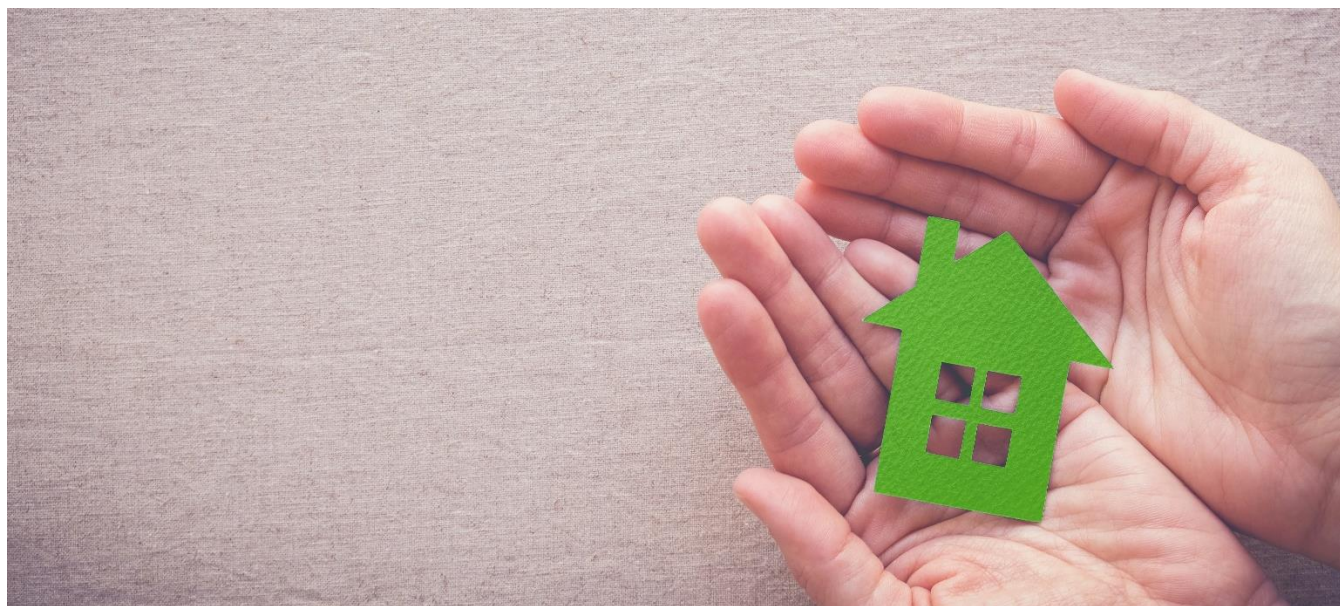




KENSINGTON'S ANNUAL GREEN BOND REPORT



ALLOCATION AND IMPACT REPORTING
AUGUST 2023

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KENSINGTON BY NUMBERS

Kensington's Sustainable Credentials

ENVIRONMENTAL



£355 million of green loans originated in 2022 –originated more than £574 million green loans since closing of the deal



100% Eligible Green Projects Allocation filled by the end of year 2



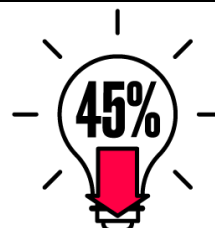
Total ~£640m green proceeds allocated against eligible green projects



First UK lender to issue a green RMBS bond



£1.1 billion of sustainable bonds issued and sold to third party investors



45% less electricity consumed in FY 22/23 – significant energy savings realised in both Kensington offices

SOCIAL



100% of Kensington owner-occupied loans provide clear social benefits to an underserved community of borrowers ⁽¹⁾



First UK lender to issue a social RMBS bond



171 Kensington employees volunteered to do charitable work at least one day each in FY 22/23

(1) Kept on Balance Sheet

Total Sustainable Portfolio GBP 1.1 BN

Green	GBP 639,375,000
Social	GBP 472,000,000
Total	GBP 1,111,375,000

SUMMARY OF KENSINGTON'S GREEN BOND FRAMEWORK

Kensington's Green Bond Framework in line with the ICMA Green Bond Principles

Green Bond	With recent adjustments made to the ICMA Green Bond Principles (GBPs), there are now additional categorizations of the types of Green Bond that can be issued; the Kensington Green Bond would now be classified as a Secured Green Standard Bond.
Use of Proceeds	- Net proceeds of each Green Bond issued by the Issuer under this Framework will be exclusively applied to refinance the Issuer's purchase of portfolios of loans originated by Kensington and to pay certain expenses incurred in connection with the issuance of the Green Bonds. - Where the total amount of Eligible Green Projects on the issue date is less than that of the Green Bond Transaction (GBT) proceeds, Kensington intends to originate loans (secured by Eligible Green Projects) having an aggregate nominal amount equivalent to the amount of the unallocated proceeds within a maximum of 5 (five) years from the issue date.
Green Objective	By issuing a green bond, Kensington will increase its commitment to invest more time and resources to sustainable lending to reduce the carbon footprint of its customers. The proceeds of this framework will be contributing towards Kensington's target to finance the acquisition of green properties and refurbished homes that have improved their energy performance. The loans form part of an Eligible Green Project related to the ICMA Green Bond Principles category of Green Buildings.
Eligible Project	Green For the purposes of the Green Bond issued by the Issuer under the Green Bond Framework, and in line with market practice, the minimum standard required for a property to be designated as an Eligible Green Project is an EPC B rating, as this was the minimum EPC rating for a residential property to be considered to have an emission intensity in the top 15% of residential buildings in England and Wales as at the time of issuance of the Green Bond.
Process for Asset Selection and Evaluation	- Kensington has formed a Green Bond Working Group to carry out the evaluation and selection process. The Green Bond Working Group consists of representatives from the Capital Markets, Analytics & Legal teams. - The representatives ensure the use of proceeds will fulfil the green objective of acquiring green properties and refurbished homes that have improved their energy performance and have achieved a minimum EPC B rating at the time of lending.
Management of Proceeds	- On the issuance date of the Green Bonds, the Issuer will use the Green Bond proceeds to purchase a specific pool of loans originated by Kensington which has been identified ahead of the issue date ("Initial Loan Pool"). - Kensington has implemented internal accounting, financial management and information systems to track and report on the Eligible Green Projects and

verify whether the net proceeds of each GBT have been fully allocated.

Reporting

- On an annual basis while the Green Bonds are outstanding or in case of material changes, Kensington will prepare and publish a Green Bond Annual Report which will be made available on the Kensington Investor website: <https://investors.kensingtonmortgages.co.uk/>
- Allocation Reporting: details of Green Bonds issued, and aggregated reporting of loans financed by Green Bond proceeds at issuance date and as at the annual reporting date. Eligible Green projects financed through the issuance of green proceeds are reported every month on <https://investors.kensingtonmortgages.co.uk/>
- Impact reporting: Where possible, qualitative and/or quantitative reporting of the environmental impacts resulting from loans financed by the Green Bond proceeds.

Asset Pools

- The Initial Loan Pool relates to the assets collateralising the transaction as at closing
 - The Use of Proceeds pool relates to the assets that have been allocated to the use of the green proceeds
-

ICMA Green Bond Principles

June 2022 Update

The Kensington Green Bond Framework was aligned to the ICMA Green Bond Principles (2018 Edition), as this was the most current version for use at the time.

Since the 2018 edition, ICMA released a 2021 edition in June 2021 (post the Kensington Green Bond issuance) and has also since updated the 2021 edition to include a June 2022 Appendix, with the updated versions supporting the Kensington Green Bond Framework and the Kensington Green Bond Use of Proceeds Methodology.

ICMA released the new appendix to its Green (and Social) Bond Principles with an update to the section relating to Secured Green (and Social) Bonds. One of the objectives of these amendments is for the principles to be clearer and fit for purpose for securitisation.

The new language inserted clarifies that two methods can be used to apply the proceeds from a Green or Social Bond securitisation:

- (1) "Secured Green/Social Collateral Bond" - the use of proceeds are applied exclusively to the related collateral pool (*Kensington's Social Bond Transaction - Gemgarto 2021-1 - qualifies under this new definition*)
- (2) "Secured Green/Social Standard Bond" - the use of proceeds can be applied outside of the collateral pool of the related transaction to other assets of the issuer (this may also include assets within the collateral pool), *therefore Kensington's Green Bond Transaction - Finsbury Square 2021-1 Green - fits within this new category.*

The new recommendations suggest transactions should specify as to which of the methods (1) or (2), is being used in the bond marketing materials, and Kensington thoroughly defined its use of proceeds method in both its Social and Green frameworks.

The new language also reinforces that Green/Social projects should not be double counted using them as collateral for a Green/Social Collateral Bond, and also as allocated proceeds for a Green/Social Standard bond. In its Green bond framework, Kensington explicitly confirms that it will not double count the green projects. While both Kensington's ESG labelled transactions are in line with the new language added to the principles, they would be described differently in future marketing materials to explicitly refer to methods (1) or (2) above.

There is no expectation that Kensington will amend its Green bond framework following the new ICMA amendments.

ELIGIBLE GREEN PROJECT

ISS ESG Second Party Opinion

ISS ESG was appointed to provide an external review in the form of a Second Party Opinion on Kensington's Green Bond Framework, and to confirm alignment with the ICMA Green Bond Principles (2018 edition, "GBPs") and the contribution to UN SDGs.

7 AFFORDABLE AND CLEAN ENERGY



SDG 7

Target 7.3

By 2030, double the global rate of improvement in energy efficiency

11 SUSTAINABLE CITIES AND COMMUNITIES



SDG 11

Target 11.3

By 2030, enhance inclusive and sustainable urbanization

SDG 11

Target 11.6

By 2030, reduce the adverse per capita environmental impact of cities

1. Alignment with the ICMA Green Bond Principles (2018) – **Aligned**
2. Sustainability quality of the eligible categories – **Positive Evaluation**
3. Green Bonds' link to Kensington's sustainability strategy – **Consistent with Kensington's sustainability strategy**

ISS ESG is a leading provider of corporate governance and responsible investment solutions. The Second Party Opinion is publicly available on the Kensington investor portal: <https://investors.kensingtonmortgages.co.uk>

ISS ESG  **June 2021**

"ISS ESG considers the Use of Proceeds description provided by Kensington's Green Bond Framework as aligned with the GBPs. The offering of home loan financing to a population acquiring Green Buildings (defined as buildings having a minimum EPC B rating which represents currently an emissions intensity in the top 15% of residential buildings in England and Wales) aligns with the "Green Buildings" category of the GBPs. The environmental benefits of the projects are clear and the risk to finance controversial projects is reduced as the company follows the best market practice by disclosing an exclusion list (including exclusion of fossil fuel backed projects)."

"ISS ESG considers the Process for Project Evaluation and Selection provided by Kensington's Green Bond Framework as aligned with the GBPs. By defining transparent criteria and by involving various stakeholders in the process (various departments are involved in the project evaluation and selection process thanks to the creation of a dedicated Green Bond Working Group), the company follows best market practices. The company provides a documented process to determine that projects fit within defined categories (e.g. bonds will be originated by Kensington, the Green Bond Working Group will use Kensington's internal database that stores EPC rating to constitute the Green Pool of loans that will be refinanced)."

"ISS ESG finds that the Management of Proceeds description provided by Kensington aligns with the GBPs. Earmarking and tracking of proceeds is ensured through the company's IT system, while allocation mechanism and timeframe (e.g. 5-year allocation period) are also clearly described. The company is committed to disclose, if applicable, all unallocated proceeds every year while Green Bonds are outstanding."

TRANSACTION OVERVIEW

Inaugural £750 Million Green Bond Securitisation and first in UK RMBS Markets

The transaction was the first labelled Green Bond from an UK ABS issuer; it aligns with the ICMA Green Bond Principles of 2018 and contributes towards meeting some of the United Nations Sustainable Development Goals.

The deal garnered strong demand from global investors with a total of 31 unique investors across the three marketed tranches with strong interest from investors due to the ESG label.

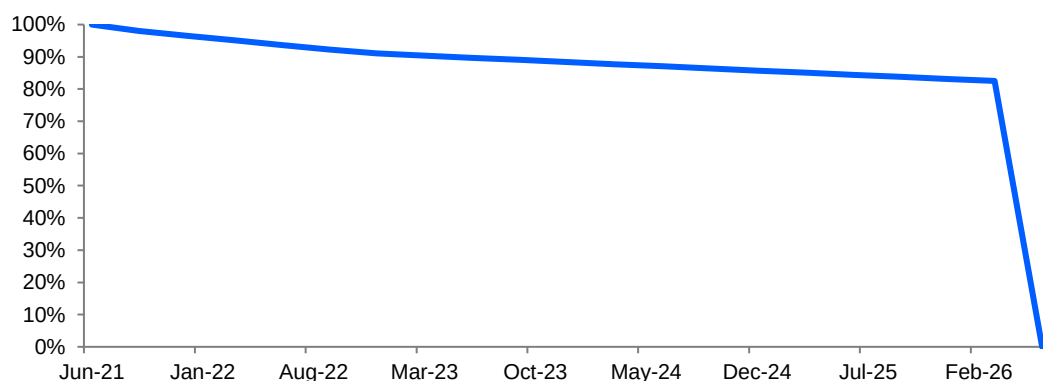
The deal was oversubscribed across all tranches, and the transaction had the tightest Finsbury Square platform pricing since FSQ 18-1, with an overall total cost of funds of 71bps for 4.48 years of funding.

Class	Note Balance (£million)	Capital Structure	Provisional Rating (F/DBRS)	CE (%) ⁽¹⁾	WAL ⁽²⁾ (years)	Spread over SONIA (bps)	Price
A-GREEN	639.375	85.25%	AAA / AAA	16.75%	4.48	+65	100%
B	65.625	8.75%	AA- / AA	8.00%	5.00	+100	100%
C	22.500	3.00%	A- / A+	5.00%	5.00	+125	100%
D	22.500	3.00%	CCC / CCC	2.00%	5.00	Retained	100%
X1	33.750	4.50%	BB+ / BB	n/a	n/a	Retained	100%
X2	18.750	2.50%	B+ / B	n/a	n/a	Retained	100%
Z	15.000	2.00%	Not rated	n/a	n/a	Retained	100%

Capital Structure and Pricing

The transaction includes a controlled amortisation feature where excess principal over a target Class A-GREEN schedule can be used to purchase additional loans subject to certain criteria. The Class A-GREEN notes will have a WAL of 4.48 years assuming the schedule is met, and the deal is called on the interest payment date of June 2026.

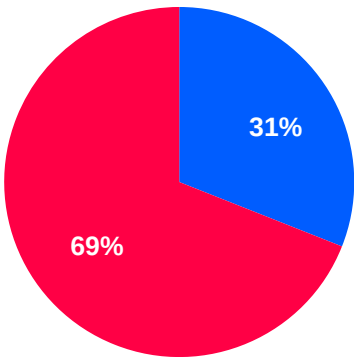
Class A-GREEN Target Amortisation



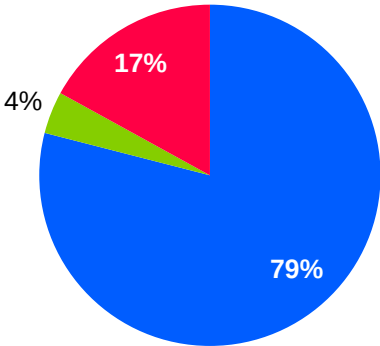
(1) Incl. General Reserve fund

(2) Assumes Base Case: 7.5% CPR for 18 months, followed by 35% CPR for 12 months, followed by 15% CPR for 24 months, followed by 35% CPR for 12 months, followed by 15% CPR thereafter. Deal is called on Step-Up Date, revolver is fully used and 0% arrears/defaults

Distribution by Investor Type & Geography



■ Europe ■ UK



■ Asset managers ■ Trading desks ■ Banks

DEFINITION OF KENSINGTON'S GREEN BOND TRANSACTIONS AS PER THE KENSINGTON GREEN BOND FRAMEWORK

Eligible Green Projects

The cornerstone of a Green Bond is the utilisation of the proceeds of the bond for Green Projects which should provide clear environmental benefits. The GBPs explicitly recognise several broad categories of eligibility for Green Projects, including green buildings.

The net proceeds of each Green Bond issued by the Issuer under this Framework will be exclusively applied to refinance the Issuer's purchase of portfolios of loans originated by Kensington and to pay certain expenses incurred in connection with the issuance of the Green Bonds. The Issuer will raise finance for the purchase of these loans through a term non-recourse securitisation of the underlying loan portfolio, involving the issuance of securitised Green Bonds to investors.

Where a Green Bond takes the form of less than all of the tranches of a bond issuance, the green tranche(s) will be clearly designated, with proceeds of the green tranche(s) clearly earmarked and tracked against the Eligible Green Projects.

In cases in which the total amount of Eligible Green Projects on the issue date is less than that of the GBT proceeds, Kensington intends to originate loans (secured by Eligible Green Projects) having an aggregate nominal amount equivalent to the amount of the unallocated proceeds within a maximum of 5 (five) years from the issue date.

Green Buildings

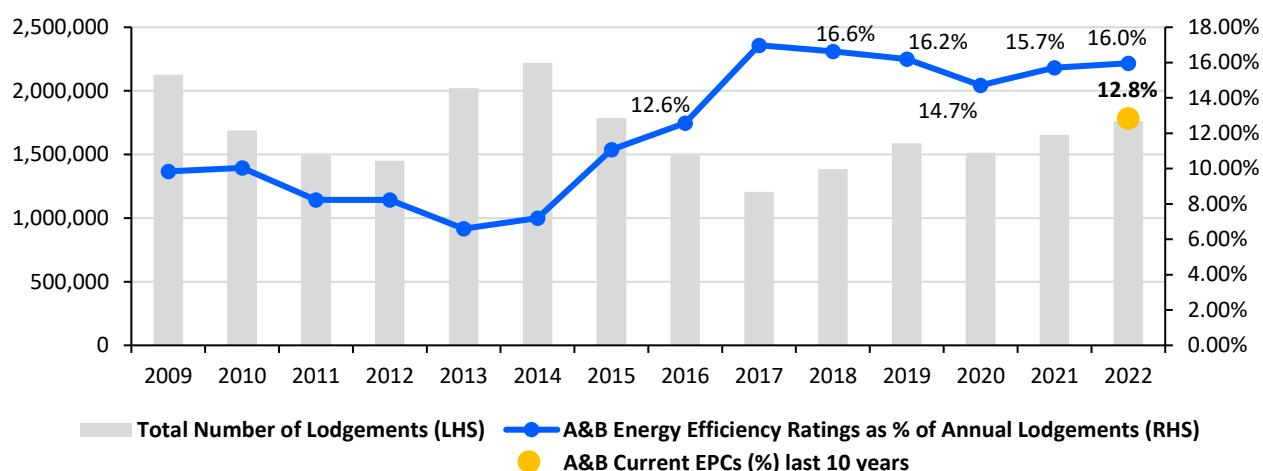
Kensington's Finsbury Square platform of RMBS deals is backed by owner-occupied and buy-to-let residential loans that are predominantly secured against property types, such as detached, semi-detached or terraced houses, flats/apartments and bungalows located in the United Kingdom.

The GBP contemplate buildings which meet regional, national or internationally recognised standards or certifications as Eligible Green Projects. For the purposes of the Green Bonds issued by the Issuer under this Framework, and in line with market practice, the minimum standard required for a property to be designated as an Eligible Green Project is an EPC B rating, as this was the minimum EPC rating for a residential property to be considered to have an emissions intensity in the top 15% of residential buildings in England and Wales as at the time of issuance of the Green Bond Finsbury Square 2021-1 A-GR ⁽¹⁾.

According to data from the UK government, the proportion of residential buildings obtaining a grade of B or higher has grown substantially over time (see chart below) as measured by their relative proportion of total EPCs that are lodged annually. The minimum standard required for a property to be designated as an Eligible Green Project for a particular Green Bond will be fixed as at the date of issuance of that Green Bond, but this Framework may be subsequently updated for the purposes of future Green Bond issuances.

⁽¹⁾ Refer to the sector criteria for Buildings under the Climate Bonds Standard at <https://www.climatebonds.net/standard/buildings/residential>

Proportion of #A & #B EPC Ratings obtained between 2009 and 2022



Source: Government Statistical Data Sets

UK Housing Transition to 'Green'

Kensington's decision to develop a Green Bond Framework is built on its commitment to invest more time and resources into projects that promote progress on environmentally sustainable activities, and to contribute to increasing the amount of capital allocated to sustainable uses of proceeds in the financial sector.

Kensington wants to help its customers meet the challenge of decarbonisation and is therefore committed to lending sustainably; having developed a range of green products that, either reward customers for making environmental upgrades to their properties or reward them for buying already energy efficient properties.

Kensington targets to originate more than £800 million green loans by 2026; with £640 million green loans originated for the green bond i.e. the full allocation. In order to do this, Kensington introduced its Green product ranges and increased Company focus on ESG, this has also helped to allocate the green proceeds within a much quicker timeframe than provided in the green bond framework (2 years rather than the 5 years' in line with the non-call period).

KENSINGTON'S GREEN MORTGAGE OFFERING



With increased environmental awareness and the increase in energy costs over the last year, people are more interested in making greener, more energy efficient choices. Borrowers are now keener to buy more energy efficient properties and take mortgages that reward the energy efficiency of their home, and therefore their own carbon footprint.

In the last few years, we have seen a growing number of green mortgage products launched by banks and non-bank lenders, with initially a predominance in the owner-occupied sector. Primarily lenders offered mortgage products with a preferential rate to already energy efficient homes rather than rewarding borrowers that wanted to improve the ecological footprint of their home. However today, we have seen more mortgage products designed for borrowers who want to upgrade the energy efficiency of their home, which should be a priority for lenders as most of the UK housing stock is very energy inefficient.

Over the last 4 years, Kensington has designed and launched several green products to either finance a green property with an existing green sustainability rating (i.e. a residential property with either an EPC rating of 'A' or 'B') or where a borrower commits to invest in renovating an existing property to improve its environmental performance.

OWNER-OCCUPIED

Residential EKO Cashback Mortgage

In February 2020, Kensington launched its first range of environmentally friendly products, with the eKo Cashback Mortgage being the first green mortgage product offered by a specialist mortgage lender in the UK. This product rewards borrowers that improve the energy efficiency of their home, by granting them £1,000 cashback if they improve the EPC score of their property by at least 10 SAP points or move to the next EPC grade within 12 months of their mortgage completion date. As can be seen in the table below, 10 SAP points is the equivalent to either insulating a hot water cylinder and changing to LEDs, adding loft insulation, changing to double glazing or having solar panels installed.

What counts as energy efficiency improvements?

	Energy Efficiency Improvement	Est. Cost	Potential SAP Increase
1	Hot Water Cylinder Jacket	£20-£50	1 – 5 points
2	LED Light Bulbs	£50 - £150	1 – 5 points
3	Loft Insulation	£100 - £400	10 – 15 points
4	Wall Insulation	Varies £500-'000s	5 – 20 points
5	Renewable Energy (i.e. Solar panels)	£1,500+	5 – 20 points
6	Double Glazing	£1,000 - £5,000	5 – 10 points
7	Boiler Upgrade	Varies £'000s	Up to 40 points

The eKo cashback product is a mortgage for all individuals across all properties in the UK.

Residential EKO Reward

In May 2021, Kensington launched its next green mortgage product; this product rewards owner-occupied borrowers for purchasing an A or B EPC-rated property by doubling the cashback fee compared to a regular cashback product. This is for all loans with £500 cashback paid upon completion.

BUY-TO-LET

Green BTL mortgages are a newer phenomenon but one that keeps developing with the upcoming regulation which will prevent landlords from renting their properties if the EPC grade of the BTL property is not at least a 'C' by December 2028 (for all tenancies), and if they fail to make the upgrades, they will incur a £30,000 fine. Due to this, landlords now have a vested interest in products that support them in carrying out environmental upgrades to their properties.

BTL EKO Cashback Mortgage & EKO Reward

In July 2021, Kensington expanded its green cashback & reward eKo loans to cover its BTL range. The products are the same as the Residential eKo cashback & rewards owner-occupied products however, the difference with the BTL products is that the BTL eKo reward expands to properties with an EPC grade of 'C' and above.

Kensington seeks to continue to expand its green product offering in its Buy-to-let & Residential product ranges, offering discounted rates to borrowers purchasing properties with an EPC rating of at least grade B and to products targeting New Build properties, where the majority will be green properties. Kensington has the technological capability and resources to underwrite additional green products within its lending platform in the coming years. The Group's target is to allocate more than £800 million to its green range of products between 2021 and 2026. **In 2022, Kensington originated a total of £351 million green loans in accordance with the firm's green bond framework.**

SUMMARY OF KENSINGTON'S GREEN OFFERING

Product Name	EKO CASHBACK		EKO REWARD	
Occupancy	Owner-Occupied	BTL	Owner-Occupied	BTL
Introduction Date	Feb-20	Jul-21	May-21	Jul-21
Description	Financing a property where the borrower commits to renovate it to improve its environmental performance within 12 months		Financing an existing green property with an EPC grade of either 'A' or 'B'	Financing an existing green property with an EPC grade of either 'A' or 'B' or 'C'
Max LTV Range	85%	85%	90%	85%
Benefit	£1,000 cashback		£500 cashback	
What Makes it Green?	Rating movement improved from at least 10 SAP points or one EPC grade		EPC rating of A or B	EPC rating of at least C

IMPACT REPORTING

**3,218 Green Loans Allocated to the Green Bond Transaction**

(incl. Eligible Green Projects that were part of the Initial Loan Pool)



Total £640M allocated

**100% Eligible Green Projects Allocation Filled by the End of Year 2**

(incl. Eligible Green Projects that were part of the Initial Loan Pool) (within a max 5-year time frame)

**£1.1 billion of sustainable bonds issued (backed by KMC new originations)**

representing 66% of all bonds issued by Kensington in 2021, and 61% of all Kensington's outstanding bonds

**The average property in the Use of Proceeds Pool emits 1.4 tonnes of CO₂ emissions per year**

vs the average property in the Initial Loan Pool which emits 3.9 tonnes of CO₂ emissions per year

**£355 million of green loans (EPC rated A & B) originated by Kensington in 2022**



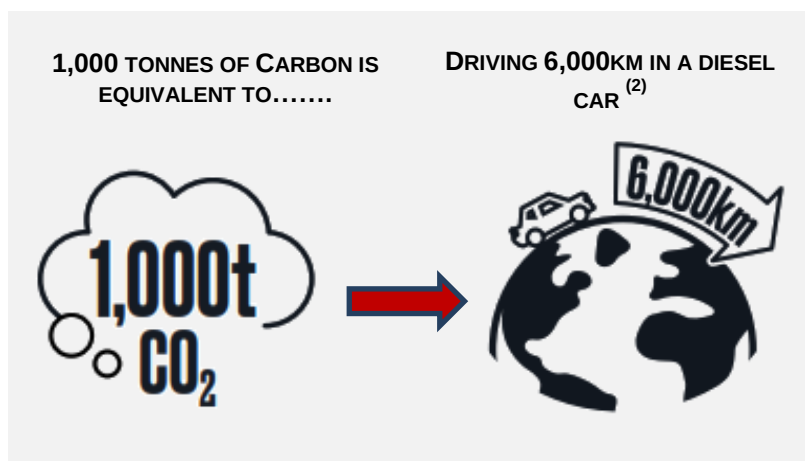
Total green loans originated since issuance of the green bond in June 2021



The Use of Proceeds Pool of properties emits a total of 4,510 tonnes of CO₂ Emissions per year ⁽¹⁾



The initial loan pool of a standard mix of properties emits a total of 11,736 tonnes of CO₂ Emissions per year ⁽¹⁾

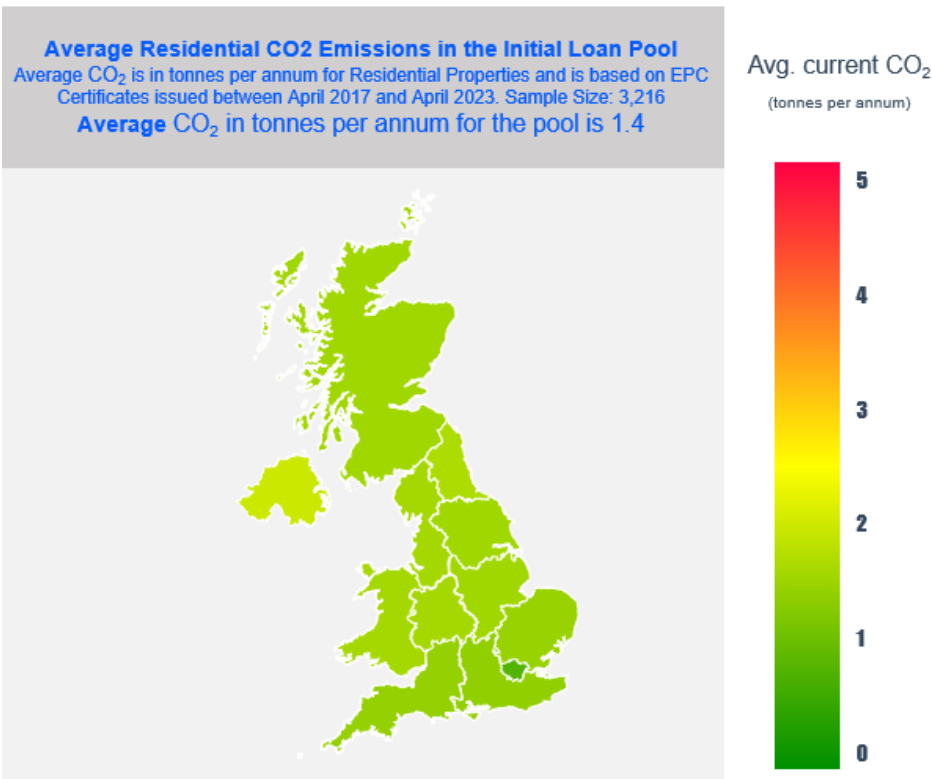
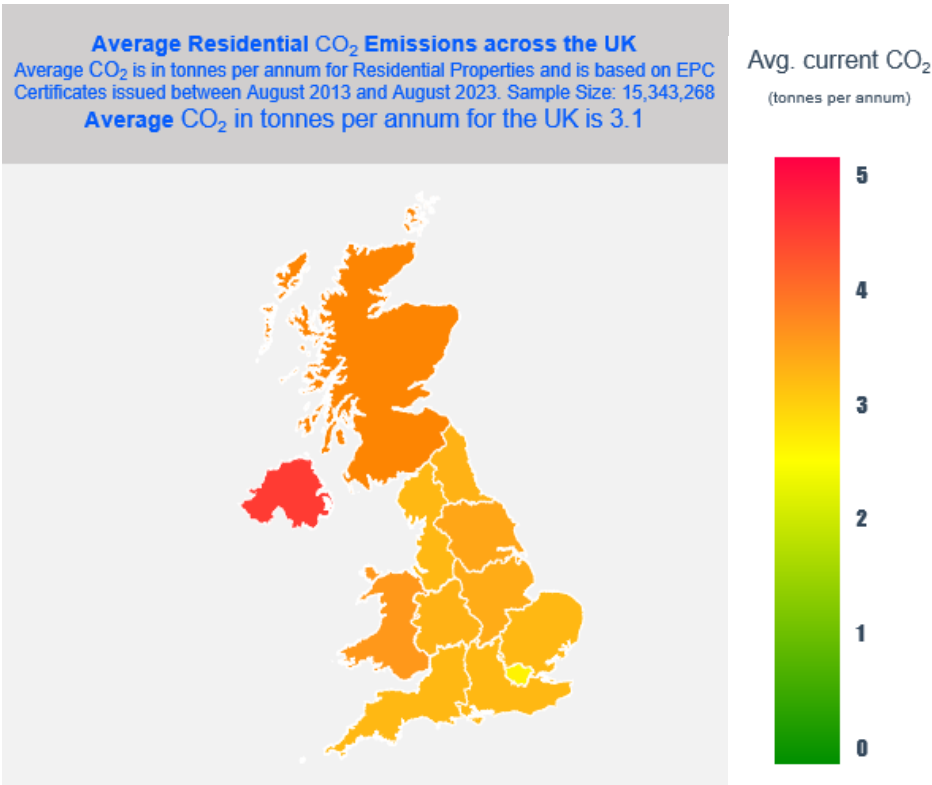


Sources

The above Carbon dioxide emissions data have been supplied by two external third parties over a 2-year timeframe, HousePrice.AI (<https://www.houseprice.ai/index>) and Kamma Data (<https://www.kammadata.com>); which are obtained from each individual properties' EPC report, found on the government energy performance registers (The Energy Performance of Buildings Register for England, Wales & Northern Ireland <https://www.gov.uk/find-energy-certificate> and The Scottish Energy Performance Register <https://www.scottishepcregister.org.uk/>). In line with the GBPs, Kensington aims to be fully transparent and provide as accurate information as possible. Kensington tracks EPC data internally for each of its new originations however to ensure full accuracy it also uses a third party to double check the EPC information collected at the time of origination, to ensure full verification of the use of proceeds.

⁽¹⁾ Data collected by HousePrice.AI & Kamma Data - Data Sources: The Energy Performance of Buildings Register for England, Wales & Northern Ireland, and The Scottish Energy Performance Register – CO₂ emissions as stated on their EPC Certificates

⁽²⁾ <https://www.energuide.be/en/questions-answers/what-exactly-is-a-tonne-of-co2/2141/>



⁽¹⁾ Data for the above collected by Kamma Data
⁽²⁾ Data Sources: The Energy Performance of Buildings Register for England, Wales & Northern Ireland, and The Scottish Energy Performance Register – CO₂ emissions as stated on their EPC Certificates

ALLOCATION REPORTING

External verification of the impact of our green bond

An external third party has been appointed every year, to evaluate the assets funded with the green proceeds raised from the issuance of the green tranche between closing of this transaction in June 2021 until April 2023 i.e. covering a span of origination of 22 months. Their evaluation is based on whether the assets can be designated as Eligible Green Projects as described in the Use of Proceeds definition outlined in Kensington's Green Bond framework i.e. UK owner-occupied or buy-to-let loans secured by a property having currently a minimum EPC B rating, as this is the minimum EPC for a residential property to be considered to have an emission intensity in the top 15% of residential buildings in England and Wales, as specified in the framework ⁽¹⁾.

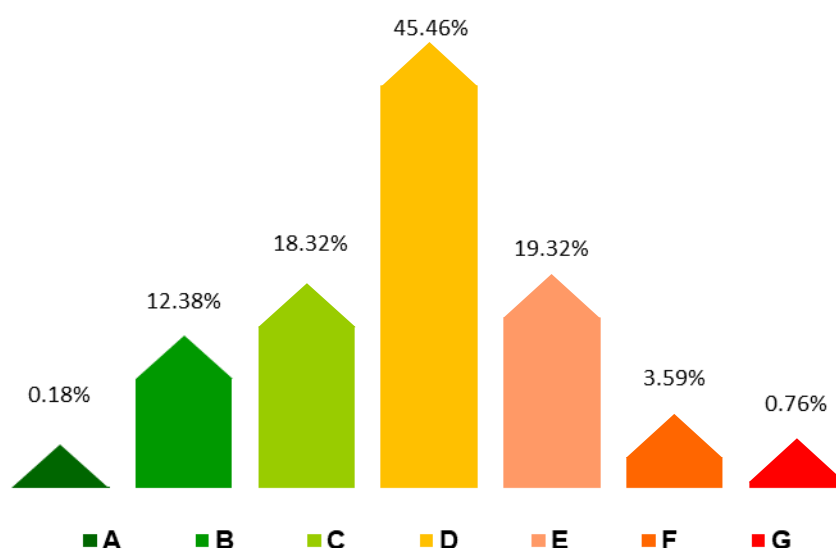
Green bond proceeds as of Closing of the Bond – 30.04.2021

<i>£million</i>	ORIGINAL BALANCE
Green Proceeds Raised through the Class A-Green Bond	639.375
Eligible Green Projects in Initial Loan Pool	68.176
Unallocated Proceeds to Green projects	571.199

On the issuance date of the Green Bonds, all of the proceeds were used to purchase a specific pool of loans, the "Initial Loan Pool", originated by Kensington which included loans designated as an Eligible Green Project and identified ahead of the issue date, the "Eligible Green Projects in Provisional Mortgage Pool".

As the total amount of Eligible Green Projects on the issue date is less than that of the GBT proceeds, Kensington has been originating loans (secured by Eligible Green projects) having an aggregate nominal amount equivalent to the amount of unallocated proceeds within a maximum of 5 years from the issue date.

EPC Distribution in the Initial Pool Loan By Balance



⁽¹⁾ Refer to the sector criteria for Buildings under the Climate Bonds Standard at <https://www.climatebonds.net/standard/buildings/residential>

Green bond proceeds as at 31.05.2023

Figures reviewed by an independent third party. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures, subject to the limitations and exclusions contained therein.

All the green proceeds raised through the issuance of Finsbury Square 2021-1 GR in June 2021 have now been fully allocated against eligible green projects. The last eligible loans allocated to this green bond were originated in April 2023. As a result of full allocation, no more eligible green projects will be allocated towards this green bond.

Table 1: Green Allocation Summary

The closing of the Class A-Green bond was in June 2021.

The Use of Proceeds of the Green Bond had been allocated as below in April 2023.

Green proceeds allocation regarding the issuance of the Class A-Green bond	
Original size of Class A Green tranche (£)	639,375,000
Total of Eligible Green Projects refinanced on closing (Original Balance) (£)	68,176,441
Total of unallocated green proceeds to Eligible Green Projects on closing (Original Balance) (£)	571,198,559
Total of Eligible Green Projects financed since closing (Original Balance) (£) ⁽¹⁾	571,198,582
Total of Eligible Green Projects financed (Original Balance) – i.e. allocated to the Green Bond Proceeds (incl the Eligible Green Projects that were part of the Initial Loan Pool) (£)	639,375,023
Total of unallocated green proceeds still to be allocated to the financing of Eligible Green Projects (Original Balance) (£)	-22.84
Percentage of Eligible Green Projects Allocated (%)	100%
Total Number of EPC rated A Properties	60
Total Value of EPC rated A Properties (Original Balance) (£)	13,654,729
Percentage EPC rated A (%)	2.14%
Total Number of EPC rated B Properties	3,158
Total Value of EPC rated B Properties (Original Balance) (£)	625,720,294
Percentage EPC rated B (%)	97.86%

⁽¹⁾ i.e. Kensington originations since 01/05/2021

Table 2: Use of Proceeds Pool Summary – Stratification tables as at 31.05.2023

The Use of Proceeds Mortgage Pool had the following summary characteristics (percentages are weighted by the original balance):

Summary	
Balance (£) <i>Original Balance</i>	639,375,022.84
Original Balance (£) <i>(Live Loans)</i>	605,082,036.34
Number of Loans	3,218
Redeemed Loans	167
Weighted Average Original LTV (%)	77.16%
Average Balance (£)	198,687
Weighted Average Interest Rate (%) <i>(Live Loans)</i>	4.48%
Weighted Average Stabilised Margin (%)	4.24%
Weighted Average Term To Maturity (Years) <i>(Live Loans)</i>	28.15
Self-Certified (%)	0.00%
Self-Employed (%)	34.33%
Buy-to-Let (%)	16.74%
Help-to-Buy (%)	22.15%
Right-to-Buy (%)	0.07%
Weighted Average Seasoning (months) <i>(Live Loans)</i>	14.79
Bankruptcy/IVA (%)	0.00%
Largest Loan Balance (£)	1,125,999

Table 3: Use of Proceeds Pool - Distribution of Loans by Loan to Value Ratio (Original Loan to Value %)

The following table shows the range of Original Loan to Value Ratios of the Loans, calculated by dividing the aggregate Original Balance of each Loan as of the date of origination by the valuation amount of the Property securing the Loan:

OLTV % Distribution	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
<= 10.00	2	0.06%	72,259.00	0.01%
10.01 to 20.00	17	0.53%	1,059,291.00	0.17%
20.01 to 30.00	34	1.06%	2,875,894.00	0.45%
30.01 to 40.00	46	1.43%	6,017,750.00	0.94%
40.01 to 50.00	88	2.73%	16,419,115.13	2.57%
50.01 to 60.00	151	4.69%	29,053,495.88	4.54%
60.01 to 70.00	274	8.51%	57,678,473.95	9.02%

70.01 to 80.00	1,291	40.12%	263,757,881.03	41.25%
80.01 to 90.00	942	29.27%	220,317,196.85	34.46%
90.01 to 100.00	373	11.59%	42,123,666.00	6.59%
Total	3,218	100.00%	639,375,022.84	100.00%
Weighted Average OLTV	77.16%			
Minimum OLTV	6.25%			
Maximum OLTV	95.00%			

Table 4: Use of Proceeds Pool - Distribution of Loans by Balance (Original Balance)

The following table shows the distribution of loans, based on the balance of the loan at the date of origination:

Original Balance	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
<= 25000.00	3	0.09%	75,000.00	0.01%
25,000.01 to 50,000.00	64	1.99%	2,587,015.00	0.40%
50,000.01 to 100,000.00	436	13.55%	34,266,567.72	5.36%
100,000.01 to 150,000.00	677	21.04%	85,651,836.60	13.40%
150,000.01 to 200,000.00	740	23.00%	129,428,012.11	20.24%
200,000.01 to 250,000.00	492	15.29%	110,638,050.19	17.30%
250,000.01 to 500,000.00	738	22.93%	233,534,768.60	36.53%
500,000.01 to 750,000.00	54	1.68%	30,757,588.87	4.81%
750,000.01 to 1,000,000.00	11	0.34%	9,130,088.75	1.43%
1,000,000.01 =<	3	0.09%	3,306,095.00	0.52%
Total:	3,218	100.00%	639,375,022.84	100.00%
Average	198,687			
Minimum	25,000			
Maximum	1,125,999			

Table 5: Use of Proceeds Pool - Distribution of Loans by Repayment Method

The following table shows the repayment type of the loans:

Repayment Method	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
Repayment	2,630	81.73%	527,134,273.41	82.45%
Interest Only	577	17.93%	108,261,828.43	16.93%
Part & Part	11	0.34%	3,978,921.00	0.62%
Total	3,218	100.00%	639,375,022.84	100.00%

Table 6: Use of Proceeds Pool - Distribution of Loans by Current Interest Rate (%) (Live Loans)

The following table shows the distribution of the live loans by the current interest rate:

Current Interest Rate (%)	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
1.01 to 2.00	33	1.08%	9,009,751.00	1.49%
2.01 to 2.50	0	0.00%	0.00	0.00%
2.51 to 3.00	252	8.26%	45,264,071.29	7.48%
3.01 to 3.50	218	7.15%	45,509,653.22	7.52%
3.51 to 4.00	568	18.62%	130,957,680.12	21.64%
4.01 to 4.50	606	19.86%	105,649,151.50	17.46%
4.51 to 5.00	683	22.39%	127,243,863.00	21.03%
5.01 to 5.50	286	9.37%	62,773,470.09	10.37%
>=5.51	405	13.27%	78,674,396.12	13.00%
Total	3,051	100.00%	605,082,036.34	100.00%
Weighted Average	4.48%			
Minimum	1.10%			
Maximum	9.20%			

Table 7: Use of Proceeds Pool - Distribution of Loans by Arrears (Months)

The following table shows the months in arrears of the loans:

Months in Arrears	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
<= 0.00	3,186	99.01%	632,330,436.70	98.90%
0.01 to 1.00	8	0.25%	1,960,417.00	0.31%
1.01 to 5.00	15	0.47%	3,203,073.14	0.50%
5.01 to 10.00	5	0.16%	1,073,338.00	0.17%
10.01 >=	4	0.12%	807,758.00	0.13%
Total	3,218	100.00%	639,375,022.84	100.00%

Table 8: Use of Proceeds Pool - Distribution of Loans by Property Type

The following table shows the distribution of the Loans by Property type:

Property Type	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
House, detached or semi-detached	1,867	58.02%	412,403,716.93	64.50%
Terraced House	591	18.37%	99,356,568.58	15.54%
Flat/Apartment	741	23.03%	123,621,343.83	19.33%
Bungalow	19	0.59%	3,993,393.50	0.62%
Other	0	0.00%	0.00	0.00%
Total	3,218	100.00%	639,375,022.84	100.00%

Table 9: Use of Proceeds Pool - Region

The following table shows the regional distribution of Properties securing the Loans throughout England and Wales and Scotland. Regions are determined in accordance with the Nomenclature of Territorial Units for Statistics (NUTS) 1 classification.

Region	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
London	229	7.12%	50,834,985.87	7.95%
South East England	398	12.37%	98,635,793.25	15.43%
East of England	388	12.06%	93,122,710.73	14.56%
North West England	519	16.13%	91,066,199.19	14.24%
West Midlands	278	8.64%	52,052,301.51	8.14%

East Midlands	336	10.44%	62,778,031.72	9.82%
Yorkshire and the Humber	303	9.42%	47,733,786.65	7.47%
South West England	248	7.71%	49,548,600.17	7.75%
Wales	105	3.26%	20,139,680.93	3.15%
Scotland	217	6.74%	41,818,541.45	6.54%
North East England	171	5.31%	28,153,690.44	4.40%
Northern Ireland	26	0.81%	3,490,700.93	0.55%
Total	3,218	100.00%	639,375,022.84	100.00%

Table 10: Use of Proceeds Pool - Distribution of Loans by Construction Year

The following table shows the distribution of the Loans by the year of construction:

Construction Year	No. of Loans	% of Loans	Principal Balance (£)	% of Principal Balance
< 2015	406	12.62%	70,402,735.55	11.01%
2015 to 2019	574	17.84%	122,007,768.33	19.08%
2020	210	6.53%	45,079,427.82	7.05%
2021	1,066	33.13%	223,687,270.29	34.99%
2022	933	28.99%	173,832,145.51	27.19%
2023	29	0.90%	4,365,675.34	0.68%
Total	3,218	100.00%	639,375,022.84	100.00%

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