



## LLOYDS BANKING GROUP ANNOUNCES EXECUTIVE LEADERSHIP TEAM FOR ITS VERDE BUSINESS

Lloyds Banking Group has announced the executive management team that will lead the divestment programme of retail and commercial assets ("Project Verde"). This follows the Group's commitment to accelerate the disposal process in order to meet its obligations following the agreement with HM Government and the EU.

The Group confirms Paul Pester will be the Chief Executive Officer of the Verde business. Paul is taking on this role in addition to his current responsibilities as managing director, Consumer Banking and Payments.

The Verde business will have around five per cent of the UK personal current account market, over 600 branches and will become the seventh largest bank in the UK. It will bring together the Cheltenham & Gloucester business, Lloyds TSB Scotland and over 250 branches from the Lloyds TSB network in England and Wales.

**António Horta-Osório, Group Chief Executive, said:**

"I am pleased that Paul and his team have agreed to lead the divestment programme which will form the Verde business. They will bring significant retail and commercial banking experience to create what will be a well-capitalised bank and a strong competitor to the other UK banks and building societies."

**Paul Pester, Chief Executive Officer of the Verde business, said:**

"I am delighted to be in the position of shaping and growing a new business which will serve over 5 million customers and service over 8 million accounts. The new bank will be an exciting addition to the UK market and will be focussed on promoting competition and delivering great products and services to its customers."

Paul will report to Alison Brittain, when she joins the Group, in September 2011. Paul's senior team will be:

- Darren Pope, Transitional Finance Director.
- Helen Rose, Chief Operating Officer.
- Neeta Atkar, Risk Director.
- Peter Navin, Network Director. Peter is currently the Network Director for the Bank of Scotland and Lloyds TSB Scotland branch networks. He is also the CEO of Lloyds TSB Scotland plc.

The divestment is not scheduled to complete until 2013 therefore banking services for the Group's customers, including account numbers and sort codes will remain unchanged at this stage. Branches will continue to operate as they do currently and no difference will be seen between those being divested or those staying with the Group.

Customers with any questions about the divestment and how it may impact them should visit their local branch or call 0845 3000 000.

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## Notes to editors

As part of the Group's restructuring plan with the European Commission, it has agreed to the sale of a retail banking business with at least 600 branches, a 4.6 per cent share of the personal current accounts market in the UK and up to approximately 19 per cent of the Group's mortgage assets.

The business will consist of:

- The TSB brand
- The branches, savings accounts and branch based mortgages of Cheltenham & Gloucester
- The branches and branch based customers of Lloyds TSB Scotland and a related banking licence
- Additional Lloyds TSB branches in England and Wales, with branch based customers
- Intelligent Finance brand and all its customers and accounts

The timings for these sales must be before November 2013.

**Paul Pester** is the ex-Oxford Physicist and ex-McKinsey & Co Management consultant who led the building of Virgin Money in the UK and internationally before moving into senior roles at Lloyds TSB, Santander and Lloyds Banking Group.

Before joining Lloyds Banking Group in September 2010 as Managing Director of Consumer Banking & Payments, Paul was the Managing Director at Santander UK responsible for managing Bradford & Bingley, its integration with Abbey and Alliance & Leicester and the rebranding of the resulting business as Santander. Earlier in his career, in five years as Group CEO of Virgin Money, Paul led the team that created Virgin Money in the UK and later internationally. Paul is currently a non-Executive Director at Visa and at MicroFocus International, the FTSE 250 software business.

As an ex competitive swimmer, Paul is actively involved in charity endurance sports events – including completing the “Moneyspinners” Lands End to John O’Groats and East Coast of England to West Coast of Ireland charity bike-rides and is leading Lloyds Banking Group’s team in competing in the London Triathlon this summer.

Photographs of Paul Pester are available by contacting the Lloyds Banking Group press office on 0207 356 2374.

### For further information

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