

Lloyds Banking Group
Code of Supplier
Responsibility



LLOYDS
BANKING GROUP

Foreword

We are pleased to share the latest version of our Code of Supplier Responsibility – ‘the Code’.

As the UK’s largest financial services provider, we have an important role to play in creating a sustainable and inclusive future for people and businesses. We want our suppliers to share in our purpose by operating in an ethical, sustainable, inclusive and accessible manner.

This update of the Code sets out the key social, ethical and environmental values and behaviours that we want you to follow. It outlines the minimum standards we require of all suppliers, plus advanced expectations to work towards – particularly for our more strategic suppliers or those operating in higher-risk sectors.

We ask you to share this Code of Supplier Responsibility with your employees who work on Lloyds Banking Group activity. This will help them understand our values and aspirations, and empower them to contribute to our mutual success.

We’re open to hearing how we can work better together, too. So, if there is anything that could be improved, please let us know by getting in touch with your Supplier Manager or business contact.

We’re embedding our purpose at the core of our business, decision making, operations and culture. Together we can make a real difference, Helping Britain Prosper. Please join us on this journey.



George Booth
Chief Procurement Officer
June 2026

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Our Purpose

Becoming a purpose-driven business

We are Helping Britain Prosper by creating a more sustainable and inclusive future. Our vision is to be the UK customer-focused digital leader and integrated financial services provider, capitalising on new opportunities, at scale. Guided by our Group strategy, we are concentrating on areas where we can have the biggest impact, delivering our purpose while creating value for all our stakeholders.

We support practically every sector of the UK economy, and we serve millions of people and businesses every day. Our lending, investments, products and services are powerful drivers of creating a sustainable and inclusive future for all. They also enable the Group to grow profitably with our customers.

We believe that focusing on our purpose and doing right by our customers, colleagues and communities will help us identify new areas of growth, build more resilient and profitable business and deliver higher, more sustainable returns for shareholders.

The Group is committed to supporting the UK's transition to a more sustainable, low carbon economy. We recognise both the importance of understanding and mitigating climate risks as well as the commercial imperative for organisations to reduce their environmental impact.



[Read more about our Group and our Strategy on our website](#)

This Code of Supplier Responsibility is for all external suppliers and it defines the sustainable and inclusive business practices we expect. It should be adopted alongside our third-party policies. The Financial Services Supplier Qualification System (FSQS) is one of the tools we use to assess policy compliance, where relevant.

The Code is reviewed annually by subject matter teams within the Group and policy owners – and updated to ensure it remains appropriate, relevant and applicable for our external suppliers.



[Read more about our policies and FSQS on our website](#)



How we define an external supplier

An external supplier refers to any external third-party companies, organisations or partnerships that provides goods and services to the Group and / or our customers on the Group's behalf, whether they are defined as outsourcing or another type of third-party arrangement.

Our Values

At Lloyds Banking Group, our values are the foundation of our culture. They underpin the work of everyone. They guide our actions, shape our culture and help us in our purpose of Helping Britain Prosper.



People First

We put people first to go further for customers.

We listen, care for, and support people as individuals, never compromising on their safety or wellbeing. We always act in the best interests of our customers, bringing them the experiences they deserve, and protecting them from the ones they don't.



Bold

We're bold and take action.

We innovate and do things differently to better serve our customers and grow with purpose. We challenge things that aren't right, and take action to change them.



Trust

We trust each other to achieve more together.

We give each other the space and support to take things on and see them through. We are honest with each other and explain our decisions.



Inclusive

We're inclusive to value everyone.

We learn about, and embrace our differences, and seek out diverse perspectives. We shape what we do and what we offer around the different needs and circumstances of our customers, colleagues and communities.



Sustainable

We champion sustainability to care for our planet.

We take responsibility for the impact of our actions on nature and Britain's transition to net zero. We see the bigger picture and think through the consequences of our decisions.



Read more about our values on our website

Our Group Commitments

We're creating positive change by collaborating with peers on industry initiatives, as part of our participation in global and regional partnerships and commitments.

Lloyds Banking Group is a signatory to, or seeks to abide by, the principles of a number of international and national codes and standards relating to responsible business and sustainable practice.

This Code is based on these commitments, our Group values, and our approach to building a truly purpose-driven organisation. It supports our purpose to Help Britain Prosper.

These include:

- The Equator Principles
- The UN Global Compact
- The UN Universal Declaration of Human Rights
- The Equality Act
- The European Accessibility Act
- The FCA Consumer Duty
- The ILO (International Labour Organization) Labour Standards
- The UK Prompt Payment Code
- UK Living Wage
- The UNEP FI Principles for Responsible Banking
- The Principles for Responsible Investment
- The UK Stewardship Code
- The UNEP FI Principles of Sustainable Insurance
- The Protect Members' Pledge
- The EU AI Act

Meet the Code Conditions

We expect our suppliers to meet the following conditions. In each case, we describe our minimum standards for compliance with the Code – as well as any advanced expectations.

Minimum standards

- **Confirm your agreement to comply with the Code** (and any future revisions) when you complete an annual attestation and agree contract terms.
- **Explain the principles of the Code** to your employees, workers, agents and key sub-contractors that support the Group or work on our projects.
- **Ensure fair and honest business with all your stakeholders**, including employees, sub-contractors and other third parties.
- **Inform us if anything changes** and you are unable to comply with the Code.
- **Consider and understand the ethical, sustainable, inclusive, and accessibility-related practices of your supply chain.** Proactively work with suppliers who represent the highest risk on such issues to drive effective risk management.

How we define minimum standards

Minimum standards are the requirements that all suppliers must meet in order to work with us.

These standards represent the baseline level of ethical, sustainable, inclusive, and legally compliant behaviour expected of every supplier, regardless of size, sector or location.

How we define advanced expectations

Advanced expectations outline the actions, practices and improvements that suppliers are encouraged to adopt unless otherwise stated, particularly for our more strategic suppliers or those operating in higher-risk sectors.

These expectations go beyond compliance and while not mandatory for all, suppliers are encouraged to demonstrate progress toward these expectations as part of a continuous improvement approach.

We also have a suite of Third Party Policies or ‘supplier policies’, some of which you may be asked to comply with, depending on the services you provide to us.



Read more about our Third Party on our website



Doing Business Responsibly

We have a moral and ethical duty to act with the highest standards of integrity in all that we do – and we expect the same from our suppliers.

This includes adopting your own Code of Ethics & Responsibility, or similar policies or statements, that address your approach and management of responsible business issues and ethical business conduct, including the provision and use of AI.



Read more about Doing Business Responsibly on our website

What you need to do

Speak Up

If you see or suspect behaviour that doesn't align with standards set out in the Code, please contact your Supplier Manager.

If you're uncomfortable doing this, you can report it through our Speak Up service.

Speak Up is Lloyds Banking Group's whistleblowing framework, providing confidential and anonymous channels for people to report concerns.



Report a concern or find an international phone number at lbgSpeakUp.ethicspoint.com



+44 (0)800 0141 053 if you are in the UK

This service is available 24 hours a day, seven days a week. Calls are not recorded and interpreters are available. All concerns received through Speak Up are taken seriously and assessed to determine the most appropriate action.



Independent advice and support

If you're uncertain about raising a concern, would like external confidential advice, or independent legal advice, you can contact the UK whistleblowing charity, Protect.

Online: protect-advice.org.uk

Call: +44 (0)203 117 2520

Protect supports over 3000 callers each year. You do not have to be based in the UK and interpreters are available.

Respect Human Rights

We expect our suppliers to respect the human rights of their own workforces, supply chains and customers.

✓ Minimum standards

- **Respect the human rights of your employees and comply with all relevant legislation, regulations and directives.**
This includes awareness and mitigation of the risk of modern slavery in the countries and communities in which you operate and, where relevant, compliance with the UK Modern Slavery Act 2015.
- **Prohibit forced labour (slavery) and human trafficking in your supply chain.** Give all employees the right and ability to leave employment if they choose.
- **Prohibit child labour in your supply chain in line with ILO conventions.**
- **Ensure that wages meet legally mandated minima** without unauthorised deductions.
- **Respect and uphold workers' rights to freedom of association**, including the right to join or form trade unions and participate in collective bargaining processes.
- **Ensure working hours are in accordance with local regulation and industry practice**, and voluntary overtime is at a manageable level.
- **Treat all employees and workers fairly.** Do not harass or discriminate against any group or individual in your employment practices, in particular based on gender, race, age, sexual orientation, gender identity, disability, faith or family circumstances.
- **Ensure there are no negative consequences** for anyone who raises a concern about – or because they submitted to or rejected – unwanted sexual conduct.
- **Champion the health and wellbeing** of your workforce and customers.
- **Collaborate with us to implement corrective actions**, where identified.

✓ Advanced expectations

For suppliers in high-risk sectors such as construction, facilities management, technology, and recruitment, we expect a continuous improvement approach. This includes evidence of actions you are taking to mitigate the associated risks.

- **Public disclosure of organisational structure and supply chains**, including high-risk sourcing.
- **Policies in relation to modern slavery and human trafficking** (including whistleblowing mechanisms).
- **Enhanced due diligence processes for recruitment and supplier onboarding**, including supplier code of conduct and supplier risk assessment.
- **KPIs to measure effectiveness of modern slavery mitigation actions.**
- **Training for employees on modern slavery and human rights.**

Support Inclusion

We expect our suppliers to understand and adhere to our standards in relation to inclusion.

Minimum standards

- **Proactively support the development of an inclusive workforce.** This includes diverse and proportionate representation of employees (for example, people with disabilities and/or who are neurodivergent) and creating a culture of inclusion, subject to local laws and regulations.
- **Practice inclusive design methods** to consider all types of customers and colleagues in everything you do. This should reflect their evolving needs and circumstances, and ensure accessible, inclusive and barrier-free experiences so that no groups are disadvantaged.
- **Comply with all relevant equality legislation, regulations and directives**, in the countries and communities in which you operate. Where relevant, this includes compliance with the UK Equality Act 2010 as a minimum, including:
 - **avoiding all forms of discrimination** and emphasis placed on fulfilling the duty to make reasonable adjustments for Lloyds Banking Group customers and/or colleagues with disabilities accessing your services;
 - **demonstration of legally compliant policies and procedures**, which include:
 - a documented approach to inclusion – including details of how employees are managed fairly and consistently and not subjected to unfair assessment or bias based on a protected characteristic or any other reason;
 - a documented approach encouraging the reporting of allegations of harassment or discrimination;
 - proactively preventing harassment by providing a safe and respectful workplace that is free from sexual harassment. This includes work related social events and on social media, and that you require any supplier, which includes sub-contractors, to comply with this expectation.
- **Deliver training on discrimination and harassment** (including sexual harassment) to help prevent, recognise and address inappropriate behaviours.

Advanced expectations

- **Strive for a supply base that is inclusive**, supporting SMEs, Social Enterprises as well as under-represented groups (for example, in the UK specifically, people with disabilities and/or who are neurodivergent, ethnic minorities, lower socio-economic backgrounds and women owned businesses).
- **Sign up to the Disability Confident scheme.**



How to sign up to the Disability Confident employer scheme

Embrace Accessibility and Inclusive Design

We expect our suppliers to meet accessibility standards and embrace inclusive design principles.

This means making sure that technologies and products are accessible by, and contribute to the productivity of, all employees – including those with disabilities and/or who are neurodivergent. These expectations apply equally to any services provided to Lloyds Banking Group colleagues and customers.

Minimum standards

- **Comply with all relevant standards, best practice guidance and regulations related to accessibility.** These include, where applicable, the European Accessibility Act (Directive (EU) 2019/882) and Web Content Accessibility Guidelines (WCAG) v2.2 to minimum AA standard.
- **Ensure that any technology, products and services sourced take into account access requirements** for people with disabilities and/or neurodivergent individuals, adopting a best practice approach to inclusion, accessibility and usability.

Advanced expectations

- **Maintain a documented accessibility statement** or include specific references to accessibility within your Policy framework.
- **Implement accessibility roadmaps, feedback processes and accessibility testing** to create inclusive and accessible products, services, environments and facilities.

How we define accessibility

Accessibility is the usability of a product, service, environment or facility by people with the widest range of capabilities (guided by ISO 9241-171:2008).

How we define inclusive design

Inclusive design methods consider all types of customers and colleagues, and reflect their evolving needs and circumstances, so that no groups are disadvantaged.

Work Towards Environmental Sustainability

Our ambition is to reduce our supply chain emissions by 50% by 2030, on the path to net zero by 2050 or sooner.

You play a critical role in supporting us to deliver a more sustainable future. Suppliers are required to proactively identify, manage and reduce their environmental impact across their operations, products and services.

This includes greenhouse gas emissions, impacts on nature and biodiversity, energy consumption, air and water pollution, water usage and waste.



Minimum standards

- **Comply with all applicable environmental legislation and regulation**, including climate-related disclosures and transition plans where relevant.
- **Maintain a written Environmental Sustainability Policy** that:
 - is appropriate and relevant for your organisation;
 - demonstrates how you measure and reduce your environmental impact, including across the lifecycle of your products and services;
 - supports nature and the transition to a low-carbon economy.
- **Disclose (or be working towards disclosure of) Scope 1, 2 and 3 greenhouse gas emissions** and broader sustainability performance, in line with recognised standards.



Advanced expectations

- Suppliers included within our top 80% of supply chain emissions are expected to **meet or be working towards our Emerald Standard**, which sets expectations for emissions reduction, transparency, and governance.
- We encourage all suppliers to go beyond our minimum expectations, demonstrating a continuous improvement approach and evidence of actions you are taking against our environmental commitments.
- **Have a commitment to reach net zero greenhouse gas emissions by 2050 or sooner**, supported by interim science-aligned reduction targets covering Scopes 1, 2, & material Scope 3 emissions, which are to be refreshed at a minimum every five years.
 - **Assess and manage climate-related physical and transition risks** and opportunities to your business.
 - **Embed climate and nature strategies within governance and decision-making**, ensuring risks and opportunities are managed effectively.
 - **Collaborate with us to reduce combined environmental impacts, including greenhouse gas emissions**, energy use, travel, water consumption, and operational/technical waste where appropriate.



Read more about our Emerald Standard in our PDF guide for suppliers

Use Artificial Intelligence (AI) Responsibly

Our expectations for suppliers using AI in products or services provided to Lloyds Banking Group

Why this matters?

We are committed to the safe, ethical, sustainable and responsible use of AI across all our customer journeys, operations and decision-making. AI can deliver meaningful benefits for customers and colleagues, but only when used transparently, fairly, securely and with robust governance. We expect all suppliers who design, develop, deploy or operate AI capabilities on our behalf to align to these minimum standards.

Minimum standards

- **Align with our Responsible AI Principles.** As part of the Group's AI Assurance Framework, our **seven AI Ethics Principles** have been defined to ensure AI is used responsibly and ethically within Lloyds Banking Group. We expect our suppliers to also align to these principles.
- **Adopt Effective AI Risk Management.** We expect suppliers to:
 - Identify and assess key AI related risks appropriately and implement proportionate controls across these risks.
 - Consider the Group's list of AI Risks (available on request) to support any AI related risk assessments.
- **Comply with Relevant Regulations.** Suppliers must ensure that any AI usage in services provided to the Group comply with all applicable laws and regulations in the jurisdiction(s) relevant to the supplier and the Group.
 - **Applicable laws and regulations** include, but are not limited to: The EU AI Act, data protection laws and regulations, intellectual property laws, and any emerging laws and regulations concerning artificial intelligence.
 - **Suppliers must not use AI practices that fall into prohibited categories** under the EU AI Act, relevant to the services provided to the Group.

Our AI Ethics Principles

1. Trust & Integrity in AI
2. People-First AI Development
3. Inclusive AI Practices
4. Data-Centric, Ethical Innovation
5. Invest in Expertise
6. Accountability and Adaptive Governance
7. Optimise for Sustainability



Read more about our AI Ethics Principles

What we will do

Our Commitment to You



We're committed to ensuring that all our dealings with external suppliers are conducted in accordance with the principles of fair and ethical trading, from initial sourcing to ongoing supplier management. This includes situations where we need to exit contracts.



We only work with suppliers who are committed to delivering the required level of performance and quality that our customers expect.



By strengthening the way we do business, we can continue to generate the innovative products, services and solutions that our customers deserve.



By providing clear guidance about our payment procedures.



By reviewing this Code annually and revising it over time as our approach to responsible sourcing evolves.

Compliance with the Code

We expect all our suppliers to meet or exceed all the minimum standard provisions of this Code. Working together, we can achieve our goal of responsible sourcing and sustainable procurement.

If there are any areas where you're not yet compliant with expectations in this Code, you must let us know. We'll work with you to develop an improvement plan.

However, if there are any serious issues that cannot be resolved in a reasonable time frame, we may need to review our contract terms with you. This may include order reduction or, ultimately, in accordance with any applicable contractual right, termination.

We reserve the right to review your policies, procedures or any other documentation related to the Code. In some higher risk instances, we may undertake an on-site audit of larger suppliers to validate your adherence to the Code and applicable Third Party Policies.

The provisions in the Code are in addition to, and not in lieu of, any legal agreement or contract.

External suppliers operating outside the UK must ensure that local country and jurisdictional legislation and regulatory requirements are adopted in addition to the requirements of the Code.

Local laws must take precedence. As such, where these laws or rules conflict with, or result in, any requirements not being fulfilled, or where any of the requirements prohibit an activity that is mandatory under local law, the external supplier must inform the Group to agree what actions should be taken.

We encourage our suppliers to act in the spirit of UK regulation which underpins the key social, ethical and environmental values that the Group abides by.



Read more about how we work with suppliers on our website

Tell us what you think about our Code

We review the Code of Supplier Responsibility regularly and your feedback is important to us. Help us improve the Code by sharing any queries or comments with your Supplier Manager or business contact.

You can also contact us at AffairP@LloydsBanking.com

@LBGNews



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