

# Sustainability Fixed Term Deposit (SFTD)

## PRODUCT INFORMATION FACTSHEET

As at: 11 March 2022

# LLOYDS BANK



### Quick Facts:

Product Type	<b>Sustainability Deposit</b>
Deposit Type	Sustainability Fixed Term Deposit
Interest Rate	Fixed rate agreed at time of placing the Deposit and fixed until the Maturity Date.
Interest Calculation & Payment Frequency	For Deposits up to 1 year in duration, interest is calculated using the Day Basis and paid on the Maturity Date. For Deposits exceeding 1 year in duration, interest is calculated using the Day Basis and paid on each anniversary of the Deposit's Value Date and on the Maturity Date <sup>2</sup> .
Minimum Deposit Amount	10,000 (£ / € / \$) <sup>1</sup>
Maximum Deposit Amount	5,000,000 (£ / € / \$) <sup>1</sup>
Minimum Duration	Overnight
Maximum Duration	3 years <sup>2</sup>
Statement Frequency	None
Eligibility Requirements	This product is available to commercial businesses with an annual turnover of over £25million.

### Definitions

- **Sustainability FTD** means the Fixed Term Deposit held with Lloyds Bank plc which conforms to our Sustainability lending criteria
- **Day Basis** means calendar days / 365 for Sterling (GBP) or calendar days / 360 for Euros (EUR) and US Dollars (USD).
- **Interest Rate** means the fixed rate of interest that will apply to your SFTD. This rate is agreed with you when you agree to place the deposit with Us.
- **Lloyds Bank/ We/Us/Our** means Lloyds Bank plc.
- **Maturity Date** means the final payment date, when all funds in your SFTD (including the Principal and any remaining interest) is due to be paid to you. This must be a Working Day and will be agreed with you, when you agree to place the deposit with Us.
- **Principal** means the initial amount of funds placed into your SFTD.
- **Value Date** means the date that cleared funds are received from you. This must be a Working Day and will be agreed with you, when you agree to place the deposit with Us.
- **Working Day** means any day (excluding Saturday and Sunday) on which the banks in London are open for business.

### Product Features:

The Sustainability Fixed Term Deposit (SFTD) is a deposit product with the key features detailed below.

### Key Features:

- Sustainability Fixed Term Deposits are available in all major currencies including Sterling (GBP), Euros (EUR), and US Dollars (USD). Other currencies may be available upon request.
- Sustainability Fixed Term Deposits are to support the Lloyds Bank Sustainability lending which adheres to these principles and availability is capped at live lending levels:
  1. Lending to SMEs located in the 30% most economically disadvantaged areas in the UK
  2. Lending to healthcare providers located in the 30% most economically disadvantaged areas in the UK
  3. Energy efficient real estate lending where
    - a. Commercial properties obtain either a minimum of BREEAM Very Good (provided a minimum score of 70% is achieved in the energy category) or an EPC rating of B or higher
    - b. Residential properties obtaining an EPC Environmental Impact rating of B or higher
  4. Renewable energy lending for projects in the UK and abroad
    - a) Offshore wind farms and their associated transmission assets
    - b) Onshore wind farms
    - c) Solar energy
    - d) Tidal energy
- Sustainability Fixed Term Deposits are not linked to specific loans and contribute to the wider Lloyds Bank plc balance sheet. The Deposits outstanding will be capped at live Sustainability lending levels.
- The Interest Rate, Principal, Value Date and Maturity Date will be agreed with you, at the time when you agree to place the deposit with Us.
- The minimum duration of a SFTD is overnight, up to a maximum of 3 years<sup>2</sup>.
- Interest is calculated by reference to the Interest Rate which is fixed until the Maturity Date using the Day Basis.
- For deposits placed with a term of less than 1 year, We will calculate the interest and pay the Principal and any interest to your nominated account on the Maturity Date as stated in your standard instructions, unless instructed otherwise, prior to the maturity of the SFTD.
- For deposits placed with a term of more than 1 year, We will calculate the interest and pay interest to your nominated account on an annual basis by reference to the Value Date. The Principal including any remaining interest will be paid to your nominated account on the Maturity Date.

<sup>1</sup>Larger or smaller amounts (and in other currencies) may be available on request /at Our discretion

<sup>2</sup>Unless otherwise agreed

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### Benefits:

The Sustainability Fixed Term Deposit can fit in with a depositor's Sustainability criteria as part of a wider organisational Corporate strategy. The Sustainability lending criteria will at all times mirror those for the Lloyds Banking Group sustainability bond, the framework for which can be accessed here:

[www.lloydsbankinggroup.com/sustainability-bond-framework-march-2019](http://www.lloydsbankinggroup.com/sustainability-bond-framework-march-2019)

- The framework has been reviewed by Sustainalytics and their third party opinion can be accessed here: [www.lloydsbankinggroup.com/lloyds-bank-sustainability-bond](http://www.lloydsbankinggroup.com/lloyds-bank-sustainability-bond)
- Lloyds Bank will issue an eligibility certificate for each Deposit.
- The Interest Rate you receive on the SFTD is fixed until the Maturity Date.
- Trade parameters including Principal, Interest Rate, and Duration can be tailored to suit your requirements, but are fixed once agreed and cannot be altered.

### Risks:

- You may not withdraw all or part of the Principal prior to the Maturity Date and you must hold the SFTD until the Maturity Date. This means that the Principal is committed for the duration of the SFTD and your financial position must allow you to be able to cover any cash flow requirements you may have during the fixed term.
- No additional funds can be deposited once the parameters of the SFTD have been agreed.

### Placement / Maturity of Sustainability Fixed Term Deposit (SFTD):

- In order to place a SFTD, instructions must be given by telephone to your Lloyds Bank representative.
- In order to make a deposit, you will need to open or have a nominated account. This nominated account will be used to transfer the deposit amount agreed and used to transfer your deposits upon maturity. Your nominated account does not need to be held with Lloyds Bank.
- Further funds may not be deposited into an existing SFTD, but it is possible to place more than one SFTD.
- Written confirmation will be sent to you in respect of each SFTD that you place with Us. The confirmation will confirm the Interest Rate, Principal, the Maturity Date and the Value Date. No statements will be sent.
- The SFTD will operate from the agreed Value Date. You must ensure that the agreed amount of funds to be deposited into your SFTD is received by Us on the agreed Value Date. A delay in the receipt of funds may result in a loss of interest on your SFTD.
- On the Maturity Date, Lloyds Bank will transfer the Principal and any remaining interest on the SFTD to your nominated account as agreed at the time of placing your deposit. Should you wish to amend your nominated account or amend any instructions under your SFTD, you must notify Lloyds Bank prior to the Maturity Date. Any instructions received on or after the Maturity Date will not have any effect.

### Important Information

- Lloyds Bank will only accept, and agree to, a SFTD once it has received all necessary documentation and its internal checks have been completed to its satisfaction. Lloyds Bank reserves the right to reject an application.
- Terms and Conditions apply which you should read carefully. These can be found at [www.lloydsbank.co.uk/generalterms](http://www.lloydsbank.co.uk/generalterms) & [www.lloydsbank.co.uk/cbmarkets-deposit-terms](http://www.lloydsbank.co.uk/cbmarkets-deposit-terms)
- You are responsible for ensuring that payment is made to the relevant revenue authorities for any tax liability due in respect of your SFTD. However, We reserve the right to withhold tax from any amount that We pay to you. We may be required to report from time to time to regulatory or other authorities, details of any information We hold in respect of your SFTD. We reserve the right to do so without any further notice to you.

Please contact your Lloyds Bank representative if you have any queries regarding the information in this factsheet.

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## COMPENSATION ARRANGEMENTS

Eligible deposits with Lloyds Bank plc are protected by the Financial Services Compensation Scheme (FSCS).

Further information about the scheme (including the amounts covered and eligibility to claim) can be obtained from the FSCS via its website [www.FSCS.org.uk](http://www.FSCS.org.uk) or by calling the FSCS on 0207 741 4100 or 0800 678 1100.

## DISCLAIMER

This document has been prepared by Lloyds Bank plc ("Lloyds Bank") for information purposes only. This document describes the product and summarises the key risks and benefits associated with making a deposit of this nature. Any terms, including rates that may be contained herein are indicative only. The rates offered and the other financial terms of this deposit are only agreed when you make the deposit with us. If you receive information from us which is inconsistent with other information which you have received from us, you should refer this to your Lloyds Bank Sales representative for clarification.

Lloyds Bank acts as your deposit taker under this deposit and solely in a principal capacity. Not all investments will fulfil your requirements. You should be aware that any investment which you enter into with us is, in the absence of any written agreement to the contrary, on the basis that you are able to make your own independent assessment and decision as to your requirements and whether that investment fulfils those requirements. Your decision will be based on your own knowledge and experience and any professional advice which you may have sought in relation to the financial, legal, regulatory, tax or accounting aspects of the proposed investment.

Lloyds Banking Group plc and its subsidiaries may participate in benchmarks in any one or more of the following capacities; as administrator, submitter or user. Benchmarks may be referenced by Lloyds Banking Group plc for internal purposes or used to reference products, services or transactions which we provide or carry out with you. More information about Lloyds Banking Group plc's participation in benchmarks is set out in the Benchmark Transparency Statement which is available on our website.

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