

BENCHMARK TRANSPARENCY STATEMENT

For the attention of clients of Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH (“LBCMW”).

Introduction

This Benchmark Transparency Statement (this “Statement”) provides you with general information about the relationship between LBCMW, Lloyds Bank plc and how certain Benchmarks are determined. Definitions of terms are provided at the end of the Statement.

The roles of LBCMW and Lloyds Bank plc relating to Benchmarks

When you enter into a financial transaction, for example a transaction in securities with LBCMW, the payments, settlements or deliveries due to, or from, you (and any subsequent valuation of the transaction) may be determined by reference to the level of a Benchmark.

For Benchmarks regulated under Regulation (EU) 2016/1011, LBCMW will only ever act as a User.

Lloyds Bank plc is a Contributor to the following two Benchmarks:

Benchmark	Benchmark Administrator
London Interbank Offered Rate (LIBOR)	ICE Benchmark Administration Limited (IBA)
Halifax House Price Index (HHPI)	Markit Group Limited

In its capacity as contributor, Lloyds Bank plc has internal controls and procedures in place to monitor that any Input Data contributed to an Administrator is not affected by any existing or potential conflicts of interest, specifically due to other interests in the Lloyds Banking Group (including in relation to LBCMW and LBCMW’s clients). Lloyds Bank plc adheres to relevant codes of conduct, appoints a benchmark officer and maintains a conflicts register to monitor and manage potential conflicts.

LBCMW’s role as a Benchmark User

Products or transactions offered to you by LBCMW may reference a Benchmark for which LBCMW and other entities within the Lloyds Banking Group are neither an Administrator nor a Contributor.

Where LBCMW is a User of a Benchmark that is administered by a third party, LBCMW makes no representation or warranty with respect to the Administrator’s determination of such Benchmarks.

In making use of a Benchmark, LBCMW may reference the Benchmark for internal purposes or use the

Benchmark, on its own or in combination, in products, services or transactions which we provide or carry out with you. The Benchmark may be used for the purpose of determining payments, settlements or deliveries due to, or from, you as a result of a transaction in securities, or in the valuation of any such securities.

When a weighted combination of Benchmarks is used to create a separate multi-asset measure that may determine payment, settlements or deliveries under a product, service or transaction offered by us, this combination of benchmarks is a use of each component Benchmark, rather than the creation and administration of a new Benchmark.

Where LBCMW makes a regulated use of a Benchmark it has processes in place to manage a material change or cessation of that Benchmark by its Administrator, including where feasible and appropriate the determination of, and obtaining access to, a suitable replacement or alternative Benchmark.

The United Kingdom Financial Conduct Authority¹ (the FCA) has announced that banks would not be required to contribute to CHF, EUR, GBP, JPY LIBOR and 1 week and 2 month USD LIBOR after 31 December 2021. The FCA has also announced that GBP and JPY LIBOR will be published on a synthetic basis for a limited period of time after end 2021. As a result of these announcements LIBOR ceased, or in respect of certain GBP and JPY tenors materially changed, at that time. Contracts entered into with Lloyds Bank entities may contain provisions as to fallback rates to be applied in that event.

The FCA has also announced that the remaining five US dollar LIBOR settings will continue on the current basis until end-June 2023, when the USD LIBOR will cease.

Definitions

“Administrator” means a natural or legal person that has control over the provision of a benchmark namely:

- a) administering the arrangements for determining a Benchmark
- b) collecting, analysing or processing input data for the purpose of determining Benchmark and
- c) determining a Benchmark through the application of a formula or other method of calculation or by an assessment of input data provided for that purpose.

“Benchmark” means any Index by reference to which the amount payable under a financial instrument or a financial contract, or the value of a financial instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees.

“Contributor” means a natural or legal person providing Input Data to an Administrator, or to another person for the purposes of passing to an Administrator, that is required in connection with the determination of a Benchmark, and is provided for that purpose.

“Index” means any figure:

- a) that is published or made available to the public;
- b) that is regularly determined:
 - i. entirely or partially by the application of a formula or any other method of calculation, or by an assessment; and
 - ii. on the basis of the value of one or more underlying assets or prices, including estimated prices, actual or estimated interest rates, quotes and committed quotes, or other values or surveys.

“Input Data” means data in respect of the value of one or more underlying assets or prices, including estimated prices, quotes, committed quotes or other values used by an Administrator to determine a Benchmark.

¹ <https://www.fca.org.uk/news/press-releases/further-arrangements-orderly-wind-down-libor-end-2021>

“**LBCMW**” means Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH

“**User**” refers to a legal person or entity that uses a Benchmark for one of the following purposes:

- (a) issuance of a financial instrument which references an Index or a combination of Indices;
- (b) determination of the amount payable under a financial instrument or a financial contract by referencing an Index or a combination of Indices;
- (c) being a party to a financial contract which references an Index or a combination of Indices;
- (d) providing a borrowing rate that is calculated as a spread or mark-up over an Index or a combination of Indices and that is solely used as a reference in a financial contract to which the creditor is a party;
- (e) measuring the performance of an investment fund through an Index or a combination of Indices for the purpose of tracking the return of such Index or combination of Indices, of defining the asset allocation of a portfolio, or of computing the performance fees.

Lloyds Bank is a trading name of Lloyds Bank plc, Bank of Scotland plc, Lloyds Bank Corporate Markets plc and Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH. Lloyds Bank plc. Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2065. Bank of Scotland plc. Registered Office: The Mound, Edinburgh EH1 1YZ. Registered in Scotland no. SC327000. Lloyds Bank Corporate Markets plc. Registered office 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 10399850. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 119278, 169628 and 763256 respectively. Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH. Registered Office: Thurn-und-Taxis-Platz 6, 60313 Frankfurt. Registered with the Amtsgericht Frankfurt am Main, HRB 111650. Authorised and supervised by the Bundesanstalt für Finanzdienstleistungsaufsicht (“BaFin”), ID number 150348. DIS.LBCMW.G.B2 (04/22)
