

LLOYDS
BANKING GROUP



Lloyds Banking Group

Charlie Nunn | 15 March 2022



Building on our strong foundations

Our strong foundations...

Leading UK customer franchise with trusted brands

Largest UK digital bank

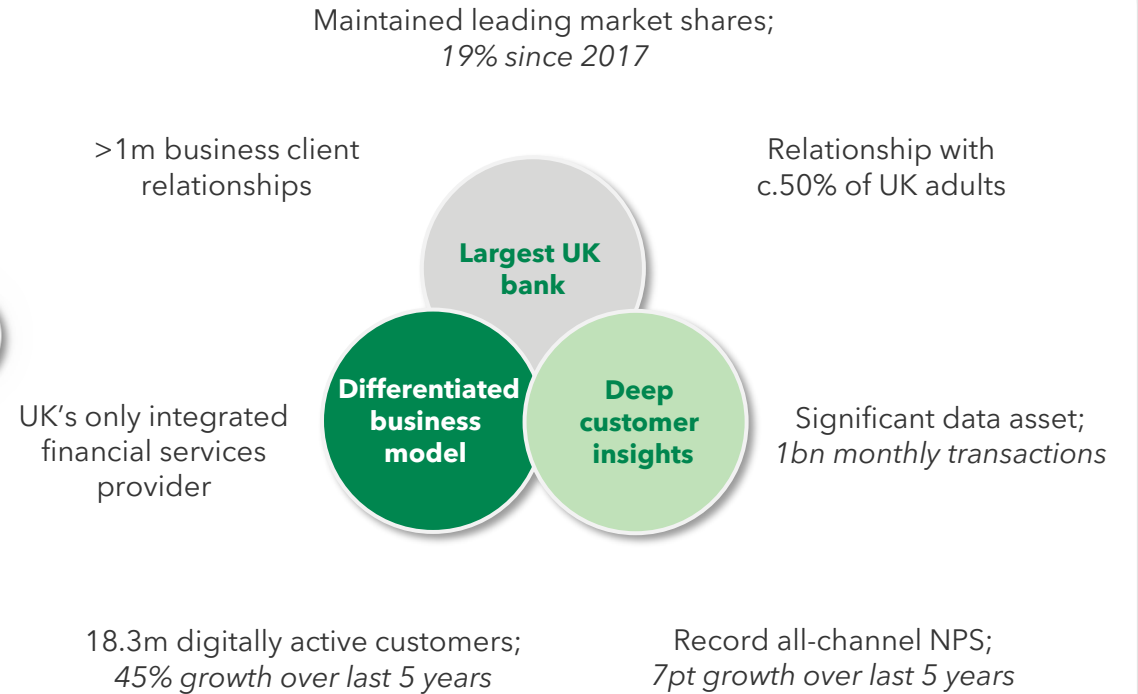
Operating at scale with strong cost discipline

Financial strength and disciplined risk management

Dedicated colleagues with strong values



...have created distinct competitive strengths



Changing environment, opportunity to do more

Key challenges

High NII dependency in a low rate environment

Customer behaviour and competition driving disintermediation

Accelerated shift to digital

Need to enhance and simplify technology infrastructure

Heightened societal, environmental and colleague expectations



Key opportunities

Grow and diversify revenue base

Create more valuable relationships as integrated provider

Drive end-to-end efficiency through digitisation

Modernise technology to drive efficiency

Align purpose to value for all our stakeholders

Transforming to create higher and more sustainable value

A clear strategic vision...

...with a transformation plan...

...creating higher and more sustainable value

Purpose

Helping Britain Prosper

Strategic vision

UK customer-focused digital leader and integrated financial services provider, capitalising on new opportunities, at scale

Building an inclusive society

Supporting the transition to a low carbon economy



Grow

Drive revenue growth and diversification



Focus

Strengthen cost and capital efficiency



Change

Maximise the potential of people, technology and data



Higher, more sustainable, returns and capital generation

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c.£3bn incremental strategic investment by 2024...

...will create higher, more sustainable, returns



Grow

Drive revenue growth and diversification



Focus

Strengthen cost and capital efficiency



Change

**Maximise the potential of people,
technology and data**



>10% RoTE by 2024

c.£0.7bn additional revenues from strategic initiatives

c.£8.8bn operating costs, flat on 2022

c.150bps capital generation per annum

>12% RoTE by 2026

c.£1.5bn additional revenues from strategic initiatives

<50% cost:income ratio

175-200bps capital generation per annum