

FIXED INCOME INVESTOR PRESENTATION

H1 2020





Group Overview & Strategy



Simple group structure with multiple issuance points





^{1 -} Ratings shown as Moody's/S&P/Fitch. 2 - Rating shown is 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 3 H1 2020, except LBCM which is as at FY 19.

Quick response to the crisis with transformation positioning us well



Significant support to customers and colleagues

- >£9bn lending provided to businesses through active participation in Government-backed schemes, broadly in line with natural market shares¹
- >1.1m customers supported through payment holidays¹
- Pay and job security for all colleagues since March, including additional award for frontline colleagues

Best bank for customers, colleagues and shareholders

Economic outlook uncertain; some signs of recovery

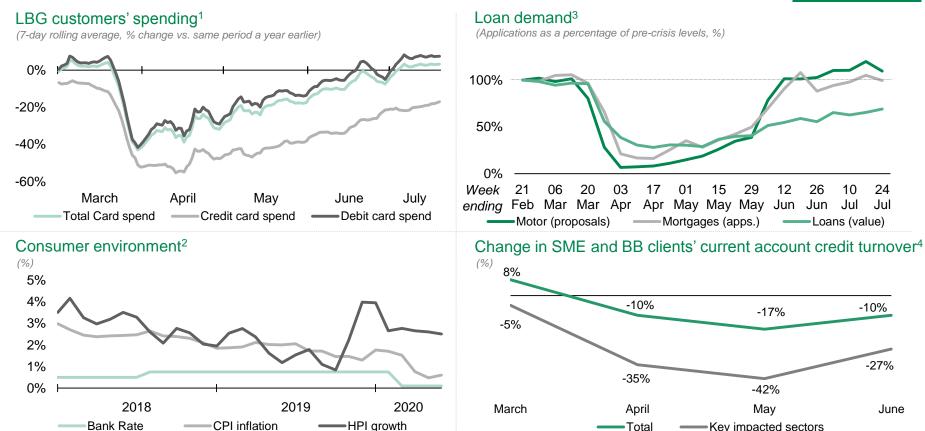
- Economy starting to return to growth alongside easing of lockdown measures, although uncertainty remains over key economic indicators and recovery trajectory
- Some signs of recovery in Q2 and July across the Group's core markets, mainly in consumer spending and housing market activity, with slower commercial recovery, especially in certain sectors

Digitised, simple, low-risk, customer focused, UK financial services provider

- Benefits of digital investment and transformation evidenced during crisis
- Strong balance sheet and capital position provide capacity to absorb headwinds of the crisis, although we will not be immune from impacts
- Capturing learnings from the crisis to accelerate our transformation

Economy deteriorated since Q1; signs of recovery, although uncertainty remains





^{1 -} Excluding financial services spend. 2 - Sources: ONS, Halifax HPI. CPI and HPI are single month change versus the same month a year earlier. 3 - LBG data. 4 - LBG data; professional services and education sectors excluded from the total due to excessive volatility. Key impacted sectors include Restaurants & Bars, Automotive, Leisure, Hotels, Passenger Transport.

Appendix Helping Britain recover is integral to Group purpose



Opportunity to build a stronger bank whilst supporting a resilient economy with a more sustainable future



- Working with Government and regulators to help households build financial resilience and businesses recover
- Contribution to a fast recovery is in the best interest of sustainable shareholder value creation



Colleagues

- Developing more flexible and efficient ways of working compelling to colleagues beyond crisis
- To retain and attract talent need to ensure our workplace proposition is evolving with the changing ways people want to work



Communities

- Continuing to support our communities through our independent foundations to ensure fairer and more inclusive societal outcomes and more even regional development beyond the crisis
- Expectations for companies to carry wider societal responsibilities has accelerated through the crisis and is fully aligned with the Group's purpose and supportive of longer term value creation



- Helping finance UK's green recovery and transition to a sustainable, low carbon future
- Manage risks and leverage opportunities from climate change while meeting investors' and other stakeholders' expectations of banks' role in financing the transition to an environmentally sustainable future

Appendix

Current challenges, but remain well placed to deliver for shareholders

OUR PURPOSE

Helping Britain Prosper

OUR AIM Best bank for customers, colleagues and shareholders



OUR BUSINESS MODEL Digitised, simple, low risk, customer focused, UK financial services provider

- Strong foundations and unique competitive strengths position the Group well for the evolving environment and emerging trends
- Franchise strength, strategic advantage in efficiency and track record of execution give the Group significant competitive advantages
- Well positioned for long-term superior and sustainable returns
- Activity has begun to recover but the outlook remains highly uncertain; the impact of lower rates and economic fragility will continue for at least the rest of 2020
- Updated 2020 guidance reflects proactive response to the challenging economic environment; based on current economic assumptions
 - NIM expected to remain broadly stable on Q2 level at c.240bps for rest of the year resulting in a full year margin of c.250bps
 - Operating costs to be below £7.6bn
 - Impairment expected to be between £4.5bn and £5.5bn
 - RWAs expected to be flat to modestly up versus H1

H1 2020 Results



Performance impacted by lower rates, activity and economic outlook deterioration

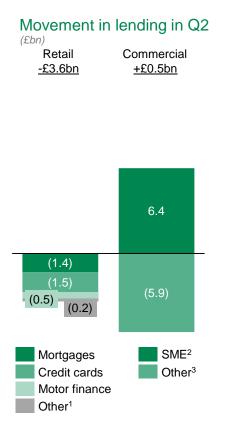


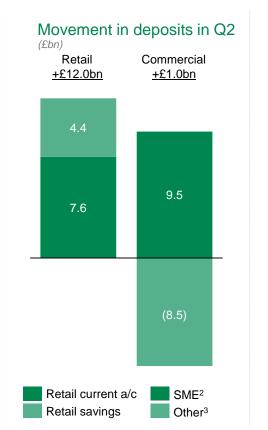
Net income	£7.4bn (16)%
Cost:income ratio (incl. remediation)	52.3% +6.4 <i>pp</i>
Pre-provision operating profit ¹	£3.5bn (26)%
Impairment	£3.8bn
Statutory profit after tax	£19m
Statutory return on tangible equity	0.1% (11.4)pp
TNAV	51.6p (1.4)p
CET1 ratio	

- Net income of £7.4bn, down 16%, NIM of 2.59% impacted by rates and mix, other income of £2.5bn impacted by customer activity
- Total costs of £3.9bn, 4% lower, with BAU costs down 6%; cost:income ratio of 52.3%
- H1 2020 pre-provision operating profit of £3.5bn; business model provides significant loss absorbing capacity
- Impairment of £3.8bn, with £2.4bn in Q2, primarily reflecting updated economic outlook; significantly increasing reserves
- Statutory profit after tax of £19m
- TNAV of 51.6p driven by movements in pension surplus
- Balance sheet strength maintained with CET1 ratio of 14.6% including transitionals (13.4% excluding transitionals), up 81bps and accompanied by lower capital requirement

Retail customers deleveraging and building deposits while SME customers are using Government lending schemes and holding cash





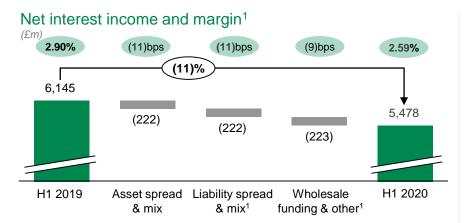


- Retail customers cautious on borrowing whilst building deposit balances
- SMEs increasing borrowing, largely through Government-backed schemes, with c.2/3 remaining on deposit
 - £7.3bn Bounce Back Loans (BBLs) and £1.8bn CBILs in SME⁴
 - c.£6bn of RCFs and other drawn corporate and institutional facilities paid down in Q2
- Deposits increased by £29bn in H1 (£13bn in Q2) given reduced customer spending and inflows to trusted brands in an uncertain environment

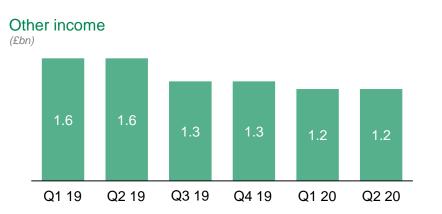
Includes Unsecured loans, Overdrafts and Retail other. 2 - Retail Business Banking included within SME for reporting purposes. 3 - Includes Mid Corporates, Corporate and Institutional and other commercial. 4 - At 24 Jul 2020

Lower net interest income and other income





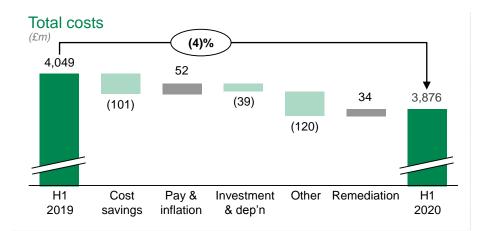
- NII of £5.5bn down 11% on prior year
- Rate and mix impacts will continue into H2 with AIEAs remaining broadly stable on H1 level
- NIM expected to remain broadly stable on Q2 level at c.240bps for rest of the year, resulting in a full year margin of c.250bps

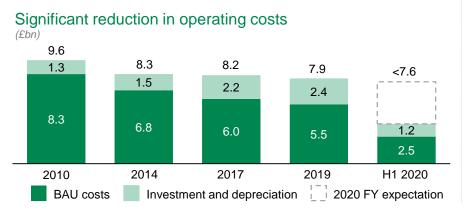


- Other income of £2.5bn, down 22%, driven by slowdown across key markets in H1 and non-recurring items in Insurance in 2019
 - One-off methodology change in Insurance c.£90m in Q2
- Expected to be challenging in H2 but ongoing investment to build resilience and diversification, including within FP&R, with activity expected to pick-up in 2021

Continued focus on efficiency, building on strong track record







- Total costs of £3.9bn down 4% with operating costs 5% lower and remediation up £34m
- 6% lower BAU costs enabling continued investment in digital projects and enhanced support for customers, whilst partly offsetting revenue pressures
- Operating costs expected to be below £7.6bn in 2020, including anticipated lower discretionary remuneration
- Lockdown has accelerated certain trends and further long-term savings opportunities now being explored
 - Investment in technology continues to support efficiency
 - Acceleration of property optimisation
 - Travel savings due to increased use of technology
 - Resource optimisation through cross-skilling colleagues

Group Overview

Impairment charges reflect updated economic assumptions and drive higher AQRs



Impairment charges (£m)	H1 20	Q2 20	Q1 20	H1 19	Incr.
Charges pre-updated MES	788	420	368	579	209
Retail	578	253	325	556	22
Commercial Banking	206	154	52	65	141
Other	4	13	(9)	(42)	46
Coronavirus impacted restructuring cases ¹	432	214	218	-	432
Updated economic outlook	2,598	1,754	844	_	2,598
Retail	1,517	953	564	_	1,517
Commercial Banking	881	601	280	_	881
Severe scenario overlay	200	200	-	_	200
Total impairment charge	3,818	2,388	1,430	579	3,239

(bps)	Net AQR H1 2020		Pre-MES/ Restruct.	Net AQR H1 2019	Increase
Retail	123	89	34	33	90
Commercial	312	270	42	13	299
Total	173	137	36	26	147

- H1 charge includes £2.4bn in Q2, primarily reflecting deterioration in economic outlook and impact on Commercial restructuring cases
 - Before impact of revised economics, retail charges remain broadly in line with prior year while Commercial increased from a very low base
 - Charge on impacted restructuring cases materially driven by historic debt on 2 individual names
- ECL² provisions reflect net impact of economic scenarios and Government support programmes
 - Severe scenario, weighted at 10%, generates £11.3bn ECL, c.£4.1bn over probability-weighted, £2bn of which prudent overlay
- 2020 impairment expected to be between £4.5bn and £5.5bn, based on current macro assumptions
- Uncertainty remains and final impact will depend on severity and duration of the shock

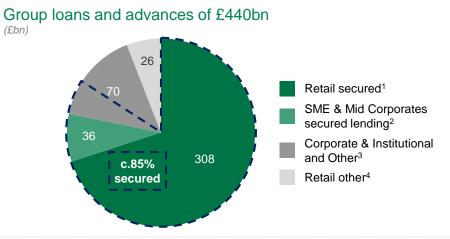
Results

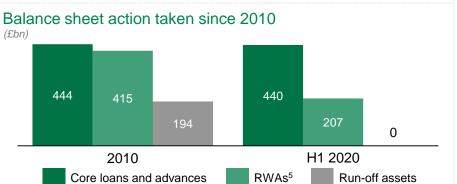
Capital, Funding & Liquidity

Funding & Appendix

Robust balance sheet with high levels of security





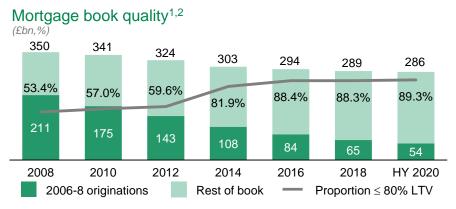


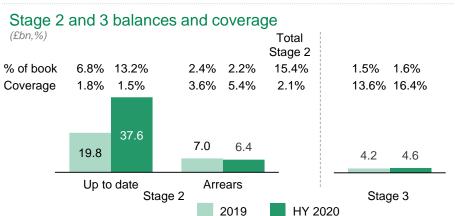
- Balance sheet benefitting from prudent approach to lending and well-secured
 - c.85% of Group lending secured
 - Prime UK retail portfolio comprising more than 75% of Group lending
 - Remaining lending within Commercial, of which c.40% is to SME and Mid Corporates and >80% secured
 - Limited exposure to vulnerable higher risk sectors

Group Overview

Predominance of high quality retail mortgages



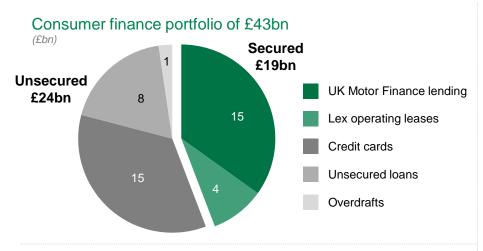


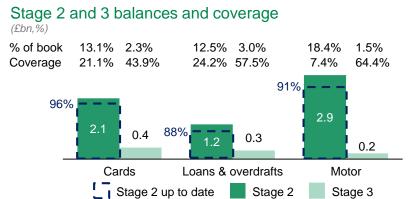


- UK mortgages account for c.2/3 of Group lending
 - Mortgage book performing well to date
 - Average LTV 44% and c.90% of book with LTV ≤80%
 - 2006-08 book has average LTV 43% with c.93% ≤80%; continues to perform well while declining c.12% per year
- £17.2bn increase in Stage 2 assets to £44.0bn, of which £37.6bn (>85%) is currently up to date
 - Strong coverage of Stage 2 (2.1%) and Stage 3 (16.4%)
- 472k payment holidays granted with average LTV c.50%
 - To date, 72% resume paying at the end of payment holiday and 23% extend; modest early arrears

High quality consumer finance portfolio



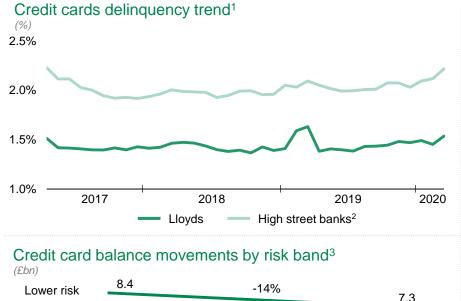




- Retail customers are being cautious on borrowing in an uncertain environment
- Prime consumer finance portfolio benefits from high quality growth and prudent risk appetite
 - Limited drawdowns and spend down c.20% vs. February
 - Total Stage 2 balances up £1.5bn to £6.2bn, of which £5.7bn (>90%) is up to date; includes 16% of payment holidavs
 - 74% of Cards customers resuming paying at the end of payment holiday to date
 - Extended payment holidays lower quality than original population
- Motor finance predominantly secured with risk-based pricing assumptions and residual value provisioning
 - Cautious stance on RVs despite limited deterioration

Credit card book managed carefully in recent years





Credit card k	palance movem	ents by risk band ³	
Lower risk	8.4	-14%	7.3
Medium risk	7.4	-13%	6.4
Higher risk (10% margin)	1.7	-5%	1.6
. ,	Dec 2019		lune 2020

- Prime credit card book benefits from high quality growth and conservative underwriting in recent years
 - Selective risk appetite tightening in credit cards through the last 2 years, reducing exposure to more highly indebted customers
 - Average delinquencies c.1.4% p.a. over last 3 years and below benchmarks in recent years
 - Lower balances in Stage 2 and 3 than peers given prime credit card book
 - Accelerated charge off policy at 4 months in arrears reduces reported Stage 3 coverage by c.23pp to 44%⁴
 - Balances reducing across all risk bands, including 5% reduction from highest risk customers

^{1 –} Delinquencies calculated as accounts in arrears divided by total portfolio size and subject to charge-off policies. 2 – Average of 16 prime peers. 3 – Risk defined by Experian Bureau score deciles (high risk decile 1, medium deciles 2-5, low deciles 6-10); excludes commercial credit cards, balances in recoveries and the impact of MBNA acquisition related adjustments. 4 – Estimated based on last 12 months charge-offs retained in Stage 3 at appropriate coverage.

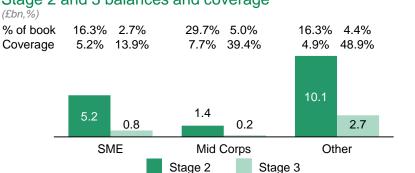
Diversified commercial portfolio with limited exposure to most vulnerable sectors







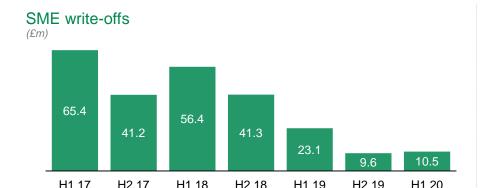
Stage 2 and 3 balances and coverage



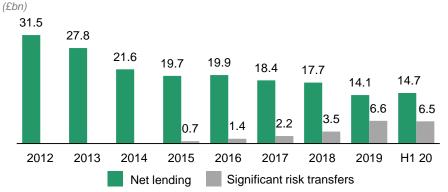
- De-risking of core loan book over the last 10 years
 - c.70% of total exposure at investment grade and significant risk transfer transactions in recent years
 - c.90% of SME lending secured
- <3% of Group lending, or c.13% of Commercial, to key impacted sectors; working closely with those clients
- Stage 2 balances of £16.7bn, up £10.8bn in H1; £16.2bn (>95%) of balances up to date
- c.£8bn of RCFs and other corporate and institutional facilities drawn in March with c.£6bn repaid in Q2; net c.£2bn up since February across all sectors

High quality SME book and de-risked real estate portfolio





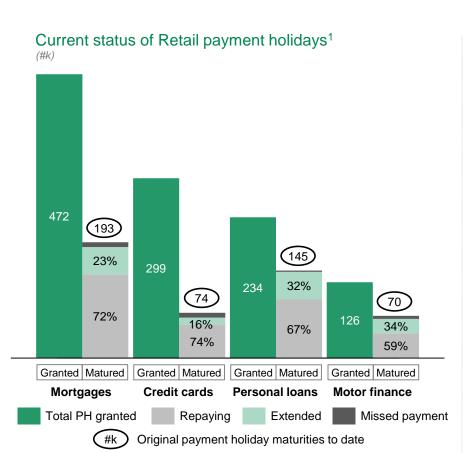
Group UK direct real estate lending utilisation



- Low levels of SME impairment in recent years, with average write-off rate <0.25% over last 3 years¹
 - Assets c.90% secured, with origination LTVs below 60%
 - Conservative interest rate assumptions applied to assess debt serviceability
- CRE portfolio significantly de-risked and secured; further risk mitigation through significant risk transfers
 - Average LTV 49% in CRE and c.70% with LTV <60%²
 - Net exposure £14.7bn, after £6.5bn of risk protection
 - Modest increase in H1 driven by facility drawdowns and Government-backed lending schemes
 - 15% of CRE portfolio secured by Retail property and appetite tightened since 2018; limited high street exposure
 - Office portfolio (16%) focused on prime locations and clients; no speculative commercial development
 - Average interest cover ratio of 3.8x with c.90% above 2x

Payment holidays continue to support customers through temporary pressures





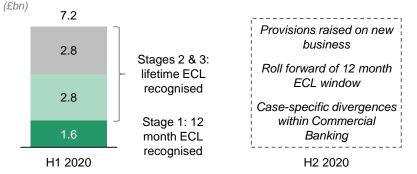
- Payment holidays now available until 31 October
- >1.1m holidays granted, of which c.750k remain in force
 - c.45% matured to date; 72% of mortgage customers resuming payment, 74% Cards, 67% loans, 59% motor
- Customers extending payment holidays have weaker risk characteristics
 - Mortgages: average LTV 52% and 84% with LTV <80%
 - Cards: higher average balances and weaker RMS² scores
- Retail payment holiday risk captured in modelled ECL
 - £19bn increase in Stage 2 to £51bn reflecting assessment of significant increase to credit risk
 - At June, 25% of outstanding payment holidays in Stage 2
 - Moving all Stage 1 payment holiday customers at end June to Stage 2 would drive additional £0.3bn ECL
- c.33k Commercial CRHs³, most 6 months

Group Overview

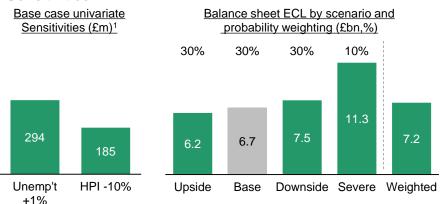
Dynamics of IFRS 9 charge and sensitivities



IFRS 9 charges reflect timing of changes in ECL provisions



Sensitivities



- IFRS 9 requires immediate recognition of lifetime expected credit losses for Stages 2 and 3
- Stage 2 includes up to date customers assessed by forward-looking modelled portfolio-specific triggers
- Expect 2020 impairment to be between £4.5bn and £5.5bn, assuming current economic assumptions
 - Stages 2 and 3 include £77bn of assets already provided for on a lifetime basis
 - Future charges for new business written, rolling forward 12 month ECL window and experience variance
- Further changes to economic assumptions could result in additional impairment charges
 - Univariate sensitivities provide guide to variations around base case and Severe ECL provides guide to potential outcome in the event of a second prolonged lockdown

Group Overview

Higher reserving across business lines driven by increase in ECL provisions

(£m)	ECL H1 2020	Net ECL increase	P&L charge	Write- offs	ECL H2 2019
Retail	4,214	1,418	2,095	(677)	2,796
Secured	1,763	547	603	(56)	1,216
Cards	991	385	656	(271)	606
Motor	563	176	241	(65)	387
Other	897	310	595	(285)	587
Commercial	2,763	1,448	1,519	(71)	1,315
Other	263	213	204	9	50
Total	7,240	3,079	3,818	(739)	4,161

	Cov	Coverage (excl. Recoveries) ¹								
	Stage 1	Stage 2	Stage 3	Total						
Retail	0.4%	3.8%	22.1%	1.2%						
Secured	0.0%	2.1%	16.4%	0.6%						
Cards	3.2%	21.1%	43.9%	6.3%						
Motor	1.5%	7.4%	64.4%	3.6%						
Other	1.4%	18.6%	49.3%	3.4%						
Commercial	0.4%	5.2%	40.5%	2.8%						
Other ²	0.3%	4.3%	20.9%	0.4%						
Total	0.4%	4.2%	29.6%	1.4%						

- Increased stock of ECL provisions include additional £0.8bn for Stage 1 (12 months ECL), £1.4bn for Stage 2 (lifetime ECL) and £0.8bn for Stage 3 (lifetime ECL)
- Impairment charge of £3.8bn includes £3.1bn ECL increase, building additional balance sheet resilience
- Stock of ECL provisions increased to £7.2bn
- Write-offs remain at pre-crisis levels (FY 2019 £1.6bn) although provisions reflect anticipated increase
- Coverage increased to 1.4% of total lending and 29.6% on Stage 3 assets
 - Coverage on Cards portfolio of 6.3% with proactive charge off policy at 4 months in arrears
 - Without proactive charge off policies, Cards Stage 3 asset coverage would increase to 67%, overall to 8.8%³

^{1 -} Loans and advances to customers only; excludes £54m of ECL on other assets at 30 Jun 2020 (£19m at 31 Dec 2019). 2 - Includes reverse repos of £61.1 billion which dilutes overall Group reported coverage by 0.2%. 3 - Estimated based on last 12 months charge-offs retained in Stage 3 at appropriate coverage.

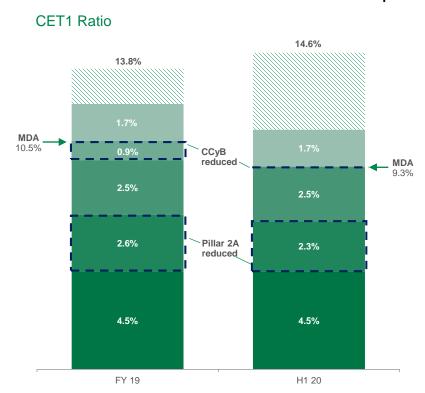


Capital, Funding & Liquidity



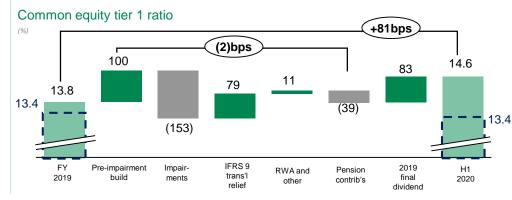
Improved CET1 position with significant resources to support customers; increased headroom over MDA and requirements





■ Pillar 1 ■ Pillar 2A ■ CCB ■ CCyB ■ SRB ⊗ Headroom incl. Management Buffer

- CET1 ratio of 14.6% (13.4% FL) underlying build, IFRS9 transitional relief and dividend reversal outweighed impairments, RWA and pensions impacts
- Remaining 2020 pension deficit contributions paid in Q2 2020⁶
- PRA reduced Group Pillar 2A to 2.3% providing increased headroom to requirements of c.360bps
 - Further Pillar 2A reduction expected in Dec 2020, albeit offset by increased PRA buffer in short term
 - Pillar 2A requirement now in nominal terms providing stability of requirements should RWAs increase in stress
- c.25bps potential benefit from software intangible policy change in H2
- Target is c.12.5% plus c.1% management buffer



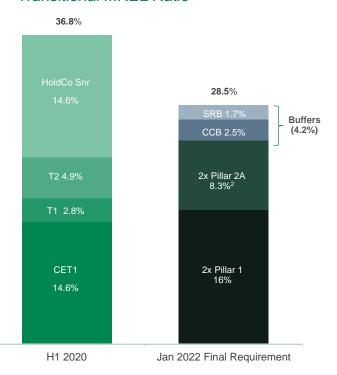
^{1 -} Systemic Risk Buffer of 2% is applicable to the RFB sub-group, equating to 1.7% at Group level. 2 – CET1 ratio at 31 December 2019 shown pro-forma, reflecting the dividend paid up by the Insurance business in the subsequent first quarter period. 3 – Pillar 2A reviewed annually by the PRA. 4 – CET1 ratio requirements shown exclude any other PRA buffer requirement which we are not permitted to disclose. 5 – Headroom to requirements of c.360bps excludes any PRA buffer requirements not permitted to disclose. 6 – Contributions relate to main 3 pension schemes

24

Interim MREL requirement met at 1 Jan 2020; on track for end-state



Transitional MREL Ratio



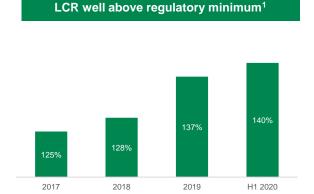
- BOE timeline unchanged at 1 Jan 2022; final requirement to be confirmed in Q4
- PRA reduced Group Pillar 2A to 4.2% from 4.6%
- Strongly positioned with transitional MREL ratio of 36.8%;
 c£5bn MREL eligible debt issued YTD
- Future capital and MREL issuance focused on maintaining prudent buffers at Group and entity levels

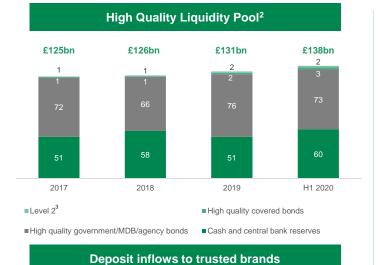
Results

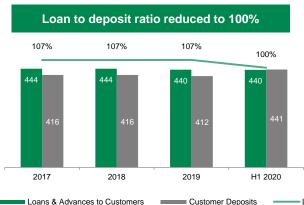
Capital, Funding & Liquidity

Appendix

Strong liquidity position maintained











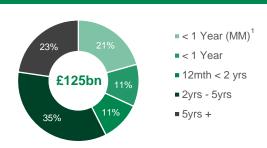
- Average LCR % remains comfortably above regulatory minimum at 140%
- Liquidity pool increased to £138bn in H1 and is predominantly made up of cash and high quality bonds
- Loan to deposit ratio reduced to 100% after deposit inflows to the Group's trusted brands in an uncertain environment
- Retail deposits comprise c.60% of total customer deposits

Group funding portfolio strongly positioned, with 2020 issuance plan largely

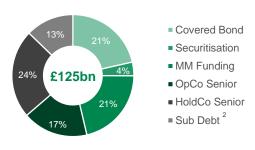
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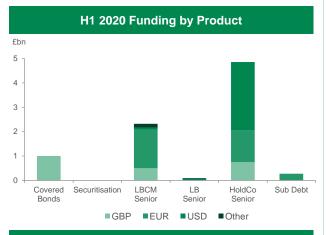


Funding Portfolio by Maturity at H1 2020

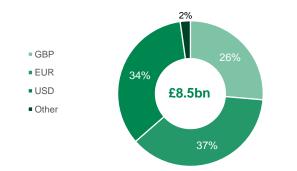


Funding Portfolio by Product at H1 2020





H1 2020 Funding by Currency



- £8.5bn equivalent issued YTD; 2020 guidance of £10-£15bn
- Steady-state requirements remain c.£15-20bn p.a.
- Access to c.£40bn TFSME and deposit inflows leave limited residual 2020 funding need
- Several LMEs executed to optimise liability stack and provide liquidity to the market

Credit ratings remain strong but with negative pressures



	UK Sovereign	HoldCo Lloyds Banking Group	Ring-Fenced Bank Lloyds Bank, Bank of Scotland	Non-Ring- Fenced Bank Lloyds Bank Corporate Markets	Commentary
Moody's	Aa2 / Neg	A3 / P-2 / Neg	Aa3 / P-1 / Neg	A1 / P-1 / Sta	 Negative outlooks on UK banks (incl. LBG and LB plc) and UK Banking system Outlook initially due to Brexit pressures and sovereign outlook change in Nov 2019 Rationale later extended for Covid-19 pressures on asset quality and profitability during 2020
Standard and Poor's	AA / Sta	BBB+ / A-2 / Neg	A+ / A-1 / Neg	A / A-1 / Neg	Negative outlooks on 6 UK banks citing the potential earnings, asset quality and capitalisation pressures arising as a result of the pandemic
Fitch	AA-/Neg	A+/F1/Neg	A+/F1/Neg	A+/F1/Neg	 Negative outlooks on majority of UK banks, citing concerns around the coronavirus pandemic Lloyds Bank Corporate Markets upgraded to A+ following methodology revision



Appendix



Prudent economic scenarios



Scenario	Probability weighting (%)	Balance sheet ECL (£m)
Base case	30	6,730
Upside	30	6,159
Downside	30	7,491
Severe downside	10	11,271
Probability-	weighted ECL	7,240

	Current scenario (%)						
Economic measure	2020	2021	2022	2020-22			
GDP	(10.0)	6.0	3.0	(1.8)			
Interest rate	0.10	0.10	0.10	0.10			
Unemployment rate	7.2	7.0	5.7	6.7			
House price growth	(6.0)	(0.1)	2.9	(3.3)			
CRE price growth	(20.0)	10.0	4.0	(8.5)			
GDP	(9.5)	7.5	3.1	0.3			
Interest rate	0.21	1.15	1.42	0.92			
Unemployment rate	7.1	6.2	4.9	6.1			
House price growth	(3.7)	5.0	9.0	10.2			
CRE price growth	(8.4)	18.6	3.4	12.4			
GDP	(10.2)	5.8	3.1	(2.0)			
Interest rate	0.09	0.12	0.19	0.13			
Unemployment rate	7.3	7.7	6.8	7.3			
House price growth	(8.0)	(6.1)	(4.5)	(17.5)			
CRE price growth	(27.2)	4.0	2.9	(22.1)			
GDP	(17.2)	4.1	5.2	(9.4)			
Interest rate	0.06	0.01	0.02	0.03			
Unemployment rate	8.0	11.6	9.2	9.6			
House price growth	(9.5)	(11.5)	(11.7)	(29.2)			
CRE price growth	(36.2)	(7.8)	(1.4)	(41.9)			

Group Overview

Continued low mortgage LTVs

		June 20	Dec 2019 ¹	Dec 2010 ¹		
	Mainstream	Buy to let	Specialist	Total	Total	Total
Average LTVs	42.8%	50.8%	42.5%	44.0%	44.9%	55.6%
New business LTVs	64.3%	56.8%	n/a	63.0%	64.3%	60.9%
≤ 80% LTV	87.4%	97.7%	92.8%	89.3%	87.5%	57.0%
>80-90% LTV	11.0%	1.7%	3.3%	9.1%	10.0%	16.2%
>90-100% LTV	1.4%	0.2%	1.1%	1.2%	2.1%	13.6%
>100% LTV	0.2%	0.4%	2.8%	0.4%	0.4%	13.2%
Value >80% LTV	£28.1bn	£0.9bn	£0.5bn	£29.5bn	£36.2bn	£146.6bn
Value >100% LTV	£0.5bn	£0.2bn	£0.3bn	£1.1bn	£1.2bn	£44.9bn
Gross lending	£226bn	£48bn	£12bn	£286bn	£290bn	£341bn

Coverage across business lines



	D	rawn balaı	nces (£bn)´	1		Provisions (£m) ¹			Coverage (excl. Recoveries)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail	288.1	51.1	5.6	344.8	1,069	1,945	1,200	4,214	0.4%	3.8%	22.1%	1.2%
Secured	237.8	44.0	4.6	286.4	108	907	748	1,763	0.0%	2.1%	16.4%	0.6%
Cards	13.4	2.1	0.4	15.8	426	438	127	991	3.2%	21.1%	43.9%	6.3%
Motor	12.7	2.9	0.2	15.8	194	217	152	563	1.5%	7.4%	64.4%	3.6%
Other	24.2	2.1	0.5	26.8	341	383	173	897	1.4%	18.6%	49.3%	3.4%
Commercial	78.1	16.7	3.8	98.6	325	871	1,544	2,740	0.4%	5.2%	40.5%	2.8%
Other ²	64.5	0.0	0.1	64.7	212	1	19	232	0.3%	4.3%	20.9%	0.4%
Total	430.7	67.9	9.5	508.1	1,606	2,817	2,763	7,186	0.4%	4.2%	29.6%	1.4%

^{1 –} Loans and advances to customers only; excludes £54m of ECL on other assets at 30 June 2020 (£19m at 31 December 2019). 2 – Includes reverse repos of £61.1 billion which dilutes overall Group reported coverage by 0.2%.

Notes



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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 Banking Group plc together with its subsidiaries (the Group) and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about the Group's or its directors' and/or management's beliefs and expectations, are forward looking statements. Words such as 'believes', 'anticipates', 'estimates', 'expects', 'intends', 'aims', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'estimate' and variations of these words and similar future or conditional expressions are intended to identify forward looking statements but are not the exclusive means of identifying such statements. Examples of such forward looking statements include, but are 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; statements of plans, objectives or goals of the Group or its management including in respect of statements about the future business and economic environments in the UK and elsewhere including, but not limited to, future trends in interest rates, foreign exchange rates, credit and equity market levels and demographic developments; statements about competition, regulation, disposals and consolidation or technological developments in the financial services industry; 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, plans and/or results (including but not limited to the payment of dividends) to differ materially from forward looking statements made by the Group or on its behalf include, but are not limited to: general economic and business conditions in the UK and internationally; market related trends and developments; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; any impact of the transition from IBORs to alternative reference rates; the ability to access sufficient sources of capital, liquidity and funding when required; changes to the Group's credit ratings; the ability to derive cost savings and other benefits including, but without limitation as a result of any acquisitions, disposals and other strategic transactions; the ability to achieve strategic objectives; changing customer behaviour including consumer spending, saving and borrowing habits; changes to borrower or counterparty credit quality; concentration of financial exposure; management and monitoring of conduct risk; instability in the global financial markets, including Eurozone instability, instability as a result of uncertainty surrounding the exit by the UK from the European Union (EU) and as a result of such exit and the potential for other countries to exit the EU or the Eurozone and the impact of any sovereign credit rating downgrade or other sovereign financial issues; political instability including as a result of any UK general election; 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; natural, pandemic (including but not limited to the coronavirus disease (COVID-19) outbreak) and other disasters, adverse weather and similar contingencies outside the Group's control; inadequate or failed internal or external processes or systems; acts of war, other acts of hostility, terrorist acts and responses to those acts, geopolitical, pandemic or other such events; risks relating to climate change; changes in laws, regulations, practices and accounting standards or taxation, including as a result of the exit by the UK from the EU, or a further possible referendum on Scottish independence; changes to regulatory capital or liquidity requirements and similar contingencies outside the Group's control; the policies, decisions and actions of governmental or regulatory authorities or courts in the UK, the EU, the US or elsewhere including the implementation and interpretation of key legislation and regulation together with any resulting impact on the future structure of the Group; the ability to attract and retain senior management and other employees and meet its diversity objectives; actions or omissions by the Group's directors, management or employees including industrial action; changes to the Group's post-retirement defined benefit scheme obligations; the extent of any future impairment charges or write-downs caused by, but not limited to, depressed asset valuations, market disruptions and illiquid markets; the value and effectiveness of any credit protection purchased by the Group; the inability to hedge certain risks economically; the adequacy of loss reserves; the actions of competitors, including non-bank financial services, lending companies and digital innovators and disruptive technologies; and exposure to regulatory or competition scrutiny, legal, regulatory or competition proceedings, investigations or complaints. Please refer to the latest Annual Report on Form 20-F filed by Lloyds Banking Group plc with the US Securities and Exchange Commission for a discussion of certain factors and risks together with examples of forward looking statements. Lloyds Banking Group may also make or disclose written and/or oral forward looking statements in reports filed with or furnished to the US Securities and Exchange Commission, Lloyds Banking Group annual reviews, half-year announcements, proxy statements, offering circulars, prospectuses, press releases and other written materials and in oral statements made by the directors, officers or employees of Lloyds Banking Group to third parties, including financial analysts. 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