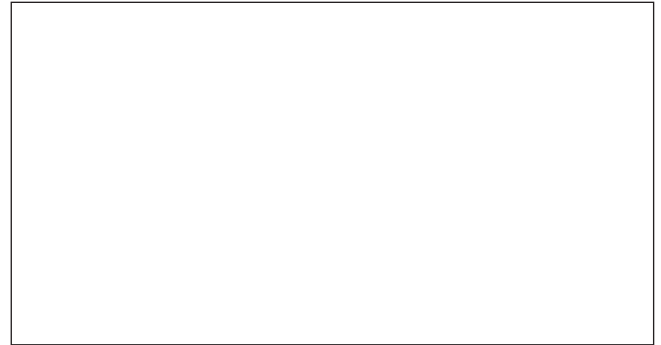


Mr. H Baines
Chairman
Lloyds Banking Group Pensions Trustee Limited
25 Gresham Street
London
EC2V 7HN



1st June 2021

Dear Mr. Baines

Lloyds Banking Group – Inflation Changes

You will be aware from correspondence with my union BTU, which is part of Affinity, that on the 25th November 2020, HM Treasury and the UK Statistics Authority published their response to the consultation on the reform of the retail price index (RPI). I have also been in correspondence with my MP on the same issue.

It is estimated that over ten million pension scheme members will be adversely affected by this change either from lower payments or lower transfer values. A significant number of those, like me, will be members of one of Lloyds Banking Group's final salary pension schemes. Women will suffer the most from this change because typically they live longer.

The Trustees of the Ford, BT and Marks and Spencer pension schemes are seeking a judicial review of the decision to replace RPI with CPIH. I would urge Lloyds Banking Group Pensions Trustees Limited, who are under an obligation to look after the interests of all pension scheme members, to join this legal action on behalf of those tens of thousands of Lloyds' members who are going to be adversely affected by the change to the calculation of inflation.

I should be grateful if you would confirm whether you were approached to join the legal action before it was started. If you decided not to join the action, I should be grateful if you would provide me with an explanation why the Trustee didn't believe that would be in the best interests of pension scheme members? Can you also confirm whether the Member Nominated Trustees have raised this issue at Trustee Board meetings?

I look forward to receiving your response.

Yours sincerely