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	21/04/26
Start Date of reporting period	01/03/26
End Date of reporting period	31/03/26
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)	£ 868,354,813				
Swap notional maturity/ies	Notional reduces to zero on fixed rate loans				
LLP receive rate/margin	SONIA + 50bps				
LLP pay rate/margin	4.35%				
Collateral posting amount(s) (GBP)	£ 15,369,880				

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	£ 3,321,173	£ 3,138,125	N/A
(b) Interest received	£ 95,708	£ 92,457	N/A
(c) Excess Reserve Fund	£ -	£ 54,631	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	£ 43,309	£ -	N/A
(h) Required Coupon Amount	£ -	£ -	N/A
Total Available Revenue Receipts	£ 3,373,571	£ 3,285,213	N/A
PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS			
(a) Fees, costs and expenses of the Trustee;	£ -	£ 6,000	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	£ 20,333	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;	£ 1,804,415	£ 1,624,741	N/A
(f) Transaction Accounts	£ -	£ -	N/A
(g) Reserve Fund	£ 178,675	£ 54,631	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	£ 1,376,898	£ 1,579,257	N/A
(l) Liquidation Members Fee	£ -	£ -	N/A
(m) Members Profit	£ 250	£ 250	N/A
Revenue priority of payments total	£ 3,373,571	£ 3,285,213	N/A
Principal receipts (please disclose all parts of waterfall)			
(a) Scheduled amounts received from Borrowers	£ 17,532,048	£ 9,389,209	N/A
(b) Term Advance/Cash Capital Contributions/Sale of Selected Loans	£ -	£ -	N/A
Total Available Principal Receipts	£ 17,532,048	£ 9,389,209	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	£ 17,532,048	£ 9,389,209	N/A
Principal priority of payments total	£ 17,532,048	£ 9,389,209	N/A
Reserve ledger	£ 6,023,974	£ 5,845,298	N/A
Revenue ledger	£ 3,321,173	£ 3,138,125	N/A
Principal ledger	£ 17,532,048	£ 9,389,209	N/A
Pre-maturity liquidity ledger		£ -	N/A

Asset Coverage Test

	Value	Description (please edit if different)
A	£ 802,015,399	Adjusted current balance
B	£ 17,532,048	Principal collections not yet applied
C	£ -	Qualifying additional collateral
D	£ -	Substitute assets
X	£ 122,800	Set-off
Y	£ 21,750,000	Negative carry
Total	£ 797,674,647	
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)	£ 297,674,647	
Credit support as derived from ACT (%)	59.53%	

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)	£ 891,397,650
GIC account balance (GBP)	£ 28,897,459
Any additional collateral (please specify)	£ -
Any additional collateral (GBP)	£ -
Aggregate balance of off-set mortgages (GBP)	£ -
Aggregate deposits attaching to the cover pool (GBP)	£ 3,952,679

Aggregate deposits attaching specifically to the off-set mortgages (GBP)		0
Nominal level of overcollateralisation (GBP)	£	390,707,539
Nominal level of overcollateralisation (%)		78.14%
Number of loans in cover pool		7,539
Average loan balance (GBP)	£	118,238
Weighted average non-indexed LTV (%)		65.7%
Weighted average indexed LTV (%)		57.7%
Weighted average seasoning (months)		50.81
Weighted average remaining term (months)		285.18
Weighted average interest rate (%)		4.36%
Standard Variable Rate(s) (%)		6.80%
Constant Pre-Payment Rate (%, current month)		1.69%
Constant Pre-Payment Rate (%, quarterly average)		1.00%
Principal Payment Rate (%, current month)		3.65%
Principal Payment Rate (%, quarterly average)		2.27%
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)	£	3,321,173
Mortgage collections (scheduled - principal)	£	2,119,695
Mortgage collections (unscheduled - principal)	£	15,412,353

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	112	1.49%	£ 14,514,314	1.63%
Loans bought back by seller(s)	0	0.00%	£ -	0.00%
of which are non-performing loans	0	0.00%	£ -	0.00%
of which have breached R&Ws	0	0.00%	£ -	0.00%
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	6,894	91.44%	£ 843,911,843	94.67%	4.23%	25	4.22%	0.00%	4.23%
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	1	0.01%	£ 547	0.00%	4.79%	83	1.04%	0.00%	4.79%
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	644	8.54%	£ 47,485,261	5.33%	6.26%	84	-0.54%	0.00%	6.26%
Libor	0	0.00%	£ -	0.00%	0.00%	0	0.00%	0.00%	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%	4.34%		3.97%		4.34%

Stratifications

Arrears breakdown	Number	% of total number	Amount (GBP)	% of total amount
Current	7,478	99.19%	£ 883,591,236	99.12%
0-1 month in arrears	44	0.58%	£ 4,967,373	0.56%
1-2 months in arrears	13	0.17%	£ 2,148,930	0.24%
2-3 months in arrears	4	0.05%	£ 690,111	0.08%
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	7,539	100.00%	£ 891,397,650	100.00%

Current non-indexed LTV	Number	% of total number	Amount (GBP)	% of total amount
0-50%	2,460	32.63%	£ 193,154,858	21.67%
50-55%	352	4.67%	£ 40,818,101	4.58%
55-60%	463	6.14%	£ 59,648,353	6.69%
60-65%	486	6.45%	£ 65,500,713	7.35%
65-70%	614	8.14%	£ 80,559,226	9.04%
70-75%	727	9.64%	£ 100,391,528	11.26%
75-80%	684	9.07%	£ 95,744,524	10.74%
80-85%	741	9.83%	£ 111,002,032	12.45%
85-90%	742	9.84%	£ 108,016,249	12.12%
90-95%	270	3.58%	£ 36,562,068	4.10%
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	7,539	100.00%	£ 891,397,650	100.00%

Current indexed LTV	Number	% of total number	Amount (GBP)	% of total amount
0-50%	3,605	47.82%	£ 307,239,697	34.47%
50-55%	598	7.93%	£ 77,676,576	8.71%
55-60%	681	9.03%	£ 92,834,427	10.41%
60-65%	568	7.53%	£ 80,994,510	9.09%
65-70%	573	7.60%	£ 85,437,154	9.58%
70-75%	548	7.27%	£ 86,852,046	9.74%
75-80%	439	5.82%	£ 70,276,520	7.88%
80-85%	288	3.82%	£ 48,646,385	5.46%
85-90%	175	2.32%	£ 30,159,954	3.38%
90-95%	63	0.84%	£ 11,176,330	1.25%
95-100%	1	0.01%	£ 104,050	0.01%
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	7,539	100.00%	£ 891,397,650	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	256	3.40%	£ 107,290	0.01%
5,000-10,000	41	0.54%	£ 310,246	0.03%
10,000-25,000	205	2.72%	£ 3,600,773	0.40%
25,000-50,000	605	8.02%	£ 23,746,463	2.66%
50,000-75,000	1,053	13.97%	£ 66,996,359	7.52%
75,000-100,000	1,387	18.40%	£ 122,003,652	13.69%
100,000-150,000	2,048	27.17%	£ 250,217,161	28.07%
150,000-200,000	1,025	13.60%	£ 175,139,611	19.65%
200,000-250,000	489	6.49%	£ 108,174,399	12.14%
250,000-300,000	208	2.76%	£ 56,518,602	6.34%
300,000-350,000	101	1.34%	£ 32,493,258	3.65%
350,000-400,000	57	0.76%	£ 20,884,449	2.34%
400,000-450,000	25	0.33%	£ 10,650,045	1.19%
450,000-500,000	19	0.25%	£ 8,936,627	1.00%
500,000-600,000	17	0.23%	£ 9,484,533	1.06%
600,000-700,000	2	0.03%	£ 1,281,991	0.14%
700,000-800,000	0	0.00%	£ -	0.00%
800,000-900,000	1	0.01%	£ 852,191	0.10%
900,000-1,000,000	0	0.00%	£ -	0.00%
1,000,000 +	0	0.00%	£ -	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%

Regional distribution	Number	% of total number	Amount (GBP)	% of total amount
East Anglia	363	4.81%	£ 55,318,424	6.21%
East Midlands	865	11.47%	£ 111,357,489	12.49%
London	109	1.45%	£ 27,013,368	3.03%
North	254	3.37%	£ 25,467,736	2.86%
North West	1,326	17.59%	£ 155,153,975	17.41%
Northern Ireland	0	0.00%	£ -	0.00%
Outer Metro	245	3.25%	£ 40,330,513	4.52%
South East	206	2.73%	£ 34,380,912	3.86%
South West	390	5.17%	£ 49,735,716	5.58%
Scotland	0	0.00%	£ -	0.00%
Wales	2,382	31.60%	£ 239,747,591	26.90%
West Midlands	198	2.63%	£ 24,921,185	2.80%
Yorkshire	1,201	15.93%	£ 127,970,740	14.36%
Other	0	0.00%	£ -	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	6,841	90.74%	£ 807,531,429	90.59%
Part-and-part	24	0.32%	£ 2,441,591	0.27%
Interest-only	674	8.94%	£ 81,424,630	9.13%
Offset	0	0.00%	£ -	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	1	0.01%	£ 77,986	0.01%
12-24 months	2	0.03%	£ 65,424	0.01%
24-36 months	2,856	37.88%	£ 376,493,577	42.24%
36-48 months	1,335	17.71%	£ 180,134,254	20.21%
48-60 months	554	7.35%	£ 73,832,876	8.28%
60-72 months	387	5.13%	£ 42,452,750	4.76%
72-84 months	494	6.55%	£ 54,275,677	6.09%

84-96 months	753	9.99%	£ 73,945,254	8.30%
96-108 months	726	9.63%	£ 60,709,132	6.81%
108-120 months	408	5.41%	£ 27,772,000	3.12%
120-150 months	23	0.31%	£ 1,638,720	0.18%
150-180 months	0	0.00%	£ -	0.00%
180+ months	0	0.00%	£ -	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	6,894	91.44%	£ 843,911,843	94.67%
SVR	212	2.81%	£ 13,012,056	1.46%
Tracker	1	0.01%	£ 547	0.00%
Discount	432	5.73%	£ 34,473,205	3.87%
Total	7,539	100.00%	£ 891,397,650	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	7,081	93.92%	£ 840,917,456	94.34%
Buy-to-let	458	6.08%	£ 50,480,195	5.66%
Second home	0	0.00%	£ -	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	7,539	100.00%	£ 891,397,650	100.00%
Fast-track	0	0.00%	£ -	0.00%
Self-certified	0	0.00%	£ -	0.00%
Total	7,539	100.00%	£ 891,397,650	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	122	1.62%	£ 4,048,174	0.45%
30-60 months	216	2.87%	£ 9,402,272	1.05%
60-120 months	676	8.97%	£ 44,782,119	5.02%
120-180 months	875	11.61%	£ 80,783,296	9.06%
180-240 months	1,295	17.18%	£ 144,706,328	16.23%
240-300 months	1,423	18.88%	£ 184,703,004	20.72%
300-360 months	1,269	16.83%	£ 179,100,299	20.09%
360+ months	1,663	22.06%	£ 243,872,158	27.36%
Total	7,539	100.00%	£ 891,397,650	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	6,491	86.10%	£ 764,451,027	85.76%
Self-employed	860	11.41%	£ 111,067,876	12.46%
Unemployed	14	0.19%	£ 722,253	0.08%
Retired	96	1.27%	£ 6,490,660	0.73%
Guarantor	0	0.00%	£ -	0.00%
Other	78	1.03%	£ 8,665,835	0.97%
Total	7,539	100.00%	£ 891,397,650	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	21/04/2026
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