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## Lloyds Banking Group pledges to cut carbon by more than 50% in the next decade to help finance a green future

Lloyds Banking Group today announces its new ambition to accelerate working with customers, government and the market to help reduce the carbon emissions we finance by more than 50% by 2030. This is the estimated equivalent of removing the emissions produced by almost a quarter of UK homes.\*

This commitment recognises the urgent need to tackle climate change, grow the green economy and promote green finance for the future business prosperity of the UK.\*\*

The UK has made a sizable commitment to transform its economy and society to meet the needs of the Paris Agreement and a net zero future. As the UK's largest domestic financial services group, our size and scale enable us to make a real difference to the economy by driving change and helping to finance a green future together. Our commitment announced today fully supports the UK's Net Zero Goal and the Paris Agreement.

This will be challenging, but the sense of urgency is clear. Significant reductions of carbon emissions will require entirely new ways of living and working for our customers and clients, and changes in how we operate. To enable the transition, more will be required from all organisations and government: we do not have all the answers today.

To begin, Lloyds Banking Group will announce products and services in 2020 to support and invest in greener finance for the UK. We want to help our customers make the lifestyle changes required in their homes, vehicles and investments by creating green products and services that make it easier for them to invest in tackling climate change. We will also support businesses by financing their investments in the green economy, as well as helping to improve the energy efficiency of commercial buildings.

We are investing in a cleaner, greener UK by supporting schemes that work to reduce the impact of climate change by absorbing carbon dioxide. That's why today we're pleased to announce our new partnership with the Woodland Trust to plant ten million trees over the next ten years expanding the UK's carbon sink and helping to reforest the UK. During the lifecycle of the trees planted, 2.5 million tonnes of carbon dioxide could be absorbed, equivalent to the harmful emissions produced from eight years of UK waste management.\*\*\*

**António Horta-Osório, Group Chief Executive, said:** "The next decade will be crucial for protecting the planet for future generations, and financial services has a critical role to play. We are fully committed to supporting our customers, clients and colleagues to transition to a low carbon economy, working closely with other organisations and government to create the solutions that will accelerate progress and ultimately help Britain prosper."



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## What we have achieved so far:

**The UK's largest low emission vehicle fleet:** Lex Autolease has been at the forefront of electric vehicle technology with the first mainstream plug-in vehicles introduced to customers in 2011. We now have the UK's largest ultra-low emission vehicle fleet, with more than 21,000 ultra-low emission vehicles.

**Energy-efficiency app:** We are the first UK financial services firm offering customers access to a digital app to allow Commercial Banking clients to identify and make energy-efficient investments in their buildings. We piloted in 2019 and will be rolling out early in 2020

**Sustainability support for UK business:** To support our business customers on their sustainability journey, over 640 Lloyds Bank relationship managers have undertaken training on climate change and sustainability-related risks and opportunities in collaboration with the University of Cambridge Institute for Sustainability Leadership. The Group is putting sustainability at the heart of our relationship teams' support for businesses.

**Clean growth financing:** We continue to support business to invest in tackling climate change through our industry leading Clean Growth Finance Initiative. The £2bn scheme offers discounted finance to Commercial Banking clients investing in a lower carbon future. For example, Lloyds Bank and Scottish Widows provided collective funding of £273m for the world's biggest offshore wind farm, Hornsea Project One.

**Leaders in green bonds:** Over the past five years we have led around £2.8bn of green bonds to UK corporates – more than any other UK bank.

**Addressing our carbon emissions:** We met our 2030 carbon reduction target in 2019, having reduced emissions by 63% since 2009. We continue to pursue our long term target to reduce emissions by 80% by 2050 and will accelerate our activity in 2020, developing new carbon, energy and travel targets. We are continuing with existing targets to reduce operational waste by 80 per cent by 2025, compared to 2014/15, and water consumption by 40 per cent by 2030, compared to 2009.

**ENDS**

## Notes to editors

\* The number of dwellings was obtained from the Ministry of Housing, Communities & Local Government Statistical Release: Dwelling Stock Estimates: 2017, England dated the 24th of May 2018. Carbon emissions taken from The Committee on Climate Change report, 'Reducing UK emissions – 2018 Progress Report to Parliament'. 'Homes' carbon emissions refer to the carbon emissions generated from the heating and electricity consumption of a property only. This



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estimation does not include carbon emissions generated by the travel activities or waste generated from the household.

\*\* The low carbon economy could grow 11% per annum by 2030 – four times faster than the average growth rate for the UK economy overall. The Department for Business, Energy and Industrial Strategy's Clean Growth Strategy.

\*\*\* Woodland Trust based on an average carbon sequestration rate of a tonne removed from the air for every four trees planted that stay in the ground for a 100 year period. Average annual UK waste management carbon emission is 0.3 million of carbon from the Department for Business, Energy & Industrial Strategy's **2018 UK Greenhouse Gas Emissions, Provisional Figures**.

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