



Good Egg Kitemark Company Summary
Unity Trust Bank
31/10/24



This report provides a summary of the main business conducted by the provider, its ratings according to the [Good Egg criteria](#), a summary of comments from Ethical Screening, an independent specialist consultancy, and selected comments from the Good Egg expert panellists.

Assessment: Good Egg recommended.

Key information

Principal activity:

Provision of commercial banking services.

Product types:

The company offers the following products and services:

- Business Savings Accounts
- Business Current Accounts
- Business Loans
- Business Payments

Key product details:

Current Accounts:

There are 3 tiers of accounts that a customer can apply for which is dependent on the business turnover. These comprise of Unity Current Account T1, Unity Current Account T2, Unity Current Account T3.

Savings Accounts

Unity Trust Bank offers multiple Fixed rate Savings Products which are for customers who want to leave their money untouched for a fixed period and receive interest at maturity.

Unity Trust Bank also offers one Instant Access Account.

Loans

The bank offers either variable or fixed rate loans. Terms can vary up to 10 years, with borrowing anywhere between £250k up to £10m.

A fixed rate loan can be between 2 to 5 years, whereafter it reverts to a variable interest rate above the Bank of England Base Rate.

Positive impact ratings – summary

	Low positive impact	Medium positive impact	High positive impact	Negative impact	Neutral	N/A
Industry/customer			/			
Environmental	/					
Social		/				
Internal (staff/policies/offices)		/				
Overall		/				

Key strengths and concerns/ Ethical Screening and panellist comments:

Industry/ customer:

STRENGTHS	CONCERNS
<p>In 2023, Unity committed £263.8 million to 162 organisations across the UK. As the bank's total loan book surpassed a record £1.03 billion, more than 1,300 organisations continue to be supported through its responsible lending across a range of sectors delivering positive outcomes to communities.</p> <p>In 2023, £15 million of lending was committed to onward social investors and Community Development Finance Institutions (CDFIs) and enabled £18 million of investment to reach community organisations, social enterprises, SMEs and charities delivering inclusive growth.</p> <p>A third of Unity's loans go directly to organisations solely or majority serving disadvantaged people, or those facing discrimination. 90% of the main beneficiary groups have been identified as:</p> <ul style="list-style-type: none"> • People living in poverty and/or financial exclusion; • Older people; • People with long-term health conditions / life-threatening or terminal illness; • People experiencing homelessness; or • People with learning disabilities and/or other neurodivergence. 	

Unity states that it has a strong commitment to its relationship-based banking model, its customer-driven proposition, and to delivering a positive banking experience.

With Unity's UK-based call centre, customers are guaranteed to always speak to a person when they contact the bank, and not an automated message.

The impact of this was demonstrated in results of a 2023 customer survey conducted by Unity. The professionalism of Unity's advisors was rated at 8.8 out of 10, with advisors' knowledge scoring 8.5 out of 10. Additionally, 88% of customers said they were satisfied or extremely satisfied with the service they received.

In 2023, the bank launched a specialist Union Helpline, offering tailored support for all union customers. This helpline ensures that union customers receive specific and dedicated assistance, reinforcing Unity's commitment to the values of its union members.

Unity's Customer Hub (its online banking platform) further complements the Unity Connect team. With UK-based employees responding to online queries, customers have access to a blend of personalised service and digital convenience.

Unity was also the first UK bank to be awarded the Fair Tax Mark in 2014 and has retained this accreditation for more than 10 consecutive years.

Environmental:

STRENGTHS	CONCERNS
As a financial organisation, Unity Trust Bank recognises the important role it plays in supporting customers in transitioning to Net Zero, managing and	

reducing its own emissions, and adapting to the risks posed by climate change.

Unity does not fund industries that have a significant measured impact towards climate change, such as coal-fired power stations, mining industries, or organisations that burn toxic waste. It assesses all lending to ensure that there is no intentional or high risk of unintentional negative impact to society and the environment.

The bank's Supplier and Procurement Procedures include social and environmental criteria, covering both selection of new suppliers and ongoing management of existing partners. Regular reviews aim to identify and reduce climate risks to Unity's operations and stakeholders.

Unity first achieved carbon neutral status in 2019, and presented its Streamlined Energy and Carbon Report (SECR) for the first time in 2022. Its most recent figures (2023) show that it is achieving carbon neutral status for Scope 1 (Direct Emissions), Scope 2 (Indirect Emissions) and Scope 3 (business travel and home working emissions).

Unity became the first financial institution to support the 'Retrofit Credits' programme with the Housing Associations' Charitable Trust (HACT) and Arctica in 2022, directly improving the energy efficiency and quality of UK social housing to contribute to a just transition.

In 2023, the bank announced the launch of its Housing Association Decarbonisation Initiative (HADI), which aims to help housing associations to retrofit their properties and contribute to the UK's transition to a greener future.

The company states that £25 million has been ringfenced for the HADI, providing up to £3 million per customer to support investment in a range of retrofitting activities. These will reduce the carbon footprint of existing stock, improve the

energy efficiency of homes, and provide a better quality of living for those living in social housing.

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

Social:

STRENGTHS	CONCERNS
<p>In 2023, 45.3% of new commitments went to organisations delivering services in high deprivation areas across the UK.</p> <p>As mentioned above, a third of the bank's loans go directly to organisations solely or majority serving disadvantaged people or those facing discrimination.</p> <p>Examples of Unity customer case studies, focused on housing and care home provision, include:</p> <p>Action Housing & Support: 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, thanks to a £1.2 million loan from Unity.</p> <p>Y&M Care: Unity has provided six-figure care home financing from which allowed a couple who took over a failing care facility in Surrey to add a second property to their portfolio. More than 100 staff are now employed across both homes, with Old Wall Cottage providing 36 bed spaces for dementia patients and Wescott accommodating 60 residents in need of nursing care.</p>	

Internal (Staff/policies/offices):

STRENGTHS	CONCERNS
<p>Unity has a Remuneration Policy which commits to paying its employees a fair salary compared with the external market. Unity's Remuneration Committee observe guidance from the High Pay Centre on fair pay ratios, ensuring that the highest paid employee does not earn more than twenty times the mid-point of the lowest quartile.</p> <p>Unity was the first bank in the UK to become an accredited Real Living Wage employer in 2012.</p> <p>Unity currently has a team of six fully-trained mental health first aiders. The office's new Wellness Room offers an ideal space for team members to speak confidentially, or to have some quiet time to think and reflect.</p> <p>The bank also ensures that staff are working the hours that support their work/life balance, with encouragement to take regular breaks and full lunch hours.</p> <p>Unity has a Modern Slavery Statement and offers enhanced benefits for maternity and paternity leave. This is part of a range of benefits designed to be at – or above – those offered by other employers; its pension, death in service and income protection benefits are all market leading.</p>	

Panellist comments:

1. "A long-standing bank with ethical principles. Whilst only a third of loans are specifically targeted toward disadvantaged groups, this is very significant. There's little information on the large proportion that 'avoid harm'.

"Nevertheless, having a relatively substantive impact report that focuses on the loans is unusual and I have no hesitation in supporting the application for a Good Egg."

2. "I'm very happy to recommend Unity Trust bank for a Good Egg award.

"I've been aware of the bank for many years from my days at Move Your Money and it's great to see the development they've had since then. I was personally pleased and impressed to read about their carbon neutrality in scope 1, 2, and 3 emissions which is a huge achievement, and also their retrofitting programmes with housing associations.

"I would argue they deserve a slightly higher rating on the environmental track as a result of these, though it would be good to understand what percentage of assets this constitutes and how big a commitment it is from the bank overall. Nonetheless, it deserves credit.

"The £6 per month fee is reasonable and comparable to other business bank accounts, and the commitment to supporting the CDFI sector is also very commendable, helping to nurture an ecosystem of different types and sizes of financial institutions. It would perhaps be a positive thing for Unity Trust to also offer personal accounts, however there is a benefit of specialism and sticking to what you know.

"Overall no complaints or criticisms from me and a big congratulations to Unity Trust."

3. "They just need to get their net zero plan right to include all financed emissions. I'm very happy to approve the mark for them!"

4. "I'd say that their strong social purpose financing, combined with not financing harm (e.g. fossil fuels as far as I'm aware) means they qualify for a Good Egg."