

FINAL TERMS

9 November 2023

TSB Bank plc
Legal Entity Identifier (LEI): 549300XP222MV7P3CC54

**Issue of Regulated £500,000,000 Series 2023-3 Floating Rate Covered Bonds due November 2027
irrevocably and unconditionally guaranteed as to payment of principal and interest by
TSB Covered Bonds LLP
under the £10 billion
Global Covered Bond Programme**

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended or superseded, **MiFID II**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EC (as amended or superseded, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended or superseded) (the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making the Covered Bonds available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making the Covered Bonds available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of

Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making the Covered Bonds available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making the Covered Bonds available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the **Terms and Conditions**) set forth in the Prospectus dated 19 July 2023 which constitute a base prospectus (the **Prospectus**) for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and UK Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**) (the **UK Prospectus Regulation**) This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and the UK Prospectus Regulation and must be read in conjunction with such Prospectus. Full information on the Issuer, the LLP and the Covered Bonds is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is published on the website of the London Stock Exchange and is available for viewing at Henry Duncan House, 120 George Street, Edinburgh EH2 4LH and the Issuer's website (www.tsb.co.uk/investors/debt-investors), and copies may be obtained during normal business hours from TSB Bank plc, Henry Duncan House, 120 George Street, Edinburgh EH2 4LH.

1	(i)	Issuer:	TSB Bank plc
	(ii)	LLP:	TSB Covered Bonds LLP
2	(i)	Series Number:	2023-3
	(ii)	Tranche Number:	1
	(iii)	Series which Covered Bonds will be consolidated and form a single Series with:	Not Applicable
	(iv)	Date on which the Covered Bonds will be consolidated and form a single Series with the Series specified above;	Not Applicable
3		Specified Currency or Currencies:	Sterling (£)
4		Aggregate Amount of Covered Bonds to be issued:	£500,000,000
5		Aggregate Nominal Amount of Covered Bonds admitted to trading:	
	(i)	Series:	£500,000,000
	(ii)	Tranche:	£500,000,000
6		Issue Price:	100 per cent. of the aggregate nominal amount
7	(i)	Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Covered Bonds in definitive form will be issued with a denomination above £199,000.
	(ii)	Calculation Amount:	£1,000
8	(i)	Issue Date:	10 November 2023
	(ii)	Interest Commencement Date:	Issue Date

- 9 (i) Final Maturity Date: Interest Payment Date falling in or nearest to November 2027
- (ii) Extended Due for Payment Date of Interest Payment Date falling in or nearest to November 2028
Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:
- 10 Interest Basis: SONIA +0.63 per cent. Floating Rate
- 11 Redemption/Payment Basis: 100 per cent. of the nominal value
- 12 Change of Interest or Redemption/Payment Basis: From and including the Final Maturity Date to but excluding the Extended Due for Payment Date the following Interest provisions apply:

Specified Period(s)/Specified Interest Payment Date(s): 10th day of each month, from and including 10 December 2027, to and including the Extended Due for Payment Date

Business Day Convention: Modified Following Business Day Convention

Additional Business Centre(s): Not Applicable

Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination

Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Principal Paying Agent): Not Applicable

Screen Rate Determination: Applicable

- **Reference Rate:** Compounded Daily SONIA
- **Relevant Financial Centre:** London
- **Interest Determination Date(s):** Fifth London Banking Day prior to the end of each Interest Period
- **Relevant Screen Page:** Reuters Screen SONIA Page (or any replacement thereto)
- **Overnight Rate:** Applicable
- **Index Determination:** Not Applicable
- **Relevant Number:** Not Applicable
- **Observation Method:** Lag
- **Observation Look Back Period:** 5 London Banking Days
- **D:** 365
- **Lock-Out Date:** Not Applicable

Margin(s): +0.63 per cent. per annum

Minimum Rate of Interest: zero per cent. per annum.

Maximum Rate of Interest: Not Applicable

Day Count Fraction: Actual/365 (Fixed), adjusted

13	Put/Call Options:	Not Applicable
14	Date of Board approval for issuance of Covered Bonds and Covered Bond Guarantee obtained:	22 February 2017 and 24 January 2023 in respect of the Issuer and 8 November 2023 in respect of the LLP
15	Listing:	London

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	Fixed Rate Covered Bond Provisions	Not Applicable
17	Floating Rate Covered Bond Provisions	Applicable
	(i) Specified Period(s)/Specified Interest Payment Date(s):	10 February, 10 May, 10 August and 10 November in each year, provided however that after the Final Maturity Date, the Specified Interest Payment Date shall be monthly as specified in paragraph 12. The first Interest Payment Date shall be 10 February 2024.
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Centre(s):	Not Applicable
	(iv) Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
	(v) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Principal Paying Agent):	Not Applicable
	(vi) Screen Rate Determination:	Applicable
	– Reference Rate:	Compounded Daily SONIA
	– Relevant Financial Centre:	London
	– Interest Determination Date(s):	Fifth London Banking Day prior to the end of each Interest Period
	– Relevant Screen Page:	Reuters Screen SONIA Page (or any replacement thereto)
	– Overnight Rate:	Applicable
	– Index Determination	Not Applicable
	– Relevant Number:	Not Applicable
	– Observation Method:	Lag
	– Observation Look Back Period:	5 London Banking Days

	– D:	365
	– Lock-Out Date	Not Applicable
(vii)	ISDA Determination:	Not Applicable
(viii)	Margin(s):	+0.63 per cent. per annum
(ix)	Minimum Rate of Interest:	zero per cent. per annum
(x)	Maximum Rate of Interest:	Not Applicable
(xi)	Day Count Fraction:	Actual/365 (Fixed), adjusted
18	Zero Coupon Covered Bond Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19	Issuer Call Option	Not Applicable
20	Investor Put Option	Not Applicable
21	Final Redemption Amount	Nominal Amount/£1,000 per Calculation Amount
22	Early Redemption Amount	
	Early Redemption Amount(s) payable on redemption for taxation reasons or on acceleration following an Issuer Event of Default or an LLP Event of Default:	£1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

23	Form of Covered Bonds	Bearer Covered Bonds: Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds in definitive form after an Exchange Event
24	New Global Covered Bond:	Yes
25	Additional Financial Centre(s) or other special provisions relating to payment dates:	Not Applicable
26	Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	No.
27	Details relating to Instalment Covered Bonds:	
	Instalment Amount(s):	Not Applicable
	Instalment Date(s):	Not Applicable

Signed on behalf of TSB Bank plc



Alison Straszewski

Duly authorised

Signed on behalf of TSB Covered Bonds LLP



Alison Straszewski

Duly authorised

PART B — OTHER INFORMATION

1 LISTING

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| (i) | Admission to trading: | Application is expected to be made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the London Stock Exchange's main market and to be listed on the Official List of the Financial Conduct Authority with effect from or about 10 November 2023 |
| (ii) | Estimate of total expenses related to admission to trading: | £5,800 |

2 RATINGS

Ratings:	The Covered Bonds to be issued have been initially rated: Moody's: Aaa (endorsed by Moody's Deutschland GmbH)
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Moody's Investors Service Ltd. is established in the UK and are registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the **UK CRA Regulation**).

Moody's Investors Service Ltd (endorsed by Moody's Deutschland GmbH) has, in its 28 September 2023 publication "Rating Symbols and Definitions", described a credit rating of 'Aaa' in the following terms: "Aaa; Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk."

3 PROVISIONS RELATING TO THE INTEREST RATE SWAPS

Fixed Rate Spread:	1.18% per annum
Tracker Rate Spread:	-0.17% per annum
Variable Rate Spread:	2.18%per annum

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "*Subscription and Sale and Transfer and Selling Restrictions*", so far as the Issuer and LLP are aware, no person involved in the issue of the Covered Bonds has an interest material to the offer.

5 USE OF PROCEEDS

Reasons for offer	See "Use of Proceeds" in the Prospectus
Estimated Net Proceeds	£500,000,000
Estimated Total Expenses	£5,800

6 U.S. SELLING RESTRICTIONS

Regulation S Category 2; TEFRA D rules apply

7 OPERATIONAL INFORMATION:

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| (i) | ISIN: | XS2717349489 |
| (ii) | Common Code: | 271734948 |
| (iii) | CFI: | As updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN |
| (iv) | FISN: | As updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN |
| (v) | (Insert here any other relevant codes): | Not Applicable |
| (vi) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s): | Not Applicable |
| (vii) | Names and addresses of additional Paying Agents | Not Applicable |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Covered Bonds are capable of meeting them the Covered Bonds may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Covered Bonds will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |
| (ix) | Prohibition of Sales to EEA Retail Investors: | Applicable |
| (x) | Prohibition of Sales to UK Retail Investors: | Applicable |
| 8 | YIELD (Fixed Rate Covered Bonds only) | Not Applicable |
| 9 | RELEVANT BENCHMARKS | SONIA is provided by the Bank of England. As at the date hereof, as far as the Issuer is aware, the Bank of England is not currently required to obtain authorisation/registration under the UK Benchmarks Regulation. SONIA does not fall within the scope of the UK Benchmarks Regulation by virtue of Article 2 of the UK Benchmarks Regulation. |