

OUTSTANDING.

THE EXISTING NOTES CONDITIONS OF THE ECNS INCLUDE A REGULATORY CALL RIGHT SHOULD, AMONGST OTHER THINGS, THE ECNS CEASE TO BE TAKEN INTO ACCOUNT FOR THE PURPOSES OF ANY STRESS TEST APPLIED BY THE PRA IN RESPECT OF CORE CAPITAL. WHILST STILL UNCERTAIN, MANAGEMENT OF LBG BELIEVE RECENT DEVELOPMENTS RESULTING IN HIGHER CAPITAL REQUIREMENTS FOR BANKS MAKE IT LIKELY THAT THE ECNS WILL NOT PROVIDE GOING CONCERN BENEFIT UNDER FUTURE STRESS TESTS. AS A RESULT THE GROUP'S CET1 RATIO IS SUBSTANTIALLY LOWER THAN THE CORE TIER ONE RATIO ON WHICH THE CONVERSION TRIGGER OF THE ECNS IS BASED. LBG IS LAUNCHING A PRIORITIZED EXCHANGE OFFER TO ELIGIBLE HOLDERS OF ECNS TO EXCHANGE THEIR ECNS FOR NEW ADDITIONAL TIER ONE SECURITIES AT A PRICE CONSISTENT WITH CURRENT TRADING PRICES. THE OFFER PROVIDES ELIGIBLE HOLDERS TO ELIMINATE THE UNCERTAINTY AROUND THE REGULATORY CALL RIGHT IN THE ECNS. IN ADDITION, SUCH EXCHANGE OFFERS ARE EXPECTED TO RESULT IN SUFFICIENT ADDITIONAL TIER ONE SECURITIES BEING ISSUED TO MEET THE GROUP'S MEDIUM-TERM ADDITIONAL TIER ONE TARGET.

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EXCHANGE RATIO FOR THE ABOVE NOTES: USD1,057.50 PRINCIPAL AMOUNT OF NEW NOTES PER USD1,000 PRINCIPAL AMOUNT OF OLD NOTES, PLUS ACCRUED AND UNPAID INTEREST, UP TO, BUT NOT INCLUDING, THE SETTLEMENT DATE, SUBJECT TO PRORATION.

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EXPECTED PROCEED SECURITY DETAILS:

ISIN: US539439AG42

FIRST CALL DATE/OPTIONAL REDEMPTION DATE: 06/27/2024

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INITIAL COUPON: 7.50 PERCENT ANNUM

RESET COUPON: 5-YEAR MS+4.76 PERCENT

CONVERSION PRICE: USD1.072

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THE EXCHANGE OFFER IS CONDITIONED UPON RECEIVE VALID OFFERS TO EXCHANGE THAT, IF AND WHEN ACCEPTED, WOULD RESULT IN LBG ISSUING ADDITIONAL TIER ONE SECURITIES OF THE RELEVANT SERIES IN SATISFACTION OF THE MINIMUM NEW ISSUE SIZE CONDITION. THE MINIMUM NEW ISSUE SIZE FOR THE ABOVE NOTES IS USD750,000,000.

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EXCHANGE CAP: THE EXCHANGE OFFER IS CONDITIONED UPON THE MAXIMUM NEW ISSUE SIZE. THE MAXIMUM NEW ISSUE SIZE FOR THE ABOVE NOTES IS USD1,675,000,000.

THE EXCHANGE PRIORITY AND THE MAXIMUM NEW ISSUE SIZE APPLICABLE TO EACH EXCHANGE OFFER ARE INDEPENDENT FROM THOSE SET FOR THE OTHER EXCHANGE MATERIAL FOR FULL PRORATION DETAILS.

+++++++THE ABOVE NOTES HAVE A PRIORITY LEVEL OF THREE.+++++++