RCB 3 Annex 2D: Asset Pool Notification Form

To note, this investor report is subject to completion and amendment. The definitive terms of the transaction will be provided in the final version of the investor report.

Completing the form
Please complete all fields in blue.
Unless specified otherwise, please report data as of the *End Date of reporting period*.

This Asset Notification Form **must be submitted each month and published by the issuer.**

This form must also be sent **at least five business days prior to any proposed assets transfer** (giving details of the size and composition of the transfer) **when such transfer changes the level of over collateralisation by 5% or more.**

Warning
Knowingly or recklessly giving us false or misleading information may be a criminal offence (Regulation 38 of the RCB Regulations and section 398 of the Financial Services and Markets Act 2000).

Sending the form
Send this form to us by email to rcb@fca.org.uk.

Regulated Covered Bonds Team
Prudential Specialists Department
Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

Administration

Name of issuer	Principality Building Society
Name of RCB programme	Prinncipality Covered Bond LLP
Name, job title and contact details of person validating this form	Lauren Palmer Lauren.palmer@principality.co.uk
Date of form submission	21/11/25
Start Date of reporting period	01/10/25
End Date of reporting period	31/10/25
Web links - prospectus, transaction documents, loan-level data	https://www.euroabs.com/IH.aspx?d=26752 https://www.principality.co.uk/home/corporate-governance/investor-relations

Counterparties, Ratings

	Counterparty/ies	Fitch		Moody's	
		Rating trigger	Current rating	Rating trigger	Current rating
Covered bonds		N/A	AAA ("EXP")	N/A	Aaa ("EXP")
Issuer	Principality Building Society	BBB-	F1/BBB+	Baa3(cr)	P-1/A2
Seller(s)	Principality Building Society	BBB-	F1/BBB+	Baa3(cr)	P-1/A2
Cash manager	Principality Building Society	BBB-	F1/BBB+	Baa3(cr)	P-1/A2
Account bank	HSBC	A / F1	F1+/AA-	A3	P-1/Aa3
Stand-by account bank	N/A	N/A	N/A	N/A	N/A
Servicer(s)	Principality Building Society	BBB-	F1/BBB+	Baa3(cr)	P-1/A2
Stand-by servicer(s)	N/A	N/A	N/A	N/A	N/A
Swap provider(s) on cover pool	Principality Building Society	BBB-	F1/BBB+	Baa3(cr)	P-1/A2
Stand-by swap provider(s) on cover pool	N/A	N/A	N/A	N/A	N/A
Swap notional amount(s) (GBP)	£ 919,533,221				
Swap notional maturity/ies	N/A				
LLP receive rate/margin	N/A				
LLP pay rate/margin	N/A				
Collateral posting amount(s) (GBP)	-				

Accounts, Ledgers

	Value as of End Date of reporting period	Value as of Start Date of reporting period	Targeted Value
Revenue receipts (please disclose all parts of waterfall)			
(a) Revenue Receipts - Interest received from Borrowers	£ 3,705,164	£ 3,823,660	N/A
(b) Interest received	£ -	£ -	N/A
(c) Excess Reserve Fund	£ -	£ -	N/A
(d) Other Revenue Receipts	£ -	£ -	N/A

(e) Excess Required Coupon Amount	£ -	£ -	N/A
(f) Reserve Ledger credit amounts following Notice to Pay	£ -	£ -	N/A
LESS			N/A
(g) Amounts Belonging to Third Parties	£ -	£ -	N/A
(h) Required Coupon Amount	£ -	£ -	N/A
(i) Interest Accumulation Ledger	£ -	£ -	N/A
Total Available Revenue Receipts	£ 3,705,164	£ 3,823,660	N/A
PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS			
(a) Fees, costs and expenses of the Trustee;	£ -	£ -	N/A
(b) Costs and fees of the Agents, any third parties, amounts required to discharge any liability of the Issuer for corporation tax.	£ -	£ -	N/A
(c) Costs and fees of each of the Servicer, Back-Up Administrator Facilitator, Cash Manager, Account Bank, Custodian, and, where applicable, Back-Up Administrator and Back-Up Cash Manager;	£ -	£ -	N/A
(d) Asset swap payment	£ -	£ -	N/A
(e) Term Advance/Liability swap payment representing the bond interest;	£ -	£ -	N/A
(f) Transaction Accounts	£ -	£ -	N/A
(g) Reserve Fund	£ -	£ -	N/A
(h) Excluded Swap Termination Amounts	£ -	£ -	N/A
(i) Indemnity amount to the Asset Pool Monitor	£ -	£ -	N/A
(j) Credit to the Coupon Payment Ledger	£ -	£ -	N/A
(k) Deferred Consideration to the seller	£ 3,705,164	£ 3,823,660	N/A
(l) Liquidation Members Fee	£ -	£ -	N/A
(m) Members Profit	£ -	£ -	N/A
Revenue priority of payments total	£ 3,705,164	£ 3,823,660	N/A
Principal receipts (please disclose all parts of waterfall)			
(a) Scheduled amounts received from Borrowers	£ 23,461,704	£ 34,024,421	N/A
(b) Term Advance/Cash Capital Contributions/Sale of Selected Loans	£ -	£ -	N/A
Total Available Principal Receipts	£ 23,461,704	£ 34,024,421	N/A
PRE-ACCELERATION PRINCIPAL PRIORITY OF PAYMENTS			
(a) Purchase of New Loans or Substitution Assets	£ -	£ -	N/A
(b) Deposit Principal Receipts in the Transaction Account.	£ -	£ -	N/A
(c) (i) Amounts due to the Covered Bond Swap Providers	£ -	£ -	N/A
(ii) Amounts due on the Term Advance	£ -	£ -	N/A
(iii) Accumulation Series of Covered Bonds	£ -	£ -	N/A
(d) Capital Distribution to Members	£ 23,461,704	£ 34,024,421	N/A
Principal priority of payments total	£ 23,461,704	£ 34,024,421	N/A
Reserve ledger	£ -	£ -	N/A
Revenue ledger	£ 3,705,164	£ 3,823,660	N/A
Principal ledger	£ 23,461,704	£ 34,024,421	N/A
Pre-maturity liquidity ledger	£ -	£ -	N/A

Asset Coverage Test

	Value	Description (please edit if different)
A	£ 878,926,666	Adjusted current balance
B	0	Principal collections not yet applied
C	0	Qualifying additional collateral
D	0	Substitute assets
X	£ 142,524	Set-off
Y	£ -	Negative carry
Total	£ 878,784,143	
Method used for calculating component 'A'	ii	
Asset percentage (%)	90.00%	
Maximum asset percentage from Fitch (%)	93.0%	
Maximum asset percentage from Moody's (%)	94.0%	
Maximum asset percentage from S&P (%)	N/A	
Maximum asset percentage from DBRS (%)	N/A	
Credit support as derived from ACT (GBP)	-	
Credit support as derived from ACT (%)	-	

Programme-Level Characteristics

Programme currency	EUR
Programme size	€5bn
Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)	£ -
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	£ -
Cover pool balance (GBP)	£ 976,622,069
GIC account balance (GBP)	
Any additional collateral (please specify)	
Any additional collateral (GBP)	
Aggregate balance of off-set mortgages (GBP)	0

Aggregate deposits attaching to the cover pool (GBP)	£ 3,516,526
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	0
Nominal level of overcollateralisation (GBP)	N/A
Nominal level of overcollateralisation (%)	N/A
Number of loans in cover pool	8,323
Average loan balance (GBP)	£ 117,340
Weighted average non-indexed LTV (%)	66.6%
Weighted average indexed LTV (%)	60.2%
Weighted average seasoning (months)	41.5
Weighted average remaining term (months)	293.1
Weighted average interest rate (%)	4.47%
Standard Variable Rate(s) (%)	6.80%
Constant Pre-Payment Rate (%, current month)	2.07%
Constant Pre-Payment Rate (%, quarterly average)	1.93%
Principal Payment Rate (%, current month)	4.47%
Principal Payment Rate (%, quarterly average)	4.17%
Constant Default Rate (%, current month)	0.00%
Constant Default Rate (%, quarterly average)	0.00%
Fitch Discontinuity Cap	N/A
Moody's Timely Payment Indicator	Probable- High
Moody's Collateral Score (%)	4.0%

Mortgage collections

Mortgage collections (scheduled - interest)	£ 3,705,164
Mortgage collections (scheduled - principal)	£ 2,225,738
Mortgage collections (unscheduled - principal)	£ 21,235,967

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	146	1.75%	£ 19,421,805.56	1.99%
Loans bought back by seller(s)	168	2.02%	£ 28,516,402.08	2.92%
of which are non-performing loans	0	0.00%	£ -	0.00%
of which have breached R&Ws	168	2.02%	£ 28,516,402.08	2.92%
Loans sold into the cover pool	0	0.00%	£ -	0.00%

Product Rate Type and Reversionary Profiles

					Weighted average				
	Number	% of total number	Amount (GBP)	% of total amount	% Current rate	Remaining teaser period (months)	% Current margin	% Reversionary margin	% Initial rate
Fixed at origination, reverting to SVR	7,459	89.62%	£ 919,533,221	94.15%	4.33%	28	4.33%	0.00%	4.33%
Fixed at origination, reverting to Libor	0	0.00%	0	0.00%	0	0	0	0.00%	0
Fixed at origination, reverting to tracker	0	0.00%	0	0.00%	0	0	0	0.00%	0
Fixed for life	0	0.00%	0	0.00%	0	0	0	0.00%	0
Tracker at origination, reverting to SVR	4	0.05%	£ 718,102	0.07%	4.46%	51	0.40%	0.00%	4.46%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0	0	0	0.00%	0
Tracker for life	0	0.00%	0	0.00%	0	0	0	0.00%	0
SVR, including discount to SVR	860	10.33%	£ 56,370,746	5.77%	6.24%	84	-0.54%	0.00%	6.24%
Libor	0	0.00%	0	0.00%	0	0	0	0.00%	0
Total	8,323	100.00%	£ 976,622,069	100.00%	4.44%		4.05%		4.44%

Stratifications

Arrears breakdown	Number	% of total number	Amount (GBP)	% of total amount
Current	8,259	99.23%	£ 968,336,641	99.15%
0-1 month in arrears	46	0.55%	£ 6,070,951	0.62%
1-2 months in arrears	10	0.12%	£ 1,329,396	0.14%
2-3 months in arrears	7	0.08%	£ 823,607	0.08%
3-6 months in arrears	1	0.01%	£ 61,474	0.01%
6-12 months in arrears	0	0.00%	£ -	0.00%
12+ months in arrears	0	0.00%	£ -	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Current non-indexed LTV	Number	% of total number	Amount (GBP)	% of total amount
0-50%	1,635	19.64%	£ 139,536,286	14.29%
50-55%	286	3.44%	£ 29,046,574	2.97%
55-60%	343	4.12%	£ 37,022,954	3.79%
60-65%	478	5.74%	£ 60,119,799	6.16%
65-70%	453	5.44%	£ 51,744,108	5.30%
70-75%	761	9.14%	£ 93,775,729	9.60%
75-80%	696	8.36%	£ 90,439,029	9.26%
80-85%	731	8.78%	£ 92,821,494	9.50%
85-90%	1,309	15.73%	£ 178,203,642	18.25%
90-95%	1,483	17.82%	£ 181,177,589	18.55%
95-100%	1	0.01%	£ 115,867	0.01%
100-105%	2	0.02%	£ 281,964	0.03%
105-110%	5	0.06%	£ 1,193,407	0.12%
110-125%	7	0.08%	£ 1,063,174	0.11%

125%+	133	1.60%	£ 20,080,454	2.06%
Total	8,323	100.00%	£ 976,622,069	100.00%

Current indexed LTV	Number	% of total number	Amount (GBP)	% of total amount
0-50%	3,686	44.29%	£ 293,673,409	30.07%
50-55%	641	7.70%	£ 81,113,393	8.31%
55-60%	619	7.44%	£ 83,344,556	8.53%
60-65%	617	7.41%	£ 86,510,719	8.86%
65-70%	605	7.27%	£ 89,291,747	9.14%
70-75%	579	6.96%	£ 86,420,712	8.85%
75-80%	529	6.36%	£ 82,496,542	8.45%
80-85%	467	5.61%	£ 75,937,748	7.78%
85-90%	315	3.78%	£ 52,343,039	5.36%
90-95%	158	1.90%	£ 27,437,935	2.81%
95-100%	8	0.10%	£ 927,295	0.09%
100-105%	4	0.05%	£ 414,672	0.04%
105-110%	11	0.13%	£ 1,661,531	0.17%
110-125%	24	0.29%	£ 3,974,094	0.41%
125%+	60	0.72%	£ 11,074,679	1.13%
Total	8,323	100.00%	£ 976,622,069	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	466	5.60%	102,600	0.01%
5,000-10,000	39	0.47%	310,522	0.03%
10,000-25,000	207	2.49%	3,742,044	0.38%
25,000-50,000	609	7.32%	24,012,803	2.46%
50,000-75,000	1,122	13.48%	71,539,103	7.33%
75,000-100,000	1,478	17.76%	130,207,698	13.33%
100,000-150,000	2,244	26.96%	274,949,164	28.15%
150,000-200,000	1,129	13.56%	192,819,331	19.74%
200,000-250,000	560	6.73%	124,148,345	12.71%
250,000-300,000	222	2.67%	60,501,135	6.19%
300,000-350,000	115	1.38%	36,995,004	3.79%
350,000-400,000	63	0.76%	23,303,925	2.39%
400,000-450,000	26	0.31%	11,165,534	1.14%
450,000-500,000	19	0.23%	8,952,150	0.92%
500,000-600,000	17	0.20%	9,312,118	0.95%
600,000-700,000	6	0.07%	3,700,680	0.38%
700,000-800,000	0	0.00%	0	0.00%
800,000-900,000	1	0.01%	859,913	0.09%
900,000-1,000,000	0	0.00%	0	0.00%
1,000,000 +	0	0.00%	0	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Regional distribution	Number	% of total number	Amount (GBP)	% of total amount
East Anglia	407	4.89%	£ 59,965,109	6.14%
East Midlands	968	11.63%	£ 122,735,003	12.57%
London	123	1.48%	£ 29,249,729	2.99%
North	290	3.48%	£ 28,213,259	2.89%
North West	1,461	17.55%	£ 168,597,715	17.26%
Northern Ireland	0	0.00%	£ -	0.00%
Outer Metro	276	3.32%	£ 45,014,780	4.61%
South East	238	2.86%	£ 37,623,483	3.85%
South West	434	5.21%	£ 55,091,501	5.64%
Scotland	0	0.00%	£ -	0.00%
Wales	2,582	31.02%	£ 261,681,554	26.79%
West Midlands	220	2.64%	£ 28,182,669	2.89%
Yorkshire	1,324	15.91%	£ 140,267,269	14.36%
Other	0	0.00%	£ -	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	7,570	90.95%	£ 888,136,457	90.94%
Part-and-part	26	0.31%	£ 2,562,191	0.26%
Interest-only	727	8.73%	£ 85,923,421	8.80%
Offset	0	0.00%	£0	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	3	0.04%	£ 349,205	0.04%
12-24 months	816	9.80%	£ 112,465,798	11.52%
24-36 months	2,881	34.61%	£ 366,448,915	37.52%
36-48 months	1,219	14.65%	£ 166,848,990	17.08%
48-60 months	555	6.67%	£ 68,524,802	7.02%
60-72 months	396	4.76%	£ 42,505,080	4.35%

72-84 months	549	6.60%	£ 58,340,676	5.97%
84-96 months	828	9.95%	£ 78,609,877	8.05%
96-108 months	779	9.36%	£ 61,533,814	6.30%
108-120 months	297	3.57%	£ 20,994,912	2.15%
120-150 months	0	0.00%	£ -	0.00%
150-180 months	0	0.00%	£ -	0.00%
180+ months	0	0.00%	£ -	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	7,459	89.62%	919,533,221	94.15%
SVR	275	3.30%	14,925,111	1.53%
Tracker	4	0.05%	718,102	0.07%
Discount	585	7.03%	41,445,636	4.24%
Total	8,323	100.00%	£ 976,622,069	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	7,819	93.94%	923,045,153	94.51%
Buy-to-let	504	6.06%	53,576,916	5.49%
Second home	0	0.00%	0	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	8,323	100.00%	976,622,069	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	8,323	100.00%	£ 976,622,069	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	119	1.43%	£ 3,649,429	0.37%
30-60 months	212	2.55%	£ 9,081,627	0.93%
60-120 months	714	8.58%	£ 46,886,538	4.80%
120-180 months	909	10.92%	£ 83,602,963	8.56%
180-240 months	1,362	16.36%	£ 147,859,959	15.14%
240-300 months	1,594	19.15%	£ 205,849,927	21.08%
300-360 months	1,455	17.48%	£ 197,516,980	20.22%
360+ months	1,958	23.53%	£ 282,174,647	28.89%
Total	8,323	100.00%	£ 976,622,069	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	7,193	86.42%	£ 840,600,046	86.07%
Self-employed	917	11.02%	£ 118,532,491	12.14%
Unemployed	16	0.19%	£ 814,287	0.08%
Retired	107	1.29%	£ 7,160,696	0.73%
Guarantor	0	0.00%	£ -	0.00%
Other	90	1.08%	£ 9,514,549	0.97%
Total	8,323	100.00%	£ 976,622,069	100.00%

Covered Bonds Outstanding, Associated Derivatives (please disclose for all bonds outstanding)

Series	N/A
Issue date	N/A
Original rating (Moody's/S&P/Fitch/DBRS)	N/A
Current rating (Moody's/S&P/Fitch/DBRS)	N/A
Denomination	N/A
Amount at issuance	N/A
Amount outstanding	N/A
FX swap rate (rate:£1)	N/A
Maturity type (hard/soft-bullet/pass-through)	N/A
Scheduled final maturity date	N/A
Legal final maturity date	N/A
ISIN	N/A
Stock exchange listing	N/A
Coupon payment frequency	N/A
Coupon payment date	N/A
Coupon (rate if fixed, margin and reference rate if floating)	N/A
Margin payable under extended maturity period (%)	N/A
Swap counterparty/ies	N/A
Swap notional denomination	N/A
Swap notional amount	N/A
Swap notional maturity	N/A
LLP receive rate/margin	N/A
LLP pay rate/margin	N/A
Collateral posting amount	N/A

Programme triggers

Event (please list all triggers)	Summary of Event	Trigger (S&P, Moody's, Fitch, DBRS; short-term, long-term)	Trigger breached (yes/no)	Consequence of a trigger breach
Principality Trigger (Issuer of Default)	Principality's Failure to pay on Covered Bonds or Principality's insolvency. See 'Terms and Conditions of the Covered Bonds' 9(a).	Principality's Failure to pay on Covered Bonds or Principality's insolvency	No	Triggers a notice to pay on the LLP
Seller Trigger	Seller ratings fall below required levels.	Baa3(cr)/BBB-	No	Triggers the requirement to prepare perfection of title documents but not the steps necessary to perfect legal title
Servicer Trigger	Servicer's ratings fall below required levels	Baa3(cr)/BBB-	No	Appoint Back-Up Servicer within 60 days upon breach with the assistance of the Back-up servicer Facilitator
Cash Management Trigger	Cash Managers ratings fall below required levels	Baa3(cr)/BBB-	No	Appoint Back-Up Cash Manager within 60 days upon breach. APM to take over calculation of tests.
HSBC Account Bank Trigger	Account Bank ratings fall below required levels	Fitch rating: F1 or A Moody's rating: A3	No	If not remedied within 30 calender days, all money will be transferred from the account to an account which has the required account bank ratings
Asset Coverage Test	Failure of Asset coverage Test	Adjusted Aggregate Loan Amount less than Aggregate Principal Amount outstanding	No	If not remedied within three calculation dates, triggers Issuer Event of Default
Yield Shortfall Test	Failure of Portfolio Yield Test	Falls below SONIA plus 0.30%	No	Obligation to sell more assets into the pool to increase the yield. If Issuer event of default occurring Increase Standard Variable Rate and/or the other discretionary rates or margins
LLP Event of Default	LLP failure to pay Guarantee, insolvency etc	LLP failure to pay Guarantee, insolvency etc	No	Triggers an LLP Acceleration Notice
Amortisation Test	Failure of Amortisation Test	Amortisation Test Aggregate Loan Amount less than Aggregate Principal Outstanding	No	LLP Acceleration Notice
Interest Rate Shortfall Test	Failure of Interest Rate Shortfall Test	Failure of Interest Rate Shortfall Test	No	Within one business day, give written notice to the LLP and the Security Trustee of the amount of such Interest Rate Shortfall. Seller should offer to sell New Loans and their Related Security to the LLP on or before the next Calculation Date sufficient to avoid such Interest Rate Shortfall on future Calculation Dates
Asset Swap Counterparty Rating Trigger	Counterparty Ratings Downgrade	Fitch rating: A- Moody's rating: A3(cr)	Yes	Collateral posting
Asset Swap Counterparty Replacement Trigger	Counterparty Ratings Downgrade	Fitch rating: BBB- or F3 Moody's rating: Baa3 (cr)	No	Replacement Trigger