



Inspiring Better Futures

2020 annual report





“We launched our new vision **Inspiring Better Futures** which underpins our commitment to doing the right thing at every level, sustainably and responsibly. Our focus on social impact through enabling education and building financial resilience is at the heart of our business.”

Welcome to our first Inspiring Better Futures report

A word from our Chief Executive **Teddy Nyahasha**

My first full year as Chief Executive Officer has seen some unexpected challenges, but it has been heartening to see the resolve and positivity of my colleagues under very difficult circumstances.

COVID-19 has had a significant financial impact on many of our members. As a mutual, we see our role to be more than just that of a product provider, we want to support our members where we can and be part of a community that can be relied upon in difficult times. In 2020 we swiftly set up Temporary Hardship Grants to help our customers who were impacted by the pandemic and awarded Community Grants to provide funding to organisations that were really making a difference during the crisis.

We launched our new vision **Inspiring Better Futures** which underpins our commitment to doing the right thing at every level, sustainably and responsibly. Our focus on social impact through enabling education and building financial resilience is at the heart of our business. Promoting equal opportunities is integral to our values as well as supporting our colleagues, members and communities. From mentoring and volunteering, to charitable partnerships and promoting financial education and digital inclusion in schools – we have ambitious plans underway as we bring our vision to life.

We're also mindful of our duty to protect the environment and we launched 2 new Climate Change funds that will have a positive impact on our planet. This is just a first step in putting pressure on other businesses to start working towards greener ways of operating.

Diversity and inclusion may have become buzz words in 2020, especially following the harrowing death of George Floyd in the US, however, as a socially responsible organisation this has been at the core of who we are for many years. I believe that we all have a part to play in calling out intolerance and bigotry in all its forms –whether it's racism, religious intolerance, sexism, class discrimination, derision of life-choices, homophobia or discrimination against people with disabilities. It's an active process – so, we launched our Diversity and Inclusion programme this year to underpin our organisational values.

Whilst it's important to acknowledge how a year largely defined by the COVID-19 pandemic has affected OneFamily, we shouldn't let it overshadow our significant achievements. I am very fortunate to have exceptional colleagues, who have pulled out all the stops to get the job done.

Finally, I'm proud that we're owned by and run for you, our members. You are the people who are important and it's entirely right that our focus has continued to be firmly on you – even in the toughest of times.

Inspiring Better Futures

At OneFamily we are focused on realising our vision of Inspiring Better Futures for modern families



As a member-owned business, we believe that what we do should have a positive impact on our workplaces, customers, communities and the wider world.

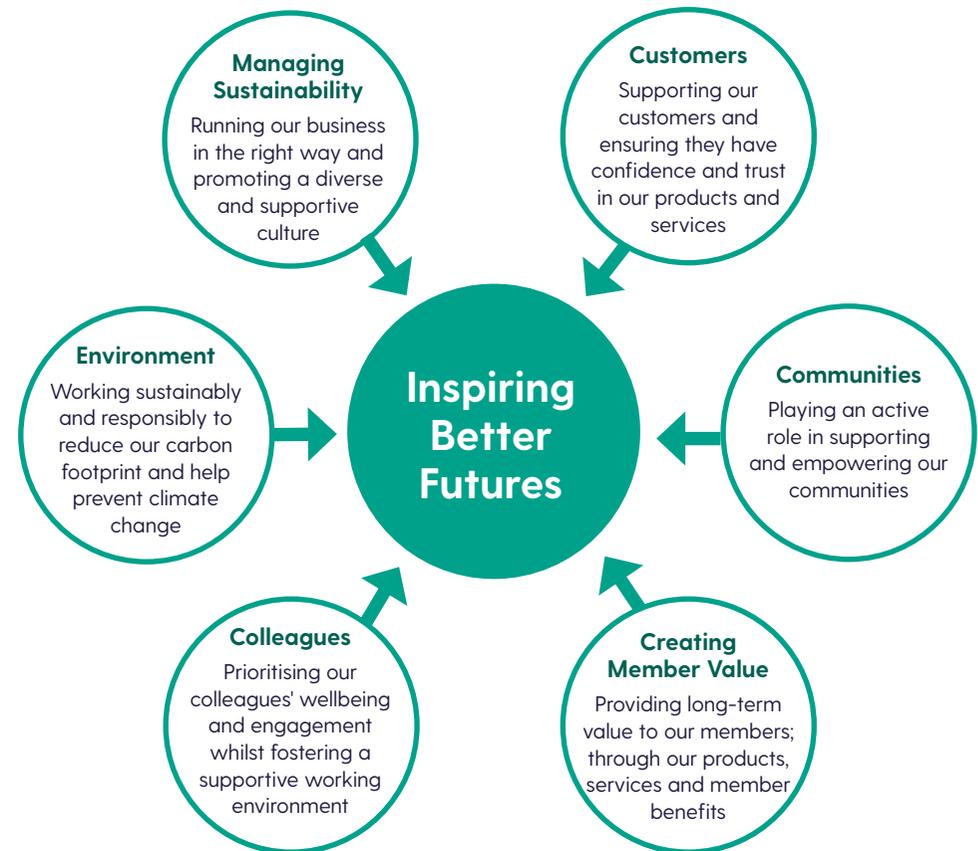
We aspire to do the right thing at every level - sustainably and responsibly - with social mobility, inclusivity and education at the heart of our business.

Our supportive, diverse and inclusive culture allows our colleagues to be themselves and thrive.

We're all about supporting the causes that matter to our customers and their communities, ensuring our products are financially accessible and investing your money in the right way to play our part in reducing climate change.

We're on a journey to make Inspiring Better Futures an integral part of everything we do.

Our new vision is built on 6 pillars that define and underpin our strategy



Customers

We care about our customers, and being a member-owned organisation means that we can focus on reinvesting our profits for their benefit, not shareholders.

Supporting our customers

Doing right by you is integral to how we run our business. From awarding Young Person's Education Grants to providing extra support to our vulnerable customers, we aim to put our members at the heart of everything we do.

Since 2015 we've awarded over **£4.0m** to our customers and the causes they're passionate about, helping over **350 different charities** and community groups and improving the lives of over 3,000 people through our individual grants.



How we supported our customers in 2020

Young Person's Education Grants

The cost of further education and training can be a financial strain and create a barrier for many young people and their families. We're passionate about improving access to learning and we believe that education is a key foundation to unlocking future opportunities. This is why we provide Young Person's Education Grants for 15-19 year olds.

Our grants can be used towards essential expenses including:

- Apprenticeship costs – such as essential equipment
- Further education costs - including travel, laptops and books/study materials
- Other study or work-related costs - such as specialist clothing/uniforms and skills training

Grant to purchase a laptop for A level studies:

“We are so pleased to be given the opportunity to apply for the grant and delighted to be receive it. It is a wonderful idea to encourage and support our young people.”

Michelle, OneFamily customer

Grant to go towards clothing and equipment for an electrical apprenticeship:

“My son is over the moon with his tools and can't wait to start work! It has also taken the pressure off us to find the funds to start him off, knowing that it's not just an apprenticeship, but the start of his career and his future. Thank you!”

Vicki, OneFamily customer



In 2020 we awarded a total of **£82,000** – helping 164 young people purchase items such as laptops, textbooks, train tickets and essential equipment for apprenticeship schemes.

Temporary Hardship Grants

In April 2020 we introduced a Temporary Hardship Grant to provide support for our customers who had been affected by the COVID-19 pandemic.

Grants of up to £250 were made available to help with costs such as rent, bills, food shopping and home-schooling equipment, to reduce the financial burden on customers whose income had been affected but weren't supported by Government schemes. The OneFamily Board and Executive team made voluntary contributions from their salaries to support the Hardship Grant fund, enabling us to distribute additional financial support to those most in need.

We awarded over £126,000 to 466 customers who found themselves in financial hardship as a result of the pandemic.

“I am so grateful for your financial support during these difficult times. You have provided me so much relief over the last few weeks, not worrying about how I will feed my children.”

Dilan, OneFamily customer

“I would like to express our sincere thanks again for the financial help during what has been a really difficult time for us.”

Yvonne, OneFamily customer



Vulnerable customers

We are committed to treating all our customers with care and respect. This is of utmost importance when dealing with our potentially vulnerable customers, who may need additional time and support.

Here are some of the ways we continued to improve our processes in 2020 to give the best possible service to our vulnerable customers.

- We introduced a new enhanced quality checking process specifically for vulnerable customers, giving better insight into the quality of experience we provide
- Over 100 customer service colleagues completed vulnerable customer training
- We ran workshops during National Customer Service Week, providing our colleagues with greater understanding of how to support our vulnerable customers

As our Child Trust Fund (CTF) holders started to turn 18 from September 2020, we put in place support for families of children with learning difficulties to help them access their funds, in many cases without having to go through a long and complex application to the Court of Protection. We've been campaigning to get our simple approach adopted more widely across the industry.



Supporting our customers

We supported our customers in lots of ways during 2020, to provide that little bit of extra help with managing finances:

- We provided free budgeting, saving and investment resources to support financial education for teens
- We recognised that severe pressure on GPs and clinicians, caused by the coronavirus pandemic, would likely delay claims for our Over 50s product – at a time when seriously ill customers are most in need of support. So, we simplified the process and significantly reduced the time required to progress claims
- We believe that everyone should have the same opportunities to access financial products that allow them to save – regardless of how much money they have. So, we use financial pooling to enable us to open up opportunities for smaller savers, rather than having high minimum investment levels that effectively discriminate against those who are less well off

Looking forward >

Continuing to support our customers

We'll continue to focus on awarding **Young Person's Education Grants** in 2021 to cover the essential costs of learning, increasing opportunities for future success for young people aged 15-19.

Communities

We believe in playing an active role in supporting and empowering our local communities and those of our members. We do this by providing much needed funding to community groups and supporting colleague fundraising and volunteering.

Community Grants

Our Community Grants are an excellent way for our customers to give back to the causes they are passionate about, by nominating them for a grant to support their work.

We ran Community Grants in May 2020 to provide much needed funding to groups who had either been financially impacted or who were providing support to those affected by the COVID-19 pandemic. This included foodbanks, counselling services and disability charities.

We'll be supporting more fantastic customer-nominated causes through our Community Grants in 2021.



Team Domenica is a social enterprise charity that works with young people who have learning disabilities.

The group received a Community Grant to contribute towards Training Staff costs.



The Hub G63 is a social enterprise that aims to make it easier for their local community to access healthy, sustainable food.

The group received a Community Grant to help establish a community vegetable garden in their home village of Drymen, Stirlingshire.

Supporting our Brighton community

As a Brighton-based business, we're passionate about supporting the local community we live and work in. Here are some of the ways we got involved in 2020:



Brighton and Hove Pride

We're proud supporters of the LGBTQi+ community, and in 2020 we partnered with Brighton and Hove Pride as one of its key supporters for the fifth year running.



Brighton and Hove Age UK

For a number of years, we've welcomed Brighton and Hove Age UK to our Brighton office for a Christmas event. As we were unable to offer this in 2020, due to the pandemic restrictions, we donated £2,500 to fund treat boxes and "Bags of Support" to lift the spirits of some of the most vulnerable and isolated older people in our community.



KidsOut Wishing Tree and The Clock Tower Sanctuary

We weren't able to get together for a Christmas party this year, so we made sure the money we would have spent went towards creating a magical Christmas for children in need and to help inspire better futures for young people in our community.

Looking forward >

Supporting our communities in future

We'll continue with our **Community Grants** in 2021, providing much needed funding to the fantastic community groups nominated by our members. We'll support causes that are creating a better future for their communities and the wider world, with a particular focus on education, environmental and social initiatives.

We'll also create new, long-lasting partnerships with local charities, providing financial assistance and hands-on support through employee volunteering and apprenticeships.



Supporting our local NHS Ambulance Service

Our People Services team raised money to buy and deliver treats for our local NHS Ambulance Service. In total they raised almost £400 and delivered over 640 treats for paramedics.

Creating member value

We aim to provide long-term value to our members through our products, services and member benefits.

We actively engage with our customers and use their feedback to shape how we do business and keep evolving to meet their needs.



Customer community: OneFamily Voice

Our customer community has been running since 2018. We have over 1,200 active members who joined to take part in research activities. In the last year we used feedback from community members to understand the impact of the pandemic on customers, test ideas for new products, and input into some key developments and initiatives:

o **ESG (Environmental, Social and Governance) and climate-friendly funds** In researching our new climate impact funds, the teens on our panel told us:

89% want their investments to give them as much profit as possible, and **81%** would think about the wider effects of the investments they make.* This demonstrates the importance of doing the right thing, and creating products that do good – both ethically and financially.

o Member benefits proposition

While researching our new member benefits offering our customers gave us feedback on the things that appealed most to them, and how having access to a range of benefits made them feel:

“It means getting special benefits that non-members can’t. It means being valued and listened to.”

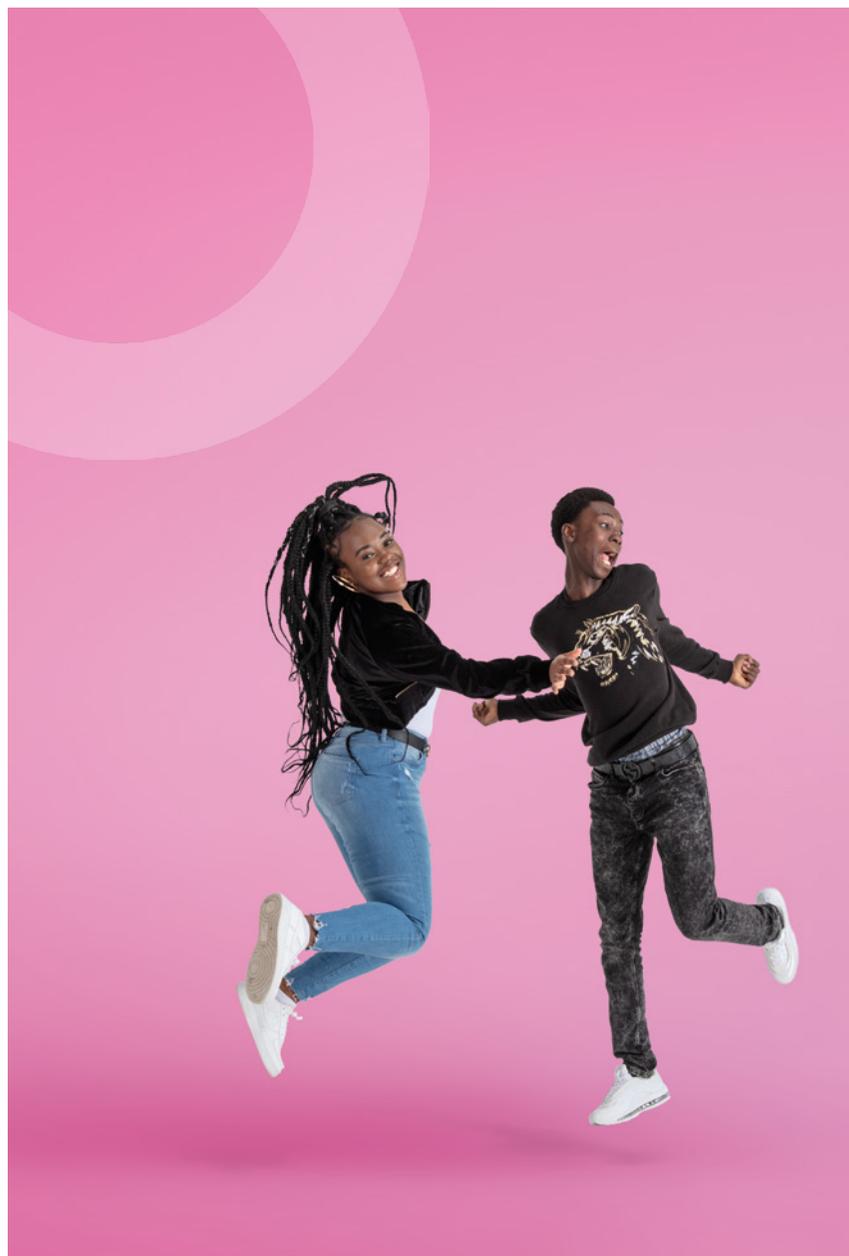
OneFamily customer

* Ethical Funds: A joint OneFamily Voice and Smart Money project. June 2019

Engaging with our community

As well as structured research, the community take part in open discussions and can post comments. They receive a newsletter twice a year, which thanks them for participating and highlights some of the ways in which their feedback has been used.

Comments from community members highlight that they value the opportunity to give feedback and enjoy engaging with us.



Smart Money teens panel

The Smart Money teens panel has 100 members and was set up to increase understanding of teens and their financial needs. This panel runs alongside OneFamily Voice and has provided sharp focus on the way teens think about ethical and ESG issues. It helps inform the way we design our products for this younger audience.

AGM

We held our Annual General Meeting virtually in 2020 as a result of the coronavirus pandemic. Moving from a physical to an online event provided the opportunity for more of our members to engage with us without the need to travel. The required changes to the format this year have provided us with new ideas for how we'll host the event in future to make it as accessible to our members as possible.

Looking forward >

New membership benefits

Being member-owned remains at the heart of our business and we continually look for new ways to enhance the value of OneFamily membership.

In 2020, we ran a pilot to identify the type of benefits that are important to our members and would appeal to our wider membership. In 2021, we'll be using the insight from this and our research to develop an exciting new member benefit offering, which we'll be sharing with our members later in the year.

Colleagues

Prioritising our colleagues' wellbeing whilst fostering a supportive working environment is key to how we run our business. Put simply, if our staff members feel supported and listened to then they will be more able to look after the needs of our customers.



Colleague wellbeing

The wellbeing of our colleagues has always been paramount at OneFamily. Never more so than during the COVID-19 pandemic, which has had a significant impact on the lives of our customers and colleagues alike.

Safety has been our main priority, and we have enabled the majority of our colleagues – including our call centre teams – to work from home since March 2020.

We've taken a number of steps to ensure that our colleagues stay healthy, safe and connected, including:

- Launching a wellbeing programme, OneHealth, with activities including mental health workshops, external speakers, online yoga classes and access to Headspace and MoveSpring apps
- Providing a range of free health benefits, including a confidential employee assistance programme

“The MoveSpring incentive really helped me to get out running and now I regularly exercise.”

OneFamily employee

Talking Family

Talking Family is our colleague communications committee, which provides impartial representation, support and guidance to all colleagues at OneFamily on a wide variety of issues. They meet regularly to discuss colleague feedback, wellbeing, corporate activities, equality and diversity support.

During 2020 Talking Family undertook a number of activities including;

- Operating as a formal ECF (Employee Consultation Forum)
- Representing colleagues in the business response to the pandemic
- Trained Mental Health First Aiders ran colleague 'drop-in' sessions for mental health and wellbeing

Over 20% of our colleagues benefited from formal career development during 2020



Colleague development

Over 20% of our colleagues benefited from formal career development during 2020, including:

- Promotions
- Secondments
- Training and qualifications
- Apprenticeships
- Fixed-term contractors converted to permanent members of staff

OneFamily remains committed to being an equal opportunities employer by creating a fair and inclusive workplace for all of our colleagues.

Colleague engagement

We continued to partner with Best Companies colleague engagement survey during 2020. In November 2019, we received 'One to Watch' accreditation. In 2020 Best Companies took the decision to postpone their survey until early 2021 due to COVID-19. In the meantime, we created a monthly internal survey to ensure colleagues' voices were heard during the pandemic.

Here are some of the improvements made following colleague feedback:

- Changes to our people policies, so that they support our vision and enable managers to provide guidance for employees
- Removal of layers of governance and changes to committee structures to aid quicker decision making
- More frequent communication from our CEO and leadership team, to enhance organisational clarity

Our surveys showed that the vast majority of our colleagues, 82%, felt well supported, 87% thought they were just as effective working from home and 80% felt confident in the leadership of the organisation.

Looking forward >

New sustainable employee benefits

We're making changes to our employee benefits for 2021, with increased focus on sustainability and supporting our **Inspiring Better Futures** vision:

- Our default staff pension scheme will be aligned to our ESG strategy. Changes will be made to the underlying default fund to focus on climate change and the environment
- A new salary sacrifice scheme will be introduced to provide colleagues with the opportunity to purchase an electric car
- We'll be relaunching our social enterprise partnership, providing savings on sustainable travel to work such as public transport and electric bikes

Environment

At OneFamily we care about the people and environment around us. We're committed to doing the right thing at every level – sustainably and responsibly – reducing our carbon footprint and playing our part in preventing climate change.

Our commitment to launching climate-friendly products.

When our customers invest in our Stocks and Shares ISA and Lifetime ISA products, we give them the choice of investing 100% or 35% of that money to benefit the environment.

Changing the way investment works is a journey, and we view this as the first step to putting pressure on other businesses to start working towards greener ways of operating.

Climate-friendly investment funds

We believe that finance isn't just personal. Every decision we make affects the people we care about, our communities and the world. That's why we believe in creating products which do good.

In 2020, we launched our new climate-friendly investment funds. So, when we invest in shares we are dedicated to choosing companies which have set an agenda to help tackle climate change.

This rewards businesses that are doing the right thing by the planet, while also sending a strong message of support to organisations that promote sustainable practices.

To ensure we're investing in the right businesses, each organisation is ranked according to 5 different factors.



Carbon intensity

How much carbon emission the company is responsible for, from creating CO2 themselves to relying on a supply chain that creates CO2. **The less, the better.**



Green Revenue

What percentage of the company's overall revenue comes from "green" business activities, such as low-carbon technology and renewable energy production. **The greater, the better.**



Brown Revenues

What proportion of a company's income comes from non-climate friendly activities, like drilling and mining. **The less, the better.**



Adaptation

How prepared the company is for managing their impact on climate change, by having a strategy and action plan to reduce greenhouse gas emissions. **The more focused on a greener future, the better.**



Fossil Fuels

How much greenhouse gas emissions would result if the company used its fossil fuel reserves. **The less, the better.**



Recycling

We have a wide range of recycling initiatives at our office

- Our policy is that **no waste goes to landfill**. We have a centralised collection point on all floors to enable efficient recycling for paper, plastic, tin, confidential waste, coffee cups, cardboard, glass, printer toners and IT equipment including mobile telephones.
- Our office waste has inevitably reduced significantly this year as most of our colleagues have been working from home since March 2020. We'll aim to continue this trend and focus on waste reduction at every opportunity as we begin returning to the office in 2021.

Office waste reduced by 78%



Conserving energy

We have a number of energy saving initiatives for our office and colleagues including:

- A cycle-to-work scheme, which encourages colleagues to reduce their carbon footprint and promotes wellbeing. Bicycle racks and pumps are provided in our secure car park to make life easier for those who cycle to work.
- Motion sensor (LED) lighting and vending machines in all areas of the building to reduce electricity consumption.
- Where possible, we purchase products made from recycled materials. For example, we purchase copier paper that is 100% recycled and FSC sourced.

Energy consumption reduced by 14% between 2019 and 2020



Energy efficiency

We're constantly looking for ways to improve our energy performance and play our part in reducing climate change

- We participate in an environmental initiative with non-profit organisation Cool Earth. They work alongside rainforest communities to halt deforestation and its impact on climate change through education, livelihood support and generating an economy that is not dependent on timber trade.
- We comply with the Energy Savings Opportunity Scheme (ESOS) where we assess our energy use and consider all opportunities to improve our energy performance and efficiency.

We have committed to source 100% of our electricity from renewable sources by 2030

We've planted over 10,000 trees across the UK since we began working in partnership with the Tree Appeal in 2007.

We'll continue this commitment in 2021 to support our vision and help tackle climate change.



To mark the launch of our climate-friendly investment funds in 2020, we committed to plant 1,000 trees at schools in the Brighton area

500 trees have been planted at Dorothy Stringer School, 200 at Ditchling Primary, South Downs Forest School will be receiving 110 trees and a further 190 trees will be given to Hurstpierpoint College.

The tree planting scheme has been enthusiastically received by the children at Ditchling CE (St Margaret's) Primary & Nursery School.

"We planted a hazel hedge around our Forest School site, which we will coppice for woodland crafts. The children have also planted a mixed native hedge on the playing field to add shade and hiding places. They have learnt about biodiversity, planting and plant management, as well as developing their skills in communication, teamwork and perseverance".

Emma Evans, Forest School leader

One child in Year 3 at Ditchling Primary said,
"It was so much fun. I found so many worms when digging."

Looking forward >

New climate-friendly investment products

In 2021, we'll be launching more climate friendly investment ISA and Lifetime ISA products to help play our part in **Inspiring Better Futures** for everyone.

We've been working hard to encourage customers to switch to paperless statements. For every 5 switches made, we've pledged to plant trees across schools and woodlands in the UK.

Managing sustainability

We're committed to running our business in the right way and promoting a diverse and supportive culture in our workplace. We believe this provides a broader perspective, and means we're better able to support our members from all walks of life.

Diversity and equality



Diversity and Inclusion

Our culture welcomes diversity and we treat all colleagues equally, regardless of their sex, race, ethnic origin, religion, age, sexual orientation, or disability.

Embracing diversity is at the core of our values and we want colleagues of all backgrounds, identities and circumstances to thrive within our supportive culture.

What we did in 2020:

- o Launched our Diversity & Inclusion strategy and created an Inclusion Advocate group of people from across OneFamily
- o Welcomed guest speakers who have spoken on a range of issues relating to race and gender, and taken steps to ensure that OneFamily is an inclusive place to work
- o Installed gender neutral toilets in our office
- o Signed up as a partner with Stonewall, the Race at Work Charter and the #10,000BlackInterns initiative

We are continuing to explore inclusion and what it means to work at OneFamily. We aim to actively encourage our colleagues to be themselves at work, to respect different views and to value diversity.

“I feel very grateful that we are working in a place where we aren't having to hide who we are.”

OneFamily colleague

Promoting ethical conduct

We developed our whistleblowing policy to ensure colleagues of OneFamily are aware of the importance of identifying, reporting and helping to eliminate wrongdoing within the workplace. We encourage our colleagues to watch out for illegal or unethical conduct and report anything that they become aware of - safe in the knowledge they can do so confidentially.

We work with a charity called Protect who provide advice and support for any individuals who wish to raise a 'protected disclosure' about any issue they identify in the workplace.

At the end of 2020 our Board comprised of 50% female and 50% male directors.



Teddy Nyahasha
Chief Executive Officer
Executive Director



Nici Audhlam-Gardiner
Chief Commercial Officer
Executive Director



Jim Islam
Chief Finance Officer
Executive Director



Christina McComb OBE
Chair
Non-Executive Director



Jackie Noakes
Non-Executive Director



Graham Lindsay
Vice Chair
Non-Executive Director



Steve Colsell
Non-Executive Director



Sally Williams
Non-Executive Director

Gender equality and pay

Our 2020 gender pay gap report can be found on our website [here](#). This is a Government initiative which encourages organisations to promote the right practices and culture in the workplace.

The gender pay gap report illustrates the difference between the average and median pay of all men and women in a workforce expressed as a percentage of men's pay.

The gender pay gap reflects that OneFamily, like most financial services organisations, currently has more men in senior leadership roles. The financial services sector has a larger gender pay gap than many industries. We'll continue to develop initiatives, such as the ones below, to address and drive down our gap:

- Identify and develop our female talent early on in their careers, especially at the middle/senior management level
- Develop a more open and transparent approach to career progression and create clear career pathways for colleagues at all levels

- Continue to resource fairly by providing a balance of both male and female candidates for advertised vacancies
- Roll out development for our managers to improve awareness around unconscious bias during recruitment and remuneration processes
- Review current return to work initiatives with the aim of improving retention rates of female colleagues after maternity/adoption leave

Suppliers

- We ensure new suppliers share the same values and ethics as OneFamily through our rigorous due diligence process, confirming appropriate human rights, anti-slavery and environmental protection policies are in place
- We endeavour to source local suppliers to support the local economy and reduce the environmental impact of travel

Our 2020 gender pay gap is an average of 19%. Our gap remains lower than the majority of other financial services organisations, but we're committed to reducing it further.



We've just begun our journey to bring our new vision to life.

As a member-owned business with a culture of doing what's right, we've already laid strong foundations. But there is much to aspire to in the future.

We believe that by remaining focussed on our 6 strategic pillars of **customers, communities, creating member value, colleagues, environment and managing sustainability** we can play our part in **Inspiring Better Futures** for us all.

OneFamily [Inspiring Better Futures](#)

