Lloyds Bank Corporate Markets plc

Q3 2025

Pillar 3 Disclosures

30 October 2025

TABLE OF CONTENTS

BASIS OF PREPARATION

This report presents the interim Pillar 3 disclosures of Lloyds Bank Corporate Markets plc (‘the Bank’) as at 30 September 2025.

The disclosures have been prepared in accordance with the Disclosure section of the PRA Rulebook. Pillar 3 templates required to be disclosed on a quarterly basis that have not been included in this report are listed in the table below along with the reason for exclusion.

PRA reference	Template name	Reason for exclusion
CCR7	RWA flow statements of CCR exposures under the IMM	Not applicable to the Bank

The information presented in this Pillar 3 report is not required to be, and has not been, subject to external audit.

LEVERAGE AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS

LR2: Leverage ratio common disclosure[1]

		30 Sep 2025[2]	30 Jun 2025	31 Mar 2025[2]	31 Dec 2024
Ref	**Leverage ratio**				
UK-24b	Total exposure measure excluding claims on central banks	86,981	84,779	81,263	79,612
25	Leverage ratio excluding claims on central banks (%)	8.0%	8.2%	4.4%	4.5%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	8.0%	8.2%	4.4%	4.5%
UK-25c	Leverage ratio including claims on central banks (%)	6.5%	6.7%	3.5%	3.6%
	Additional leverage ratio disclosure requirements - leverage ratio buffers				
27	Leverage ratio buffer (%)[3]	0.3%	0.3%	0.3%	0.3%
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.3%	0.3%	0.3%	0.3%
	Additional leverage ratio disclosure requirements - disclosure of mean values				
UK-31	Average total exposure measure including claims on central banks[4]	108,698	104,275	102,838	101,559
UK-32	Average total exposure measure excluding claims on central banks[4]	87,193	84,107	83,045	81,359
UK-33	Average leverage ratio including claims on central banks[4]	6.4%	4.6%	3.4%	3.5%
UK-34	Average leverage ratio excluding claims on central banks[4]	8.0%	5.7%	4.3%	4.4%

1 Extracts of LR2 (Leverage ratio common disclosure) that are required to be disclosed on a quarterly basis.

2 Excludes profits for the preceding quarter from the total tier 1 capital positions at 30 September 2025 and 31 March 2025 (numerator of the leverage ratio) that remained subject to formal verification in accordance with capital regulations.

3 The additional leverage ratio buffer (ALRB) does not apply for the Bank.

4 The average UK leverage ratio is based on the average of the month end tier 1 capital position and average exposure measure over the quarter.

The Bank's UK leverage ratio increased to 8.0% at 30 September 2025 (31 December 2024: 4.5%), largely reflecting an increase in additional tier 1 capital following the regulatory capital restructuring exercise undertaken during the second quarter. This was partly offset by an increase in the leverage exposure measure, reflecting lending growth, increases in reverse repurchase agreements and off-balance sheet items and an increase in the measure for derivatives.

LEVERAGE AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (Continued)

OV1: Overview of risk weighted exposure amounts

		Total RWA		Total own funds requirements
		30 Sep 2025	31 Dec 2024	30 Sep 2025
		£m	£m	£m
1	**Credit risk (excluding CCR)**	11,011	9,582	881
2	Of which the standardised approach	1,152	1,190	92
3	Of which the foundation IRB (FIRB) approach	9,000	7,610	720
4	Of which slotting approach	340	272	27
UK 4a	Of which equities under the simple risk weighted approach	418	419	34
	Of which: non-credit obligation assets[1]	101	91	8
6	**Counterparty credit risk (CCR)**	6,287	5,828	503
7	Of which the standardised approach	5,702	5,189	456
UK 8a	Of which exposures to a CCP	69	72	6
UK 8b	Of which credit valuation adjustment (CVA)	195	243	16
9	Of which other CCR	321	324	25
16	**Securitisation exposures in the non-trading book (after the cap)**	516	531	41
18	Of which SEC-ERBA approach (including IAA)	146	149	12
19	Of which SEC-SA approach	370	382	29
20	**Position, foreign exchange and commodities risks (Market risk)**	4,335	3,422	347
21	Of which the standardised approach	503	416	40
22	Of which IMA	3,832	3,006	307
23	**Operational risk**	1,242	1,242	99
UK 23b	Of which standardised approach	1,242	1,242	99
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	458	458	37
29	**Total**	23,391	20,605	1,871
	Pillar 2A capital requirement[2]			924
	Total capital requirement			2,795

[1] Non-credit obligation assets (IRB approach) includes other balance sheet assets that have no associated credit risk.

[2] Following a PRA update in the third quarter, the Bank's Pillar 2A capital requirement has reduced to around 4.0% of risk-weighted assets, of which around 2.2% is to be met with CET1 capital.

CREDIT RISK

CR8: RWA flow statements of credit risk exposures under the IRB approach

The table below summarises the movements of risk-weighted assets for credit risk exposures under the Internal Ratings Based (IRB) Approach. The table excludes counterparty credit risk exposures, securitisation exposures and other non-credit obligation assets.

		Total RWA quarter to 30 Sep 2025	Total RWA YTD 30 Sep 2025
		£m	£m
1	Risk weighted exposure amount as at the end of previous reporting period	9,253	7,882
2	Asset size (+/-)	132	1,832
3	Asset quality (+/-)	(81)	(123)
5	Methodology and policy (+/-)	(25)	130
7	Foreign exchange movements (+/-)	62	(380)
9	**Risk weighted exposure amount as at the end of the reporting period**	9,340	9,340

Key movements 30 June 2025 to 30 September 2025:

– Asset size increase largely driven by lending growth.

MARKET RISK

MR2-B: RWA flow statements of market risk exposures under the Internal Model Approach

The table below summarises the movements of risk-weighted assets for market risk exposures under the Internal Model Approach (IMA).

		Total RWA quarter to 30 Sep 2025					
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		£m	£m	£m	£m	£m	£m
1	**RWAs at 30 June 2025**	346	1,109	265	897	2,617	209
1a	Regulatory adjustment	(240)	(819)	—	—	(1,059)	(85)
1b	RWAs at the previous quarter-end (end of the day)[1]	106	290	265	897	1,558	124
2	Movement in risk levels	83	229	474	255	1,040	84
3	Model updates/changes	—	—	—	3	3	—
7	Other	—	—	—	17	17	1
8a	RWAs at end of the disclosure period (end of the day)[1]	189	519	739	1,172	2,618	209
8b	Regulatory adjustment	233	981	—	—	1,214	98
8	**RWAs at 30 September 2025**	422	1,500	739	1,172	3,832	307

		Total RWA YTD to 30 Sep 2025					
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		£m	£m	£m	£m	£m	£m
1	**RWAs at 31 December 2024**	572	1,077	426	931	3,006	240
1a	Regulatory adjustment	(264)	(777)	(140)	—	(1,181)	(94)
1b	RWAs at end of day[1]	308	300	286	931	1,825	146
2	Movement in risk levels	(119)	219	453	219	771	62
3	Model updates/changes	—	—	—	(32)	(32)	(3)
7	Other	—	—	—	54	54	4
8a	RWAs at end of day[1]	189	519	739	1,172	2,618	209
8b	Regulatory adjustment	233	981	—	—	1,214	98
8	**RWAs at 30 September 2025**	422	1,500	739	1,172	3,832	307

[1] End of day represents spot position

Key movements 30 June 2025 to 30 September 2025:

– Increase in risk weighted assets in Q3 driven by portfolio evolution which has reversed the reduction seen in Q2 coupled with a specific increase in the IRC RWA component driven by the quarter end position.

LIQUIDITY

The table below presents the breakdown of the Bank's cash outflows and cash inflows, as well as its available high quality liquid assets, calculated as the simple averages of month end observations over the 12 months preceding the end of each quarter.

LIQ1: Liquidity Coverage Ratio (LCR)

		Total unweighted value (average)				Total weighted value (average)			
		30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024
	Number of data points used in calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets (£m)									
1	Total high-quality liquid assets (HQLA)					26,787	26,353	26,227	26,839
Cash - outflows (£m)									
2	Retail deposits and deposits from small business customers, of which:	7,798	7,787	7,786	7,764	1,013	1,026	1,022	1,016
4	Less stable deposits	7,628	7,787	7,786	7,764	1,013	1,026	1,022	1,016
5	Unsecured wholesale funding	9,790	9,045	8,445	8,058	6,000	5,688	5,446	5,258
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	105	105	100	76	26	26	25	19
7	Non-operational deposits (all counterparties)	8,665	7,911	7,296	6,997	4,953	4,633	4,372	4,254
8	Unsecured debt	1,020	1,029	1,049	985	1,021	1,029	1,049	985
9	Secured wholesale funding					625	435	258	146
10	Additional requirements	23,816	24,568	24,880	26,185	15,830	16,920	17,382	18,808
11	Outflows related to derivative exposures and other collateral requirements	9,883	11,109	11,634	13,089	9,883	11,109	11,634	13,089
13	Credit and liquidity facilities	13,933	13,459	13,246	13,096	5,947	5,811	5,748	5,719
14	Other contractual funding obligations	4,612	3,721	2,621	1,771	753	696	640	600
15	Other contingent funding obligations	7,050	6,803	6,747	6,822	197	200	207	223
16	Total cash outflows					24,418	24,965	24,955	26,051
Cash - inflows (£m)									
17	Secured lending (e.g. reverse repos)	21,568	20,878	20,930	21,130	158	126	131	122
18	Inflows from fully performing exposures	936	971	933	880	886	918	872	816
19	Other cash inflows	7,392	8,068	8,140	9,104	7,391	8,068	8,140	9,104
20	Total cash inflows	29,896	29,917	30,003	31,114	8,435	9,112	9,143	10,042
UK-20c	Inflows subject to 75% cap	28,650	28,478	28,427	29,422	8,435	9,112	9,143	10,042
Total adjusted value									
UK-21	Liquidity buffer (£m)					26,787	26,353	26,227	26,839
22	Total net cash outflows (£m)					15,983	15,853	15,812	16,009
23	Liquidity coverage ratio (%)					168%	167%	166%	168%

LIQUIDITY (Continued)

LIQB: Qualitative information on LCR

The Bank's LCR disclosure (based on a simple average over the previous 12 months) was 168% at 30 September 2025. The increase of 1 percentage point from the prior quarter was driven by higher liquid assets, primarily from an increase in customer commercial deposits, partially offset by growth in lending.

The Bank manages and monitors funding and liquidity risks in accordance with internal risk appetite, strategy and regulatory requirements, including maintaining diversified funding sources. The Bank's funding sources include a range of wholesale unsecured funding, across a diverse range of products and counterparties. Funding concentration by counterparty, currency and tenor is monitored on an ongoing basis and where concentrations do exist, these are managed as part of the planning process and limited by the internal funding and liquidity risk monitoring framework, with analysis regularly provided to senior management.

The liquidity buffer consists almost entirely of Level 1 items. The majority of Level 1 assets are held as central bank reserves, with the remaining balance of Level 1 assets primarily held as government bonds.

The Bank's outflows related to derivative exposures and other collateral requirements include outflows for potential deterioration in credit rating and for the impact of an adverse market scenario on derivatives transactions. Also included are outflows on derivative contracts that have offsetting inflows recorded in 'other cash inflows'.

The Bank's liquidity risk management framework covers currency liquidity risk and ensures the currency denomination of LCR liquid assets is consistent with the distribution of net currency liquidity outflows. Granular LCR risk appetites by significant currency are set and monitored across tenors at Bank committee level.

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and section 27A of the US Securities Act of 1933, as amended, with respect to the business, strategy, plans and/or results of Lloyds Bank Corporate Markets plc together with its subsidiaries (the Group) and its current goals and expectations. Statements that are not historical or current facts, including statements about the Group's or its directors' and/or management's beliefs and expectations, are forward-looking statements.

Words such as, without limitation, 'believes', 'achieves', 'anticipates', 'estimates', 'expects', 'targets', 'should', 'intends', 'aims', 'projects', 'plans', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'may', 'seek', 'estimate', 'probability', 'goal', 'objective', 'deliver', 'endeavour', 'prospects', 'optimistic' and similar expressions or variations on these expressions are intended to identify forward-looking statements.

These statements concern or may affect future matters, including but not limited to: projections or expectations of the Group's future financial position, including profit attributable to shareholders, provisions, economic profit, dividends, capital structure, portfolios, net interest margin, capital ratios, liquidity, risk-weighted assets (RWAs), expenditures or any other financial items or ratios; litigation, regulatory and governmental investigations; the Group's future financial performance; the level and extent of future impairments and write-downs; the Group's ESG targets and/or commitments; statements of plans, objectives or goals of the Group or its management and other statements that are not historical fact and statements of assumptions underlying such statements.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future.

Factors that could cause actual business, strategy, targets, plans and/or results (including but not limited to the payment of dividends) to differ materially from forward-looking statements include, but are not limited to: general economic and business conditions in the UK and internationally (including in relation to tariffs); imposed and threatened tariffs and changes to global trade policies; acts of hostility or terrorism and responses to those acts, or other such events; geopolitical unpredictability; the war between Russia and Ukraine; the escalation of conflicts in the Middle East; the tensions between China and Taiwan; political instability including as a result of any UK general election; market related risks, trends and developments; changes in client and consumer behaviour and demand; exposure to counterparty risk; the impact of any regulatory and/or legislative divergence between the UK and EU as a result of the exit by the UK from the European Union (EU) and the effects of the EU-UK Trade and Cooperation Agreement; the ability to access sufficient sources of capital, liquidity and funding when required; changes to the Group's credit ratings; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; volatility in credit markets; volatility in the price of the Group's securities; natural pandemic and other disasters; risks concerning borrower and counterparty credit quality; risks affecting defined benefit pension schemes; changes in laws, regulations, practices and accounting standards or taxation; changes to regulatory capital or liquidity requirements and similar contingencies; the policies and actions of governmental or regulatory authorities or courts together with any resulting impact on the future structure of the Group; risks associated with the Group's compliance with a wide range of laws and regulations; assessment related to resolution planning requirements; risks related to regulatory actions which may be taken in the event of a bank or Group failure; exposure to legal, regulatory or competition proceedings, investigations or complaints; failure to comply with anti-money laundering, counter terrorist financing, anti-bribery and sanctions regulations; failure to prevent or detect any illegal or improper activities; operational risks including risks as a result of the failure of third party suppliers; conduct risk; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; technological failure; inadequate or failed internal or external processes or systems; risks relating to ESG matters, such as climate change (and achieving climate change ambitions) and decarbonisation, including the Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, and human rights issues; the impact of competitive conditions; failure to attract, retain and develop high calibre talent; the ability to achieve strategic objectives; the ability to derive cost savings and other benefits including, but without limitation, as a result of any acquisitions, disposals and other strategic transactions; inability to capture accurately the expected value from acquisitions; and assumptions and estimates that form the basis of the Group's financial statements. A number of these influences and factors are beyond the Group's control. Please refer to Base Prospectus for the Group's Euro Medium-Term Note Programme and the latest Annual Report on Form 20-F filed by Lloyds Banking Group plc with the US Securities and Exchange Commission (the SEC), which is available on the SEC's website at www.sec.gov, for a discussion of certain factors and risks. Lloyds Banking Group plc may also make or disclose written and/or oral forward-looking statements in other written materials and in oral statements made by the directors, officers or employees of Lloyds Banking Group plc to third parties, including financial analysts.

Except as required by any applicable law or regulation, the forward-looking statements contained in this document are made as of today's date, and the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document whether as a result of new information, future events or otherwise. The information, statements and opinions contained in this document do not constitute a public offer under any applicable law or an offer to sell any securities or financial instruments or any advice or recommendation with respect to such securities or financial instruments.

CONTACTS

For further information please contact:

INVESTORS AND ANALYSTS
Douglas Radcliffe
Group Investor Relations Director
020 7356 1571
douglas.radcliffe@lloydsbanking.com

Rohith Chandra-Rajan
Director of Investor Relations
07353 885 690
rohith.chandra-rajan@lloydsbanking.com

Nora Thoden
Director of Investor Relations – ESG
020 7356 2334
nora.thoden@lloydsbanking.com

Tom Grantham
Investor Relations Senior Manager
07851 440 091
thomas.grantham@lloydsbanking.com

Sarah Robson
Investor Relations Senior Manager
07494 513 983
sarah.robson2@lloydsbanking.com

CORPORATE AFFAIRS
Matt Smith
Head of Media Relations
07788 352 487
matt.smith@lloydsbanking.com

Emma Fairhurst
Media Relations Senior Manager
07814 395 855
emma.fairhurst@lloydsbanking.com

Registered office: Lloyds Bank Corporate Markets plc, 25 Gresham Street, London, EC2V 7HN
Registered in England No. 10399850