



Lloyds Banking Group ESG Reporting Framework Index 2022

Lloyds Banking Group is a signatory to the Principles of Responsible Banking (the Principles) which reinforces the Group's commitment to align to the Paris Climate Agreement and the United Nations Sustainable Development Goals (SDGs) which inform our Group Purpose and Strategy.

UNEP FI Principles of Responsible Banking (PRB) Self-Assessment Report

PRB Self Assessment Report

Principle 1 – Alignment:

We will align our business strategy to be consistent with and contribute to individuals needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Reporting and self-assessment requirements

Business model

Describe (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank’s portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

High level summary of the Group’s response

Annual Report and Accounts 2022:

- Our unique business model

ESG Performance Review 2022:

- About Lloyds Banking Group
- Supporting our customers

Environmental Sustainability Report 2022:

Bank lending to customers in sectors with increased climate risk

Reference(s) to the Group’s full response/relevant information

[Group Overview - Lloyds Banking Group plc](#)

PRB Self Assessment Report

Principle 1 – Alignment:

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Reporting and self-assessment requirements

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes
 No
 Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
 International Labour Organization fundamental conventions
 UN Global Compact
 UN Declaration on the Rights of Indigenous Peoples
 Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk – please specify which ones: -----
 Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery – please specify which ones: -----
 None of the above

High level summary of the Group’s response

Annual Report and Accounts 2022

- Our strategy

Social Sustainability Report 2022:

- Driven by our purpose
- Focusing our impact

Environmental Sustainability Report 2022:

- Sustainable Development Goals
- Our environmental sustainability strategy

ESG Performance Review 2022:

- Frameworks that guide our reporting
- Industry partnerships and commitments

Environmental Sustainability Report 2022:

- Engagement strategy

Reference(s) to the Group’s full response/relevant information

[Strategy and purpose - Lloyds Banking Group plc](#)

- **Annual Report and Accounts 2022**
- **Social Sustainability Report 2022**
- **Environmental Sustainability Report 2022**

[Responsible Business downloads - Lloyds Banking Group plc](#)

[Net zero activity update - October 2022 \(lloydsbankinggroup.com\)](#)

[Human rights policy statement \(lloydsbankinggroup.com\)](#)

[Modern slavery and human trafficking statement 2021 \(lloydsbankinggroup.com\)](#)

PRB Self Assessment Report

Principle 2– Impact and Target Setting:

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Reporting and self-assessment requirements	High level summary of the Group’s response	Reference(s) to the Group’s full response/relevant information
<p>2.1 Impact Analysis Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):</p> <p>a) Scope: What is the scope of your bank’s impact analysis? Please describe which parts of the bank’s core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.</p>	<p>a) Annual Report and Accounts 2022:</p> <ul style="list-style-type: none"> • Our unique business model <p>ESG Performance Review 2022:</p> <ul style="list-style-type: none"> • Our approach to ESG <p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Driven by our purpose • Focusing our impact <p>Environmental Sustainability Report 2022</p>	<p>Strategy and purpose - Lloyds Banking Group plc</p> <ul style="list-style-type: none"> • Annual Report and Accounts 2022 • Social Sustainability Report 2022 • Environmental Sustainability Report 2022
<p>b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope</p> <p>i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or</p> <p>ii) by products & services and by types of customers for consumer and retail banking portfolios.</p> <p>If your bank has taken another approach to determine the bank’s scale of exposure, please elaborate, to show how you have considered where the bank’s core business/major activities lie in terms of industries or sectors. ‘Key sectors’ relative to different impact areas, i.e., those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.</p>	<p>b) Annual Report and Accounts 2022:</p> <ul style="list-style-type: none"> • Our unique business model • Delivering value for all our stakeholders • Our strategy <p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Driven by our purpose • Focusing our impact <p>ESG Performance Review 2022</p> <ul style="list-style-type: none"> • Materiality and stakeholder engagement <p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Bank lending to customers in sectors with increased climate risk 	<p>https://www.lloydsbankinggroup.com/assets/pdfs/who-we-are/responsible-business/downloads/2022-reporting/2022-lbg-social-sustainability-report.pdf</p> <ul style="list-style-type: none"> • Annual Report and Accounts 2022 • Social Sustainability Report 2022 • Environmental Sustainability Report 2022

PRB Self Assessment Report

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Reporting and self-assessment requirements	High level summary of the Group’s response	Reference(s) to the Group’s full response/relevant information
<p>c) Context. What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.</p>	<p>c) ESG Performance Review 2022</p> <ul style="list-style-type: none"> Materiality and stakeholder engagement Our material ESG topics Focusing our impact <p>Annual Report and Accounts 2022</p> <ul style="list-style-type: none"> Delivering value for all our stakeholders Our external environment Governance in action 	<ul style="list-style-type: none"> Annual Report and Accounts 2022 ESG Performance Review 2022 <p>Sustainable finance – Lloyds Banking Group plc</p>
<p>Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)</p>	<p>To deliver on our purpose, we have identified four focus areas where we are best placed to provide significant positive change, enabling us to create a more inclusive society and sustainable future. Tackling the climate crisis through supporting the transition to a low carbon economy is core to our Group strategy and underpins our four focus areas to deliver on our purpose</p> <p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> Driven by our purpose Focusing our impact 	<ul style="list-style-type: none"> Social Sustainability Report 2022 Environmental Sustainability Report 2022
<p>d) Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank’s context.</p>	<p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> Driven by our purpose Focusing our impact Improving access to quality housing <p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> Our sustainable lending and investment targets Our emissions update Evaluating the resilience of our strategy 	<ul style="list-style-type: none"> Social Sustainability Report 2022 Environmental Sustainability Report 2022

PRB Self Assessment Report

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Reporting and self-assessment requirements	High level summary of the Group’s response	Reference(s) to the Group’s full response/relevant information
<p>2.2 Target Setting Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.</p> <p>The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:</p> <p>a) <u>Alignment:</u> which international, regional or national policy frameworks to align your bank’s portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.</p> <p>b) <u>Baseline:</u> Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.</p> <p>c) <u>SMART targets</u> (incl. key performance indicators (KPIs)): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose. Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.</p> <p>d) <u>Action plan:</u> which actions including milestones have you defined to meet the set targets? Please describe.</p>	<p>During 2022, we have identified high-impact focus areas which are material to the Group, but also where we are best-placed to act and deliver significant positive change through cross-Group efforts. We have established clear ownership for each of these areas and are bringing the organisation together to truly maximise its capabilities and the contribution to building a more sustainable and inclusive society. In 2023 the Group will aim to develop further targets to support the focus areas of our Purpose.</p> <p>Current targets: Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> We have set several ambitions across our Group to support the decarbonisation of our business in line with limiting global warming to 1.5°C, including our new supply chain ambition which was developed in 2022. <p>Improving access to quality housing & Greening the built environment</p> <ul style="list-style-type: none"> £10 billion green mortgage lending by 2024. <p>Inclusion and diversity leadership</p> <ul style="list-style-type: none"> 50 per cent women in senior roles by 2025 13 per cent Black, Asian and Ethnic Minority colleagues in senior roles by 2025 3 per cent Black heritage representation in senior roles by 2025 	<p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> Promoting financial inclusion and resilience Improving access to quality housing Enabling regional development Inclusion and diversity leadership <p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> Our emissions reduction targets and ambitions. Our sustainable lending and investment targets Transition plan : Homes

PRB Self Assessment Report

Principle 2– Impact and Target Setting:

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Reporting and self-assessment requirements	High level summary of the Group’s response	Reference(s) to the Group’s full response/relevant information
<p>2.3 Target implementation and monitoring</p> <p>For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Report on your bank’s progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.</p> <p>Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.</p>	<p>In February 2022, as part of our new strategy, we set out an ambition to become a truly purpose-driven organisation and we are taking steps to embed purpose at the core of our business decision making, operations and culture.</p> <p>Core to our purpose and strategy is our focus on building a more inclusive society and supporting the transition to a low carbon economy, as this is where we can make the biggest difference, while creating new opportunities for our future growth. It is only by doing right by our customers, colleagues and communities that we can achieve higher, more sustainable returns for investors, while meeting the needs of our broader stakeholders.</p> <p>The Board of Lloyds Banking Group is responsible for the long-term success of the Group, setting and overseeing purpose, culture, values and strategy for the Group. Together with the Group Executive Committee, the Board actively drives our efforts and engages in shaping our strategic plans, ensuring these are aligned to our purpose, while overseeing their delivery.</p> <p>During 2022, we have identified high-impact focus areas which are material to the Group, but also where we are best-placed to act and deliver significant positive change through cross-Group efforts.</p> <p>We have established clear ownership for each of these areas and are bringing the organisation together to truly maximise its capabilities and the contribution to building a more sustainable and inclusive society. In 2023 the Group will aim to develop further targets to support the focus areas of our Purpose.</p>	<p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Our emissions reduction targets and ambitions. • Our sustainable lending and investment targets • Transition plan : Homes <p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Promoting financial inclusion and resilience • Improving access to quality housing • Enabling regional development • Inclusion and diversity leadership

PRB Self Assessment Report

Principle 3 – Clients and Customers:

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Reporting and self-assessment requirements	High level summary of the Group's response	Reference(s) to the Group's full response/relevant information
<p>3.1 Client engagement</p> <p><i>Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?</i></p> <p>✓ Yes <input type="checkbox"/> In progress <input type="checkbox"/> No</p> <p><i>Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?</i></p> <p>✓ Yes <input type="checkbox"/> In progress <input type="checkbox"/> No</p> <p>Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.</p>	<p>The Code of Ethics and Responsibility brings together all of the different elements that define how we work and ensure that we do business responsibly. At Lloyds Banking Group, being purpose-driven means operating ethically, sustainably and inclusively, meeting our legal requirements and always considering our impact on our customers, colleagues, the environment and society. Our policies, procedures and standards set the foundations for our behaviours and decision-making. These translate the Group's risk appetite into mandatory requirements.</p> <p>A comprehensive policy framework and procedures are in place throughout the Group to ensure appropriate controls and processes that deliver good customer outcomes, and support market integrity and competition requirements</p> <p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • How we support our stakeholders • Transition plan • Scottish Widows engagement strategy • Our supply chain ambition 	<ul style="list-style-type: none"> • Environmental Sustainability Report 2022 • ESG Performance Review 2022 • Lloyds Banking Group Code of Ethics and Responsibility • Lloyds Banking Group Human Rights Policy Statement • Lloyds Banking Group Modern Slavery and Human Trafficking Statement • Lloyds Banking Group Sector Statements <p>Responsible Business downloads - Lloyds Banking Group plc</p>
<p>3.2 Business opportunities</p> <p>Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).</p>	<p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Our sustainable lending and investment targets • Identifying our climate opportunities • Initiatives in action <p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Improving access to quality housing • Enabling regional development • Promoting financial inclusion and resilience 	<ul style="list-style-type: none"> • Environmental Sustainability Report 2022 • Social Sustainability Report 2022 <p>Sustainable finance - Lloyds Banking Group plc</p> <p>Supporting the UK housing market - Lloyds Banking Group</p> <p>Supporting businesses - Lloyds Banking Group plc</p> <p>Financial resilience and wellbeing - Lloyds Banking Group plc</p>

PRB Self Assessment Report

Principle 4 – Stakeholders:

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals..

Reporting and self-assessment requirements	High level summary of the Group’s response	Reference(s) to the Group’s full response/relevant information
<p>4.1 Stakeholder identification and consultation <i>Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?</i></p> <p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No </p> <p>Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank’s impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process. Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations</p>	<p>ESG Performance Review 2022: Materiality and stakeholder engagement</p> <p>Annual Report and Accounts 2022: Board leadership and company purpose</p> <p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • How we support our stakeholders • Transition plan: Engagement strategy <p>Social Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Promoting financial inclusion and resilience • Enabling regional development • Improving access to quality housing • Inclusion and diversity leadership 	<ul style="list-style-type: none"> • ESG Performance Review 2022 • Environmental Sustainability Report 2022 • Social Sustainability Report 2022

PRB Self Assessment Report

Principle 5– Governance & Culture:

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

Reporting and self-assessment requirements	High level summary of the Group’s response	Reference(s) to the Group’s full response/relevant information
<p>5.1 Governance Structure for Implementation of the Principles</p> <p>Does your bank have a governance system in place that incorporates the PRB? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No</p> <p>Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about</p> <ul style="list-style-type: none"> • which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to), • details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as • remuneration practices linked to sustainability targets. 	<p>ESG Performance Review 2022:</p> <ul style="list-style-type: none"> • Responsible business , governance and accountability <p>Annual Report and Accounts 2022:</p> <ul style="list-style-type: none"> • Responsible Business Committee Report • Our 2022 balanced scorecard <p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Governance 	<ul style="list-style-type: none"> • Environmental Sustainability Report 2022 • Annual Report and Accounts 2022 • ESG Performance Review 2022 <p>Corporate governance – Lloyds Banking Group plc Responsible Business Committee Terms of Reference (lloydsbankinggroup.com)</p>
<p>5.2 Promoting a culture of responsible banking:</p> <p>Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).</p>	<p>Annual report and Accounts 2022:</p> <ul style="list-style-type: none"> • Our 2022 balanced scorecard • Board leadership and company purpose: Our new values <p>Social Sustainability Report 2022</p> <ul style="list-style-type: none"> • Driven by our purpose • Learning and development: Performance management <p>Environmental Sustainability Report 2022</p> <ul style="list-style-type: none"> • Governance: skills and training 	<ul style="list-style-type: none"> • Annual Report and Accounts 2022 Remuneration report. • Social Sustainability Report 2022 • Environmental Sustainability Report 2022
<p>5.3 Policies and due diligence processes</p> <p>Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe. Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio.</p>	<p>Environmental Sustainability Report 2022:</p> <ul style="list-style-type: none"> • Credit risk • Scottish Widows 	<ul style="list-style-type: none"> • Environmental Sustainability Report 2022 • Lloyds Banking Group Sector Statements • Lloyds Banking Group Human Rights Policy Statement <p>Responsible Business downloads – Lloyds Banking Group plc</p>

PRB Self Assessment Report

Principle 6 – Transparency & Accountability:

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

Reporting and self-assessment requirements	High level summary of the Group's response	Reference(s) to the Group's full response/relevant information
<p>6.1 Assurance</p> <p>Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> Partially <input type="checkbox"/> No</p> <p>If applicable, please include the link or description of the assurance statement.</p>	<p>Lloyds Banking Group have obtained independent limited assurance over specific key performance indicators, assertions and data disclosed in our Annual Report and Accounts 2022, Social Sustainability Report 2022, ESG Performance Review 2022 and Environmental Sustainability Report 2022.</p>	<p>Responsible Business downloads - Lloyds Banking Group plc</p> <ul style="list-style-type: none"> • Deloitte independent assurance Statement, Lloyds Banking Group Reporting Criteria 2022
<p>6.2 Reporting on other frameworks</p> <p>Does your bank disclose sustainability information in any of the listed below standards and frameworks?</p> <p><input checked="" type="checkbox"/> GRI</p> <p><input checked="" type="checkbox"/> SASB</p> <p><input checked="" type="checkbox"/> CDP</p> <p><input type="checkbox"/> IFRS Sustainability Disclosure Standards (to be published)</p> <p><input checked="" type="checkbox"/> TCFD</p> <p><input checked="" type="checkbox"/> Other:</p>	<p>ESG disclosures are prepared based on global sustainability frameworks, standards and voluntary initiatives including:</p> <ul style="list-style-type: none"> - GRI - SASB - WEF Stakeholder Capitalism Metrics - TCFD - NZBA - CDP - UNGC - UNEP FI PRB 	<ul style="list-style-type: none"> • ESG Performance Review 2022 • ESG Reporting Frameworks Index 2022 • Environmental Sustainability Report 2022 • Lloyds Banking Group Human Rights Policy Statement
<p>6.3 Outlook</p> <p>What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis , target setting and governance structure for implementing the PRB)? Please describe briefly.</p>	<p>We will continue to drive progress over the next 12 months. We will ensure our purpose is at the heart of everything we do, and embed it throughout our operations, making it an even more important part of our culture. In 2023 the Group will aim to develop further targets to support the focus areas of our Purpose. In 2023 we will develop two further sector targets for financed emissions. As we begin to develop and build our transition plans, we will continue to reflect on opportunities to support a Just Transition. Our intention in 2023 is to bring forward concrete plans to move forward our nature ambitions.</p>	<ul style="list-style-type: none"> • Social Sustainability Report 2022 • Environmental Sustainability Report 2022 • Annual Report and Accounts 2022

Lloyds Banking Group has been reporting using the SASB disclosure framework since 2020. We continue to review and enhance our methodologies and framework for reporting our ESG performance and in doing so, we have identified the SASB disclosure framework as being an important reporting tool that addresses the needs of our investors. Whilst some new disclosures have been included in 2022, we anticipate our disclosures will evolve each year and that we will be able to enhance the depth of our reporting against the SASB framework, to include reporting against additional indicators in 2023 and beyond.

The table details our disclosures against the SASB standards and indicators. Lloyds Banking Group is a UK focused financial services provider and therefore where required, certain indicators have been adapted to reflect this. We have adapted these indicators with the intention of preserving the spirit and meaning of the indicator to allow investors to use the information for decision making purposes in-line with the SASB Framework and Guidelines. If an indicator is applicable across more than one business area or the disclosure is at Group level this is shown in the table.

We have included references to relevant information in our 2022 annual reporting suite and any supplementary information that may support our disclosures.

Key

- ARA: [Lloyds Banking Group Annual Report and Accounts 2022](#)
- ESR: [Lloyds Banking Group environmental sustainability report 2022](#)
- SSR: [Lloyds Banking Group social sustainability report 2022](#)
- ESG: [Lloyds Banking Group ESG performance review 2022](#)

Sustainability Accounting Standards Board (SASB)

Sustainability Accounting Standards Board

Group level indicators – The following disclosures are taken from individual standards and disclosed at a Group level to reflect a business-wide approach or apply to more than one business area

Topic	Account metric	Disclosure	SASB Code
Customer privacy	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Note 37: Other provisions ARA, page 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-CF-220a.2
Data security	Description of approach to identifying and addressing data security risks	Data Risk ARA, page 175 Operational risk – Cyber security ARA, page 188	FN-CB-230a.2 FN-CF-230a.3
	Card-related fraud losses from card-not present fraud and card-present and other fraud	Operational risk events by risk category (losses greater than or equal to £10,000), excluding PPI ARA, page 187	FN-CF-230a.2
Financial inclusion and capacity building	Number of checking and savings accounts by segments: personal and small business	Commercial Banking deposits – total Customer deposits to all Commercial Banking clients ARA, page 49	FN-CB-000.A
	Number of loans by segments: personal, small business and corporate	Small and Medium Businesses and Corporate and Institutional Banking – total of the two is total net lending for Commercial Banking ARA, page 49	FN-CB-000.B
	Amount of loans outstanding qualified to programs designed to promote small business and community development	Community Investment ESG, page 24	FN-CB-240a.1
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers*	Share of social bank accounts we support 2022 ESG, page 12	FN-CB-240a.2

Topic	Account metric	Disclosure	SASB Code
Financial inclusion and capacity building	Amount of past due and non-accrual loans qualified to programmes designed to promote SME and Community Development	Small and Medium Businesses – this is net customer lending to clients with <£100m turnover ARA, page 49	FN-CB-240a.2
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Number of small businesses helped to boost their digital capability and technology adoption ESG, page 23 Lloyds Bank Academy ESG, Page 21 and 23 We Are Digital Helpline ESG, Page 20 Financial Capability ESG, page 20	FN-CB-240a.4
Incorporation of environmental, social and governance factors in credit analysis	Description of approach to incorporation of environmental, social and governance factors in credit analysis	ESR, pages 61-64, 66 ARA, pages 35-36	FN-CB-410a.2
Policies designed to incentivise Responsible Behaviour	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviours	Environmental Sustainability Report 2022, Page 16, 20, 73 ARA, pages 35-36	FN-IN-410b.2
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Note 37: Other provisions ARA, page 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-CB-510a.1 FN-AC-510a.1
Systemic Risk Management	Description of whistle-blower policies and procedures	Supporting colleagues – whistleblowing ARA, page 83	FN-CB-510a.2 FN-AC-510a.2

Sustainability Accounting Standards Board

Group level indicators – The following disclosures are taken from individual standards and disclosed at a Group level to reflect a business-wide approach or apply to more than one business area

Topic	Account metric	Disclosure	SASB Code
Systemic risk management	Global Systemically Important Bank Score, by Category	Minimum requirement for own funds and eligible liabilities (MREL) and G-SIB indicators ARA, page 146 and 151	FN-CB-550a.1
	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	Derivative credit risk exposures ARA, page 169	FN-IN-550a.1
Systemic risk management (insurance)	Total fair value of securities lending collateral assets	Collateral held as security for financial assets ARA pages 155, 323	FN-IN-550a.2
	Description of approach to managing capital and liquidity - related risks associated with systemic non-insurance activities	Capital risk ARA, pages 176-185, 329	FN-IN-550a.3
	Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management	Funding and liquidity risk ARA, page 171	FN-AC-550a.2
Systemic risk management (asset management & custodianship)	Total exposure to securities financing transactions	Capital and Risk Management Pillar 3 Report COUNTERPARTY CREDIT RISK EXPOSURES Financial downloads - Lloyds Banking Group plc	FN-AC-550a.3
	Net exposure to written credit derivatives	Capital and Risk Management Pillar 3 Report NET DERIVATIVES CREDIT EXPOSURE Financial downloads - Lloyds Banking Group plc	FN-AC-550a.4

Topic	Account metric	Disclosure	SASB Code
Customer privacy	Number of account holders whose information is used for secondary purposes	100% -Lloyds Banking Group complies with GDPR which allows for secondary purposes of processing e.g. prevent economic crime; provide it is undertaken lawfully and transparently.	FN-CF-220a.1
	Percentage of complaints disputed by customer	3% - Complaints referred to FOS for Credit Cards, Loans and Motor Finance only	FN-CF-270a.4
Selling practices	Percentage of complaints that resulted in investigation by the CFPB	83.5% - FOS decisions where they have investigated the complaint - related to Cards and Loans only.	FN-CF-270a.4
	Number of complaints filed with the Consumer Financial Protection Bureau (CFPB)*	FCA reportable complaints per 1,000 accounts ESG, page 14	FN-CF-270a.4
	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Note 37: Other provisions ARA, pages 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-CF-270a.5
Lending practices	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Note 37: Other provisions ARA, pages 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-MF-270a.3
	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	Note 37: Other provisions ARA, pages 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-MF-270b.2

*Adapted for non - US markets

Sustainability Accounting Standards Board

Group level indicators – The following disclosures are taken from individual standards and disclosed at a Group level to reflect a business-wide approach or apply to more than one business area

Commercial Banking – The following disclosures are taken from individual standards and disclosed for Commercial Banking only

Topic	Account metric	Disclosure	SASB Code
Transparent information & fair advice for customers (I&W)	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers	Note 37: Other provisions ARA, page 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-AC-270a.2
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers	Note 37: Other provisions ARA, Page 281-282 Note 47: Contingent liabilities, commitments and guarantees ARA, pages 292-293	FN-IN-270a.1
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Our 2022 inclusion and diversity performance ARA Page 34 Our employees ESG, page 19 and 20	FN-AC-330a.1
Systemic risk management	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Capital stress testing ARA, page 151	FN-CB-550a.2
Transparent Information & Fair Advice for Customers (I&W)	Description of approach to informing customers about products and services	Governance in action (section 172 (1) statement) ARA, page 10	FN-IN-270a.4 FN-AC-270a.3
	Complaints-to-claims ratio	FCA reportable complaints per 1,000 accounts ESG, page 14	FN-IN-270a.2
	Customer retention rate	Customer satisfaction net promoter score ARA, page 33	FN-IN-270a.3

Topic	Account metric	Disclosure	SASB Code
Incorporation of environmental, social and governance factors in credit analysis	Commercial and industrial credit exposure by industry	Capital and Risk Management Pillar 3 Report ANALYSIS OF CREDIT RISK EXPOSURES BY INDUSTRY Financial downloads – Lloyds Banking Group plc 2022	FN-CB-410a.1
	Value of checking and savings accounts by segment: (a) personal and (b) small business	Commercial Banking deposits – total Customer deposits to all Commercial Banking clients ARA, page 49	FN-CB-000.A
Activity metrics - disclosed to allow for normalisation and comparison of data.	Value of loans by segment: (a) personal, (b) small business, and (c) corporate	Small and Medium Businesses and Corporate and Institutional Banking – total of the two is total net lending for Commercial Banking ARA, page 49	FN-CB-000.B

Sustainability Accounting Standards Board

Retail Banking – The following disclosures are taken from individual standards and disclosed for Retail Banking only

Topic	Account metric	Disclosure	SASB Code
Environmental risk to mortgaged properties	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	Climate scenario analysis undertaken, ESR 2022, Page 69-71 Progress against TCFD recommendations ARA, page 37	FN-MF-450a.3
Lending practices	Value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above or below 660	UK Mortgages ARA, page 169-172	FN-MF-270a.1
	Value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660	Retail forbearance ARA, page 171	FN-MF-270a.2
Activity metrics – disclosed to allow for normalisation and comparison of data	Value of mortgages originated by category: (a) residential and (b) commercial	Commercial Banking UK Direct Real Estate ARA, page 173-174	FN-MF-000.A
	Value of mortgages purchased by category: (a) residential and (b) commercial	Commercial Banking UK Direct Real Estate ARA, page 173-174	FN-MF-000.B

Insurance & Wealth Banking – The following disclosures are taken from individual standards and disclosed for Insurance & Wealth only

Topic	Account metric	Disclosure	SASB Code
Incorporation of environmental, social and governance factors in investment management	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	Financed emissions ESR, pages 8-9, 11-12, 14, 26 Progress against TCFD recommendations ARA, page 37	FN-IN-410a.2
Environmental risk exposure (insurance)	Total amount of monetary losses attributable to insurance payouts from (1) modelled natural catastrophes and (2) non-modelled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	ESR, page 66 – Percentage of expected losses	FN-IN-450a.2
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	Insurance underwriting risk ESR, page 61	FN-IN-450a.3
Incorporation of environmental, social, and governance factors in investment management & advisory	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	Financed emissions ESR, pages 8-9, 11-12, 14, 26 Progress against TCFD recommendations ARA, Page 37	FN-AC-410a.2
	Description of proxy voting and investee engagement policies and procedures	Financed emissions ESR 2022, pages 21,39 Progress against TCFD recommendations ARA, page 37	FN-AC-410a.3

Sustainability Accounting Standards Board

Insurance & Wealth Banking – The following disclosures are taken from individual standards and disclosed for Insurance & Wealth only

Topic	Account metric	Disclosure	SASB Code
Activity metrics – disclosed to allow for normalisation and comparison of data	(1) Total registered and (2) total unregistered assets under management (AUM)	Divisional results – Insurance, Pensions and investment performance summary ARA, Pages 62–64	FN-AC-000.A

Our ESG Report and this accompanying index have been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. This GRI Index covers our material topics and follows GRI Standards 2016 and, where relevant, 2018.

We use the GRI framework, as well as others such as TCFD, SASB and the WEF Stakeholder Capitalism Metrics, to maintain the rigour of our annual ESG reporting. The reporting follows the calendar year (noting that our environmental indicators relate to the period 1 October to 30 September) and covers all of our legal entities. Note that occupational health and safety data covers all employees and workers. Diversity data – from our HR system (Workday) – covers all permanent colleagues including international colleagues, those on parental/maternity leave, absent without leave and long-term sick; however, it excludes contractors, Group non-executive directors, temps and agency staff.

We include information and data related to our strategy, governance, key initiatives and processes, performance and progress against our wider responsible business goals and our purpose to Help Britain Prosper. The main elements of our reporting suite are listed here; they, along with additional sustainability-related information, that can be found in the Responsible Business [Downloads centre](#).

Key

- ARA: [Lloyds Banking Group Annual Report and Accounts 2022](#)
- ESR: [Lloyds Banking Group environmental sustainability report 2022](#)
- SSR: [Lloyds Banking Group social sustainability report 2022](#)
- ESG: [Lloyds Banking Group ESG performance review 2022](#)

GRI standards content index 2022

GRI standards

General standard disclosures			
Disclosure	Description	References 2022	Further comments
Organisation profile			
2-1	Organisation details	Lloyds Banking Group	
2-2	Entities included in sustainability reporting	Lloyds Banking Group	
2-3	Reporting period, frequency and contact point	<p>The data and examples across our annual reporting suite, reflect activities undertaken during the 2022 fiscal year (1 January to 31 December 2022) and, where relevant to performance, refer to activities and events before and after this period.</p> <p>Our annual reporting suite was published on the 22nd February, 2023.</p> <p>Contact us</p>	
2-5	External assurance	<p>ARA, pages 197-209</p> <p>Deloitte Non-Financial Assurance Statement opinion</p>	
2-6	Activities, value chain and other business relationships	<p>ARA, page 3</p> <p>ESG, page 24</p>	
2-7	Employees	<p>ARA, page 35</p> <p>SSR, page 27</p> <p>ESG, page 19</p>	
2-8	Workers who are not employees	ARA, page 66	

GRI standards

General standard disclosures			
Disclosure	Description	References 2022	Further comments
2-9	Governance structure and composition	ARA, pages 74 -88	
2-10	Nomination and selection of the highest governance body	Nomination and Governance Committee report ARA, pages 92 – 94	
2-11	Chair of the highest governance body	Robin Budenberg ARA, page 78	
2-12	Role of the highest governance body in overseeing the management of impacts	ARA, pages 78 – 85, 104	
2-13	Delegation of responsibility for managing impacts	ARA, pages 83, 104 ESG, page 4	
2-14	Role of the highest governance body in sustainability reporting	Responsible Business Committee Terms of Reference	
2-15	Conflicts of interest	ARA, page 134	
2-16	Communication of critical concerns	ARA, pages 10 -11, 82 – 83 ESG, pages 5 -6	
2-17	Collective knowledge of the highest governance body	ARA, page 88	
2-18	Evaluation of the performance of the highest governance body	ARA, pages 89 - 90	
2-19	Remuneration policies	ARA, pages 105 - 131	
2-20	Process to determine remuneration	ARA, pages 105 - 131	
2-21	Annual total compensation ratio	ARA, page 118	

GRI standards

General standard disclosures			
Disclosure	Description	References 2022	Further comments
2-22	Statement on sustainable development strategy	ARA, Chair statement, pages, 8 - 9 ARA, CEO review, pages 13 - 14 SSR, CEO statement, pages, 5-6 ESR, CEO statement, pages 3-5	
2-23	Policy commitments	Lloyds Banking Group code of ethics and responsibility Lloyds Banking Group human rights policy Lloyds Banking Group sector statements	
2-24	Embedding policy commitments	ARA, pages 38-43, 71 - 134	
2-25	Process to remediate negative impacts	ESG, pages 14, 23	
2-26	Mechanisms for seeking advice and raising concerns	ESG, page 23 Lloyds Banking Group code of ethics and responsibility	
2-29	Approach to stakeholder engagement	ARA, pages 10-11, 82-83 ESG, pages 5-6 ESR, page 21	
2-30	Collective bargaining agreements	ESG, page 21	
Material topics			
3-1	Process to determine material topics	ESG, page 7	
3-2	List of material topics	ESG, page 7	
3-3	Management of material topics	ESG, page 7	

GRI standards

Economic standards			
Disclosure	Description	References 2022	Further comments
Economic performance			
201-1	Direct economic value generated	ARA, pages 47-70	
201-2	Financial implications and other risk and opportunities due to climate change	ARA, page 37 ESG, pages 5-6	
201-3	Defined benefit obligations and other retirement plans	ARA, page 56	
Indirect economic impacts			
203-2	Significant indirect economic impacts	SSR, pages 18-21, 22-25, 28-34, 39, 41-42	
Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	ESG, page 15 Lloyds Banking Group code of ethics and responsibility Lloyds Banking Group anti-bribery policy statement	

GRI standards

Economic standards			
Disclosure	Description	References 2022	Further comments
Tax			
207-1	Approach to tax	Lloyds Banking Group tax strategy and approach to tax	
207-2	Tax governance, control and risk management	Lloyds Banking Group tax strategy and approach to tax	
207-3	Stakeholder engagement and management of concerns related to tax	Lloyds Banking Group tax strategy and approach to tax	
207-4	Country-by-country tax reporting	Lloyds Banking Group tax strategy and approach to tax	

GRI standards

Environmental standards			
Disclosure	Description	References 2022	Further comments
Energy			
302-1	Energy consumption with the organisation	ARA, page 137 ESR, pages 43-44 ESG, page 26	
302-4	Reduction of energy consumption	ARA, page 137 ESR, pages 43-44 ESG, page 26	
Water and effluents			
303-5	Water consumption	ESG, page 26 ESR, pages 43-44	
Emissions			
305-1	Direct (scope 1) GHG emissions	ARA, page 136 ESG, page 25	
305-2	Energy indirect (scope 2) emissions	ARA, page 136 ESG, page 25	
305-3	Other indirect (scope 3) emissions	ARA, page 136 ESG, page 25	
305-4	GHG emissions intensity	ARA, page 136 ESG, pages 25-26	
305-6	Reduction of GHG emissions	ARA, page 136 ESR, pages 9-12	

GRI standards

Environmental standards			
Disclosure	Description	References 2022	Further comments
Waste			
306-3	Waste generated	ESR, page 44 ESG, page 26	
306-4	Waste diverted from disposal	ESR, page 44 ESG, page 26	
2-3	Reporting period, frequency and contact point	<p>The data and examples across our annual reporting suite, reflect activities undertaken during the 2022 fiscal year (1 January to 31 December 2022) and, where relevant to performance, refer to activities and events before and after this period.</p> <p>Our annual reporting suite was published on the 22nd February, 2023.</p> <p>Contact us</p>	

GRI standards

Social standards			
Disclosure	Description	References 2022	Further comments
Employment			
401-1	New employee hires and employee turnover	ESG, pages 19-20	
401-3	Parental leave	ESG, page 20	
Occupational health and safety			
403-1	Occupational health and safety management system	ESG, page 22	
403-3	Occupational health services	ESG, page 22 SSR, pages 35-37	
403-6	Promotion of worker health	ESG, page 22 SSR, pages 35-37	
403-9	Work-related injuries	ESG, page 22	
403-10	Work-related ill health	ESG, page 22	
Training and education			
404-1	Average hours of training per year per employee	ESG, page 21	
402-2	Programmes for upgrading employee skills and transition assistance programmes	SSR, page 38	
404-3	Percentage of employees receiving regular performance and career development plans	SSR, page 38	We believe that our people want to do their best for our customers and each other, every day. We call our approach to performance management Your Best. This human-centred approach means we no longer rely on ratings or annualised reviews. It helps our colleagues and managers to build trust and psychological safety, which we see in our continued increases to Managers' net promoter scores.

GRI standards

Social standards			
Disclosure	Description	References 2022	Further comments
Diversity and equal opportunity			
404-1	Diversity of governance bodies and employees	ARA, page 35 SSR, page 27 ESG, page 19	
404-2	Ratio of basic salary and remuneration of women to men	ARA, page 118 ESG, page 20 Gender pay gap report	
Local communities			
413-1	Operations with local community engagement, impact assessment and development programmes	SSR, pages 18-21, 22-25, 28-34, 39, 41-42	
Public policy			
415-1	Political contributions	Public affairs and policy	

Lloyds Banking Group is reporting for the second time in 2022 against the International Business Council of the World Economic Forum's, Stakeholder Capitalism Metrics.

We continue to review and enhance our means and methodologies for reporting environmental, social and governance (ESG) performance and disclosures and in doing so, we have identified this new reporting framework as being an important reporting tool that addresses the needs of our investors and other stakeholders. Whilst we do not currently report against all of the metrics, we will review them in 2023 and we will continually evolve our reporting each year to enhance our disclosures, working towards meeting the requirements of this framework and that of the SASB and GRI.

We have included references to relevant information in our 2022 annual reporting suite and any supplementary information that may support our disclosures against the framework. Lloyds Banking Group is a UK focused financial services provider and therefore, where required, certain indicators have been adapted to reflect this.

Key

C = Core metrics: A set of 21 more-established or critically important metrics and disclosures. These metrics focus primarily on activities with an organisations own boundaries.

E = Expanded metrics: A set of 34 metrics and disclosures that tend to be less well-established in existing practice and standards. They represent a more advanced way of measuring and communicating sustainable value creation.

- ARA: [Lloyds Banking Group Annual Report and Accounts 2022](#)
- ESR: [Lloyds Banking Group environmental sustainability report 2022](#)
- SSR: [Lloyds Banking Group social sustainability report 2022](#)
- ESG: [Lloyds Banking Group ESG performance review 2022](#)

The International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
Governance			
Governing purpose	C: Setting purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Helping Britain Prosper SSR, page 3 ARA, pages 24 - 31
	E: Purpose led management	How the company's stated purpose is embedded in company strategies, policies, and goals.	Helping Britain Prosper SSR, page 3 ARA, pages 24 - 31
Quality of governing body	C: Governance body composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	Governance ARA, pages 74 - 90
	E: Progress against metrics	Disclosure of the material strategic economic, environmental, and social milestones expected to be achieved in the following year, such milestones achieved from the previous year, and how those milestones are expected to or have contributed to long-term value.	ARA, pages 34-36
	E: Remuneration	<ol style="list-style-type: none"> How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental and social topics, as connected to the company's stated purpose, strategy, and long-term value. Remuneration policies for the highest governance body and senior executives for the following types of remuneration: Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares, Sign-on bonuses or recruitment incentive payments, termination payments, clawback and retirement benefits. 	Directors' remuneration report ARA, pages 105 - 132
Stakeholder engagement	C: Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Our material ESG topics ESG, page 7

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
Ethical behaviour	C: Anti-corruption	<ol style="list-style-type: none"> Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. <ol style="list-style-type: none"> Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and Total number and nature of incidents of corruption confirmed during the current year, related to this year. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. 	<ol style="list-style-type: none"> ESG, page 15 <ol style="list-style-type: none"> Lloyds Banking Group code of ethics and responsibility Lloyds Banking Group Anti-Bribery policy
	C: Protected ethics advice and reporting mechanisms	How the company's stated purpose is embedded in company strategies, policies, and goals.	How to raise a concern Lloyds Banking Group code of ethics and responsibility Page 7
	E: Alignment of strategies and policies to lobbying	The significant issues that are the focus of the company's participation in public policy development and lobbying; the company's strategy relevant to these areas of focus; and any differences between its lobbying positions, purpose, and any stated policies, goals, or other public positions.	Public affairs and policy
Risk and opportunity oversight	C: Integrating risk and opportunity into business process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship.	Risk management ARA, pages 38 – 43
	E: Economic, environmental and social topics in capital allocation framework	How the highest governance body considers economic, environmental and social issues when overseeing major capital allocation decisions, such as expenditures, acquisitions and divestments.	Responsible Business Committee report ARA, page 104

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
Planet			
Climate change	C: Greenhouse Gas (GHG) emissions:	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	ESG, pages 25 – 26 ARA, page 136 ESR, pages 11 – 12
	C: TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	ARA, pages 37 ESR, pages 5 – 6
	E: Paris-aligned GHG emissions	Define and report progress against time-bound science-based GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. This should include defining a date before 2050 by which you will achieve net-zero greenhouse gas emissions, and interim reduction targets based on the methodologies provided by the Science Based Targets initiative, if applicable. If an alternative approach is taken, disclose the methodology used to calculate the targets and the basis on which they deliver on the goals of the Paris Agreement.	ARA, page 36 ESR, pages 9 – 12, 24 – 48
Freshwater availability	C: Water consumption and withdrawal in water-stressed areas	Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	We report water consumption across our entire operations of which 99 per cent is in the UK. ESG, page 26
Air pollution	E: Air pollution	Report wherever material along the value chain: nitrogen oxides (NOx), sulphur oxides (SOx), particulate matter and other significant air emissions. Wherever possible estimate the proportion of specified emissions that occur in or adjacent to urban/densely populated areas.	100% of our operational emissions occur adjacent to urban/ densely populated areas.

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
People			
	C: Diversity and inclusion (%)	Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	ARA, page 22 SSR, page 27 ESG, page 19
	C: Pay equality (%)	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas..	ARA, page 118
	C: Wage levels (%)	<ol style="list-style-type: none"> Ratios of standard entry level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO. 	2. Chief Executive Officer pay ratio ARA, page 118
Dignity and equality	E: Risk for incidents of child, forced or compulsory labour	An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Modern Slavery and Human Trafficking Statement SSR, page 30
	E: Pay gap (%)	<ol style="list-style-type: none"> Mean pay gap of basic salary and remuneration of full-time relevant employees based on gender (women to men) and indicators of diversity (e.g. BAME to non-BAME) at a company level or by significant location of operation. Ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country. 	1. ARA , page 118 2. ARA, page 118
	E: Discrimination and harassment incidents (#) and total amount of monetary losses (\$)	Number of discrimination and harassment incidents, status of the incidents and actions taken, and the total amount of monetary losses as a result of legal proceedings associated with: a) law violations; and b) employment discrimination.	Whistleblowing ESG, page 23

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
Dignity and equality	E: Freedom of association and collective bargaining at risk (%)	<ol style="list-style-type: none"> Percentage of active workforce covered under collective bargaining agreements. An explanation of the assessment performed on suppliers for which the right to freedom of association and collective bargaining is at risk, including measures taken by the organization to address these risks. 	ESG, page 21
	E: Human rights review, grievance impact & modern slavery (#,%)	<ol style="list-style-type: none"> Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. Number and type of grievances reported with associated impacts related to a salient human rights issue in the reporting period and an explanation on type of impacts. Number and percentage of operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: <ol style="list-style-type: none"> type of operation (such as manufacturing plant) and type of supplier; and countries or geographic areas with operations and suppliers considered at risk. 	Modern Slavery and Human Trafficking Statement
	E: Living wage (%)	Current wages against the living wage for employees and contractors in states and localities where the company is operating.	ESG, page 20
Health and wellbeing	C: Health and safety (%)	<ol style="list-style-type: none"> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers. 	<ol style="list-style-type: none"> ESG, page 22 SSR, pages 35 – 37
Skills for the future	C: Training provided (#, \$)	<p>Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees).</p> <p>Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees)..</p>	ESG, page 21

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
Prosperity			
Employment and wealth generation	C: Absolute number and rate of employment	<ol style="list-style-type: none"> Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region. 	ESG, pages 19 – 20
	C: Economic contribution	<ol style="list-style-type: none"> Direct economic value generated and distributed (EVG&D) – on an accrual basis, covering the basic components for the organization’s global operations, ideally split out by: <ol style="list-style-type: none"> Revenue Operating Costs Employee wages and benefits Payments to providers of capital Payments to government Community Investment. 	<ol style="list-style-type: none"> ARA page 210 F . ESG, page 24
	C: Financial investment contribution	<p>Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company’s investment strategy.</p> <p>Share buybacks plus dividend payments, supported by narrative to describe the company’s strategy for returns of capital to shareholders.</p>	ARA, page 210
	E: Infrastructure investments and services supported	<p>Qualitative disclosure to describe the below components:</p> <ol style="list-style-type: none"> Extent of development of significant infrastructure investments and services supported. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. Whether these investments and services are commercial, in-kind or pro bono engagements. 	<ol style="list-style-type: none"> ARA, page 237 SSR, pages 18-21, 22-25, 28-34, 39, 41-42 ESG, page 24
	E: Significant indirect economic impacts	<ol style="list-style-type: none"> Examples of significant identified indirect economic impacts of the organisation, including positive and negative impacts. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities (e.g. national and international standards, protocols, policy agendas). 	SSR, pages 18-21, 22-25, 28-34, 39, 41-42

International Business Council of the World Economic Forum Stakeholder Capitalism Metrics

Topic	Core metric	Metric	Further comments
Community and social vitality	C: Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Tax strategy and approach to tax ESG PR,
	C: Total social investment (\$)	Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	ESG, page 24
	E: Additional tax remitted	The total additional global tax collected by the company on behalf of other taxpayers, including VAT and employee-related taxes that are remitted by the company on behalf of customers or employees, by category of taxes.	Tax strategy and approach to tax
	E: Total tax paid by country for significant locations	Total tax paid and, if reported, additional tax remitted, by country for significant locations.	Tax strategy and approach to tax