

Our Ethical Policy

This is the Ethical Policy of The Co-operative Bank and smile.co.uk. It is based on extensive consultation with our customers and reflects their ethical concerns about who their money will and will not finance. It also informs our choice of partners and their suppliers.

Human Rights

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

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

International Development

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

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

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

Social Enterprise

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

Customer Consultation

- We will regularly reappraise customers' views on these and other issues and develop our Ethical Policy accordingly.
- From time to time, we will seek to represent our customers' views on the issues contained within our Ethical Policy and other ethical issues, through, for example, our campaigning activities.
- On occasion we will make decisions on specific business involving ethical issues not included in our Ethical Policy.

For further information on our Ethical Policy visit the bank's website: goodwithmoney.co.uk

Ecological Impact

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

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

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

Animal Welfare

We will not finance any organisation involved in:

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

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