YORKSHIRE BUILDING SOCIETY

PILLAR 3 DISCLOSURES

QUARTER 3 – 2026



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INTRODUCTION

BACKGROUND

This document presents the Pillar 3 disclosures of Yorkshire Building Society ("the Society") for the quarter ended 30 September 2026. These disclosures are prepared in accordance with the UK Capital Requirements Regulation (CRR), incorporating amendments from CRR II and Policy Statement PS22/21, as set out in the Disclosure (CRR) Part of the Prudential Regulation Authority (PRA) Rulebook. The objective of Pillar 3 is to promote market discipline through transparency of key information on the Society's risk exposures, and risk management practices.

BASIS AND FREQUENCY OF DISCLOSURE

The Society meets the definition of a 'Large institution' under CRR Article 4 (148) and is therefore subject to the disclosure requirements of UK CRR Article 433a. Disclosures are made on a quarterly basis, in line with regulatory expectations.

Disclosures are made at the prudential consolidation group level, which includes the Society and its subsidiaries. Entities not closely aligned with the Society's core business activities may be excluded from the regulatory scope of consolidation, in line with PRA guidance. For further detail on consolidation differences, refer to the relevant section of the annual Pillar 3 disclosures. These disclosures may differ from financial statements prepared under International Financial Reporting Standards (IFRS) due to differences in scope, measurement, and rounding conventions.

TEMPLATES NOT INCLUDED

This report includes templates required for quarterly disclosure and those applicable to the Society based on regulatory thresholds. As the Society is not accredited to use the Internal Ratings Based (IRB) approach, template UKCR8 (RWEA flow statements of credit risk exposures under the IRB approach) is not presented.

LOCATION AND VERIFICATION

These disclosures have been verified internally, and reviewed and approved by the Audit Committee and are published on the Society's website on 19 November 2026. The disclosures are not subject to external audit and do not form part of the Society's statutory financial statements.

ATTESTATION BY BOARD MEMBER

I confirm that, to the best of my knowledge, the Society's Pillar 3 disclosures for the quarter ended 30 September 2026 comply with the Disclosure CRR Part of the PRA Rulebook and have been prepared in accordance with the Society's internal control framework.

Lyndon Horwell

Interim Chief Financial Officer

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ANNEX I : KEY METRICS AND OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS

UK OV1 – Overview of risk weighted exposure amounts

		a	b	c
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		30/09/2026	30/06/2026	30/09/2026
		£m	£m	£m
1	Credit risk (excluding CCR)	20,829.3	20,704.1	1,666.3
2	Of which the standardised approach	20,829.3	20,704.1	1,666.3
3	Of which the foundation IRB (FIRB) approach			
4	Of which slotting approach			
UK 4a	Of which equities under the simple riskweighted approach			
5	Of which the advanced IRB (AIRB) approach			
6	Counterparty credit risk – CCR	37.8	66.8	3.0
7	Of which the standardised approach	10.1	17.3	0.8
8	Of which internal model method (IMM)			
UK 8a	Of which exposures to a CCP	1.1	1.5	0.1
UK 8b	Of which credit valuation adjustment – CVA	13.8	32.3	1.1
9	Of which other CCR	12.8	15.6	1.0
15	Settlement risk	–	–	–
16	Securitisation exposures in the non-trading book (after the cap)	109.7	101.8	8.8
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)	109.7	101.8	8.8
19	Of which SEC-SA approach			
UK 19a	Of which 1250%/ deduction			
20	Position, foreign exchange and commodities risks (Market risk)	–	–	–
21	Of which the standardised approach	–	–	–
22	Of which IMA	–	–	–
UK 22a	Large exposures	–	–	–
23	Operational risk	1,673.3	1,673.3	133.9
UK 23a	Of which basic indicator approach	–	–	–
UK 23b	Of which standardised approach	1,673.3	1,673.3	133.9
UK 23c	Of which advanced measurement approach	–	–	–
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	0.0	0.0	0.0
29	**Total**	**22,650.1**	**22,546.0**	**1,812.0**

Where values are not required to be reported, owing to the size of YBS or other reasons, cells have been left blank.
Where reporting is required but there is nothing to report, cells show zero.

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UK KM1 – Key metrics template

		a	b	c	d	e
		30/09/2026	30/06/2026	31/03/2026	31/12/2025	30/09/2025
		£m	£m	£m	£m	£m
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	4,332.9	4,331.2	4,198.3	4,195.7	4,054.6
2	Tier 1 capital	4,332.9	4,331.2	4,198.3	4,195.7	4,054.6
3	Total capital	4,435.5	4,446.9	4,327.2	4,337.5	4,209.6
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	22,650.1	22,546.0	22,542.3	22,365.0	22,288.3
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	19.1%	19.2%	18.6%	18.8%	18.2%
6	Tier 1 ratio (%)	19.1%	19.2%	18.6%	18.8%	18.2%
7	Total capital ratio (%)	19.6%	19.7%	19.2%	19.4%	18.9%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	0.0%	0.0%	0.0%	0.0%	0.0%
UK 7b	Additional AT1 SREP requirements (%)	0.0%	0.0%	0.0%	0.0%	0.0%
UK 7c	Additional T2 SREP requirements (%)	0.0%	0.0%	0.0%	0.0%	0.0%
UK 7d	Total SREP own funds requirements (%)	8.0%	8.0%	8.0%	8.0%	8.0%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0%	0.0%	0.0%	0.0%	0.0%
9	Institution specific countercyclical capital buffer (%)	2.0%	2.0%	2.0%	2.0%	2.0%
UK 9a	Systemic risk buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Global Systemically Important Institution buffer (%)					
UK 10a	Other Systemically Important Institution buffer	0.0%	0.0%	0.0%	0.0%	0.0%
11	Combined buffer requirement (%)	4.5%	4.5%	4.5%	4.5%	4.5%
UK 11a	Overall capital requirements (%)	12.5%	12.5%	12.5%	12.5%	12.5%
12[1]	CET1 available after meeting the total SREP own funds requirements (%)	11.6%	11.7%	11.2%	11.4%	10.9%
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	60,828.4	60,958.9	60,805.3	60,060.8	60,151.4
14	Leverage ratio excluding claims on central banks (%)	7.1%	7.1%	6.9%	7.0%	6.7%
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)					
14b	Leverage ratio including claims on central banks (%)					
14c	Average leverage ratio excluding claims on central banks (%)					
14d	Average leverage ratio including claims on central banks (%)					
14e	Countercyclical leverage ratio buffer (%)					
	Liquidity Coverage Ratio					

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UK KM1 – Key metrics template (continued)

		a	b	c	d	e
		30/09/2026	30/06/2026	31/03/2026	31/12/2025	30/09/2025
		£m	£m	£m	£m	£m
15	Total high-quality liquid assets (HQLA) (Weighted value – average)	12,486.7	12,410.8	12,515.3	12,777.3	12,850.3
UK 16a	Cash outflows – Total weighted value	5,668.1	5,739.9	5,892.3	6,094.2	6,364.6
UK 16b	Cash inflows – Total weighted value	299.4	301.5	307.4	303.3	308.0
16	Total net cash outflows (adjusted value)	5,368.7	5,438.4	5,584.9	5,790.9	6,056.6
17	Liquidity coverage ratio (%)	232.8%	228.6%	224.5%	221.1%	212.9%
	Net Stable Funding Ratio					
18	Total available stable funding	61,284.2	61,129.2	60,601.1	60,169.3	59,540.6
19	Total required stable funding	38,175.3	38,726.6	39,183.3	39,083.0	38,943.2
20	NSFR ratio (%)	160.7%	158.0%	154.7%	154.0%	152.9%

Where values are not required to be reported, owing to the size of YBS or other reasons, cells have been left blank.

Where reporting is required but there is nothing to report, cells show zero.

Liquidity values have been calculated as a simple average of the 12-month end observations preceding the end of each quarter.

Net stable funding values have been calculated based on a four-quarter rolling average of quarter end positions.

[1] Row 12 reflects the CET1 capital available to meet buffer requirements after deducting the minimum amount of CET1 capital required to meet Pillar 1 and Pillar 2A capital requirements. The minimum CET1 requirement is calculated as 56.25% of the Pillar 1 and Pillar 2A requirements, adjusted for the extent to which Tier 2 capital is available to meet the total capital requirement.

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ANNEX XIII : LIQUIDITY REQUIREMENTS

UK LIQ1 – Quantitative information of LCR

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
		£m	£m	£m	£m	£m	£m	£m	£m
UK 1a	Quarter ending on	30/09/2026	30/06/2026	31/03/2026	31/12/2025	30/09/2026	30/06/2026	31/03/2026	31/12/2025
UK 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	High-quality liquid assets								
1	Total high-quality liquid assets (HQLA)					12,486.7	12,410.8	12,515.3	12,777.3
	Cash – outflows								
2	Retail deposits and deposits from small business customers, of which:	54,162.5	53,757.8	53,392.2	53,128.6	3,268.5	3,304.5	3,450.0	3,649.5
3	Stable deposits	40,134.9	38,695.0	35,193.8	30,765.1	2,006.7	1,934.7	1,759.7	1,538.3
4	Less stable deposits	10,822.0	11,835.6	14,938.2	18,990.5	1,261.4	1,369.2	1,687.7	2,106.6
5	Unsecured wholesale funding	514.5	527.5	533.9	501.4	497.9	498.8	500.3	464.7
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	–	–	–	–	–	–	–	–
7	Non-operational deposits (all counterparties)	420.2	416.9	418.3	418.7	403.7	388.3	384.7	382.0
8	Unsecured debt	94.3	110.5	115.6	82.7	94.3	110.5	115.6	82.7
9	Secured wholesale funding					8.1	9.3	7.5	7.8
10	Additional requirements	1,101.9	1,151.4	1,192.3	1,287.3	1,024.9	1,059.0	1,099.5	1,193.8
11	Outflows related to derivative exposures and other collateral requirements	1,011.8	1,046.7	1,089.1	1,183.4	1,011.8	1,046.7	1,089.1	1,183.4
12	Outflows related to loss of funding on debt products	4.6	2.0	–	–	4.6	2.0	–	–
13	Credit and liquidity facilities	85.6	102.8	103.2	104.0	8.6	10.3	10.3	10.4
14	Other contractual funding obligations	49.9	50.1	50.4	51.1	–	–	–	–
15	Other contingent funding obligations	2,627.1	2,676.0	2,620.9	2,486.9	868.6	868.3	835.0	778.4
16	**Total cash outflows**					**5,668.1**	**5,739.9**	**5,892.3**	**6,094.2**
	Cash – inflows								
17	Secured lending (e.g. reverse repos)	268.2	314.5	388.6	391.7	–	–	–	–
18	Inflows from fully performing exposures	326.4	324.1	322.4	337.4	257.3	255.0	253.0	236.5
19	Other cash inflows	42.1	46.4	54.5	66.8	42.1	46.4	54.5	66.8
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					–	–	–	–
UK-19b	(Excess inflows from a related specialised credit institution)					–	–	–	–
20	**Total cash inflows**	**636.7**	**684.9**	**765.5**	**796.0**	**299.4**	**301.5**	**307.4**	**303.3**
UK-20a	Fully exempt inflows	–	–	–	–	–	–	–	–
UK-20b	Inflows subject to 90% cap	–	–	–	–	–	–	–	–
UK-20c	Inflows subject to 75% cap	636.7	684.9	765.5	796.0	299.4	301.5	307.4	303.3
	Total adjusted value								
UK-21	Liquidity buffer					12,486.7	12,410.8	12,515.3	12,777.3
22	Total net cash outflows					5,368.7	5,438.4	5,584.9	5,790.9
23	Liquidity coverage ratio					232.8%	228.6%	224.5%	221.1%

Liquidity values have been calculated as a simple average of the 12-month end observations preceding the end of each quarter.

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UK LIQB – Qualitative information on LCR, which complements UK LIQ1

in accordance with Article 451a(2) CRR

(a) Explanations on the main drivers of LCR results

The LCR aims to ensure that the Society holds sufficient HQLA to survive a period of liquidity stress lasting 30 calendar days.

The Society's LCR is driven by a combination of the size of its HQLA, modelled stressed retail net outflows, wholesale funding requirements from upcoming maturities and collateral outflows that could arise in a stress. The Society is predominantly retail funded therefore, retail deposit outflows continue to be the largest contributor to net outflows in the LCR.

(b) Explanations on the changes in the LCR over time

The Society's 12-month average LCR, calculated using the previous 12 month-end points, was 232.8% as at 30 September 2026, an increase of 4.2 percentage points compared with 30 June 2026. The increase in the LCR metric is primarily a result of a reduced liquidity requirement on retail deposits, which is attributed to the implementation of the £120k FSCS limit in December 2025. The benefit of these changes continues to crystallise in the 12-month average reported within the LIQ1 template.

(c) Explanations on the actual concentration of funding sources

The Society remains committed to maintaining a diverse funding base to underpin its liquidity position, with risk appetite limits in place around the diversity (by funding type, source, and currency) and maturity profile of its wholesale funding base. Furthermore, there are limits in place to ensure that an appropriate minimum proportion of the Society's lending activity is funded through retail deposits.

(d) High-level description of the composition of the institution's liquidity buffer

The Society maintains a diverse profile of high-quality liquid assets (HQLA), with diversification, SMF eligibility and minimum reserve amounts, and regulatory requirements on the composition of the liquidity buffer all core considerations of the Society's investment strategy. The bulk of the Society's HQLA is classified as Level 1, with smaller portfolios of Level 2A and Level 2B.

(e) Derivative exposures and potential collateral calls

The Society's derivative requirements can be mainly summarised as those arising from a material (3 notch) deterioration in the Society's own credit rating, as well as outflows relating to the impact of adverse rate scenarios upon the Society's collateralised derivative contracts. As part of the latter, the Society calculates an excess collateral requirement against plausible upcoming calls based on the most recent value of its collateralised derivative positions.

(f) Currency mismatch in the LCR

The Society's core operations are transacted in GBP, with any funding accessed in other currencies hedged back to GBP at execution.

(g) Other items in the LCR calculation that are not captured in the LCR disclosure template

At present, all relevant items for the Society are populated within the disclosure template.

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GLOSSARY

Additional Tier 1 (AT1) capital	Capital that meets certain criteria set out in CRD IV. In particular, the criteria require that upon the occurrence of a trigger event, the AT1 capital instrument converts to a form of Common Equity Tier 1 capital or the principal is written down on a permanent basis; or grandfathered instruments such as Permanent Interest Bearing Shares (PIBS).
Capital conservation buffer	An additional layer of usable capital that can be drawn down when losses are incurred in a stress.
Central Counterparties (CCP)	A CCP is a clearing house that interposes itself between counterparties to contracts traded in one or more financial markets, where a single bilateral contract between the buyer and seller is replaced with two contracts, one between the buyer and CCP and one between the seller and CCP.
Common Equity Tier 1 (CET1) capital	The highest quality regulatory capital resources, comprising retained earnings less regulatory adjustments, as defined under CRD IV. Equivalent to Core Tier 1 defined under previous CRD legislation.
Common Equity Tier 1 capital ratio	The ratio of Common Equity Tier 1 Capital to Risk Weighted Assets.
Countercyclical buffer	A capital buffer which aims to ensure that banking sector capital requirements take account of the macro-financial environment in which banks operate.
Counterparty Credit Risk (CCR)	Counterparty credit risk is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows.
CRD IV	The Capital Requirements Directive IV is an EU-wide legislative package that includes prudential rules for banks, building societies and investment firms. CRD IV has been adopted with slight modification by the UK following its exit from the EU.
CRR	The Capital Requirements Regulation that applied the Basel III framework in the EU and has been incorporated into UK regulation following the UK's exit from the EU.
Credit risk	The risk of financial loss arising from a failure of a customer or counterparty to settle their financial and contractual obligations as they fall due.
Credit risk mitigation	Techniques to reduce the potential loss in the event that a customer (borrower or counterparty) becomes unable to meet its obligations. This may include the taking of financial or physical security, the assignment of receivables or the use of credit derivatives, guarantees, credit insurance, set off or netting.
Credit Valuation Adjustment (CVA)	Adjustments applied to the fair values of derivatives to reflect the creditworthiness of the counterparty.
High Quality Liquidity Assets (HQLA)	Assets which can be easily and immediately converted into cash at little or no loss of value.
Liquidity Coverage Ratio (LCR)	A liquidity metric which aims to ensure that a firm maintains an adequate level of liquidity to meet its needs for a 30 calendar day time horizon under a severe stress scenario.
Operational risk	The risk of direct and indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.
Prudential Regulation Authority (PRA)	The UK prudential regulator, which is a part of the Bank of England and alongside the FCA, has responsibility for the oversight of building societies, banks and insurers. The PRA's objective is to promote the safety and soundness of regulated firms.
Securitisation	A transaction or scheme where assets are sold to a Special Purpose Vehicle (SPV) in return for immediate cash payment. That vehicle raises the immediate cash payment by issuing debt securities in the form of tradable notes or commercial paper to wholesale investors who receive an income from the underlying assets. Some risk is retained on the balance sheet while the remaining risk is transferred to investors. Securitisations may be purchased or retained.

Sterling Monetary Framework (SMF)	The Bank of England's operations in the sterling money markets to maintaining monetary and financial stability.
SREP	Supervisory Review and Evaluation Process, the PRA assessment of a firm's own capital assessment (ICA) under Basel III Pillar 2.
The Standardised Approach (credit risk)	The standardised approach to credit risk, calculated by applying varying RWA percentages to credit exposures, depending on the underlying risk.
The Standardised Approach (operational risk)	The standardised approach to operational risk, calculated using three-year historical net income multiplied by a factor of between 12-18%, depending on the underlying business being considered.
Systemic risk buffer	Additional capital requirement which aims to address systemic risks that are not covered by the Capital Requirements Regulation.
Term Funding Scheme with additional incentives for SMEs (TFSME)	A scheme launched by the Bank of England designed to boost lending to households and businesses by providing term funding to banks and building societies participating in the scheme at rates close to Bank Rate.
Tier 1 (T1) capital	The sum total of Common Equity Tier 1 and Additional Tier 1 capital.
Tier 1 capital ratio	The ratio of Tier 1 capital to Risk Weighted Assets.
Tier 2 (T2) capital	A measure of regulatory capital that includes subordinated liabilities and provisions for collective impairment, less regulatory adjustments.
Total capital ratio	The ratio of total capital (Tier 1 and Tier 2) to Risk Weighted Assets.
Total Capital Requirement (TCR)	The total of Pillar 1 requirements and Pillar 2A requirements.

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References to 'YBS Group' or 'Yorkshire Group' refer to Yorkshire Building Society, the trading names under which it operates (Chelsea Building Society, the Chelsea, Norwich & Peterborough Building Society, N&P and Egg) and its subsidiary companies. Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085. Head Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. ybs.co.uk