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SUPPLEMENTARY PROSPECTUS DATED 3 AUGUST 2020



LLOYDS BANK

LLOYDS BANK PLC

(incorporated in England with limited liability under the Companies Act 1862 and the Companies Act 1985 with registered number 2065)

€60 billion Global Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by

LLOYDS BANK COVERED BONDS LLP

(a limited liability partnership incorporated in England and Wales registered number OC340094)

This Supplement (the **Supplement**) to the prospectus dated 18 May 2020, which comprises a base prospectus (the **Prospectus**) for the purposes of the Prospectus Regulation constitutes a supplement to the prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the €60 billion Global Covered Bond Programme (the **Programme**) established by Lloyds Bank plc (the **Issuer**).

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein. Capitalised terms used in this Supplement but not defined herein shall have the meanings ascribed to them in the Prospectus. When used in this Supplement, **Prospectus Regulation** means Regulation (EU) 2017/1129.

The Issuer and Lloyds Bank Covered Bonds LLP (the **LLP**) accept responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer and the LLP (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to:

- (a) incorporate by reference into the Prospectus the Issuer's 2020 Half-Year Results (as defined below), which were published via the RNS on 30 June 2020;
- (b) incorporate by reference the Retirement of Chairman and Chief Executive Officer Announcement (as defined in this Supplement), which was published via the RNS on 6 July 2020;
- (c) update the no significant change statement of the Issuer and its subsidiary and associated undertakings (the **Lloyds Bank Group**); and
- (d) update the section entitled "Recent Developments".

Documents Incorporated by Reference

By virtue of this Supplement:

- (i) the Issuer's 2020 Half-Year Results for the half-year to 30 June 2020, including the unaudited condensed consolidated financial statements prepared on a statutory basis for the half-year to 30

June 2020, together with the independent review report thereon, as set out on pages 9 to 57 and 59 to 60 thereof, respectively (the **2020 Half-Year Results**), which have previously been filed with the Financial Conduct Authority; and

- (ii) the announcement entitled “Leadership Succession at Lloyds Banking Group” (RNS Number 0586S) (the “**Retirement of Chairman and Chief Executive Officer Announcement**”), which was published by the Lloyds Banking Group plc via the RNS on 6 July 2020,

shall be deemed to be incorporated in, and form part of, the Prospectus and supplement the section entitled “*Documents Incorporated by Reference*” on page 16 of the Prospectus.

Any documents themselves incorporated by reference in the 2020 Annual Report or the Retirement of Chairman and Chief Executive Officer Announcement shall not form part of the Prospectus, unless otherwise specified here.

General Information

Significant or Material Change

The following first sentence under the paragraph headed “*Significant or Material Change*” on page 272 of the Prospectus shall be deemed deleted and replaced with the following sentence:

“There has been no significant change in the financial position or financial performance of the Issuer or the Lloyds Bank Group since 30 June 2020, the date to which the Issuer or the Lloyds Bank Group’s last published unaudited interim financial information (as set out in the **2020 Half-Year Results** Statement) was prepared.”

Recent Developments

The section entitled “*Recent Developments*” on page 168 of the Prospectus is updated as set out below:

“There have been early signs of recovery in the Lloyds Bank Group’s core markets, especially within the personal customer segment, but the outlook remains highly uncertain and the impact of lower rates and economic fragility will continue for at least the rest of the year. On 30 July 2020, the Issuer’s parent, Lloyds Banking Group, announced its updated 2020 guidance, reflecting its proactive response to the challenging economic environment and based on its recently revised current economic assumptions which have deteriorated since the first quarter. In that updated 2020 guidance, Lloyds Banking Group said it expected its:

- Net interest margin¹ to remain broadly stable on the second quarter level at c.240 basis points for the rest of the year, resulting in a full year margin of c.250 basis points
- Operating costs to be below £7.6 billion
- Impairments to be between £4.5 billion and £5.5 billion
- Risk-weighted assets to be flat to modestly up compared to the first half of 2020

Although the economic outlook remains uncertain, Lloyds Bank Group expects its financial strength and business model will ensure that it can continue to support its customers and help Britain recover.”

The Issuer will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein or in the Prospectus. Written or oral requests for

¹ Net interest margin has been identified by the Lloyds Banking Group as an alternative performance measure and refers to banking net interest income on customer and product balances in the banking businesses as a percentage of average gross banking interest-earning assets for the period.

such documents should be directed to the Issuer at its principal office at 25 Gresham Street, London, EC2V 7HN.

Copies of this Supplement and the documents incorporated by reference in this Supplement will be available for viewing on the website of the Issuer at <https://www.lloydsbankinggroup.com/investors/> or the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference into the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.