

2023 Impact Report

For Businesses. For Communities. For Good.



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Martine Verweij, co-owner of Grangy Huis, with Amy McDermott, Relationship Manager at Unity Trust Bank

CEO Update

Unity Trust Bank was established to be the bank with a social conscience, supporting organisations that contribute to community, economic, social or environmental benefit for society.

Unity Trust Bank's Impact Report 2023 demonstrates our continued growth delivering positive social impact in areas where it is needed most in the UK. As our total loans committed surpassed £1 billion for the first time since Unity was established in 1984, this report demonstrates how our development of Unity's 'double bottom line' supports our customers to deliver meaningful change in their communities.

In 2023, Unity committed over £260 million to 162 organisations across the UK. As our total loan book surpassed £1.03 billion, more than 1,300 organisations continue to be supported through our responsible lending across a range of sectors delivering positive outcomes to communities.

45.3% of new commitments in 2023 went to organisations delivering services in high deprivation areas across the UK; £21.9 million more than committed in 2022.

Our customers continued to deliver key services across our key outcome areas. Unity's lending supported over 1,200 people and households with affordable homes and we financed the decarbonisation of 452 homes through retrofitting activities.

We supported over 1,450 care home spaces and 572 day care and education spaces for a range of users; the pharmacies we supported provided over 2.4 million prescriptions to people across the UK.

Over 7,000 jobs were supported within our customers' organisations and 21 new apprenticeships were created across a range of sectors.

Our £15 million of lending committed to onward social investors and Community Development Finance Institutions (CDFIs) enabled £18 million of investment to reach community organisations, social enterprises, SMEs and charities delivering inclusive growth.

We continue to provide lending across all United Nations' SDGs aligned to our social mission, with SDG 3 – Health and Wellbeing, SDG 11 – Sustainable Cities and Communities and SDG 8 – Decent Work and Economic Growth being the most directly supported in 2023.

Unity continues to engage with sector leading initiatives to improve the best practice standards for impact reporting. In this year's report, Unity met our commitment to share the 'ABC Impact Classification' of our 2023 committed loans, with 23% of loans classified as 'C – Contribute to Solutions' within Unity's classifications. Unity also contributed to the development of Impact Frontiers' 'The ABCs of Impact: Modifications and Clarifications 2023' consultation and report.

Alongside the customers we support to deliver positive outcomes to their communities and customers, Unity continues to develop the way we measure and manage our own contributions to people and planet.

In 2023, we were proud to become a signatory of the Partnership for Carbon Accounting Financials (PCAF) and we have become an active member of the 'Unlisted Equities and Private Debt' working group.

In this year's report, we share our first submission of category 15 scope 3 emissions representing a portion of treasury assets held by Unity.

We recognise this a critical step in understanding how Unity can contribute to a sustainable path to Net Zero by 2050. We maintain carbon neutral status through the purchase of 'retrofit credits' to offset our own operations (Scope 1 and Scope 2) and our Scope 3 business travel and home working emissions.

It is not only through our lending that Unity supports social organisations and charities across the UK. We continued our partnership with Prince's Trust and provided mentoring, training opportunities and support to 123 young people. This was part of our 230 volunteering days delivered across the UK.

We significantly increased our donations from staff and from Unity in 2023. £44,505 (2022: £34,500) was donated to social and environmental charities, community groups, volunteer groups and social enterprises that share our values and contribute to building a better society. This included £4,860 donated directly by Unity staff members through our employee-led forum, 'Unity & Me'.

Our work to support communities across the UK was recognised by the British Chambers of Commerce when Unity became a regional Community Champion winner and our overall delivery of quality services and impact was recognised by the Greater Birmingham Chambers of Commerce when we were named Business of the Year in 2023.



I would like to thank our customers, shareholders and partners for working with Unity to support communities across the UK and ultimately to create a better society together.

Colin Fyfe
Chief Executive Officer
Unity Trust Bank

Our Impact in 2023

Our mission at Unity Trust Bank is to help create a better society.

We aim to be the bank of choice for all socially-minded organisations in the UK. Through safe, sustainable growth, we support our customers to deliver social, economic or environmental impact in their communities while also meeting their commercial needs.

Our lending directly contributed to 12 of the 17 UN Sustainable Development Goals our top 5 direct contributions to UN SDGs shared below:



Other UN SDGs supported - UN SDG 1, 2, 4, 7, 9 & 12 **8%**



In 2023, we supported socially-minded organisations with the following:

£263.8 million

We committed £263.8 million of lending to 162 organisations across the UK contributing to the United Nations' Sustainable Development Goals (SDGs).

£1 billion

Our total loan book grew to over £1 billion with 44.7% of lending provided to areas of high deprivation.

92% satisfied

92% of our customers said they were satisfied or extremely satisfied with our services.



We have joined the Partnership for Carbon Accounting Financials (PCAF) and continued our membership with the Global Alliance for Banking with Values.



In 2023:

45.3%

Of our loans went to organisations based in areas of high deprivation

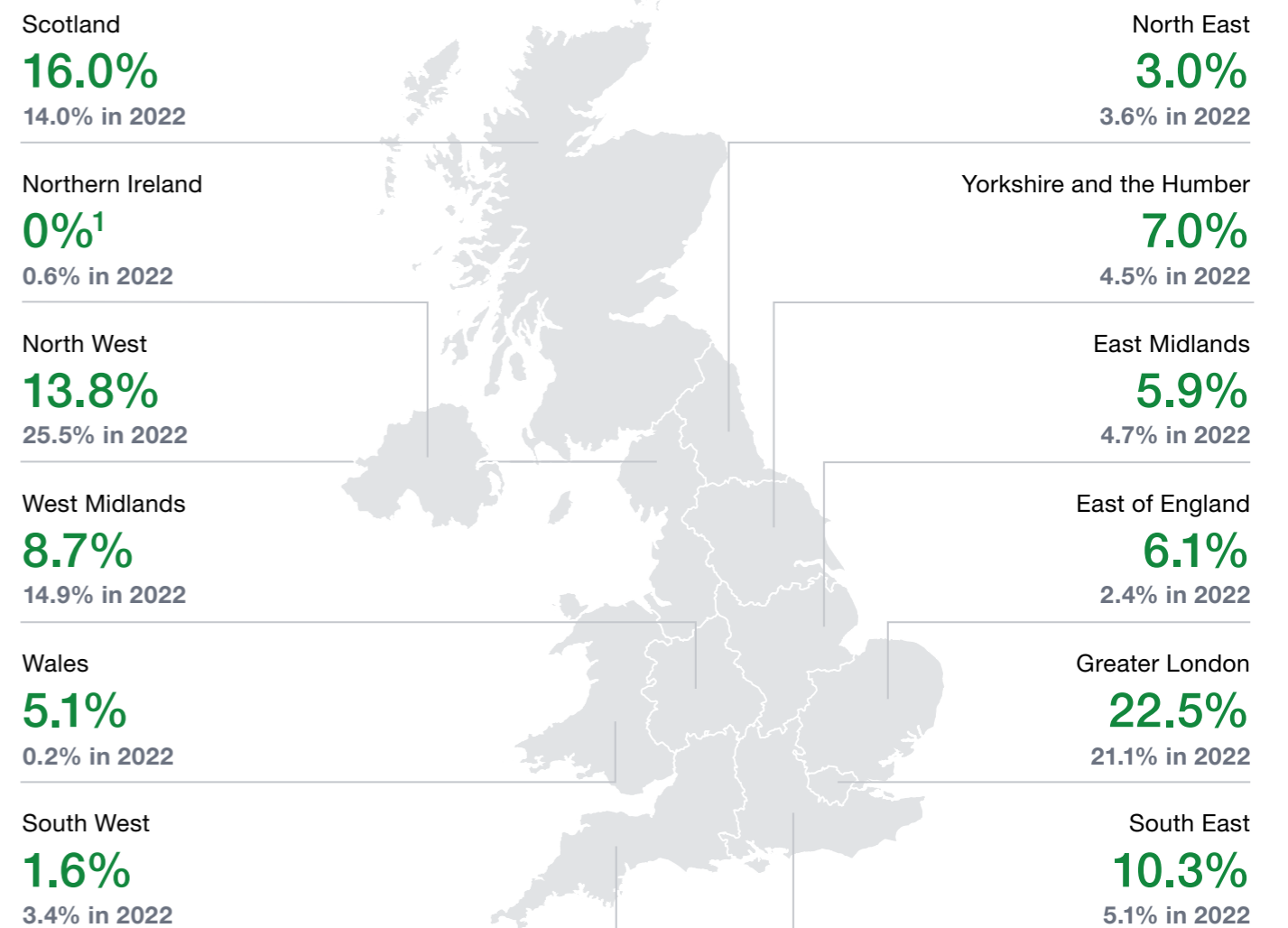
£21.9 million

More in lending to high deprivation areas than in 2022

Regional distribution of new loans in 2023



Unity Trust Bank provides lending to every region across the United Kingdom.



Values committed by deprivation²



¹Unity maintains ongoing lending in Ireland. No new loans were committed and drawn in 2023.

²Defined through assessing lending committed to the top four deciles of deprivation (deprived), deciles five and six (not deprived) and greater than seven (least deprived) according to Indexes of Multiple Deprivation.

£22 million

Location of impact


By measuring 'location of impact', we also identified £22 million of lending where the head office in one region delivered services in another region or nationally.

£5.9 million

Additional impact

Additionally, £5.9 million more of lending was identified as going to deprived areas by measuring where impact is delivered.

According to our data, a third of our loans go directly to organisations solely or majority serving disadvantaged people or those facing discrimination. 90%¹ of the main beneficiary groups² as being:

-  People living in poverty and/or financial exclusion
-  Older people
-  People with long-term health conditions/ life-threatening or terminal illness
-  People experiencing homelessness
-  People with learning disabilities and/or other neurodivergence

The contribution to social, economic and environmental outcomes is a key focus of Unity. In 2023, Unity's total reach included:

£1.01 billion

Committed to socially-minded organisations across the UK.

44.7%

Committed to organisations based in high deprived areas.

Over 1,300

Organisations accessing social lending from Unity.



¹Measurement taken from 59% sample of the value of the loans committed in 2023 based on data availability.

²Beneficiary groups taken from the Good Finance 'Outcomes Matrix' categories.



The ABCs of Impact in 2023 Lending

The 'ABCs of Impact' are developed by the 'Impact Frontiers' and hosted by the Impact Management Platform². The ABCs aim to support the high level communication and analysis of the types of impact delivered by investment into three broad categories. Unity has developed the categories with the following classifications for our portfolio:

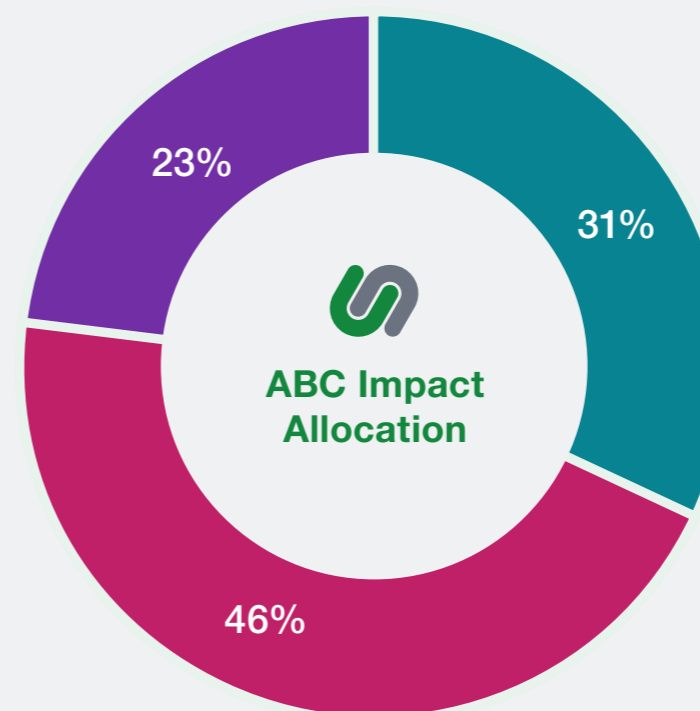
<h2>A</h2> <p>Act to Avoid Harm</p>	<h2>B</h2> <p>Benefit Stakeholders</p>	<h2>C</h2> <p>Contribute to Solutions</p>
<p>Includes:</p> <p>Improving outcomes that are unsustainable to become closer to sustainable</p> <p>or</p> <p>Supporting organisations that do not create unsustainable outcomes and contribute indirectly to B or C grade initiatives*.</p>	<p>Includes:</p> <p>A Acting to Avoid Harm and</p> <p>Actively benefiting stakeholders by maintaining or causing improved wellbeing.</p>	<p>Includes:</p> <p>A Acting to Avoid Harm B Benefit Stakeholders and</p> <p>Improves the wellbeing of end-stakeholders and/or the environment so that the outcome moves from unsustainable or negative outcome range.</p>

*This is an adaptation made by Unity Trust Bank based on the ABCs of Enterprise Impact. Organisations that commit to onward grant and donations to positive outcomes.

²ABC of Enterprise Impact | Impact Frontiers

Using these broad definitions enables us to cross-compare the types of impact delivered in our portfolio. In 2023, Unity's Credit & ESG committee approved the integration of the ABCs into all lending sectors.

Accordingly, all loans committed in 2023 were assessed against these categories with the following allocation:



A Act to Avoid Harm **B** Benefit Stakeholders **C** Contribute to Solutions

31%

Act to Avoid Harm

Unity identified that over £12.4 million has been donated by values-aligned organisations supporting other charities and social enterprises delivering impact to their communities.

46%

Benefit Stakeholders

Case studies like **Lomond Pharmacy** demonstrate the provision of key services that support people to access health services, housing and employment opportunities and benefit society.

23%

Contribute to Solutions

Customers such as **YMCA London City & North** and **Canopy Housing** demonstrate organisations designing interventions specifically to create sustainable outcomes for disadvantaged or marginalised people.







Outcomes delivered in 2023

Working with socially-minded organisations across the UK has enabled Unity to support a wide range of benefits delivered to diverse communities with different needs.



Recognising the breadth of services, users and communities, we have updated our key outcome areas to include:

Supporting these outcome areas, Unity's customers delivered the following key achievements:

 <p>Community Spaces and Services</p>	 <p>Employment, Education and Training</p>	 <p>Environment</p>
 <p>Health and Wellbeing</p>	 <p>Responsible Finance</p>	 <p>Sustainable and Affordable Housing*</p>

<p>572 </p> <p>Day care and education spaces</p> <p>2022: 846</p>	<p>1,458 </p> <p>Bed spaces created and renovated</p> <p>2022: 890</p>	<p>53 </p> <p>Community facilities maintained or created</p> <p>2022: 130</p>
<p>21 </p> <p>Apprenticeships, training and internships</p> <p>2022: 30</p>	<p>1,225 </p> <p>People supported housing</p> <p>2022: 493</p>	<p>7,143 </p> <p>Jobs supported, created and/or protected</p> <p>New measure</p>
<p>2.44m </p> <p>Prescriptions supported by pharmacies</p> <p>New measure</p>	<p>18.5m </p> <p>Onward lending into Impact Economy</p> <p>New measure</p>	<p>452 </p> <p>Accommodation and housing and supported to decarbonise</p> <p>New measure</p>

*A new outcome area separating from 'community spaces and services' in recognition of the scale of housing supported by Unity.

Action Housing and Support

Social landlord providing tailored wraparound support and accommodation to suit individuals needs.



	Loan amount: £1.2 million	
	Region: East Midlands	

A charity that was created 43 years ago to rehabilitate ex-offenders has grown into a successful social landlord currently providing 465 bed spaces across South Yorkshire and East Midlands.

Today Action Housing & Support caters for people with complex needs such as mental health challenges, homelessness and substance misuse and works with partner agencies to address underlying issues to help tenants get back on their feet.

Atholl Stott, CEO at Action Housing & Support, said: “We offer safe accommodation and holistic support to help people to be self-sustained and live independently.

“Our aim is to enable and work with individuals in their tenancies to get them the level of access and support they need from specialist services.

“We want someone to walk into one of our properties and believe that this is their first step on the next part of their journey to living safely, healthily and independently.

“The next stage is where we say ‘right, how can we help you to make the changes to achieve these goals and make the changes necessary?’

“The support, surroundings and location are critical in achieving our aims so we are investing considerably with the help of stakeholders and Unity Trust Bank.

“The success stories are incredibly powerful and we continue to believe we can help more people to overcome their issues and go on to live independent lives.”



Impact

As a Homes England partner, part of Action’s strategy has been to buy and renovate derelict and rundown properties and bring them back to life.

A new focus of the charity has also been to acquire buildings that can accommodate multi-unit hubs to include office and resource space for client development. Climate change is also at the forefront of Action Housing’s plans.

Atholl said: “With each new property we’re committed to making them as energy efficient as possible using whatever means necessary to combat fuel poverty, whether it be by insulation or the introduction of technology such as solar or ground source heat pumps.”

As a long-standing customer at Unity, as well taking a £1.2m loan in 2023 to help expand its housing portfolio, Action Housing has also deposited with one of Unity’s new deposit accounts, taking advantage of the bank’s competitive interest rates while simultaneously helping it deliver on values.

“Unity is able to support us with our aspirations and ambitions”



**Atholl Stott, CEO
Action Housing**

Canopy Housing

Leeds homeless charity unveils its biggest retrofit housing project to date following £250,000 funding.



Volunteers help to renovate Canopy's properties and turn them into quality living spaces for people facing homelessness

	Loan amount: £250,000	
	Region: Yorkshire and the Humber	

Canopy Housing used a six-figure loan from longstanding banking partner, Unity Trust Bank, to buy an end-terrace property in Harehills and transform it into three energy efficient, low carbon, self-contained flats, including one with disabled access.

It's the latest development from the Leeds-based charity which has been tackling homelessness and unemployment by empowering people with self-help since 1998.

Every year around 100 volunteers help to renovate Canopy's properties and turn them into safe, quality living spaces.

Volunteers include new tenants, retirees, students, unemployed people and refugees and more than half of those helping are women.

Rosie Scurfield, Manager at Canopy, said: "By demonstrating what a good home looks like, it helps people acquire new skills, build their confidence and enhance their CV. They enjoy a sense of achievement and feel part of the local community."

David Nugent, Chief Executive at Canopy, added: "Unity, and our Relationship Manager Mike Wicks, have been incredibly supportive throughout this process."

Impact

Award-winning Canopy, the brainchild of two university students, now has 81 properties in its portfolio and provides much-needed, good-quality, affordable accommodation to those at risk of homelessness.

With responsibly sourced insulation, solar panels and double glazing, this latest three-storey retrofit is a prime example of the sustainable and quality building practices expected from today's housing solutions.

Rosie Scurfield, Manager at Canopy, said: "It's important to make social housing sustainable.



"Firstly, if we don't futureproof our properties then we won't have a business, as no one will want to live in homes if they aren't of the highest standards.

"Secondly, many people are struggling with the cost of living, we need to ensure that our tenants can actually afford to heat their properties.

"And thirdly, every business needs to act in a more sustainable way. This is key to our core values of providing decent quality homes for people."

"It is always a squeeze getting innovative projects like this over the line, so having a supportive banking partner like Unity who believe in what we are trying to do is crucial"

David Nugent, Chief Executive, Canopy Housing



Sustainable and Affordable Housing



Organisations like Canopy Housing and Action For Housing are examples of the social and environmental impacts delivering key services in housing, reducing the carbon footprint of UK housing stock and providing vital wrap around support for people at risk of homelessness. In 2023:

13

13 Organisations

Unity provided loans to 13 organisations specifically focused on the provision of housing.

+1,200

+1,200 households

Over 1,200 households accessed accommodation through our lending.

30

30 loans to SDG 11

30 loans directly contributed to UN Sustainable Development Goal 11 – Sustainable Cities and Communities.

452

452 Social housing units

452 social housing units benefited from decarbonisation as a result of our lending with a further 500 set to benefit in 2024.

Our loans ranged from **providing affordable and accessible student accommodation** through to supported accommodation for young people **at risk of homelessness.**

Lomond Pharmacy

Historic building transformed into modern-day pharmacy in Fife following £750,000 funding.



B Benefit Stakeholders	Loan amount: £750,000	
	Region: Scotland	

Award-winning pharmacist Raymond Kelly turned a derelict 19th century building in Falkland into Lomond Pharmacy thanks to a refinance package from Unity Trust Bank.

The funding not only helped breathe new life into Liquorstane House - a former temperance hotel and masonic lodge - but enabled Raymond to improve healthcare provision for a local aging population.

Raymond said: “We could have flattened the building and rebuilt with breeze blocks, but that felt like vandalism. We’ve restored it very carefully and residents really appreciate that.

“Previous banks I’ve worked with weren’t interested in a partnership approach and helping businesses get to where they wanted to be, they just called once a year to check on finances.

“It’s a very comfortable fit working with Unity. I have a social conscience, so the bank’s values resonate with me. My relationship manager Scott Hutchinson is really knowledgeable, and I can talk to him about my plans.”

Impact

With the nearest GP surgery located three miles away from Falkland and the picturesque area a magnet for tourists, Lomond Pharmacy delivers much-needed frontline services.

Raymond said: “Liquorstane House had been vacant for years and my vision was to create a pharmacy with a large dispensary area and consulting rooms, and holiday let apartments on the top floor as the area gets tourists from all over the world.

“Falkland has 1,100 residents – many of whom are over 75 – plus there are dozens of near-by farms and hamlets so between a local ageing population and tourism, the demand for pharmacy services is high.”

Raymond, alongside his business partner, three dispensers and two drivers, offer services ranging from flu vaccinations to ear wax removal and provide treatment for ailments common in the area such as insect bites.

Raymond is planning to expand his services further in 2024 when he qualifies as an independent prescriber.

Unity’s Deputy Regional Director (North & Scotland) Scott Hutchinson sees first hand the work that pharmacist Raymond Kelly does. Below, Liquorstane House.

“This redevelopment wouldn’t have happened without the support of Unity and my relationship manager Scott Hutchinson”

Raymond Kelly, Director, Lomond Pharmacy



Grangy Huis

Care farm offering specialist healthcare support opens in Warwickshire following £615,000 funding.



Unity Relationship Manager Amy McDermott with Grangy Huis co-owner Martine Verweij at Rose Cottage Care Farm.

B Benefit Stakeholders	Loan amount: £615,000	
	Region: West Midlands	

A new day care centre which helps adults with additional needs through animal therapy, horticulture and cookery opened near Hockley Heath thanks to six-figure funding from Unity Trust Bank.

Grangy Huis owners Martine Verweij and Christina Robinson, used the loan to create Rose Cottage Care Farm - a retreat for people with autism, ADHD, Down's Syndrome, dementia or depression.

With animals, sensory gardens, polytunnels and vegetable patches, users enjoy an array of experiences which help them develop.

Martine said: "Unity were recommended to us because they support good causes. Knowing that the bank is sustainable and will only get involved in projects that they believe in made us feel really good."

"Our relationship managers have been amazing. They've always been there for us and that was really important because the transaction wasn't straightforward."

"Unity gave us the right back up at the right time."

Impact

Martine and Christina, who also own a care home in Rugby, were passionate about opening a 'care farm' for personal reasons.

Martine wanted to improve the levels of support to match those in the Netherlands where she was born, and Christina felt her brother-in-law died too young from dementia because of a lack of suitable day care.

Martine explained: "If people with additional needs don't have a focus or a goal they can go backwards really quickly."



"Looking after the animals or tending to the gardens gives people a feeling of purpose."

"Our clients grow vegetables and cook with them, and we have lots of crafts and activities to stimulate people."

"One lady just sat indoors when she first came to us and now she is excited, entertained and busy. She says she's 'living her best life' and that is so rewarding."

Rose Cottage accommodates 20 clients a day and has created 20 new jobs.

"Without Unity we wouldn't be here, and we wouldn't be able to help all these people"

Martine Verweij, Co-owner, Grangy Huis



Health and Wellbeing



The provision of Health and Wellbeing services is critical in the UK as we continue to recover from the impacts of the Covid-19 pandemic.

Unity provides lending to a wide range of service providers supporting people to access good quality health care. This includes:

- 38
38 UK pharmacies
 Unity provided lending to 38 pharmacies who provided over 2.4 million prescriptions and access to services in communities.
- 44
44 care homes
 We provided support to 44 care homes catering for a range of users including older people, people with dementia, people with physical or mental disabilities and people recovering from addiction.³
- +1,400
+1,400 bed spaces
 Our funding enabled customers to provide over 1,400 bed spaces.
- 86%
Care homes rated 'Good'
 86% of care homes that Unity supported are rated CQC Good or above.³
- 8
8 dental clinics
 Our funding enabled 8 dental practices to deliver a range of dental services to their customers.

³Based on 43 responses on CQC rating or an equivalent rating scale in Scotland or Wales

YMCA London City and North

YMCA homeless accommodation in London benefits from £8.8m funding.



YMCA London City & North's Director of Corporate Services, Emir Feisal, and Chief Executive, Gillian Bowen, with Unity's Deputy Regional Director (South) Paul Kelly and Director of Thornhill Capital Ltd, Paul Thornhill.

	Loan amount: £8.8 million	
	Region: Greater London	

YMCA London City and North opened 146-bed LandAid House two years ago but transitioning from development funding to a long-term financial product was the final step required to complete the project.

With Third Sector expertise, Unity created a long-term debt solution which included additional working capital so that the YMCA could pursue further housing programmes.

Emir Feisal, Director of Corporate Services, said: "It was important that we found the right financial partner. The way this deal was structured secures LandAid House and gives us flexibility for the future, and that's a great place for us to be in.

"Our relationship manager Paul Kelly demonstrated a great ability to understand us as a charity and to come up with a solution that met our financial needs and helped drive our vision for growth."

Impact

YMCA London City and North serves seven of the capital's boroughs with a combined population of 600,000 and provides up to 400 bed spaces across five sites.

LandAid House, a £19.4m project in Errol Street, got under way 14 years ago after the previous building was no longer suitable for vulnerable young people.

Now a state-of-the-art hostel, it will impact more than 10,000 young people over its lifetime.

With new ensuite bedrooms, lounges, kitchens and laundry facilities, it's now a place where young people can get back their dignity and self-respect and experience being truly independent.

Each person referred is also assigned a case worker and will receive life skills coaching to help them find work.

Gillian Bowen, Chief Executive, said: "Unity has been a consistent, understanding and an efficient partner, providing us with a flexible financial product that allows us to stay focused on our objectives to make life better for young people experiencing homelessness."



"The values of Unity resonate with our cause"

Gillian Bowen, Chief Executive, YMCA London City and North

Ouseburn Trust

Historic area of Newcastle to open new visitor centre and offices following £300,000 funding.



Unity Relationship Manager Amy McDermott with Ouseburn Trust Chief Executive Chris Barnard.

<p>Contribute to Solutions</p>	<p>Funding: £300,000</p>	
	<p>Region: North East</p>	

The Ouseburn Trust, which preserves and promotes Ouseburn Valley’s heritage and ecosystem, has transformed a derelict warehouse into a new visitor centre and office space thanks to a six-figure Unity loan.

The refurbished building features a mezzanine and double height atrium, a new HQ for the Trust’s six staff, office space for small businesses and an information centre and gift shop to welcome tourists.

Chris Barnard, Chief Executive of Ouseburn Trust, said: “The support we’ve had from Unity has been brilliant. Unity is genuinely interested in what we’re trying to do as an organisation rather than it just being a financial transaction.

“Unity gives us something more akin to a high street bank offer, but with that ethical component too; it just fits with our approach to how we want to do things. Our relationship manager Amy McDermott has been superb.”

Impact

Once a thriving industrial hub, Ouseburn Valley is now an eclectic mix of tourist attractions, small businesses, artists, bars, and restaurants.

Situated a mile outside the city centre, it’s home one of Newcastle’s top visitor attractions, the Victoria Tunnel, which is managed by the Trust and its 100-strong band of volunteers.

The area attracts 500,000 visitors a year and volunteers provide ground maintenance work, archive support and guided heritage tours.

Chris Barnard said: “Ouseburn Valley is a similar regeneration story to what’s happened across the country. It becomes run down when industries close and the old tenement houses are demolished because they’re not fit to live in.

“Then the artists move in because it’s affordable and it becomes trendy, and people want to start redeveloping it. Our role has been to manage that process so that we don’t lose the area’s character.”

The Trust also has transport, planning, environment and heritage subgroups to help shape its strategy.



“We’ve banked with Unity for over 20 years because they offer the kind of ethical component that you might not get from a typical high street bank”

Chris Barnard, Chief Executive, Ouseburn Trust



Community Spaces and Services



Organisations like YMCA London City & North and Ouseburn Trust provide critical services to develop community assets and to serve some of the most vulnerable people in society.

Community Spaces and Services serve a broad range of facilities, charitable activities and solutions that support communities in disadvantaged areas or help marginalised people to access quality support for their needs. In 2023 Unity supported initiatives such as:

370 **Over 370 people**
370 people at risk of homelessness were supported into accommodation as a result of our funding and benefited from training and wellbeing support to improve their lives.


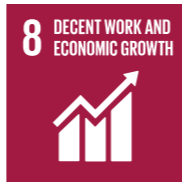
5 **5 churches & faith groups**
Our lending enabled 5 churches and faith groups to provide a range of services to their communities including food banks and space for education and community events.

30 **30 people supported**
Our loans supported specialist services like the Kenward Trust providing drug and alcohol recovery services for 30 people.

2 **2 loans supported SDG 5**
UN SDG 5 – Gender Equality and providing emergency and support services to women and children fleeing domestic violence.

Access – The Foundation for Social Investment

Access has enabled more than £100m worth of flexible and patient investment to reach charities and social enterprises across England.

	Deposit Customer	
	Region: Greater London	

More than 2,400 charities and social enterprises have been able to deliver impact in their communities thanks to a foundation established by the Government, Big Society Capital and The National Lottery Community Fund.

Unity Trust Bank customer, Access, was formed in 2015 in response to challenges faced by social enterprises and charities looking to access the finance they needed to sustain or grow their impact.

By strengthening and innovating the social investment market, Access has worked with investees to ensure those in need – especially in underserved places and communities – were getting tailored support.

Chloe Stables, Director of Partnerships and Advocacy at Access, said: “Access was set up with a clear remit – to ‘disrupt’ the existing social investment market and widen its reach into places and communities that were previously excluded. Too often it’s those organisations that focus on the most underserved places and communities who are missing out on what they need if they’re to sustain and grow the vital work they do.

“It was felt there was a need for something different. This means offering the kind of finance that charities and social enterprises need - specifically smaller scale, higher risk, flexible and affordable loans. Access specialises in blended finance, bringing together grant funding and repayable capital.

“We’ve been focussed on establishing blended finance as a tool to support underserved communities. We also support organisations that want to develop their enterprise arm to make sure they’re more resilient, more sustainable and that they’re able to grow their impact and make more of a difference to communities on the ground.”

Recent programmes launched by Access also seek to support organisations helping those struggling with the cost-of-living crisis and supporting charities and social enterprises to address rising energy bills through energy efficiency measures.

“It was a no brainer for Access to choose to work with an ethical bank that shares our values... it’s about doubling up on impact”

Chloe Stables, Director of Partnerships and Advocacy, Access



Social investment, backed by Access, helped IndiRock transform an empty unit in Southend’s Victoria Shopping Centre into a vibrant community hub, bouldering wall and coffee shop.

Impact

Part of Access’s multi-million-pound funding comes from the Government’s Dormant Assets Scheme (DAS) which has enabled over £980 million to be put towards social and environmental initiatives across the UK since its initiation in 2011¹.

Unity also works with Community Development Finance Institutions (CDFIs) which benefit from support from Access and the DAS.

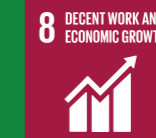
Unity is part of the social investment ecosystem Access aims to strengthen.

As a bank, our customer deposits support organisations that make a positive difference to local communities by addressing social, economic or environmental needs.

Simon Cottee, Director of Finance and Operations at Access, said: “We bank with Unity because as well as a way of getting a good return on our investment and knowing our money is safe, we’re fully supportive of the work that Unity is doing. It’s part of Access’s total impact story that we want to place our deposits with organisations with the same aligned mission as ours, that’s why we only bank with social banks like Unity.

“Unity also engages with us in a really clear way which makes it very easy for us.”

¹[Dormant Assets Scheme: statement of intent overview - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/dormant-assets-scheme-statement-of-intent)



Responsible Finance



Unity Trust Bank continues to provide lending and banking services to a range of Community Development Finance Institutions (CDFIs), grant making charities, foundations and social investment intermediaries providing the most impactful grantmaking and social impact lending activities in the UK.

Our ‘Responsible Finance’ portfolio enables charities, social enterprises and SMEs to access funding they would often be denied from high street banks. Our lending is sometimes matched by UK government funding or initiatives such as the Community Interest Tax Relief (CITR) scheme to encourage investment into social challenges or deprived areas across the UK. In 2023:

10 **10 CDFIs**
10 social impact investors accessed lending from Unity.

£25m **£25 million investment**
365 SMEs, social enterprises, and charities accessed £25 million investment to support the impact they deliver in local communities.

Durham Miners Association

Trade union and co-founder of Unity Trust Bank restores historic community hub for future generations



The annual Durham Miners Gala attracts over 200,000 supporters.

B Benefit Stakeholders	Deposit Customer	
	Region: North East	

Now 155 years old, Durham Miners Association (DMA) continues to represent its members and support the protection and strengthening of local community assets.

DMA was established in 1869 to look after the welfare of miners and their families.

In 1984, the association was part of a group of trade unions that co-founded Unity to serve the common good.

DMA campaigned to end the yearly 'bond', a legal agreement binding miners to their 'masters', and fought to reduce the hours of labour for boys.

Since the closure of the last pits in the county in 1985, DMA has continued to support its members by securing compensation for illnesses such as vibration white finger and emphysema incurred by working in coalmines.

Every year DMA organises the historic Durham Miners Gala, an annual procession and 'Big Meeting' to celebrate community, solidarity and working-class life. Now in its 138th year, the event still attracts 200,000 supporters.

Impact

In 1915, DMA created a purpose-built miners' hall called Redhills which became a focal point of the coalfield community.

The Grade II listed property had recently declined and the building's future was at risk. A campaign to restore the hall began in 2017, attracting millions of pounds of funding from National Lottery Heritage Fund, Durham County Council and trade union peers.

The cost of living crisis impacted the project with cost of material increases leading to a £1.5m funding deficit endangering the project. Unity also engaged to provide DMA with a £1.5m loan to enable the project to go ahead.

The hall will reopen and welcome community members in 2024. Equipped with a new roof and energy-efficient heating. It will offer conference facilities as well as arts, heritage and education programmes for visitors and young people.

Nick Malyan, CEO of the Redhills charity that was set up by DMA to manage the development, said: "We've made sure the building is as carbon friendly as possible so that visitors can learn about climate science as well as local heritage.

"What we offer at Redhills aligns with DMA's motto: 'The past we inherit, the future we build'."

"Unity is unique in the fact that it's based on the trade union movement and its ethos is to help communities."

David Temple, A Director of Durham Miners Association



Being the Bank of Choice for Social-Minded Organisations

Unity Trust Bank was established in 1984. For 40 years, Unity has been the bank of choice for socially-minded organisations across the UK and we strive to deliver quality service for our customers to achieve their commercial and community aims.

Established by Trade Unions in 1984, Unity has continued to deliver impact across the UK and build our service offer to our customers. In 2023:

- Opened 'Unity Union' to support our trade union customers to access specialist services for their organisation needs.
- Developed 2 new deposit products to support socially-minded organisations to deliver their financial aims and support impact through who they choose to bank with.



The purpose-built miners' hall, Redhills

Corporate Social Responsibility



In 2023, Unity continued to deliver a wide range of Corporate Social Responsibility (CSR) activities to contribute to our mission and meet our values.

Our employee-led forum **Unity & Me** acted as a key driver of positive impact with initiatives identified and delivered by the staff across the bank. Across our **Unity & Me Pillars**, the following key achievements were made:

Unity Green



Partnership with the PCAF

Unity became a member of the Partnership for Carbon Accounting Financials (PCAF).



Unity Wellbeing

9 Mental Health First Aiders with 4 trained in 2023



Additional sessions run for Unity include 'Miss Menopause' for menopause awareness, mental health sessions and fun runs to support staff wellbeing.

Unity People

Championing multiple initiatives to promote inclusion in the workplace and community.




Key events such as International Women's Day and Birmingham Pride were supported.

Unity Donations

£4,860 Donations made by staff to social causes across the UK.

£6,300 Donations made by Unity Trust Bank supporting organisations delivering impact across the UK.

£33,000 £33,000 grant with Prince's Trust continued to support their work to empower young people to reach their potential

Unity Volunteering

230 days

230 days (2022: 198) of volunteering delivered across the UK with 16 days dedicated to Prince's Trust supporting 123 young people

Sustainability and Climate Risk

Unity recognises the important role financial sector organisations play to support our customers to transition to Net Zero⁴, manage and reduce our own emissions and adapt to the risks posed by climate change.

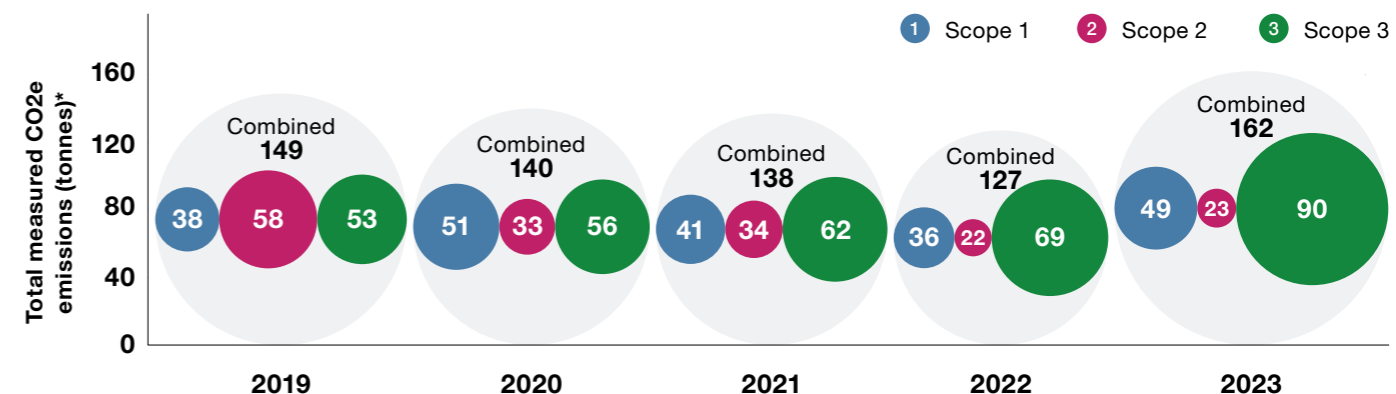
Carbon Footprint - Historical SECR disclosure

Since 2019, Unity has measured and offset our own operations Scope 1 and 2 and business travel Scope 3 emissions; achieving carbon neutral status against our Streamlined Energy and Carbon Reporting (SECR) emissions.

Unity has achieved carbon neutral status in 2023 for scope 1 and 2 emissions and for our scope 3 business travel and home working emissions.

This maintains the off-setting of own emissions, business travel and homeworking based emissions since 2019.

In 2022, we became the first financial institution to purchase 'Retrofit Credits' programme run by HACT and Arctica Partners and were proud to see the initiative receive the 'Ashden Awards for Climate Innovation in 2023'.



*Rounded to whole value

2023 Carbon Footprint - PCAF disclosure

In 2023, Unity became a new signatory and active member of The Partnership for Carbon Accounting Financials (PCAF).

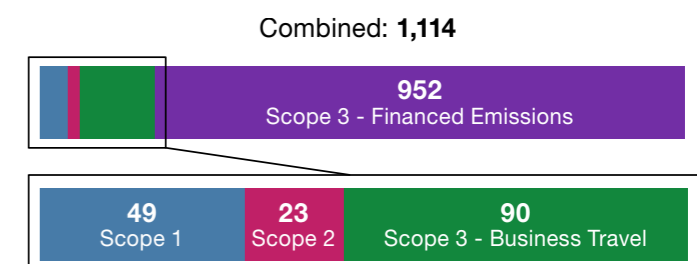
Becoming a PCAF signatory requires organisations to disclose Category 15 Scope 3 'investments' as part of their carbon emissions reporting within three years of becoming a signatory⁵. Unity is proud to have taken steps to begin reporting within our first year of being a signatory. This increases our measured footprint significantly. However, Unity has taken the following steps:

- Unity has purchased 162 retrofit credits. This has enabled Unity to maintain the voluntary offsetting of the same emissions categories since 2019.
- As a PCAF signatory, our corporate bonds treasury holding has been reported with Score 5 data quality score methodology 3b. Unity used the PCAF exiobase emissions factors and the following formula to calculate our corporate bonds portfolio:

$$\sum_c \text{Outstanding amount}_c \times \frac{\text{GHG emissions}_s}{\text{Assets}_s}$$

- We measured 952 tonnes of financed emissions within our corporate bonds portfolio, our calculation was quality assured by Carbon Footprint Ltd.
- Unity partnered with South Pole B-Corp to assess the climate-related risks our loan customers face.
- With board support, Unity has formalised our 'customer climate-related risk' policy which integrates 'social and community risks' for Unity to consider the impacts of climate change on the communities we serve alongside the bank and our customers.

Unity will continue to work to build our resilience to the risks of climate change and identify a pathway to Net Zero which aligns to our values supporting socially minded organisations:



⁴Net Zero' defined as reducing emissions by 100% from 1990 levels as aligned to the UK Climate Change Act 2008.

⁵About PCAF (carbonaccountingfinancials.com)



Reflections on 40 years of social good and what's next

2024 represents 40 years of Unity Trust Bank acting as a commercial bank with a social conscience. Providing banking services to organisations delivering positive social, economic or environmental impact and community services continues to be the core of Unity's values.



Our successes this year

2023

Our mission to contribute to a better society continues to guide our growth agenda over the coming years. Our 2023 Impact Report demonstrates the developments we set out to achieve in 2022:

- Our integration of the ABC Impact Classification is one step in continuing to improve our approach to impact management and setting a high standard of impact management in bank lending.
- We continued to develop initiatives and products to support customers. The Housing Association Decarbonisation Initiative (HADI) specifically supports housing association to improve the quality and energy efficiency of affordable homes across the UK and the 'Unity Union Hub' provides specific support to Trade Union customers supporting workers' rights.
- Our focus on climate-related risk in 2023 was to understand the risks our loan customers face and build infrastructure to support customers to understand and take steps to address these risks.
- In Unity & Me, Unity has formalised 'Scrum Masters' for each pillar to empower staff members to drive employee-owned initiatives in the bank. This has led to a five-fold increase in donations in 2023 alone and further initiatives to be delivered in 2024.

Our aims for next year

2024

For 2024, Unity aims to deliver the following key initiatives to strengthen how we deliver impact and social good:

- **Supporting customers to understand their climate-related risks:** Our customers deliver services and products to some of the most disadvantaged and marginalised groups in the UK. Additionally, they face an increasingly challenging operational environment with strained public services, cost of living and inflation challenges and increasing demand on services. Adaptation to the risks of climate change need to be made to ensure our customers continue to serve their users and Unity will develop tools and services for this.
- **Deliver impact-linked or impact-focused initiatives:** The success of HADI enables Unity to build our offering of intentional impact with our customers. Unity will explore opportunities in banking services as well as lending to develop products supporting the generation of impact.
- **Strengthening our delivery of positive social change as a team:** Unity will continue to strengthen Unity & Me and support our teams to identify opportunities to deliver positive social change aligned to our mission.

Accreditations

Throughout our history, Unity Trust Bank is proud to have been awarded a number of accreditations in recognition of the continuous work we do to positively impact our people and society.

From being the first bank to be accredited as a Living Wage Employer and the first to achieve the Fair Tax Mark, to reaching Gold Standard in Investors in People. Striving towards these achievements is not just for the 'badge', it's part of our values and what we do to provide a better future for everyone.



Investors in People

Investors in People is a standard for people management, offering accreditation to organisations that adhere to the Investors in People Standard.



Fair Tax

The Fair Tax Foundation was launched in 2014 and operates as a not-for-profit social enterprise. Our Fair Tax Mark accreditation scheme seeks to encourage and recognise businesses that pay the right amount of corporation tax at the right time and in the right place. We believe companies paying tax responsibly and transparently should be celebrated, and any race to the bottom resisted.



Living Wage Employer

In order to become an accredited Living Wage Employer, you need to pay all of your directly employed staff a Living Wage, and have a plan in place to extend that to regular sub-contracted staff as well. The current Living Wage rates are £12 per hour and £13.15 in London.



Disability Confident

Disability Confident is creating a movement of change, encouraging employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people.



PCAF

The Partnership for Carbon Accounting Financials (PCAF) is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose greenhouse gas (GHG) emissions associated with loans and investments.



Business in the Community

Working with members to continually improve responsible business practices. Leveraging their collective impact for the benefit of communities.



GABV

The GABV is a community of financial institutions which share a mission driven approach to banking that puts finance at the service of people and planet. Social and environmental impact are at the heart of a values-based bank's business model.



Women in Finance Charter

The Women in Finance Charter is a commitment by HM Treasury and signatory firms to work together to build a more balanced and fair industry. The Charter reflects the Government's aspiration to see gender balance at all levels across financial services firms.



NACFB

The National Association of Commercial Finance Brokers (NACFB) is the UK's largest independent trade body for commercial finance brokers.

Unity Trust Bank plc ('the Bank') is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Bank is entered in the Financial Services Register number 204570. Our call centre is open Monday to Friday 9:00am to 4:00pm. Registered office: Four Brindleyplace, Birmingham, B1 2JB. Registered in England and Wales no. 1713124.

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