SUPPLEMENTARY PROSPECTUS DATED 8 APRIL 2021

LLOYDS BANK PLC
(incorporated with limited liability in England and Wales registered number 2065)
€60 billion
Global Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by
LLOYDS BANK COVERED BONDS LLP
(a limited liability partnership incorporated in England and Wales registered number OC340094)

This Supplement (the **Supplement**) to the prospectus dated 18 May 2020, as supplemented by the supplementary prospectuses dated 3 August 2020 and 30 October 2020 which together comprise a base prospectus (the **Prospectus**) for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK Prospectus Regulation**), constitutes a supplementary prospectus for the purposes of Article 23 of the UK Prospectus Regulation, and is prepared in connection with the €60 billion Global Covered Bond Programme (the **Programme**) established by Lloyds Bank plc (the **Issuer**).

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein. Capitalised terms used in this Supplement but not defined herein shall have the meanings ascribed to them in the Prospectus.

This Supplement has been approved by the Financial Conduct Authority (the **FCA**), as competent authority under the UK Prospectus Regulation. The FCA only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Approval by the FCA should not be considered as an endorsement of the Issuer and/or the LLP or of the quality of the Covered Bonds that are the subject of this Supplement.

The Issuer and Lloyds Bank Covered Bonds LLP (the **LLP**) each accept responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuer and the LLP the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to:

(a) update certain sections of the Prospectus for regulatory changes necessitated by the end of the Brexit transition period;

(b) update the section of the Prospectus headed "*Risk Factors*"; and

(c) incorporate by reference into the Prospectus:

(i) certain information contained in the Issuer's 2020 Annual Report (as defined in this Supplement), the publication of which was announced via the RNS on 12 March 2021; and

(ii) certain risk factors set out in the Issuer's Form 20-F (as defined in this Supplement), which was filed with the Securities and Exchange Commission on 11 March 2021 as announced via the RNS on 12 March 2021.

(a) Updates, amendments and supplements FRONT AND COVER PAGES

(i) Paragraph 7 on the cover page of the Prospectus shall be deleted in its entirety and replaced with the following:

"Application has been made to the FCA for Covered Bonds issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to the official list of the FCA (the **Official List**) and to the London Stock Exchange plc (the **London Stock Exchange**) for such Covered Bonds to be admitted to trading on the main market of the London Stock Exchange which is a "UK regulated market" for the purposes of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of the UK domestic law by virtue of the EUWA (**UK MiFIR**) (the **UK regulated market of the London Stock Exchange**)"

(ii) Paragraph 9 on the cover page of the Prospectus shall be deleted in its entirety and replaced with the following:

"As at the date of this Prospectus: (i) long-term senior obligations of the Issuer are rated "A+" by S&P Global Ratings UK Ltd (**S&P**), "Aa3" by Moody's Investors Service Limited (**Moody's**) and "A+" by Fitch Ratings Ltd (**Fitch**) and (ii) short-term senior obligations of the Issuer are rated "A 1" by S&P, "P 1" by Moody's and "F1" by Fitch. Each of Fitch and Moody's is established in the UK and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the **UK CRA Regulation**). The ratings issued by Moody's and Fitch have been endorsed by Moody's Deutschland GmbH and Fitch Ratings Ireland Limited respectively in accordance with the CRA Regulation. S&P is not established in the UK but the ratings it has given to the long-term senior obligations and short-term senior obligations of the Issuer are endorsed by S&P Global Ratings Europe Limited, which is established in the UK and registered under the UK CRA Regulation."

(iii) Paragraph 1 on page 1 of the Prospectus shall be deleted in its entirety and replaced with the following:

"References in this Prospectus to Covered Bonds being listed (and all related references) shall, unless the context otherwise requires, mean that such Covered Bonds have been admitted to trading on the UK main market of the London Stock Exchange and have been admitted to the Official List."

(iv) Paragraph 3 on page 2 of the Prospectus shall be deleted in its entirety and replaced with the following:

"Amounts payable on Floating Rate Covered Bonds may be calculated by reference to one of EURIBOR, BBSW, SONIA, SOFR or €STR as specified in the relevant Final Terms. As at the date of this base prospectus, the administrators of EURIBOR, BBSW, SONIA, SOFR and €STR are not included in FCA's register of administrators under Article 36 of Regulation (EU) No 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**).

The transitional provisions in Article 51 of the UK Benchmarks Regulation apply, such that European Money Markets Institute as the administrator of EURIBOR, ASX Limited as the administrator of BBSW, Bank of England as the administrator of SONIA, Federal Reserve Bank of New York as the administrator of SOFR, and the European Central Bank as the

administrator of €STR are not currently required to obtain authorisation/registration (or, if located outside the United Kingdom, recognition, endorsement or equivalence)."

(v) Paragraph 4 on page 2 of the Prospectus shall be deleted in its entirety and replaced with the following:

"The Covered Bonds issued under the Programme are expected on issue to be assigned an "AAA" rating by Fitch Ratings Ltd. and an "Aaa" rating by Moody's Investors Service Limited. Such ratings will be endorsed by Moody's Deutschland GmbH and Fitch Ratings Ireland Limited, respectively. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Whether or not each credit rating applied for in relation to a relevant Series of Covered Bonds will be issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009 (as amended or superseded) (the **EU CRA Regulation**) or by a credit rating agency established in the United Kingdom and registered under Regulation (EU) No 1060/2009 as it forms part of the UK domestic law by virtue of the EUWA (the **UK CRA Regulation**) will be disclosed in the Final Terms.

In general, European regulated investors are restricted from using a rating for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant non-EEA rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK. and registered under the UK CRA Regulation. In the case of ratings issued by third country non- UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. In each case this is subject to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK of existing pre-2021 ratings, provided the relevant conditions are satisfied.

Each of Fitch and Moody's is established in the UK and is registered under the UK CRA Regulation. As such each of Fitch and Moody's is included in the list of credit rating agencies published by the FCA on its website in accordance with such UK CRA Regulation and are endorsed by Moody's Deutschland GmbH and Fitch Ratings Ireland Limited, respectively, which are established in the European Union and registered under the EU CRA Regulation."

(vi) The following two paragraphs shall be added at the end of the section entitled "***MIFID II PRODUCT GOVERNANCE/TARGET MARKET***" on page 4 of the Prospectus:

"**UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET –** The Final Terms in respect of any Covered Bonds will include a legend entitled "UK MiFIR Product

Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise none of the Arranger, the Dealers and any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules."

(vii) The section entitled "***PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS***" at paragraph 5 on page 4 of the Prospectus shall be deleted in its entirety and replaced with the following:

"PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Covered Bonds are not intended to be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS: The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making the Covered Bonds available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation."

(viii) The last two sentences in paragraph 1 starting at "*Accordingly, any person making or intending to make ...*" in paragraph 1 on page 5 of the Prospectus shall be deleted in its entirety and replaced with the following:

"Accordingly, any person making or intending to make an offer of Covered Bonds in the UK, which are the subject of an offering contemplated in this Prospectus as completed by a Final

Terms in relation to the offer of those Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or the relevant Dealer to publish a prospectus pursuant to section 85 of the FSMA or Article 3 of the UK Prospectus Regulation (as applicable) or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer."

(b) DOCUMENTS INCORPORATED BY REFERENCE

(i) By virtue of this Supplement:

I. the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2020, together with the audit report thereon, as set out on pages 79 to 223 and pages 68 to 78, respectively of the Issuer's Annual Report and Accounts 2020 (RNS Number 0889S) (the **2020 Annual Report**), which has previously been filed with the Financial Conduct Authority;

II. the sub-sections entitled "Economic and Financial Risks", "Regulatory and Legal Risks" and "Business and Operational Risks" on pages 89 to 93, pages 93 to 97 and pages 97 to 100 respectively, (together, the **Form 20-F Risk Factors**) of the Issuer's 2020 Annual Report on Form 20-F (the **Form 20-F**) which was filed with the U.S. Securities and Exchange Commission and on 11 March 2021 as announced via the RNS on 12 March 2021 (RNS Number 1618S) and is available at https://www.lloydsbankinggroup.com/assets/pdfs/investors/financial-performance/lloyds-bank-plc/2020/2020-lb-form-20f.pdf,

shall be deemed to be incorporated in, and form part of, the Prospectus and supplement the section entitled "*Documents Incorporated by Reference*" on pages 15 to 16 of the Prospectus.

Any documents themselves incorporated by reference in the Issuer's 2020 Annual Report and the Form 20-F Risk Factors shall not form part of the Prospectus, unless otherwise specified here.

(ii) In the final paragraph on page 16 of the Prospectus the reference to the "*Prospectus Regulation*" shall be construed to mean the "*UK Prospectus Regulation*".

(c) PRINCIPAL CHARACTERISTICS OF THE PROGRAMME

(i) Paragraph 2 on page 24 of the Prospectus shall be deleted in its entirety and replaced with the following:

"This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980 as it forms part of UK domestic law by virtue of the EUWA (the **Delegated Regulation**)."

(d) OVERVIEW OF THE PROGRAMME

(i) In the section "*Denomination of Covered Bonds*" on page 29 of the Prospectus reference to the "Prospectus Regulation" shall be construed to mean the "UK Prospectus Regulation".

(ii) Paragraph 2 of the section entitled "*Ratings*" on page 30 of the Prospectus shall be deleted in its entirety and replaced with the following:

Ratings

The ratings of certain Series of Covered Bonds to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Covered Bonds will be

issued by a credit rating agency established in the UK and registered under Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the EUWA will be disclosed in the Final Terms. For more information see Risk Factors—Risks relating to the Covered Bonds - Ratings of the Covered Bonds in this Prospectus.

(e) RISK FACTORS

(i) The sub-sections entitled "*Economic and Financial Risks*", "*Regulatory and Legal Risks*" and "Business *and Operational Risks*" on pages 32 to 39, pages 39 to 46 and pages 46 to 50 respectively shall be deleted in their entirety and replaced with the Form 20-F Risk Factors which have been incorporated by reference by virtue of this Supplement.

(ii) The final paragraph in the risk factor titled '*Ratings of the Covered Bonds*' on page 58 of the Prospectus shall be deleted in its entirety and replaced with the following:

"In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended subject to transitional arrangements that apply in certain circumstances). Certain information with respect to the credit rating agencies and ratings referred to in this Prospectus is set out in Overview of the Programme – Ratings of this Prospectus. The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by non-UK credit rating agencies, non-UK credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of non-UK ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating of the Covered Bonds changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Covered Bonds may have a different regulatory treatment, which may impact the value of the Covered Bonds and their liquidity in the secondary market."

(iii) The risk factor titled '*Harmonisation of the EU covered bond framework*' on page 74 of the Prospectus shall be deleted in their entirety and replaced with the following:

"It should also be noted that in November 2019, the European Parliament and the Council adopted the legislative package on covered bond reforms made up of a new covered bond directive (Directive (EU) 2019/2162) and a new regulation (Regulation (EU) 2019/2160), which entered into force on 7 January 2020 with the deadline for application of 8 July 2022 (both texts have relevance for the EEA and are to be implemented in due course in other countries in the EEA). The new covered bond directive replaces article 52(4) of the UCITS Directive, establishes a revised common base-line for issue of covered bonds for EU regulatory purposes (subject to various options that members states may choose to exercise when implementing the new directive through national laws). The new regulation will be directly applicable in the EU (and, for these purposes, the EU or an EU member state includes the United Kingdom) from 8 July 2022 and it amends article 129 of the Capital Requirements Regulation (Regulation (EU) No 575/2013) (**EU CRR**) (and certain related provisions) and further strengthens the criteria for covered bonds that benefit from preferential capital treatment under the EU CRR regime. As EU CRR permits the exercise of certain national discretion, the implementation may be subject to some level of national variation. In the UK, the Financial Conduct Authority confirmed that it intends to implement the EU covered bond reforms in the UK and it is expected that a consultation on the proposed amendments will be published in the course of 2021. Therefore, there can be no assurances or predictions made as to the precise effect of the new regime on the Covered Bonds.

In addition, preferential regulatory treatment under article 129 of the EU CRR has not been available in respect of the Covered Bonds since 1 January 2021. Furthermore, the Covered Bonds will not be grandfathered under the EU covered bond reforms, once these become applicable, given the new covered bond directive provides for permanent grandfathering for article 52(4) UCITS Directive-compliant covered bonds issued by an issuer with its registered office in an EU member state before the relevant application date, provided there is continued supervision by the relevant designated competent authority in the EU (similar grandfathering provisions are also provided for in the new regulation). The Covered Bonds may be eligible as Level 2A assets under Delegated Regulation (EU) 2018/1620 (as amended), provided equivalence requirements are met, as to which no assurances are made and prospective investors should therefore make themselves aware of the changes in addition to any other applicable regulatory requirements with respect to their investment in the Covered Bonds."

(iv) The risk factor titled '*European Market Infrastructure Regulation*' on page 83 of the Prospectus shall be deleted in its entirety and replaced with the following:

"***UK EMIR and EU EMIR***

Regulation (EU) No 648/2012 of the European Parliament and Council on over-the-counter derivatives ("OTC derivatives"), central counterparties and trade repositories dated 4 July 2012 which entered into force on 16 August 2012 (**EU EMIR**) and by Regulation (EU) No 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 as it forms part of UK domestic law by virtue of the EUWA (**UK EMIR**) prescribe a number of regulatory requirements for counterparties to derivatives contracts, including (i) a mandatory clearing obligation for certain classes of OTC derivative contracts (the **Clearing Obligation**), (ii) margin requirements, daily valuation and other risk mitigation requirements for non-cleared OTC derivatives contracts (the **Risk Mitigation Requirements**); and (iii) certain reporting requirements.

In general, the application of such regulatory requirements in respect of the Interest Rate Swaps or the Covered Bond Swaps will depend on (i) the classification of the counterparties

to such derivative transactions and (ii) the counterparties' jurisdictions. Pursuant to UK EMIR and EU EMIR, counterparties can be classified as: (i) financial counterparties (**FCs)**, and (ii) non-financial counterparties (**NFCs**). The category of "FC" is further split into: (i) financial counterparties above the "clearing threshold" (**FC+s**) and (ii) financial counterparties below the "clearing threshold" (**FC-s**). The category of "NFC" is further split into: (i) non-financial counterparties above the "clearing threshold" (**NFC+s**), and (ii) non-financial counterparties below the "clearing threshold" (**NFC-s**). FC+ and NFC+ entities may be subject to the Clearing Obligation but the Clearing Obligation does not apply to FC- and NFC- entities. To the extent that the relevant swaps are not cleared, the margin requirements and the daily valuation obligation under the Risk Mitigation Requirements may apply to FC-, FC+ and NFC+ entities, but do not apply to NFC- entities.

The LLP is currently an NFC-, although a change in its position cannot be ruled out. Should the status of the LLP change to NFC+ or FC, this may result in the application of the Clearing Obligation or the margin requirement and daily valuation obligation under the Risk Mitigation Requirements (the **Margin Obligation**), although it seems unlikely that any of the Swap Agreements would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date. It should also be noted that the Margin Obligation should not apply in respect of the Interest Rate Swap or the Covered Bonds Swaps entered into prior to the relevant application date, unless such a swap is materially amended on or after that date.

It should also be noted that should the status of the LLP change to NFC+ or FC, another exemption from the Clearing Obligation and a partial exemption from the Margin Obligation may be available for the Interest Rate Swap and the Covered Bond Swaps, provided that the applicable conditions are satisfied.

The applicable conditions require that:

(a) the Interest Rate Swap and the Covered Bond Swaps are used only to hedge interest rate or currency mismatches under the covered bonds; and

(b) the arrangements under the covered bonds adequately mitigate counterparty credit risk with respect to the Interest Rate Swap and the Covered Bond Swaps concluded by the LLP in connection with the covered bonds,

and with respect to the partial exemption from the Margin Obligation only:

(c) the netting set does not include OTC derivative contracts unrelated to the cover pool of the covered bonds; and

(d) the covered bond to which the OTC derivative contract is associated meets the requirements of paragraphs (1), (2) and (3) of Article 129 of Regulation (EU) No 575/2013.

Arrangements under covered bonds shall be considered to adequately mitigate counterparty credit risk, where the OTC derivative contracts concluded by the relevant covered bond entity in connection with the covered bonds comply with all of the following criteria:

(i) those OTC derivative contracts are registered or recorded in the cover pool of the covered bond in accordance with national legislation on covered bonds;

(ii) those OTC derivative contracts are not terminated in case of resolution or insolvency of the covered bond issuer or the cover pool;

(iii) the counterparty to the OTC derivative contract concluded with covered bond issuers or with cover pools for covered bonds ranks at least pari passu with the covered bond

holders, except where the counterparty to the OTC derivative contract concluded with covered bond issuers or with cover pools for covered bonds is the defaulting or the affected party, or waives the pari passu rank; and

(iv) the covered bonds are subject to a regulatory collateralisation requirement of at least 102%.

The exemption from the Clearing Obligation and partial exemption from the Margin Obligation are only likely to become relevant should the status under UK EMIR of the LLP change from NFC- to NFC+ or FC and, if clearing is applicable, should the Interest Rate Swap and Covered Bond Swaps be regarded as a type that is subject to the UK EMIR clearing obligation.

If the LLP is required to comply with certain obligations under UK EMIR which may give rise to additional costs and expenses for the LLP, this may in turn reduce amounts available to the LLP to make payments under the Covered Bond Guarantee."

(f) FORM OF FINAL TERMS

(i) The following paragraphs shall be added after the paragraph entitled "***MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET***" on page 93 of the Prospectus:

"UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels."

(ii) The paragraph entitled "***IMPORTANT - PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS***" on page 93 of the Prospectus shall be deleted in its entirety and replaced with the following:

"**IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EC (as amended or superseded, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended or superseded) (the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making the Covered Bonds available to retail investors in the EEA has been prepared and therefore

offering or selling the Covered Bonds or otherwise making the Covered Bonds available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making the Covered Bonds available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making the Covered Bonds available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation."

(iii) The two paragraphs below "**PART A – CONTRACTUAL TERMS**" on page 94 of the Prospectus shall be deleted in their entirety and replaced with the following:

"Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the **Terms and Conditions**) set forth in the prospectus dated [●] [and the supplement[s] to it dated [●] [and [**date**]] which [together] constitute[s] a base prospectus (the **Prospectus**) for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and UK Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**) (the **UK Prospectus Regulation**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and the UK Prospectus Regulation and must be read in conjunction with such Prospectus. Copies of the Prospectus [and the supplemental Prospectus dated [**date**]] [is] [are] published on the website of the Issuer and available for viewing at [**address**] [and] [**website**] and copies may be obtained during normal business hours from Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN and have been published on the website of the Issuer at https://www.lloydsbankinggroup.com/investors/.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the **Terms and Conditions**) set forth in the prospectus dated [●] which are incorporated by reference into the Prospectus dated [●] which constitute[s] a base prospectus (the **Prospectus**) for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and UK Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**) (the **UK Prospectus Regulation**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and the UK Prospects Regulation and must be read in conjunction with the Prospectus in order to obtain all the relevant information. Copies of the Prospectus dated [**current date**] [and the supplemental Prospectus dated [**date**]] are available for viewing at [**address**] [and] [**website**] and copies may be obtained during normal business hours from Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN and have been published on the website of the Issuer at https://www.lloydsbankinggroup.com/investors/]"

(iv) Part B – Other Information, line item 1 entitled "*Admission to trading*" on pages 100 of the Prospectus shall be deleted in its entirety and replaced with the following:

Admission to trading:	Application [is expected to be made/has been made] by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the London Stock Exchange's main market and to the Official List of the FCA with effect from on or about [●]

(v) Part B – Other Information, line item 2 entitled "*Ratings*" on pages 100 of the Prospectus shall be deleted in its entirety and replaced with the following:

Ratings:	The Covered Bonds to be issued have been initially rated: Fitch: [●] (endorsed by Fitch Ratings Ireland Limited) Moody's: [●] (endorsed by Moody's Deutschland GmbH *[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]* *(The above disclosure should reflect the rating allocated to Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

(vi) Part B – Other Information, line item 6 entitled "*Relevant Benchmark[s]*" on pages 101 of the Prospectus shall be deleted in its entirety and replaced with the following:

Relevant Benchmark[s]:	*[[Specify benchmark] is provided by [administrator legal name]]. As at the date hereof, [administrator legal name] [appears] / [does not appear] in the register of administrators and benchmarks established and maintained by [ESMA/the Financial Conduct Authority] pursuant to [Article 36][Article 2] of the [UK] Benchmarks Regulation] / [As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the [UK] Benchmarks Regulation] / [Not Applicable]*

(vii) Part B – Other Information, line item 8(vi) entitled "*Prohibition of Sales to EEA and UK Retail Investors*" on page 102 of the Prospectus shall be deleted in its entirety and replaced with the following:

Prohibition of Sales to UK Retail Investors:	*[Applicable][Not Applicable]*
Prohibition of Sales to EEA Retail Investors:	*[Applicable][Not Applicable]*

(g) LLOYDS BANK GROUP

(i) Paragraph 2 of the section entitled "*Expected ratings in relation to Covered Bonds issued by the Issuer under the Programme*" on page 158 of the Prospectus shall be deleted in its entirety and replaced with the following:

The credit ratings referred to and included in this Prospectus have been issued by S&P, Fitch and Moody's. Each of Fitch and Moody's is established in the UK and is registered under the UK CRA Regulation. S&P is not established in the UK, but the ratings it has given to the long-term senior obligations and short-term senior obligations of the Bank are endorsed by S&P Global Ratings UK Limited, which is established in the UK and registered under the UK CRA Regulation.

(ii) The section entitled "*EU Regulation*" on page 164 of the Prospectus shall be deleted in its entirety and replaced with the following:

"EU Regulation

Lloyds Bank Group is currently subject to the relevant EU legislation, which is regularly reviewed at EU level and could be subject to change. Lloyds Bank Group will continue to monitor changes to legislation, providing specialist input on their drafting and assess the likely impact on its business.

See also "Regulatory and Legal Risks – Lloyds Bank Group faces risks associated with its compliance with a wide range of laws and regulations", "Regulatory and Legal Risks - Legal and regulatory risk arising from the UK's exit from the European Union could adversely impact Lloyds Bank Group's business, results of operations, financial condition and prospects" and "Regulatory and Legal Risks – Lloyds Banking Group and its subsidiaries are subject to resolution planning requirements, which could have an adverse impact on Lloyds Bank Group's business".

(iii) In the section entitled "*Directors of the Issuer*", the following paragraphs shall be inserted before the last paragraph on page 169 of the Prospectus:

"António Horta-Osório will step down as Group Chief Executive and Executive Director of the Bank with effect from 30 April 2021 and, subject to regulatory approval, Charlie Nunn will be appointed as Group Chief Executive and Executive Director of the Bank on 16 August 2021. Subject to receipt of regulatory approval, William Chalmers will, take on the role of acting Group Chief Executive of the Bank during the interim period from when António Horta-Osório steps down on 30 April 2021 until Mr. Nunn's appointment on 16 August 2021.

Sara Weller will retire as Non-Executive Director of the Bank in May 2021.

Catherine Woods succeeded Nick Prettejohn as Chair of the Board Risk Committee on 1 January 2021. With effect from 29 March 2021, the Board Risk Committee is comprised of Catherine Woods (as chair), Alan Dickinson, Sarah Legg and Nick Prettejohn."

(h) SELLING RESTRICTIONS

(i) the paragraph entitled "*Prohibition of Sales to EEA and UK Retail Investors*" on page 265 of the Prospectus shall be deleted in its entirety and replaced with the following:

"**Prohibition of Sales to EEA Retail Investors**

"Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and

will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or

(ii) a customer within the meaning of Directive (EU) 2016/7 (the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

(b) the expression "an offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds."

(ii) the following section shall be added after the existing section entitled "*Prohibition of Sales to EEA and UK Retail Investors*" on page 265 of the Prospectus:

"**Prohibition of Sales to UK Retail Investors**

"Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and

(b) the expression "an offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds."

(iii) the section entitled "*Republic of Italy*" on page 266 of the Prospectus shall be deleted in its entirety and replaced with the following:

"**Republic of Italy**

Each relevant Dealer will be required to represent and agree at the time of issuance of Covered Bonds that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds to any investor in Italy."

(i) **GENERAL INFORMATION**

(i) Limb (iv) of the Documents Available section on page 270 of the Prospectus shall be deleted in its entirety and replaced with the following:

"the most recent publicly available reviewed or audited consolidated financial statements for the Issuer beginning with such financial statements for the years ended 31 December 2020 and 31 December 2019"

(ii) Limb (v) of the Documents Available section on page 270 of the Prospectus shall be deleted in its entirety and replaced with the following:

"the report of PricewaterhouseCoopers LLP in respect of the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2020 and 31 December 2019"

(iii) Limb (vi) of the Documents Available section on page 270 of the Prospectus shall be deleted in its entirety.

(iv) Limb (ix) of the Documents Available section on page 270 of the Prospectus shall be deleted in its entirety and replaced with the following:

"each set of Final Terms (save that Final Terms relating to a Covered Bond which is neither admitted to trading on the main market of the London Stock Exchange or a regulated market within the EEA nor offered in the UK or the EEA in circumstances where a prospectus is required to be published under the FSMA or the Prospectus Regulation will only be available for inspection by a holder of such Covered Bond and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Covered Bonds and identity)"

(v) The no significant change of the Group statement and no material adverse change of the Issuer statement under the paragraph headed "Significant or Material Change" on page 271 of the Prospectus shall be deemed deleted and replaced with the following:

"There has been no significant change in the financial position or financial performance of the Lloyds Bank Group since 31 December 2020, the date to which the Lloyds Bank Group's last published audited financial information (as set out in the Issuer's 2020 Annual Report) was prepared.

Save as disclosed in the sub-section entitled "*Risk Factors – Economic and Financial Risks –Risks relating to the impact of COVID-19*" on pages 33-34 and 167 respectively of this Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2020, the date to which the Issuer's last published audited financial information (as set out in the Issuer's 2020 Annual Report) was prepared."

The Issuer will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein or in the Prospectus. Written or oral requests for such documents should be directed to the Issuer at its principal office at 25 Gresham Street, London, EC2V 7HN.

Copies of this Supplement and all documents incorporated by reference in this Supplement can be viewed on the website of the Issuer at https://www.lloydsbankinggroup.com/investors/.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference into the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.