

## LLOYDS BANKING GROUP ENVIRONMENTAL STATEMENT – OWN OPERATIONS

Lloyds Banking Group recognises that climate change is one of the biggest issues facing society. As the UK's largest financial services group, we can make a real difference to tackling climate change by helping to finance a greener future together. We think this will require new ways of living, working and investing for our business and our customers. We know there is an urgent need to transition to a low-carbon future and we are committed to continuing to make progress.

As a Group, we recognise the importance of reducing the environmental impact of our own operations. We aim to be resource efficient and focus action on reducing our carbon emissions, energy consumption, water use and waste.

### OUR APPROACH

- We regularly review our environmental sustainability ambitions to ensure they remain relevant, challenging and market-leading and we monitor our performance against best practice to ensure continuous improvement.
- We set ourselves stretching environmental targets to ensure that Lloyds Banking Group holds a leadership position in striving to reduce our environmental footprint. This position is identified by regular discussions with our stakeholders, review of NGO publications and campaigns, press comment and horizon scanning.
- We recognise that accurate measurement and robust monitoring of our environmental impact is critical if we are to manage our resources efficiently. Therefore, we seek to continually improve our systems and processes to achieve this and our environmental data is reviewed annually by an external auditor.
- We support and encourage our colleagues to conduct activities in an environmentally responsible manner and engage our key stakeholders, including our business partners, colleagues, communities, suppliers and contractors, in dialogue on our environmental sustainability programme to encourage them to do the same.
- We seek to comply with the spirit, as well as the letter of applicable environmental laws and regulations with regards to the environment. Where none exist, we set ourselves appropriately high standards.

### SUPPORTING COMMITMENTS

Our three new operational climate pledges accelerate our plan to tackle climate change and will apply across our operations:

- We will achieve **net zero carbon operations by 2030**. We plan to reduce our direct carbon emissions (known as Scope 1 & 2 emissions) by at least 75% (compared to 2018/2019 levels)
- We will **reduce our total energy consumption by 50% by 2030** (compared to 2018/2019). Whilst we already procure renewable electricity, it remains crucial that we reduce the amount of power we consume to support the UK in meeting an increasing demand for renewable energy
- We will **maintain travel emissions below 50% of pre-covid (2018/2019) levels**, embedding for the long term the reduced levels of commuting and business travel emissions

seen during the pandemic, and supporting our colleagues to switch to low carbon modes of transport

We continue to work towards these existing goals:

- We will continue to source **100% of our global electricity consumption from renewable sources** and we will increase the proportion of electricity sourced through additional renewables projects.
- We will **reduce our water consumption by 40% by 2030** (compared to 2009) by improving efficiencies, trialling innovative reduction solutions and implementing technology where feasible.
- We will **reduce our operational waste by 80% by 2025** (compared to 2014/5), working with our supply chain to minimise material delivered to site and encourage responsible resource use among our colleagues, whilst increasing diversion from landfill rates.

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