



Helping Britain Prosper

Lloyds Banking Group
Notice of Annual General Meeting 2022

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Please refer to the Group's website, www.lloydsbankinggroup.com, for any significant updates on arrangements for the AGM

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 Lloyds Banking Group 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; expectations about the impact of COVID-19; 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 include, but are not limited to: general economic and business conditions in the UK and internationally; market related risks, trends and developments; risks concerning borrower and counterparty credit quality; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; volatility in credit markets; volatility in the price of our securities; 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; inability to capture accurately the expected value from acquisitions; potential changes in dividend policy; the ability to achieve strategic objectives; insurance risks; management and monitoring of conduct risk; exposure to counterparty risk; credit rating risk; tightening of monetary policy in jurisdictions in which the Group operates; instability in the global financial markets, including within the Eurozone, and as a result of ongoing uncertainty following the exit by the UK from the European Union (EU) and the effects of the EU-UK Trade and Cooperation Agreement; political instability including as a result of any UK general election and any further possible referendum on Scottish independence; operational risks; 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; natural pandemic (including but not limited to the COVID-19 pandemic) and other disasters; inadequate or failed internal or external processes or systems; acts of hostility or terrorism and responses to those acts, or other such events; geopolitical unpredictability; risks relating to sustainability and climate change (and achieving climate change ambitions), including the Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively; changes in laws, regulations, practices and accounting standards or taxation; changes to regulatory capital or liquidity requirements and similar contingencies; assessment related to resolution planning requirements; the policies and actions of governmental or regulatory authorities or courts together with any resulting impact on the future structure of the Group; 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; projected employee numbers and key person risk; increased labour costs; assumptions and estimates that form the basis of our financial statements; the impact of competitive conditions; and exposure to legal, regulatory or competition proceedings, investigations or complaints. A number of these influences and factors are beyond the Group's control. Please refer to 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.

You can contact the Company's registrar, Equiniti Limited, through their website at www.shareview.co.uk. This website has lots of information for shareholders, as well as contact information channels dependent on the nature of your enquiry.

If you would like a paper copy of this notice, or a version in large print, Braille or on audio CD, please contact Equiniti on +44 (0) 371 384 2990.

Please use the country code if calling from outside the UK. Lines are open from 8:30am to 5:30pm (UK time), Monday to Friday (excluding public holidays in England and Wales).

Requests may also be made in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

This document is important and requires your immediate attention.

If you have any doubt about the action you should take, it is recommended that you consult your stockbroker, solicitor, accountant, or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom, or, if you reside elsewhere, another appropriately authorised financial adviser.

If you have received a hard copy version of this document and you have sold or transferred all your ordinary shares in Lloyds Banking Group plc, please give this document and the accompanying documents to the purchaser or transferee, or to the stockbroker, bank, or other agent through whom the sale or transfer was made for transmission to the purchaser or transferee.

Letter from the Chair of Lloyds Banking Group plc



23 March 2022

Dear Shareholder

I am pleased to set out the arrangements for Lloyds Banking Group plc's (the 'Company') annual general meeting (the 'AGM') for 2022 which will be held at the Edinburgh International Conference Centre, The Exchange, Edinburgh EH3 8EE on Thursday, 12 May 2022 at 11.00 am.

The notice of AGM is set out on pages 4 to 6 of this document.

The Annual Report and Accounts and Annual Review for the year ended 31 December 2021 are available on our website at www.lloydsbankinggroup.com/investors. For those shareholders receiving hard copy documents, a copy of either document, as appropriate, is enclosed together with a proxy form enabling you to exercise your voting rights.

The Board recognises the importance and value our shareholders place on engaging directly with us at the AGM and we are pleased that we can offer shareholders the opportunity to join us in person at this year's AGM. The AGM is an occasion for shareholders attending the meeting to express their views directly with the Board before voting on resolutions, and I hope you will take the opportunity to do so. To speed up the registration process, shareholders are able to pre-register their intention to attend the AGM through our website www.lloydsbankinggroup.com/investors/shareholder-information/shareholder-meetings.

If you cannot attend the AGM, I encourage you to submit your questions or raise matters of concern as a shareholder in advance. To do so, please email ShareholderQuestions@lloydsbanking.com with the subject line "AGM 2022". We welcome your correspondence and all emails will receive an individual response, where possible, before the AGM.

COVID-19

At the time of preparing this document, COVID-19 restrictions concerning large public gatherings have eased. However, the health and safety of our shareholders, our employees, and the wider communities in which we operate remain our primary concern. We will continue to monitor the situation as we approach the AGM. Any changes to the arrangements for the AGM due to COVID-19 will be made in line with the UK Government's, and in particular Scotland's, guidance and/or requirements and with health and safety as a priority.

We will notify shareholders of any significant updates to our AGM arrangements as soon as practicable on the shareholder information page of our website.

Your Vote

The Board strongly encourages shareholders to exercise their right to vote by appointing the Chair of the meeting, as set out on the proxy form, to be their proxy to exercise their right to vote at the AGM in accordance with their instructions. Shareholders can do this online or by submitting their proxy form by post. Simply follow the instructions as set out on your proxy card. Proxy appointments must be received by Equiniti no later than 11.00 am on Tuesday, 10 May 2022 to be valid.

The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the AGM.

Your Dividend

The Board is recommending for approval at the AGM a final dividend payment of 1.33 pence per ordinary share in respect of the financial year ended 31 December 2021. The Company will again be offering shareholders a choice of a share alternative to a cash dividend through its Dividend Reinvestment Plan ('DRIP'). Shareholders can find out more about the DRIP on page 7 of this document.

In addition to the final dividend, the Board has announced that it will return surplus capital through a share buyback programme of up to £2 billion, which is expected to be completed by 31 December 2022 ('Buyback Programme'). The Buyback Programme is being carried out by the Company using the authority to purchase its own ordinary shares approved by shareholders at the last AGM. The Company intends to cancel the shares it repurchases through the Buyback Programme. The Buyback Programme is subject to the continuing approval of the Prudential Regulation Authority.

Your Board of Directors

There have been a number of changes to your Board since the last AGM:

- Sara Weller retired as planned from the Board, and as Chair of the Responsible Business Committee, at the last AGM, with Amanda Mackenzie succeeding her as Chair of the Responsible Business Committee.
- On 30 September 2021, Nick Prettejohn stood down as a Non-Executive Director.
- Stuart Sinclair notified the Board of his intention to retire from the Board at this AGM. Stuart stood down as Chair of the Remuneration Committee with effect from 24 November 2021, with Alan Dickinson succeeding him in the role, having been a member of the Remuneration Committee since July 2015. Alan also continues in his role as Deputy Chair and Senior Independent Director.
- On 30 April 2021, Sir António Horta-Osório stepped down as Group Chief Executive and was succeeded by Charlie Nunn. Until Charlie's appointment became effective on 16 August 2021, William Chalmers, Group Chief Financial Officer, took on the role of acting Group Chief Executive.
- On 16 June 2021, we announced Harmeen Mehta's appointment as an independent Non-Executive Director, effective from 1 November 2021.

Biographical details of each Director seeking re-election, or election, are set out in Appendix 1 on pages 15 and 16 of this document.

Recommendation

The Board considers that all the resolutions in the notice of AGM are in the best interests of the Company and its shareholders, and recommends unanimously that you vote in favour of them. Your directors intend to vote in favour of all the resolutions in respect of their own holdings.

Yours faithfully

Robin Budenberg CBE
Chair

Lloyds Banking Group plc is registered in Scotland, No. 95000.
Registered office: The Mound Edinburgh EH1 1YZ

Notice of annual general meeting

The annual general meeting ('AGM') of Lloyds Banking Group plc (the 'Company' and unless set out to the contrary, the 'Group') will be held at the Edinburgh International Conference Centre, The Exchange, Edinburgh EH3 8EE on Thursday, 12 May 2022 at 11.00 am, to conduct the business set out in the resolutions below.

Resolutions 1 to 18 (inclusive) are proposed as ordinary resolutions. For each of these to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 19 to 24 (inclusive) are proposed as special resolutions. For each of these to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

The Board recommends unanimously that you vote in favour of all resolutions as they intend to do in respect of their own holdings.

Resolution 1. Report and accounts

To receive the Company's accounts and the reports of the Directors and of the auditor for the year ended 31 December 2021.

Resolution 2. To elect Ms H Mehta as a Director of the Company.

Resolution 3. To elect Mr C A Nunn as a Director of the Company.

Resolution 4. To re-elect Mr R F Budenberg as a Director of the Company.

Resolution 5. To re-elect Mr W L D Chalmers as a Director of the Company.

Resolution 6. To re-elect Mr A P Dickinson as a Director of the Company.

Resolution 7. To re-elect Ms S C Legg as a Director of the Company.

Resolution 8. To re-elect Lord Lupton as a Director of the Company.

Resolution 9. To re-elect Ms A F Mackenzie as a Director of the Company.

Resolution 10. To re-elect Ms C M Woods as a Director of the Company.

Resolution 11. Directors' remuneration report

To approve the Directors' remuneration report in the form set out on pages 101 to 117 of the Annual Report and Accounts for the year ended 31 December 2021.

Resolution 12. Dividend

To declare and pay a final dividend of 1.33 pence per ordinary share in respect of the financial year ended 31 December 2021, payable on 19 May 2022 to ordinary shareholders whose names appear in the register of members at the close of business on 8 April 2022.

Resolution 13. Re-appointment of the auditor

To re-appoint Deloitte LLP as auditor of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

Resolution 14. Auditor's remuneration

To authorise the Audit Committee to set the remuneration of the Company's auditor.

Resolution 15. Continued operation of the Lloyds Banking Group Share Incentive Plan

To authorise the amendment of the Lloyds Banking Group Share Incentive Plan so as to allow the Directors of the Company to continue to operate the plan on its existing terms for a further 10 years.

Resolution 16. Authority for the Company and its subsidiaries to make political donations or incur political expenditure

- (a) That the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be authorised for the purposes of Part 14 of the Companies Act 2006:
- (i) to make political donations to political parties, and/or independent election candidates not exceeding £100,000 in total;

- (ii) to make political donations to political organisations other than political parties not exceeding £100,000 in total; and

- (iii) to incur political expenditure not exceeding £100,000 in total,

in each case during the period from the date of the passing of this resolution and ending on the date of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier;

- (b) that all existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Companies Act 2006 are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (c) that words and expressions defined for the purpose of the Companies Act 2006 shall have the same meaning in this resolution.

Resolution 17. Directors' authority to allot shares

That the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:

- (a) up to an aggregate nominal amount of £2,349,305,697; and
- (b) comprising equity securities (as defined in Section 560(1) of the Companies Act 2006) up to a further nominal amount of £4,698,611,394 (such amount to be reduced by the aggregate nominal amount of shares allotted or rights to subscribe for or to convert any security into shares in the Company granted under paragraph (a) above) in connection with an offer by way of a rights issue,

such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Companies Act 2006 and to expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, but, in each case, so that the Company may, before such expiry, make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or convert other securities into shares to be granted after the authority given by this resolution has expired.

Resolution 18. Directors' authority to allot shares in relation to the issue of Regulatory Capital Convertible Instruments

That the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or convert any security into ordinary shares in the Company:

- (a) up to an aggregate nominal amount of £1,250,000,000 in relation to the issue of Regulatory Capital Convertible Instruments; and
- (b) subject to applicable law and regulation, at such conversion prices (or such maximum or minimum conversion prices or conversion price methodologies) as may be determined by the Directors of the Company from time to time,

such authority to apply in addition to all other authorities pursuant to Section 551 of the Companies Act 2006 and to expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, save that, in each case, the Company may, before such expiry, make offers and enter into agreements during the relevant period

which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into ordinary shares to be granted after the authority given by this resolution has expired.

Resolution 19. Limited disapplication of pre-emption rights

That, subject to the passing of Resolution 17, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash:

- (a) pursuant to the authority given by paragraph (a) of Resolution 17 or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 in each case:
 - (i) in connection with a pre-emptive offer; and
 - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £352,395,854; and
- (b) pursuant to the authority given by paragraph (b) of Resolution 17 in connection with a pre-emptive rights issue, as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment,

such authority to expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, save that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

Resolution 20. Limited disapplication of pre-emption rights in the event of financing an acquisition transaction or other capital investment

That, subject to the passing of Resolution 17 and in addition to any authority granted under Resolution 19, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by Resolution 17 or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £352,395,854; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of Directors of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice of AGM,

such authority to expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, save that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

Resolution 21. Limited disapplication of pre-emption rights in relation to the issue of Regulatory Capital Convertible Instruments

That, subject to the passing of Resolution 18, and without prejudice to any existing authority, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash:

- (a) pursuant to the authority given by Resolution 18, up to an aggregate nominal amount of £1,250,000,000; and

- (b) in relation to the issue of such Regulatory Capital Convertible Instruments, as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such power to expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, save that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power given by this resolution has expired.

Resolution 22. Authority to purchase ordinary shares

That the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 to make market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of ordinary shares of 10 pence each in the capital of the Company and where such shares are held in treasury, the Company may use them for the purposes of its employees' share plans, provided that:

- (a) the maximum aggregate number of ordinary shares authorised to be purchased shall be 7,047,917,092;
- (b) the minimum price which may be paid for each ordinary share shall be 10 pence;
- (c) the maximum price, exclusive of expenses, which may be paid for each ordinary share shall be an amount equal to the higher of (i) 105 per cent. of the average of the closing price of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five London business days immediately preceding the day on which such share is contracted to be purchased or (ii) the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the capital of the Company on the trading venues where the market purchase by the Company pursuant to the authority conferred by this Resolution 22 will be carried out;
- (d) this authority shall expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, unless such authority is renewed before then; and
- (e) the Company may make a contract to purchase its ordinary shares under this authority before its expiry which would or might be executed wholly or partly after such expiry, and may make a purchase of its ordinary shares under that contract.

Resolution 23. Authority to purchase preference shares

That the Company be and is hereby generally and unconditionally authorised for the purpose of Section 701 of the Companies Act 2006 to make market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of the following issuances of securities:

- (a) £252,510,147 9.25 per cent. non-cumulative irredeemable preference shares;
- (b) £43,630,285 9.75 per cent. non-cumulative irredeemable preference shares;
- (c) £47,273,816 6.475 per cent. non-cumulative preference shares;
- (d) US\$48,990,000 6.413 per cent. non-cumulative fixed to floating rate preference shares; and
- (e) US\$37,627,000 6.657 per cent. non-cumulative fixed to floating rate preference shares,

(together, the 'Preference Shares'), provided that:

- (i) the maximum number of Preference Shares which may be purchased is all such Preference Shares in issue;
- (ii) the minimum price which may be paid for each Preference Share is the nominal value of the relevant Preference Share;
- (iii) the maximum price, exclusive of any expenses and any accrued dividends to the relevant settlement date, which may be paid for each Preference Share is 105 per cent. of the following:

Notice of annual general meeting continued

- (A) in respect of any Preference Share denominated in U.S. dollars, the Bloomberg FIT Composite bid price shown on the relevant Bloomberg page ALLQ for the relevant Preference Share (or any replacement page which displays that price) at or around 11.00 am UK time on the London business day before the day on which the Company agrees or (if earlier) publicly announces an offer or invitation to buy such share;
- (B) in respect of any Preference Share denominated in pounds sterling, the London Stock Exchange bid price shown on the relevant Bloomberg page ALLQ for the relevant Preference Share (or any replacement page which displays that price) at or around 11.00 am UK time on the London business day before the day on which the Company agrees or (if earlier) publicly announces an offer or invitation to buy such share; or
- (C) in respect of any Preference Share, where the relevant bid price is not available as described in (A) or (B) above, the highest independent bid price shown on the relevant Bloomberg page ALLQ for the relevant Preference Share (or any replacement page which displays that price) at or around 11.00 am UK time on the London business day before the day on which the Company agrees or (if earlier) publicly announces an offer or invitation to buy such share;
- (iv) this authority shall expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier, unless such authority is renewed before then; and
- (v) the Company may make a contract to purchase the Preference Shares under this authority before its expiry which would or might be executed wholly or partly after the expiry, and may make a purchase of the Preference Shares under that contract.

For the purposes of determining compliance with the conditions in paragraphs (ii) and (iii), the nominal value of the share or the relevant price (as applicable) shall, if necessary, be converted into the currency in which the purchase is to be made, calculated by reference to the spot rate of exchange between the currency of the nominal value or of the relevant price (as applicable) and the currency in which the purchase is to be made, as displayed on the appropriate page of the Bloomberg screen (or on the appropriate page of such other information service which publishes that rate from time to time) at or around 11.00 am UK time on the London business day before the day on which the Company agrees or (if earlier) publicly announces an offer or invitation to buy such share.

Resolution 24. Notice period for general meetings

That a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice, such authority to expire at the conclusion of the next annual general meeting of the Company unless such authority is renewed at a general meeting of the Company before then.

A member entitled to attend and vote at the AGM can appoint a proxy or proxies to attend, speak and vote instead of that member.

A member may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member.

A proxy need not be a member of the Company.

Further information relating to voting and proxy appointments can be found on page 11 of this document.

By order of the Board



Kate Cheetham
Company Secretary

23 March 2022

Registered office:
The Mound
Edinburgh
EH1 1YZ
Registered in Scotland, No. 95000

Explanatory notes on resolutions

Resolution 1. Report and accounts

The Directors are required to present the Company's accounts and the reports of the Directors and of the auditor for the year ended 31 December 2021 at the AGM.

Resolutions 2 to 10. Elections of Harmeen Mehta and Charlie Nunn and the re-election of continuing Directors

The Company's articles of association provide that any new Director appointed by the Board during the year may hold office only until the next AGM, when that Director must retire but shall be eligible for election as a Director by the shareholders at that meeting.

Harmeen Mehta and Charlie Nunn joined the Board since the last AGM and are accordingly seeking election by shareholders.

In accordance with the provisions of the UK Corporate Governance Code (the 'Code'), all of the other serving Directors at the time of the AGM will retire and submit themselves for re-election by shareholders, except Stuart Sinclair, who will retire at the conclusion of the meeting.

Given the Board's decision to defer the annual evaluation of its effectiveness until 2022, the Chair undertook individual assessments of the Non-Executive Directors in January 2022 and found that the Non-Executive Directors are committed and continue to operate effectively, individually and collectively as a board. In January 2022, a performance evaluation of the Chair was undertaken by the Non-Executive Directors, led by the Senior Independent Director, considering the views of the Executive Directors. The evaluation found the Chair's performance to be effective.

All Non-Executive Directors seeking election or re-election are independent in accordance with the criteria set out in the Code. The Chair was independent on appointment.

A summary of the skills, experience and contribution of each Director proposed for election and re-election, which in the Board's view illustrates why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success, can be found in Appendix 1 on pages 15 and 16 of this document.

Resolution 11. Directors' remuneration report

The Company is required to ask shareholders to approve by ordinary resolution the Directors' remuneration report in the form set out on pages 101 to 117 of the Annual Report and Accounts for the year ended 31 December 2021.

The Company's auditor, Deloitte LLP ('Deloitte'), has audited those parts of the Directors' remuneration report which are required to be audited and their report is issued in the Annual Report and Accounts for the year ended 31 December 2021.

In accordance with remuneration reporting rules, the vote on Resolution 11 is an advisory vote. This means that the Company can still act according to the annual report on remuneration as proposed if the resolution is not approved.

At the 2020 annual general meeting of the Company, the Directors' Remuneration Policy was approved by shareholders. The Directors' Remuneration Policy is not therefore required to be approved at this year's AGM. It is expected that the policy will be put to shareholders again at the Company's annual general meeting in 2023.

Resolution 12. Dividend

Shareholders are being asked to approve a final dividend of 1.33 pence per ordinary share in respect of the financial year ended 31 December 2021.

An interim dividend for 2021 of 0.67p pence per ordinary share was paid on 13 September 2021, making a total dividend of 2 pence per ordinary share in respect of the financial year ended 31 December 2021. If the final dividend is approved by shareholders, it will be paid on 19 May 2022 to all ordinary shareholders whose names appear in the register of members at the close of business on 8 April 2022.

The Company will continue to offer shareholders the opportunity to use the cash dividend paid to purchase shares in the Company through its Dividend Reinvestment Plan ('DRIP') which is operated by Equiniti.

Shareholders who wish to join or cancel their participation in the DRIP for the final dividend must provide their instruction to Equiniti which must be received no later than 5.00 pm on 27 April 2022. Shareholders can find further information about the DRIP on the Company's website at the following address: www.lloydsbankinggroup.com/investors/shareholder-information/dividends.

Subject to shareholder approval of the final dividend, an entitlement notice in respect of the dividend paid and used to purchase shares under the DRIP will be dispatched by Equiniti to shareholders participating in the DRIP.

Resolutions 13 and 14. Auditor re-appointment and remuneration

Resolution 13 proposes the re-appointment of Deloitte as auditor of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

At the last AGM, following the Board's recommendation, the shareholders appointed Deloitte as auditor.

Resolution 14 follows best corporate governance practice in authorising the Audit Committee to set the auditor's remuneration.

The Audit Committee oversees the relationship with the external auditor and considers Deloitte's terms of engagement (including remuneration), as well as its independence and objectivity. The Audit Committee considered the effectiveness and performance of Deloitte and the audit process, and concluded that it was satisfied with Deloitte's performance.

Further details of the work carried out by the Audit Committee are set out on pages 90 to 93 of the Annual Report and Accounts for the year ended 31 December 2021.

Resolution 15. Continued operation of the Lloyds Banking Group Share Incentive Plan

The Company considers it important for employees to have the opportunity to acquire shares in Lloyds Banking Group, and the Lloyds Banking Group Share Incentive Plan (the 'SIP') is a very important part of the Company's approach to rewarding and incentivising the whole of the Group's employee base. The SIP is an all-employee plan that operates in accordance with qualifying requirements of HM Revenue & Customs and applicable tax legislation. The SIP was adopted by the Company, with shareholder approval, in 2001, and the operation of the SIP was reapproved by shareholders for a further period of ten years in 2012.

In line with good practice, the Company is therefore now seeking shareholder approval to enable the continued operation of the SIP on its existing terms for a further period of 10 years. It is our intention to seek renewal of the authority after 10 years or as required by the Investment Association guidelines.

The terms of the amendment to permit the continued operation of the SIP, and a summary of the principal features of the SIP, are set out in Appendix 2 on page 17.

Resolution 16. Authority for the Company and its subsidiaries to make political donations or incur political expenditure

This resolution will renew the authority to incur expenditure which would otherwise be prohibited under Part 14 of the Companies Act 2006.

In accordance with Group policy, the Company does not make any political donations or incur political expenditure in the UK within the ordinary meaning of those words.

However, the definitions of political donations, political organisations and political expenditure used in the Companies Act 2006 are very wide and the penalties for breaching the legislation, even if inadvertent, are severe. As a result, such definitions may cover activities that form part of relationships that are an accepted part of engaging with our stakeholders.

The activities referred to above are not designed to support any political party nor to influence public support for any political party. The authority the Company is requesting is a precautionary measure to ensure that the Company can continue to support

Explanatory notes on resolutions continued

the community and put forward its views without inadvertently breaching the Companies Act 2006.

While shareholders are permitted to grant authority for up to four years, the Directors will seek shareholder authority each year in accordance with best practice.

Resolution 17. Directors' authority to allot shares

This resolution, as in previous years, renews the Directors' authority to allot shares.

It gives the Directors the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

The Directors consider it desirable to have this flexibility.

Paragraph (a) gives the Directors the authority to issue new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £2,349,305,697, equivalent to one third of the whole of the issued ordinary share capital of the Company, exclusive of treasury shares, as at the close of business on 22 March 2022, being the latest practicable date prior to publication of this notice of AGM.

Paragraph (b) authorises the Directors to allot shares and grant rights to subscribe for, or convert other securities into, shares in connection with a rights issue up to a further one-third. The aggregate of the amounts in paragraphs (a) and (b) of Resolution 17 represents a total of approximately two-thirds of the whole of the issued ordinary share capital of the Company, exclusive of treasury shares, as at the close of business on 22 March 2022, being the latest practicable date prior to publication of this notice of AGM. Information on the issued share capital can be found on page 11 of this document.

No shares are held in treasury as at the date of this document.

The authority being sought is in line with The Investment Association's Share Capital Management Guidelines issued in July 2016.

If this resolution is passed, this authority will expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier. There are no present plans to undertake a rights issue or to allot new shares save that the Directors may, as part of capital management planning, authorise new issuances of ordinary shares in an amount that is not material in relation to the Company's capital.

For the purposes of this resolution, '**rights issue**' means an offer to:

- (a) ordinary shareholders in proportion (as near as may be practicable) to their existing holdings; and
- (b) people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or jurisdiction.

Resolution 18. Directors' authority to allot shares in relation to the issue of Regulatory Capital Convertible Instruments

This resolution, as in previous years, renews the Directors' authority to allot shares or grant rights to subscribe for or convert any security into ordinary shares, in accordance with Section 551 of the Companies Act 2006, up to an aggregate nominal amount of £1,250,000,000 in connection with the issue of Regulatory Capital Convertible Instruments.

The authority sought in this resolution will be utilised as considered desirable to comply with or maintain compliance with regulatory capital requirements or targets applicable to the Group.

The Company intends to seek to renew authority for the issuance of such Regulatory Capital Convertible Instruments on an annual basis. The amount of this authority is, in aggregate, equivalent to approximately 17.74 per cent. of the issued ordinary share capital

of the Company, as at the close of business on 22 March 2022, being the latest practicable date before the publication of this notice of AGM.

No ordinary shares are held in treasury as at the date of this document.

Resolutions 18 and 21 provide the Directors with the authority to issue Regulatory Capital Convertible Instruments which contain contractual debt to equity conversion features. The resolutions are not intended to provide authority for any bail-in or conversion of capital or senior debt obligations pursuant to the Banking Act 2009, as amended, or otherwise.

This authority is separate and distinct from the authority sought in Resolution 17 which is the usual authority sought on an annual basis in line with the Share Capital Management Guidelines issued by The Investment Association.

If this resolution is passed, this authority will expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier.

Conditional upon the passing of Resolutions 18 and 21, the Directors would not expect to make use of Resolutions 17, 19 or 20 to issue Regulatory Capital Convertible Instruments, although these resolutions may be used for other purposes and, if so used, would have the effect of diluting the interests of ordinary shareholders.

Regulatory Capital Convertible Instruments include additional tier 1 ('AT1') instruments which convert into ordinary shares of the Company should the Company's common equity tier 1 ratio fall below a contractually defined trigger point.

For the purpose of this resolution:

'**Regulatory Capital Convertible Instruments**' means any securities to be issued by the Company or any member of the Group, or by a company outside of the Group with the consent of the Company or a member of the Group and which are intended on issue to form all or part of a type or class of securities the terms of which are eligible to meet any Regulatory Capital Requirements and which are:

- (a) convertible into or exchangeable for ordinary shares of the Company; or
- (b) issued together with share warrants relating to ordinary shares of the Company,

and in each case, which grant to, or require, the holder of such security and/or its nominee a right or obligation (as applicable) to subscribe for such ordinary shares following a specified event relating to an actual or prospective adverse change in the capital position or viability of the Company, any member of the Group or the Group as a whole or any other event specified in the Regulatory Capital Requirements as defined below and otherwise on such terms as may be determined by the Directors of the Company or a committee thereof upon issue;

'**Regulatory Capital Requirements**' means any applicable requirements specified by the Prudential Regulation Authority or other such authority having primary supervisory authority with respect to the Company from time to time in relation to the margin of solvency, capital resources, capital, contingent capital or buffer capital of the Company, a member of the Group or the Group taken as a whole; and

'**Group**' means the Company, its subsidiaries and its subsidiary undertakings from time to time.

Resolutions 19 and 20. Limited disapplication of pre-emption rights

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings (known as pre-emption rights).

It is usual practice for the Company to seek a renewal of this authority on an annual basis. As was the case in previous years, there are two separate resolutions permitting the disapplication of pre-emption rights in limited circumstances.

Sections (a)(i) and (b) of Resolution 19 seek shareholder approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors

may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions. The Board has no current intention of exercising such authority, but considers the authority to be appropriate in order to allow the Company to have the flexibility to finance business opportunities or to conduct a pre-emptive offer or pre-emptive rights issue having made appropriate exclusions or arrangements to address such difficulties.

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares for cash on a non pre-emptive basis.

The Pre-Emption Group's Statement of Principles, as updated in March 2015, supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than five per cent. of issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, the purpose of section (a)(ii) of Resolution 19 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 17, or sell treasury shares, for cash up to a nominal value of £352,395,854, equivalent to five per cent. of the total issued ordinary share capital of the Company excluding treasury shares, as at the close of business on 22 March 2022, without the shares first being offered to existing shareholders in proportion to their existing holdings. As at the close of business on 22 March 2022, the Company did not hold any shares in treasury.

The Pre-Emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than an additional five per cent. of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines "specified capital investment" as meaning one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets, the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-Emption Group in May 2016, the purpose of Resolution 20 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 17, or sell treasury shares, for cash up to a further nominal amount of £352,395,854, equivalent to five per cent. of the total issued ordinary share capital of the Company as at the close of business on 22 March 2022, exclusive of treasury shares, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 20 is used, the Company will publish details of the placing in its next Annual Report and Accounts.

The Board intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles and not allot shares or other equity securities or sell treasury shares for cash on a non pre-emptive basis pursuant to the authority in Resolution 19 in excess of an amount equal to 7.5 per cent. of the total issued ordinary share capital of the Company, excluding treasury shares, within a rolling three-year period, other than:

- (a) with prior consultation with shareholders; or
- (b) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The Board considers the authorities in Resolutions 19 and 20 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

If the resolutions are passed, the authority will expire on the earlier of the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023.

For the purposes of this resolution:

- (i) **'rights issue'** has the same meaning as in the Explanatory Note to Resolution 17;
- (ii) **'pre-emptive offer'** means an offer of equity securities open for acceptance for a period fixed by the Directors to: (a) holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings; and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or jurisdiction;
- (iii) references to an allotment of equity securities shall include a sale of treasury shares; and
- (iv) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

Resolution 21. Limited disapplication of pre-emption rights in relation to the issue of Regulatory Capital Convertible Instruments

This resolution proposes that, without prejudice to any existing power including that contained in Resolutions 19 and 20, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) up to an aggregate nominal amount of £1,250,000,000 in relation to the issue of Regulatory Capital Convertible Instruments wholly for cash or otherwise as if Section 561 of the Companies Act 2006, to the extent applicable, did not apply to any such allotment. This is equivalent to approximately 17.74 per cent. of the issued ordinary share capital of the Company as at the close of business on 22 March 2022, being the latest practicable date before the publication of this notice of AGM.

Renewing this resolution will permit the Company to allot equity securities pursuant to any proposal to issue Regulatory Capital Convertible Instruments and, by virtue of such disapplication, without the need to comply with the pre-emption requirements of the UK statutory regime.

If this resolution is passed, this authority will expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier.

For the purposes of this resolution, Regulatory Capital Convertible Instruments has the same meaning as in the Explanatory notes to Resolution 18.

Resolutions 22 and 23. Authority to purchase ordinary shares and preference shares

Resolutions 22 and 23 renew the authority of the Company to purchase its own ordinary shares and certain of its preference shares (as specified in the resolution wording) in the market. The authority for the Company to purchase its ordinary shares in the market under Resolution 22 is limited to 7,047,917,092 ordinary shares, equivalent to 10 per cent. of the issued ordinary share capital of the Company as at the close of business on 22 March 2022, being the latest practicable date before the publication of this notice of AGM.

Any ordinary shares purchased in this way may be cancelled or held in treasury for eventual sale for cash, transfer in connection with an employees' share plan or cancellation. The resolution explicitly authorises the Company to use any shares purchased and held in treasury for the purposes of its employees' share plans.

Explanatory notes on resolutions continued

If any shares were used in this way, the Company would take them into account when calculating the share issuing limits in the share plans, to the extent required under the Share Capital Management Guidelines issued by The Investment Association in July 2016.

There is no limit on the number or value of preference shares that can be purchased. Having authority to buy back any or all of the issued preference shares would provide the Company with flexibility in maintaining a prudent approach to the management of the Group's capital position taking into account other opportunities including, but not limited to, the ability to replace the preference shares with other forms of securities. The Directors intend to keep under review the potential to buy back any or all of the issued preference shares.

As at the close of business on 22 March 2022, there were outstanding options and awards over 1,642,914,327 ordinary shares, which represented 2.33 per cent. of the Company's issued ordinary share capital as at that date. If the Company were to purchase and cancel ordinary shares up to the maximum amount permitted by this resolution, then these options and awards would represent 2.59 per cent. of the Company's issued ordinary share capital as at that date as the Company would have fewer ordinary shares in issue. If the Company were to purchase and cancel ordinary shares up to the maximum amount permitted under the remaining existing authority granted at the last AGM and under Resolution 22, then these options and awards would represent 2.88 per cent of the Company's issued ordinary share capital as at that date as the Company would have fewer ordinary shares in issue.

The Directors would exercise such authority to buy back shares only if they believe that to do so would be in the best interests of shareholders taken as a whole and in the case of a buyback of ordinary shares would result in an increase in earnings per ordinary share.

If the resolutions are passed, the authority will expire at the conclusion of the next annual general meeting of the Company or at the close of business on 30 June 2023, whichever is the earlier.

To the extent that any such shares were held in treasury, earnings per share would only be increased on a temporary basis, until the shares were sold or transferred out of treasury. Also, if the Directors were to decide to use the authority, they would, at that time, determine whether it would be in the best interests of shareholders as a whole for the shares purchased to be cancelled or held in treasury.

During 2021, the Company did not purchase any ordinary shares. On 25 February 2022, the Company announced that it had commenced a share buyback programme to repurchase up to £2 billion of its own ordinary shares which is expected to be completed by 31 December 2022 ('Buyback Programme') by way of on-market purchases. The Company previously announced its intention to commence the Buyback Programme on 24 February 2022. Share purchases by the Company pursuant to the Buyback Programme will be carried out using the authority to purchase its own shares approved by shareholders at the last AGM as opposed to the authority being sought in Resolution 22. The Company intends to cancel the shares it repurchases through the Buyback Programme. The Buyback Programme is subject to the continuing approval of the Prudential Regulation Authority.

Resolution 24. Notice period for general meetings

Under the Companies Act 2006, the minimum notice period required for all general meetings of the Company is 21 clear days unless shareholders approve a shorter notice period of not less than 14 clear days for general meetings other than annual general meetings and the Company offers a facility for shareholders to vote by electronic means. The voting requirement is met if the Company offers a facility, accessible to all shareholders, to appoint a proxy by means of a website.

Accordingly, this resolution seeks to obtain shareholder approval for a minimum notice period for general meetings (other than annual general meetings) of 14 clear days as required by the Companies Act 2006.

It is the Company's intention only to use this authority in circumstances when it would disadvantage the Company to delay shareholder approval for an urgent matter concerning, for instance, the issue or alteration of share capital. It is not intended to use this authority for routine Company business. The Company

would aspire to provide shareholders with as much notice as possible and will, should it be necessary to use this authority, provide shareholders with a clear explanation as to why a shorter notice period is necessary.

This Resolution 24 shall be valid until the conclusion of the next annual general meeting of the Company (unless the authority granted by the resolution is renewed at a general meeting of the Company before then) and it is the Company's intention to renew the authority at each annual general meeting.

Annual general meetings will continue to be held on at least 21 clear days' notice.

Important notes

Issued capital and voting rights

As at the close of business on 22 March 2022 (being the latest practicable date prior to the publication of this document) the total number of ordinary shares of 10 pence each, including shares represented by American Depositary Receipts, issued by Lloyds Banking Group plc was 70,479,170,923. At this date, no shares were held in treasury.

Each ordinary share of 10 pence carries one vote. Therefore the total number of voting rights is 70,479,170,923.

Directors

A summary of the skills, experience and contribution of each Director proposed for election and re-election, which in the Board's view illustrates why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success, can be found in Appendix 1 on pages 15 and 16 of this document. Additional details relating to the Directors and the work of the Board and its Committees can be found on pages 70 to 102 of the Annual Report and Accounts for the year ended 31 December 2021.

Attendance and voting

To be entitled to attend, speak and vote at the AGM, a shareholder's details must be entered in the register of members by 6.30 pm on Tuesday 10 May 2022, or, if this meeting is adjourned, by 6.30 pm on the day falling two working days prior to the date fixed for the adjourned meeting.

Only shareholders, appointed proxies or corporate representatives are entitled to attend, speak and vote at the meeting.

Voting in advance by proxy

Online: Register your instruction at www.sharevote.co.uk using the Voting ID, Task ID and Shareholder reference number noted on your proxy/voting form.

By post: Register your instruction by completing the proxy/voting form and return it to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

For those shareholders who receive hard copy documents, the enclosed envelope is postage paid if mailed in the UK and also if it is mailed from overseas. You should not need to pay any additional local postal charges.

CREST: Participants can provide instructions using the CREST electronic proxy appointment service through Equiniti Limited (ID RA19) following the procedures described in the CREST manual available at www.euroclear.com.

Proxymity: If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Voting deadline

Instructions, together with any supporting authority (e.g. a certified copy of a power of attorney) must be received by Equiniti no later than 11.00 am on Tuesday 10 May 2022.

For instructions submitted in CREST, the time of receipt by Equiniti will be deemed to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry of Euroclear in the manner prescribed by Euroclear. Equiniti may treat as invalid a CREST instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

For instructions submitted by Proxymity, your proxy must be lodged by 11:00 am on Tuesday 10 May 2022 in order to be considered valid.

Appointing a proxy

You can appoint one or more people to attend, speak and vote at the meeting on your behalf (your proxy). To appoint a proxy, please add the name of the person in the relevant box provided on the proxy card or as displayed on screen if you are appointing a proxy through an online service.

A proxy need not be a shareholder of the Company, but must attend the meeting to represent a shareholder.

Appointing more than one proxy

If you wish to appoint more than one proxy, you can obtain additional proxy cards by contacting Equiniti using the telephone numbers set out on page 2 of this document. You should indicate the number of shares for which each proxy is entitled to vote next to their name.

Revoking a proxy

Proxy appointments may be revoked or amended by written notice to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. To be valid, such instructions must be received by 10.00 am on Thursday 12 May 2022.

CREST participants may also give instructions to revoke or amend proxy appointments by CREST message up until 11.00 am on Tuesday 10 May 2022, after which time any revocation or amendment should be notified in writing to Equiniti and received by 10:00 am on Thursday 12 May 2022 at the address set out in the previous paragraph.

Revocations or amendments to votes cast via the Proxymity platform after 11:00 am on Tuesday 10 May 2022 should be notified in writing to Equiniti and received by 10:00 am on Thursday 12 May 2022 at the address set out above.

Joint shareholders

The signature of any one holder will suffice when completing the proxy/voting form. If multiple instructions are received, the instructions of the most senior joint holder will be accepted in priority to other instructions. Seniority will be determined by the order in which the names stand in the register of members for the joint holding.

Indirect investors

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146(2) of the Companies Act 2006 ('Nominated Persons'). Nominated Persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Attending the meeting

Information relating to the arrangements and facilities for the meeting can be found on page 14 of this document. Shareholders who receive hard copy documents and come to the AGM are asked to bring the attendance card with them. This can be located adjacent to the proxy card, and can be detached. This helps to speed up registration on arrival and reduces the length of time that shareholders may have to spend queuing.

At the time of preparing this document, COVID-19 restrictions concerning large public gatherings have eased. However, the health and safety of our shareholders, our employees, and the wider communities in which we operate remains our primary concern. We will continue to monitor the situation as we approach the AGM. Any changes to the arrangements for the AGM due to COVID-19 will be made in line with the UK Government's, and in particular Scotland's, guidance and/or requirements and with health and safety as a priority.

We will notify shareholders of any updates to our AGM arrangements as early as possible, on the shareholder information page of our website.

Important notes continued

Questions at the AGM

Shareholders, their appointed proxies and authorised corporate representatives have the right to ask questions at the AGM relating to the business of the meeting. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:

- (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
- (b) the answer has already been given on a website in the form of an answer to a question; or
- (c) it is undesirable in the interests of the Company or good order of the meeting that the question be answered.

If you intend to come to the AGM and would like to ask a question about the business of the meeting, you may register it in advance by sending it by email to ShareholderQuestions@lloydsbanking.com. This should not be used to raise personal matters or customer issues.

If your question is not a matter for the AGM it may be referred to an appropriate team to respond. If you choose not to attend the meeting your question will not be raised at the AGM on your behalf. Shareholders are asked to be concise to ensure others who wish to ask a question are able to do so.

You may not use any electronic address provided either in this notice of AGM or any related documents to communicate with the Company for any purpose other than those expressly stated. Any electronic communication sent by a shareholder to the Company or Equiniti that is found to contain a computer virus will not be accepted.

Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged. Shareholders who decide to use them will receive an electronic mail message sent to the electronic address registered. This will give details of the location on the Company's website www.lloydsbankinggroup.com where this notice, together with other relevant documents and information, may be viewed. The Company will not regard itself as responsible for any failure in transmission beyond its control. There is no particular software needed, other than that which is described and is available on the Company's website.

Right to include a resolution at the AGM

Under Sections 338 and 338A of the Companies Act 2006, members who satisfy the threshold requirements in those sections have the right to require the Company:

- (a) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or
- (b) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business at the meeting.

A resolution may properly be moved or a matter may properly be included in the business at the meeting unless:

- (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);
- (b) it is defamatory of any person; or
- (c) it is frivolous or vexatious.

Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 30 March 2022, being the date six weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

Right to publish a statement about the auditor

Under Section 527 of the Companies Act 2006, members who satisfy the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:

- (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the annual general meeting for the financial year ended 31 December 2021; or
- (b) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which an Annual Report and Accounts were laid.

The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the Companies Act 2006.

Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

Documents available for inspection

The following documents, which are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) at the head office of the Company at 25 Gresham Street, London EC2V 7HN and at the Company's registered office at The Mound, Edinburgh EH1 1YZ and will also be available for inspection at the Edinburgh International Conference Centre, the venue of the AGM, from 09.30 am on Thursday 12 May 2022 until the end of the AGM:

- (a) the Company's Annual Report and Accounts for the year ended 31 December 2021;
- (b) copies of the Executive Directors' service contracts; and
- (c) copies of the Non-Executive Directors' letters of appointment.

Shareholder information

A copy of this notice of AGM and other information required by Section 311A of the Companies Act 2006 can be found at www.lloydsbankinggroup.com/investors/shareholder-information/shareholder-meetings.

Frequently asked questions

Where can I find more information about the AGM?

Please refer to our website, www.lloydsbankinggroup.com/investors/shareholder-information/shareholder-meetings where the latest information relating to the AGM will be published. This information will also be available from the Shareholder Helpline, the number for which is set out on page 2 of this document.

What is an AGM or Annual General Meeting?

A public company is required by law to hold an annual meeting of shareholders, and to table its accounts, within six months of the end of its preceding financial year.

Will I be able to attend the AGM this year?

The AGM will take place at the Edinburgh International Conference Centre, The Exchange, Edinburgh EH3 8EE on Thursday, 12 May 2022 at 11.00 am. At the time of preparing this document, COVID-19 restrictions concerning large public gatherings have eased. However, the health and safety of our shareholders, our employees, and the wider communities in which we operate remain our primary concern. We will continue to monitor the situation as we approach the AGM. Any changes to the arrangements for the AGM due to COVID-19 will be made in line with the UK Government's, and in particular Scotland's, guidance and/or requirements and with health and safety as a priority.

We will notify shareholders of any significant updates to our AGM arrangements as soon as practicable on the shareholder information page of our website.

Why are you holding the AGM in Scotland?

The Company's articles of association require the Company to hold its AGM in Scotland.

Why should I vote?

It is your right as a shareholder to vote on matters put to the AGM and every shareholder is encouraged to vote. Your opinion counts and is very important in informing the Board on shareholder views. We urge you to use this opportunity to vote.

What is a proxy and who can be one?

A proxy is someone appointed by you to attend the meeting and vote on your behalf. This can be a person of your choosing or the Chair of the meeting. A proxy does not need to be a shareholder in the Company but must attend the meeting for your votes to be cast.

Can I lodge my proxy or voting instructions online?

Yes. Please see the reverse side of the proxy or voting form for details on how to do this. We strongly encourage shareholders to do this.

How do I return the proxy or voting form?

If you have received a hard copy proxy or voting form and would like to return it by post, please use the enclosed envelope. Postage for UK residents has already been paid. Likewise, the enclosed envelope can be used if you are mailing your proxy or voting form from overseas; you should not need to pay any further local postage costs.

I have shares in the Lloyds Banking Group Shareholder Account ('LBGSA'). The voting form does not provide an option to appoint a proxy, why is this?

In accordance with the terms and conditions of the LBGSA, only Equiniti Financial Services Limited can carry out your instructions in relation to these shares. You can, however, still use the online service at www.sharevote.co.uk to submit your voting instruction.

Can I receive a paper copy or a large print, audio or Braille version of the Annual Report and Accounts or AGM communications?

Yes. Please contact the Company's registrar, Equiniti, using the contact details for Equiniti on page 2 of this document.

What is a share buyback and how might I benefit?

A share buyback (also known as a share repurchase) is a form of returning surplus capital held by a company to shareholders involving the purchase by a company of its own shares. The effect of a buyback is to reduce the total number of shares in issue. It is expected that shareholders who retain their shares in the Company will benefit from the share buyback programme as they will own an increased proportion of the total shares in the Company and should therefore see an enhanced dividend per share going forward given the reduced number of shares in the Company in issue. This assumes that the Group's progressive and sustainable ordinary dividend policy is maintained.

Annual general meeting arrangements and facilities

Live Webcast

The AGM will be available to watch remotely via a live webcast. Please check the Shareholder Meetings page of the Lloyds Banking Group website for further details www.lloydsbankinggroup.com/investors/shareholder-information/shareholder-meetings. Shareholders attending the AGM may appear on the live webcast stream and by attending will be deemed to have consented to being recorded by audio and video. If shareholders submit a question in advance or during the meeting, they will be deemed to have consented to their name being mentioned.

Entrance

Doors will open at 9.30 am. All attendees will be asked to register at a registration desk on arrival and must present a valid form of photo identification. To speed up the registration process shareholders are able to pre-register their intention to attend the AGM through our website www.lloydsbankinggroup.com/investors/shareholder-information/shareholder-meetings. Shareholders will not be permitted to re-enter once they have left the venue.

Security

For safety and security purposes, shareholders will not be permitted to bring a bag larger than 40 x 30 x 15cm in to the venue. All shareholders and their belongings will be subject to a search upon entry. To expedite the screening process, you are encouraged to bring only personal essentials. We reserve the right to prohibit any items that we consider to pose a safety or security hazard.

Security staff will be on duty to assist shareholders. We reserve the right to reject and/or remove signs which, in our sole discretion, are disruptive, obscene, may be offensive to others or obstruct the view of others.

The Company will not permit behaviour that may interfere with another person's security or safety or the good order of the AGM.

No photographic or recording equipment is permitted.

Attendees will be asked to ensure that mobile telephones and other communication devices are switched off for the duration of the AGM.

COVID-19

At the time of preparing this document, COVID-19 restrictions concerning large public gatherings have eased. However, the health and safety of our shareholders, our employees, and the wider communities in which we operate remain our primary concern. We will continue to monitor the situation as we approach the AGM. Any changes to the arrangements for the AGM due to COVID-19 will be made in line with the UK Government's, and in particular Scotland's, guidance and/or requirements and with health and safety as a priority.

We will notify shareholders of any significant updates to our AGM arrangements as soon as practicable, on the shareholder information page of our website.

Venue accessibility

The Edinburgh International Conference Centre is fully accessible for people with disabilities, including wheelchair access and induction loop fitting. A sign language interpreter will be provided during the AGM.

Question registration

A question registration desk will be available for those shareholders who wish to ask a question about the proposed resolutions. Shareholders may also register their question in advance by email to ShareholderQuestions@lloydsbanking.com. Shareholder questions are an opportunity for shareholders to raise matters of general concern relating to the business of the meeting. See more information in the "Questions at the AGM" section on page 12.

Any additional information pertaining to the arrangements of the 2022 Annual Meeting will be updated on the Shareholder Meetings page of the Lloyds Banking Group website www.lloydsbankinggroup.com/investors/shareholder-information/shareholder-meetings.

AGM duration and question handling

The AGM may last for up to three hours. Shareholders will hear from the Chair and Group Chief Executive and will be provided with an opportunity to ask questions. Shareholders are asked to be concise to ensure that others who wish to ask a question are able to do so.

Voting

Voting on Resolutions 1 to 24 at the AGM will be by poll using electronic voting handsets. This is a fair and democratic way to ensure that votes validly lodged by shareholders, regardless of whether they are able to attend the AGM, are included within the voting results. The Chair will open electronic voting on the resolutions at the start of shareholder questions and voting will remain open throughout the questions session.

When the questions session has concluded, the Chair will close electronic voting.

Appendix 1 – Directors standing for election or re-election

Directors' biographies can be found on pages 72 and 73 of the Annual Report and Accounts for the year ended 31 December 2021.

A Member of Audit Committee Re Member of Remuneration Committee NG Member of Nomination and Governance Committee Ri Member of Board Risk Committee RB Member of Responsible Business Committee ● Committee Chair		
1	2	3
 ● NG Re RB	 ● Re A Ri NG RB	 ● A Ri RB
4	5	6
 RB	 ● RB Re NG	
7	8	9
 ● Ri A Re		

1. Robin Budenberg CBE Chair

Appointed: October 2020 (Board), January 2021 (Chair)

Skills, experience and contribution:

Extensive financial services and investment banking experience
 Strong governance and strategic advisory skills to companies and government
 Regulatory, public policy and stakeholder management experience
 Robin spent 25 years advising UK companies and the UK Government while working for S.G. Warburg/UBS Investment Bank, and was formerly Chief Executive and Chairman of UK Financial Investments (UKFI), managing the Government's investments in UK banks following the 2008 financial crisis. He was awarded a CBE in 2015 for services to the taxpayer and the economy, and is a qualified Chartered Accountant.

External appointments: Chairman of The Crown Estate.

2. Alan Dickinson Deputy Chair and Senior Independent Director

Appointed: September 2014 (Board), December 2019 (Senior Independent Director), May 2020 (Deputy Chair)

Skills, experience and contribution:

Highly regarded retail and commercial banker
 Strong strategic, risk management and core banking experience
 Regulatory and public policy experience
 Alan has 37 years' experience with the Royal Bank of Scotland, most notably as Chief Executive of RBS UK. Alan was formerly Chairman of Urban&Civic plc and of Brown, Shipley & Co. Limited, a Non-Executive Director and Chairman of the Risk Committee of the Nationwide Building Society and of Willis Limited, and a Governor of Motability. Alan is a Fellow of the Chartered Institute of Bankers and the Royal Statistical Society.

External appointments: Non-Executive Director of the England and Wales Cricket Board.

3. Sarah Legg Independent Non-Executive Director

Appointed: December 2019

Skills, experience and contribution:

Strong financial leadership and regulatory reporting skills
 Significant audit and risk experience in financial leadership
 Strong transformation programme experience
 Sarah has spent her entire career in financial services with HSBC in finance leadership roles. She was the Group Financial Controller, a Group General Manager, and also Chief Financial Officer for HSBC's Asia Pacific region. She also spent eight years as a Non-Executive Director on the board of Hang Seng Bank Limited, a Hong Kong-listed bank.

External appointments: Chair of the Campaign Advisory Board, King's College, Cambridge University, Honorary Vice President of the Hong Kong Society for Rehabilitation and a trustee of the Lloyds Bank Foundation for England and Wales.

4. Lord Lupton CBE Independent Non-Executive Director and Chair of Lloyds Bank Corporate Markets plc

Appointed: June 2017

Skills, experience and contribution:

Extensive international corporate experience, especially in financial markets
 Strong board governance experience, including investor relations and remuneration
 Regulatory and public policy experience
 Significant experience in strategic planning and implementation
 Lord Lupton was Deputy Chairman of Baring Brothers, co-founded the London office of Greenhill & Co., and was Chairman of Greenhill Europe. He is a former Treasurer of the Conservative Party and became a Life Peer in October 2015, serving on the House of Lords Select Committee on Charities.

External appointments: Senior Advisor to Greenhill Europe, a Trustee of The Lovington Foundation and Chairman of the Board of Visitors of the Ashmolean Museum.

Appendix 1 – Directors standing for election or re-election continued

5. Amanda Mackenzie OBE Independent Non-Executive Director

Appointed: October 2018

Skills, experience and contribution:

Extensive experience in ESG matters, including responsible business and sustainability

Considerable customer engagement experience

Strong digital technology experience

Significant marketing and brand background

Amanda was a member of Aviva's Group Executive for seven years as Chief Marketing and Communications Officer and was seconded to help launch the United Nation's Sustainable Development Goals. She is also a former Director of British Airways AirMiles, BT, Hewlett Packard Inc and British Gas.

External appointments: Chief Executive of Business in the Community, The Prince's Responsible Business Network.

6. Harmeen Mehta Independent Non-Executive Director

Appointed: November 2021

Skills, experience and contribution:

Extensive experience leading digital, engineering, IT and innovation transformation

A wealth of international and financial services knowledge having lived in 11 countries and worked across 30 countries in her career

Experience of incubating new businesses and creating new revenue streams in businesses

Harmeen was appointed Chief Digital and Innovation Officer at BT in April 2021. Prior to that role, she spent seven years as Global Chief Information Officer and Head of Cyber Security and Cloud Business at Bharti Airtel, leading its cloud and security businesses. Earlier in her career, Harmeen held CIO positions at BBVA, HSBC and Bank of America Merrill Lynch.

External appointments: Chief Digital and Innovation Officer at BT; Non-Executive Director at Max Healthcare.

7. Catherine Woods Independent Non-Executive Director

Appointed: March 2020

Skills, experience and contribution:

Extensive executive experience of international financial institutions

Deep experience of risk and transformation oversight

Strong focus on culture and corporate governance

Catherine is a former Deputy Chair and Senior Independent Director of AIB Group plc where she also chaired the Board Audit Committee. In her executive career with J P Morgan Securities, she was Vice President, European Financial Institutions, Mergers and Acquisitions, and Vice President Equity Research Department, forming the European Banks Team.

External appointments: Non-Executive Director of Beazley plc and Non-Executive Director and Deputy Chair of BlackRock Asset Management Ireland Limited.

8. Charlie Nunn Executive Director and Group Chief Executive

Appointed: August 2021

Skills, experience and contribution:

Extensive financial services experience including in Chief Executive and other leadership roles

Strategic planning and implementation

Extensive experience of digital transformation

Charlie has over 25 years' experience in the financial services sector. Prior to joining the Group, Charlie held a range of leadership positions at HSBC, including Global Chief Executive, Wealth and Personal Banking, and Group Head of Wealth Management and Digital, as well as Global Chief Operating Officer of Retail Banking and Wealth Management.

Charlie began his career at Accenture, where he worked for 13 years in the US, France, Switzerland and the UK before being made a Partner. He then moved to McKinsey & Co. as a Senior Partner, leading on projects for five years.

External appointments: None.

9. William Chalmers Executive Director and Chief Financial Officer

Appointed: August 2019 (Chief Financial Officer), May-August 2021 (Interim Group Chief Executive)

Skills, experience and contribution:

Significant board-level strategic and financial leadership experience

Strategic planning and development, mergers and acquisitions, equity and debt capital structuring and risk management

William joined the Board in August 2019, when he was appointed Chief Financial Officer, and was appointed Interim Group Chief Executive from May 2021 to August 2021.

William has worked in financial services for over 25 years, and previously held a number of senior roles at Morgan Stanley, including Co-Head of the Global Financial Institutions Group and Head of EMEA Financial Institutions Group. Before joining Morgan Stanley, William worked for JP Morgan, again in the Financial Institutions Group.

External appointments: None.

Appendix 2 – The principal features of the Lloyds Banking Group Share Incentive Plan (the ‘SIP’ or the ‘Plan’)

Overview of the SIP

The SIP is an all-employee plan that operates in accordance with qualifying requirements of HM Revenue & Customs and applicable tax legislation.

The SIP will continue to operate on its existing terms as summarised below, save only for being amended to permit its continued operation, on terms that the SIP shall provide that: The Plan may be operated until 12 May 2032, subject to such extension as the directors may determine with, for as long as required by the Investment Association guidelines, the approval by shareholders in a general meeting.

Under the SIP, three types of shares can be offered to employees based in the UK: free shares; partnership shares; and matching shares. The SIP rules contain all three elements, and the directors have power to decide which, if any, of them should be operated from time to time. The SIP operates in conjunction with a trust, which holds shares on behalf of employees.

Eligibility

Executive directors and all employees of the Company and any subsidiaries designated by the directors as participating companies are eligible to join the SIP, if they are UK tax resident and have worked for the Company or a participating company for a qualifying period, which may not exceed 18 months, as determined by the directors. When the SIP is operated, all eligible employees must be invited to participate.

Free shares

The SIP provides for the award of free shares up to a maximum set by legislation to each eligible employee each year (currently £3,600 in each tax year).

Free shares must be held in trust for a period of between three and five years at the discretion of the Company. If a participant leaves employment with Lloyds Banking Group, shares will cease to be subject to the SIP. The directors may determine that if a participant leaves employment within three years of the award other than for a specified reason the free shares will be forfeited.

Partnership shares

The SIP provides for employees to be offered the opportunity to purchase shares out of monthly savings contributions from pre-tax salary of up to the maximum set by legislation (currently £1,500 in each tax year, or 10% of salary if less). The employees' contributions may be used to buy partnership shares immediately or accumulated for up to 12 months before they are used to buy shares. Where they are accumulated the price at which they are acquired will be determined by the directors as being either the price at the beginning or the end of the accumulation period or the lower of those prices. Partnership shares can be withdrawn from the SIP by the participant at any time.

Matching shares

The SIP provides that where employees buy partnership shares, they may be awarded additional shares by the Company on a matching basis, up to a maximum of two matching shares for each partnership share. Matching shares must be held in trust for a minimum of three years. The directors may determine that if a participant withdraws the corresponding partnership shares within three years, the linked matching shares will be forfeit. The directors may also determine that if the participant ceases to be employed within the minimum three-year period (or within such shorter period as the directors may decide) other than for a specified reason the matching shares will be forfeited.

Dividends

The SIP provides that the directors may permit any dividends paid on the free, partnership or matching shares to be re-invested in the purchase of additional shares, which must be held in the SIP for a period of three years.

Voting rights

Participants may be offered the opportunity to direct the trustees how to exercise the voting rights attributable to the shares held on their behalf.

Dilution limits

Commitments to issue new shares under the SIP may not, on any day, exceed 10% of the issued ordinary share capital of the Company in issue immediately before that day when added to the total number of ordinary shares which have been allocated in the previous 10 years under the SIP and any other employee share plan operated by the Company.

This limit does not include rights to shares which have lapsed or been surrendered. The limit includes any shares transferred out of treasury but only for as long as the Investment Association guidelines so require.

Amendment provisions

The directors have the power to amend the provisions of the SIP in any way, provided that the provisions relating to: the participants; the limits on the number of shares which may be issued under the SIP; the individual limit; the basis for determining a participant's entitlement to shares or cash under the SIP or the adjustments of awards in the event of a variation of capital; and the amendment rule, cannot be altered to the advantage of participants without prior approval of shareholders in general meeting (except for minor amendments to benefit the administration of the SIP; to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the SIP or for the Company or any other members of Lloyds Banking Group).

The directors may, without shareholder approval, establish further plans based on the SIP, but modified to take account of overseas securities laws, exchange controls or tax legislation. Shares made available under such further plans will be treated as counting against any limits on individual or overall participation in the SIP.

General

Benefits under the SIP are not pensionable.

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