

Lloyds partners with SNG on £100 million loan to retrofit thousands of social homes

- ***Deal is the largest loan commitment to date to retrofit and develop social homes under National Wealth Fund-backed scheme***
- ***Total loans now represent around 30% of the Group's £500 million funding commitment***

Lloyds and Sovereign Network Group (SNG), one of the UK's leading housing associations, have announced a £100 million loan agreement to fund the sustainable retrofit of thousands of social homes across the South, West and East of England, including London.

The loan represents Lloyds' largest lending commitment to date and follows a £60 million loan to Peabody announced in July, bringing the total committed funding to £160 million – around one-third of its £500 million social housing funding commitment, partially backed by the National Wealth Fund (NWF).

The NWF scheme is designed to unite the public and private sectors to deliver warmer, greener homes for social housing residents, while supporting the UK's broader net zero ambitions.

SNG owns and manages approximately 85,000 homes, serving around 210,000 residents. It has identified more than 15,000 homes that will form its retrofit programme with the aim of making improvements to the fabric performance and technology of homes that will maintain their value as cost-effective, quality places to live. SNG is also actively delivering a major development programme, aiming to build 25,000 new homes over the decade to 2034.

Peter Benz, Chief Financial Officer at SNG said: "We are really pleased to have completed this significant transaction with Lloyds and the National Wealth Fund. This funding will help drive our existing retrofit programme and sustainability strategy, as well as complementing our Homes and Place Standard – our sector-leading commitment to how we build good quality homes and better places to live."

Jess Tomlinson, Global Head of Real Estate & Housing, Lloyds Banking Group said: "Collaboration between the public and private sectors is essential in accelerating the retrofit of social homes across the UK. Our partnership with the National Wealth Fund is an example of how we can use innovative finance models to enable housing associations to tackle the retrofit challenge. We're proud to be working alongside SNG to provide energy-efficient and cost-effective homes for social housing residents."

Stuart Nivison, Head of Portfolio Management, National Wealth Fund, said: "Our retrofit guarantee schemes have been designed to help registered providers access the attractive financing that they need to roll out vital retrofit measures across their portfolios. The completion of this major transaction between Lloyds and SNG, just one month on from its loan to Peabody, shows important momentum in the sector and a commitment to delivering warmer, greener homes across the UK. We'd encourage as many registered

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providers as possible to reach out and take advantage of this financing while it lasts."

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About Lloyds Banking Group

Lloyds Banking Group is a leading UK based financial services group providing a wide range of banking and financial services, focused on personal and commercial customers.

As part of the Group, Lloyds provides expert financial support and guidance to the households, businesses and communities of Britain.

We help businesses from all parts of the UK, and across all different sectors and sizes, giving them the funding and support they need to grow both at home and abroad.

We're also helping British businesses transition to net zero, providing £26.5bn of sustainable finance to our business customers since 2022.

About SNG

SNG (Sovereign Network Group) is one of the largest housing associations in England, providing over 85,000 homes in areas facing some of the most acute housing need across London, South East, South West and East of England, with an ambition to build an additional 25,000 homes over the next decade.

SNG is a leading builder of affordable homes, including for social rent, and it has a clear pathway to maximise its social and environmental sustainability through its ambitious and pioneering Homes and Place Standard alongside its planned £100m Community Foundation.

SNG is a member of the G15 group of London's largest housing associations. Its members house one in ten Londoners building a quarter of all London's new homes, and owning or managing more than 770,000 homes.

SNG is also a member for Homes for South West, a group of leading housing associations working together to identify and tackle the barriers to new housing in South West England. We're also member of CASE (Consortium of Associations in Southeast England) amongst 12 housing associations leading the campaign to build more affordable homes in the region.

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