

Ecology continues to lead the way on green mortgages

SUSTAINABLE DEVELOPMENT GOALS



At Ecology we've been providing sustainable mortgages since we were established in 1981.

Ecology is different. We only support projects where we can identify sustainability benefits and, whilst we always lend responsibly to protect borrowers and our members' deposits, our considerations go far beyond the purely financial as we're focused on ecological risk and reward.

This means we'll often lend on projects that other lenders won't consider, because they see them as innovative, unfamiliar or just 'too risky'.

If we're going to meet our Paris climate change commitments, finance has to support the transition to a low-carbon economy; so, we're pleased to see some potentially exciting developments as policy makers start to look at green mortgages and are asking us to share our experience.

The decarbonisation challenge shouldn't be underestimated: our buildings currently contribute over 27% of our carbon footprint. However, it's not just about tackling climate change – draughty and cold homes are costly to heat and are often uncomfortable. Building sustainably also

helps us work towards the UN Sustainable Development Goals.

Influencing policy

Last year Ecology contributed to the **Global Alliance for Banking on Values (GABV) New Pathways** report which helped inform the European Commission's plans to support sustainable finance. This included proposals geared towards the repurposing of finance and maintaining the right balance between economic, social and environmental needs.

In the UK we've also been talking about our unique **C-Change mortgages** (see blue box) with Government officials. We've proved that incentivising energy efficiency through mortgage pricing works by basing our mortgage rates on a property's climate impact. These discussions follow the Green Finance Taskforce's report, which included recommendations to support the growth of green finance.

EU green mortgages

Now, some of Europe's largest banks are trialling new criteria for energy efficiency mortgages, which have been developed by the World Green Building Council's Europe network and their partners. In this pilot scheme, participating banks will be offering lower interest rates for mortgages for both new build homes and renovations. Sound familiar?

It's good to see other lenders taking this approach because we think it's in the interests of their borrowers as well as the wider environment. Of course, it's important that their efforts are meaningful and not tokenistic as we have sometimes seen before. We certainly hope that this results in a permanent and committed journey for those lenders who take part.

C-Change explained:

- **C-Change sustainable homes** is based on achieving a recognised energy efficiency standard
- **C-Change retrofit** is based on improvements in a home's energy efficiency
- **C-Change energy improvements** is based on the energy efficiency measures or renewables installed



A Passivhaus EnerPHit conversion of a derelict stable block supported by Ecology

Green Finance Taskforce's lending recommendations:

- Extend 2035 EPC targets from residential properties to commercial properties by the end of 2018
- Introduce Green Building Passports for residential and commercial properties by 2020
- Look at how fiscal measures (such as taxation) could boost demand for energy-efficient retrofits
- Provide short-term incentives to pump-prime green lending including mortgages
- Improve awareness of the role of 'green factors' when making mortgage lending decisions

News round-up

Your improved online service

At the start of July, we launched an improved online account service for our members. The new-look system features a range of upgrades, offering savers and borrowers a more convenient way to manage their accounts online.

These are just some of the enhancements that members can now take advantage of:

- Updated design and navigation
- Optimisation for tablets and smartphones
- Automated password recovery
- Improved access to mini-statements
- Simplified money transfer

The updated system, which replaces the previous 'Interactive' service, is part of Ecology's wider digital development, which is focused on ensuring our members can manage their money in a way that's convenient, hassle-free and secure. The programme of changes will enable Ecology to adapt to the opportunities and challenges

of the digital era, supporting our mission to build a greener society while continuing to offer members the best possible service.

Existing Interactive users were automatically transferred to the new online system when it launched in July. If you are an existing user, you may need to update your password to comply with the new password requirements. If your password does not

“
We want members to benefit from the latest innovations in technology, while retaining Ecology's emphasis on treating people as individuals. The launch of our improved online account service means a better online experience for members and a more resilient, digitally attuned Society.
– Matt Wilson,
IT Manager at Ecology
”



meet the new security requirements, these will be outlined when you next try to log in to the system and you'll be taken through the on-screen process to create a new password. While we understand that complex passwords can be harder to remember, they offer improved security standards beyond the system's previous password rules. We are hoping to introduce further refinements to the log in process – and the system as a whole – in the future.

If you're not currently registered to use the online account service, you can do so by visiting online.ecology.co.uk



Two award shortlistings for Ecology

Earlier this year, Ecology was shortlisted in the 'Specialist lender of the year' category in the MoneyAge Mortgage Awards. Our award submission included our support for community-led housing and, in particular, for permanently affordable homes in London.

Paul Ellis, Chief Executive, was also shortlisted in the 'Outstanding Corporate Leadership' category at the Global Good Awards.

Lending locally, investing globally

Sustainability can't be achieved in isolation. At Ecology, our lending focuses on building resilient local communities and ecosystems, but our thinking embraces global interconnectedness.

Our wider remit on sustainability means that we engage in investment activity beyond housing and the built environment. Below are two of the projects that we're currently investing in, both within the UK and further afield:

Atlantis Ocean Energy – Via Abundance, an online platform for sustainable investment, we're supporting Atlantis Ocean Energy to develop a tidal stream energy system in the UK. Construction on Atlantis' innovative MeyGen tidal array has recently been completed, making it the largest tidal energy project in the world. The array – which comprises four 1.5 megawatt turbines positioned in the Pentland Firth – is now connected to the UK's national grid.

It has the capacity to power 2,600 homes and, in March 2018, set a new world record for monthly production from a tidal stream array.

Sustainability – Finance – Real Economies specialised investment fund – Through this fund, we're investing in the capital of financial institutions across the globe engaging in lending either on a triple-bottom-line basis (people, planet and profit) or to meet social objectives.

Among a number of investments, the fund has invested in PRASAC, a leading microfinance institution from Cambodia, a country challenged by climate change due to its dependence on the production of rice and other crops. PRASAC offers micro loans to enable female entrepreneurs and small businesses in rural areas to flourish; it also provides loans for the purchase of biodigester equipment to produce energy for cooking and lighting, while producing compost fertiliser.

Ecology supports a new toolkit for community-led housing



As part of our commitment to supporting community-led housing, Ecology has helped fund the production and launch of a free online toolkit which is enabling local authorities and housing associations to promote, support and develop solutions for people-powered housing.

The initiative has been led by **HACT** (Housing Action Charitable Trust), which



Jessie and George, Ecology borrowers and London Community Land Trust residents

acts as UK housing's ideas and innovations agency, and was funded and supported by the Nationwide Foundation and LandAid, as well as Ecology. The toolkit provides technical information, guidance and best practice examples to enable local authorities to deliver local community-led housing schemes.

The toolkit includes examples of other community-led housing schemes, funding tips and signposts to further information and support. While the transfer of buildings and land to a community group, whether by rent, lease or sale, has long been a strategic and operational priority for many local authorities, the means of achieving this have not been available before in a central, comprehensive or co-ordinated way.

Jon Lee, Business Development Manager at Ecology, explained why we supported the toolkit: "We're an experienced provider of mortgages for community-led housing groups and their members and we are delighted to support the development of this new toolkit, which we hope will make it easier for local authorities in particular to support people-powered housing solutions."

Ecology borrower wins property design award

Ecology borrower, **Richard Clayson**, has won the residential property category in the South East region **RICS Awards 2018** for his Passivhaus EnerPHit standard barn conversion, The Old Byres, in East Sussex. The RICS (Royal Institute of Chartered Surveyors) awards showcase inspirational initiatives and developments by chartered surveyors. Richard is now in the running for the national award, to be announced in November.

Richard converted the original redundant farm buildings, which included a main barn with connected brick and flint cow sheds. Richard estimates The Old Byres is 75% more energy efficient than an equivalent house constructed to meet minimum Building Regulations.



Richard Clayson and his partner, Lucy Dunn



The Old Byres Passivhaus EnerPHit conversion

Sustainable office space

Ecology also provides mortgages for businesses that support the environment or deliver sustainable benefits to the local community.



Left to right: Karen Gordon (Strident), Rosie Barrack (Waddington Brown), Lucinda Sharp (Onwards Upwards) and Scott Stallan

We've recently provided a mortgage for Claydon Court, a small office complex near Ipswich in Suffolk with big environmental ambitions. The owner, Richard Parker, had taken the converted agricultural buildings from an EPC rating of G to B.

He offsets the remaining carbon emissions through the **World Land Trust** and charges the tenants, a range of small businesses, a 'Carbon Balance' tax that buys rainforest with maximum biodiversity in places such as Ecuador and Vietnam. In exchange the tenants enjoy the benefits of low-carbon office space with reduced energy bills.

Richard aims to create a healthy working environment, which means that the office tenants also get involved in grounds-management activities, such as watering plants. He's also worked with the support of Suffolk County Council to provide pool bikes, lockers and showers free of charge for commuting or just healthy lifestyle. Free electric vehicle charge points are also on the way.

Richard explained, "Collaborating with like-minded people is essential and we're delighted to be working with Ecology Building Society to deliver our shared vision."

Your data, your privacy



In what was billed as the biggest shake-up of data privacy laws ever, earlier this year the General Data Protection Regulation

(GDPR) came into force. We ask Joanne Maurizi, Ecology's Data Protection Officer, what it means for Ecology members.

What is GDPR?

GDPR is Europe's new framework for data protection laws, which needed updating to take account of modern uses of data enabled by the internet and services, such as Facebook and Google. GDPR has been brought into UK law as the Data Protection



Act 2018. The new law aims to give people more rights on how their personal information is stored and used.

What did Ecology have to do to meet the GDPR requirements?

We've always taken the security of our members' personal information seriously. Most of the changes we made were 'behind the scenes'. This included strengthening our contracts with some of the organisations who process personal information on our behalf, such as our mailing provider. We also updated our Privacy Notice, which we recently sent to members and is on our website. This provided information about what sort of personal data we hold about our members and how we collect and use it.

What else has changed?

Under GDPR individuals must make a positive choice to agree to any direct marketing communication, such as ticking a box on a form or agreeing over the phone. Soon we'll also be contacting some members to invite them to update their preferences with clearer wording on how we will use their data.

Member communications, such as this newsletter or your annual statement, are not marketing so you don't have to opt-in to receive these. If you have agreed to receive marketing information we will still never share your information with other organisations. You can request that we stop sending you marketing information by writing to us at marketing@ecology.co.uk or by post.

GDPR provides the following rights for individuals:

1. The right to be informed
2. The right of access
3. The right to rectification (of errors or inaccuracies)
4. The right to erasure
5. The right to restrict processing
6. The right to data portability
7. The right to object
8. Rights in relation to automated decision making and profiling

If you have any queries about GDPR, or your rights under it, please write to us at dpo@ecology.co.uk or by post.

Protect your personal data and help tackle fraud

A request for personal information could put your money at risk. Financial fraud losses across the industry totalled £768.8 million in 2016. We can all help lower this figure by remembering one simple action – to stop and think.

Financial Fraud Action UK's Take Five campaign urges you to stop and consider whether the situation is genuine – to stop and think if what you're being told really makes sense before you share your personal information.

For more information and advice on how you can protect yourself from fraud, go to takefive-stopfraud.org.uk

Key tips on how to protect yourself

IT PAYS TO STOP AND THINK

1. **Be absolutely certain who you're speaking to**

Unless you're 100% sure who you're talking to, don't disclose any personal or financial details.

2. **Don't assume an email, text or phone call is authentic**

If someone knows your basic details, like your name or date of birth, that doesn't mean they're genuine.



3. **Don't let anyone rush or pressure you into a decision**

A genuine bank or trusted organisation will never push you into a decision.

4. **Listen to your instincts**

If a situation feels wrong or strange, it's usually right to question it.

5. **Stay in control**

It's ok to stop the conversation if it doesn't feel right.

What to do if you think you're a victim

If you think there has been fraud on your card or account – or if you suspect someone has attempted to compromise your personal financial details – report it immediately to your bank or other financial services provider and then contact Action Fraud on 0300 123 2040 or at actionfraud.police.uk

Our ethics – walking the talk

In this regular feature we explore some of the ways we're embedding sustainability and ethics into how we do business – such as our support for the **Global Alliance for Banking on Values (GABV)**.

Membership in focus: GABV

At Ecology we put our ethical principles into practice throughout our operations, from managing the environmental impact of our offices to our approach to fair pay.

We also build connections with other organisations that share our values – like GABV.

GABV is a network of banking leaders from around the world committed to advancing positive change in the banking sector. The network, which was founded in 2009, strives to achieve a more sustainable banking system, which supports economic, social and environmental sustainability.

Being part of GABV helps Ecology to forge international connections with other values-based financial organisations. These vary from banks and banking cooperatives to building societies and microfinance institutions – all different in the way that they are structured but united by the ambition to build a more sustainable financial future. Together, GABV's 48 member organisations – which collectively serve more than 41 million customers – are a powerful force for change.

You can find out more about GABV and its member organisations at gabv.org

We are proud to have memberships and connections with:



Fair Tax

Ecology has received Fair Tax Mark accreditation for the third year running. In 2016, we became the first building society to be accredited by Fair Tax – a not-for-profit organisation working with companies to bridge the gap between corporate responsibility and the wider tax justice movement. Find out more at fairtaxmark.net

We're an Ethical Consumer Best Buy

Ethical Consumer magazine has reaccredited Ecology as an ethical 'Best Buy' for our mortgage and savings accounts. Ethical Consumer researches the social and environmental records of companies and makes the results available in a simple format. Its latest guide to savings included ethical and environmental ratings for 40 savings accounts. For product guides and company profiles visit ethicalconsumer.org



Ecology Building Society was rated as an ethical Best Buy for our mortgages and savings accounts by Ethical Consumer magazine in its product guide rankings (May/June 2018 issue).

AGM and Members' Meet-up 2018



From tackling the housing crisis to digital innovation, our 2018 AGM and Members' Meet-up centred upon a lively discussion of some of Ecology's current priorities.

The event took place on 28 April at The Priory Rooms in central Birmingham and was an opportunity for members to mingle and meet the Ecology team. Attendees also had the chance to share their views on our work and contribute toward our policies and practices.

As well as the formal AGM business, members heard about our plans to invest in our digital capability and how different materials and building approaches can help us address the housing crisis while tackling climate change. We also shared the key findings from our recent Member Survey, which you can read more about below.



Overall voting turnout was 15.62% – a slight decrease from last year, and 51% of voters used our online voting service, which helps us reduce the amount of paper we use. We're always trying to get more members involved in voting so, if you're a voting member, please use your democratic power in 2019!

During the 'Ask the Directors' session, Directors responded to questions from the floor as well as pre-submitted questions. A summary of the session is available on our website.

"I liked the structure of the day and the significant opportunities for networking amongst people with a common perspective."

"I would like to hear more presentations on economic topics as an alternative to the presentations on eco-building."



We received lots of positive feedback from members about the day, as well as some helpful suggestions for how we can continue to develop the AGM.

Thank you to everyone who gave feedback. We read every form and your suggestions will be used to guide future events.

Our next AGM will take place on Saturday 27 April 2019 and will return to our offices in Silsden, West Yorkshire.

£500 The amount raised for international development charity, **Practical Action**. We donate 50p for every member who casts their vote online, 20p for every paper vote and £1 for every member who opts to receive future voting packs via email.

PRACTICAL ACTION
Technology challenging poverty



Member Survey: the results are in!

We'd like to say a big thank you to all members who completed our most recent Member Survey. An incredible 1001 (10.5%) members responded, giving us a valuable insight into what you think about the work that Ecology is doing and the service that we offer, as well as wider environmental and social issues.

Results revealed that:

72% of members think that supporting the renovation of existing buildings to high environmental standards is the most important activity that Ecology is involved in.

58% of members consider climate change to be one of the three most pressing sustainability issues facing the world today. Other leading concerns amongst Ecology members include low-impact living and social inequality.

Over **90%** of members agree with our:

- values
- memorandum
- policies
- definition of sustainable development.

16% of members feel that Ecology's activism could be improved through campaigning and increasing visibility.

For 96% of members their top two reasons for choosing Ecology are its ethical approach and knowing that their money is being used for positive environmental and social impact.

62% of members agree that they would prefer to receive as much information by email as possible to help reduce paper usage and postal costs.

Your opinion counts



The results will be used to inform Ecology's future direction and priorities. While the Member Survey provides a chance to gather members' opinions on a wider scale, we are always open to hearing what you think about your Society and the work that we're doing. If there's anything you'd like to share, you can contact us via info@ecology.co.uk or by post or phone.

£750 We donated 25p for every completed survey and Finline topped this up by £500 to make a total donation of £750 to **Practical Action**.

Just to let you know... Finline Market Research, who managed the Member Survey on our behalf, will also be conducting some telephone customer-satisfaction questionnaires over the coming months.

News from the Ecology team

Garden update

The warm weather has encouraged an abundance of growth in the Ecology garden. Lettuce, spinach and watercress have already cropped, with carrots, peas and tomatoes hot on their heels.



Natural plant labels made from hazel twigs



Mary Hegarty, Mortgage Advisor, tending the lettuces



Managed in line with permaculture principles, the garden also contains areas set aside for grasses and wildflowers, providing habitat for species that are coming under increasing pressure. The ongoing decline in biodiversity means it's more important than ever to dedicate space for wild species. The permaculture expertise of our new garden team,

Those Plant People, will enable the garden to continue supporting a wide variety of life – including our team of green fingered colleagues.

Food bank volunteering

Ecology staff continue to contribute supplies toward Skipton food bank, with staff volunteers making monthly donation drop-offs. The food bank team liaises with local services to ensure that goods reach those people who are most in need. If you want to make a donation to your local food



Phil Sage (left) of Skipton Food Bank with Karen Knowles, Board Governance Officer (right)

bank, goods like cereal, soup, rice, tinned vegetables and toiletries are typically welcomed. A useful resource for finding a nearby food bank is [trusselltrust.org/get-help/find-a-foodbank](https://www.trusselltrust.org/get-help/find-a-foodbank) or check at your local supermarket for a collection point.

Running for charity

Members of the Ecology team recently put on their jogging shoes to take part in the 'Solstice Saunter' charity run. The five-mile course starts and finishes on the picturesque Bolton Abbey Estate in North Yorkshire and meanders along the River Wharfe. Given the hilly nature of the route it's quite a challenge but it's all for a good cause – the run raises much needed funds for the Sue Ryder Manorlands Hospice in Keighley. Alongside our enthusiastic team of runners, Ecology's Chris Rickerby, Risk and Ethics Manager, helped marshal the event.



The Ecology Solstice Saunter team (from left to right): Joanne Maurizi, Denise Davies, Matt Wilson and Vinny Davies

Notice Board

AGM and Members' Meet-up 2019



Following the success of previous events, our next **AGM and Members' Meet-up** will be hosted at our office in Silsden, West Yorkshire on

Saturday 27 April 2019.



Paul Ellis, Chief Executive, showing members around our permaculture gardens in 2016



Members enjoying the AGM in Silsden in 2016

As well as the formal AGM business, we'll have inspiring speakers on topical sustainability and housing issues. Members will also be able to explore our permaculture gardens and tour our eco-build offices.

We look forward to welcoming you to Ecology's home for our flagship member event and will be sending out further details on how you can join us early next year.

Did you know you can help us save paper?

We can email many of our communications rather than sending them by post. This helps us reduce our use of paper. We'll even donate £1 to **Practical Action** for each member who chooses to receive their AGM packs by email.

To opt-in, either send us a secure message through the **online account service** or call us on **01535 650 770**.

Please note that, at present, some of our communications – such as statements – are available via post only.

PRACTICAL ACTION

Technology challenging poverty



Free member event: Film screening and panel discussion

We're sponsoring the launch of **Britain's Housing Crisis – A People-Powered Solution?**, a new documentary film which highlights how community-led housing offers a sustainable fix to the housing affordability crisis.

The film's premiere will be followed by a panel debate between community housing experts, with questions from the audience.



Peg Alexander, Presenter and Co-Producer

This member event takes place at the Everyman Cinema in Leeds, on **Tuesday 11 September** from 5pm. To find out more and to book your place please visit our website at ecology.co.uk/hub/film

◀ Peg filming on the planned Leeds Community Homes development site



Right to Build Expos



The Right to Build Expos are a series of regionally focused events running nationally until 2019. Run in partnership by NaCSBA (National Custom and Self Build Association),

the Right-to-Build Taskforce and Wood for Good, the events aim to provide information on how to make the most of the new Right to Build legislation. Each event brings together a range of experts to help people kick-start their own custom and self build project.

We're sponsoring the Right to Build Expos in Fareham on **6 September** and in Leeds on **29 November**. For more details please visit our website.

Home Building and Renovating Show in Harrogate

Homebuilding & RENOVATING SHOW

Each year we attend some of the largest building and construction trade shows and exhibitions to promote our sustainable lending. In March we

were at the Home Building and Renovating Show at the NEC in Birmingham and, in November, we'll be at the Harrogate show. Come and see us at stand **C237** from **2-4 November 2018**.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register No. 162090.

The Society does not necessarily endorse any third party service or product mentioned herein.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Printed on 100% post-consumer waste recycled paper

Published by: **Ecology Building Society**
7 Belton Road, Silsden
Keighley, West Yorkshire BD20 0EE

T 01535 650 770
W ecology.co.uk
E info@ecology.co.uk