



Intermediaries Factsheet

TSB at a glance

- TSB occupies a unique market position in British retail banking as a UK-only challenger brand with over 200 years of heritage, the capabilities of a large established player, including a comprehensive range of retail banking products, a multi-channel and national distribution model, and the high growth potential of a challenger bank

TSB highlights

- TSB has a strong and stable customer base of 4.5 million retail customers and a national distribution model including 631 branches, making it the seventh largest retail banking group in the UK by branch network
- TSB has a dedicated management team, some of whom have led the development of the bank since 2011, including its launch on high streets across Britain last September. The team bring a unique mix of experience from across larger banks, challenger banks and regulatory bodies
- TSB's balance sheet comprises primarily historically low-loss UK retail mortgages, funded by strong and stable customer deposits
- TSB benefits from significant economic protection against legacy issues, including historical conduct-related claims and losses and historical employment and pension legacy issues
- Services agreements with Lloyds provide a comprehensive range of IT and banking operations services which utilise Lloyds' proven operational infrastructure
- TSB has developed a strong, values-led challenger brand position and is committed to offering a differentiated customer experience

TSB strategy

- TSB has three clear strategic priorities in order to build upon its existing strengths to drive growth and enhance returns

- 1 TSB aims to grow its PCA market share to consistently achieve a share of gross flow that is in excess of the scale of its distribution channels
- 2 TSB will aim to accelerate its asset growth by re-entering the intermediary mortgage distribution channel with the aim, in time, to sell a volume of mortgages through this channel that is consistent with its size
- 3 TSB aims to deploy its considerable digital banking capability to reduce customer servicing costs, deepen customer relationships and create new customer relationships

Chairman, CEO and CFO

- **Will Samuel – Chairman**
 - Will has worked for over 35 years in merchant banking and corporate finance beginning his career at Coopers & Lybrand
 - He served as Co-Chief Executive Officer ("CEO") at Schroder Salomon Smith Barney, was appointed Vice Chairman, European Investment Bank of Citigroup Inc and was Vice Chairman and a Senior Advisor at Lazard
 - He stepped down as Senior Advisor to the Prudential Regulation Authority prior to his appointment as Non-Executive Chairman of TSB
 - Other Non-Executive Directorships include H P Bulmer plc, Inchcape plc, and Edinburgh Investment Trust plc. Will was Trustee and Honorary Treasurer of International Alert, a charitable peace building non-governmental organisation, from 2009 to 2014
- **Paul Pester – CEO**
 - Paul spent 10 years in management consultancy and spent 6 years as the Group CEO at Virgin Money before joining Santander UK in 2008 where he led the acquisition of Bradford & Bingley and the subsequent integration of Abbey, Alliance & Leicester and Bradford & Bingley to create a single UK business
 - In 2010 Paul joined Lloyds where he took up the role of Managing Director of Consumer Banking and Payments
 - He was then appointed CEO of the Verde programme through which he led the development and establishment of the new TSB business within Lloyds
 - In 2013 Paul was appointed as CEO of TSB
- **Darren Pope – CFO**
 - Darren is a qualified accountant with over 25 years of experience in the financial services industry
 - He started his career in Corporate Development at Prudential where he was one of the founders of Egg and served as the internet credit card, savings and mortgage provider's UK Finance Director ("FD") following its 2000 IPO
 - Darren moved to Lloyds TSB in 2005 as FD for the mortgage division before joining Project Verde in 2010 where he led all aspects of the programme before becoming CFO of TSB in 2011

Considerations

- **Intermediaries commissions and fees**
 - Investors will be able to apply for shares through intermediaries. Intermediaries may charge commissions to apply for shares and there may also be fees to continue to hold or to sell any shares that investors buy. Ask intermediaries for full details
- **Risks**
 - Prices of shares may go down as well as up and in the worst case you could lose all of your investment
 - You should discuss the potential risks of an investment in the shares with your chosen intermediary
 - TSB is subject to key risks relating to its business and the industry in which it operates, including risks relating to the macroeconomic environment, the regulatory environment and TSB's relationship with Lloyds. Detailed disclosure of such risks will be contained in the Risk Factors section of the prospectus which you should consider carefully
 - The plans and strategies discussed in this document may be impacted by the risk factors relating to the TSB group which will be included in the prospectus

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