

## LLOYDS BANKING GROUP ENVIRONMENTAL STATEMENT – OUR 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 Greenhouse Gas emissions associated with the running of our business, the energy and water we consume and the waste we produce.

### OUR APPROACH

- 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.
- 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 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 regularly review our environmental ambitions to ensure they remain relevant, challenging and market-leading and we monitor our performance against best practice to ensure continuous improvement.
- We educate and motivate 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 programme to encourage them to do the same.

### SUPPORTING COMMITMENTS

#### Low Carbon Operations

Reducing the carbon footprint of our own operations is a critical element of our group sustainability strategy. We are proud that in 2019 we reached our 2030 carbon reduction goal 11 years early. Since 2009, we have reduced our operational carbon emissions by 63%.

We now source 100% of our global electricity consumption from renewable sources and have committed to increase the proportion of electricity we source through new wind and solar projects.

We aim to reduce the CO<sub>2e</sub> associated with our business travel and colleague commuting by enhancing agile working, improving process and policy to decarbonise business travel and ensure we provide support for colleagues making more sustainable commuting choices.

Whilst we continue to work towards achieving our long-term target, to reduce our carbon emissions by 80% by 2050, we believe those who can move faster and go further should do so. We are developing a strategy for accelerating our plan to tackle climate change, with new commitments for carbon reduction and energy efficiency.

### Water & Waste

We aim to continually reduce the water we consume by improving efficiencies, trialling innovative reduction solutions and implementing technology where feasible. In order to reduce our operational waste, we aim to review 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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