



# SUPPORTING BRITISH BUSINESSES



February 2022

## SUPPORTING BUSINESSES AT ALL STAGES OF THEIR LIFE CYCLE

As 2021 progressed, businesses continued to face into the impact of the coronavirus pandemic. They demonstrated their resilience through further lockdowns and restrictions, as well as through their innovation to find new opportunities. Our role, as it was in 2020, has been to be by the side of our business customers as they navigated another challenging year and to provide them with the financial support to manage through the year and to seize opportunities for growth.

As in 2020, in 2021, we continued to be an active supporter of the government schemes to help businesses through any interruptions they faced, providing additional finance facilities to those businesses who needed them. Since the pandemic began, we have given **support to over 350,000 businesses** affected by coronavirus interruption, **lending them over £13bn** to date through the various government lending schemes and the new Recovery Loan Scheme, as well as supporting them with overdraft extensions and capital repayment holidays on their other borrowing.

As ever, opportunities can be found during challenging times, and we helped over **93,000** small businesses and start-ups during 2021. We are supporting and encouraging this entrepreneurialism today, so that these new businesses can start up and scale-up into bigger businesses and one day hopefully grow into the large, multinational businesses of tomorrow.

At the beginning of 2021 we launched the Business Recovery Hub which provides support to businesses if they want to improve cash flow, obtain guidance on delaying their payments or if they want to make changes to their business.

During 2021, we also launched our Pay As You Grow support pages for those businesses which took a Bounce Back Loan, including a simple-to-use calculator which enables them to make an informed decision on the option they wish to take. The process is completely digital which means they are able to make a decision and instruct the Bank at their own pace and at a time that is convenient to them.

As well as providing support and guidance to our business customers, we have also provided new tools to our Relationship Managers. This includes the Financial Wellbeing Tool, which utilises data to help them identify business customers who may need additional support earlier than was previously possible.

Throughout 2021 we have **continued to share analysis and insight on how businesses feel** about their own prospects and the economy and how the UK's recovery compares to its global peers.

**Business Barometer**, which is now in its 20<sup>th</sup> year, continues to act as a leading indicator on business confidence, providing regional and sector analysis that our business customers can use to shape their own thinking.

Our **Recovery Tracker**, launched in the midst of the initial lockdowns, shows the different journeys UK sectors have on their road to recovery.



## OUR SUPPORT IN NUMBERS

### >£13bn

CBILS AND BBLS PROVIDED  
TO HELP >340,000 CLIENTS THROUGH  
THE IMPACT OF CORONAVIRUS TO DATE

### >93,000

SMALL BUSINESSES AND START-UPS HELPED IN  
2021

### >£6.9bn

GREEN/ESG-RELATED FINANCING IN 2021

### >1,350

COLLEAGUES HAVE UNDERTAKEN TRAINING  
ON CLIMATE CHANGE TO SUPPORT OUR  
CLIENTS ON THEIR JOURNEY TO NET ZERO

### £2.4bn

NEW ESG-LINKED FINANCING PROVIDED TO  
THE SOCIAL HOUSING SECTOR

## SUPPORTING HEALTH CARE



The Health Care Sector has shown great resilience in 2021 and dentistry and pharmacy have been particularly active, with high volumes of transactions seen. This has been driven by pent up demand due to the pandemic. At the same time we have seen a greater interest in GPs considering new, purpose-built premises.

In 2021 we have supported the sector with **£327m of new funding** and forecast this level of support to continue into 2022.



## SUPPORTING AGRICULTURE



Across our three brands, Lloyds Bank, Bank of Scotland & AMC we lent **£700m to farming businesses in 2021**.

## SUPPORTING EDUCATION



Since the start of 2020, we have committed over **£500m of lending to Higher Education institutions**, to support them through the impacts of coronavirus.

Lloyds Banking Group continues to be the largest private sector donor of the apprenticeship levy. We have invested **£8.7m** in UK based businesses supporting 700 apprentices in over 300 businesses.

In 2021 we launched our new virtual work experience supporting 450 students through a 2 day interactive programme. We also supported **2300 students aged between 8 and 13** in developing essential skills through our partnership with Skillsbuilder.

## SUPPORTING BLACK-LED BUSINESSES

In July 2020, we launched our Race Action Plan to help us to address the specific challenges and barriers that our Black colleagues and customers face. Since then, we've been focused on meeting the recommendations of the report to help address the challenges faced by Black communities. This began with establishing the Black Business Advisory Committee and working in partnership with Foundervine and the Black Business Network.

Further key developments during 2021 included the publication of a landmark report exploring the full entrepreneurial journey for Black business owners in Britain – the *Black. British. In Business & Proud Report 2021*. The research, conducted by the Black Business Network alongside Savanta, reflects over 800 voices from Black communities, including business owners, employees and students. The report spotlights the role that banks and other institutions should play in breaking down the barriers to growth for Black entrepreneurs and identifies **10 key recommendations**.

In response to the recommendations from the report, we have launched a number of collaborative initiatives that we hope will pave the way to a more equitable future for British Black-owned businesses. In partnership with Foundervine we have launched the **Immerse programme** which includes a series of events, community get-togethers with like minded entrepreneurs and industry experts.

In partnership with The Black Business Network we sponsored the creation of the **Black Business Resource Hub**, a directory of business resources to help navigate useful information, including funding, networking, mentoring, events and marketplaces.



## SUPPORTING INFRASTRUCTURE & LENDING

In 2021, we supported more than 40 infrastructure initiatives across the UK, with a cumulative project value of **£26.2bn**, including Dogger Bank C, the £2.7bn windfarm in the North East of England and National Air Traffic Services Plc for their £1.6bn refinancing to support the UK's sole provider of air traffic control services.



## SUPPORTING BUSINESS RECOVERY

Just over an average of 1,000 SME clients received the additional expertise and guidance from our Business Support Unit during 2021, with more than 300 being new to Business Support Unit during the year. **More than 80%** of clients who no longer required additional support offered by the Business Support Unit were returned to our mainstream relationship teams within LBG's Commercial Bank.

## SUPPORTING MANUFACTURING



We have continued our **£1m a year sponsorship** of the Lloyds Bank Advanced Manufacturing Training Centre at the Manufacturing Technology Centre (MTC) in the Midlands to support the training and upskilling of graduates, apprentices and engineers in the sector, supporting the biggest issue manufacturers tell us they face into, skills shortage.

Through our sponsorship we have now supported the training & upskilling of **over 2500 apprentices, graduates & engineers** with more than 300 in the final quarter of 2021 alone and remain on track to support around 3500 by the end of 2024.



## SUPPORTING HOUSING



In the social housing sector, in 2021 we provided **£3.4 billion** of new funding of which **£2.4 Billion is new ESG-linked financing** and we assessed the energy efficiency of almost **240,000 homes**, using our Green Buildings Tool.

In March 2021, we joined the executive committee of NextGeneration alongside Homes England and UK Green Building Council.

We have continued to support the Housing Growth Partnership (HGP), providing financial support to **over 2,500 HGP supported homes**.

We are supporting our real estate clients to re-finance their existing green assets through our new Green Commercial Mortgage.



## SUPPORTING SUSTAINABLE BUSINESSES

In 2021, we expanded the funding available under the Group's discounted green finance initiatives from **£3 billion to £5 billion to support businesses as they transition to a low carbon economy** and delivered more than **£6.9 billion of Green/ESG related finance in 2021** through our Clean Growth Finance Initiative, Commercial Real Estate Green Lending, Renewable Energy Financing, Sustainability Linked Loans and Green/ESG/Social Bond facilitation.

Our Sustainability & ESG Financing team, created in 2021, is supporting clients with an increasing volume of Sustainability and ESG-linked loan transactions having contributed **£3.4 billion of finance in 2021**.

In 2021 we surveyed over 1,000 SME businesses and published our report, *From Now to Net Zero: A Practical Guide for SMEs*. We found that **89% of SMEs** say sustainability is important to their business and **74%** are aware of the Government's net zero target.

Over 1,350 colleagues have participated in the Sustainability Essentials Course on climate change and sustainability-related risks and opportunities in collaboration with the Cambridge Institute for Sustainability Leadership.