FIXED INCOME INVESTOR PRESENTATION

Q3 2021

Group Overview

Simple group structure with multiple issuance points

	HoldCo	
Main Entities	**Lloyds Banking Group**	
Ratings[1]	A2 / BBB+ / A Sta / Sta / Sta	P-1 / A-2 / F1
Example Products	Senior Unsecured Capital	-

Ring-Fenced Sub-Group		Non-Ring-Fenced Sub-Group		Insurance Sub-Group		Equity Investments Sub-Group	
Lloyds Bank, Bank of Scotland		**Lloyds Bank Corporate Markets**		**Scottish Widows**		**Lloyds Equity Investments**	
A1 / A+ / A+ Sta / Sta / Sta	P-1 / A-1 / F1	A1 / A / A+ Sta / Sta / Sta	P-1 / A-1 / F1	A2 / - / A+[2] Sta / - / Sta	- / - / F-1	-	-
Senior Unsecured Covered Bonds ABS	CD, CP	Senior Unsecured	CD, Yankee CD, CP	Capital	-	-	-
L&A: **£488bn**[4]	Assets: **£603bn**	L&A: **£22bn**[4,5]	Assets: **£82bn**[5]	L&A: **N/A**	AuA: **£185bn**[3,5]	L&A: **N/A**	Assets: **£3bn**[5]
EU sub: Berlin		**EU sub: Frankfurt**		**EU sub: Luxembourg**			

1 - Ratings shown are senior unsecured, Moody's / S&P / Fitch. 2 – Ratings shown are for Scottish Widows Ltd Insurance Financial Strength Rating. 3 – Insurance assets includes Wealth. 4 – "L&A" refers to Loans & Advances to customers and banks. 5 – L&A & Total Assets as at H1 2021 except for LEIL which is as at FY 2020

Well positioned to continue delivering for all stakeholders

OUR PURPOSE — **Helping Britain Prosper**

OUR FOCUS IN 2021 — **Helping Britain Recover**

- **Ongoing support for customers whilst Helping Britain Recover**
- **Strong progress on Strategic Review 2021 priorities**
- **Continued business momentum and solid financial performance**
- **Strong capital position, underpinned by ongoing strong capital build**
- **2021 guidance enhanced**
  - Net interest margin now expected to be modestly above 250bps
  - Operating costs expected to be circa £7.6bn
  - Impairment now expected to be a net credit for the year
  - RoTE now expected to be over 10%, excl. c.2.5pp benefit from tax rate changes
  - RWAs in 2021 expected to be below £200bn
- **Continue to target a return on tangible equity in excess of the Group's cost of equity in the medium-term**
- **Strategic update to be provided in February**

Strong progress on Strategic Review 2021

Illustrative examples of YTD progress

Helping Britain Recover

Exceeding **£10bn first-time buyer** target (YTD: c.£13bn)

Increasing funding to **Housing Growth Partnership** to support **£300m** commitment for new homes

Introduced flagship **fossil fuel-free fund** allowing pension investment with **positive environmental impact**

Supporting businesses in **start up (>70k)** and boosting **digital capabilities (>130k)**

Customer ambitions

Preferred financial partner for personal customers:

- **>£15bn** open book mortgage growth
- **£5bn** net new open book AuA in Insurance & Wealth[1] and enhancing Wealth offering through acquisition of **Embark Group**
- **All channel NPS** and **mobile app NPS** above 2021 targets

Best bank for business:

- **>50%** growth in **SME products originated via a digital** source
- Improved **GBP rates** ranking to 6th (from FY20 10th)[2]

Enhanced capabilities

>25% increase in SME client engagement following roll out of **data-driven** targeted marketing in June

Improved merchant services proposition delivering **12% new client growth**

Hybrid ways of working being introduced and **c.5%** reduction in office space, on track for 2021 target of 8%

1 – Excludes market movements. 2 – Combined Tradeweb and Bloomberg GBP IRS (Rates) ranking.

Significant progress across our ESG ambitions

Environmental

- Announced ambitious goals to reach **net zero emissions in our lending and investment portfolios by 2050 or sooner, with intermediate goals to**
  - **Help reduce** carbon emissions we finance **by >50% by 2030**
  - **Halve** the carbon footprint of Scottish Widows investments **by 2030**
- Developed three new operational climate pledges including **net zero carbon operations by 2030**
- Calculated initial estimate of our **2018 financed emissions baseline** covering c.70% of Group's balance sheet[1]
- Joined **Net-Zero Banking Alliance** as a founding member in April 2021
- Scottish Widows **divesting c.£1.4bn** from companies not meeting ESG standards
- Introduced pension flagship **fossil fuel-free fund** allowing investment with **positive environmental impact**

Social

- Announced **new gender and ethnic diversity aspirations** for colleagues in senior roles by 2025
- Marked 1st anniversary of our **Race Action Plan**, driving change across our culture, recruitment and progression, and supporting Black communities externally
- The **first FTSE100 company** to set a public goal for **senior roles held by Black colleagues** (3% by 2025)
- **>£51m total community investment**, including **£25.5m** for our **four independent charitable Foundations**

Governance

- Successful transition to **new Chair and CEO**
- Comprehensive **shareholder engagement** including Board Governance Event and retail investor briefings
- **Employee engagement** remains strong reflecting support to colleagues through pandemic
- New **ESG Report (FY2020)**, including **enhanced TCFD disclosures** and **new SASB index**

1 – Excluding Insurance & Wealth

Long-term ESG focus supported by memberships, awards and ratings

1985
Independent charitable Foundations established

2002
Investment in energy savings measures recognised by Carbon Trust Energy Efficiency Accreditation Scheme

2008
Adopted the Equator Principles

2014
Launched our Helping Britain Prosper Plan

2018
Launched our Sustainability strategy

2019
Signed up to all 3 of The Climate Group initiatives

2020
Launched our Race Action Plan

2021
Announced Helping Britain Recover

Memberships

- Net-Zero Banking Alliance (NZBA)
- Task Force on Nature-Related Financial Disclosures
- Institutional Investors Group on Climate Change
- UNEP FI Principles for Sustainable Insurance
- UNEP FI Principles for Responsible Banking
- Task Force on Climate-Related Financial Disclosures
- UN Principles for Responsible Investment
- The Equator Principles

Recent awards and recognition

Ranked 6th in FT's inaugural listing of Europe's Climate Leaders

FTSE4Good

THE TIMES TOP 50 EMPLOYERS FOR WOMEN 2020

2020 Bloomberg Gender-Equality Index

ETHNICITY AWARDS

TOP 10 EMPLOYER for Working Families 2020

iwfm IMPACT AWARDS 2020

Latest ESG index scores

MSCI	AA
Sustainalytics	23.3
ISS ESG Corporate rating	C+ (Prime)
CDP	A-
Workforce Disclosure Initiative	87%

Financial Update

Continued business momentum and solid financial performance

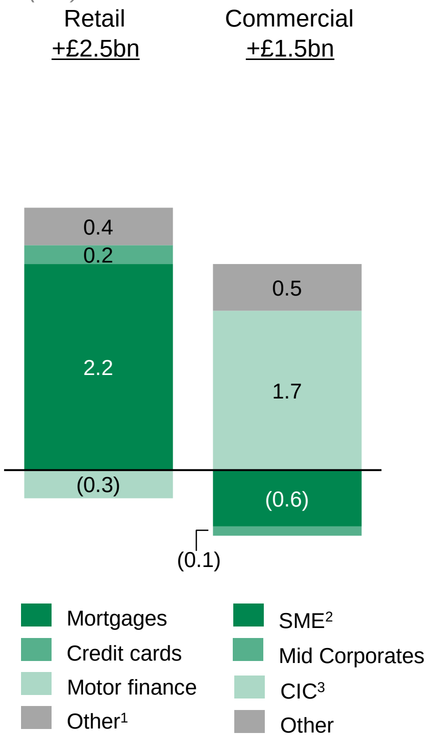
	Q3 2021	2021 YTD
Net income	£4.1bn	£11.6bn
Cost:income ratio (incl. remediation)	48.3%	52.6%
Underlying profit before impairment	£2.1bn	£5.5bn
Impairment credit	£84m	£740m
Statutory profit before tax	£2.0bn	£5.9bn
Return on tangible equity	14.5%	17.6%
TNAV	56.6p	
CET1 ratio	17.2%	

- **Solid net income performance, 5% ahead of Q2 and 8% ahead of prior year to date**
  - NII £2.9bn in Q3, with AIEAs £447bn and NIM 255bps
  - Other income £1.3bn; operating lease depreciation £111m
- **Operating costs slightly up YTD given variable pay**
- **Underlying asset quality strong with net impairment credit**
- **Statutory profit before tax of £5.9bn YTD, significantly ahead of prior year**
- **Strong balance sheet and capital build in the year to date**
  - Open mortgage book growth of £15.3bn
  - Deposit growth of £28.4bn
  - TNAV of 56.6p, up 4.3p on year end
  - CET1 ratio 17.2% after dividend accrual, capital build 159bps
- **2021 guidance enhanced**

Continued franchise growth

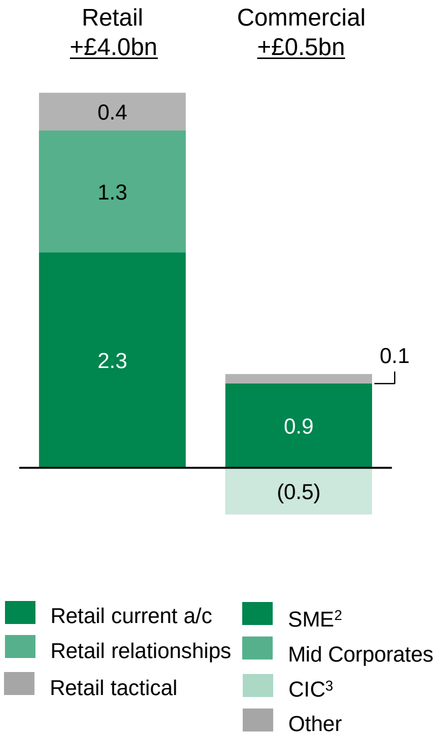
Q3 lending change

(£bn)



Q3 deposit change

(£bn)



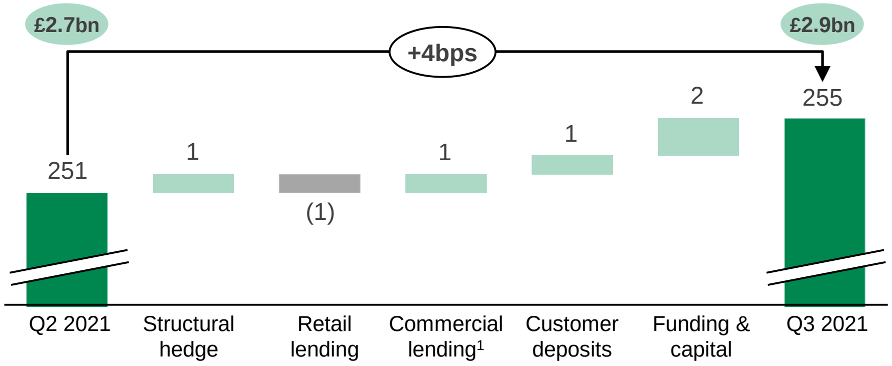
- **Total mortgage balances up £2.2bn in Q3 to £307.4bn driven by £2.7bn increase in open book; credit card balances up £0.2bn and motor finance down £0.3bn**
- **Commercial Banking balances up £1.5bn in Q3**
- **Retail deposits up £4.0bn, reflecting continued low spend and inflows to trusted brands**
- **AIEAs £443bn for Q3 YTD, up £8bn on 2020 year end with £447bn for Q3, up £5bn on Q2**
- **Continue to expect low single-digit percentage growth in AIEAs in 2021**

1 – Includes Unsecured loans, Overdrafts and Europe. 2 – Retail Business Banking included within SME for reporting purposes. 3 – Corporate and Institutional Clients.

Solid income performance

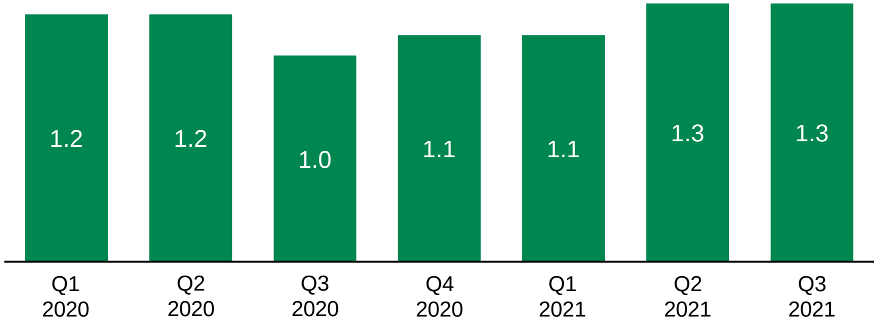
Net interest income and banking net interest margin

(£bn, bps)



Other income

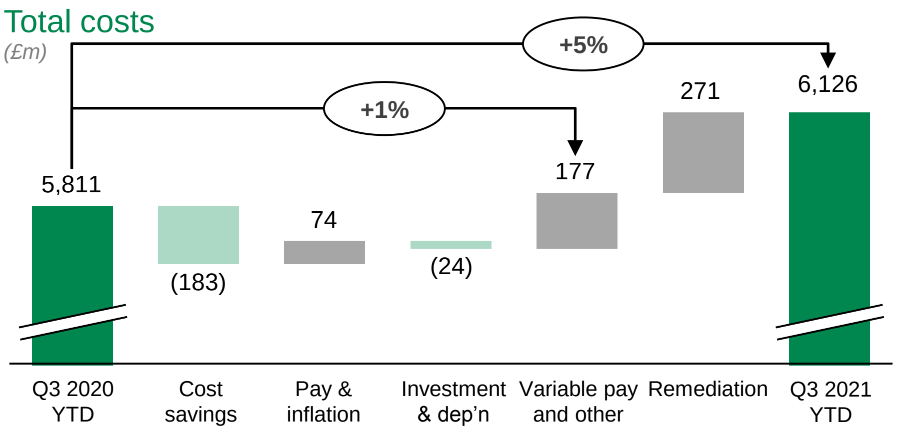
(£bn)



1 – Retail Business Banking shown in Commercial.

- **NII of £8.3bn up 2% on prior YTD; Q3 at £2.9bn, up 4% on Q2**
  - NIM 255bps in Q3, up 4bps on Q2
  - Structural hedge capacity increased to £240bn with £225bn invested at the end of Q3
- **Now expect 2021 NIM to be modestly above 250bps**
- **Other income of £3.8bn YTD and £1.3bn in Q3**
  - Customer activity gradually building
  - Q3 benefits from strong contribution from Lloyds Development Capital, c.£100m above typical run rate

Continued focus on efficiency



Below the line restructuring costs (£m)	Q3 2021 YTD	Q3 2020 YTD
Restructuring costs	**386**	288
Severance costs	***91***	*65*
Property transformation	***72***	*95*
Technology R&D	***104***	*35*
Regulatory programmes	***46***	*29*
M&A/Integration/Other	***73***	*64*

- **Sustained cost discipline with market-leading cost:income ratio of 52.6% YTD**
- **Operating costs, excluding remediation, £5.6bn year to date, up 1% on 2020**
- **Continue to expect 2021 operating costs to be circa £7.6bn**
- **On track for c.£0.9bn strategic investment in 2021**
- **Remediation of £525m year to date includes £190m redress and operational costs for HBOS Reading with £40m in Q3 given limited new panel review outcomes**
- **Below the line restructuring costs of £386m, reflecting an increase in technology R&D and severance costs**
  - Increased restructuring costs anticipated in Q4

Strong asset quality and improved macroeconomic outlook

Impairment (£m)	Q3 2021 YTD	Q3 2021	Q3 2020 YTD	*YoY change*
Charges pre-updated MES[1]	**411**	159	1,192	*(781)*
Retail	**733**	206	976	*(243)*
Commercial Banking	**(318)**	(46)	211	*(529)*
Other	**(4)**	(1)	5	*(9)*
Coronavirus impacted restructuring cases[2]	**(53)**	18	434	*(487)*
Updated economic outlook	**(1,098)**	(261)	2,493	*(3,591)*
Retail	**(690)**	(146)	1,442	*(2,132)*
Commercial Banking	**(408)**	(115)	851	*(1,259)*
Other	**–**	–	200	*(200)*
Total impairment (credit) / charge	**(740)**	(84)	4,119	*(4,859)*

ECL[3]	Upside (30%)	Base Case (30%)	Downside (30%)	Severe downside (10%)	Prob. -weighted
Q3 2021	**£4,584m**	**£4,904m**	**£5,577m**	**£7,002m**	**£5,220m**
Q4 2020	£5,766m	£6,354m	£7,468m	£9,838m	£6,860m

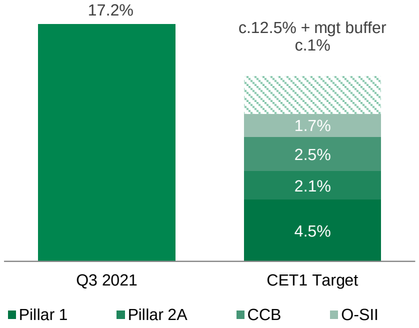
- **Asset quality remains strong – sustained low levels of new to arrears and underlying charges below pre-Covid levels in Retail and Commercial**
- **Q3 net impairment credit of £84m, driven by macroeconomic outlook release of £261m**
- **Stock of ECL reduced to £5.2bn, c.£1.0bn higher than year end 2019**
- **Covid management judgements of c.£1.2bn retained, including £400m central overlay**
- **Based on updated macroeconomic assumptions, impairment now expected to be a net credit for 2021**

1 – Multiple economic scenarios. 2 – Further (credits) / charges on existing material cases in restructuring at the end of 2019 where coronavirus has directly hampered the recovery strategy. 3 – Expected credit loss.

Capital, Funding & Liquidity

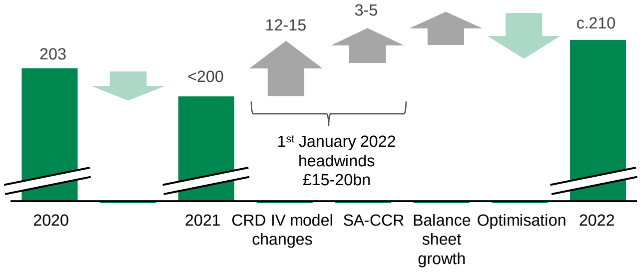
Capital, Funding & Liquidity summary

Significant CET1 headroom to regulatory minimum and Group target

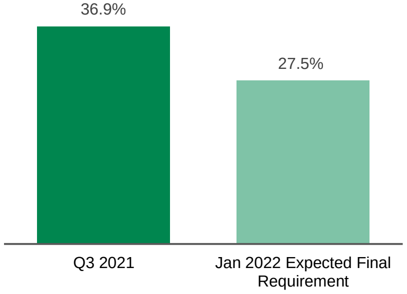


2022 RWA regulatory headwinds, although uncertainties remain

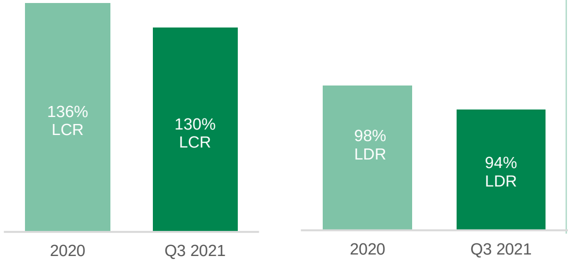
(£bn)



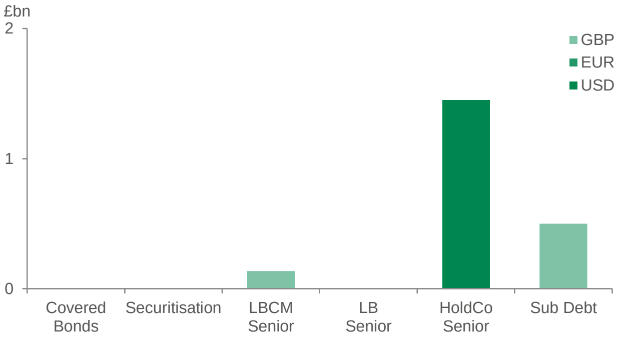
MREL strongly positioned - c.940bps above expected requirement



Strong liquidity metrics through the pandemic



c.£2bn of Issuance over 2021



Stable rating outlooks

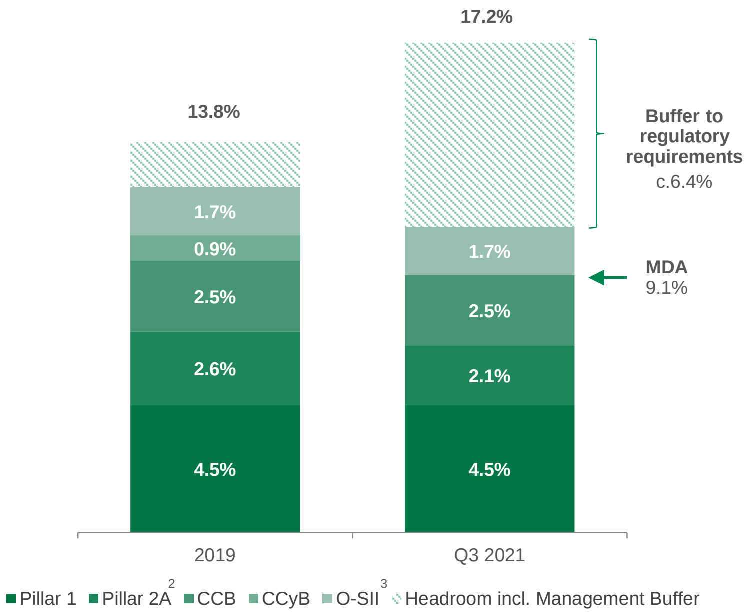
Lloyds Banking Group
A2 / BBB+ / A Sta / Sta / Sta

Lloyds Bank, Bank of Scotland	Lloyds Bank Corporate Markets	Scottish Widows
A1 / A+ / A+ Sta / Sta / Sta	A1 / A / A+ Sta / Sta / Sta	A2 / - / A+ Sta / - / Sta

Ratings shown as Moody's/S&P/Fitch

Enhanced capital strength with significant headroom over target and requirements

Common equity tier 1 ratio



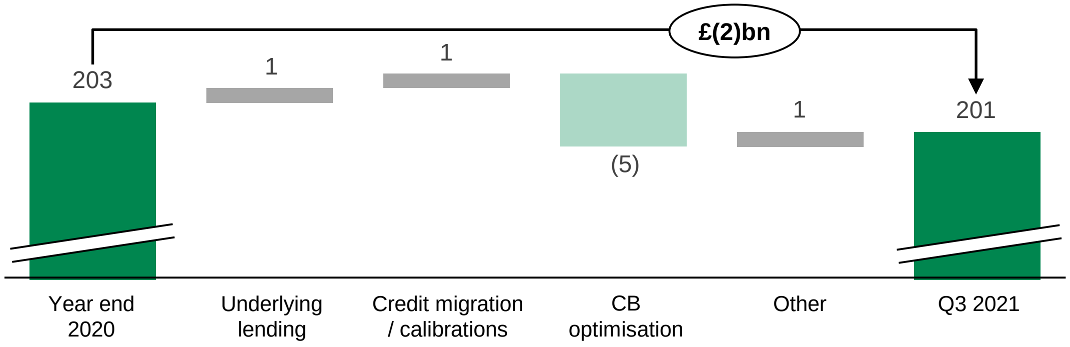
- **CET 1 ratio 17.2%, underpinned by 159bps capital build year to date**
- **CET 1 ratio 16.1% excluding software benefit and IFRS 9 transitional relief**
  - Ongoing target of c.12.5% plus a c.1% management buffer
  - Significant headroom over regulatory requirement of c.11%
- **Group Pillar 2A reduced in Q3 2021 to equivalent of 2.1%, from 2.2%**
- **CCyB confirmed at 0% until at least Dec 2021; earliest implementation of any change now Dec 2022**
- **O-SII buffer maintained at 1.7% until reassessment in Dec 2023; earliest implementation of any change now January 2025**
  - FPC consultation on potentially changing the threshold denominator to Leverage Exposures rather than Total Assets to reduce Covid-driven impact on Central Bank Reserves

1 – CET1 requirements shown exclude any other PRA buffer requirement which we are not permitted to disclose. 2 – Pillar 2A reviewed annually by the PRA. Expected final P2A component based on September 2021 notional requirement and RWAs. 3 – O-SII buffer of 2% is applicable to the RFB sub-group, equating to 1.7% at Group level.

RWAs down £2bn in Q3; regulatory pressure in 2022

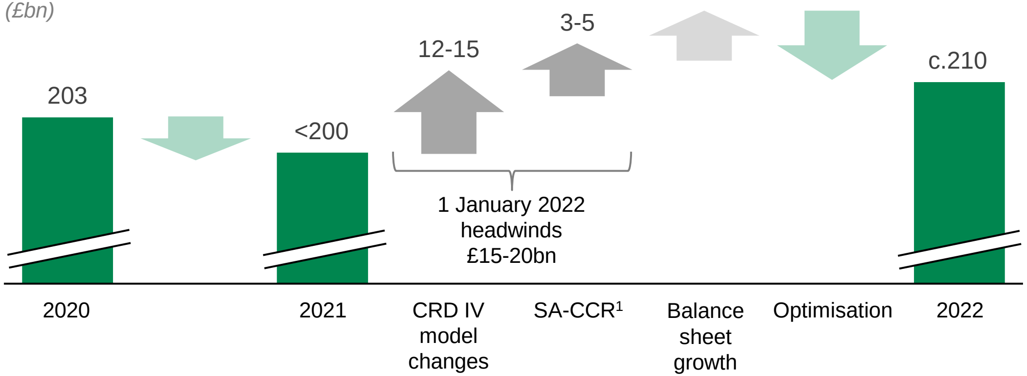
Risk-weighted assets

(£bn)



2022 RWA regulatory headwinds, although uncertainties remain

(£bn)

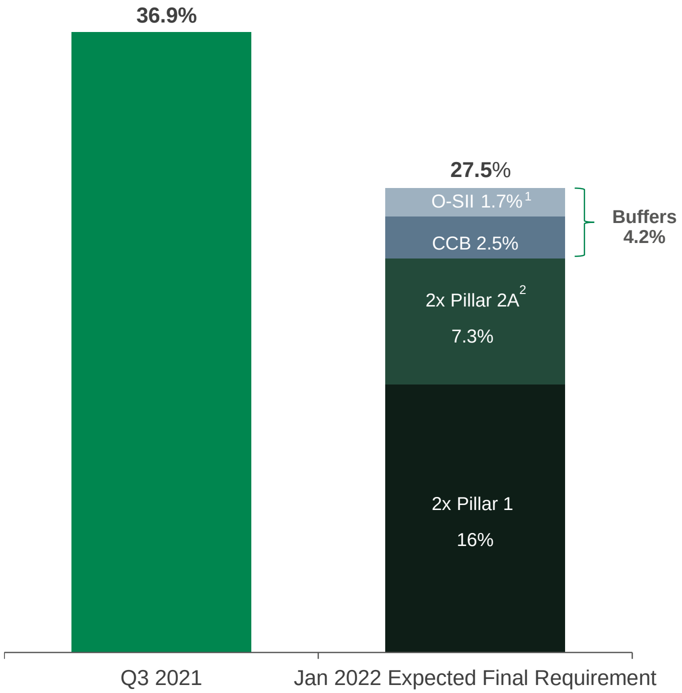


- **RWAs down £2bn YTD to £201bn, benefitting from Commercial Banking optimisation**
- **Limited credit migration seen to date, supported by high quality book and HPI**
- **2021 RWAs expected to be below £200bn and 2022 closing RWAs c.£210bn**
- **Regulatory headwinds expected to increase RWAs in January 2022**
  - Impact estimated at £15-20bn, subject to economic conditions and model finalisation
  - Active RWA management to continue, providing some offset
- **2023 Basel 3.1 impacts expected to be broadly neutral with reductions from F-IRB[2] changes offsetting other increases**

1 – Standardised Approach for Counterparty Credit Risk. 2 – Foundation internal ratings-based approach.

Well positioned for end-state MREL requirements

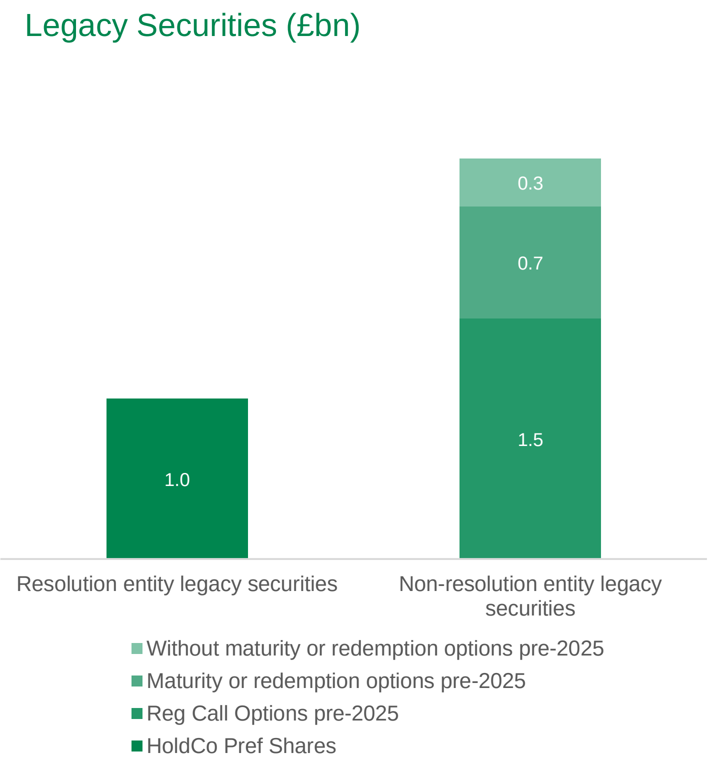
Transitional MREL ratio



- **Strongly positioned with total capital ratio of 23.6% and MREL ratio of 36.9%; c.£1.4bn of MREL eligible senior unsecured and £500m Tier 2 issued over 2021**
- **July BoE consultation paper proposed no changes to end-state requirements that will apply from 1 Jan 2022**
- **2021 HoldCo issuance focused on meeting requirements and funding needs, including prudent buffers, at each legal entity level**

1 – O-SII Buffer of 2% is applicable to the RFB sub-group, equating to 1.7% at Group level. 2 – Pillar 2A reviewed annually by the PRA. Expected final P2A component based on September 2021 notional requirement and RWAs.

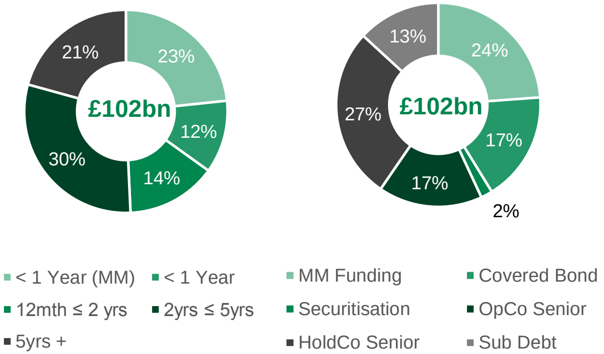
Scale of legacy capital securities limited in context of wider capital stack



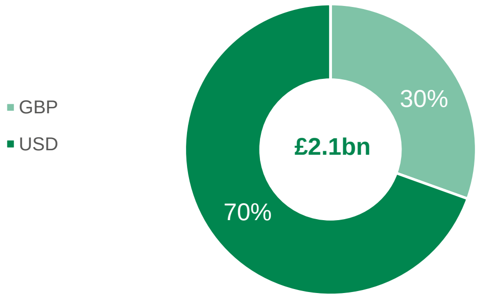
- **Legacy capital securities constitute only £3.5bn, compared to c.£74bn of our regulatory loss-absorbing capacity, of which:**
  - **£1bn preference shares issued from the resolution entity**
  - **£1.5bn with regulatory call options, currently grandfathered Tier 1 until end-2021**
  - **£0.7bn securities with maturity or redemption options pre-June 2025**
  - **£0.3bn securities without maturity or redemption options pre-June 2025**

Prudent funding and liquidity position with limited funding requirements

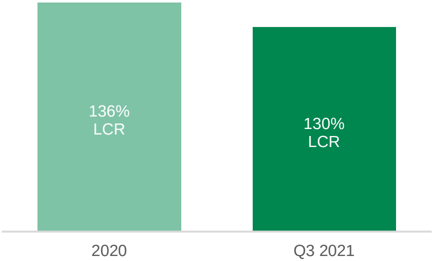
Wholesale funding portfolio by maturity and type



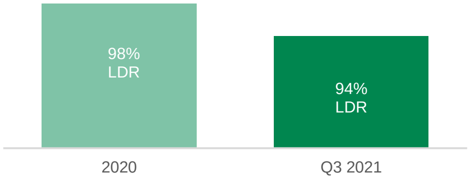
2021 Funding by currency



LCR stable and above minimum requirements



LDR continues to reduce due to deposit inflows



- **Average LCR remains comfortably above regulatory minimum at 130%**
- **Loan to deposit ratio of 94% unchanged over quarter**
- **c.£2.0bn equivalent issued YTD as a result of deposit inflows and TFSME**
- **Limited requirements over rest of 2021 given current funding position and maturities**
- **TFSME outstanding of £3.7bn as at end of Q3**

Ratings unchanged over the quarter

	UK Sovereign	HoldCo Lloyds Banking Group[1]	Ring-Fenced Bank Lloyds Bank, Bank of Scotland[1]	Non-Ring-Fenced Bank Lloyds Bank Corporate Markets[1]	Commentary
Standard and Poor's	*AA / Sta*	*BBB+ / A-2 / Sta*	*A+ / A-1 / Sta*	*A / A-1 / Sta*	• In June, S&P returned the Group's Rating Outlooks to Stable from Negative. This was driven by a revision to the BICRA economic risk trend, which also moved to Stable from Negative, as well as what S&P view as the Group's prudent provisioning and ability to navigate any potential tail risks from the pandemic.
Moody's	*Aa3 / Sta*	*A2 / P-1 / Sta*	*A1 / P-1 / Sta*	*A1 / P-1 / Sta*	• Following the implementation of their new methodology in July, Moody's upgraded LBG to A2 from A3. Moody's also revised LBG's Rating Outlook back to Stable, from Negative, reflecting an updated view of the UK and stabilisation of asset quality and profitability metrics across the Group.
Fitch	*AA- / Sta*	*A / F1 / Sta*	*A+ / F1 / Sta*	*A+ / F1 / Sta*	• In May, Fitch downgraded LBG by one notch to A - a methodological downgrade triggered by a fall in Qualifying Junior Debt. • In July, Fitch returned the Group's Rating Outlooks to Stable from Negative. This followed a return to Stable for the UK Sovereign in June.

1 – Bank ratings shown are LT / ST / Outlook.

Appendix

Quarterly P&L and key ratios

(£m)	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net interest income	**2,852**	2,741	2,677	2,677	2,618	2,528	2,950
Other income	**1,336**	1,282	1,135	1,066	988	1,235	1,226
Operating lease depreciation	**(111)**	(123)	(148)	(150)	(208)	(302)	(224)
Net income	**4,077**	3,900	3,664	3,593	3,398	3,461	3,952
Operating costs	**(1,871)**	(1,879)	(1,851)	(2,028)	(1,858)	(1,822)	(1,877)
Remediation	**(100)**	(360)	(65)	(125)	(77)	(90)	(87)
Total costs	**(1,971)**	(2,239)	(1,916)	(2,153)	(1,935)	(1,912)	(1,964)
Underlying profit before impairment	**2,106**	1,661	1,748	1,440	1,463	1,549	1,988
Impairment	**84**	333	323	(128)	(301)	(2,388)	(1,430)
Underlying profit	**2,190**	1,994	2,071	1,312	1,162	(839)	558
PPI	**–**	–	–	(85)	–	–	–
Other below the line items	**(161)**	13	(173)	(435)	(126)	163	(484)
Statutory profit / (loss) before tax	**2,029**	2,007	1,898	792	1,036	(676)	74
Statutory profit / (loss) after tax	**1,600**	2,468	1,397	680	688	(461)	480
Net interest margin	**2.55%**	2.51%	2.49%	2.46%	2.42%	2.40%	2.79%
Average interest-earning assets	**£447bn**	£442bn	£439bn	£437bn	£436bn	£435bn	£432bn
Cost:income (incl. remediation)	**48.3%**	57.4%	52.3%	59.9%	56.9%	55.2%	49.7%
Asset quality ratio	**(0.07)%**	(0.30)%	(0.29)%	0.11%	0.27%	2.16%	1.30%
Return on tangible equity[1]	**14.5%**	24.4%	13.9%	5.9%	6.0%	(6.1)%	3.7%
TNAV per share	**56.6p**	55.6p	52.4p	52.3p	52.2p	51.6p	57.4p

1 – New basis. Q1 to Q4 2020 restated.

Illustrative NII sensitivity to shifts in interest rate curves

Illustrative cumulative impact of parallel shifts in interest rate curve[1]

(£m)

	Year 1	Year 2	Year 3
+50bps	c.425	c.600	c.850
+25bps	c.225	c.300	c.425
+15bps	c.125	c.175	c.250
-10bps	c.(150)	c.(200)	c.(250)

- **Sensitivities reflect shifts in forward rate curve**
- **NII impact driven by structural hedge maturity reinvestment and benefit on certain deposit balances**
- **The actual impact will also depend on the prevailing regulatory and competitive environment at the time**
- **This sensitivity is illustrative and does not reflect new business margin implications and/or pricing actions, other than as outlined**
- **Assumptions**
  - Instantaneous parallel shift in GBP interest rate curve, including bank base rate
  - Balance sheet remains constant
  - Assumes illustrative 50% pass-through on deposits, which could be different in practice
  - Customer deposits and interest rates floored at 0%

1 – Sensitivity based on modelled impact on banking book NII (including structural hedge). Annual impacts are presented for illustrative purposes only and are based on a number of assumptions which are subject to change. Year 1 reflects the 12 months from 30/09/2021 balance sheet position.

Prudent economic scenarios

Scenario	ECL (£m)	Economic measure (%)	2021	*vs HY 2021[1]*	*vs FY 2020[1]*	2022	2023	2024	2025	*Average 2021-25*
Upside (30%)	**4,584**	GDP	6.7	*0.6*	*3.0*	5.5	1.1	1.4	1.4	3.2
		Interest rate	0.26	*(0.26)*	*(0.88)*	1.57	1.62	1.78	2.03	1.45
		Unemployment rate	4.6	*(0.1)*	*(0.8)*	4.1	4.0	3.8	3.8	4.1
		HPI growth	5.8	*(1.0)*	*7.2*	4.5	5.2	5.2	4.2	5.0
		CRE price growth	7.7	*(1.5)*	*(1.6)*	6.5	2.6	1.8	0.5	3.8
Base case (30%)	**4,904**	GDP	6.3	*0.8*	*3.3*	5.0	1.5	1.3	1.3	3.1
		Interest rate	0.10	*0.00*	*0.00*	0.28	0.50	0.69	0.94	0.50
		Unemployment rate	5.0	*(0.4)*	*(1.8)*	5.5	5.2	4.9	4.7	5.1
		HPI growth	4.8	*(0.8)*	*8.6*	1.4	0.1	1.1	1.1	1.7
		CRE price growth	2.1	*1.7*	*3.8*	0.4	1.3	1.4	0.7	1.2
Downside (30%)	**5,577**	GDP	6.1	*1.3*	*4.4*	4.1	1.1	1.3	1.4	2.8
		Interest rate	0.11	*0.02*	*0.05*	0.16	0.17	0.19	0.28	0.18
		Unemployment rate	5.3	*(0.7)*	*(2.6)*	6.9	6.8	6.4	6.0	6.3
		HPI growth	3.6	*0.1*	*12.0*	(4.8)	(7.6)	(5.3)	(2.7)	(3.4)
		CRE price growth	(1.2)	*4.1*	*9.4*	(5.7)	(1.4)	0.0	0.2	(1.6)
Severe downside (10%)	**7,002**	GDP	5.5	*1.4*	*5.2*	2.4	0.8	1.2	1.4	2.3
		Interest rate	0.08	*0.02*	*0.08*	0.01	0.03	0.03	0.05	0.04
		Unemployment rate	5.9	*(1.1)*	*(4.0)*	9.1	9.1	8.4	7.7	8.0
		HPI growth	3.1	*0.7*	*14.2*	(7.9)	(13.1)	(10.1)	(6.4)	(7.0)
		CRE price growth	(7.2)	*6.3*	*14.2*	(16.4)	(7.3)	(2.2)	0.4	(6.7)
Probability-weighted ECL	**5,220**									

1 – Comparison to scenarios modelled at Half Year 2021 and Full Year 2020; changes only shown for 2021 measures.

Updated coverage after updated economic outlook

(£m)	Gross customer L&A (£bn)	Coverage (excl. Recoveries)[1] Stage 1	Stage 2	Stage 3	Total	Total Coverage[1] Q4 2020	ECL Q4 2020	*Write-offs & Other*	*P&L charge / (credit)*	Net ECL decrease	ECL Q3 2021	Write-offs & Other Q3 YTD 2020
Retail	**366.6**	0.2%	3.7%	20.2%	**0.9%**	**1.1%**	**4,008**	*(765)*	*43*	(722)	**3,286**	(925)
UK Mortgages	***308.8***	*0.0%*	*1.9%*	*13.7%*	***0.4%***	***0.5%***	***1,605***	*(36)*	*(212)*	*(248)*	***1,357***	*(68)*
Cards	***14.4***	*1.5%*	*15.1%*	*57.0%*	***5.2%***	***6.4%***	***958***	*(301)*	*87*	*(214)*	***744***	*(359)*
Loans & Overdrafts	***9.6***	*2.0%*	*18.3%*	*61.4%*	***5.9%***	***7.6%***	***715***	*(360)*	*204*	*(156)*	***559***	*(369)*
Motor	***14.5***	*1.2%*	*5.8%*	*65.9%*	***2.9%***	***3.3%***	***501***	*(40)*	*(42)*	*(82)*	***419***	*(98)*
Other	***19.3***	*0.3%*	*6.3%*	*21.0%*	***1.1%***	***1.2%***	***229***	*(28)*	*6*	*(22)*	***207***	*(31)*
Commercial	**87.5**	0.2%	4.8%	34.1%	**1.7%**	**2.7%**	**2,402**	*(136)*	*(779)*	(915)	**1,487**	(221)
Other [2]	**53.4**	0.8%	3.4%	20.8%	**0.8%**	**0.7%**	**450**	*1*	*(4)*	(3)	**447**	2
Total	**507.5**	**0.3%**	**3.9%**	**25.1%**	**1.0%**	**1.4%**	**6,860**	***(900)***	***(740)***	**(1,640)**	**5,220**	**(1,144)**

1 – Underlying basis. Loans and advances to customers only; excludes £25m of ECL on other assets at 30/09/2021 (£28m at 31/12/2020). 2 – Includes reverse repos of £52.2bn (£58.6bn at 31/12/2020) which dilutes reported Group coverage by 0.1pp (0.1pp at 31/12/2020).

Continued low mortgage LTVs

	September 2021[1]				2020[1]	2010[1]
	Mainstream	Buy to let	Specialist	Total	Total	Total
Average LTVs	42.1%	48.7%	38.7%	**43.0%**	43.5%	55.6%
New business LTVs	63.9%	60.4%	N/A	**63.4%**	63.9%	60.9%
≤ 80% LTV	93.2%	99.4%	95.8%	**94.3%**	91.6%	57.0%
>80–90% LTV	6.3%	0.3%	1.4%	**5.1%**	7.8%	16.2%
>90–100% LTV	0.4%	0.1%	0.9%	**0.4%**	0.3%	13.6%
>100% LTV	0.1%	0.2%	1.9%	**0.2%**	0.3%	13.2%
Value >80% LTV	£16.9bn	£0.3bn	£0.4bn	**£17.6bn**	£24.9bn	£146.6bn
Value >100% LTV	£0.3bn	£0.1bn	£0.2bn	**£0.6bn**	£1.0bn	£44.9bn
Gross lending	£247.6bn	£51.5bn	£9.7bn	**£308.8bn**	£295.4bn	£341.1bn

1 – 2020-21 LTVs use Markit's 2019 Halifax HPI; 2010 LTVs use Markit's pre-2019 Halifax HPI and include TSB.

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Forward looking statements

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