

## **NEW YEAR WILL BE GREENER THAN EVER SAYS CO-OPERATIVE BANK**

2002 promises to be greener than ever as more and more consumers opt to wear their hearts on their sleeves.

The Co-operative Bank believes the trend towards buying ethical products and services will continue to increase despite the possibilities of an economic downturn.

According to the Ethical Purchasing Index (EPI) published by The Co-operative Bank spending on green products and services increased by a massive 18 per cent last year.

The Index, designed to act as an ethical spending barometer, reveals that the growth in ethical purchases last year was six times greater than the increase in the market as a whole.

Simon Williams, Director of Corporate Affairs at The Co-operative Bank said: "Green and ethical businesses appear to be in a stronger position to weather any possible recession. The number of consumers shopping with conscience has increased in recent years and that trend is set to continue in 2002."

Focussing on seven key sectors from food to transport, the EPI research shows that ethical spending was worth £5.7 billion in 2000 an increase of £867 million. A further £7.8 billion was invested in ethical financial services bringing the total spending of consumers with a conscience to £13.4 billion.

The ethical purchasing "basket" included the following sectors:

**Food:** including free range and freedom food eggs, organic food, vegetarian meat alternatives and fair trade sales.

**Fuel and Light:** green energy sales

**Housing:** annual repayment to green mortgages

**Household goods:** Forest Stewardship Council sales; eco-labelled household appliances and cleaning products marketed as environmentally friendly

**Personal items:** cosmetics and toiletries not tested on animals

**Transport::** annual grant value to Liquid Petroleum Gas (LPG) vehicles: memberships to the Environmental Transport Association) ETA

**Subscriptions:** annual voluntary income to UK top 500 charities, including charity shop sales

The increase came at a time of general economic growth and the total size of the seven consumer sectors grew by three per cent during the period. But the increase in ethical spending - more than six times as fast - means that green consumers grabbed a bigger share.

Mr Williams added: "From the Co-operative Bank's point of view it is particularly satisfying to see that £7.8 billion was invested or deposited in values-based investments and bank accounts - a rise of 20 per cent year on year."

The research was conducted by the New Economics Foundation on behalf of The Co-operative Bank. The research builds on a report "Who are the Ethical Consumers?", published last year by The Co-operative Bank, which intends to publish the Ethical Purchasing Index on an annual basis as an indicator of trends in this increasingly important market.

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