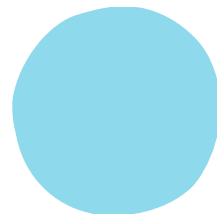


**TSB Banking Group PLC**  
**Large Subsidiary Disclosure**  
**Q1 2024**



# 1. Introduction

This document presents the Pillar III Large Subsidiary Disclosures as at 31 March 2024 relating to TSB Banking Group plc (TSB), a subsidiary undertaking of Banco de Sabadell Group. TSB operates in the United Kingdom (UK) and is authorised and regulated by the Prudential Regulation Authority (PRA). The disclosures have been prepared in accordance with the Disclosure (CRR) part of the PRA Rulebook.

Comparative figures are reported to give insight into movements during the period. Where specific rows and columns in the tables prescribed by the PRA are not applicable or are immaterial to TSB's activities, TSB may omit them and follow the same approach for comparative disclosures.

## 2. Risk Weighted Assets

### 2.1 Risk weighted assets and Pillar 1 capital requirements

The risk weighted assets and Pillar 1 capital requirements of TSB as at 31 March 2024 are presented in the following table:

Table 1: Overview of risk-weighted assets (OV1)

	RWAs 31 March 2024 £000	RWAs 31 December 2023 £000	Total own funds requirements <sup>(1)</sup> 31 March 2024 £000
<b>Credit risk (excluding CCR)</b>	<b>9,496,997</b>	<b>9,285,021</b>	<b>759,760</b>
Of which the standardised approach <sup>(2)</sup>	1,024,511	1,027,173	81,961
Of which the advanced IRB (AIRB) approach	8,472,486	8,257,848	677,799
<b>Counterparty credit risk (CCR)</b>	<b>40,782</b>	<b>47,113</b>	<b>3,263</b>
Of which the standardised approach	5,863	4,450	469
Of which exposures to a CCP	1,696	2,067	136
Of which credit valuation adjustment - CVA	15,754	12,250	1,260
Of which other CCR	17,469	28,346	1,398
<b>Operational risk</b>	<b>1,633,140</b>	<b>1,633,140</b>	<b>130,651</b>
Of which Standardised Approach	1,633,140	1,633,140	130,651
<b>Amounts below the thresholds for deduction (subject to 250% risk weight)<sup>(2)</sup></b>	<b>96,019</b>	<b>87,477</b>	<b>7,682</b>
<b>Total</b>	<b>11,266,938</b>	<b>11,052,751</b>	<b>901,356</b>

(1) Under Pillar 1, firms are required to maintain minimum regulatory capital levels at 8% of RWAs.

(2) Subject to 250% risk weight has been presented as a separate row included in the overall total rather than an 'of which' of the standardised approach.

## 2.2 Risk weighted assets movements by key driver

Analysis of movements in IRB credit risk weighted exposure amounts (RWEAs) from 31 December 2023 to 31 March 2024 and from 30 September 2023 to 31 December 2023 is presented in table 2.

**Table 2: RWEA flow statements of credit risk exposures under the IRB approach (CR8)**

	Risk weighted exposure amount	
	3 months to 31 March 2024 £000s	3 months to 31 December 2023 £000s
<b>Risk weighted exposure amount as at the end of the previous reporting period</b>	<b>8,257,848</b>	<b>7,967,417</b>
Asset size (+/-)	119,693	46,011
Asset quality (+/-)	94,945	(20,219)
Model updates (+/-)	-	-
Methodology and policy (+/-)	-	264,639
<b>Risk weighted exposure amount as at the end of the reporting period</b>	<b>8,472,486</b>	<b>8,257,848</b>

## 3. Liquidity

The Liquidity Coverage Ratio (LCR) is a key regulatory tool used to monitor the short-term liquidity adequacy of the bank.

The table below reflects the trailing 12 month-end average LCR balances at the applicable quarter end dates.

**Table 3: Quantitative information of LCR (LIQ1)**

Consolidated	Total unweighted value (average)				Total weighted value (average)			
	31 March 2024	31 December 2023	30 September 2023	30 June 2023	31 March 2024	31 December 2023	30 September 2023	30 June 2023
£000's								
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
<b>HIGH-QUALITY LIQUID ASSETS</b>								
Total high-quality liquid assets (HQLA)					7,235,974	7,371,627	7,296,738	7,159,476
<b>CASH - OUTFLOWS</b>								
<b>Retail deposits and deposits from small business customers, of which:</b>								
Stable deposits	34,967,049	35,208,229	35,433,859	35,488,060	2,276,212	2,305,933	2,330,557	2,359,517
Less stable deposits	25,777,719	26,138,004	26,625,242	27,112,401	1,288,886	1,306,900	1,331,262	1,355,620
Unsecured wholesale funding	6,733,745	6,821,983	6,848,553	6,891,924	987,326	999,032	999,295	1,003,896
Non-operational deposits (all Counterparties)	263,582	239,470	295,383	304,453	151,369	115,772	162,373	165,675
Unsecured debt	207,698	227,766	244,614	255,734	95,485	104,068	111,605	116,957
Secured wholesale funding	55,884	11,704	50,769	48,719	55,884	11,704	50,768	48,718
Additional requirements					31,250	31,250	31,250	31,250
Outflows related to derivative exposures and other collateral requirements	4,585,922	4,592,195	4,594,664	4,528,608	916,053	917,114	916,471	853,393
Credit and liquidity facilities	722,902	723,689	722,882	659,961	722,902	723,689	722,882	659,961
Other contractual funding obligations	3,863,020	3,868,506	3,871,782	3,868,647	193,151	193,425	193,589	193,432
Other contingent funding obligations	205,066	169,169	134,552	108,751	136,868	102,393	68,721	43,443
<b>TOTAL CASH OUTFLOWS</b>	<b>1,775,193</b>	<b>1,651,486</b>	<b>1,713,461</b>	<b>2,040,621</b>	<b>680,560</b>	<b>661,606</b>	<b>727,190</b>	<b>907,712</b>
<b>CASH - INFLOWS</b>								
Secured lending (e.g. reverse repos)	31,250	31,250	31,250	31,250	-	-	-	-
Inflows from fully performing exposures	321,841	326,930	339,129	344,774	209,714	212,574	221,960	224,341
Other cash inflows	10,151	13,136	32,052	37,524	5,559	6,304	22,907	26,024
<b>TOTAL CASH INFLOWS</b>	<b>363,243</b>	<b>371,316</b>	<b>402,431</b>	<b>413,548</b>	<b>215,273</b>	<b>218,878</b>	<b>244,867</b>	<b>250,365</b>
Inflows subject to 75% cap	363,243	371,316	402,431	413,548	215,273	218,878	244,867	250,365
<b>TOTAL ADJUSTED VALUE</b>								
<b>LIQUIDITY BUFFER</b>					<b>7,235,974</b>	<b>7,371,627</b>	<b>7,296,738</b>	<b>7,159,476</b>
<b>TOTAL NET CASH OUTFLOWS</b>					<b>3,977,039</b>	<b>3,915,190</b>	<b>3,991,695</b>	<b>4,110,625</b>
<b>LIQUIDITY COVERAGE RATIO<sup>(1)</sup></b>					<b>182%</b>	<b>188%</b>	<b>183%</b>	<b>175%</b>

(1) The ratios reported in the above table are simple averages of month-end LCR ratios over the trailing 12 months to the reporting quarter date. Therefore, these ratios may not be equal to the implied LCR % calculated when using the average component amounts reported under 'LIQUIDITY BUFFER' and 'TOTAL NET CASH OUTFLOWS' in the above table.

## 4. Contacts

For further information please contact:

### Media

George Gordon  
Communications and Corporate Affairs Director  
Phone: +44 (0)207 003 9369  
Mobile: +44 (0)7825 680197  
Email: [george.gordon@tsb.co.uk](mailto:george.gordon@tsb.co.uk)

Supreet Thomas  
Head of Communications  
Mobile: +44 (0) 07519 502123  
Email: [supreet.thomas@tsb.co.uk](mailto:supreet.thomas@tsb.co.uk)

### Investors and analysts

[investorrelations@bancsabadell](mailto:investorrelations@bancsabadell)