



Gatehouse Bank Responsible Banking Progress Statement 2025

UN Principles for Responsible Banking

Principle 1: Alignment

Gatehouse Bank ("the Bank") is a Shariah-compliant UK bank, that, as of 31 December 2025, offered products and services in three categories: Savings, Home Finance and Build to Rent. The Bank is a wholly owned subsidiary of the Gatehouse Financial Group and is authorised by the Prudential Regulation Authority (PRA) and regulated by the PRA and the Financial Conduct Authority (FCA). The Bank's Business Model is outlined in its Annual Report 2025.

As a founding signatory of the UN Principles for Responsible Banking (UN PRB), we are committed to aligning our strategy to the United Nations' Sustainable Development Goals (SDGs) and the Paris Agreement on climate change, as well as other relevant national and international frameworks.

The Bank follows Shariah principles that have a natural alignment with sustainable development priorities. These Islamic finance principles prohibit the financing of harmful sectors including alcohol, tobacco, adult entertainment, gambling or the arms industry. In addition, Gatehouse Bank does not finance environmentally harmful extractive activities such as coal or oil and we do not offer speculative financial products.

Our ESG strategy is central to our commitment to sustainable banking practices and guides our target setting and action planning in alignment with the SDGs and the Paris Agreement. Established in 2024 based on input from our colleagues and customers and our impact analysis, our ESG strategy is comprised of the following four pillars: Biodiversity and Deforestation, Financial Education and Inclusion, Climate Change and Community Health and Wellbeing.

Our ESG strategy pillars are aligned with the UN PRB's priorities of combatting climate change, building healthy and inclusive economies, upholding human rights and protecting nature and biodiversity. Through our ESG strategy, our aim is also to contribute to the UK's ambition to reach net zero by 2050 as well as the UK's Financial Inclusion Strategy, Strategy for Financial Wellbeing 2020-2030 (set by the Money and Pensions Service) and the UK National Biodiversity Strategy and Action Plan for 2030.

Since 2024, the Bank has reported in line with the TCFD's recommendations on a voluntary basis, in alignment with existing disclosure requirements in the UK. Although the Bank is not required to produce a TCFD report, using this framework strengthens our ESG governance and regulatory preparedness, while aligning with the objectives of our ESG strategy and our commitment to responsible banking.

Links and references

[Gatehouse Bank's Sustainability Report 2025](#)

[Gatehouse Bank's Annual Report 2025](#)

[Gatehouse Bank's ESG Policy](#)

Principle 2: Impact & Target Setting

Our ESG strategy was established in 2024 based on our impact analysis and the input from our customers and colleagues, focusing our activities on driving a positive impact under our four pillars of Biodiversity and Deforestation, Financial Education and Inclusion, Climate Change and Community Health and Wellbeing.

Through our impact analysis, the Bank has identified climate change and financial health and inclusion as the two particularly significant impact areas within the Bank's ESG strategy. In 2025, we updated this assessment using the UNEP FI Portfolio Impact Analysis Tool for banks, focussing on our core activities of personal savings and residential property financing in the UK. This confirmed that our identified significant impact areas remain the same, in line with our ESG strategy and we have set targets for each as below.

Climate Change: We established our Net Zero Pathway in 2025, outlining our approach to reducing our financed and operational emissions as well as setting the following targets for the financed emissions of our home finance portfolio:

	2023 baseline (kgCO2e/m2)	2030 target (kgCO2e/m2)	2050 target (kgCO2e/m2)
Home finance portfolio	57.0	32.0	2.3

To reach our targets, we have identified customer engagement as a priority and are committed to developing the products, services and tools that we offer to support our customers to choose energy efficient homes and retrofit their properties. We launched our green home finance products in 2022, offering customers a 0.10% discount on the rental rate for properties with an energy efficiency rating of A or B. In 2025, our green home finance products comprised 12% of our home finance portfolio, with EPC A or B rated properties making up 26.4% of the portfolio. For more information, see the "Climate Change" section of our Sustainability Report 2025.

Financial Education and Inclusion: In 2025, we exceeded our target of increasing the percentage of young savings customers to 10% by the end of 2025, with young customers reaching 19.6% of our savings customer base. To build on this achievement, we have launched a financial education partnership with Young Enterprise to help young people develop essential financial skills, setting the following targets for the programme:

- Reach 2,000 students through our financial education programme in partner schools by the end of 2028
- Maintain a minimum of one active partnership from 2026 until 2028 to support our efforts to increase the financial health and inclusion of our customers and communities

For more information, see the "Financial Education and Inclusion" section of our Sustainability Report.

In addition to our two significant impact areas, we have also identified biodiversity loss and access to housing as priority impact areas, considering our UK context, that we can drive a positive impact through our ESG strategy. Under the Biodiversity and Deforestation pillar of our strategy, we aim to support efforts to reverse biodiversity decline in the UK. Our Woodland Saver products have been designed to contribute to the expansion of UK woodland by planting a tree for every fixed term deposit or cash ISA account opened or renewed. In 2025, we reached the milestone of 70,000 trees planted on behalf of our customers since launching the accounts in 2021.

Through the Community Health and Wellbeing pillar of our strategy, we aim to help tackle youth homelessness through our three-year partnership with youth homelessness charity, Depaul UK, raising over £26,000 for the charity in the first year. By directing our community investment toward supporting young people who are experiencing or are at risk of homelessness, we are responding to a critical societal need while reinforcing our broader focus on housing and home finance.

Links and references

[Gatehouse Bank's Sustainability Report 2025](#)

Principle 3: Clients & Customers

Gatehouse Bank provides savings products to UK residents and residential property finance for homes and investment properties in England and Wales to UK and overseas homebuyers and landlords. Our products are designed to be transparent, fair and socially responsible and we are committed to making financial services accessible for everyone, regardless of their socioeconomic background, religion or age.

To support customers who may be experiencing financial difficulties, we have a dedicated team available to offer guidance and support. We also provide a range of resources including a money-management section on our website with useful advice on topics such as budgeting, managing subscriptions and reducing energy costs. We encourage customers who are facing challenges, such as health issues, caring responsibilities or financial difficulty, to contact us so we can work together to find the most appropriate support. Our website also signposts customers to external support services that can offer additional help during difficult periods.

Aligned with the Financial Education and Inclusion pillar of our ESG strategy, we aim to support our customers' financial wellbeing by providing affordable and accessible products and services and equipping them with the knowledge, skills and tools they need to build their financial confidence and resilience. Having exceeded our target to increase the percentage our young savings customers (aged 18–30), in 2025, we launched a three-year partnership with national employability and financial education charity, Young Enterprise, to build on our success in supporting younger people. From 2026, we will work with Young Enterprise to create a bespoke financial education resource informed by the needs of young people and grounded in our values, including Shariah principles. From 2027, our colleagues will then be trained to deliver this resource and share practical money management skills with our customers in the final year of the partnership.

Under the Climate Change pillar of our strategy, we recognise that supporting and engaging our customers on energy efficiency and home retrofit is essential to reducing our financed emissions and reaching net zero together. We launched our green home finance product range in 2022, offering a 0.10% discounted rental rate for homes with an energy efficiency rating of A or B, to encourage and support our customers to choose energy efficient, sustainable homes. We also use insight articles on our website and in customer newsletters to raise awareness with our customers on topics such as home energy efficiency and retrofit best practice. As part of our Net Zero Pathway, we plan to expand on this further by creating a dedicated energy efficiency section on our website, including offering a tool to provide tailored retrofit advice to customers.

Through our Woodland Saver accounts, we plant a tree on behalf of our customers for every fixed term deposit or cash ISA account opened or renewed. Customer feedback consistently highlights the importance of this nature-positive approach, with over 80% of surveyed customers consistently identifying tree planting as a key factor in choosing a Woodland Saver account. This demonstrates a strong alignment between customer expectations and our commitment to supporting biodiversity and reversing deforestation.

Links and references

[Gatehouse Bank's Sustainability Report 2025](#)

Principle 4: Stakeholders

As a responsible Bank, we prioritise building long-term relationships with our stakeholders so we can deliver products and services that meet their needs. Our stakeholders include our customers, colleagues, investors, supply chain partners, industry bodies, third-sector organisations, government, regulators and the wider community. Their views and insights play a vital role in shaping our products and our activities as we deliver our ESG strategy.

Further information on how Gatehouse Bank engages with its stakeholders is available in the “Our Stakeholders” and the “Memberships and Affiliations” sections of our Sustainability Report 2025.

Links and references

[Gatehouse Bank's Sustainability Report 2025](#)

Principle 5: Governance & Culture

Our robust governance structure and strong culture of engagement are integral to our success in embedding sustainable and responsible banking practices and delivering on our ESG strategy.

As the Bank's highest governing body, the Board of Directors holds ultimate responsibility for setting its strategy, corporate objectives and risk appetite. The Bank's risk control and governance framework is approved and governed by the Board and managed on a day-to-day basis by the Board's delegated Committees and Gatehouse Bank's Executive Committee (ExCo). In addition, our Shariah Supervisory Board is responsible for ensuring that the Bank's activities comply with Shariah principles. The Companies Act 2006 requires all Board members to act independently and only in the best interests of the Bank as a whole. All Board members are required to disclose and report any other business interests or future business interests that may result in a conflict of interest.

Reporting on progress against our ESG strategy objectives and targets is provided to our Executive Committee (ExCo) on a monthly basis and to the Board quarterly. While the Board maintains ultimate oversight of all areas of ESG, we have a dedicated ESG Forum that is responsible for managing target setting and the implementation of our ESG strategy. The ESG Forum is comprised of a Non-Executive Director, several ExCo members, Board members and senior managers. The ESG Forum meets quarterly to provide strategic direction and oversight of the ESG strategy, including monitoring progress against our targets and ESG commitments.

Our colleagues are central to our culture of ESG engagement. As part of our new joiner induction process, everyone must complete mandatory training on ESG and responsible banking, helping them understand the Bank's approach to ESG and how it applies to their roles and day-to-day activities.

We also ensure that our colleagues have access to relevant and impactful learning opportunities that enhance their knowledge, skills and overall effectiveness in their roles. In 2025, we delivered a diverse range of training sessions across several categories including regulatory and risk management, leadership, customer and colleague wellbeing, diversity, equity and inclusion and business and technical skills. In total, our colleagues logged a combined 6,356 hours of training.

Colleague engagement is at the heart of our ESG work, particularly when driving a positive impact in our communities, with 80% of colleagues participating in volunteering and/or fundraising in 2025. Each colleague at Gatehouse Bank is offered two days of volunteering leave per year to contribute to causes aligned with our ESG strategy. During the year, 137 colleagues volunteered in support of a range of organisations in our local communities, including our charity partner, Depaul UK. Eight colleagues also volunteered as mentors through the Early Careers Foundation and/or Depaul UK, supporting the professional development of young people in alignment with our Financial Education and Inclusion objectives. In addition, our combined fundraising efforts raised over £26,000 in support of tackling youth homelessness through our charity partner, Depaul UK, contributing to the Community Health and Wellbeing pillar of our ESG strategy.

Links and references

[Gatehouse Bank's Sustainability Report 2025](#)

[Gatehouse Bank's ESG Policy](#)

Principle 6: Transparency & Accountability

Gatehouse Bank's Sustainability Report 2025 has been prepared in alignment with TCFD recommendations. Although the Report is not required to be assured by an external party, it has undergone a rigorous internal review process. Information on our ESG progress and activities is also included in Gatehouse Bank's Annual Report 2025 which has been assured by external auditors.

We will continue to monitor and report on our progress as we deliver our ESG strategy, providing transparency on our sustainable and responsible banking practices in line with UN PRB guidance. The ESG Forum will remain central to this process, providing ongoing oversight and strategic direction to support the Bank's ESG agenda and uphold our commitments under the UN PRB.

Links and references

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