



2026 Annual General Meeting ('AGM')

Lloyds Banking Group (the 'Company') Frequently Asked Questions

The Board recognises the importance and value our shareholders place on engaging directly with us. Shareholders are invited to submit questions to shareholderquestions@lloydsbanking.com with the subject line 'AGM 2026'. We encourage shareholders to send any questions by 5.00pm on Thursday 7 May 2026 and we will endeavour to respond, either personally or by way of publishing responses to key question themes on our website, in advance of the proxy voting deadline of 11.00am on Tuesday 12 May 2026. Responses to frequently asked questions can be found below.

Question: Does the Board plan on announcing a much higher dividend in the future, even as a one-off?

Answer: The Group generates significant capital (we are targeting more than 200 basis points of capital generation in 2026, vs 147bp in 2025), and we are committed to shareholder returns. In 2025 we paid a total dividend of 3.65p per share, this was up 15% YoY. In addition, we announced a share buyback of £1.75bn, for a total capital return to shareholders of c.£3.9bn – up 8% on 2024. As we go forward, we have a policy for a progressive and sustainable ordinary dividend – this means we expect to essentially increase it every year in a sustainable way. We will also review our use of excess capital above our target CET1 ratio of 13.0% after this has been paid. In recent years this has taken the form of a share buyback rather than a one-off dividend. The next staging post for capital return is the half year results when we expect to pay an interim dividend and will review uses of excess capital at that time.

Question: Now that the bank is making significant profits, will shareholders be reimbursed for the drop in value of their pre-2008 shares?

Answer: The Group made strong progress during the year, which was reflected in a significant improvement in share price performance.

The Board's approach to improving shareholder returns is focused on disciplined strategic execution, consistent financial performance, and strong capital generation. This positions the Group to deliver sustainable, progressive dividends and capital returns over the medium term.

Question: Is the Board concerned by the decline in small registered shareholders on its share register?

Answer: The Board is aware of the change in the composition of our share register and is not concerned by the decline in the number of small, directly registered shareholders. This is a common trend across listed companies, as many individual investors now prefer to hold shares through nominee structures and third party investment platforms, rather than being registered directly.

This shift reflects changes in how investors choose to manage and trade their investments and does not indicate any reduction in retail investor interest in the Company. The underlying level of beneficial ownership remains strong; it is simply held in a different way.

Question: Please can you explain the Group's share buyback process. Do shareholders have to sell back their shares or is this optional?

Answer: When the Group buys back shares, this is done in the open market. This means that, we only buy shares that are being sold naturally by other market participants. Accordingly, there is no requirement for shareholders to sell their shares unless they choose to do so in the open market.