



5 July 2017

LLOYDS BANKING GROUP ANNOUNCES ORGANISATIONAL CHANGES IN ANTICIPATION OF ITS 2018 – 2020 STRATEGIC PLAN

Lloyds Banking Group has today announced a number of organisational and senior management changes in preparation for the Group's third Strategic Plan (2018 – 2020) which will be announced to the market, alongside the 2017 Full Year Results in February 2018. These changes are aimed at aligning and strengthening the Group's organisational structure to ensure we meet evolving customer needs and deliver the continuous transformation required of the organisation in the most effective way. Also, as a result a new, broader, and more diverse Group Executive Committee (GEC) will be formed.

The main changes announced today are:

- **Juan Colombás**, Executive Director, is appointed to a new role of Chief Operating Officer, bringing together several critical functions including Transformation, IT, People, Community Banking, and Group Services.
- **George Culmer**, Chief Financial Officer and Executive Director, will take on responsibility for the Legal and Strategy teams, as well as for Lloyds Development Capital (LDC).
- **Zaka Mian** is appointed as the Group Director, Transformation. This new Transformation division will comprise all business and IT change, data and IT architecture, customer insights, innovation and applied sciences, and be responsible for the ongoing development of the Digital channel.
- **Vim Maru** is appointed to the role of Group Director, Retail with responsibility for all Retail and Consumer Finance products and Group Brands and Marketing. Vim will also be responsible for the integration of the MBNA business.
- **David Oldfield** is appointed to the role of Group Director, Commercial Banking including Global Corporates, Financial Institutions, Mid Markets and SME Banking.
- **Antonio Lorenzo**, Group Director, Insurance will expand his role to take on responsibility for the Wealth segment.
- **Karin Cook** is appointed to the role of Group Services Director with responsibility for Global Payments, Group Property, Security, Sourcing and Customer Services.
- **Stephen Shelley** will become the Group Chief Risk Officer and a member of the Group Executive Committee.
- **Janet Pope** is appointed as the Chief of Staff and Group Corporate Affairs Director and also becomes a member of the Group Executive Committee.

In addition **Jen Tippin** is appointed as the new Group People & Productivity Director, **Jakob Pfaudler** is appointed as the new Community Banking Director and together with **Kate Cheetham**, Group General Counsel, all three will attend GEC.

After five years with the Group, and having led the successful turnaround of the Commercial division, **Andrew Bester**, Group Director, Commercial Banking, has decided to pursue other opportunities.

Simon Davies, Chief People, Legal and Strategy Officer, who recently took a leave of absence from the Group as his wife is unwell, has decided to leave the organisation.

With the exception of the reporting line changes to the Group's People, Legal and Group Strategy teams which take effect immediately, these changes will be implemented from **4 September 2017**, subject to regulatory approval.

António Horta Osório, Group Chief Executive, said:

"The changes we are announcing today are fundamental to prepare the Group for the next phase of its transformation under our upcoming strategic plan for the period 2018 – 2020. They are a key step to ensuring the continued alignment of the Bank's capabilities and strategy as a simple, low risk UK focused Bank with our customers' evolving needs."

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FORWARD LOOKING STATEMENTS

This document contains certain forward looking statements with respect to the business, strategy and plans of Lloyds Banking Group and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about Lloyds Banking Group's or its directors' and/or management's beliefs and expectations, are forward looking 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 the plans, objectives, expectations, estimates and intentions expressed in such 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 (including low or negative rates), exchange rates, stock markets and currencies; 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; changing customer behaviour including consumer spending, saving and borrowing habits; changes to borrower or counterparty credit quality; instability in the global financial markets, including Eurozone instability, instability as a result of the exit by the UK from the European Union (EU) 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; 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 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; changes in laws, regulations, 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; the ability to attract and retain senior management and other employees; 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 with the US Securities and Exchange Commission for a discussion of certain factors together with examples of forward looking statements. 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 Lloyds Banking Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements. 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.