



Impact Report

January to June 2021



Bank with us. Bank on us.

Business update from our CEO



Despite the challenges of the pandemic, our values, ethos and financial resilience have enabled us to deliver safe and effective growth while continuing to provide a first-class service to our customers.

Our call centres have remained fully-operational during these difficult times and I'm proud that our customer satisfaction levels rose to 83% during April to June.

Unity's lending increased by £68m to £677m in the six months to 30 June 2021 and this helped to create or protect 334 jobs and 23 apprenticeships; house 1,225 people; provide 68 community facilities and 268 day care spaces and enable 44 borrowers to access loans through responsible finance providers.

As well as being a socially motivated bank, financial sustainability is also of vital importance and our higher lending, combined with careful cost management, has resulted in Profit before tax (unaudited) increasing to £5.2m (30 June 2020: £3.2m). Shareholder equity is now £94m (£90.7m at 31 December 2020) and the 2020 proposed dividend of 3.3p per share was paid in June 2021.

In 2021 we were reaccredited with the Fair Tax Mark for the eighth consecutive year; we signed up to the Race at Work Charter; and as an advocate of employee-owned businesses whose values and principles are aligned to ours, we were delighted to sponsor this year's EOA Employee Ownership day.

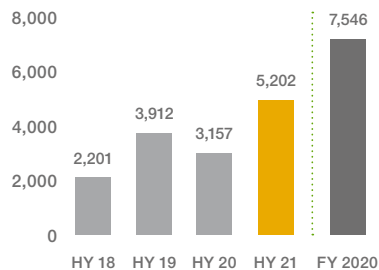
Margaret Willis, CEO



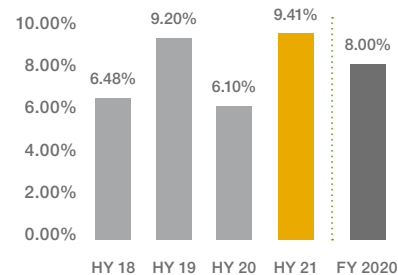
83%

Customer satisfaction score
April to June 2021

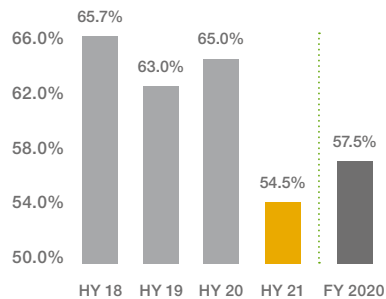
Profit before Tax (PBT) (£k)



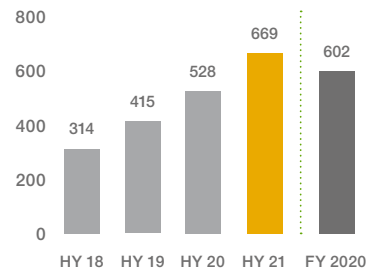
Return on Equity (ROE) (%)



Cost income ratio (%)



Loans & ODs less provisions (£m)



Health & Wellbeing

Positive physical and mental health and wellbeing for all, regardless of gender, ethnicity, disability, age or religion

3 GOOD HEALTH
AND WELL-BEING



The past 12 months have possibly been the most challenging and disruptive for the healthcare industry.

We are proud to have strengthened our existing relationships and established new ones with providers of important healthcare services. We have been working with care homes throughout the UK which have

operated as essential community hubs and provided critical care for our most vulnerable members of society. We are also committed to promoting the importance of good oral health through funding to dental practitioners.



The Whiteley
Homes Trust

Case Study:

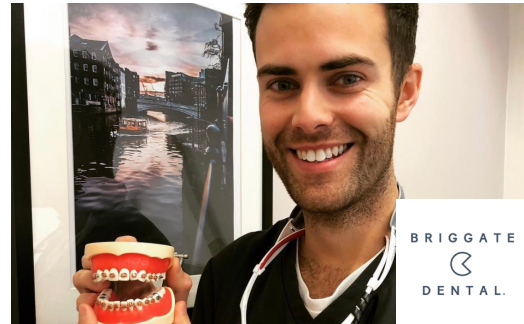
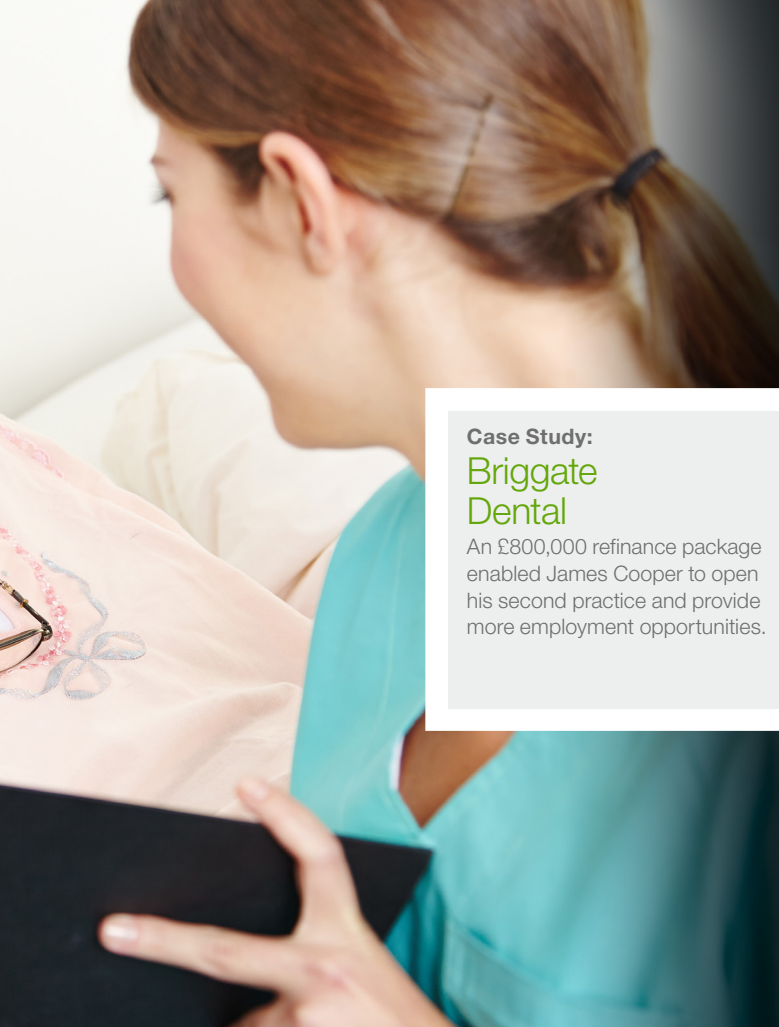
The Whiteley Homes Trust

A charity which provides housing with care for over 400 disadvantaged older people in historic Whiteley Village, Surrey, opened a state-of-the-art care home following funding from Unity.

The Whiteley Homes Trust offers a range of accommodation, from independent living to nursing and residential care, so beneficiaries don't have to leave the community if their support needs change.

Rachel Hill, Trust Chief Executive, said: "Thanks to the loan from

Unity, the specially-designed Eliza Palmer Hub replaced a century-old nursing home that was increasingly unfit for purpose, and we were also able to improve outdated heating in many of our cottages. We're delighted with their support."



BRIGGATE
DENTAL.

Case Study:

Briggate Dental

An £800,000 refinance package enabled James Cooper to open his second practice and provide more employment opportunities.

James, who now owns Langdale in Headingley as well as Briggate in Leeds city centre, has created eight new jobs and three apprenticeships across both practices.

James said: "I've been impressed with Unity. I like the fact that they help people who help other people."

Dentistry is a business but we're also helping people with their teeth and self-esteem.

Some lenders just see things from a business point of view, but Unity are very supportive of what we're trying to achieve."



268

Day care spaces



229

Bed spaces created
and renovated

Community Spaces & Services

Creating services and spaces which are accessible to all and improve overall quality of life



Organisations which provide essential support facilities in the heart of our communities have continued to deliver high quality services despite the difficult circumstances of the past year.

As we make our way out of the pandemic, with new demands and pressures, it's as important as ever to provide communities with the support they need.

We are committed to helping organisations which provide social and affordable housing, social care and accessible services.



1225

People supported with housing and care



68

Community facilities maintained or created

Case Study:

Bangla Housing Association

A housing association which supports the Bangladeshi community in east London has added 13 new properties to its portfolio following a £1.4 million loan from Unity.

Bangla Housing Association now owns 139 affordable homes which also help generate income for it to provide healthy living workshops, language classes for women and advice on benefits and housing.

Bashir Uddin, Chief Executive, said: "Over the past eight years

Unity has lent us £8.4m to buy properties and this has given us the financial capacity to improve our services. Unity is not a bank in my opinion – it's like a friend who understands your needs and is there to support you."

Bangla
Housing Association





Case Study:

Ar Cúram

A £420,000 refinance package enabled a Teesside residential care group to refurbish a newly-acquired property and create 15 jobs.

Ar Cúram provides support and accommodation for children with

social and emotional needs and will also use the funding to add a fourth property to its portfolio.

Zak McIlhargey, Managing Director, said: “We would like to continue developing our services as there is a need for good quality care providers like ours.

Case Study:

Worcester Municipal Charities

A £500,000 loan helped Worcester Municipal Charities turn an empty listed building into 25 flats for homeless people - including some who had to move into hotels during the Pandemic.

The charity used its own reserves and funding from Homes England to complete the £2.2m project and said Unity’s contribution was crucial.

Paul Griffith MBE, Chairman, said: “Because we had to fund everything up front we felt vulnerable.



Unity’s timely offer helped dig us out of a deep but temporary cash flow hole.

I’ve been a trustee of 20 charities over the years and I’ve recommended Unity to all of them.”



Skills, Education & Employment

Skills, training and education which provides greater access to inclusive, meaningful, quality employment



Unity supports organisations that provide access to all stages of education and equip young people with the skills they need as they move into employment.

Our funding helps pre-school nurseries which offer access to quality early childhood care and development through to businesses that provide training and apprenticeship opportunities.

Having stable employment is hugely important, especially during these uncertain times, and is core to our heritage of helping to create and protect jobs, promoting good working conditions and fair pay for all.



23

Apprenticeships,
work placements
and training



334

Jobs protected
or created



Case Study:

Little Learners

Lyndsay Grant, owner of Little Learners and Heathpark day nurseries in Scotland, used a refinance package to enhance her centres' outdoor learning facilities, support local jobs and offer additional staff training.

She said: "I'm passionate about giving children the best start in life and have always tried to overstaff my nurseries to create more employment opportunities and support young people with apprenticeships.

"Unity gave my business the ability to grow at the pace I wanted. Unity offers a new concept in banking – it's entrepreneurial, has good ethical grounding and an appetite for things that are relevant in the marketplace."



Case Study:

Teddy Towers

A mum-of-three from Lancashire acquired her second pre-school nursery following a £345,000 refinance package from Unity.

Victoria Adams' ethos is to inspire, develop and engage with children

and she is passionate about providing outdoor learning experiences.

After establishing Teddy Towers in Leyland, Unity's funding enabled her to purchase Toddlers in Whitefield – both of which have large private gardens where children can explore and enjoy nature.

Victoria said: "Unity's values attracted me because they fit in with what I'm trying to achieve at my nurseries. I also like the fact that I have a relationship manager who I can phone if I need to."



Skills, Education & Employment

Unity is committed to ensuring training and education are inclusive and available to all

Case Study:

RMT

The National Union of Rail, Maritime and Transport Workers is a national union with 83,000 members across England, Wales and Scotland and was able to refurbish many of its buildings thanks to a £2.5m loan from Unity.

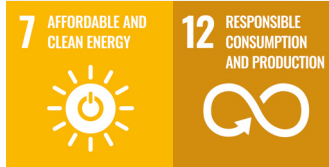
Members are employed in maritime and underground railways, shipping, buses and road freight, the RMT's purpose is to protect and better its members' pay and working conditions and facilitate training courses in areas such as health and safety and equality in the workplace.

These courses, including the TUC Diploma in Occupational Health and Safety, enable members to undertake detailed project work, develop key skills and gain valuable qualifications.



Environment

Protecting the natural environment and supporting a just transition to a low carbon future



The UK will host the 26th UN Climate Change Conference of the Parties (COP26) later this year, which will bring together heads of state, climate experts and campaigners to agree a coordinated plan of action.

Businesses, individuals and communities are all being asked to play their part in helping to tackle climate change and there is increased focus on channelling finance to projects and organisations which are supporting the UK Low Carbon Transmission Plan. Unity is proud to support organisations which are committed to adopting sustainable practices.

Case Study:

J Prosser

A £280,000 loan from Unity enabled a 112-year-old family-run haulage and excavation firm to purchase the five-acre site it was renting in Worcester.

J Prosser and Son specialise in land restoration and recycles aggregate and soil, crushing and screening it for re-sale. The company, which pays its staff more than the living wage, is also an Environment Agency contractor. **Dominic Prosser, Operations Manager,** said: "Now we own the site,

we can invest in the business, expand our recycling services and sell more cost-effective and sustainable materials.

Unity has helped us to secure our future and safeguard and create jobs which will boost the local economy."



Unity in the Community

Unity has pledged increased support throughout the exceptional circumstances of Covid-19

As a socially motivated bank, we understand the impact volunteering can make to the community and the people within it.

Unity encourages all of its employees to support good causes with a minimum of three days' paid volunteering leave every year. We're immensely proud of how they have continued to make a difference in their communities despite the challenges of the Pandemic.

Many traditional volunteering and fundraising initiatives have been affected by lockdowns, and groups and charities have taken advantage of online resources to provide much-needed support to those in need.

Here are some of the ways our colleagues have helped:



£6,649

Donations to good causes
& fundraising

Age Concern

As Age Concern's banking partner, we were aware of the pressures the Pandemic had placed on the charity's time, funds and resources as it strived to support some of our most vulnerable members of society. Unity and Age Concern worked together on a new Befriending Service and throughout 2021, our colleagues volunteered their time and skills to engage with

elderly people living in and around Birmingham. We took part in face-to-face meetings wherever possible and talked to people through a 'telephone befriending' initiative. These one-to-one friendships can make a real difference to someone's wellbeing; helping to combat loneliness and isolation and having a positive impact on their self-esteem and confidence.





Unity continues to
commit a minimum of
3 days paid volunteering
for each employee

Cookley School

Unity's Credit & Underwriting team spent a day at a Cookley Sebright Primary School in Kidderminster, digging and laying slabs to create a nature pond for pupils. As well as providing the manpower, Unity funded the equipment and materials needed for the redevelopment of the pond and the surrounding area.

Cookley has a keen focus on outside learning and is registered with the Eco Schools programme, which engages young people in environmental actions and empowers them to care for the planet, now and throughout their lifetimes.

Volunteers' Week

Unity colleagues supported the 37th national Volunteers' Week, a chance to recognise the fantastic contribution volunteers make to our communities. Our Relationship Managers spent a day with the Heritage Trust for the North West, a leading historic building preservation trust based

in Lancashire, carrying out groundwork tasks at the charity's Pendle Heritage Centre at Barrowford. Our colleagues also organised fundraising initiatives to provide much-needed support for Birmingham-based SIFA Fireside, a day centre for the homeless.

Unity in the Community

Unity has been able to provide support and guidance to young people through employment, education and enterprise

Prince's Trust

Established in 1976, the Prince's Trust has helped more than one million young people create a better future for themselves by offering free courses, grants and mentoring programmes. Together with its delivery partners, the Trust inspires young people facing adversity to build their confidence and achieve their full potential through employment, education and enterprise. Louise Pursglove, Head of Propositions and Brand, has been a Prince's Trust mentor for two years and works with young people to help them get into work.

Jaimini Watson, Lead Operations Executive for the Prince's Trust, said: "Our mentors offer incredible support for young people who are looking to increase their confidence and develop their skills for work, to enter training or education. Having relatable mentors, who are willing to listen and encourage young people, helps stabilise their lives and inspires them to believe they can achieve. We are continually grateful for their commitment."

Education & Employment

A large number of our colleagues have been using their professional skills to support individuals in education and those who are getting ready for employment – whether that be their first job out of education or returning to work later in life. We've supported SkillsBuilder

sessions, provided student mentoring at several universities, supported Social Enterprise's 'The Intrapreneurs Club' which focuses on improving diversity in the tech sector, and contributed to the development of online resources for a Social Housing Adult Employability Project.





Oasis Housing

Oasis Community Housing supports 2,000 people on their journey out of homelessness through various projects around the country. One of these is employability training for school leavers and adults returning to work. During the Pandemic Oasis provided online materials

and resources to keep their communities engaged. Unity produced a variety of videos and presentations to support the project, including information on digital inclusion and the power of the internet, top tips for mental health and wellbeing at work and advice for people wishing

to become self-employed. Hattie Lewis, PR and Social Media Officer, said: "We were delighted to be involved in such an important initiative, which will hopefully help and inspire people accessing Oasis' services."



Transformation West Midlands Impact Challenge


Colleagues from Unity's Leadership Development took part in this Challenge which was run by University of Birmingham, Newman University and University College Birmingham, and funded by the Office for Students (OFS).

The project brought students and West Midlands-based businesses together for a week-long collaboration of learning, workshops and mentoring. The aim is to help final year students to secure higher skilled employment and build a diverse graduate talent pipeline for employers.


Lisa Dickens, Unity's HR Business Partner, said: "The project offers students the chance to link to local employers and improve their commercial awareness and budgeting, research and presentation skills, which they can add to their CV. We were blown away by their creativity and ideas."



Contact Us

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