

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: December 2021
Administration

Name of issuer	Yorkshire Building Society
Name of RCS programme	Yorkshire Building Society €7.5 billion Global Covered Bond Programme
Name, job title and contact details of person validating this form	Richard Driver, Senior Manager - Treasury, rjdriver@ybs.co.uk
Date of form submission	31/01/2022
Start Date of reporting period	01/12/2021
End Date of reporting period	31/12/2021
Web links - prospectus, transaction documents, loan-level data	https://www.ybs.co.uk/your-society/treasury/index.html#funding-programmes

Counterparties, Ratings

	Counterparty/ies	Fitch		Moody's	
		Rating trigger	Current rating	Rating trigger	Current rating
Covered bonds		-	AAA	-	Aaa
Issuer	Yorkshire Building Society	-	A-/F1	-	A3/P-2
Seller(s)	Yorkshire Building Society	< BBB-, < F2	A-/F1	< Baa3, < P-2	A3/P-2
Cash Manager	Yorkshire Building Society	< BBB-	A-/F1	<Baa1, < Baa3	A3/P-2
Back-up Cash Manager	n/a	-	-	-	-
Account Bank	Yorkshire Building Society	< F1	A-/F1	< P-1	A3/P-2
Stand-by Account Bank	HSC Bank plc	< F1	AA-/F1+	< P-1	A1/P-1
Services(s)	Yorkshire Building Society	< BBB-	A-/F1	<Baa1, < Baa3	A3/P-2
Back-up Services(s)	n/a	-	-	-	-
Interest Rate Swap Provider	Yorkshire Building Society	< F3/BBB-	A-/F1	< P-2/A3	A3/P-2
Swap notional amount(s) (GBP)	5,233,658,425				
Swap notional maturity/ies	Loan balance zero				
LLP receive rate/margin	1.46%				
LLP pay rate/margin	1.91%				
Collateral posting amount(s) (GBP)	0				

Accounts, Ledgers

	Value as of End Date of reporting period	Value as of Start Date of reporting period	TARGETED VALUE
Revenue receipts / ledger			
Beg Balance	0	n/a	n/a
Third party payments	(17,108)	n/a	n/a
Interest on Mortgages	7,955,360	n/a	n/a
Interest on GIC	0	n/a	n/a
Interest on Sub Assets	0	n/a	n/a
Interest on Authorised Investments	0	n/a	n/a
Transfer from Coupon payment ledger	0	n/a	n/a
Other Revenue	0	n/a	n/a
Amounts transferred from / (to) Reserve Fund	(700,000)	n/a	n/a
Cash Capital Contribution deemed to be revenue	0	n/a	n/a
Net interest from / (to) Interest Rate Swap Provider	(2,170,183)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(1,318,630)	n/a	n/a
Pre-funding of monthly swap payments / other payments	(634,580)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Deferred Consideration	(3,114,860)	n/a	n/a
Closing Balance	0	n/a	n/a
Principal receipts / ledger			
Beg Balance	0	n/a	n/a
Principal repayments under mortgages	70,224,194	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	(749,235,739)	n/a	n/a
Cash Capital Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	2,346,539	n/a	n/a
Principal payments to Covered Bonds Swap Providers	0	n/a	n/a
Principal paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Capital Distribution	676,665,006	n/a	n/a
Closing Balance	0	n/a	n/a
Reserve ledger			
Beg Balance	3,802,767	n/a	n/a
Transfers to GIC	0	n/a	n/a
Interest on GIC	0	n/a	n/a
Reserve Required Amount Movement	700,000	n/a	n/a
Transfers from GIC	0	n/a	n/a
Closing Balance	4,502,767	n/a	4,483,388

Asset Coverage Test

	Value	Description
A	5,066,909,361	Adjusted current balance
B	75,796,987	Principal collections not yet applied
C	0	Qualifying additional collateral
D	0	Substitute assets
E	n/a	Proceeds of sold mortgage loans
V	n/a	Set-off offset loans
W	n/a	Personal secured loans
X	n/a	Flexible draw capacity
Y	252,886,112	Set-off
Z	109,140,910	Negative carry
Total: A + B + C + D - (Y + Z)	4,780,679,326	
Method Used for Calculating "A" (note 1)		A (ii)
Asset Percentage (%)		88.00%
Maximum asset percentage from Fitch (%)		88.00%
Maximum asset percentage from Moody's (%)		90.50%
Maximum asset percentage from S&P (%)		n/a
Credit support as derived from ACT (GBP)	1,431,813,330	
Credit support as derived from ACT (%)		42.8%

Note 1

(i) Adjusted True Balance less deemed reductions, (ii) Arrears Adjusted True Balance less deemed Reductions multiplied by the Asset Percentage

Programme-Level Characteristics

Programme Currency	EUR
Programme size	7,500,000,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)	3,348,865,997
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	3,350,650,000
Cover pool balance (GBP)	5,757,610,216
GIC account balance (GBP)	89,363,126
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	939,645,884
Aggregate deposits attaching to the cover pool (GBP)	252,886,112
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	246,189,833
Nominal level of overcollateralisation (GBP)	2,408,744,220
Nominal level of overcollateralisation (%)	171.9%
Total Outstanding Current Balance of Mortgages in the Portfolio	5,757,610,216
Number of Mortgages in Pool	36,606
Average loan balance (GBP)	149,138
Weighted average Indexed LTV (%)	54.36
Weighted average non-indexed LTV (%)	61.93
Weighted average seasoning (months)	55.42
Weighted average remaining term (months)	257.31
Weighted average interest rate (%)	2.19
Standard Variable Rate(s) (%)	4.49
Constant Pre-Payment Rate (% , current month)	13.00
Constant Pre-Payment Rate (% , quarterly average)	14.50
Principal Payment Rate (% , current month)	17.52
Principal Payment Rate (% , quarterly average)	19.25
Constant Default Rate (% , current month)	0
Constant Default Rate (% , quarterly average)	0
Fitch Discontinuity Factor (%)	4 (moderate risk)
Moody's Timely Payment Indicator	Probable
Moody's Collateral Score (%)	5.0 / 2.6

Mortgage Collections

Mortgage collections (scheduled - interest)	7,955,360
Mortgage collections (scheduled - principal)	21,024,849
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	54,772,138

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	368	93.64%	47,617,752	94.34%
Loans bought back by seller(s)	25	6.36%	2,858,360	5.66%
of which are non-performing loans	5	20.00%	257,045	8.99%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	3,439	n/a	749,696,601	n/a

Product Rate Type and Reversionary Profiles

	Number	% of total number	Amount (GBP)	% of total amount	Weighted average				
					Current rate	Remaining teaser period (month)	Current margin	Reversionary margin	Initial rate
Fixed at origination, reverting to SVR	33,062	85.64%	5,401,217,725	93.81%	2.12%	32.58	0.00%	0.00%	
Fixed at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	-	0.00%	0.00%	
Fixed at origination, reverting to tracker	0	0.00%	0	0.00%	0.00%	-	0.00%	0.00%	
Fixed for life	0	0.00%	0	0.00%	0.00%	-	0.00%	0.00%	
Tracker at origination, reverting to SVR	0	0.00%	0	0.00%	0.00%	-	0.00%	0.00%	
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	-	0.00%	0.00%	
Tracker for life	2,284	5.92%	158,001,890	2.74%	1.76%	-	1.66%	1.66%	
SVR, including discount to SVR	3,260	8.44%	198,390,601	3.45%	4.27%	-	-0.22%	0.00%	
Libor	0	0.00%	0	0.00%	0.00%	-	0.00%	0.00%	
Total	38,606	100.00%	5,757,610,216	100.00%					

Stratifications

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	38,459	99.62%	5,745,856,286	99.80%
0-1 month in arrears	77	0.20%	6,054,123	0.11%
1-2 months in arrears (greater than 1 month, includes 2 months)	29	0.08%	2,662,402	0.05%
2-3 months in arrears (greater than 2 months, includes 3 months)	17	0.04%	1,268,307	0.02%
3-6 months in arrears (greater than 3 month, includes 6 months)	19	0.05%	1,512,054	0.03%
6-12 months in arrears (greater than 6 months, includes 12 months)	5	0.01%	257,045	0.00%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

In response to the ongoing Covid-19 situation in the UK, it was announced on 20 March 2020 that mortgage borrowers impacted financially by Covid-19 should be offered a payment holiday. Where borrowers have made a successful application, they are not considered to be in a payment shortfall and therefore any such missed payments will not be considered as arrears for the purposes of investor reporting.

More general information on the scheme can be found on the FCA website at <https://www.fca.org.uk/firms/mortgages-coronavirus-guidance-firms>

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	18,207	47.16%	1,609,592,585	27.96%
50-55%	2,175	5.63%	396,542,970	6.89%
55-60%	2,294	5.94%	438,121,086	7.61%
60-65%	2,063	5.34%	411,694,844	7.15%
65-70%	2,179	5.64%	438,755,160	7.62%
70-75%	2,341	6.06%	486,719,691	8.45%
75-80%	2,924	7.57%	630,448,489	10.95%
80-85%	3,539	9.17%	793,023,818	13.77%
85-90%	2,287	5.92%	444,987,810	7.73%
90-95%	520	1.35%	97,197,184	1.69%
95-100%	76	0.20%	10,384,230	0.18%
100-105%	1	0.00%	142,351	0.00%
105-110%	0	0.00%	0	0.00%
110-125%	0	0.00%	0	0.00%
125%+	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	22,874	59.25%	2,360,527,775	41.00%
50-55%	2,144	5.55%	429,641,427	7.46%
55-60%	2,086	5.40%	417,341,407	7.25%
60-65%	2,090	5.41%	438,618,508	7.62%
65-70%	2,114	5.48%	447,841,399	7.78%
70-75%	2,355	6.10%	513,437,826	8.92%
75-80%	2,332	6.04%	524,686,587	9.11%
80-85%	1,594	4.13%	402,307,728	6.99%
85-90%	857	2.22%	190,524,374	3.31%
90-95%	156	0.40%	32,011,297	0.56%
95-100%	4	0.01%	671,988	0.01%
100-105%	0	0.00%	0	0.00%
105-110%	0	0.00%	0	0.00%
110-125%	0	0.00%	0	0.00%
125%+	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	1,111	2.88%	1,933,541	0.03%
5,000-10,000	614	1.59%	4,646,686	0.08%
10,000-25,000	2,370	6.14%	41,378,841	0.72%
25,000-50,000	3,908	10.12%	146,398,902	2.54%
50,000-75,000	4,361	11.30%	272,962,984	4.74%
75,000-100,000	4,338	11.24%	378,984,319	6.58%
100,000-150,000	7,436	19.26%	919,273,288	15.97%
150,000-200,000	4,758	12.32%	825,307,803	14.33%
200,000-250,000	3,034	7.86%	675,245,351	11.73%
250,000-300,000	2,061	5.34%	564,906,020	9.81%
300,000-350,000	1,581	4.10%	511,505,525	8.88%
350,000-400,000	1,096	2.84%	409,193,283	7.11%
400,000-450,000	676	1.75%	286,417,138	4.97%
450,000-500,000	424	1.10%	200,224,227	3.48%
500,000-600,000	460	1.19%	250,031,798	4.34%
600,000-700,000	212	0.55%	136,892,803	2.38%
700,000-800,000	97	0.25%	71,893,814	1.25%
800,000-900,000	48	0.12%	40,598,566	0.71%
900,000-1,000,000	21	0.05%	19,815,326	0.34%
1,000,000 +	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	1,313	3.40%	203,995,445	3.54%
East Midlands	2,081	5.39%	317,365,288	5.51%
Greater London	3,450	8.94%	993,423,401	17.25%
Northern Ireland	210	0.54%	23,119,371	0.40%
North	2,117	5.48%	215,714,334	3.75%
North West	5,870	15.20%	693,166,146	12.04%
Scotland	4,738	12.27%	514,544,268	8.94%
South East	4,721	12.23%	1,056,246,965	18.35%
South West	1,956	5.07%	316,921,145	5.50%
Wales	1,576	4.08%	177,301,614	3.08%
West Midlands	2,465	6.39%	369,351,607	6.42%
Yorkshire and Humber	8,109	21.00%	876,460,620	15.22%
Other	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	29,180	75.58%	4,690,214,764	81.46%
Part-and-part	0	0.00%	0	0.00%
Interest-only	900	2.33%	127,749,568	2.22%
Offset	8,526	22.08%	939,645,884	16.32%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	5,767	14.94%	1,282,195,669	22.27%
12-24 months	2,530	6.55%	508,852,051	8.84%
24-36 months	3,782	9.80%	717,911,097	12.47%
36-48 months	4,513	11.69%	893,328,704	15.52%
48-60 months	3,221	8.60%	591,023,210	10.27%
60-72 months	2,075	5.37%	338,693,619	5.88%
72-84 months	1,892	4.90%	279,035,971	4.85%
84-96 months	2,870	7.43%	376,381,867	6.54%
96-108 months	639	1.66%	72,779,996	1.26%
108-120 months	425	1.10%	45,068,531	0.78%
120-150 months	1,458	3.78%	138,004,429	2.40%
150-180 months	2,443	6.33%	189,055,733	3.28%
180+ months	6,891	17.85%	325,279,340	5.65%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	33,062	85.64%	5,401,217,725	93.81%
SVR	3,260	8.44%	198,390,601	3.45%
Tracker	2,284	5.92%	158,001,890	2.74%
Other (please specify)	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	38,606	100.00%	5,757,610,216	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	38,606	100.00%	5,757,610,216	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,356	3.51%	31,166,542	0.54%
30-60 months	2,343	6.07%	92,031,787	1.60%
60-120 months	6,917	17.92%	464,662,399	8.07%
120-180 months	6,129	15.88%	731,518,875	12.71%
180-240 months	6,779	17.56%	1,130,879,551	19.64%
240-300 months	6,609	17.12%	1,340,001,309	23.27%
300-360 months	4,671	12.10%	1,063,250,747	18.47%
360+ months	3,802	9.85%	903,799,007	15.70%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	32,845	85.08%	5,336,215,090	92.68%
Self-employed	1,227	3.18%	208,565,425	3.62%
Unemployed	68	0.18%	6,443,383	0.11%
Retired	302	0.78%	17,145,977	0.30%
Guarantor	0	0.00%	0	0.00%
Other	4,164	10.79%	189,240,341	3.29%
Total	38,606	100.00%	£ 5,757,610,216	100.00%

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

Series	11	12	13	14	15	16	17
Issue date	10/11/15	11/04/17	19/11/18	08/05/19	21/11/19	13/10/20	16/11/21
Original rating (Moody's/Fitch)	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA
Current rating (Moody's/Fitch)	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA
Denomination	EUR	EUR	GBP	EUR	GBP	EUR	EUR
Amount at issuance	500,000,000	500,000,000	500,000,000	500,000,000	750,000,000	500,000,000	500,000,000
Amount outstanding	500,000,000	500,000,000	500,000,000	500,000,000	750,000,000	500,000,000	500,000,000
FX swap rate (rate:€1)	1.401	1.172	n/a	1.158	n/a	0.997	1.169
Maturity type (hard/soft-bullet/pass-through)	soft-bullet	soft-bullet	soft-bullet	soft-bullet	soft-bullet	soft-bullet	soft-bullet
Scheduled final maturity date	10/11/22	11/04/23	20/11/23	08/05/24	21/11/24	13/10/27	16/11/28
Legal final maturity date	10/11/23	11/04/24	19/11/24	08/05/25	21/11/25	12/10/28	16/11/29
ISIN	XS1318364731	XS1594364033	XS1910867081	XS1991186500	XS2080769909	XS2243314528	XS2406578059
Stock exchange listing	London	London	London	London	London	London	London
Coupon payment frequency	Annual	Annual	Quarterly	Annual	Quarterly	Annual	Annual
Coupon payment date	10th	11th	19th	8th	21st	13th	16th
Coupon (rate if fixed, margin and reference rate if floating)	0.750%	0.375%	0.600% / SONIA	0.125%	0.580% / SONIA	0.010%	0.010%
Margin payable under extended maturity period (%)	0.250%	0.100%	0.600%	0.150%	0.580%	0.220%	0.090%
Swap counterparties	HSBC Bank Plc	Natixis	n/a	Natixis	n/a	HSBC Bank Plc	Natixis
Swap notional denomination	EUR	EUR	n/a	EUR	n/a	EUR	EUR
Swap notional amount	500,000,000	500,000,000	n/a	500,000,000	n/a	500,000,000	500,000,000
Swap notional maturity	10/11/22	11/04/23	n/a	08/05/24	n/a	13/10/27	16/11/28
LLP receive rate/margin	0.750%	0.375%	n/a	0.125%	n/a	0.010%	0.010%
LLP pay rate/margin	0.895% / SONIA	0.738% / SONIA	n/a	0.648% / SONIA	n/a	0.707% / SONIA	0.464% / SONIA
Collateral posting amount	0	0	n/a	0	n/a	0	0

Programme triggers

Counterparty / Events	Summary of Event	Trigger (Moody's, Fitch; short-term, long-term)	Trigger breached (yes/no)	Consequence of a trigger breach
Issuer Event of Default	Issuer failure to pay, insolvency, etc	Issuer failure to pay, insolvency, etc	No	Triggers a Notice to Pay on the LLP
Seller / Transfer of Legal Title	Seller long term ratings fall below Trigger	Long term: Baa3 (Moody's), BBB- (Fitch)	No	Details of the Borrowers with Loans to be delivered to the LLP, the Security Trustee (upon request) and the Rating Agencies
Seller / CB Collection Account	Seller long term ratings fall below Trigger	Short term: P-2 (Moody's), F2 (Fitch)	No	Set up a separate CB Collection Account
Account Bank	Account Bank long and short term ratings fall below Trigger	Short term: P-1 (Moody's), F1 (Fitch)	Yes	GIC Account and Transaction account to be closed with the credit transferred to the Stand-by GIC Account and Stand-by Transaction Account
Stand-by Account Bank	Standby Account Bank long and short term ratings fall below Trigger	Short term: P-1 (Moody's), F1 (Fitch)	No	Move to higher rated bank/guarantee required
Servicer (appointment of Back-up Servicer)	Servicer long term rating fall below Trigger	Long term: Baa1 (Moody's), BBB- (Fitch)	No	Appointment of the Back-up Servicer
Servicer (transfer servicing obligation)	Servicer long term rating fall below Trigger	Long term: Baa3 (Moody's)	No	Transfer servicing obligation to the Back-up Servicer
Cash Manager (appointment of Back-up Cash Manager)	Cash Manager long term ratings fall below Trigger	Long term: Baa1 (Moody's)	No	Appointment of the Back-up Cash Manager
Cash Manager (transfer cash management obligation)	Cash Manager long term ratings fall below Trigger	Long term: Baa3 (Moody's), BBB- (Fitch)	No	Transfer cash management obligation to the Back-up Cash Manager. The Asset Monitor to report on arithmetic accuracy of the Asset Coverage Test.
Cash Manager Relevant Event	Cash Manager long term ratings fall below Trigger	Long term: Baa1 (Moody's)	No	Seller to pre-fund the LLP with the coupon amount due in respect of the covered bonds
Interest Rate Swap Provider	Interest Rate Swap provider ratings fall below Trigger	Replacement Trigger Short term: P-2 (Moody's), F3 (Fitch) Long term: A3 (Moody's), BBB- (Fitch)	No	Replace Interest Rate Swap Provider or procure co-obligor or guaranteee from sufficiently rated counterparty
Covered Bond Swap Provider - CB11	Covered Bond Swap Provider ratings fall below Trigger	Replacement Trigger Short term: N/A (Moody's), F3 (Fitch) Long term: BBB- (Fitch), Counterparty Risk Assessment: Baa1 (Moody's)	No	Replace Swap Provider with sufficiently rated counterparty
Covered Bond Swap Provider - CB12	Covered Bond Swap Provider ratings fall below Trigger	Replacement Trigger Short term: N/A (Moody's), F3 (Fitch) Long term: BBB- (Fitch), Counterparty Risk Assessment: Baa1 (Moody's)	No	Replace Swap Provider with sufficiently rated counterparty
Covered Bond Swap Provider - CB14	Covered Bond Swap Provider ratings fall below Trigger	Replacement Trigger Short term: N/A (Moody's), F3 (Fitch) Long term: BBB- (Fitch), Counterparty Risk Assessment: Baa1 (Moody's)	No	Replace Swap Provider with sufficiently rated counterparty
Covered Bond Swap Provider - CB16	Covered Bond Swap Provider ratings fall below Trigger	Replacement Trigger Short term: N/A (Moody's), F3 (Fitch) Long term: BBB- (Fitch), Counterparty Risk Assessment: Baa1 (Moody's)	No	Replace Swap Provider with sufficiently rated counterparty
LLP Event of Default	LLP failure to pay, Amortisation Test failure, etc	LLP failure to pay, Amortisation Test failure, etc	No	Bonds becoming immediately due and payable

