

# THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

LLOYDS  
BANKING  
GROUP



If you have any doubt about the action you should take, it is recommended that you consult your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your ordinary shares in Lloyds Banking Group plc, please give this 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.

28 March 2013

Dear Shareholder

## Annual general meeting

I am pleased to invite you to the annual general meeting (the **"AGM"**) of Lloyds Banking Group plc (the **"Company"**) which will be held at the Edinburgh International Conference Centre, The Exchange, Edinburgh EH3 8EE on Thursday 16 May 2013 at 11.00 am.

The notice of AGM is set out on pages 3 to 12 of this document.

A copy of our annual report and accounts (or the annual review) for the year ended 31 December 2012 is enclosed together with a proxy or voting form to enable you to exercise your voting rights.

The AGM is an opportunity for shareholders to express their views directly with the Board and I hope you will take this opportunity to do so.

If you cannot attend, I strongly encourage you to exercise your right to vote by appointing a proxy to vote at the AGM on your behalf. To appoint a proxy, please complete the enclosed form and send it to our registrar, Equiniti Limited (**"Equiniti"**), in the envelope provided. Alternatively, you can appoint a proxy online at [www.sharevote.co.uk](http://www.sharevote.co.uk). Instructions are provided on the reverse of the enclosed form.

Proxy appointments must be received by our registrar no later than 11.00 am on Tuesday 14 May 2013.

Members of the Lloyds Banking Group Shareholder Account (**"LBGSA"**) will also find an annual statement of their shareholding enclosed.

## Shareholder communications

I would like to thank our shareholders for the huge support you have shown for paperless communications, allowing us significantly to reduce the amount of paper used in producing our end of year and AGM communications.

In conjunction with Equiniti, you can manage your shareholding securely online, including how to receive Company communications. Further information is set out on the front of the enclosed form.

## Directors

Biographical details of each director seeking election or re-election are included in the notice of AGM.

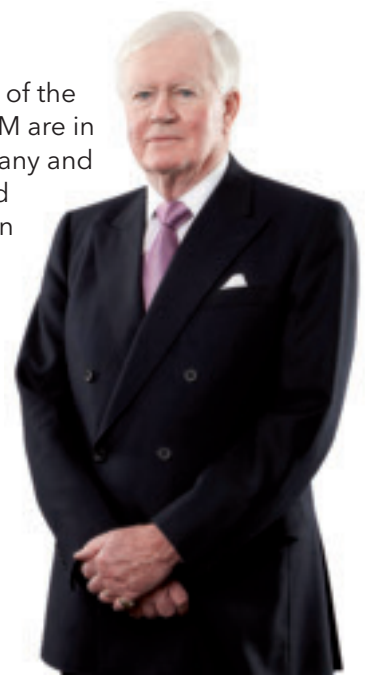
Further information, including remuneration, is set out in the annual report and accounts and annual review for the year ended 31 December 2012.

## Recommendation

Your directors consider that all of the resolutions in the notice of AGM are in the best interests of the Company and its shareholders as a whole and we recommend that you vote in favour of them.

Yours faithfully

**Sir Winfried Bischoff**  
Chairman



# FREQUENTLY ASKED QUESTIONS

## Can I receive a paper copy of the annual report?

Yes. Please contact our registrar, Equiniti.

## Is it possible to receive a large print, audio or Braille version of the annual report or AGM communications?

Yes. Please contact Equiniti for assistance.

## How do I contact Equiniti?

### By post

Equiniti Limited  
Aspect House  
Spencer Road  
Lancing  
West Sussex  
BN99 6DA

### By telephone

From UK: 0871 384 2990  
Outside UK: +44 121 415 7066  
Textphone: 0871 384 2255  
Lines are open 8.30 am to 5.30 pm Monday to Friday

Please have the enclosed proxy or voting form to hand as you may be asked to quote your account number.

## What is the cost of phoning Equiniti?

Calls cost 8p per minute plus network extras.

Calls to +44 121 415 7066 from outside the UK are charged at applicable international rates.

## How do I return the proxy or voting form?

Please use the enclosed envelope.

## Do I have to pay postage?

Postage is already paid if mailed in mainland UK.

## Do I have to pay postage if I am overseas?

The enclosed envelope can be used if you are mailing your proxy or voting form from within mainland UK. If you mail these documents from overseas, you must pay the appropriate local postage costs.

## Can I lodge my proxy and voting instructions online?

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

## What is a proxy and who can be one?

A proxy is someone appointed by you to attend the meeting on your behalf and to carry out your voting instructions. This can be a person of your choosing or the Chairman of the meeting. A proxy does not need to be a shareholder in the Company but must attend the meeting if your votes are to be cast.

## I have shares in the 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 Halifax Share Dealing Limited can carry out your instructions in relation to these shares.

## Where is the Edinburgh International Conference Centre?

There is a map on the reverse of the attendance card together with some useful travel information.

## The day of the AGM

The following times are indicative only and may change:

### 9.30 am

Doors open for shareholder registration  
Refreshments available  
Questions can be pre-registered  
Shareholder and Customer enquiry desks open

### From 10.30 am

Shareholders invited to take seats in auditorium

### 11.00 am

Chairman opens the meeting  
Webcast opens

### 11.05 am

Presentation by the Group Chief Executive

### 11.30 am

Shareholders invited to ask questions

### 1.00 pm

Shareholders invited to vote on resolutions  
Preliminary results of each resolution are displayed after vote taken

### 1.30 pm

Chairman closes the meeting  
Refreshments available

### 2.30 pm

Venue closes and shareholders invited to depart

## NOTICE OF ANNUAL GENERAL MEETING

The annual general meeting of Lloyds Banking Group plc (the “Company”) will be held at the Edinburgh International Conference Centre, The Exchange, Edinburgh EH3 8EE on Thursday 16 May 2013 at 11.00 am to transact the business set out in the resolutions below.

**Resolutions 1. to 16. (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 17. to 20. (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 that you vote in favour of all resolutions.**

### **Resolution 1. Report and accounts**

To receive the Company’s accounts and the reports of the directors and of the auditors for the year ended 31 December 2012.

### **Resolution 2. Directors’ remuneration report**

To approve the directors’ remuneration report for the year ended 31 December 2012.

**Resolution 3.** To elect Lord Blackwell as a director of the Company.

**Resolution 4.** To elect Ms C J Fairbairn as a director of the Company.

**Resolution 5.** To elect Mr N L Luff as a director of the Company.

**Resolution 6.** To re-elect Sir Winfried Bischoff as a director of the Company.

**Resolution 7.** To re-elect Mr M G Culmer as a director of the Company.

**Resolution 8.** To re-elect Ms A M Frew as a director of the Company.

**Resolution 9.** To re-elect Mr A Horta-Osório as a director of the Company.

**Resolution 10.** To re-elect Mr D L Roberts as a director of the Company.

**Resolution 11.** To re-elect Mr A Watson as a director of the Company.

**Resolution 12.** To re-elect Ms S V Weller as a director of the Company.

### **Resolution 13. Re-appointment of the auditors**

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

### **Resolution 14. Auditors’ remuneration**

To authorise the Audit Committee to set the remuneration of the Company’s auditors.

### **Resolution 15. 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;
- (ii) to make political donations to political organisations other than political parties; and
- (iii) to incur political expenditure,

up to an aggregate amount of £100,000 in any year, and the amount authorised under each of paragraphs (i) to (iii) above shall also be limited to such amount;

(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,

such authority to expire at the conclusion of the next annual general meeting or on 30 June 2014, whichever is the earlier.

**Resolution 16. 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 or grant rights to subscribe for or to convert any security into shares:

- (i) up to an aggregate nominal amount of £2,349,523,829; and
- (ii) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a further nominal amount of £4,699,047,658 (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 (i) 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 or on 30 June 2014, whichever is the earlier but, in each case, so that the Company may 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 ends.

**Resolution 17. Limited disapplication of pre-emption rights**

That, subject to the passing of Resolution 16 above, the directors be empowered to allot equity securities (as defined in section 560(1) of the Companies Act 2006) wholly for cash:

- (i) pursuant to the authority given by paragraph (i) of Resolution 16 above or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Companies Act 2006 in each case:
  - (a) in connection with a pre-emptive offer; and
  - (b) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £352,428,574; and
- (ii) pursuant to the authority given by paragraph (ii) of Resolution 16 above in connection with a rights issue, 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 or on 30 June 2014, whichever is the earlier, but so 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 ends and the directors may allot equity securities under any such offer or agreement as if the power had not ended.

**Resolution 18. 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 of the Companies Act 2006) of ordinary shares of 10p 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 7,048,571,486;
- (b) the minimum price which may be paid for each ordinary share shall be 10p;
- (c) the maximum price, exclusive of expenses, which may be paid for each ordinary share shall be an amount equal to the higher of (a) 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 (b) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5(1) of Commission Regulation (EC) 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buy-back programmes and stabilisation of financial instruments (No 2273/2003);
- (d) this authority shall expire at the conclusion of the next annual general meeting or on 30 June 2014, 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 the expiry, and may make a purchase of its ordinary shares under that contract.

### Resolution 19. 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 of the Companies Act 2006) of the following issuances of securities:

- (a) £299,987,729 9.25 per cent. non-cumulative irredeemable preference shares;
- (b) £99,999,942 9.75 per cent. non-cumulative irredeemable preference shares;
- (c) £186,190,532 6.475 per cent. non-cumulative preference shares;
- (d) £745,431,000 6.0884 per cent. non-cumulative fixed to floating rate preference shares;
- (e) £334,951,000 6.3673 per cent. non-cumulative fixed to floating rate preference shares;
- (f) US\$750,000,000 6.413 per cent. non-cumulative fixed to floating rate preference shares;
- (g) US\$750,000,000 5.92 per cent. non-cumulative fixed to floating rate preference shares;
- (h) US\$750,000,000 6.657 per cent. non-cumulative fixed to floating rate preference shares;
- (i) US\$1,000,000,000 6.267 per cent. fixed to floating rate non-cumulative callable dollar preference shares;
- (j) US\$1,250,000,000 7.875 per cent. non-cumulative preference shares; and
- (k) €500,000,000 7.875 per cent. non-cumulative 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 which may be paid for a share is an amount equal to 120 per cent. of the liquidation preference of the relevant Preference Share;
- (iv) this authority shall expire at the conclusion of the next annual general meeting or on 30 June 2014, 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.

### Resolution 20. Notice period

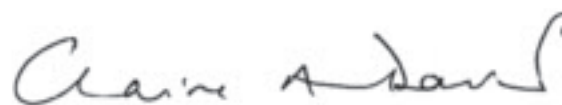
That a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice, such authority to expire at the conclusion of the next annual general meeting unless such authority is renewed at a general meeting of the Company before then.

A member entitled to attend and vote at the annual general meeting 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 annual general meeting, 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.

By order of the Board



Claire A Davies  
Company Secretary  
11 March 2013

Registered office:  
The Mound  
Edinburgh  
EH1 1YZ

## 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 auditors for the year ended 31 December 2012 at the annual general meeting.

### **Resolution 2. Directors' remuneration report**

The Company is required to ask shareholders to approve the directors' remuneration report for the year ended 31 December 2012. This is contained on pages 98 to 114 of the annual report and accounts.

### **Resolutions 3 to 12. Election and re-election of directors**

Lord Blackwell, Ms Fairbairn and Mr Luff have been appointed to the Board since the annual general meeting held in 2012 and stand for election in accordance with the Company's articles of association (Resolutions 3 to 5).

The Board considers that these directors should be elected to maintain the appropriate balance of skills, knowledge and experience on the Board.

In accordance with the provisions of the UK Corporate Governance Code, all the other directors will retire and those willing to serve again will submit themselves for re-election at the annual general meeting (Resolutions 6 to 12).

Mr Scicluna previously announced his intention to retire from the Board in March 2013 and Mr Ryan has announced his intention to retire from the Board on 18 April 2013. As such, neither will be submitting themselves for re-election.

The Nomination and Governance Committee recommended to the Board that the 2012 evaluation of the Board, its committees and the performance of its directors should be facilitated externally.

Following the evaluation, the Chairman considers that the performance of each of the directors continues to be effective, and that they have each demonstrated commitment to their roles.

The performance of the Chairman was reviewed by the non-executive directors, led by the Senior Independent Director, who consider that the performance of the Chairman continues to be effective.

A summary of the skills and experience of each director proposed for election or re-election can be found on pages 11 and 12 of this document.

### **Resolutions 13 and 14. Auditors**

Resolution 13 is necessary as the appointment of PricewaterhouseCoopers LLP as auditors of the Company terminates at the conclusion of the annual general meeting. The Company's Audit Committee recommends their re-appointment.

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

### **Resolution 15. 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.

The Company does not give any money for political purposes in the UK nor does it make any donations to EU political organisations or incur EU political expenditure.

However, the definitions of political donations, political organisations and political expenditure used in the Companies Act 2006 are very wide. As a result, they may cover activities that form part of relationships that are an accepted part of engaging with our stakeholders to ensure that issues and concerns affecting our operations are considered and addressed.

The activities referred to above are not designed to support any political party nor to influence public support for any political party. The authority we are requesting is a precautionary measure to ensure that the Company can continue to support the community and put forward its views without inadvertently breaching the Companies Act 2006.

This shareholder authority will be sought each year in accordance with best practice.

#### **Resolution 16. Directors' authority to allot shares**

This resolution (as in previous years) renews the directors' authority to allot shares.

It gives 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 (i) gives the directors the authority to issue new shares equal to approximately one-third of the whole of the issued ordinary share capital of the Company (including the limited voting shares).

Paragraph (ii) authorises the directors to allot up to a further one-third for use only in connection with a fully pre-emptive rights issue.

The aggregate of the amounts in Resolution 16 represents approximately two-thirds of the whole of the issued ordinary share capital of the Company (including the limited voting shares).

This authority will expire at the conclusion of the next annual general meeting or on 30 June 2014, whichever is the earlier.

There are no present plans to undertake a rights issue or to allot new shares other than in connection with employees' share plans save that the directors may, as part of our capital management planning, authorise new issuances of ordinary shares, in an amount that is not material in relation to the Company's capital nor in relation to the Pre-Emption Group as described in the notes to Resolution 17.

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

- (a) ordinary shareholders in proportion (or 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 17. Limited disapplication of pre-emption rights**

The Companies Act 2006 requires that if the directors wish to allot new shares or other equity securities these are first offered to shareholders in proportion to their existing holdings.

The passing of this resolution would (as in previous years) allow directors in limited circumstances the flexibility to finance business opportunities by allotting shares or other securities without first offering them to existing holders in proportion to their existing holdings.

Any issue of ordinary shares under these provisions would represent no more than 5 per cent. of the issued ordinary share capital of the Company (including the limited voting shares).

If the Company were to purchase its own shares and hold them in treasury, this resolution would give the directors power to sell these shares for cash to persons other than existing shareholders, subject to the same limit that would apply to issues of shares for cash to these persons.

In addition, the resolution authorises the directors to issue shares for cash in connection with a rights issue on a non pre-emptive basis.

In applying the powers to be granted by virtue of this resolution, the Company intends to adhere to the Pre-Emption Group's Statement of Principles which provides that no more than 7.5 per cent. of the issued share capital should be issued on a non pre-emptive basis over a rolling three-year period without prior consultation with shareholders.

For the purposes of this resolution:

- (a) **“rights issue”** has the same meaning as in Resolution 16;
- (b) **“pre-emptive offer”** means an offer of equity securities open for acceptance for a period fixed by the directors to (a) holders of ordinary shares (other than the Company) on the register on a record date fixed by the directors 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, legal, regulatory or practical problems in, or under the laws of, any territory or jurisdiction;
- (c) references to an allotment of equity securities shall include a sale of treasury shares; and
- (d) 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.

#### **Resolutions 18 and 19. Authority to purchase ordinary shares and preference shares**

These resolutions renew the authority of the Company to purchase its own ordinary shares and certain of its preference shares (as listed in the resolution wording) in the market.

The authority for the Company to purchase its ordinary shares in the market is limited to 7,048,571,486 ordinary shares, equivalent to 10 per cent. of the issued ordinary share capital of the Company (including the limited voting shares).

Any 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.

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 Association of British Insurers' guidelines. There is no limit on the number or value of preference shares that can be purchased.

824,129,375 ordinary shares, equivalent to 1.169 per cent. of the issued ordinary share capital, may be issued on the exercise of outstanding awards and options. If the Company were to purchase and cancel shares up to the maximum permitted by this resolution that percentage would increase to 1.299 per cent.

The directors would exercise the authority only if they felt that to do so would be in the best interests of the Company and would result in an increase in earnings per share.

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.

#### **Resolution 20. Notice period**

Under the Companies Act 2006, the notice period required for all general meetings of the Company is 21 days. Annual general meetings will continue to be held on at least 21 clear days' notice.

However, shareholders can approve a shorter notice period of not less than 14 clear days for other general meetings. It is our 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 resolution shall be valid until the conclusion of the next annual general meeting (unless the authority granted by the resolution is renewed at a general meeting of the Company before then) and it is our intention to renew the authority at each annual general meeting.



## NOTES

1. In accordance with the Company's articles of association, the annual general meeting must be held in Scotland.
2. Only shareholders, their appointed proxies and authorised representatives of corporations which are shareholders of the Company are entitled to attend, speak and vote at the meeting. Shareholders' names must be entered in the register of members at 6.00 pm on Tuesday 14 May 2013 in order for such shareholders, proxies and authorised representatives of corporations to have the right to vote at the meeting. Should the meeting be adjourned, shareholders who wish to attend and vote must have their names entered in the Company's register of members by 6.00 pm on the day falling two days prior to the date fixed for the adjourned meeting.
3. Shareholders are invited to complete and return the enclosed form of proxy to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or register their proxy appointment electronically at [www.sharevote.co.uk](http://www.sharevote.co.uk). A proxy need not be a shareholder of the Company but must attend the meeting to represent a shareholder. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. The appointment of a proxy will not prevent shareholders from subsequently attending and voting at the meeting. The form of proxy and, if relevant, the power of attorney or other authority under which it is signed, or a certified copy of that power or authority, must be received by Equiniti Limited no later than 11.00 am on Tuesday 14 May 2013.

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 an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

4. CREST participants who wish to appoint and/or give instructions to a proxy or proxies through the CREST electronic proxy appointment service may do so through Equiniti Limited ID RA19, by following the procedures described in the CREST manual available at [www.euroclear.com/CREST](http://www.euroclear.com/CREST). Instructions must be received by Equiniti Limited no later than 11.00 am on Tuesday 14 May 2013. The time of receipt by Equiniti Limited 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 Limited is able to retrieve the message by enquiry of Euroclear in the manner

prescribed by Euroclear. Equiniti Limited may treat as invalid a CREST instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. Proxy appointments may be revoked or amended by written notice to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, if received by 10.30 am on Thursday 16 May 2013. CREST participants may also give instructions to revoke or amend by CREST message but only if the message is received by Equiniti Limited no later than 10.30 am on Thursday 16 May 2013.
6. It would be helpful if any shareholder coming to the meeting would remove the attendance card from the form of proxy or voting form of direction and bring it to the meeting. The shareholder will be asked to produce the attendance card to show that he or she has the right to attend, speak and vote. The attendance card is not transferable and may only be used by the shareholder attending in person.
7. Any shareholder, their appointed proxies and authorised representatives of corporations attending the meeting has the right to ask questions. 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 any shareholder intending to come to the meeting would like to ask a question, which should relate to the business of the meeting, they may, if they wish, register this in advance by sending it by email to [agmquestions@lloydsbanking.com](mailto:agmquestions@lloydsbanking.com)

8. You may not use any electronic address provided either in this notice of annual general meeting 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 Limited that is found to contain a computer virus will not be accepted.
9. 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 our website [www.lloydsbankinggroup.com](http://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 our website.

10. A summary of the skills and experience of each director proposed for election or re-election can be found on pages 11 and 12 of this document.

11. As at 11 March 2013 (the last practicable date prior to the publication of this document) the total number of shares issued by Lloyds Banking Group plc with rights to vote which are exercisable in all circumstances at general meetings was 70,404,793,826 ordinary shares of 10p each, which includes shares represented by American Depositary Receipts. At this date, no shares were held in treasury.

The holders of ordinary shares are entitled to attend and vote at general meetings of the Company. On a vote by show of hands, every ordinary shareholder who is present has one vote and every proxy present who has been duly appointed by a shareholder entitled to vote has one vote. The Board considers it more democratic that each of the resolutions put to the meeting be voted on by poll. On a vote by poll, every ordinary shareholder who is present in person or by proxy has one vote for every ordinary share held.

80,921,051 limited voting ordinary shares are in issue and held by the Lloyds TSB Foundations. These shares do not entitle the holders to vote at general meetings except in certain limited circumstances.

12. Shareholders should note that, under sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company: (i) 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 (ii) 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. A resolution may properly be moved or a matter may properly be included in the business 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 3 April 2013, being the date six clear 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.

13. Shareholders should note that, under section 527 of the Companies Act 2006, members meeting 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: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the annual general meeting for the financial year ended 31 December 2012; or (ii) 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 auditors no later than the time when it makes the statement available on the website. The business which may be dealt with at the annual general meeting 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.

14. If you would like a paper copy of this notice, or a version in large print, Braille or on audio CD, please contact our registrar, Equiniti Limited, on 0871 384 2990 or textphone 0871 384 2255 (from inside the UK) or +44 121 415 7066 (from outside the UK). Requests may also be made in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

Calls cost 8p per minute plus network extras. Calls to +44 121 415 7066 from outside the UK are charged at applicable international rates.

## RESOLUTIONS 3 TO 5: ELECTION OF DIRECTORS

### Lord Blackwell

Independent Director

Member of Audit Committee and Risk Committee.  
Chairman of Scottish Widows Group.

Joined the Board on 1 June 2012

Age: 60



**Skills and experience:** Lord Blackwell has in-depth insurance, banking, regulatory and public policy experience gained from senior positions in a wide range of industries. He has the knowledge and experience to contribute effectively as a Non-Executive Director and lead the board of Scottish Widows Group.

**External appointments:** Lord Blackwell is the Chairman of Interserve plc. He is a Non-Executive Director of Ofcom and Halma plc and a member of the board of the Centre for Policy Studies.

**Former appointments:** Lord Blackwell is a former Senior Independent Director of Standard Life and chaired their UK Life and Pensions Board. He was a Non-Executive Director of Dixons Group and SEGRO and a Non-Executive Member of the Office of Fair Trading. He was a partner of McKinsey & Co. and a Director of Group Development at NatWest Group. From 1995 to 1997, Lord Blackwell was Head of the Prime Minister's Policy Unit and was appointed a Life Peer in 1997.

### Carolyn Fairbairn

Independent Director

Member of Audit Committee and Remuneration Committee.

Joined the Board on 1 June 2012

Age: 52



**Skills and experience:** Carolyn has extensive digital and on-line, Government and regulatory experience gained across a range of sectors including media and financial services. With her broad experience and strong analytical mind, Carolyn plays an active part in reviewing the strategy of the Board and contributing to the debate at Board and Committee meetings.

**External appointments:** Carolyn is a Non-Executive Director of The Vitec Group and a member of its Audit, Nominations and Remuneration Committees. In January 2012, she was appointed a trustee of Marie Curie Cancer Care.

**Former appointments:** Carolyn was a Non-Executive Director of the Financial Services Authority and chaired their Risk Committee, a Director of Group Development and Strategy at ITV plc and Director of Strategy and a member of the Executive Board at the BBC. She is a former partner of McKinsey & Co. and was a policy adviser in the Prime Minister's Policy Unit. Carolyn began her career as an Economist at the World Bank.

### Nicholas Luff

Independent Director

Member of the Audit Committee and Risk Committee.

Chairman of the Audit Committee (with effect from 1 April 2013).

Joined the Board on 5 March 2013

Age: 46



**Skills and experience:** Nick has significant financial experience in the UK listed environment having served in a number of senior finance positions within a range of sectors. His background and experience enables him to fulfil the role of Audit Committee Chair and for SEC purposes the role of Audit Committee Financial Expert.

**External appointments:** Nick is the Group Finance Director of Centrica.

**Former appointments:** Nick was previously the Finance Director of The Peninsular & Oriental Steam Navigation Company and Chief Financial Officer of P&O Princess Cruises plc. Until December 2010, he served as a Non-Executive Director and was the Audit Committee Chair of QinetiQ Group. Nick started his career with KPMG where he qualified as a chartered accountant in 1991.

## RESOLUTIONS 6 TO 12: RE-ELECTION OF DIRECTORS

### Sir Winfried Bischoff

Chairman

Chairman of Nomination & Governance Committee. Member of Remuneration Committee and Risk Committee.

Joined the Board in September 2009

Age: 71



**Skills and experience:** Sir Winfried has substantial experience of leading complex international boards in the UK, Asia and the US. His background spans a range of sectors, including banking and capital markets, finance and government regulation and public policy. Sir Winfried is a highly respected leader with the proven experience and judgement to lead the Board of Lloyds Banking Group.

**External appointments:** Sir Winfried is a Non-Executive Director of Eli Lilly and Company and The McGraw Hill Companies Inc. He is Chairman of the Advisory Council of TheCityUK and a Member of the Akbank International Advisory Board.

**Former appointments:** Sir Winfried was appointed Chairman of Citigroup Europe in 2000. He became the acting Chief Executive Officer of Citigroup Inc. in 2007 and was subsequently appointed as Chairman in the same year, until his retirement from this role in February 2009. Prior to this, he was the Group Chief Executive and then Chairman of Schroders.

### George Culmer

Group Finance Director

Joined the Board on 16 May 2012

Age: 50



**Skills and experience:** George has deep operational and financial expertise including strategic and financial planning and control. He has worked in financial services in the UK and overseas for over 20 years. With a strong background in insurance and shareholder advocacy, his skills and experience enhance the Board and strengthen further the senior management team.

**External appointments:** None.

**Former appointments:** George was an Executive Director and Chief Financial Officer of RSA Insurance Group. He is also the former Head of Capital Management of Zurich Financial Services and Chief Financial Officer of its UK operations. George previously held various senior management positions at Prudential.

## RESOLUTIONS 6 TO 12: RE-ELECTION OF DIRECTORS (CONTINUED)

### Anita M Frew

Independent Director

Member of Audit Committee and the Risk Committee.

Joined the Board in December 2010

Age: 55



**Skills and experience:** Anita has extensive board, financial and general management experience across a range of sectors, including banking, asset management, manufacturing and utilities. Her breadth of experience and strong leadership qualities make her an effective Non-Executive Director.

**External appointments:** Anita is the Chairman of Victrex plc, having previously been its Senior Independent Director, and is the Senior Independent Director of Aberdeen Asset Management. She is a Non-Executive Director of IML.

**Former appointments:** Anita was an Executive Director of Abbott Mead Vickers, Director of Corporate Development at WPP Group and a Non-Executive Director of Northumbrian Water. She has held various investment and marketing roles at Scottish Provident and the Royal Bank of Scotland.

### António Horta-Osório

Group Chief Executive

Appointed Group Chief Executive in March 2011.

Joined the Board in January 2011

Age: 49



**Skills and experience:** António brings extensive experience in, and understanding of, both retail and commercial banking. This has been built over a period of more than 25 years, working both internationally as well as in the UK. António's drive, enthusiasm and commitment to customers, along with his proven ability to build and lead strong management teams, brings significant value to all stakeholders of Lloyds Banking Group.

**External appointments:** António is a Non-Executive Director of Fundação Champalimaud and Sociedade Francisco Manuel dos Santos in Portugal and a Governor of the London Business School.

**Former appointments:** António joined Grupo Santander in 1993 and held various senior management positions culminating in Executive Vice President of Grupo Santander and a member of its Management Committee. In November 2004 he was appointed as a Non-Executive Director of Santander UK and from August 2006 until November 2010, served as its Chief Executive. António is also a former Non-Executive Director of the Court of the Bank of England.

### David L Roberts

Deputy Chairman  
Independent Director

Chairman of Risk Committee. Member of Audit Committee, the Remuneration Committee and the Nomination & Governance Committee.

Joined the Board in March 2010

Age: 50



**Skills and experience:** David has many years' experience at board and executive management level in retail and commercial banking in the UK and internationally. As Chair of the Risk Committee, he has a deep understanding of risk management, underpinned by recent, in-depth knowledge of all aspects of banking operations. David's valuable contributions to the deliberations of the Board and Committee meetings, combined with natural leadership qualities, make David an effective Deputy Chairman.

**External appointments:** David is the Non-Executive Chairman of The Mind Gym.

**Former appointments:** David joined Barclays in 1983 and held various senior management positions culminating in Executive Director, member of the Group Executive Committee and Chief Executive, International Retail and Commercial Banking, a position which he held until December 2006. He is a former Non-Executive Director of BAA and Absa Group and was Chairman and Chief Executive of BAWAG P.S.K. AG.

### Anthony Watson CBE

Senior Independent Director

Chairman of Remuneration Committee. Member of Audit Committee, the Risk Committee and the Nomination & Governance Committee.

Joined the Board in April 2009

Age: 67



**Skills and experience:** Tony has over 40 years' experience in the investment management industry and related sectors. As Senior Independent Director and Chair of the Remuneration Committee, he ensures close and regular dialogue with shareholders with the aim of better aligning executive reward with shareholder interests. His former experience as Chief Executive of Hermes Pensions Management places him in an ideal position to carry out these roles.

**External appointments:** Tony is a Non-Executive Director of Vodafone Group. He is the Senior Independent Director of Hammerson and Witan Investment Trust and Chairman of the Lincoln's Inn Investment Committee and Marks & Spencer Trustees.

**Former appointments:** Tony is the former Chief Executive of Hermes Pensions Management. He was also formerly Chairman of the Asian Infrastructure Fund, MEPC and of the Strategic Investment Board (Northern Ireland). He was a member of the Financial Reporting Council and a member of the Norges Bank Investment Management Advisory Board.

### Sara V Weller

Independent Director

Member of Remuneration Committee and Risk Committee.

Joined the Board on 1 February 2012

Age: 51



**Skills and experience:** With a background in retail and associated sectors, including financial services, Sara brings a broad perspective to the Board. She is a strong advocate of customers and of the application of new technology, both of which directly support Lloyds Banking Group's strategy. Sara has considerable experience of boards at both executive and non-executive level.

**External appointments:** Sara is a Non-Executive Director of United Utilities Group and Chair of their Remuneration Committee.

**Former appointments:** Sara is the former Managing Director of Argos. She held various senior positions at J Sainsbury including Deputy Managing Director and served on its board between January 2002 and May 2004. She was a Non-Executive Director of Mitchells & Butler and also held senior management roles for Abbey National and Mars Confectionery.

**Further information relating to our directors, including remuneration, is given in the annual report and accounts, the annual review and on our website, [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)**