

Coventry Building Society

(incorporated in England and Wales under the Building Societies Act 1986, as amended)

€7 billion

Global Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments by

Coventry Building Society Covered Bonds LLP

(a limited liability partnership incorporated in England and Wales)

This Supplement (the **Supplement**) to the Offering Circular dated 11 September 2018 as supplemented by the supplementary offering circular dated 18 October 2018 (the **Offering Circular**), which comprises an offering circular for the purposes of Article 5.4 of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU) (the **Prospectus Directive**), constitutes a supplementary offering circular for the purposes of Section 87G of the Financial Services and Markets Act 2000 (**FSMA**) and is prepared in connection with the €7 billion Global Covered Bond Programme (the **Programme**) established by Coventry Building Society (the **Issuer**) and unconditionally and irrevocably guaranteed as to payments of interest and principal by Coventry Building Society Covered Bonds LLP (the **LLP**). Terms defined in the Offering Circular have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular and any other supplements to the Offering Circular issued by the Issuer.

This Supplement has been approved by the Financial Conduct Authority (the **FCA**) which is the competent authority for the purposes of the Prospectus Directive and relevant implementing measures in United Kingdom for the purposes of giving information with regard to the issue of instruments under the Programme.

The Issuer and the LLP accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Issuer and the LLP (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to:

- (i) incorporate by reference, the 2018 Financial Results News Release (as defined in this Supplement) was published via RNS on 1 March 2019; and
 - (ii) insert a new risk factors titled "*Harmonisation of the EU covered bond framework*".
- (i) Documents incorporated by reference**

By virtue of this Supplement, the announcement titled "Coventry Building Society Reports Robust Financial Results" (RNS Number 5181R) (**2018 Financial Results News Release**) which was published by Coventry Building Society on 1 March 2019, shall be deemed to be incorporated in, and form part of, the Offering Circular and supplement the section entitled "Documents Incorporated by Reference" on page 10 of the Offering Circular.

Any non-incorporated parts of a document referred to in this Supplement are either deemed not relevant for an investor or are otherwise covered elsewhere in this Supplement which this Supplement relates to.

(ii) Risk Factor

The Risk Factor section on page 32 of the Offering Circular is supplemented to add the following risk factor before the paragraph titled "*RISK FACTORS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF COVERED BONDS*" as set out below:

"Harmonisation of the EU covered bond framework

It should be noted that in March 2018, the European Commission published legislative proposals for a more harmonised EU covered bond framework. The proposals are made up of a draft directive (replacing current article 52(4) of the UCITS Directive) and intended to establish a revised base-line definition of covered bonds for EU regulatory purposes; and a draft regulation (amending article 129 of the EU Capital Requirements Regulation and certain related provisions) intended to strengthen the requirements for covered bonds to receive preferential capital treatment. Helpfully, the draft directive provides for permanent grandfathering with respect to certain requirements for article 52(4) UCITS Directive-compliant covered bonds issued before the relevant application date, although a similar provision included in the draft amending regulation does not seem to provide for the full necessary adjustment. The proposals are now subject to the usual EU legislative process. As a result, the final position, including the date of entry into force and the date of application of the new regime (aspects of which will require transposition by member states through national laws) are not yet known. Therefore, there can be no assurances or predictions made as to the precise effect of the new regime on the Covered Bonds."

General

If the documents which are incorporated by reference in the Offering Circular by virtue of this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Offering Circular for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in, or attached to, the Offering Circular by virtue of this Supplement.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Offering Circular by this Supplement and (b) any other statement in or incorporated by reference in the Offering Circular, the statements referred to in (a) above will prevail.

Save as disclosed in this Supplement and any other supplements to the Offering Circular previously issued by the Issuer, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.

This Supplement will be published on the website of the London Stock Exchange. The Issuer and the LLP will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein or in the Offering Circular. Written requests for such documents should be directed either to the Issuer at Coventry Building Society, Economic House, PO Box 9, High Street, Coventry CV1 5QN, and marked for the attention of the Secretary and Solicitor or (as applicable) the LLP, at its office set out at the end of Offering Circular. Copies of all documents incorporated by reference in this Supplement can also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html.

Investors should be aware of their rights under Section 87Q(4) of the FSMA.

The date of this Supplement is 11 March 2019.