

## CONFORMED COPY

### FINAL TERMS

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**EU Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

**UK MIFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its

own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

21 April 2023

## **SKIPTON BUILDING SOCIETY**

*(Legal entity identifier (LEI): 66AGRETLUXS4YO5MUH35)*

Issue of

**£350,000,000 Fixed Rate Reset Senior Non-Preferred Notes due 25 April 2029**

under the

£2,000,000,000

Euro Medium Term Note Programme

### **PART A — CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 6 June 2022 and the supplements to it dated 16 December 2022 and 16 March 2023 which together constitute a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) (2017/1129) as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

- |    |  |   |
|----|--|---|
| 1. | Issuer:  | Skipton Building Society  |
| 2. | Status of the Notes:   | Senior Non-Preferred  |
| 3. | (a) Series Number:   | 202301  |
|    | (b) Tranche Number:  | 1   |
|    | (c) Date on which the Notes will be consolidated and form a single Series: | Not Applicable  |
| 4. | Specified Currency or Currencies:  | Pounds Sterling (“£”)   |
| 5. | Aggregate Nominal Amount:  |   |
|    | (a) Series:  | £350,000,000  |
|    | (b) Tranche:   | £350,000,000  |
| 6. | Issue Price:   | 99.607 per cent. of the Aggregate Nominal Amount  |
| 7. | (a) Specified Denominations:   | £100,000 and integral multiples of £1,000 in excess thereof up to (and including) £199,000. No Notes in definitive form will be issued with a denomination above £199,000 |
|    | (b) Calculation Amount   | £1,000  |

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|-----|---|---|
| 8.  | (a) Issue Date:                                     | 25 April 2023   |
|     | (b) Interest Commencement Date:                     | Issue Date  |
| 9.  | Maturity Date:                                      | 25 April 2029   |
| 10. | Interest Basis:                                     | Reset Notes<br>(further particulars specified below)  |
| 11. | Redemption/Payment Basis:                           | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100.00 per cent. of their nominal amount |
| 12. | Change of Interest Basis:                           | Not Applicable  |
| 13. | Put/Call Options:                                   | Issuer Call<br>Loss Absorption Disqualification Event Call<br>(further particulars specified below)   |
| 14. | Date Board approval for issuance of Notes obtained: | 6 December 2022   |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- |     |  |   |
|-----|--|---|
| 15. | Fixed Rate Note Provisions:                                      | Not Applicable  |
| 16. | Reset Note Provisions:   | Applicable  |
|     | (a) Initial Rate of Interest:                                    | 6.250 per cent. per annum payable in arrear on each Interest Payment Date   |
|     | (b) First Margin:  | +2.750 per cent. per annum  |
|     | (c) Subsequent Margin:   | Not Applicable  |
|     | (d) Interest Payment Date(s):                                    | 25 April and 25 October in each year from (and including) 25 October 2023 up to (and including) the Maturity Date |
|     | (e) Fixed Coupon Amount to (but excluding) the First Reset Date: | £31.25 per Calculation Amount   |
|     | (f) Broken Amount(s):  | Not Applicable  |
|     | (g) Reset Reference Rate:  | Reference Bond  |
|     | (h) First Reset Date:  | 25 April 2028   |
|     | (i) Second Reset Date:   | Not Applicable  |
|     | (j) Subsequent Reset Date(s):                                    | Not Applicable  |

(k)	Relevant Screen Page:	Not Applicable
(l)	Mid-Swap Rate:	Not Applicable
(m)	Fixed Leg Swap Duration:	Not Applicable
(n)	Floating Leg Swap Duration:	Not Applicable
(o)	Mid-Swap Floating Leg Benchmark Rate:	Not Applicable
(p)	Mid-Swap Fallback Rate:	Not Applicable
(q)	Reference Bond Reset Rate Time:	11.00 a.m. (London time)
(r)	Reference Bond Fallback Rate:	4.320 per cent.
(s)	CMT Designated Maturity:	Not Applicable
(t)	CMT Rate Screen Page:	Not Applicable
(u)	First Reset Period Fallback (CMT Rate):	Not Applicable
(v)	Day Count Fraction:	Actual/Actual (ICMA)
	- Determination Dates:	25 April and 25 October in each year
(w)	Reset Determination Date(s):	Second Reset Business Day prior to the First Reset Date
(x)	Business Centre(s):	London
(y)	Calculation Agent:	Principal Paying Agent
17.	Floating Rate Note Provisions:	Not Applicable
18.	Zero Coupon Note Provisions:	Not Applicable
19.	Benchmark Discontinuation:	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

20.	Notice periods for Condition 7(b):	Minimum period: 15 days Maximum period: 30 days
21.	Issuer Call:	Applicable
(a)	Optional Redemption Date(s):	25 April 2028
(b)	Optional Redemption Amount:	£1,000 per Calculation Amount
(c)	If redeemable in part:	Not Applicable

	(d) Notice periods:	Minimum period: 15 days Maximum period: 30 days
22.	Regulatory Event (Subordinated Notes only):	Not Applicable
23.	Senior Non-Preferred Notes: Loss Absorption Disqualification Event Redemption:	Applicable
	(i) Loss Absorption Disqualification Event:	Full or Partial Exclusion
	(ii) Loss Absorption Disqualification Event Redemption Price:	£1,000 per Calculation Amount
	(iii) Senior Non-Preferred Notes: Substitution and Variation:	Applicable
24.	Investor Put:	Not Applicable
25.	Final Redemption Amount:	£1,000 per Calculation Amount
26.	Early Redemption Amount of each Note payable on redemption for taxation or regulatory reasons or on event of default:	£1,000 per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

27.	(a) Form of Notes:	Bearer Notes
		Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
	(b) New Global Note / New Safekeeping Structure:	New Global Note
28.	Additional Financial Centre(s):	Not Applicable
29.	Talons for future Coupons to be attached to Definitive Notes:	No

#### Third Party Information

The high-level rating descriptions set out in Part B of these Final Terms have been extracted from the respective websites of Moody's Investors Service Limited ("**Moody's**") and Fitch Ratings Ltd. ("**Fitch**" and, together with Moody's, the "**credit rating agencies**"). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the credit rating agencies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of **Skipton Building Society**:

By: [BOBBY NDAWULA]  
*Duly authorised*

## PART B — OTHER INFORMATION

### 1. LISTING

- |      |   |  |
|------|---|--|
| (i)  | Listing and admission to trading:                           | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's main market and to listing on the Official List of the Financial Conduct Authority with effect from on or around the Issue Date. |
| (ii) | Estimate of total expenses related to admission to trading: | £5,500   |

### 2. RATINGS

Ratings:

The Notes to be issued are expected to be rated:

Moody's: Baa1

Fitch: A-

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The rating agencies above have published the following high-level descriptions of such ratings:

- A rating of "Baa" by Moody's is described by it as follows: "*Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics*". The modifier "1" is described by Moody's as follows: "*The modifier '1' indicates that the obligation ranks in the higher end of its generic rating category*". (Source: [https://www.moodys.com/sites/products/productattachments/ap075378\\_1\\_1408\\_ki.pdf](https://www.moodys.com/sites/products/productattachments/ap075378_1_1408_ki.pdf))
- A rating of "A" by Fitch is described by it as follows: "*A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.*" The modifier "-" is described by Fitch in the following context: "*indicating relative differences of probability of default or recovery for issues*" (Source: <https://www.fitchratings.com/products/rating-definitions>)

The above descriptions have been extracted from the respective websites of the relevant rating agency. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the relevant

rating agency, no parts have been omitted which would render the reproduced information inaccurate or misleading.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

### **4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

- |      |                         |  |
|------|-------------------------|--|
| (i)  | Reasons for the offer:  | General corporate purposes including contributing to the Issuer's minimum requirement for own funds and eligible liabilities |
| (ii) | Estimated Net Proceeds: | £347,924,500   |

### **5. YIELD**

- |                      |   |
|----------------------|---|
| Indication of yield: | 6.343 per cent. (on a semi-annual basis)  |
|                      | The yield is calculated at the Issue Date on the basis of the Issue Price for the period from the Issue Date until the First Reset Date. It is not an indication of future yield. |

### **6. OPERATIONAL INFORMATION**

- |       |  |  |
|-------|--|--|
| (i)   | ISIN:  | XS2600822998   |
| (ii)  | Common Code:   | 260082299  |
| (iii) | CFI:   | See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN  |
| (iv)  | FISN:  | See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN  |
| (v)   | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable   |
| (vi)  | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable   |
| (vii) | Intended to be held in a manner which would allow Eurosystem eligibility:  | No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be |



recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

## **7. DISTRIBUTION**

- |       |   |  |
|-------|---|--|
| (i)   | U.S. Selling Restrictions:                    | Regulation S, Category 2; TEFRA D applicable |
| (ii)  | Prohibition of Sales to EEA Retail Investors: | Applicable                                   |
| (iii) | Prohibition of Sales to UK Retail Investors:  | Applicable                                   |