

LLOYDS
BANKING GROUP



Reporting Criteria

for selected key performance indicators
in 2021 ESG Reporting

Lloyds Banking Group



This Reporting Criteria document details the approach and scope applied to key diversity, community investment, environmental and customer support indicators. It is the responsibility of the Group's management to ensure that appropriate procedures are in place to prepare the ESG reporting in line with these Reporting Criteria.



Scope of reporting

The indicators related to diversity and community investment cover the Group's UK¹ operations, with the exception of the percentage of senior roles held by women, which includes a small number of colleagues based internationally. The indicators related to environment mainly cover the Group's UK operations, with the exception of total energy consumption and carbon emissions, Scope 1 and 2, where an estimate of emissions for non-UK operations is included to align with UK's Companies Act, Streamlined Energy and Carbon Reporting (SECR).

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¹ UK includes Channel Islands for all measures and references. Lloyds Banking Group is primarily a UK based organisation with 99% of its operations in the UK and 1% non-UK.



Part 1 – Diversity

Part 1					
<p>Parameter: Percentage of senior roles held by women</p>	<p>Definition Senior roles held by women: the total number of females at Grades F+. Grades at F+ are F, G, H, J, SE, ED (F being the lowest of these).</p>	<p>Scope Calculation is based on headcount, not FTE (full-time employee value) as at 31 December 2021. Data source is HR system (Workday) which contains details of all permanent colleagues. It includes international colleagues, those on parental/maternity leave, absent without leave (AWOL) and long-term sick. It excludes contractors, Group Non-Executive Directors, temporary and agency staff.</p>	<p>Units Percentage</p>	<p>Method The total number of females at Grades F+ is divided by the total population of colleagues at Grades F+.</p>	<p>Source Data is sourced from the HR team, which has an automated feed from the systems mentioned above.</p>
<p>Parameter: Percentage of all roles held by Black, Asian and Minority Ethnic colleagues</p>	<p>Definition Roles held by Black, Asian and Minority Ethnic colleagues: the total number of colleagues at any Grade who identify as Black, Asian or Minority Ethnic.</p>	<p>Scope Calculation is based on headcount, not FTE as at 31 December 2021. Data source is HR system (Workday), which contains details of all permanent colleagues. It includes MBNA colleagues, those on parental/maternity leave, AWOL and long-term sick. It excludes international colleagues, contractors, Group Non-Executive Directors, temporary and agency staff. Ethnicity is a data field which is voluntary to complete on Workday. In order to be classified as Black, Asian and Minority Ethnic colleague, a colleague must have positively selected a relevant option (e.g. Black-African). The in-scope population for the calculation includes all colleagues, irrespective of whether they have completed the ethnicity data field.</p>	<p>Units Percentage</p>	<p>Method The total number of colleagues who have identified as Black, Asian and Minority Ethnic is divided by the total population of colleagues.</p>	<p>Source Data is sourced from the HR team, which has an automated feed from the systems mentioned above.</p>
<p>Parameter: Percentage of senior roles held by Black, Asian and Minority Ethnic colleagues</p>	<p>Definition Senior roles held by Black, Asian and Minority Ethnic colleagues: the total number of colleagues at Grades F+ who identify as Black, Asian or Minority Ethnic. Grades at F+ are F, G, H, J, SE, ED (F being the lowest of these).</p>	<p>Scope Calculation is based on headcount, not FTE as at 31 December 2021. Data source is HR system (Workday), which contains details of all permanent colleagues. It includes MBNA, those on parental/maternity leave, AWOL and long-term sick. It excludes international colleagues, contractors, Group Non-Executive Directors, temporary and agency staff. Ethnicity is a data field which is voluntary to complete on Workday. In order to be classified as Black, Asian and Minority Ethnic colleague, a colleague must have positively selected a relevant option (e.g. Black-African). The in-scope population for the calculation includes all colleagues, irrespective of whether they have completed the ethnicity data field.</p>	<p>Units Percentage</p>	<p>Method The total number of colleagues who have identified as Black, Asian or Minority Ethnic at Grades F+ is divided by the total population of colleagues at Grades F+.</p>	<p>Source Data is sourced from the HR team, which has an automated feed from the systems mentioned above.</p>



Part 2 - Community investment

Scope of reporting

The indicators relate to community investment covering the Group’s UK* operations. We use the Business for Societal Impact (B4SI) measurement framework to define our corporate community investment in a clear, consistent and robust way. The B4SI measurement framework and guidelines provide a global standard for measuring corporate community investment.

Community investment is the total amount invested in communities by the Group. This includes all charitable and voluntary donations and engagement with charitable organisations/activities/causes that extend beyond our core business activities.

* UK includes Channel Islands for all measures and references. Lloyds Banking Group is primarily a UK based organisation with 99% of operations in the UK and 1% non-UK.

Part 2					
Parameter: Cash donations	Definition The gross monetary amount from the Group in support of a community organisation/ project/cause.	Scope Covers the investment by your division in the UK during the reporting period 1 January 2021 to 31 December 2021. It Includes: <ul style="list-style-type: none">• Direct donations/grants to charitable organisations or activities or programmes that benefit the community• Social sponsorship of cultural events or institutions that promote community and health benefits• Membership and subscriptions to organisations that benefit communities through ethical practices including sustainability• Covering the expenses of employee involvement in these activities• Grants made to the Foundations• Budgets used to manage responsible business activity and external programme delivery costs (current and legacy)	Units £ Sterling	Method Data is collated by the Responsible Business team. The amount of money donated to the foundations is calculated by Group Finance and advised to Lloyds Banking Group each year.	Source The information is provided by programme leads and colleagues who manage budgets, and includes internal financial reporting, invoices paid, and bank account balances/transactions. Foundations donations data is collated by the foundations and sent to the Responsible Business team.
Parameter: Colleague time	Definition This is the monetary equivalent value of colleagues’ time when they volunteer.	Scope Applies to all colleagues across the Group that are UK based. It covers the reporting period 1 January 2021 to 31 December 2021. It Includes: <ul style="list-style-type: none">• Employee volunteering during working hours as recorded in the Volunteering Management System(VMS)• Supervision of work experience placements (Salary of supervisor)• Secondments to charitable organisations• Volunteering hours not recorded in the VMS, such as Trustees’ time	Units £ Sterling	Method To calculate the value of employee volunteering, we multiply the average Group colleague hourly rate by the number of volunteering hours. To calculate the value of secondments to community organisations, we use the average annual salary for the relevant grade. These staff costs include: pensions; expenses; group performance share payments; and employer national insurance contributions for the member of staff – pro-rata for the period of the secondment within the reporting period.	Source The total annual cost of colleagues, i.e. average hourly rate or annual average salary, is sourced from the Group’s HR department. The number of volunteering hours completed is taken from the Group’s VMS.
Parameter: In-kind giving	Definition The monetary equivalent (cost) to the Company of non-cash resources to a community group or activity.	Scope Covers the reporting period 1 January 2021 to 31 December 2021. It includes: <ul style="list-style-type: none">• Using the Group’s in-house training and recruitment resources to benefit a community organisation• Use of vacant Company premises/ resources by a community organisation• Contribution of products or other assets• Revenue forgone by the Company by providing services for the benefit of a community organisation, pro bono/ discounted professional services	Units £ Sterling	Method The training, recruitment resources and premises costs are valued at cost to the Company from the services shared or donated, not the market value the beneficiary would have had to pay in the open market.	Source The monetary equivalent for the training and recruitment element is an agreed value between the Group and the community organisation. Premises costs are sourced from the Group property systems.



Part 2 - Community investment

Part 2					
<div>Parameter: Management costs</div>	<p>Definition</p> <p>The monetary equivalent value of employee salaries for managing the responsible business programmes/activity including internal programme management and advertising costs.</p>	<p>Scope</p> <p>Applies to all UK-based colleagues and covers the reporting period 1 January 2021 to 31 December 2021.</p> <p>It includes:</p> <ul style="list-style-type: none">Salaries, benefits and overheads incurred in supporting colleagues deliver responsible business activityResearch, communications and advertising spend	<p>Units</p> <p>£ Sterling</p>	<p>Method</p> <p>Management costs include salary costs for the time spent by colleagues supporting and delivering responsible business activity and the communications associated to raise awareness.</p> <p>Costs are based on the programme resources required for operating activities, the average annual salary, and staff costs including pensions and employer national insurance.</p> <p>We only proportion the costs (i.e. salaries, overheads, expenses) relating to the time spent managing the programme if management of the programme/activity is only part of a person's job.</p>	<p>Source</p> <p>The number and details of employees within this scope will be submitted by each individual division. The total annual cost of colleagues is sourced from the Group's HR department.</p> <p>All other management costs are provided by divisional programme leads.</p>
<div>Parameter: Leverage</div>	<p>Definition</p> <p>This is the measure of any additional resources contributed to a community organisation or activity that come from sources other than the Company. The monetary amount from the Group's employees or customers that support external community organisations.</p>	<p>Scope</p> <p>Covers the investment by the Group's employees in the UK. It covers the reporting period 1 January 2021 to 31 December 2021.</p> <p>It includes:</p> <ul style="list-style-type: none">Charitable giving leveraged through Group-led programmes, schemes or other activityPayroll givingRectification rants <p>It excludes:</p> <ul style="list-style-type: none">Matched giving provided by the Group's associated foundations which is captured and reported separately under grants to the foundations (Lloyds Bank Foundation for England and Wales, Halifax Foundation for Northern Ireland, Lloyds Bank Foundation for the Channel Islands, Bank of Scotland Foundation for Scotland)	<p>Units</p> <p>£ Sterling</p>	<p>Method</p> <p>Data is collated by the responsible business team.</p>	<p>Source</p> <p>The information is provided by the programme leads who collect data on funds raised by employees, customers and the foundations, as well as finance reports.</p>



Part 3 – Environment

Reporting period

Our environmental indicators are reported annually from 1 October 2020 to 30 September 2021. This reporting period is used to allow more accurate information to be received from our utility and business travel suppliers ahead of our external reporting.

1. Greenhouse gas emissions (Scope 1, 2 and 3)

Greenhouse gas emissions reported by the Group are generated by the business travel we undertake and the energy we use on our sites as defined by the GHG Protocol. We report the data under Scopes 1, 2 and 3. Carbon emissions are reported in line with the UK's Streamlined Energy and Carbon Reporting Initiative (SECR) framework, which builds upon the requirements within the Mandatory GHG Reporting previously in place. Scope 2 emissions figures have been calculated, using the location-based and the market-based methodology, in line with the GHG Protocol's dual reporting guidance. We report emissions of all Kyoto gases in terms of CO₂ equivalent tonnes (tCO₂e).

Where possible, emissions factors have been sourced from the UK's Department for Business, Energy and Industrial Strategy (BEIS) publications, which was previously managed by the UK's Department for Environment, Food and Rural Affairs (DEFRA). Factors applied change on a calendar year basis, as per BEIS/DEFRA published guidance.

Part 3

Parameter:

Scope 1

Definition	Scope 1 covers: Emissions generated from the gas and oil used in all the buildings the Group operates from (UK and international); emissions generated from UK company-owned vehicles used for business; and fugitive emissions arising from the use of air conditioning and chiller/refrigerant plant to service the Group's UK property portfolio (operational boundary).
Scope	The reporting period is 1 October 2020 to 30 September 2021. We report emissions arising from activities for which we are responsible. Our reporting scope is against an operational boundary (definition above). The data is for UK and International properties and UK fleet business travel only.
Units	CO ₂ e tonnes
Method	Energy Data (Gas and Oil) – Core UK sites where the Group holds the energy supply contract directly with the supplier. Energy data for Core UK sites is managed by our Facilities Management (FM) partner who uploads the information to the Group's central environmental system supplied by Credit 360, which then calculates the CO ₂ e generated using the BEIS 2021 emission factors. The amounts of gas (in KWh) and oil (in litres) are received directly from suppliers' invoices. We use a combination of historical consumption trends, forward-projected patterns of usage and budget forecasts to report on accruals to fit in with unbilled periods by the gas suppliers. No estimated/accrual data is applied to oil, as all oil figures are reported according to the month in which it is delivered to site. If no data is available for a Core site in a given period, yet the site is known to still be active within our portfolio according to our internal property database, we will use the consumption data reported in the equivalent period of the previous year as an approximate. Shadow/landlord sites, including non-UK sites: this is the term we use for sites where the Group does not hold the energy supply contract directly with the supplier. As the Group is not billed directly for energy consumed in these sites, we do not have full visibility of consumption data. To allow emissions relating to these sites to be included within our emissions reporting for 2021, an estimation using an average gas consumption level per occupied square metre (obtained from sites where the Group holds the energy supply contract directly with the supplier) has been calculated and applied based on each site's location. Fugitive emissions Fugitive emissions for Lloyds Banking Group arise from the use of air conditioning and chiller/refrigerant plant to service our UK property portfolio. Actual data relating to fugitive emissions is not currently collated centrally by the Group, though is available for some of our assets. Therefore, for the 2021 reporting period, these emissions have been estimated based on a register of assets used by our FM partner to maintain and service the assets within the Group's estate. Leakage rates and emissions factors from BEIS 2021 and Climate Change (DECC's) GHG emissions factors have been applied to each asset on the register according to the gas type used within the asset. Fleet data The distance travelled in kilometres (km) for fleet cars is calculated from the Group's expense systems which reimburses colleagues on a cost per km travelled basis. The Group Sourcing Travel team manages the fleet data and uploads the information to the Group's central environmental system supplied by Credit 360 which calculates the CO ₂ e generated using BEIS 2021 emissions factors. Mobile branch fuel consumption is estimated by dividing total fuel expenditure by the charged cost per litre of diesel used. Resulting volumes are multiplied by BEIS emissions factors.
Intensity calculation	To normalise year-on-year comparisons in line with business performance, we are also disclosing an intensity of emissions per million pounds of underlying income. This figure is in line with the revenue to be disclosed in our Annual Report and Accounts, and so covers calendar year 2021.
Source	The Group's environmental system provided by Credit 360.



Part 3 – Environment

Part 3

Parameter:

Scope 2

Definition	Scope 2 covers: Emissions generated from the electricity used in all the buildings the Group operates from (UK and non-UK sites), as calculated by the location-based and market-based methodology.
Scope	<p>The reporting period is 1 October 2020 to 30 September 2021.</p> <p>We report emissions arising from activities for which we are responsible; our reporting scope is against an operational boundary. This comprises: emissions generated from the use of electricity in UK buildings where the Group holds the supply contract directly with the electricity supplier; emissions generated from the use of electricity in UK buildings where the Group does not hold the supply contract directly with the energy supplier (shadow/landlord sites/non-UK sites).</p> <p>As part of our strategy, the Group has made efforts to source renewable electricity throughout our portfolio.</p>
Units	CO ₂ e tonnes
Method	<p>Energy (Electricity) – Core UK sites where the Group holds the energy supply contract directly with the supplier.</p> <p>Billed electricity data for Core UK sites is managed by our FM partner who uploads the information to the Group’s central environmental system supplied by Credit 360. The amount of energy used (in KWh) is received directly from suppliers’ invoices.</p> <p>We use a combination of historical consumption trends, forward-projected patterns of usage and budget forecasts to report on accruals to fit in with unbilled periods by the electricity suppliers.</p> <p>If no data is available for a Core UK site in a given period, yet the site is known to still be active within our portfolio according to our internal property database, we will use the consumption data reported in the equivalent period for the previous year as an approximate.</p> <p>Energy data (electricity) – shadow/landlord sites/non-UK sites are those sites where the Group does not hold the energy supply contract directly with the electricity supplier.</p> <p>As the Group is not billed directly for energy consumed in these sites, we do not have full visibility of deliver data.</p> <p>To allow emissions relating to these sites to be included within our emissions reporting for 2021, an estimation using an average electricity consumption level per occupied square metre (obtained from sites where the Group holds the energy supply contract directly with the supplier) has been calculated and applied based on each site’s location.</p> <p>Unmetered ATMs</p> <p>As a significant proportion of the Group’s ATMs are not billed directly, applicable consumption has been estimated based on the expected electricity consumption calculated from metered ATMs, multiplied by the number of unmetered ATMs in our portfolio.</p> <p>Location-based reporting</p> <p>In accordance with the GHG Protocol’s Scope 2 guidance, total electricity as calculated above is multiplied by the UK average grid factor, sourced from BEIS 2021. Emissions factors applied change on a calendar year basis in line with BEIS.</p> <p>Market-based reporting</p> <p>The Group is procuring Renewable Energy Guarantees of Origin (REGO) as proof of renewable origin for our electricity consumption across the UK. REGOs are recognised as the sole guarantee of renewable supply in the UK, mediated by Ofgem, the regulator of the UK energy industry. Additionally, the Group is sourcing Guarantees of Origin (GO) to cover our European sites, Renewable Energy Certificates (RECs) for our US operations, and International Renewable Energy Certificates (IRECs) for our Singapore operations. Like REGOs in the UK, these each represent a unique claim to specific MWhs of renewable energy generated within their respective markets.</p> <p>Owing to the nature of renewable supply that qualifies for these certificates, per GHG Protocol guidance, associated carbon is zero. As the Group is sourcing REGOs equivalent to our total UK electricity consumption, the Group’s UK electricity emissions are zero under the market-based methodology.</p> <p>Overseas locations are accounted for as zero carbon since January 2020 as the Group sourced GOs, RECs and IRECs equivalent to our estimated overseas electricity. Prior to January 2020, overseas locations have been accounted for at a residual mix factor (the grid mix after all contracted supply has been discounted) in accordance with GHG Protocol guidance.</p>
Intensity calculation	To normalise year-on-year comparisons in line with business performance, we are also disclosing an intensity of emissions per million pounds of underlying income. This figure is in line with the revenue disclosed in our Annual Report and Accounts, and so covers calendar year 2021.
Source	The Group’s environmental system provided by Credit 360.



Part 3 - Environment

Part 3

Parameter:
Scope 3

Definition	<p>Scope 3 relates to: Emissions generated by:</p> <p>Well to Tank (WTT) emissions of energy sources, which account for greenhouse gases emitted during the extraction and transportation of fuels from the source to the point of supply; covering natural gas, oil, fuels used in the generation of the electricity, and fuels used in the vehicles we consume.</p> <p>Transmission and Distribution (T&D) emissions account for the greenhouse gases associated with electricity lost during transmission on the national grid, relative to those consumed on site.</p> <p>UK colleagues undertaking business travel using rail, privately-owned vehicles, hired vehicles, taxis, tube or by air, including direct and WTT elements.</p> <p>Commuting of UK and non-UK colleagues to and from their home address to Group sites.</p> <p>Colleague energy use whilst working from home.</p> <p>WTT emissions of commuting of UK and non-UK colleagues to and from their home address to Group sites.</p> <p>The operational waste we generate from our own UK and non-UK direct business activities. The word 'operational' is used to distinguish this from the waste that is generated by construction, refurbishment and maintenance work we undertake on our existing sites or through the construction of new sites, as well as the disposal of any IT/electronic equipment.</p> <p>Overnight hotel stays of UK and non-UK colleagues during business trips.</p>
Scope	<p>The reporting period is 1 October 2020 to 30 September 2021.</p> <p>The data is for:</p> <p>Business travel undertaken by UK-based colleagues and the associated WTT emissions.</p> <p>Operational waste, which includes general and confidential waste services for UK properties, provided by our FM partner, overnight hotel stays of all Group colleagues during business around the world.</p> <p>Commuting of all Group colleagues by any means of transport for each working day of the reporting period.</p> <p>Colleague heating and electricity energy use whilst working from home.</p> <p>WTT and T&D emissions from source energy, i.e. gas, oil and electricity.</p>
Units	<p>CO₂e tonnes</p>



Part 3 - Environment

Part 3			
Parameter: Scope 3 Continued	Method	Rail and air travel The distance travelled in kilometres (km) is calculated from the Group's online travel booking system HRG (Hogg Robinson Group) and the Group's expense systems. The Group Sourcing travel team manages the data and uploads the information to the Group's central environmental system supplied by Credit 360 which calculates the tO2e generated using BEIS 2021 emissions factors. The factors used change on a calendar year basis as per BEIS guidance.	
		Privately-owned vehicles The distance travelled in km for business travel in privately-owned vehicles is calculated from the Group's expense systems which reimburses colleagues on a cost per km travelled basis. The Group Sourcing Travel team manages this data and uploads the information to the Group's central environmental system supplied by Credit 360 which calculates the tCO2e generated using BEIS 2021emissions factors. The factors used change on a calendar year basis as per BEIS guidance.	
		Hire cars Hire car data is managed by the Lex Autolease business within the Group who collates the data from our hire cars suppliers. Data is then uploaded into the Group's central environmental system supplied by Credit 360, which then calculates the CO2e generated using BEIS 2021emissions factors. The factors used change on a calendar year basis as per BEIS guidance. Where distance travelled is not known for a hire period, an average mileage for their specific trip is used.	
		Commuting As part of our annual colleague survey, we ask colleagues to specify their primary mode of transport used to travel to work both before and during the coronavirus pandemic. Knowing colleagues' place of work and place of residence, we estimate the expected daily commuting distance through straight line distance mapping, adjusted to reflect additional distance associated with indirect travel routes. Utilising colleague entry card-swipe data and expected colleague commute distance by transport, by business unit, we can determine an expected annual distance travelled by colleagues. Results are upscaled, according to the proportion of colleagues who did not respond to the survey and those who could not be mapped and multiplied by emissions factors supplied by BEIS 2021.	
		Home working A large proportion of Lloyds Banking Group colleagues are now working from home; thus Lloyds Banking Group has expanded scope of reporting to account for incremental emissions activities now occurring at colleagues' households. Number of homeworkers globally is multiplied by expected incremental thermal energy allowance per work hour in the UK heating season (October to March). Workstation power allowance for the total sum of all devices used to facilitate work (lighting, laptop computer, secondary monitor, phone, printers etc.) are multiplied by number of work hours to provide total workstation electricity usage. Thermal and electrical energy requirements are multiplied by the UK natural gas conversion factor and grid electricity average respectively, as published by BEIS 2021, to determine total emissions.	
		Upstream emissions of other source The base data captured for gas, oil, electricity, fleet, rail and air travel, private vehicles, hire cars, commuting – calculated within the above Scope 1, 2 and 3 parameters – are applied to BEIS 2021 emissions factors covering WTT and T&D emissions.	
		Operational waste Operational waste is managed by our FM partner who receives information relating to the number and type of collections per site each month directly from sub-contractors and uploads this information to the Group's central environmental system supplied by Credit 360, which calculates the CO2e generated using BEIS 2021 emissions factors. Where primary waste data is unavailable, we estimate approximate waste volumes for sites which are not covered by waste collections by multiplying floor area by an intensity of actual data per unit floor area where both are available. Less than 10 per cent of data is estimated in this way.	
		Hotel stays Hotel stays data is managed through our HRG platform, recording room nights booked by country. Data is then uploaded into the Group's central environmental system supplied by Credit 360, which then calculates the CO2e generated using BEIS 2021 emissions factors. The factors used change on a calendar year basis as per BEIS guidance.	
		Source	The Group's environmental system provided by Credit 360.



Part 3 - Environment

Part 3



2. Water consumption

Definition	The amount of water supplied to our operations. This means our water consumption reporting covers the consumption of water used in all the buildings the Group operates from (UK and non-UK sites).
Scope	<p>The reporting period is 1 October 2020 to 30 September 2021.</p> <p>We report consumption arising from activities for which we are responsible; our reporting scope is against an operational boundary. This comprises: consumption from the use of water in UK buildings where the Group holds the supply contract directly with the water supplier and consumption from the use of water in buildings where the Group does not hold the supply contract directly with the water supplier (shadow/landlord sites/non-UK sites).</p>
Units	m ³
Method	<p>Water data for UK sites where the Group holds the water supply contract directly with the water supplier is managed by our FM partner who uploads the information into the Group's central environmental system supplied by Credit 360.</p> <p>We use a combination of historical consumption trends, forward-projected patterns of usage and budget forecasts to report on accruals to fit in with unbilled periods by the water suppliers.</p> <p>The amount of water used (in m³) is received directly from suppliers' invoices.</p> <p>If no data is available for a Core site in a given period, yet the site is known to still be active within our portfolio according to our internal property database, we will use the consumption data reported in the equivalent period for the previous year as an approximate.</p> <p>Water data – shadow/landlord/non-UK sites, are those where the Group does not hold the water supply contract directly with the water supplier.</p> <p>As the Group is not billed directly for water consumed in these sites, we do not have full visibility of consumption data.</p> <p>To allow consumption relating to these sites to be included within our reporting for 2021, an estimation using an average water consumption level per occupied square metre (obtained from sites where the Group holds the water supply contract directly with the supplier) has been calculated and applied based on each site's location.</p>
Source	The Group's environmental system provided by Credit 360.



Part 3 - Environment

Part 3



3. Operational waste

Definition	The operational waste we generate from our own UK and non-UK direct business activities. The word 'operational' is used to distinguish this from the waste that is generated by construction, refurbishment and maintenance work we undertake on our existing sites or through the construction of new sites, as well as the disposal of any IT/electronic equipment.
Scope	<p>The reporting period is the 1 October 2020 to 30 September 2021.</p> <p>Operational waste includes the general and confidential waste services provided by our FM partner.</p> <p>Construction waste (i.e. waste created through building or refurbishment of sites) is captured separately and not included within this data.</p> <p>IT/electronic equipment waste, sanitary waste and waste produced as a result of maintenance activity are not included in the scope of this reporting, as no data is centrally collated in respect of these waste streams.</p> <p>The data is for UK properties where the general and confidential waste management service is provided, and estimates for sites outside of the scope of contract, including landlord sites and non-UK sites.</p>
Units	Tonnes
Method	<p>Operational waste is managed by our FM partner who receives information relating to the number and type of collections per site each month directly from sub-contractors and uploads this information to the Group's central environmental system supplied by Credit 360.</p> <p>Sub-contractors supply the number of each container type that is removed from our sites on a monthly basis. Agreed average weights are then applied to each container type (that is not weighed on collection) to estimate the volume of waste removed.</p> <p>For confidential waste, industry standard averages according to waste type and typical container volume are used.</p> <p>For general non-confidential waste, where possible, the sub-contractor weighs the containers at the point of collection, however, if actual weight is not available then average weights are applied as per the following hierarchy:</p> <ol style="list-style-type: none">1. Taking an average of any weights on the actual sites contract over the last 6 months.2. If there are no weighs on the sites contract for the last 6 months, then an average weight for container type, e.g. 1100 for Dry Mixed Recycling (DMR) at account number level is applied.3. If no average weight is available for this, then we calculate the average weight per cubic metre of the product type, e.g. DMR at account level. <p>Where primary waste data, per the above, is unavailable, we estimate approximate waste volumes for sites which are not covered by waste collections by multiplying floor area by an intensity of actual data per unit floor area, where both are available. Less than 10 per cent of data is estimated in this way.</p>
Source	The Group's environmental system provided by Credit 360.



Part 3 - Environment

Part 3



4. Total energy consumption

Definition	This relates to the energy consumption data used to generate the emissions reported as part of the Group's Scope 1 and 2 GHG emissions, where the sum of total energy from the electricity, gas, oil and vehicle fuel used as a result of our own direct business activities is calculated and converted to Gigawatt hours (GWh).
Scope	The reporting period is 1 October 2020 to 30 September 2021. Scope includes total energy used in our Core UK sites plus energy used in UK sites where the Group does not hold the supply contract directly with the energy supplier (shadow/landlord sites) and energy consumed in international locations (non-UK sites), plus unmetered ATMs and company-owned vehicles.
Units	GWh (Gigawatt hours)
Method	Energy data (gas, oil and electricity) Energy data relating to the Group's Core UK sites is managed by our FM partner who uploads the information to the Group's central environmental system supplied by Credit 360. The volumes of gas (KWh), electricity (KWh) and oil (litres) for Core UK sites are received directly from suppliers' invoices. We use a combination of historical consumption trends, forward-projected patterns of usage and budget forecasts to report on accruals to fit in with unbilled periods by the electricity and gas suppliers. Oil data is only captured at the time of delivery/invoicing, therefore, oil usage is reported for the month when the oil is delivered (not when it is actually subsequently consumed). Shadow/landlord sites/non-UK sites, those where the Group does not hold the energy supply contract directly with the supplier. As the Group is not billed directly for energy consumed in these sites, we do not have full visibility of consumption data. To allow consumption relating to these sites to be included within reporting, an estimation using an average gas/electricity consumption level per occupied square metre (obtained from sites where the Group holds the energy supply contract directly with the supplier) has been calculated. To calculate energy totals - Gas (KWhs) used in Core UK sites, shadow/landlord sites/non-UK sites are added together and converted to GWh to calculate oil energy totals Oil (in litres) delivered to UK sites, is converted to GWh using the BEIS 2021 emissions factors to calculate electricity energy totals. Electricity (KWhs) used in Core UK sites, shadow/landlord sites/non-UK sites and unmetered ATMs is added and converted to GWh. Energy data (Fleet) The distance travelled in kilometres (km) for fleet cars is calculated from the Group's expense systems which reimburses colleagues on a cost per km travelled basis. The Group Sourcing travel team manages the fleet data and uploads the information to the Group's central environmental system supplied by Credit 360 which calculates the CO ₂ e generated using BEIS 2021 emissions factors. Mobile branch fuel consumption is estimated by dividing total fuel expenditure by the charged cost per litre of diesel used. Resulting volumes are multiplied by BEIS emissions factors. Total vehicle emissions are then divided by the BEIS emissions factor for kg of CO ₂ e per unit energy for the corresponding fuel type burned in order to express consumption in GWhs. To calculate the total energy consumption, all individual energy consumption totals are added together.
Source	The Group's environmental system provided by Credit 360.



Part 4 - Customer support

Part 4

Parameter:
Number of start-ups and small businesses supported

Definition	Number of start-ups and small businesses supported.
Scope	Records opening of first LBG current account for start-ups and small businesses ¹ , either new to LBG or those previously operating from a personal account to support SME segment. If a personal customer using their personal account to trade as a business is identified, they would be actively encouraged to open a business account and that would count as a Start Up. Metric excludes new current accounts opened by existing personal current account customers to access the Bounce Back Loans Scheme. ¹ "Businesses" comprise both for-profit enterprises and not-for-profit enterprises, such as charities. Not-for-profit enterprises comprise approximately 10% of this number.
Units	Cardinal number
Method	On a weekly basis, the data owner receives a file from the Retail Business Reporting team including data on accounts opened in that week. These are broken down into Branch Business Banking, Community Banking, New Customer Support and an unknown section. The unknown section is where the source ID could not be matched against a hierarchy to match it to a function. This data is extracted from the Group Data Warehouse. The data owner maintains a record of this data and accumulates it each week to provide weekly, quarterly and annual volumes. Reporting works in Trade week cycles (Saturday - Friday). In 2021, week 1 began on 02/01 and week 52 ended on 31/12.
Source	Group Data Warehouse.

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