Lloyds Banking Group plc

Q1 2024

Pillar 3 Disclosures

24 April 2024

Table of contents

Basis of preparation

This report presents the interim Pillar 3 disclosures of Lloyds Banking Group plc ('the Group') as at 31 March 2024 and should be read in conjunction with the Group's Q1 2024 Interim Management Statement.

These disclosures have been prepared in accordance with the Disclosure section of the PRA Rulebook. Pillar 3 templates required to be disclosed on a quarterly basis that have not been included in this report are listed in the table below along with the reason for exclusion.

PRA reference	Template name	Reason for exclusion
CCR7	RWA flow statements of CCR exposures under the IMM	Not applicable to the Group

The information presented in this Pillar 3 report is not required to be, and has not been, subject to external audit.

Interim Pillar 3 disclosures for the Group's ring-fenced banking group (Lloyds Bank plc) and large subsidiaries (Bank of Scotland plc and Lloyds Bank Corporate Markets plc) are published separately on the Group's website, located at www.lloydsbankinggroup.com/investors/financial-downloads.

Key metric and overview of risk weighted exposure amounts

KM1: Key metrics[1]

KM1 Ref	LR2 Ref		**31 Mar 2024**	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
		Available own funds (amounts)					
1		Common Equity Tier 1 (CET1) capital (£m)	**30,942**	31,897	31,681	30,604	29,740
2		Tier 1 capital (£m)	**36,757**	37,712	37,494	36,417	35,688
3		Total capital (£m)	**42,412**	43,439	43,339	42,453	42,035
		Risk-weighted exposure amounts					
4		Total risk-weighted exposure amount (£m)	**222,831**	219,130	217,712	215,290	210,906
		Capital ratios (as a percentage of risk-weighted exposure amount)					
5		Common Equity Tier 1 ratio (%)	**13.9%**	14.6%	14.6%	14.2%	14.1%
6		Tier 1 ratio (%)	**16.5%**	17.2%	17.2%	16.9%	16.9%
7		Total capital ratio (%)	**19.0%**	19.8%	19.9%	19.7%	19.9%
		Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a		Additional CET1 SREP requirements (%)	**1.5%**	1.5%	1.5%	1.5%	1.5%
UK 7b		Additional AT1 SREP requirements (%)	**0.5%**	0.5%	0.5%	0.5%	0.5%
UK 7c		Additional T2 SREP requirements (%)	**0.6%**	0.6%	0.6%	0.7%	0.7%
UK 7d		Total SREP own funds requirements (%)	**10.6%**	10.6%	10.6%	10.7%	10.7%
		Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8		Capital conservation buffer (%)	**2.5%**	2.5%	2.5%	2.5%	2.5%
9		Institution specific countercyclical capital buffer (%)	**1.8%**	1.8%	1.8%	0.9%	0.9%
10a		Other Systemically Important Institution buffer (%)[2]	**—%**	—%	—%	—%	—%
11		Combined buffer requirement (%)	**4.3%**	4.3%	4.3%	3.4%	3.4%
UK 11a		Overall capital requirements (%)	**15.0%**	15.0%	15.0%	14.1%	14.1%
12		CET1 available after meeting minimum SREP own funds requirements (%)[3]	**7.9%**	8.6%	8.6%	8.2%	8.1%
		Leverage ratio					
13	UK-24b	Total exposure measure excluding claims on central banks (£m)	**658,052**	647,634	653,546	638,202	637,502
14	25	Leverage ratio excluding claims on central banks (%)	**5.6%**	5.8%	5.7%	5.7%	5.6%
		Additional leverage ratio disclosure requirements					
UK 14a	UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**5.6%**	5.8%	5.7%	5.7%	5.6%
UK 14b	UK-25c	Leverage ratio including claims on central banks (%)	**5.0%**	5.2%	5.1%	5.0%	4.8%
UK 14c	UK-34	Average leverage ratio excluding claims on central banks (%)[4]	**5.7%**	5.7%	5.7%	5.6%	5.5%
UK 14d	UK-33	Average leverage ratio including claims on central banks (%)[4]	**5.1%**	5.1%	5.0%	4.9%	4.8%
UK 14e	UK-27b	Countercyclical leverage ratio buffer (%)[5]	**0.6%**	0.6%	0.6%	0.3%	0.3%
		Average Liquidity Coverage Ratio (weighted) (LCR)[6]					
15		Total high-quality liquid assets (HQLA) (Weighted value -average) (£m)	**136,442**	135,997	136,565	138,227	140,468
UK 16a		Cash outflows - Total weighted value - average (£m)	**111,277**	111,014	112,466	113,412	113,693
UK 16b		Cash inflows - Total weighted value - average (£m)	**16,010**	15,526	16,162	16,237	15,762
16		Total net cash outflows (adjusted value - average) (£m)	**95,267**	95,488	96,304	97,175	97,931
17		Average liquidity coverage ratio (%)	**143%**	142%	142%	142%	143%
		Average Net Stable Funding Ratio[7]					
18		Total available stable funding (Weighted value - average) (£m)	**529,657**	530,629	530,063	529,863	531,276
19		Total required stable funding (Weighted value - average) (£m)	**407,403**	407,452	407,773	408,889	411,214
20		Average NSFR ratio (%)	**130%**	130%	130%	130%	129%

1 The Group applies dynamic relief in accordance with the IFRS9 transitional arrangements for capital as set out under CRR Article 473a (revised). In addition the Group applies a 100 per cent risk weight to the consequential Standardised credit risk exposure add-back as permitted under paragraph 7a of the arrangements. At 31 March 2024 dynamic relief for CET1 capital amounted to £98 million (31 December 2023: £196 million).

2 Although the Group does not have an Other Systemically Important Institution (O-SII) buffer, it is required to hold additional CET1 capital to meet its Ring-Fenced Bank's O-SII buffer of 2.0 per cent, which equates to 1.7 per cent of the Group's total risk-weighted exposure amount.

3 Represents, as a percentage, the level of CET1 capital left available to meet buffer requirements after subtracting the minimum amount of CET1 capital required to meet total Pillar 1 plus Pillar 2A capital requirements, also referred to as total SREP own funds requirements. The minimum CET1 requirement is equivalent to 4.5 per cent (Pillar 1) plus the additional CET1 SREP requirement (56.25 per cent of Pillar 2A). The Group's Pillar 2A capital requirement is around 2.6 per cent of risk-weighted assets, of which around 1.5 per cent is to be met with CET1 capital.

4 The average UK leverage ratio is based on the average of the month end tier 1 capital position and average exposure measure over the quarter. The average leverage exposure measure (excluding claims on central banks) for the period from 1 January 2024 to 31 March 2024 amounted to £652,887 million. The average leverage exposure measure (including claims on central banks) for the period from 1 January 2024 to 31 March 2024 amounted to £726,288 million.

5 The countercyclical leverage ratio buffer (CCLB) is required to be rounded to the nearest tenth of a percentage. The Group's total leverage ratio buffer at 31 March 2024 was 1.2 per cent (31 December 2023: 1.2 per cent), of which 0.6 per cent equates to the additional leverage ratio buffer (ALRB) of 0.7 per cent applied to the Ring-Fenced Bank.

6 The liquidity balances are calculated as the simple averages of month end observations over the 12 months preceding the end of each quarter.

7 The net stable funding balances are calculated as the simple averages of month end observations over the 4 quarterly averages preceding the end of each quarter.

Key metric and overview of risk weighted exposure amounts continued

IFRS 9-FL: Capital

Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs.

		31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital (£m)	**30,942**	31,897	31,681	30,604	29,740
2	CET1 capital as if IFRS 9 transitional arrangements had not been applied (£m)	**30,844**	31,701	31,436	30,331	29,494
3	Tier 1 capital (£m)	**36,757**	37,712	37,494	36,417	35,688
4	Tier 1 capital as if IFRS 9 transitional arrangements had not been applied (£m)	**36,659**	37,516	37,249	36,144	35,442
5	Total capital (£m)	**42,412**	43,439	43,339	42,453	42,035
6	Total capital as if IFRS 9 transitional arrangements had not been applied (£m)	**42,393**	43,402	43,326	42,414	42,005
	Risk-weighted exposure (amounts)					
7	Total risk-weighted exposure amount (£m)	**222,831**	219,130	217,712	215,290	210,906
8	Total risk-weighted exposure amount as if IFRS 9 transitional arrangements had not been applied (£m)	**222,773**	219,015	217,601	215,160	210,753
	Capital ratios (as a percentage of risk-weighted exposure amount)					
9	Common Equity Tier 1 ratio (%)	**13.9%**	14.6%	14.6%	14.2%	14.1%
10	CET1 ratio as if IFRS 9 transitional arrangements had not been applied (%)	**13.8%**	14.5%	14.4%	14.1%	14.0%
11	Tier 1 ratio (%)	**16.5%**	17.2%	17.2%	16.9%	16.9%
12	Tier 1 ratio as if IFRS 9 transitional arrangements had not been applied (%)	**16.5%**	17.1%	17.1%	16.8%	16.8%
13	Total capital ratio (%)	**19.0%**	19.8%	19.9%	19.7%	19.9%
14	Total capital ratio as if IFRS 9 transitional arrangements had not been applied (%)	**19.0%**	19.8%	19.9%	19.7%	19.9%
	Leverage ratio					
15	Total exposure measure excluding claims on central banks (£m)	**658,052**	647,634	653,546	638,202	637,502
16	Leverage ratio excluding claims on central banks (%)	**5.6%**	5.8%	5.7%	5.7%	5.6%
17	Leverage ratio excluding claims on central banks as if IFRS 9 transitional arrangements had not been applied (%)	**5.6%**	5.8%	5.7%	5.6%	5.6%

KM2: Key Metrics – TLAC requirements

		31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
				Resolution Group[1]		
1	Total loss absorbing capacity (TLAC) available (£m)	**71,386**	69,905	71,071	66,705	67,681
1a	Fully loaded ECL accounting model TLAC available (£m)	**71,368**	69,868	71,059	66,666	67,650
2	Total RWA at the level of the resolution group (£m)	**222,831**	219,130	217,712	215,290	210,906
3	TLAC as a percentage of RWA (%)	**32.0%**	31.9%	32.6%	31.0%	32.1%
3a	Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model RWA (%)	**32.0%**	31.9%	32.7%	31.0%	32.1%
4	UK leverage ratio exposure measure at the level of the resolution group (£m)	**658,052**	647,634	653,546	638,202	637,502
5	TLAC as a percentage of UK leverage ratio exposure measure (%)	**10.8%**	10.8%	10.9%	10.5%	10.6%
5a	Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model UK leverage ratio exposure measure (%)	**10.8%**	10.8%	10.9%	10.5%	10.6%
6a	Does the subordination exemption in the ante-penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	**No**	No	No	No	No
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	**No**	No	No	No	No
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external TLAC, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external TLAC if no cap was applied (%)	**N/A**	N/A	N/A	N/A	N/A

1 The consolidated position of Lloyds Banking Group plc (the resolution entity).

Key metric and overview of risk weighted exposure amounts continued

Common Equity Tier 1

The Group's common equity tier 1 (CET1) capital ratio has reduced to 13.9 per cent at 31 March 2024 (31 December 2023: 14.6 per cent). Banking business profits for the first three months of the year and the dividend received from the Group's Insurance business were more than offset by the recognition of the full impact of the announced ordinary share buyback programme, the accrual for foreseeable ordinary dividends and an increase in risk-weighted assets.

Total Capital and MREL

The Group's total capital ratio reduced to 19.0 per cent at 31 March 2024 (31 December 2023: 19.8 per cent) predominantly reflecting the reduction in CET1 capital and the increase in risk-weighted assets. The minimum requirement for own funds and eligible liabilities (MREL) increased to 32.0 per cent at 31 March 2024 (31 December 2023: 31.9 per cent) primarily reflecting the issuance of new senior unsecured debt instruments. This was largely offset by the reduction in total capital resources, the derecognition of instruments with less than one year to maturity and the increase in risk-weighted assets.

Risk-Weighted Assets

Risk-weighted assets increased by £3.7 billion to £222.8 billion at 31 March 2024 (31 December 2023: £219.1 billion). This largely reflected the impact of Retail lending and a temporary increase of circa £1.5 billion that is expected to reverse in the second quarter. The impact from credit and model calibrations was minimal.

Leverage

The Group's UK leverage ratio reduced to 5.6 per cent at 31 March 2024 (31 December 2023: 5.8 per cent) reflecting both the reduction in total tier 1 capital and an increase in the leverage exposure measure principally related to increases in securities financing transactions and off-balance sheet items.

Liquidity

The Group's liquidity coverage ratio (LCR) has reduced by 1 per cent to 143 per cent (based on a monthly rolling average over the previous 12 months) at 31 March 2024 (31 December 2023: 142 per cent). There were no material changes in Liquid assets and net cash outflows during the quarter. The Group's net stable funding ratio (NSFR) remains strong at 130 per cent (based on a quarterly rolling average over the previous 4 quarters) as at 31 March 2024 (31 December 2023: 130 per cent).

OV1: Overview of risk-weighted assets

		Total RWA		Total own funds requirements
		31 Mar 2024	31 Dec 2023	**31 Mar 2024**
		£m	£m	**£m**
1	**Credit risk (excluding CCR)**	**175,298**	172,979	**14,025**
2	Of which the standardised approach	**22,726**	22,074	**1,818**
3	Of which the foundation IRB (FIRB) approach	**35,684**	35,727	**2,855**
4	Of which slotting approach	**8,732**	8,778	**699**
UK 4a	Of which equities under the simple risk weighted approach	**13,767**	13,973	**1,101**
5	Of which the advanced IRB (AIRB) approach	**87,270**	85,459	**6,982**
	Of which: non-credit obligation assets[1]	**7,119**	6,968	**570**
6	**Counterparty credit risk (CCR)**	**6,514**	6,535	**522**
7	Of which the standardised approach	**5,270**	5,333	**422**
UK 8a	Of which exposures to a CCP	**199**	178	**16**
UK 8b	Of which credit valuation adjustment (CVA)	**708**	689	**57**
9	Of which other CCR	**337**	335	**27**
16	**Securitisation exposures in the non-trading book (after the cap)**	**8,737**	8,958	**699**
17	Of which SEC-IRBA approach	**4,132**	4,329	**331**
18	Of which SEC-ERBA approach (including IAA)	**1,576**	1,642	**126**
19	Of which SEC-SA approach	**3,029**	2,987	**242**
20	**Position, foreign exchange and commodities risks (Market risk)**	**5,866**	4,242	**470**
21	Of which the standardised approach	**2,147**	698	**172**
22	Of which IMA	**3,719**	3,544	**298**
23	**Operational risk**	**26,416**	26,416	**2,113**
UK 23b	Of which standardised approach	**26,416**	26,416	**2,113**
24	Memo: Amounts below the thresholds for deduction (subject to 250% risk weight)	**10,568**	11,028	**845**
29	**Total**	**222,831**	219,130	**17,829**
	Pillar 2A capital requirement[2]			**5,887**
	Total capital requirement			**23,716**

1 Non-credit obligation assets (IRB approach) predominantly relate to other balance sheet assets that have no associated credit risk.

2 As at 31 March 2024, the Pillar 2A capital requirement was around 2.6 per cent of risk-weighted assets, of which around 1.5 per cent was to be met with CET1 capital.

Credit risk

The table below summarises the movements of risk-weighted assets for credit risk exposures under the Internal Ratings Based (IRB) Approach. The table excludes counterparty credit risk exposures, securitisation exposures, other non-credit obligation assets and equity exposures.

CR8: Risk-weighted assets flow statements of credit risk exposures

		Total RWA quarter to 31 Mar 2024
		£m
1	Risk weighted exposure amount as at the end of previous reporting period	129,964
2	Asset size (+/-)	**1,860**
3	Asset quality (+/-)	**(116)**
5	Methodology and policy (+/-)	**(12)**
7	Foreign exchange movements (+/-)	**(10)**
9	**Risk weighted exposure amount at the end of the reporting period**	**131,686**

Key movements 31 December 2023 to 31 March 2024

– Asset size movement largely driven by the Retail portfolio.

– Asset quality movement driven by minimal change in risk mix across certain portfolios.

– Methodology and policy movement driven by optimisation activity, offset by further Secured CRD IV model updates in the quarter.

Market Risk

The table below summarises the movements of risk-weighted assets for market risk exposures under the Internal Models Approach (IMA).

MR2-B: Risk-weighted assets flow statements of market risk exposures under the Internal Model Approach

The table below summarises the movements of risk-weighted assets for market risk exposures under the Internal Model Approach (IMA).

		31 Dec 2023 to 31 Mar 2024					
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		£m	£m	£m	£m	£m	£m
1	RWAs at 31 Dec 2023	853	1,009	383	1,299	3,544	284
1a	Regulatory adjustment	(713)	(646)	(42)	–	(1,401)	(112)
1b	RWAs at the previous quarter-end (end of the day)[1]	140	363	341	1,299	2,143	172
2	Movement in risk levels	**(34)**	**178**	**52**	**21**	**216**	**17**
8a	**RWAs at end of the disclosure period (end of the day)[1]**	**106**	**541**	**393**	**1,320**	**2,359**	**189**
8b	**Regulatory adjustment**	**359**	**1,001**	**–**	**–**	**1,360**	**109**
8	**RWAs at 31 Mar 2024**	**465**	**1,542**	**393**	**1,320**	**3,719**	**298**

[1] End of day represents spot position

Key movements 31 December 2023 to 31 March 2024:

– Movement in VaR and sVaR RWA driven by portfolio changes.

Liquidity

The table below presents the breakdown of the Group's cash outflows and cash inflows, as well as its available high quality liquid assets, calculated as the simple averages of month end observations over the 12 months preceding the end of each quarter.

LIQ1: Liquidity Coverage Ratio

		Total unweighted value (average)				Total weighted value (average)			
		31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	**31 Mar 2024**	31 Dec 2023	30 Sep 2023	30 Jun 2023
	Number of data points used in the calculation of averages	**12**	12	12	12	**12**	12	12	12
High-quality liquid assets (£m)									
1	Total high-quality liquid assets (HQLA)					**136,442**	135,997	136,565	138,227
Cash - outflows (£m)									
2	Retail deposits and deposits from small business customers, of which:	**344,618**	344,964	346,114	348,205	**23,183**	23,324	23,522	23,781
3	Stable deposits	**261,144**	260,875	261,108	261,873	**13,057**	13,044	13,055	13,094
4	Less stable deposits	**83,474**	84,089	85,006	86,332	**10,126**	10,280	10,467	10,687
5	Unsecured wholesale funding	**95,274**	96,585	98,303	100,623	**48,485**	48,599	48,807	49,407
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	**19,279**	21,777	25,847	30,160	**4,820**	5,444	6,462	7,540
7	Non-operational deposits (all counterparties)	**71,772**	70,397	67,805	65,639	**39,442**	38,744	37,694	37,043
8	Unsecured debt	**4,223**	4,411	4,651	4,824	**4,223**	4,411	4,651	4,824
9	Secured wholesale funding					**291**	286	211	141
10	Additional requirements	**74,347**	73,970	74,455	73,962	**34,394**	33,944	34,712	34,525
11	Outflows related to derivative exposures and other collateral requirements	**21,927**	21,551	22,595	22,350	**21,927**	21,551	22,595	22,350
12	Outflows related to loss of funding on debt products	**558**	751	856	1,071	**558**	751	856	1,071
13	Credit and liquidity facilities	**51,862**	51,668	51,004	50,541	**11,909**	11,642	11,261	11,104
14	Other contractual funding obligations	**1,524**	1,404	1,350	1,440	**1,110**	1,003	958	1,058
15	Other contingent funding obligations	**91,361**	91,681	94,074	95,633	**3,814**	3,858	4,256	4,500
16	Total cash outflows					**111,277**	111,014	112,466	113,412
Cash - inflows (£m)									
17	Secured lending (e.g. reverse repos)	**34,008**	35,056	35,559	37,129	**460**	457	470	492
18	Inflows from fully performing exposures	**7,137**	6,746	6,434	6,113	**5,211**	4,788	4,467	4,188
19	Other cash inflows	**10,388**	10,396	11,441	11,868	**10,339**	10,281	11,225	11,557
20	Total cash inflows	**51,533**	52,198	53,434	55,110	**16,010**	15,526	16,162	16,237
UK-20c	Inflows subject to 75% cap	**49,284**	49,736	50,710	51,999	**16,010**	15,526	16,162	16,237
Total adjusted value									
UK-21	Liquidity buffer (£m)					**136,442**	135,997	136,565	138,227
22	Total net cash outflows (£m)					**95,267**	95,488	96,304	97,175
23	Liquidity coverage ratio (%)					**143%**	142%	142%	142%

Liquidity continued

LIQB: Qualitative information on LCR

The Group's LCR disclosure (calculated as the simple average of month end observations over the 12 months preceding the end of each quarter) was 143 per cent as of 31 March 2024, an increase of 1 per cent from the prior quarter with no material changes in Liquid assets and net cash outflows.

The Group's outflows related to derivative exposures and other collateral requirements include outflows for potential deterioration in credit rating and for the impact of an adverse market scenario on derivatives transactions. Also included are outflows on derivative contracts that have offsetting inflows recorded in 'other cash inflows'.

The Group's funding and liquidity position is underpinned by its significant customer deposit base and is supported by strong relationships across customer segments. Funding concentration by counterparty, currency and tenor is monitored on an ongoing basis and where concentrations do exist, these are managed as part of the planning process and limited by the internal funding and liquidity risk monitoring framework, with analysis regularly provided to senior management.

The Group's liquidity buffer consists almost entirely of Level 1 assets. Level 1 assets are primarily held as central bank reserves and UK government bonds.

The Group's liquidity risk management framework covers currency liquidity risk and ensures the currency denomination of LCR liquid assets is consistent with the distribution of net currency liquidity outflows. Granular LCR risk appetites by significant currency are set and monitored across tenors at Group committee level.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and section 27A of the US Securities Act of 1933, as amended, with respect to the business, strategy, plans and/or results of Lloyds Banking Group plc together with its subsidiaries (the Group) and its current goals and expectations. Statements that are not historical or current facts, including statements about the Group's or its directors' and/or management's beliefs and expectations, are forward-looking statements. Words such as, without limitation, 'believes', 'achieves', 'anticipates', 'estimates', 'expects', 'targets', 'should', 'intends', 'aims', 'projects', 'plans', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'may', 'seek', 'estimate', 'probability', 'goal', 'objective', 'deliver', 'endeavour', 'prospects', 'optimistic' and similar expressions or variations on these expressions are intended to identify forward-looking statements. These statements concern or may affect future matters, including but not limited to: projections or expectations of the Group's future financial position, including profit attributable to shareholders, provisions, economic profit, dividends, capital structure, portfolios, net interest margin, capital ratios, liquidity, risk-weighted assets (RWAs), expenditures or any other financial items or ratios; litigation, regulatory and governmental investigations; the Group's future financial performance; the level and extent of future impairments and write-downs; the Group's ESG targets and/or commitments; statements of plans, objectives or goals of the Group or its management and other statements that are not historical fact and statements of assumptions underlying such statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future. Factors that could cause actual business, strategy, targets, plans and/or results (including but not limited to the payment of dividends) to differ materially from forward-looking statements include, but are not limited to: general economic and business conditions in the UK and internationally; acts of hostility or terrorism and responses to those acts, or other such events; geopolitical unpredictability; the war between Russia and Ukraine; the conflicts in the Middle East; the tensions between China and Taiwan; political instability including as a result of any UK general election; market related risks, trends and developments; changes in client and consumer behaviour and demand; exposure to counterparty risk; the ability to access sufficient sources of capital, liquidity and funding when required; changes to the Group's credit ratings; fluctuations in interest rates, inflation, exchange rates, stock markets and currencies; volatility in credit markets; volatility in the price of the Group's securities; tightening of monetary policy in jurisdictions in which the Group operates; natural pandemic and other disasters; risks concerning borrower and counterparty credit quality; risks affecting insurance business and defined benefit pension schemes; changes in laws, regulations, practices and accounting standards or taxation; changes to regulatory capital or liquidity requirements and similar contingencies; the policies and actions of governmental or regulatory authorities or courts together with any resulting impact on the future structure of the Group; risks associated with the Group's compliance with a wide range of laws and regulations; assessment related to resolution planning requirements; risks related to regulatory actions which may be taken in the event of a bank or Group failure; exposure to legal, regulatory or competition proceedings, investigations or complaints; failure to comply with anti-money laundering, counter terrorist financing, anti-bribery and sanctions regulations; failure to prevent or detect any illegal or improper activities; operational risks including risks as a result of the failure of third party suppliers; conduct risk; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; technological failure; inadequate or failed internal or external processes or systems; risks relating to ESG matters, such as climate change (and achieving climate change ambitions) and decarbonisation, including the Group's ability along with the government and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, and human rights issues; the impact of competitive conditions; failure to attract, retain and develop high calibre talent; the ability to achieve strategic objectives; the ability to derive cost savings and other benefits including, but without limitation, as a result of any acquisitions, disposals and other strategic transactions; inability to capture accurately the expected value from acquisitions; assumptions and estimates that form the basis of the Group's financial statements; and potential changes in dividend policy. A number of these influences and factors are beyond the Group's control. Please refer to the latest Annual Report on Form 20-F filed by Lloyds Banking Group plc with the US Securities and Exchange Commission (the SEC), which is available on the SEC's website at www.sec.gov, for a discussion of certain factors and risks. Lloyds Banking Group plc may also make or disclose written and/or oral forward-looking statements in other written materials and in oral statements made by the directors, officers or employees of Lloyds Banking Group plc to third parties, including financial analysts. Except as required by any applicable law or regulation, the forward-looking statements contained in this document are made as of today's date, and the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document whether as a result of new information, future events or otherwise. The information, statements and opinions contained in this document do not constitute a public offer under any applicable law or an offer to sell any securities or financial instruments or any advice or recommendation with respect to such securities or financial instruments.