



INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF TSB BANKING GROUP PLC ON SELECTED INFORMATION IN RELATION TO THE STREAMLINED ENERGY & CARBON REPORTING (SECR) DISCLOSURE WITHIN THE 2022 ANNUAL REPORT & ACCOUNTS

This report is produced in accordance with the terms of our engagement letter dated 30 December 2022 for the purpose of reporting to the Directors of TSB Banking Group plc (the 'Bank') in connection with the selected Key Performance Indicator's as defined within 'Appendix 1' (the 'Selected Information') for the reporting period ended 31 December 2022.

This report is made solely to the Directors of the Bank, as a body, in accordance with the terms of the engagement letter dated 30 December 2022. Those terms permit disclosure on the Bank's website, solely for the purpose of the Bank showing that it has obtained an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's Directors as a body, for our examination, for this report, or for the conclusions we have formed.

Our work has been undertaken so that we might report to the Directors those matters that we have agreed to state to them in this report and for no other purpose. Our report must not be recited or referred to in whole or in part in any other document nor made available, copied or recited to any other party, in any circumstances, without our express prior written permission.

Respective responsibilities of the company and Ernst & Young LLP

As Directors of the company, you are responsible for the preparation and presentation of the Selected Information in accordance with the SECR Methodology ('the Criteria') as referenced within the 2022 Annual Report & Accounts ('the Report') and available on the Bank's website. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Selected Information, such that it is free from material misstatement, whether due to fraud or error. The Directors of the company remain solely responsible for the Selected Information, the contents and statements contained within the Report and the Criteria.

Respective responsibilities of Ernst & Young LLP

It is our responsibility to provide a conclusion on the Selected Information based on our examination.

Our approach

We conducted our engagement in accordance with International Standard on Assurance Engagements (UK) 3000 (July 2020) *Assurance engagements other than audits or reviews of historical financial information* ("ISAE (UK) 3000 (July 2020)") as promulgated by the Financial Reporting Council (FRC). For the purpose of the engagement, we have been provided by the Directors with the Selected Information.

In performing this engagement, we have applied International Standard on Quality Control (ISQC) 1 and the independence and other ethical requirements of the Institute of Chartered Accountants of England and Wales (ICAEW) Code of Ethics (which includes the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA)).

We have performed the procedures agreed with you and set out in our engagement letter dated 30 December 2022. Our work included, but was not limited to:

- ▶ Conducting interviews with the company's personnel to understand key processes, systems and controls in place over the preparation of the Selected Information.
- ▶ Conducting walk-through procedures over the data to understand the aggregation and consolidation processes.
- ▶ Performing analytical review procedures over the Selected Information and enquiring with management as to the reasoning behind material year-on-year variances.
- ▶ Agreeing a sample of the Selected Information to underlying source documentation to check the accuracy of the data.
- ▶ Checking that the calculation criteria had been applied in accordance with the methodologies outlined in the Criteria.
- ▶ Making management enquiries and reviewing explanations for significant variances.
- ▶ Reading the Report and narrative supporting the Selected Information to assess the consistency with the reporting Criteria.
- ▶ Obtaining management representations.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on the Selected Information. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

Our conclusion is based on historical information and the projection of any information or conclusions in the attached report to any future periods would be inappropriate. Our examination excludes audit procedures such as verification of all assets, liabilities and transactions and is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the information.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Selected Information is not fairly stated, in all material respects, based on the Criteria.

Ernst & Young LLP

Ernst & Young LLP

London, United Kingdom

27 January 2023

Appendix 1

The metrics listed below constitute the Selected Information within the scope of this report.

Category	Metrics
Environmental	Location-based greenhouse gas emissions for TSB Banking Group plc (tCO₂e)
<u>Reporting period:</u> 12 months to 31 December 2022	<ul style="list-style-type: none">• Scope 1 emissions from the combustion of fuel and operation of facilities (tCO₂e)• Scope 2 emissions from the purchase of electricity (tCO₂e)• Scope 3 emissions from business travel, waste, water and paper (tCO₂e)• Total Scope 1, 2 and 3 location-based emissions (tCO₂e)• Intensity ratio (sum of Scope 1,2 and 3 location-based emissions divided by the average annual headcount)• Total global annual energy consumption kWh (million)