

Carbon emissions drop 15% despite more people admitting to not taking action to cut carbon

- Research by Lloyds Banking Group shows two thirds (66%) of people see the environment as a top priority for post pandemic recovery.
- However, one in five took no action to reduce their carbon footprint in the third lockdown, double the level compared to October last year.

The UK's carbon emissions dropped by 15% during the pandemic overall compared to the year before, according to analysis compiled by Lloyds Banking Group in partnership with the Carbon Trust.

The analysis considered the impact on carbon emissions resulting from changing consumer spending behaviour across six categories: food and drink, fuel, commuting, airlines, electrical stores and clothing stores.

Restrictions on international and domestic travel as well as the increase in working from home have been significant factors in the drop in carbon emissions. Emissions from commuting reduced by two thirds (64%), the equivalent of 3.7m tonnes of CO2 and emissions from fuel fell by a fifth (21%) compared to the year before the pandemic. At the same time, international travel restrictions meant that the carbon emissions from airlines dropped by three quarters (74%) compared to the previous year.

As the UK prepares to emerge from lockdown, strong public support for the environment remains with two thirds (66%) of the public ranking the environment as a top priority for post pandemic recovery.

However, some of the nation's motivation to 'go green' has slipped back with one in five (20%) admitting they made no efforts to help the environment during the third lockdown, the research revealed. The 20% figure is more than double the number of people who admitted to environmental inaction in October last year.

How the pandemic has impacted behaviour change

Many Britons are planning to make greener choices once restrictions lift, with seven in 10 (72%) saying they will make a conscious effort to cut their carbon footprint after lockdown.

Environmental reasons are also a factor for people thinking about a return to work, with almost three in 10 (29%) full-time employees citing this as a reason in their plans to work from home at least two to three times a week.



Generational differences can be seen in these emerging environmental behaviour changes. Nearly half (49%) of over 55s are planning to continue the trend to shop locally compared to just 27% of younger generations (18–24 year olds). Older generations are also more likely to limit their car use than younger generations (36% and 23% respectively) and make improvements to their home's energy efficiency (16% and 7% respectively).

Thrifty under 25s are planning to buy more items second-hand or upcycle them than older generations (35% and 22% respectively) and are focused on changing their diets to reduce emissions (23% and 13% respectively).

Fiona Cannon, Group Sustainable Business Director at Lloyds Banking Group said:

"Our research shows Britain cares deeply about the environment and plans to do more to cut their own carbon emissions after lockdown.

"Lockdown has changed all aspects of how we live, and many good 'green' habits we've developed during the last year - look like they could be here for the longer term.

"However, we also know some people find it difficult to know how they can play their part in helping tackle climate change, which can seem like an overwhelming and complex issue.

"We all need to do more – businesses like ours, government and communties - to encourage and support people to make a positive impact and to show how even little steps can make a big difference."

Myles McCarthy, Director at the Carbon Trust, said:

"It is encouraging to see that the environment remains top of mind for two thirds of people in post pandemic recovery. Lockdown has disrupted our lives in many aspects, challenging people from turning aspirations into action, while encouraging more sustainable habits like homeworking and local shopping.

As lockdown comes to an end, and in the run-up to COP26, it is time for consumers, citizens, businesses and governments to come together and build the enabling environment that will help turn climate ambitions into long-term impact. "

-ENDS-



Notes to Editor

About the Methodology

Spending data

- The analysis is based on the year-on-year spend variation of UK-based Lloyds Banking Group customer accounts. The analysis looked at the carbon equivalent of six key spending areas that demonstrate a snapshot of changing consumer spending behaviour: food and drink, fuel, commuting, airlines, electrical stores and clothing stores.
- The coronavirus lockdown period refers to March 2020 to March 2021 and is compared with the previous year from March 2019 to March 2020.

Considerations

- The data assumes that the emissions related to each category are accounted for on the day of sale of the products or services. This means for example that the carbon saved resulting from a lower spend in flights during lockdown is accounted for on the day of purchase of the plane ticket, despite the actual flight happening in the future. A reduction in clothing spend and the related emissions saved are accounted for on the day of purchase of the piece of clothing, even though the emissions related to its manufacturing have occurred in the past.
- The emissions related to the categories food and drink, clothing stores and electrical stores are the embodied emissions related to the manufacture of the products, while those of airlines, commuting and fuel are the emissions covering the full lifecycle of the transport services and fuel products, which also include use-phase emissions.
- The emissions reported in the analysis for airlines and commuting are the emissions due to the per £ spend in these categories.
- All carbon impacts related to food and drink, clothing stores, electrical stores and fuel have been attributed to the UK region, even though a large proportion of these emissions are likely to have occurred overseas. As a result, these numbers should not be compared to published UK total emissions as they are more likely to report territorial rather than consumption-based emissions.

About the Research

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2023 adults. Fieldwork was undertaken between 9th - 10th March 2021. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

These figures have been compared with data from wave 1 and 2 of the pandemic. The wave 1 fieldwork was undertaken between 3rd - 4th June 2020 and the total sample size was 2139. The wave 2 fieldwork was undertaken between 20th - 21st October 2020 and the total sample size was 2086.



About Lloyds Banking Group

Lloyds Banking Group is committed to supporting the UK transition to a low-carbon future as it recovers from the coronavirus lockdown. As the UK's largest financial services group, we know we have a responsibility to play a key role helping our customers to invest in tackling climate change, alongside supporting businesses by financing their investments in the green economy.

Our progress so far

Investing in the Low Carbon Economy

In 2020, we invested £2bn through our pension funds to promote the transition to a low carbon economy. We also committed to divesting £440m from companies failing to meet our environmental, social and governance standards.

Home Energy Savings Tool

We've created an online tool to help people assess the changes they could make to their property to cut down their carbon emissions. The tool is available to anyone and homeowners receive a personalised report.

For more information, visit the Halifax Green Living Zone at https://www.halifax.co.uk/mortgages/help-and-advice/homes-explained/green-living/.

The UK's largest low emission vehicle fleet

Lex Autolease has been at the forefront of electric vehicle technology with the first mainstream plug-in vehicles introduced to customers in 2011. We more than doubled our electric vehicle fleet in 2020, and now have the UK's largest ultra-low emission vehicle fleet.

Energy-efficiency tool

We are the first UK financial services firm offering access to a digital tool to allow Commercial Banking clients to identify and make energy-efficient investments in their buildings to reduce costs and emissions.

Sustainability support for UK business

To support our business customers on their sustainability journey, over 800 Lloyds Bank Commercial Banking colleagues have undertaken training on climate change and sustainability-related risks and opportunities in collaboration with the University of Cambridge Institute for Sustainability Leadership.

Working with the agriculture industry



Working alongside agriculture, we have lowered the minimum lending amount to access green funding, and broadened what we will finance. We are facilitating the use of market-leading carbon footprint measurement tools in addition to providing help and advice from our agriculture relationship managers, who have received training from the world-leading Cambridge Institute for Sustainability Leadership.

For further information please contact:

Danielle Duffy - <u>Danielle.Duffy@cohnwolfe.com</u> / +44 7469 259924 Ellie Chatterton – <u>Ellie.Chatterton@cohnwolfe.com</u> / +44 7904050302