RCB 3 Annex 2D: Asset Pool Notification Form

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	Principality Building Society €5bn Global Covered Bond Programme
Name, job title and contact details of person validating this form	Nick Emmerson Debt Capital Markets Senior Manager nick.emmerson@principality.co.uk
Date of form submission	21/10/26
Start Date of reporting period	01/09/26
End Date of reporting period	30/09/26
Web links - prospectus, transaction documents, loan-level data	https://www.principality.co.uk/home/corporate-governance/investor-relations https://www.euroabs.com/IH.aspx?d=26752

Counterparties, Ratings

	Counterparty/ies	Fitch		Moody's	
		Rating trigger	Current rating	Rating trigger	Current rating
Covered bonds		N/A	AAA	N/A	Aaa
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)	£ 784,259,248				
Swap notional maturity/ies	Notional reduces to zero on fixed rate loans				
LLP receive rate/margin	SONIA + 50bps				
LLP pay rate/margin	4.250%				
Collateral posting amount(s) (GBP)	£ 4,447,041				

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	£ 2,884,506	£ 3,025,165	N/A
(b) Interest received	£ 89,023	£ 83,298	N/A
(c) Excess Reserve Fund	£ 57,803	£ 509	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
Total Available Revenue Receipts	£	3,031,332	£	3,108,971	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.	£	13,333	£	13,333	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;	£	1,746,682	£	1,800,411	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	£	1,271,067	£	1,294,977	N/A
(l) Liquidation Members Fee	£	-	£	-	N/A
(m) Members Profit	£	250	£	250	N/A
Revenue priority of payments total	£	3,031,332	£	3,108,971	N/A
Principal receipts (please disclose all parts of waterfall)					
(a) Scheduled amounts received from Borrowers	£	10,884,631	£	13,029,639	N/A
(b) Term Advance/Cash Capital Contributions/Sale of Selected Loans	£	-	£	-	N/A
Total Available Principal Receipts	£	10,884,631	£	13,029,639	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	£	10,884,631	£	13,029,639	N/A
Principal priority of payments total	£	10,884,631	£	13,029,639	N/A
Reserve ledger	£	5,967,697	£	6,025,500	N/A
Revenue ledger	£	2,884,506	£	3,025,165	N/A
Principal ledger	£	10,884,631	£	13,029,639	N/A
Pre-maturity liquidity ledger			£	-	N/A

Asset Coverage Test

		Value	Description (please edit if different)
A	£	720,758,291	Adjusted current balance
B	£	10,884,631	Principal collections not yet applied
C	£	-	Qualifying additional collateral
D	£	-	Substitute assets
X	£	347,853	Set-off
Y	£	19,405,476	Negative carry
Total	£	711,889,592	
Method used for calculating component 'A'		ii	
Asset percentage (%)		90.00%	
Maximum asset percentage from Fitch (%)		92.50%	
Maximum asset percentage from Moody's (%)		94.00%	
Maximum asset percentage from S&P (%)		N/A	
Maximum asset percentage from DBRS (%)		N/A	
Credit support as derived from ACT (GBP)	£	211,889,592	
Credit support as derived from ACT (%)		42.38%	

Programme-Level Characteristics

Programme currency		EUR
Programme size		€5bn
Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)	£	500,000,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	£	500,000,000
Cover pool balance (GBP)	£	800,992,896
GIC account balance (GBP)	£	17,567,926
Any additional collateral (please specify)	£	-
Any additional collateral (GBP)	£	-
Aggregate balance of off-set mortgages (GBP)	£	-
Aggregate deposits attaching to the cover pool (GBP)	£	4,042,747
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	£	-

Nominal level of overcollateralisation (GBP)	£	300,635,817
Nominal level of overcollateralisation (%)		60.13%
Number of loans in cover pool		6,953
Average loan balance (GBP)	£	115,201
Weighted average non-indexed LTV (%)		64.8%
Weighted average indexed LTV (%)		56.8%
Weighted average seasoning (months)		57.09
Weighted average remaining term (months)		277.89
Weighted average interest rate (%)		4.36%
Standard Variable Rate(s) (%)		6.80%
Constant Pre-Payment Rate (%, current month)		1.09%
Constant Pre-Payment Rate (%, quarterly average)		1.08%
Principal Payment Rate (%, current month)		2.44%
Principal Payment Rate (%, quarterly average)		2.46%
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 (%)		4.00%

Mortgage collections

Mortgage collections (scheduled - interest)	£	2,884,506
Mortgage collections (scheduled - principal)	£	2,034,768
Mortgage collections (unscheduled - principal)	£	8,849,863

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	61	0.88%	£ 8,318,220	1.04%
Loans bought back by seller(s)	34	0.49%	£ 6,414,222	0.80%
of which are non-performing loans	2	0.03%	£ 183,308	0.02%
of which have breached R&Ws	32	0.46%	£ 6,230,915	0.78%
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	6,320	90.90%	£ 754,541,992	94.20%	4.25%	22	4.25%	0.00%	4.25%
Fixed at origination, reverting to Libor	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
Fixed at origination, reverting to tracker	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
Fixed for life	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
Tracker at origination, reverting to SVR	50	0.72%	£ 6,983,348	0.87%	4.50%	28	0.75%	0.00%	4.50%
Tracker at origination, reverting to Libor	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
Tracker for life	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
SVR, including discount to SVR	583	8.38%	£ 39,467,556	4.93%	6.22%	99	-0.54%	0.00%	6.22%
Libor	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%	4.35%		3.98%		4.35%

Stratifications

Arrears breakdown	Number	% of total number	Amount (GBP)	% of total amount
Current	6,885	99.02%	£ 793,178,538	99.02%
0-1 month in arrears	46	0.66%	£ 4,978,800	0.62%
1-2 months in arrears	21	0.30%	£ 2,478,479	0.31%
2-3 months in arrears	1	0.01%	£ 357,079	0.04%
3-6 months in arrears	0	0.00%	£ -	0.00%
6-12 months in arrears	0	0.00%	£ -	0.00%
12+ months in arrears	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Current non-indexed LTV	Number	% of total number	Amount (GBP)	% of total amount
0-50%	2,377	34.19%	£ 181,270,436	22.63%
50-55%	355	5.11%	£ 40,925,739	5.11%
55-60%	434	6.24%	£ 54,853,512	6.85%
60-65%	471	6.77%	£ 61,641,418	7.70%
65-70%	568	8.17%	£ 74,187,138	9.26%
70-75%	640	9.20%	£ 87,438,750	10.92%
75-80%	624	8.97%	£ 85,635,719	10.69%
80-85%	676	9.72%	£ 100,841,830	12.59%
85-90%	615	8.85%	£ 87,954,160	10.98%
90-95%	193	2.78%	£ 26,244,195	3.28%
95-100%	0	0.00%	£ -	0.00%
100-105%	0	0.00%	£ -	0.00%
105-110%	0	0.00%	£ -	0.00%
110-125%	0	0.00%	£ -	0.00%
125%+	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Current indexed LTV	Number	% of total number	Amount (GBP)	% of total amount
0-50%	3,465	49.83%	£ 287,771,606	35.93%

50-55%	587	8.44%	£ 74,120,454	9.25%
55-60%	578	8.31%	£ 76,041,512	9.49%
60-65%	540	7.77%	£ 76,455,659	9.55%
65-70%	522	7.51%	£ 79,437,962	9.92%
70-75%	470	6.76%	£ 75,336,900	9.41%
75-80%	368	5.29%	£ 61,422,665	7.67%
80-85%	240	3.45%	£ 39,525,189	4.93%
85-90%	138	1.98%	£ 23,871,791	2.98%
90-95%	45	0.65%	£ 7,009,159	0.88%
95-100%	0	0.00%	£ -	0.00%
100-105%	0	0.00%	£ -	0.00%
105-110%	0	0.00%	£ -	0.00%
110-125%	0	0.00%	£ -	0.00%
125%+	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	288	4.14%	£ 101,948	0.01%
5,000-10,000	45	0.65%	£ 352,879	0.04%
10,000-25,000	197	2.83%	£ 3,555,509	0.44%
25,000-50,000	577	8.30%	£ 22,768,419	2.84%
50,000-75,000	1,013	14.57%	£ 64,454,587	8.05%
75,000-100,000	1,290	18.55%	£ 113,858,283	14.21%
100,000-150,000	1,846	26.55%	£ 226,040,361	28.22%
150,000-200,000	893	12.84%	£ 152,894,239	19.09%
200,000-250,000	434	6.24%	£ 96,133,128	12.00%
250,000-300,000	184	2.65%	£ 50,038,450	6.25%
300,000-350,000	88	1.27%	£ 28,402,807	3.55%
350,000-400,000	44	0.63%	£ 16,103,755	2.01%
400,000-450,000	20	0.29%	£ 8,458,540	1.06%
450,000-500,000	17	0.24%	£ 7,991,060	1.00%
500,000-600,000	14	0.20%	£ 7,714,115	0.96%
600,000-700,000	2	0.03%	£ 1,281,894	0.16%
700,000-800,000	0	0.00%	£ -	0.00%
800,000-900,000	1	0.01%	£ 842,922	0.11%
900,000-1,000,000	0	0.00%	£ -	0.00%
1,000,000 +	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Regional distribution	Number	% of total number	Amount (GBP)	% of total amount
East Anglia	284	4.08%	£ 42,091,139	5.25%
East Midlands	409	5.88%	£ 51,747,629	6.46%
London	193	2.78%	£ 43,502,658	5.43%
North	405	5.82%	£ 38,066,783	4.75%
North West	1,179	16.96%	£ 132,066,437	16.49%
Northern Ireland	0	0.00%	£ -	0.00%
Outer Metro	0	0.00%	£ -	0.00%
South East	283	4.07%	£ 42,981,408	5.37%
South West	421	6.05%	£ 54,281,281	6.78%
Scotland	0	0.00%	£ -	0.00%
Wales	2,339	33.64%	£ 231,179,510	28.86%
West Midlands	689	9.91%	£ 83,932,459	10.48%
Yorkshire	751	10.80%	£ 81,143,591	10.13%
Other	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	6,299	90.59%	£ 722,136,602	90.16%
Part-and-part	19	0.27%	£ 1,776,979	0.22%
Interest-only	635	9.13%	£ 77,079,315	9.62%
Offset	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	0	0.00%	£ -	0.00%
12-24 months	2	0.03%	£ 134,245	0.02%
24-36 months	1,439	20.70%	£ 187,820,210	23.45%
36-48 months	1,758	25.28%	£ 233,546,930	29.16%
48-60 months	936	13.46%	£ 120,505,675	15.04%
60-72 months	411	5.91%	£ 43,216,555	5.40%
72-84 months	378	5.44%	£ 39,918,497	4.98%
84-96 months	560	8.05%	£ 56,652,315	7.07%
96-108 months	725	10.43%	£ 65,371,704	8.16%
108-120 months	592	8.51%	£ 43,655,664	5.45%
120-150 months	152	2.19%	£ 10,171,102	1.27%
150-180 months	0	0.00%	£ -	0.00%
180+ months	0	0.00%	£ -	0.00%

Total	6,953	100.00%	£ 800,992,896	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	6,320	90.90%	£ 754,541,992	94.20%
SVR	253	3.64%	£ 12,312,102	1.54%
Tracker	50	0.72%	£ 6,983,348	0.87%
Discount	330	4.75%	£ 27,155,454	3.39%
Total	6,953	100.00%	£ 800,992,896	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	6,525	93.84%	£ 753,916,301	94.12%
Buy-to-let	428	6.16%	£ 47,076,595	5.88%
Second home	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	6,953	100.00%	£ 800,992,896	100.00%
Fast-track	0	0.00%	£ -	0.00%
Self-certified	0	0.00%	£ -	0.00%
Total	6,953	100.00%	£ 800,992,896	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	154	2.21%	£ 4,821,978	0.60%
30-60 months	192	2.76%	£ 8,670,788	1.08%
60-120 months	670	9.64%	£ 45,298,773	5.66%
120-180 months	840	12.08%	£ 76,222,216	9.52%
180-240 months	1,237	17.79%	£ 136,969,616	17.10%
240-300 months	1,282	18.44%	£ 164,033,389	20.48%
300-360 months	1,175	16.90%	£ 162,216,565	20.25%
360+ months	1,403	20.18%	£ 202,759,570	25.31%
Total	6,953	100.00%	£ 800,992,896	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	5,973	85.91%	£ 684,749,746	85.49%
Self-employed	806	11.59%	£ 102,359,459	12.78%
Unemployed	14	0.20%	£ 556,317	0.07%
Retired	86	1.24%	£ 6,097,829	0.76%
Guarantor	0	0.00%	£ -	0.00%
Other	74	1.06%	£ 7,229,545	0.90%
Total	6,953	100.00%	£ 800,992,896	100.00%

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

Series	2026-1
Issue date	21/01/2026
Original rating (Moody's/S&P/Fitch/DBRS)	Aaa/-/AAA/-
Current rating (Moody's/S&P/Fitch/DBRS)	Aaa/-/AAA/-
Denomination	GBP
Amount at issuance	500,000,000
Amount outstanding	500,000,000
FX swap rate (rate:£1)	N/A
Maturity type (hard/soft-bullet/pass-through)	Soft-bullet
Scheduled final maturity date	21/01/2031
Legal final maturity date	21/01/2032
ISIN	XS3268856906
Stock exchange listing	London Stock Exchange
Coupon payment frequency	Quarterly
Coupon payment date	21/10/2026
Coupon (rate if fixed, margin and reference rate if floating)	Compounded Daily SONIA + 50bps
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.	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.
HSBC Account Bank Trigger	Account Bank ratings fall below required levels	Fitch rating: F1 or A	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-	Yes	Collateral posting
Asset Swap Counterparty Replacement Trigger	Counterparty Ratings Downgrade	Fitch rating: BBB- or F3	No	Replacement Trigger