Lloyds Banking Group – Forced Labor & Supply Chain Risk Assessment (2024)

This document summarizes Lloyds Banking Group’s disclosures and performance related to forced labor and modern slavery, based on its 2024 Sustainability Report. The assessment follows GRI 409 (Forced or Compulsory Labor) and GRI 414 (Supplier Social Assessment).

# 1. Policy Framework and Risk Identification

- Modern slavery (including forced labor) is identified as a salient human rights risk.  
- Lloyds has a formal Human Rights Framework and Position Statement.  
- Modern slavery prevention is integrated into risk management and supplier compliance processes.

# 2. Workforce Practices

- Certified UK Living Wage Employer since 2015.  
- Applies wage and labor protection standards to third-party contractors.  
- Group-wide mandatory training on modern slavery.  
- Training includes red flags related to coercion and economic exploitation.

# 3. Supplier Oversight (GRI 414)

- All suppliers must commit to a Code of Supplier Responsibility.  
- Suppliers undergo ESG due diligence using EcoVadis and FSQS systems.  
- External consultancy (Sancroft) reviewed 69 industries for risk mapping.  
- 162 key suppliers assessed under the Emerald Standard (80% of spend/emissions).  
- 44 suppliers confirmed as compliant with modern slavery standards in Q4 2024.

# 4. Data Highlights

- £4.6 billion spent on suppliers in 2023–24.  
- Emissions intensity: 121 tCO₂e/£m spend.  
- Supplier risk assessments cover majority of value chain.

# 5. Conclusion

Lloyds Banking Group demonstrates a structured, policy-driven, and data-supported approach to managing forced labor risks, both within its operations and across its supply chain. The integration of due diligence tools, targeted training, supplier codes, and external verification places it in strong alignment with GRI 409 and 414 standards.