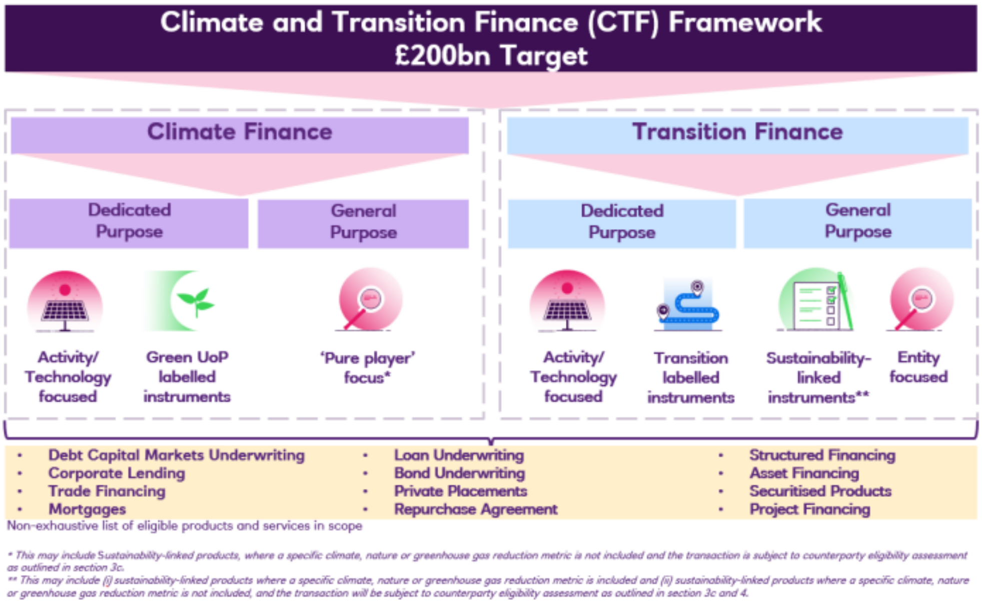
NWG's Climate and Transition Finance Framework is intended to support their net zero ambition by providing financing and facilitation options that may help their customers to achieve their climate and/or transition ambitions.

NWG recognise the breadth of their customer base and the need to remain inclusive and supportive of the transition for as many businesses as possible. Accordingly, they plan to take a measured and proportionate approach to transition finance eligibility and customer assessment.

The CTF Framework consists of two categories: ‘Climate Finance’ and ‘Transition Finance’. A financing or facilitation may be eligible to be submitted towards the CTF Target, if it falls within the requirements, as outlined in the CTF Framework, under either:

- activity eligibility – dedicated purpose financing (section3a) or
- market labelled transaction eligibility (section 3b) or
- counterparty eligibility – general purpose financing (section3c)

The below table provides a non-exhaustive overview of the products and services in scope for the CTF Framework:



To assess customer eligibility for general purpose transition finance transactions, NWG may consider, amongst other matters:

- whether the customer (other than a fund counterparty) has 90% or more of revenue and/or capital expenditure and/or research & development, derived from, or dedicated to, activities outlined in the Transition Finance activities criteria or a combination of the Transition Finance and Climate Finance activities
- whether the customer has committed emissions reduction targets in line with the Science Based Targets Initiative or equivalent;
- whether the customer has a transition plan to reach net zero by 2050;
- the customer’s CDP score or Transition Pathway Initiative score;
- in the case of a fund counterparty, whether:

1. the customer has 90% or more of its portfolio of assets under management invested in, or, as evidenced by the fund strategy (as stated in the fund's prospectus or analogous document), are expected to be invested in, activities outlined in the Transition Finance activities criteria or a combination of the Transition Finance and Climate Finance activities criteria at the time of assessment; or
2. its portfolio of assets under management is being managed in line with the Net Zero Investment Framework (NZIF), Private Markets Decarbonisation Roadmap (PMDR) or equivalent industry aligned transition methodologies.

SMBC

Supporting the financing of UK's largest battery storage project

SMBC supported the financing of Thorpe Marsh Battery Energy Storage System (BESS), a landmark project that will become the UK's largest standalone battery storage facility and one of the largest in Europe.

£700 million total capital, including £594 million in senior debt provided by SMBC as Mandated Lead Arranger and Hedge Bank

1,400 MW / 3,100 MWh capacity, delivering over 2 million MWh annually, enough to power approximately 785,000 homes

Case study

SMBC Group is leveraging its financial intermediation function, a key role that banks play to support the economy, to channel capital to projects that reduce greenhouse gas emissions over the short, medium, and long term, including the implementation of new energy technologies and support for clients' transitions.

In 2025, SMBC played a key role in financing the Thorpe Marsh Battery Energy Storage System (BESS), located on the site of a former coal-fired power station in Doncaster.

BESS are critical to achieving a decarbonised economy as they provide flexibility to the grid, enable greater integration of renewable energy, and strengthen energy security and align with the UK's Clean Power 2030 strategy.

Thorpe Marsh will be the largest BESS in the UK and among the largest in Europe and will have the potential to export over 2 million MWh annually, enough to supply around 785,000 homes each year.

SMBC joined a select group of international lenders, providing £594 million in project financing, and acting as Mandated Lead Arranger for the syndicate.

The project sponsor, Fidra Energy, is jointly owned by EIG and the National Wealth Fund. SMBC provided comprehensive expertise in navigating UK energy market regulation, electricity trading dynamics, and the technical complexities of utility-scale battery storage, enabling a robust financing structure and risk management framework for the project.

With the UK's Government holding a 45% indirect stake in the project's special purpose vehicle (SPV), SMBC continues to showcase its ability to deliver complex, high-impact financing solutions that aligns client needs, government priorities, and the broader transition to a low-carbon economy.

This transaction follows SMBC Group's Social Value Creation strategy to achieve "Fulfilled Growth" and is closely aligned with SMBC's materiality priority of "Environment", supporting the transition towards a decarbonised society. Social Value Creation is a key pillar of SMBC's global management strategy is delivered through a structured approach as highlighted in the latest 2025 Impact Report.

Standard Chartered

Transition Finance: Scrap Steel

Standard Chartered provided a $25 million transition trade finance facility to a prominent Asian steel company to support their ongoing procurement of scrap steel as part of their scrap-based electric arc furnace (EAF) production.

This credit extension is part of Standard Chartered's commitment to help raise sustainable financing and support the client's broader climate ambitions.

Case study

Since its establishment in 2016, the client has been producing steel using 95-100% scrap as raw material and using EAFs in its production facilities. Compared to traditional blast furnaces, using EAFs to refine the steel enables the steel scrap to be constantly reprocessed, thereby consuming less energy, and reducing CO_2 emissions by an estimated 75%.

Efforts in the iron and steel sector must accelerate substantially if the world is to meet the goals outlined in the Paris Agreement. The emissions reduction potential of conventional steelmaking is limited, and innovation in the near term will be critical for the steel sector to move the dial on near-zero emission steel production. However, in the short term, scrap steelmaking is a powerful lever for decarbonization within the steel sector. Scrap-EAF steelmaking is already used in many countries, although rates differ widely across the globe. Secondary steelmaking via scrap could be expanded in many nations, helping to decarbonize the steel sector as scrap-EAF's emissions are lower than the conventional steelmaking routes.

By employing electric furnaces over traditional blast ones, the client has significantly reduced its energy consumption and estimates it has seen a significant reduction in CO2 emissions. Compared to traditional blast furnaces, using electric furnaces to refine steel enables steel scrap to be constantly reprocessed, thereby consuming less energy and reducing carbon dioxide emissions by an estimated 75 per cent.

Standard Chartered has robust governance processes to ensure that the transition finance labelling process follows the gating criteria put forward by the bank's Transition Finance Framework.

Standard Chartered

Adaptation Finance: scaling finance for resilient solar technology

Deal facilitates the trade of solar modules resistant to tornadoes and tropical storms, extreme wind, storms and sandstorms.

> Climate-related extreme weather events resulted in cumulative losses to the global economy of around $2 trillion

Case study

Standard Chartered successfully completed an adaptation transaction for Jinko Solar Co., Ltd. (JinkoSolar), facilitating the delivery of storm and extreme weather-resilient solar modules to solar photovoltaic (PV) farms located in the US (Florida), UAE and Saudi Arabia. Standard Chartered provided Bank Guarantees (BGs) to facilitate the trade of these solar modules, known as Tiger Neo N-type products.

The deal is Standard Chartered's first labelled adaptation finance deal for a corporate client following the launch of the breakthrough Guide for Adaptation and Resilience Finance, which set out for the first-time, guidance on what constitutes adaptation and resilience investment, mapping over 100 investable activities in this field.

The deal demonstrates the potential of adaptation and resilience as an investable asset class in response to growing demand for resilient infrastructure, particularly in the US (Florida), UAE and Saudi Arabia, where extreme wind, storms and sandstorms degrade and disrupt solar technology, leading to economic losses on investments made. The project specification protects against:

- Tornadoes and tropical storms in the US (Florida), like the more than 46 tornadoes that occurred throughout Florida in 2024 as a result of Hurricane Milton. Across the US, hurricanes including Hurricane Milton and Hurricane Helene (North Carolina) caused over $500 billion in economic losses.
- Extreme wind, storms and sandstorms in the UAE and Saudi Arabia, including the severe storm that swamped Dubai in 2024 leading to damages thought to be worth hundreds of millions of dollars to homes and businesses

Adaptation finance is emerging as a critical asset class, addressing the urgent need to build resilience against climate-related disruptions.

Building knowledge and capacity for change

Firms use their expertise to bring change both internally and at a system-wide level. Championing good practice, improving the availability of data, and advancing innovative solutions to reduce emissions in their portfolios and their operations can have a positive trickle-down effect.

Atom bank

EPC flaws and net zero ambitions: call for better data

A trial led by Atom bank revealed that lenders are likely over-reporting residential mortgage emissions by up to 50% due to reliance on Energy Performance Certificates (EPCs). By comparing EPC-based estimates with actual meter readings, the research highlighted that EPC ratings do not reliably reflect actual household emissions, while also suggesting there is minimal variation in energy use between most and least efficient homes (Bands A-C vs D-G). Atom bank is now urging collaboration across the financial services, government, and energy sectors to accelerate EPC reform, improve housing carbon data, and focus efforts on low-carbon, low-cost power and heat.

Banks are likely **over-reporting residential mortgage emissions by up to 50%** when relying on EPCs.

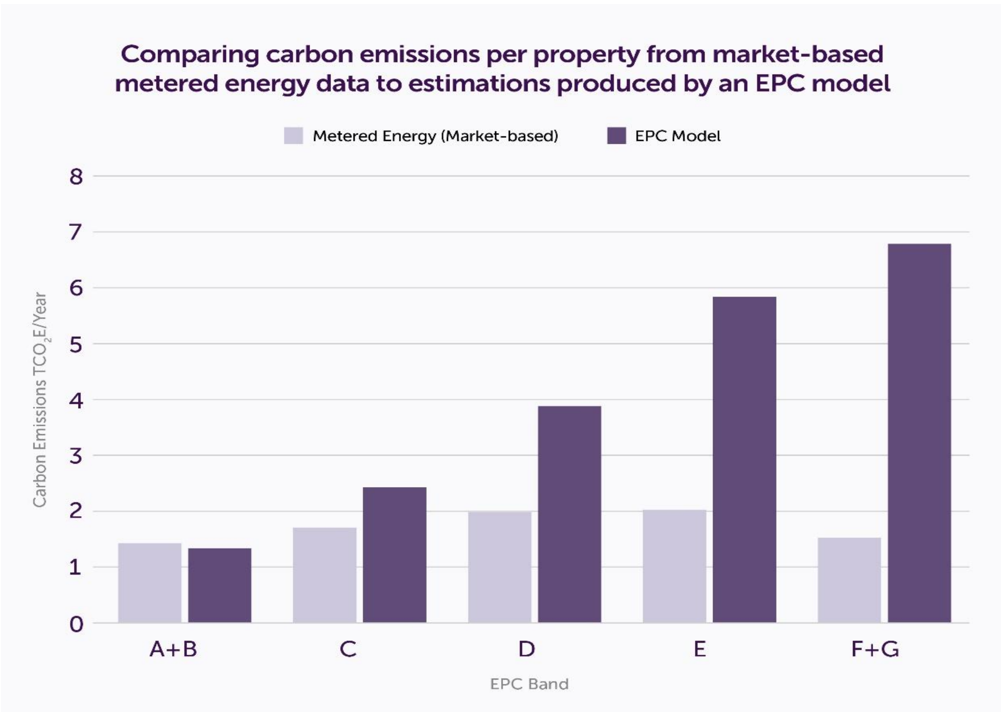
Case study

Accurate data is fundamental to achieving net-zero ambitions, both for individual banks and the UK as a whole. Atom bank, which has an ambitious target to be climate positive by 2035, conducted a crucial trial to assess the reliability of Energy Performance Certificates (EPCs) for measuring residential mortgage emissions. The bank collaborated with Experian and the Department of Mathematical Sciences at Durham University to compare EPC-based estimates of CO_2 emissions with measurements derived from actual meter readings for a representative sample of over 1,000 mortgaged homes.

The results indicated a significant gap, suggesting that Atom bank and other financial institutions relying on EPCs are likely overestimating CO2 emissions from residential mortgages by as much as 50%. More critically, the trial showed that actual carbon emissions from the most energy-efficient properties (EPC Bands A-C) were not significantly lower than those from less-efficient properties (Bands D-G). This finding was supported by parallel observations from the UCL Energy Institute on a larger national dataset, which noted little variation in energy use above EPC band C.

This research sets a powerful precedent for the banking industry by questioning the current methodology for carbon reporting. The findings suggest that the cost and time required to reach net zero targets may be significantly less than previously predicted. However, they also reveal that current data is a clear hindrance to reaching net zero because it does not reliably reflect actual emissions.

Atom bank is using this data to push for EPC reform. The bank argues that to effectively meet climate goals, the industry must transition from theoretical EPC estimates to real-world data, such as smart meter readings or utility bills. This would provide a clearer understanding of true emissions, allowing policymakers and lenders to focus efforts where emissions reductions will have the greatest impact. Key stakeholders engaged include Experian, Durham University, UCL Energy Institute, and the B4NZ initiative. Atom is urging the government to accelerate reforms and prioritise measures that provide low-carbon, low-cost power and heat to all households.



Atom bank

Direct investment in natural capital: offsetting a decade of operational carbon

As an important first step in its pledge to become climate positive by 2035, Atom bank has purchased 25 acres of newly planted broadleaf woodland in Northumberland. This land, which sits on a former open-cast coal mine, will sequester nearly 7,000 tonnes of CO2 over its lifetime. This is equivalent to the entire amount of operational carbon the bank has produced since it was founded in 2014, demonstrating an innovative approach to using the bank's balance sheet to generate controllable carbon credits.

25 acres of newly planted broadleaf woodland purchased in Northumberland, with the potential to offset **7,000 tonnes** of CO2.

Case study

Atom bank is committed to being climate positive from 2035, a pioneering pledge that encompasses both operational and financed emissions. To achieve this goal, the bank has committed to reducing the carbon intensity of its lending book and investing directly in natural capital projects.

The purchase of the 25-acre woodland, named Poppy's Wood, in Northumberland marks a critical first step in this strategy. Located on the site of a former open-cast coal mine near Druridge Bay, the woodland consists of broadleaf species like willow, sycamore, and birch, and is expected to sequester almost 7,000 tonnes of carbon as it matures. This total sequestration is equivalent to all the carbon Atom bank has produced from its operations since it was founded in 2014.

The activity undertaken is noteworthy for its direct ownership model. Instead of purchasing remotely delivered carbon credits, Atom bank holds the asset on its balance sheet and takes direct responsibility for the woodland's growth and year-to-year management. This innovative approach demonstrates how a bank can use its risk capital and balance sheet to efficiently generate high-quality, controllable carbon credits, setting a new model for sustainable finance.

The project provides a significant positive impact on the local community by promoting and conserving the greenery in the bank's own region, as the site is less than an hour’s drive from its Newcastle headquarters. Furthermore, by choosing to use its capital in this manner, Atom is directly putting the power of its banking model to work for the planet.

Looking ahead, Atom plans to expand this strategy by funding or purchasing an additional 100 hectares of natural capital land within the current financial year. The bank is also actively working to fund projects that generate Biodiversity Net Gain credits, which will support the necessary housing development the UK needs while ensuring a positive impact on the environment. This strategic commitment ensures that Atom bank is not only meeting its own climate targets but also demonstrating leadership for the wider financial sector.

HSBC UK

Helping customers understand their sustainability progress

Our ambition is to help customers of all sizes – from small businesses to large corporates – to understand the net zero transition and how they can mitigate the risks and opportunities it presents. We have a number of resources to help in this space, including our HSBC Sustainability Tracker for smaller businesses and deep dive sector Sector Transition Pathways for customers in high emitting sectors.

Case study

HSBC Sustainability Tracker: free-to-use online tool enables businesses to assess their current sustainability status and to prioritise their next steps through a tailored self-assessment process. The launch of the tool comes as more small and medium size enterprises (SMEs) are making efforts to adjust their business models towards more sustainable practices. However, access to dedicated tools to facilitate climate action can be a barrier. Businesses are also faced with increasing pressure from stakeholders to integrate ESG reporting into their strategies and business models. 89% of investors say it is important or vitally important for companies they invest in to be preparing for the effects of climate change.

The tool is designed to be easy to use; from creating an account, to getting results, the whole process takes approximately 10 -15 minutes to complete and provides businesses with insights to help measure, plan, implement and track sustainability progress. It includes a self-assessment on how sustainable a business is today, helps them to understand how they compare to similar businesses, discover the benefits of becoming more sustainable, actionable suggestions, access to resources and insights and a personalised dashboard that can be updated and revisited.

HSBC Transition Pathways: Designed for companies in carbon-intensive industries, HSBC's Transition Pathways connect businesses with insight, expertise and solutions to help guide them toward net zero. The transition to a sustainable future is a priority we share with our clients, but it is a challenge that can only be met by working together, sharing knowledge and building partnerships. The pathways explore how individual sectors are tackling decarbonisation, together with perspectives from industry experts and HSBC thought leaders.

The transition plans demonstrate action and practical steps against ambition and show regulators, financiers, investors and customers how an organisation intends to reach net zero, often by 2050, across its operations and value chains. The plans cover Real

Estate, Industrials and Chemicals, Energy and Transport and Logistics and include web articles, deep dive reports, podcasts and videos.

NatWest Group

Smart climate action platform to unlock transition financing in supply chains

The University of Cambridge recently identified that half of the estimated $100 trillion investment needed to get global supply chains to net zero by 2050 will need to go to SMEs. To realise this opportunity, effective collaboration between businesses of all sizes is critical.

Case study

FourTwoThree, the smart climate action platform, was launched in June 2025 with strategic investment from NatWest Group, NAB and SC Ventures. The platform will seamlessly connect enterprise organisations and their SME value chain networks to collaboratively measure, understand, and take action to reduce their aggregate climate impact effectively.

FourTwoThree is a global bank-backed data and engagement platform set to unlock the $50 trillion small and medium sized enterprise (SME) transition financing opportunity by:

- Enabling seamless data sharing and automated assessment between Banks, Enterprises and their SME customers and suppliers
- Simplifying accurate Scope 3 carbon footprint calculation and measurement utilising primary data
- Providing access to multiple decisioning frameworks that will unlock practical climate strategies for clear commercial benefit

FourTwoThree will help Banks, Insurers, Enterprises and Governments support SMEs to reduce emissions, cut costs, and play their part in developing more resilient supply chains. This is particularly crucial for Scope 3 emissions, which typically account for more than 70% of an enterprise's carbon footprint, and requires strong partnerships between large and small businesses built on trust, simplicity, and mutual benefit.

FourTwoThree provides a credible data-driven platform designed for large institutions to access reliable climate data for competitive advantage, better risk management and to meet emerging reporting standards. It enables those institutions to provide unparalleled climate support for their SME customers and suppliers with an easy to use digital solution; automating footprint calculation and empowering those SMEs with personalised guidance and recommendations. This two-way value exchange is fundamental to unlocking the necessary collaboration within global value chains to make meaningful progress towards critical sustainability goals.

Named after the peak atmospheric CO2 levels recorded when the founding team first connected (423 parts per million), FourTwoThree emerges from a unique collaboration between NatWest Group, NAB and SC Ventures to solve a shared challenge: enabling all businesses to measure, understand, and take action to reduce their aggregate climate impact effectively. These partner financial institutions have been heavily involved in the development of FourTwoThree, leveraging insights from propositions that are tried and tested in market to create a platform designed to integrate with existing bank infrastructure and meet bank grade requirements around risk, security, and performance.

Backed by Valtech, a leading technology partner, and built on Amazon Web Services (AWS) the platform upholds the rigorous security standards expected by large enterprise clients, building on the learnings of all three partners, to create a modern, enterprise-grade ecosystem that connects enterprises with their SME customers and suppliers.

NatWest Group

Backing retrofit skills programme shows strong demand and impact

Since November 2023, NatWest has sponsored the Supply Chain Sustainability School's pioneering Retrofit Programme. Launched to help combat climate change by upskilling the built environment sector, this free programme has achieved remarkable success since then, demonstrated strong demand for sustainable construction practices.

- 4,668 professionals engaged
- 1,844 companies participating
- 2,108 e-learning resources downloaded
- 693 training needs assessments completed

Case study

With buildings contributing approximately 40% of the UK's carbon emissions, achieving net-zero targets requires a large-scale retrofit of existing structures. However, a key challenge is that the current workforce lacks the necessary skills and awareness to deliver retrofitting at the scale needed. According to Energy Systems Catapult, the UK is not fully prepared for the scale of retrofitting required to meet its net-zero target by 2050; achieving this goal will require retrofitting eight homes every minute.

In response, NatWest collaborated with the Supply Chain Sustainability School to develop a comprehensive retrofit programme offering free CPD-accredited training. This includes e-learning modules, training assessments, workshops, webinars, and conferences designed specifically for professionals in the built environment.

This programme, created in collaboration with industry leaders, addresses vital sector needs. Organisations such as the Construction Leadership Council, British Standards Institution, Welsh Government, Historic England, Wates, CBRE, Robertson Group, and Canary Wharf Group have actively shared their expertise at events, ensuring that the programme drives meaningful progress in retrofitting and sustainability across the UK's built environment.

To make a transition feasible, the industry must develop both the skills and companies needed to carry out retrofit work at scale. Recognising the skill gaps as a significant barrier, particularly for retrofitting the built environment, NatWest became the first bank to partner with the Supply Chain Sustainability School. Together, NatWest and the School have established a free retrofit training programme to build the necessary skills within the construction industry to retrofit both residential and commercial buildings, helping to cultivate a more mature retrofit supply chain.

In its first year alone, the retrofit programme has exceeded its initial two-year goals, including:

- 4,668 professionals engaged
- 1,844 companies participating
- 2,108 e-learning resources downloaded
- 693 training needs assessments completed

TSB

Thermal detectives

TSB Thermal Detectives is a campaign to inject fun into colleague engagement around warm homes and energy efficiency measures, using thermal imaging cameras. TSB colleagues borrow the cameras to detect previously invisible heat loss in their homes and then receive practical support to take action.

Case study

As the Climate Change Committee noted in its seventh Carbon budget, reducing home energy demand "is an important part of the UK's pathway to net-zero, providing lower fuel bills, reducing fuel poverty and delivering health benefits".

This is why TSB launched Thermal Detectives, a campaign to make energy efficiency engaging and practical for colleagues. Using thermal imaging cameras, colleagues can detect hidden heat loss in their homes and then receive support to take action.

TSB kicked off the campaign at its first Cosy Homes Expo in Edinburgh in October 2024. Cosy Homes is a hands-on drop-in event, hosted annually in TSB's Edinburgh and Gloucester offices. Every colleague who borrowed a camera in the first pilot found it useful. The top five actions taken were:

- Draught-proofing windows and doors
- Bleeding radiators
- Adjusting windows and doors
- Insulating loft hatches
- Fitting letterbox and keyhole covers

Together, TSB Detectives saved an estimated **5tCO_2e**—equivalent to emissions when powering the average UK home for nearly two years.

But the real impact comes from the ripple effect. Colleagues were encouraged to share their experiences with their customers, teams, family, and friends, and post on TSB's internal Engage platform and social media. And following the successful pilot, TSB has expanded the scheme significantly:

- TSB Mortgage Intermediaries team are piloting taking cameras on broker visits, helping brokers – who handle over 80% of UK mortgage lending – confidently discuss energy efficiency with customers.

- All TSB mortgage advisors received training on discussing warm, low carbon homes with their customers, and signposting to TSB's home energy partner Snugg. One notable example: in July 2025, a customer seeking additional borrowing for renovations was introduced to Snugg by a mortgage adviser. After reviewing their options, they returned to request additional funds – within affordable lending criteria – to include solar panels in their plans.
- Cameras are now available at all head office locations, doubling colleague reach. TSB are also launching a community project where cameras will be held in a local sports club, allowing members to borrow them and access support and grants for energy-saving measures.

"The thermal detectives initiative is a fabulous, creative idea which has facilitated TSB colleagues in moving from simply sustainability awareness to taking action, in a fun and pragmatic way."

James Macgregor, Head of HR Business Partners and Colleague Relations.

Aligned with the 2015 UN Paris Agreement, TSB is committed to achieving net-zero by 2050. Thermal Detectives supports two interim 2030 net-zero targets: reducing emissions from home working, and from TSB's mortgage portfolio.

Virgin Money

Sustainable Business Coach

A free sustainability strategy tool available for any British business.

Engagement time needed: 30 minutes

23 'break-even goals' which are the minimum performance thresholds each business must strive to achieve across suppliers, operations, products and society

Case study

In 2021, Virgin Money launched its Sustainable Business Coach – a web-app open to any British business which enables a business to set a sustainability strategy based on its areas of material impact. The coach was delivered in collaboration with a third party, Life Moments, and has since been used by other financial institutions within the British Isles.

The coach is an abridgement of the Future-Fit Business Benchmark, a comprehensive methodology built on systems science. It is aligned to the UN Sustainable Development Goals which helps a business work towards a 'Future-Fit society' which is environmentally restorative, socially just and economically inclusive.

The foundations are 23 'break-even goals' which are the minimum performance thresholds each business must strive to achieve across suppliers, operations, products and society. These include, but not limited to, goals such as; renewable energy usage, waste, GHG emissions, living wage, product and customer communications, lobbying and advocacy and business ethics.

Within approximately 30 minutes, businesses can:

- Understand their potential high priority sustainability goals – based on the core activities their business performs
- Measure their progress against these goals through a percentage-based score
- Download their score in a report format to share with stakeholders
- Access guidance to make your business more resilient to sustainability change
- Access an entry-level certification called Future-Fit Engaged – where a business can take a short series of actions to demonstrate sustainability progress.

Virgin Money has three primary use cases for the coach:

1. General business use. Any business can access the coach – with over 2,500 users to date on behalf of businesses – recognising Virgin Money's position that accelerating action across environmental, social and governance factors is important in de-risking with a transitioning economy.
2. Credit assessment process. All businesses (new and existing) borrowing over £2.5m are required to complete the Sustainable Business Coach as part of the lending process. This provides insight into a business progress against high priority sustainability goals and can be complementary to the credit assessment. This can be completed directly by customer or by the relationship management team.
3. Appraise eligibility for Virgin Money Sustainability-Linked Loans (SLL). Virgin Money uses the Sustainable Business Coach methodology to define and validate eligibility for our SLL product. Virgin Money is able to offer this to smaller businesses (borrowing starts at £250k) by discounting the arrangement fee by up to 1.5%. This negates the need for ongoing validation – reducing the cost of borrowing and the cost of monitoring these facilities.

West Bromwich Building Society

Reducing operational emissions with electric vehicles

Switching to an all-electric fleet and introducing EV charging points led West Bromwich Building Society to reduce carbon emissions from colleague commuting.

39.8 tonnes of CO_2 saved in the last 12 months through commuting and business travel.

Case study

Since 2022 West Brom has been working to reduce the overall carbon impact of commuting and business travel. The first step was to transition their fleet of business vehicles to EV to support the reduction of carbon emissions from business travel. This switch to an all-electric fleet has resulted in 5.5 tonnes of CO_2 being eliminated in the last 12 months.

To further support their operational decarbonisation journey, and to encourage the wider use of electric vehicles, EV charging points have been installed at their Head Office for use by colleagues. Colleagues are encouraged to make the switch to EV through a dedicated car scheme, which offers favourable terms for purchasing or leasing electric vehicles.

This dual approach to address both business and commuter travel has delivered measurable environmental benefits with 39.8 tonnes of CO_2 saved in the last 12 months. Of this, 34.2 tonnes of CO_2 were attributed to reducing commuting emissions with colleagues adopting electric vehicles for their daily commute. Through encouraging colleagues to charge their vehicles through renewable energy, and switching to an all-electric fleet, West Brom has been able to reduce the operational carbon footprint of travel, and aims to see this continue in the future.

West Bromwich Building Society

Supporting a sustainable supply chain

West Brom have been working collaboratively with local suppliers to drive carbon reduction across their supply chain and support their decarbonisation journey to Net Zero.

By switching to recycled paper and envelopes, West Brom saved 24,507 kilograms of carbon.

Case study

As a financial services provider, West Brom need to consider the environmental impact of their supply chain. When onboarding new suppliers, West Brom ask for information about suppliers' environmental performance to ensure they align to West Brom's own vision and values. Whilst some of their existing suppliers and partners have well-established carbon reduction plans, others are at the early stages of their journey to Net Zero. For West Brom, this brings an opportunity for collaboration, to work alongside some of their smaller suppliers and support them on that decarbonisation journey.

One example of this sustainability partnership in action is through their long-standing relationship with their local stationery and office supplier, Ian Smith Group. West Brom worked collaboratively with Ian Smith Group to improve the environmental sustainability of the service provided and implement operational changes to support both organisations in their Net Zero journey.

Deliveries across West Brom's branch network have been consolidated to reduce emissions, with each branch receiving orders as part of a routine schedule. These deliveries are also packaging-free to eliminate unnecessary waste, but also further reduce the carbon footprint of this service. Ian Smith Group have also redefined their core stationery list to feature only environmentally friendly options. This switch has seen a notably positive influence on their environmental impact. By switching their paper and envelope usage to recycled alternatives, this has resulted in a saving of 24,507 kilograms of carbon in the last 12 months.

These initiatives demonstrate how shared goals can lead to positive climate action. By supporting their suppliers, West Brom are helping to build climate resilience through their supply chain, as well as working to reduce their own Scope 3 carbon emissions.

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