



SUPPORTING BRITISH BUSINESSES

February 2023

SUPPORTING BUSINESSES TO GROW AND PROSPER

As 2022 progressed, businesses faced new challenges created by high inflation and increased energy prices, having spent the last two years managing the impact of the coronavirus pandemic. Our role, as it was in prior years, has been to be by the side of our business customers to support their ambitions and to help them seize opportunities for growth wherever possible.

For many businesses, 2022 remained a year when they were able to fulfil their growth ambitions. We helped over **95,000 small businesses** with new banking during the year and want to help these new start-ups scale-up into larger business in the years ahead.

Our relationship teams, who are based locally across the UK, used their deep expertise to help business across all key sectors to secure finance required for acquisitions, growth or to finance sustainability initiatives.

During 2022, we have continued to help finance critical infrastructure projects, which are key to the UK's future prosperity and with many core to helping the UK reach its net zero target.

In recognition that 2022 was a challenging year, we have ensured our business customers had the necessary tools, insight and guidance to navigate the economic environment.

Businesses had access to our regular economic updates and insight, helping them to understand changing business sentiment. We also provided over 1 million emails to businesses with advice and guidance.

We also partnered with Swoop Funding to pilot their Grant Finder Tool to help customers look for alternative finance, where bank lending wasn't appropriate. Since its launch in September over 1,400 customers have accessed the tool to begin their search for grant matches for their business.

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.

SUPPORTING SUSTAINABLE BUSINESSES

Our Sustainability & ESG Financing team, created in 2021, is supporting our Corporate and Institutional clients with an increasing volume of Sustainability and ESG-linked loan transactions having contributed **£7.9 billion of finance in 2022**.

To support SMEs, in 2021 we launched our *From Now to Net Zero* report, outlining a five-step journey for SMEs to reach Net Zero. We developed this insight in 2022 with the release of our *Net Zero Monitor*. The Monitor revealed that despite other challenges facing businesses, 93 per cent of SMEs say that **sustainability challenges are important to them**.

By the end of 2022, over **2,600 colleagues** had completed the Sustainability Essentials Course accredited by Cambridge Institute of Sustainability Leadership (CISL). Of these colleagues, 1,270 have pursued further training via a bespoke programme developed in collaboration with CISL which specifically focuses on climate and nature-related risks and opportunities and their implications for the finance sector and Commercial clients.

Since 2021, we have provided **£3.4 billion** in ESG-linked funding to the Social Housing sector, helping housing associations make their homes warmer and more energy efficient.

Building on our work with NextGeneration, in 2022 we led the creation of two new sustainability standards – NextGeneration Project and NextGeneration Core – both have been created to support small and medium-sized housebuilders to assess their own sustainability performance. We also launched our Sustainability Finance Framework for Housebuilders which sets out how we will help housebuilders access finance to build more sustainable homes.

OUR SUPPORT IN NUMBERS

>95,000

SMALL BUSINESSES AND CHARITIES HELPED WITH NEW BANKING 2022

>£7.9bn

GREEN/ESG-RELATED FINANCING IN 2022

2,600

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

£3.4bn

NEW ESG-LINKED FINANCING PROVIDED TO THE SOCIAL HOUSING SECTOR SINCE 2021

SUPPORTING HEALTH CARE



The Healthcare sector has shown continued resilience and strength in 2022. We have seen continued growth in the GP sector with greater interest in new purpose-built premises and practice developments.

In 2022, we have supported the sector with **£350 million** of funding, an increase on 2021, and remain committed to support the sector in 2023.

[Healthcare Confidence Index](#) | [Healthcare](#) | [Lloyds Bank](#)



SUPPORTING EDUCATION



Since the start of 2020, we have committed over **£600 million of lending to Higher Education institutions**, to support them through the impacts of coronavirus and the current economic environment.

In 2022, we've delivered interactive experiences to over 7,500 students directly, with a further 19,000 supported through our partnership with Skillsbuilder and the Accelerator programme. We significantly expanded our partnerships in education to help young people under 19 develop the skills they and SME employers need to thrive in the world of work and worked with students aged 8-19 developing essential skills, experience of work, broadening understanding of apprenticeships through monthly Careers Live streams and employability craft.

SUPPORTING HOUSING



Through relationships with over 200 Housing Associations, we've provided approximately **£15 billion in new financing** to the social housing sector over the past five years.

Our partnership with Regeneration Brainersy encourages school leavers from socially and economically deprived backgrounds into property, construction and regeneration. In 2022, Regeneration Brainersy reached over **4,000 students** and won the Social Impact Award at the EG Awards.

SUPPORTING MANUFACTURING



We have extended our £1 million a year sponsorship, taking our commitment to **£15 million** through to 2030, of the Lloyds Bank Advanced Manufacturing Training Centre at the Manufacturing Technology Centre (MTC) in the Midlands to. This will 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 more than **3,000 apprentices**, graduates & engineers with more than 600 in the final quarter of 2022 alone and remain on track to support in excess of 5,000 by 2030.



SUPPORTING INFRASTRUCTURE & LENDING



In 2022, we supported more than 25 infrastructure initiatives across the UK, with a cumulative project value in excess of **£35 billion**, including supporting the acquisition financing for a 50% stake in the world's largest operational offshore wind farm, the 1,386MW Hornsea Two offshore project located in the North Sea.

In addition, we notably supported the financings of two major new UK-linked interconnectors, Greenlink and NeuConnect, and supported InstaVolt as a lender as they raised debt financing to continue building a nationwide network of rapid EV chargers.

SUPPORTING AGRICULTURE



Across our three brands, Lloyds Bank, Bank of Scotland & AMC we lent over £550 million to farming businesses in 2022. And as part of our commitment to help British farmers accelerate their transition to Net Zero, we announced that Lloyds Bank will fund a three-year programme of bespoke on-farm consultancy for up to **1,000 British farms**, working with Soil Association Exchange to help farmers build a roadmap to improve the ecological footprint and overall sustainability of their operations

SPECIALIST SUPPORT TO HELP BUSINESSES RECOVER

At any one time, just over an average of 1,000 SME clients received the additional support of our Business Support Unit during 2022, with just over 350 being new to Business Support Unit during the year. Following specialist support and dedicated focus, more than three quarters of businesses within the Unit were returned to our mainstream relationship teams, with businesses and jobs saved as a result. The Group's smallest business customers are supported by a separate, dedicated team, Business Banking Financial Assistance, with the aim to help these customers back onto their feet.

During 2022, we sent 250,000 SMS messages to customers with bounceback loans who had not used the Pay As You Grow scheme to let them know it remained available to them.

SUPPORTING BLACK-LED BUSINESSES

In 2022, we continued our commitment to support Black Entrepreneurs. We established relationships with local, grassroots organisations to deliver further national and regional initiatives with Mentor Black Business, Jamii, UK Black Business Show, She Leads For Legacy and BOB Expo. These are partners who share our collective mission to make the UK entrepreneurial experience more inclusive and enable Black-owned businesses to grow and thrive.

We continue to drive forward our multi-year commitment to support Black-owned businesses as part of our Race Action Plan. This has included working with key partners such as our Black Business Advisory Committee, chaired by Claudine Reid MBE, the Black Business Network and Foundervine to respond to the ten recommendations from the 2021 *Black. British. In Business & Proud* report.



In September, in partnership with Black Business Network, we released the second *Black. British. In Business & Proud* report. We listened to almost 1,000 members of Black business communities for this year's report, which is the only study in the UK that considers the complete entrepreneurial life cycle for Black business owners in Britain.

We used the research to dig deeper into some of the key barriers identified in the inaugural report in 2021, deepening our understanding around the impact of discrimination on mental health and confidence; concerns with accessing finance and the fear of taking on debt and the crucial role of local communities in supporting Black business owners.

Mentor Black Business

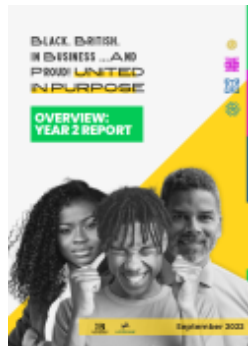
In partnership with Mentor Black Business, we have provided **100 mentors** from across Lloyds Banking Group, to deliver vital support for Black business owners to help them tackle challenges and growth. We are now looking to expand the partnership by providing an additional 100 mentors.

Foundervine

Our partnership with the Foundervine Immerse programme provides a comprehensive ecosystem of support for entrepreneurs at various stages of their journey. The programme in 2022 offered six spotlight events, two community get-togethers, two accelerators and an online series of 24 educational videos, covering themes such as: finance, marketing, digital skills, scaling a business and mental health. There are over 1,100 members of the Immerse community and the programme to date has supported more than 400 founders.

Throughout the year, we supported over **3,300 Black entrepreneurs** and business owners, resulting in **16,000 hours** of total support across the programmes, events and initiatives we have played a part in.

[Link: Access our Black-owned business support hub here](#)



Key events and Initiatives we impacted in 2022:

- Headline sponsors of the Black Investor 360 Finance Festival, aimed at accelerating the personal & business financial journey of current and aspiring Black business owners
- Sponsored Jamii to create two pop up shops in London and Birmingham; showcasing 40+ Black female makers and their brands in prominent high street locations
- Headline sponsors of BOB Expo in Manchester – the UK's largest Expo showcasing **100 Black owned businesses** and their products and services to the public.
- Sponsors of the Launchpad at the Birmingham Black Business Show with **1,400 attendees**, facilitating networking and hosting a Black Women Leaders roundtable.
- Headline sponsors of Empowered To Lead Conference in Manchester, bringing together 150 black female business owners, professionals and allies to network, develop and advance black female careers and businesses
- Sponsors of the Multi-cultural Business & Community Champion Awards in Birmingham, aiming to recognise those that make a difference both in business and for their community.
- Hosted a **parliamentary reception at Westminster** to celebrate Black History Month and bring together business and political leaders to discuss systemic changes needed to support Black-owned businesses.
- Hosted a Black business roundtable in Leeds in partnership with African and Caribbean Business Ventures to discuss the advancement of Black businesses in the region.