

Socially Focused  
Customer Centred  
Commercially Driven

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## Our Social Impact 2015





Average score out of 10 across 600 completed surveys



£46.8m lent for positive impact



13 community facilities purchased or preserved



unitytrust bank

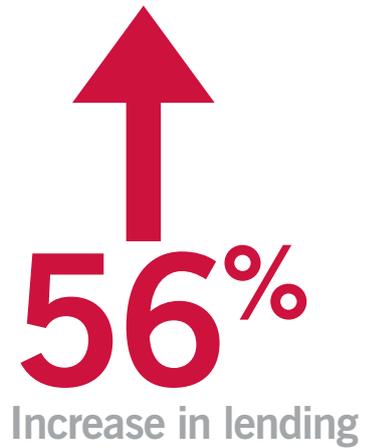
# 2015

Bank with a social conscience

Socially Focused

Customer Centred

Commercially Driven



1st for satisfaction in 8 of 9 categories, voted by our customers



raised by our staff for good causes

Key borrower sectors



## Introduction

As the independent challenger bank with a social conscience, Unity Trust Bank places social impact and financial sustainability at the heart of its business through a longstanding 'double bottom line' strategy. Our Social Impact 2015 report shows how we achieve this strategy, and evidences our commitment to our social mission.

We accomplish our commitment by investing in our customers, communities and staff, and by acting upon our strong values; being customer focused, enabling community development and being transparent.

This, our fourth report, demonstrates how our activities created a positive social impact during 2015, and introduces our vision for the future of our social impact report.

## Our Purpose

Our purpose is embedded in our Articles of Association, which is the foundation of our business, in particular:

- (a) To be the bank with a social conscience;
- (b) To provide banking services to viable organisations that contribute community, economic, social or environmental benefit to society; and
- (c) To achieve sustainable returns for itself and its members as well as a social benefit.

This is described as a 'double bottom line' approach to all business the Company does. Having been founded by Trade Unions the Company will continue to support Trade Unions and the Trade Union movement in the United Kingdom and elsewhere as part of this.

## Unity at a glance

- Provides bank accounts and loan finance
- Bank for organisations and businesses that are socially motivated
- Established in 1984 by Trade Unions as a 'bank for the common good'
- Over 20,000 customer accounts
- All operations based in Birmingham, with local managers across the UK
- 98 staff
- First Living Wage accredited bank and Living Wage Champion for the West Midlands
- Fair Tax Mark pioneer

## Our Social Impact reporting

This year we have extended the range of metrics we use to capture our social impact achievements. Social impact will remain at the heart of our business in 2016 and beyond with a focus on intentional impacts in the community, social, environmental, economic and financial outcome areas. We measure, monitor and report on our social impact to be transparent about how we meet our social commitment. A series of quantitative and qualitative measures are used to monitor our performance and capturing this data is embedded into our working processes. The information within this report represents the period 1st January 2015 to 31st December 2015 inclusive.

## Our Impact in 2015

### Lending

**What we do:** Customer deposits fund lending to organisations that contribute community, economic, social or environmental benefit. This lending creates housing, community finance and community and care assets which form the infrastructure of a flourishing society.

**Impact:** The value of our lending increased by 56% in 2015 to £46.8m. Measured by loan value the housing and community finance sectors accounted for over 50% of borrowers. By legal status registered charities accounted for 44% of borrowers but there is also an increase in non-traditional borrower types.

Through these loans 3,773 jobs were created or protected. 27% of loans were used for the purchase, build or renovation of housing, resulting in the number of bed spaces created increasing to 502 in 2015. 13 community facilities were purchased or preserved including faith buildings, sports facilities and preserved buildings. We continue to invest in responsible finance providers (formerly Community Development Financial Institutions (CDFI)) which lend on to individuals, small businesses and social enterprises excluded from mainstream finance, to unlock access to finance in local economies.

### Customers

**What we do:** Our bank accounts are tailored to meet customer needs, and the service we provide is designed to make banking as easy as possible for customers so valuable time can be focused on delivering their work. We actively undertake monthly customer feedback surveys which help to continually improve our service.

**Impact:** Our customer satisfaction and advocacy scores continue to improve, rising to 8.9 for satisfaction and 8.8 for advocacy (out of 10). Complaints rose to 113, predominately as a result of the change to our clearing provider which affected customers and we thank them for their patience during this period. Our Credit Union Development Fund (CUDF), which makes grants to further the credit union movement, received its highest ever number of applications, increasing by 46% from the previous year and made grants totalling over £25,000.

### Community

**What we do:** We contribute to our community through our staff-led volunteering and fundraising programme 'Unity in the Community' (UitC). Each member of staff is entitled to five paid volunteer days per year and a number of fundraising events are organised throughout the year. Good causes are then nominated by staff to receive donations.

**Impact:** 100.5 volunteer days were completed with 42% of staff taking part in at least one volunteer activity. Over £4,000 was donated to good causes as chosen by our staff, including local and national charities supporting a range of causes.

### Our People

**What we do:** We invest in and develop our staff to grow and encourage a talented, diverse and motivated workforce. By creating an open, supportive and flexible working environment we benefit from increased staff loyalty which translates into excellent customer service. We also run an Employee Shared Ownership Plan where, after one year's service, every member of staff is entitled to shares in the bank.

**Impact:** We remain an Investors In People Gold status employer, which recognises our commitment to continuous investment in our staff. As we completed our journey to become an independent bank, we needed to strengthen our skills and capabilities and as a result our staff grew by 9%. We maintain our fair pay commitment and remain within the maximum pay ratio set by our Board of 20:1.

# Lending

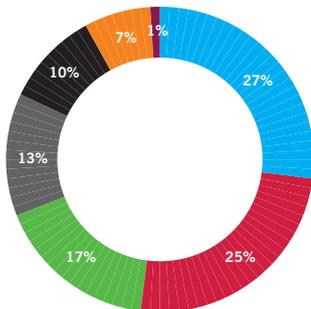
Metric	2012	2013	2014	2015
Loans made (by number)	27	53	57	59
Loans made (by value)	£19m	£38m	£29.9m	£46.8m
Living Wage accredited borrowers	–	0	7	7
Additional finance leveraged	–	£39.8m	£26.4m	£22.3m
Jobs created and protected	–	2,143	3,423	3,773
Bed spaces created	200	612	176	502
Community facilities provided	–	–	–	13
Day care spaces provided	–	–	–	23
Borrowers accessing finance through CDFIs	–	–	–	7,116
Average value of loans accessed through CDFIs	–	–	–	£23,000

## Broadening Choices for Older People (BCOP), £2,670,000, Birmingham

A development loan helped BCOP to finance the refurbishment and modernisation of 33 nursing units including 10 specialist spaces for dementia patients and 20 supported housing bungalows, all with care access for people with specialist needs. BCOP has 70 years' experience of providing specialist nursing, dementia and residential care including an extra-care sheltered housing scheme.

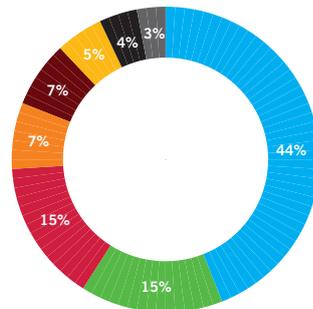


### Borrowers by sector\*



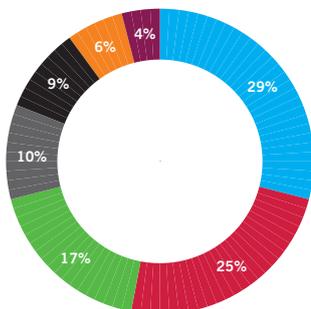
- Housing
- CDFI
- Human Health and Social Work
- Real Estate, Education, Wholesale and Services
- Faith
- Trade Union
- Arts, Entertainment and Recreation

### Borrowers by legal status\*



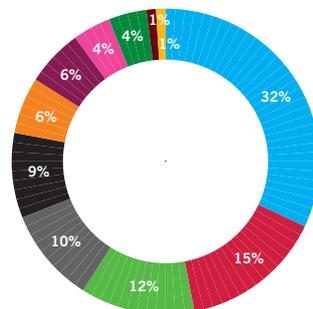
- Registered Charity
- Industrial and Provident Society
- Company Limited by Guarantee
- Trade Union
- Special Purpose Vehicle
- Company Limited by Shares
- Community Interest Company

### Borrowers by loan purpose\*



- Housing
- Community finance
- Community asset
- Care asset
- Asset
- Office space
- Bridging loan

### Borrowers by region\*



- London
- West Midlands
- South East
- North West
- Yorkshire and the Humber
- Wales
- Scotland
- North East
- South West
- East of England
- East Midlands

### Social Lending Impact map

We lend across the UK to many organisations that make a positive change to the lives of the people they support.

Our interactive Social Lending Impact map displays all the loans we have made since January 2012.

Use the map to explore our lending at [unity.co.uk/lendingmap](http://unity.co.uk/lendingmap)



\* All shown by loan value

We have committed to report on the number of Fair Tax accredited borrowers and the number of borrowers with an environmental core purpose; both of these are zero.

## Customer

Metric	2014	2015
Customer satisfaction score	8.7	<b>8.9</b>
Customer advocacy score	8.5	<b>8.8</b>
Customer complaints	57	<b>113</b>
CUDF grants (by number)	13	<b>11</b>
CUDF grants (by value)	£14,000	<b>£25,780</b>



### Charity Finance Banking Survey 2015

Our customers rated us 1st for satisfaction in 8 of 9 categories including commitment to CSR, sector knowledge and availability of finance in the annual Charity Finance Banking Survey. These results put us ahead of all the major high street and other specialist banks, building on last year's success where we were rated top in four categories. [unity.co.uk/CBSurvey](http://unity.co.uk/CBSurvey)

## Community

Metric	2014	2015
Volunteer days completed	175	<b>100.5*</b>
Skills based volunteering	45%	<b>34%*</b>
Staff engaged in volunteering	72%	<b>42%*</b>
Staff fundraising total	£2,319	<b>£4,762</b>
Value of volunteer time	£24,000	<b>£13,155*</b>
Organisations supported	46	<b>23</b>
Donations to good causes	£5,893	<b>£4,067</b>

\* During this year of transition including changes to our staff and the pressure of large business projects our volunteering achievement has been impacted. We are committed to actively improving this in 2016 and invite organisations to get in touch with their volunteering requirements.



### Birmingham Memory Walk

A team of seven staff volunteers supported The Alzheimer's Society Birmingham 'Memory Walk' during September 2015 to raise vital funds and awareness of the charity and its cause by marshalling the route and providing help to participants at the event. Find out more on our volunteering and fundraising at [unity.co.uk/uitc](http://unity.co.uk/uitc)

## Staff

Metric	2014	2015
Employees	90	<b>98</b>
Training hours per employee (average)	28.4	<b>18.7</b>
Women in the Executive Team	17%	<b>50%</b>
Women as senior managers	42%	<b>50%</b>
New apprentices	4	<b>0**</b>

\*\* Whilst no new apprentices joined the Bank in 2015, we will continue this scheme in 2016.



### Living Wage Champion for the West Midlands 2015

For the second year, we were the Living Wage Champion for the West Midlands recognising our commitment to implementing and promoting the Living Wage across our region. Paying the Living Wage demonstrates how we are a people focused employer and increases staff motivation and satisfaction. We invest in our people and reward them with a fair deal which positively impacts their wellbeing.

# Are you one of the inspirational organisations and businesses across the UK **creating social change and building a sustainable future?**

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**We want to hear from you**

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We share your vision and can support your banking and borrowing needs with our sector knowledge.

Talk to us today to discover how we can work together.

**To find out more about our social impact, contact us:**

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