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Santander UK, as originator, may procure the submission of a notification to the Financial Conduct Authority (the **FCA**) as the relevant competent authority in the UK in accordance with the securitisation sourcebook of the FCA Handbook (**SECN**) 2.5, confirming that the requirements of SECN 2.2.1R to 2.2.29R have been satisfied with respect to the issuance of a series of notes. No assurance is given that the originator will seek an STS designation with respect to any series of notes issued under the Holmes securitisation and the relevant final terms. The originator may decide at its discretion whether an STS notification will be submitted in respect of an issuance of a series of notes at the time of such issuance. Accordingly, notes may, and are capable of, being issued under the Holmes securitisation without any such notes being compliant with the STS requirements or any notification being submitted to the FCA by or on behalf of the originator that the STS requirements are satisfied. In the event that the originator makes an STS notification with respect to a series of notes, no assurance can be given that such series of notes meeting the STS requirements applicable at the time of such STS notification will remain compliant because the STS requirements may change over time. In addition, (i) no assurance can be given on how competent authorities will interpret and apply the STS requirements, (ii) any international or national regulatory guidance may be subject to change following the initial STS notification, and (iii) related regulations are subject to change and, therefore, what is or will be required to demonstrate compliance with the STS requirements to national regulators remains unclear (please see the risk factor entitled "Simple, Transparent and Standardised (STS) Securitisations" in the Base Prospectus dated 14 May 2025, as updated and supplemented from time to time).

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HOLMES MASTER ISSUER PLC
STS GUIDANCE - CAPITAL REQUIREMENTS REGULATION

14 May 2025

Legislative text ¹	Commentary ²
Chapter 5 - Article 243 - Criteria for STS securitisations qualifying for differentiated capital treatment	
<p>2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:</p>	
<p>(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p> <p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p> <p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40% on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);</p> <p>(ii) 50% on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75% on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>The aggregate outstanding principal balance of all loans to a single borrower does not exceed 2.00% of the aggregate outstanding principal balance of all loans as of the cut-off date. See the form of final terms in the base prospectus (p. 293).</p> <p>Each loan has a standardised risk weight equal to or smaller than 40% on an exposure value-weighted average basis for the portfolio as at the relevant assignment date, as such terms are described in Article 243 of the Capital Requirements Regulation (see para 1.26 of schedule 1 of the mortgage sale agreement). See loan warranty (aa) in the base prospectus section "Assignment of the Loans and Their Related Security—Representations and warranties" (p. 167).</p>

¹ Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms, as amended by Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (together, the **CCR**). The table contains a summary of the regulations and does not purport to be complete or an indication of what regulations may or may not be relevant to an assessment of any proposed transaction.

² The table contains commentary based on Santander UK's interpretation of the CRR informed by, among other things, the text of the CRR itself and applicable guidelines and recommendations.

Legislative text ¹	Commentary ²
<p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>The portfolio is comprised of residential mortgage loans, each of which constitute a first charge by way of a legal mortgage or a first ranking standard security over residential properties located in England, Wales, or Scotland (see paras 2.3 and 3.1 of schedule 1 of the mortgage sale agreement). See the base prospectus section "The loans" (pp. 132-148).</p>
<p>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>No loan has an indexed LTV higher than 100% at the time of inclusion in the securitisation (or such other maximum LTV as may be specified from time to time for the purposes of Article 243 of the Capital Requirements Regulation) (see para 1.25 of schedule 1 of the mortgage sale agreement). See loan warranty (z) in the base prospectus section "Assignment of the Loans and their Related Security—Representations and warranties" (p. 167).</p>