

LLOYD'S

2025

Carbon  
Management  
Report

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# Introduction

## About Lloyd's

Lloyd's is the only insurance marketplace of its kind in the world.

In 2025, the Lloyd's market wrote £57.9bn of insurance premium. Risks are considered, priced and insured by a marketplace of 60,000 risk professionals, protected by £49.5bn of capital.

From its inception more than 300 years ago, Lloyd's has been a market of firsts – helping global commerce flourish by allowing risk to be pooled and shared. It has developed into a key pillar of risk management in the global financial system.

Lloyd's has consistently turned emerging threats into insurable realities – from shipping and aviation, space and cyber, to renewable energy and storage. The risks have changed over the years. But our fundamental principle – helping people, organisations and businesses move forward boldly and with confidence – has not.

The insurance written at Lloyd's is brought by Brokers and Coverholders. Managing agents oversee Syndicates who price and underwrite the risk. Sat behind the market is the Society of Lloyd's, often referred to as the 'Corporation'. The Corporation is not itself an insurance company, but an independent organisation which protects and maintains the market's reputation as well as providing services, research and reports. Lloyd's also provides a common financial security and strong ratings through our capital structure, often referred to as the 'chain of security', which sits behind and protects all insurance policies written at Lloyd's. For the purpose of our reporting, when we refer to "Lloyd's" we are referring to the Corporation and the activities for which the Corporation has undertaken itself.

## Purpose of this report

This report provides an annual summary of the Corporation's UK and Global carbon emissions, methodology and mitigatory activities for the reporting year FY2025 in fulfilment of our carbon and environmental reporting obligations under UAE Federal Decree-Law No.11 of 2024, IRDAI Master Circular on Reinsurance Chapter II and Canada B15 Climate Risk Management Guidelines. This reporting is also aligned to the Streamlined Energy and Carbon Reporting (SECR) requirements (March 2019) within the Annual Report and Accounts.

In addition to our public disclosure of the Corporation's carbon emissions, this document sets out the reporting criteria including the principles, definitions, scope and methodology, subject to limited assurance by PwC. The emissions and methodology reported in this report are solely those of the Corporation. The reporting does not cover the Lloyd's marketplace or any of its participants. These are separate entities which have their own strategies and reporting obligations, over which the Corporation has no operational control.

**Lloyd's is uniquely structured to connect the global insurance ecosystem.  
We are committed to bringing together risk takers to protect and advance  
global progress and economic growth.**

# Reporting Criteria

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# Reporting criteria

## Basis for calculation

This reporting criteria sets out the principles, definitions, scope and calculation methodology used to report the Corporation's carbon emissions, which are subject to limited assurance by PwC. These metrics are reported in the SECR within the Annual Report and Accounts in addition to this Carbon Management Report.

## Organisational boundaries

This report includes legal entities controlled by the Corporation. For greenhouse gas (GHG) emissions this covers all legal entities and sites for which the Corporation has operational control – this includes all office locations where the Corporation has management control of energy ownership and usage. These locations exclude “representative offices” where employees of the Corporation work in physical sites that are outside of the operational control of the Corporation. The reporting does not cover the Lloyd's market or any of its participants. These are separate entities which have their own strategies, over which the Corporation has no operational control.

## Restatement criteria

Certain criteria may arise whereby amendments or a restatement of figures are required. Amendments or restatements of figures will occur when certain situations are met, such as where errors have been discovered in the calculation or statement of figures that create a discrepancy of over 5%; this is across all reported metrics. This also applies to changes in methodology.

## Currency

All assured figures referenced within the report are in GBP. Local currencies have been converted to GBP using the conversion rate on the date of transaction.

## Employees as at 31 December 2025

For the purpose of this document, the term employee includes all:

- Permanent full and part time staff; and
- Temporary staff and contractors employed directly by Lloyd's

## Methodology

The methodology used to compile our Greenhouse Gas (GHG) emissions inventory is in accordance with the requirements of the following standards: the World Resources Institute (WRI) & World Business Council Sustainable Development (WBCSD) GHG Protocol Corporate Standard (revised version) and DEFRA's Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting (SECR) requirements (March 2019). We report our GHG emissions on an operational control approach. The reporting does not cover the Lloyd's marketplace or any of its participants. These are separate entities which have their own strategies, which the Corporation has no operational control over. This is an accepted consolidated approach from the GHG Protocol.

All emissions, Scope 1, 2 and 3, are reported from the period of 1 January – 31 December 2025 with the units CO<sub>2</sub>e Tonnes (tCO<sub>2</sub>e) unless otherwise stated. Limited assurance has been obtained for Scope 1, Scope 2 location-based, Scope 2 market-based and Scope 3 Category 6 – Business Travel.

## Scope 1

Our Scope 1 emissions are the total quantity of direct GHG emissions from Lloyd's operations, including assets owned or controlled by Lloyd's. This includes natural gas, fuel oil and diesel used for heating at our office premises and back-up electricity generators. Emissions from refrigerants are not required to be reported under SECR and accurate data is limited, therefore refrigerants have been excluded from our Scope 1 reporting.

## Calculation and reporting

For natural gas, invoices are collected directly from our suppliers which state our gas consumption in kWh. Where invoices are not available for a given month, the average daily consumption for the previous month or billing period was used. Where data was not available for two or more consecutive months, the average daily consumption across all available invoices was used. In the cases where no activity data was available for a site, energy performance datasets have been used to estimate consumption based on building type, floor area and heating system. Emissions factors from the Department for Environment, Food and Rural Affairs (DEFRA) and the US Environmental Protection Agency (EPA) are applied to convert consumption into tCO<sub>2</sub>e. Emissions factor selection is dependent on office domicile. Both UK sites have diesel generators, and usage is estimated using a fuel-based methodology based on tank top-ups throughout the year, and approximate fuel usage from monthly on-load tests and weekly off-load tests. 99% of our calculated Scope 1 emissions are from actual data.

## Data sources

To calculate our Scope 1 GHG emissions we use invoices direct from our suppliers, meter readings, and estimates based on tank levels.

## Reporting criteria

continued

### Scope 2

Our Scope 2 emissions are the total quantity of indirect GHG emissions from Lloyd's purchased energy on both a location and market basis. This includes electricity and district heating at our office premises. Emissions from biogenic activities are not required to be reported under SECR, and have been excluded.

### Calculation and reporting

For electricity, we collect invoices or meter readings direct from our offices which state their electricity consumption in kWh. Where invoices are not available for a given month, the average daily consumption for the previous month or billing period was used. Where data was not available for two or more consecutive months, the average daily consumption across available invoices was used. In the cases where no activity data was available for a site, energy performance datasets have been used to estimate consumption based on building type, floor area and heating system. Country or regional emissions factors are applied to consumption to convert into tCO<sub>2</sub>e. The emissions factors applied are sourced from DEFRA, the International Energy Agency (IEA), eGRID, the Australia National GHG factors and Canada National Emissions Factors.

Our electricity is reported on a location- and market-based totals. Location-based emissions calculated the emissions from electricity use based on the average emission intensity of the power grid. Market-based emissions calculate emissions from electricity use factoring in the electricity that the company has purchased. To calculate market based emissions in European offices, we use the Association of Issuing Bodies (AIB) European Residual Mix emissions factors and for our US offices we use Green-E Residuals emission factors. As we source 100% of electricity for our London and Chatham office from renewable sources without zero GHG emissions, our

Scope 2 market-based emissions in the UK are zero. 96% of our calculated Scope 2 emissions across the UK and globally are from actual data. The 4% estimated come from electricity consumption of international offices where meter readings/invoices are not available.

### Data sources

We use data direct from meter readings to calculate our Scope 2 GHG emissions. Where direct data is not available, particularly in the case of our overseas offices, estimations are used. Where data exists but it is incomplete, averages are calculated and then used.

### Scope 3

Our Scope 3 emissions are the other indirect emissions associated with business activities, or value chain emissions. Our current Scope 3 reporting focusses on our material Scope 3 categories where data is available. On this basis, our Scope 3 emissions reporting includes: Category 6 – Business travel, including flights, domestic and international rail travel, hotel accommodation made through our third-party travel partner and employee expenses. As per our basis for calculation, this includes part time staff; and temporary staff and contractors employed directly by Lloyd's.

### Category 6 calculation and reporting

Scope 3 Category 6 emissions includes the transportation (air, rail, taxi and coach) and hotel stays of employees for business-related activities during the reporting year (in vehicles not owned or operated by the Corporation).

For travel booked directly through our travel partner, a distance-based approach is adopted using mode of transport, distance to destination and class travelled for rail and air travel. Data is collected directly from airlines and rail providers for distance to destination and converted from km to tCO<sub>2</sub>e using DEFRA emissions factors. Hotel

bookings are also made through our third-party travel provider, and emissions are calculated using room per night and the relevant DEFRA emission factor.

For travel booked outside of our travel partner through personal expenses we do not have the distance, class of travel or date of travel data that we collect through our travel partner, so we use a spend-based methodology to estimate the emissions related to these expenses. Data on our ledger includes bookings made through our third-party travel provider. The ledger is treated as the total spend associated with travel bookings per business cost centre and travel method. Office-specific emission factors are calculated using the available activity data from our travel partner and DEFRA and EEIO emission factors. These custom emission factors are then applied to the remaining ledger spend (the travel booked outside of our travel partner). This provides a comprehensive emissions inventory which prioritises the use of available distance-based data over spend, in line with the GHG Protocol reporting hierarchy. This approach is permissible under the GHG Protocol for estimation of emissions where there is an absence of more granular data, however, it is recognised that there are limitations with this approach.

### Data sources

We have two sources of data to calculate our business travel related GHG emissions. The first is data provided directly to us from our third-party travel partner. This includes:

- Mode of transport
- Distance to destination (distances are calculated between airports using the great circle distance methodology)
- Class travelled

The remaining data is obtained from employee expenses recorded in our ledger, accounting for duplicate entries with third-party travel provider bookings.

# Global Emissions

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# Global emissions

## Streamlined Energy Carbon Report

Lloyd's reports against the UK Government's Streamlined Energy Carbon Reporting (SECR) requirements. Full details of which are available in the Annual Report & Accounts. Limited assurance has been obtained over the Scope 1, Scope 2 location-based, Scope market-based and Scope 3 Category 6 – Business travel emissions within this report.

tCO <sub>2</sub> e GHG emissions	2025			2024		
	UK emissions	Global emissions (excl. UK)	Total	UK emissions	Global emissions (excl. UK)	Total
<b>a</b> Direct emissions (Scope 1)	1,503	8	1,511	1,263	5	1,268
<b>a</b> Indirect emissions (Scope 2)						
Location based	2,026	272	2,298	2,472	269	2,741
Market based	0	273	273	0	281	281
Total Scope 1+2 (LB)	3,529	280	3,809	3,735	274	4,009
Total Scope 1+2 (MB)	1,503	281	1,784	1,263	286	1,549
<b>a</b> Total of selected Scope 3* †	1,235	615	1,850	2,228	1,121	3,349
Grand total Scope 1, 2, 3 (LB)†	4,764	895	5,659	5,963	1,395	7,358
Grand total Scope 1, 2, 3 (MB)†	2,738	896	3,634	3,491	1,407	4,898
Carbon intensity LB (tCO <sub>2</sub> e/FTE)†	5.6	3.5	5.1	5.7	5.4	5.6
Total energy usage (kWh)	19,715,987	686,380	20,402,367	19,593,262	812,007	20,405,269

\* Our Scope 3 reporting includes Scope 3 Category 6 – Business travel, only, for which we have obtained limited assurance over.

† Our 2024 Scope 3 emissions have been restated to include Scope 3 Category 6 - Business travel only.

**a** The 2025 total of this metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP ('PwC').

## Global emissions

continued

### Global emissions

In fulfilment of our global reporting requirements for UAE Federal Decree-Law No.11 of 2024, IRDAI Master Circular on Reinsurance Chapter II and Canada B15 Climate Risk Management Guidelines, Lloyd's reports its country-wide breakdown of global emissions which includes: Scope 1, Scope 2 location-based and Scope 3 Category 6 – Business travel.

	2025 (Scope 1, 2 & 3 location-based) – tCO <sub>2</sub> e	2024 (Scope 1, 2 & 3 location-based) – tCO <sub>2</sub> e
UK	4,765	5,962
China	182	329
USA	189	245
Europe	187	128
Singapore	44	171
Australia	123	105
Canada	80	102
Japan	8	99
Brazil	7	43
India	26	41
South Africa	29	40
UAE	7	36
Hong Kong	7	25
Mexico	4	15
Colombia	0	13
Morocco	0.4	3
Total	5,659	7,357

### Environmental performance

Our UK operations continue to account for the majority of our emissions (84%). In 2025, natural gas consumption has increased by 20% due to several factors including a significant increase in events from 2024 to 2025 hosted at the 1986 Building in London, and reduced efficiency in our heating and building management systems resulting in longer operating hours of our heating systems. The continued implementation of renewable energy at our UK offices and some European offices, combined with the energy saving measures outlined below, has resulted in a 4% reduction of our electricity consumption. Our Scope 2 location-based emissions have seen a 16% reduction from 2024, which can be largely attributed to a 15% reduction in the DEFRA grid electricity emissions factor for the UK, a 3% and 6% reduction in consumption at the 1986 Building and our Chatham office, respectively, and the closure of our KSP data centre which was the third largest contributor to electricity consumption in 2024. Our combined operational emissions (Scope 1 and 2 location-based) have seen a 5% reduction from 2024.

The reduction in our Scope 3 emissions is driven primarily by a 27% reduction in the emissions resulting from long-haul business class flights booked through our travel partner. Due to a change in employee travel habits, the overall distance travelled in this category has reduced by 26% from 2024; further to this, the DEFRA emissions factor associated with this type of travel has also seen a 42% reduction from 2024 to 2025. Overall, there has been a total 30% reduction in Society global emissions per FTE from the 2019 baseline year.

### Mitigation activities

Our mitigation activities currently prioritise initiatives that support the reduction of our Scope 1 and Scope 2 GHG emissions from our most material emissions source, the Lloyd's 1986 building. At the Lloyd's building in London, the landlord has committed to decarbonising and improving the building's energy efficiency by 2030, with an aim to achieve an EPC rating of 'C' by 2027, and 'B' by 2030 which is supported by an energy improvement plan. In support of these decarbonisation efforts, the following activities have been undertaken in 2025:

- Certification to ISO 50001 (International Energy Management Standard) achieved.
- LED project completed
- 3 x new chillers installed
- 62,178 kWh of solar energy generated in Chatham (it's the only premise that has PV panels installed).
- ESOS (Energy Savings Opportunity Scheme) phase 3 was completed and reported on the Government portal
- Lloyd's has engaged and continues to work with, a sustainable engineering consultancy to develop and implement energy efficiency measures during major capital works on the Lloyd's building.

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# Director's statement

The Lloyd's Council has reviewed and approved this Carbon Management Report, and the members of Council are collectively responsible for the completeness, accuracy and integrity of the carbon reporting disclosures within it. PwC has provided limited assurance over the reporting criteria and selected emissions on pages 4-7 of this report, and the scope of their engagement is set out in their assurance opinion on pages 11-13.

**Patrick Tiernan,**  
Chief Executive Officer

For and on behalf of the Council of the Society of Lloyd's

18 March 2026

# Independent Limited Assurance Report to the Members of Lloyd's of London ("Lloyd's") on selected Sustainability Metrics



## Our limited assurance conclusion

Based on the procedures we have performed, as described under the "Summary of work performed", and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information marked with the symbol  in Lloyd's Carbon Management Report for the year ended 31 December 2025 (the "Report") and summarised below (together, the "Subject Matter Information"), has not been prepared, in all material respects, in accordance with Lloyd's Reporting Criteria (the "Reporting Criteria") set out on pages 3 to 5 of Lloyd's 2025 Carbon Management Report.

## What we were engaged to assure

The Subject Matter Information needs to be read and understood together with the Reporting Criteria which Lloyd's Directors are solely responsible for selecting and applying. The Subject Matter Information as set out on page 7 and the Reporting Criteria as set out on pages 3 to 5 of the 2025 Carbon Management Report assured:

Total 2025 tCO <sub>2</sub> e GHG emissions	
Direct emissions (Scope 1)	1,511
Indirect emissions (Scope 2) - Location based	2,298
Indirect emissions (Scope 2) - Market based	273
<b>Total of selected Scope 3 Category 6</b>	<b>1,850</b>

The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report. Specifically, but without limitation, the scope of our assurance did not extend to Lloyd's Marketplace or any of its participants. These are separate entities which have their own strategies, over which Lloyd's has no operational control.

## Our work

### Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas (GHG) emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board.

### Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code).

We apply International Standard on Quality Management (UK) 1 and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Summary of work performed

We performed a limited assurance engagement. Because the level of assurance obtained in a limited assurance can vary, we give more detail about the procedures performed, so that the intended users of the Subject Matter Information can understand the nature, timing and extent of procedures we performed as context for our conclusion. These procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Independent limited assurance report

continued

In performing our assurance procedures, which were based on our professional judgement, we performed the following::

- evaluated the suitability in the circumstances of Lloyd's use of the Reporting Criteria as the basis for preparing the Subject Matter Information including the associated reporting boundaries;
- through inquiries, obtained an understanding of Lloyd's control environment, processes and systems relevant to the preparation of the Subject Matter Information. Our procedures did not include evaluating the suitability of design, obtaining evidence about their implementation or testing operating effectiveness of particular control activities;
- evaluated whether Lloyd's methods for developing estimates are appropriate and had been consistently applied, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Lloyd's estimates;
- compared year on year movements and obtained explanations from management for significant differences we identified;
- performed limited substantive testing of the Subject Matter Information, which is aggregated from information submitted by Lloyd's. Testing involved agreeing arithmetical accuracy of calculations, and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported; and
- evaluated the disclosures in, and overall presentation of, the Subject Matter Information.

### Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users have the information they need to understand the concept and the level of materiality to place our conclusion in context. Based on our professional judgement, we determined materiality for the Subject Matter Information as follows:

<b>Overall materiality</b>	Materiality may differ depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information.  Each Subject Matter Information listed in the 'What we were engaged to assure' section is an absolute number where a benchmark materiality of 5% has been applied to each.
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We also agreed to report to the Directors misstatements ("reportable misstatements") identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

### Areas of Assurance Focus

The Areas of Assurance Focus are those areas of our work that, in our professional judgement, require additional procedures. In the case of limited assurance, that means our procedures may be towards the upper end of those that might be expected for limited assurance. These areas were identified as part of our risk assessment and result of the assurance procedures performed, and include those areas of significant risk, areas that involved significant judgement or other areas where significant assurance effort was needed. This approach provides transparency about where we deemed it necessary to perform extra work. However, this does not imply - for limited assurance - the same level of assurance as would have been obtained under a reasonable assurance engagement.

We have determined that there are no areas of assurance focus to communicate in our report.

# Independent limited assurance report

continued

## Challenges of non-financial information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

## Reporting on Other Information

The other information comprises all of the information in the Report other than the Subject Matter Information and our assurance report. The Directors are responsible for the other information. As explained above, our conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

## Responsibilities of the Directors

As explained in the Directors' Statement on page 10 of Lloyd's 2025 Carbon Management Report, the Directors of Lloyd's are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to Lloyd's and the intended users of the Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;

- documenting and retaining underlying data and records to support the Subject Matter Information;
- producing the Report that provides a balanced reflection of Lloyd's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report; and
- producing a statement of Directors' responsibility.

## Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Lloyd's.

## Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of Lloyd's in accordance with the agreement between us dated 6 February 2026 (the "agreement"). To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and Lloyd's for our work or our report except where terms are expressly agreed between us in writing.

**PricewaterhouseCoopers LLP**

London, UK

18 March 2026

