Nationwide Sub-Group Pillar 3 Disclosures 2025

Contents

Contacts

Media queries: Sara Batchelor

T: +44 (0)7785 344 137

E: Sara.Batchelor@nationwide.co.uk

Investor queries: Vikas Sidhu

T: +44 (0)7738 273 287

E: Vikas.Sidhu@nationwide.co.uk

Forward-looking statements

Certain statements in this document are forward-looking with respect to plans, goals and expectations relating to the future financial position, business performance and results of Nationwide. Although Nationwide believes that the expectations reflected in these forward-looking statements are reasonable, Nationwide can give no assurance that these expectations will prove to be an accurate reflection of actual results. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond the control of Nationwide including, amongst other things, UK domestic and global economic and business conditions, market-related risks such as fluctuation in interest rates and exchange rates, inflation/deflation, the impact of competition, changes in customer preferences, risks concerning borrower credit quality, delays in implementing proposals, the timing, impact and other uncertainties of future acquisitions or other combinations involving the Society and/or within relevant industries, risks relating to sustainability and climate change, the policies and actions of regulatory authorities and the impact of tax or other legislation and other regulations in the jurisdictions in which Nationwide operates. The economic outlook remains uncertain and, as a result, Nationwide's actual future financial condition, business performance and results may differ materially from the plans, goals and expectations expressed or implied in these forward-looking statements. Due to such risks and uncertainties, Nationwide cautions readers not to place undue reliance on such forward-looking statements.

Nationwide undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

This document does not constitute, or form part of any offer, invitation or solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction. No securities are being offered to the public by means of this document. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering to be made in the United States will be made by means of a prospectus that may be obtained from Nationwide and will contain detailed information about Nationwide and its management, as well as its financial statements.

1 Executive Summary

1.1. Introduction

Nationwide Building Society holds a unique position in UK financial services. As the largest building society, the combination of our scale, mutual model and strong reputation enables us to prioritise customer experience and value, whilst having a positive impact on wider society and growing our business to bring the benefits of mutuality to more people.

As a mutual, our members do not just bank with Nationwide Building Society, they own us. Unlike our banking peers, we do not have to pay shareholders dividends. We retain sufficient profit to remain financially strong, while sharing our success with our members. Our acquisition of Virgin Money, which completed on 1 October 2024, has grown and diversified our business, and will enable us to deliver even greater value for our customers bringing the benefits of mutuality to more people in the UK.

This document provides a detailed view of Nationwide sub-group's capital resources, the components of capital risk, risk management policy and objectives and other financial and business risks. Further detail about Nationwide can be found in the Annual Report and Accounts 2025 or Group Pillar 3 Disclosure at nationwide.co.uk.

1.2. Scope, consolidation and reporting

Nationwide's structure

Terms used in this report	Definition
The Group	Nationwide Building Society and all consolidation subsidiaries, including the Virgin Money sub-group
Nationwide Building Society/the Society	Nationwide Building Society, parent entity of the Group
Nationwide sub-group/Nationwide	Nationwide Building Society and all consolidation subsidiaries, excluding the Virgin Money sub-group
Individual consolidation	Referring to the application of prudential requirements to a single credit institution or investment firm, rather than a consolidated group. In line with UK CRR article 9 subsidiaries that meet specific conditions can be incorporated into an individual consolidation. The subsidiaries included in the individual consolidation are referenced in the section below and exclude the Virgin Money sub-group
Virgin Money sub-group/Virgin Money	Virgin Money UK PLC and its consolidated subsidiaries

Nationwide Building Society is regulated by the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) as recognised on the Bank of England's website and the Financial Services Register hosted on the FCA website. The UK Capital Requirements Directive V (CRD V) framework applies to Nationwide Building Society and its subsidiary undertakings (the 'Group').

The majority of information in the disclosure relates to 'Nationwide sub-group' which is defined as Nationwide Building Society and its consolidated subsidiaries, excluding the Virgin Money sub-group. Virgin Money sub-group disclosures remain separate due to the recent timing of the acquisition and because the Virgin Money sub-group continues to maintain capital as required under UK CRD V and disclose information in line with the PRA Rulebook (CRR). The Group Pillar 3 disclosure and the Annual Report and Accounts 2025 can be found at nationwide.co.uk. The Pillar 3 disclosures in relation to the Virgin Money sub-group can be found at virginmoneyukplc.com.

Nationwide Building Society is required to calculate and maintain regulatory capital on both a Group consolidation basis, including Virgin Money, and on an individual consolidation basis. There are no material differences between the basis of consolidation of the sub-group for accounting and prudential purposes. The differences between the Group, sub-group and individual consolidation relate primarily to Virgin Money UK PLC, and reserves held by entities that sit outside of the scope of individual consolidation but are included in the Group and sub-group consolidation.

The subsidiaries included in the individual consolidation under UK CRR article 9 are listed below.

- Nationwide Building Society
- The Mortgage Works (UK) PLC (TMW)
- UCB Home Loans Corporation Limited (UCB)
- Derbyshire Home Loans Limited
- E-Mex Home Funding Limited
- Nationwide Syndications Limited

All information in this disclosure relates to the 'Nationwide sub-group' unless denoted as 'individual consolidation'. The only individual consolidation quantitative disclosures within this document are included in UK OV1, UK KM1 & UK CC1. In line with PRA Rulebook (CRR) article 432, some tables are not disclosed on an individual consolidation basis as they are consistent with sub-group disclosures or are deemed immaterially different.

Change of accounting reference date

Following the acquisition of Virgin Money UK PLC, the Society changed its accounting reference date to 31 March. The 2024 comparatives are presented as at 4 April 2024.

Basis and frequency of disclosure

The purpose of this disclosure is to provide information in relation to regulatory capital and liquidity requirements. The disclosures and basis of measurement are in accordance with the rules laid out in the PRA Rulebook (CRR). The disclosures may differ from similar information in the Annual Report and Accounts 2025 which is prepared in accordance with International Financial Reporting Standards ('IFRS'). Therefore, the information in these disclosures may not be directly comparable.

Unless otherwise stated, all figures and narrative are at 31 March 2025, the Group's financial year end, with comparative figures to the previous financial year-end at 4 April 2024 where relevant. Full Pillar 3 disclosures are published annually, and concurrently with the Annual Report and Accounts, in accordance with regulatory rules. From 30 September 2025, only Group and individual consolidation Pillar 3 documents will be published with the Nationwide sub-group document no longer published.

1.3. Summary of key metrics

Nationwide sub-group's capital position remains strong, with both the CET1 ratio and leverage ratio comfortably above regulatory capital requirements of 11.8% and 3.95% respectively. The CET1 capital requirement includes a 7.3% minimum Pillar 1 and Pillar 2A requirement and the UK CRD V combined buffer requirements of 4.5% of risk weighted assets (RWAs). The CET1 ratio decreased to 21.9% (2024: 27.1%). The leverage ratio decreased to 5.5% (2024: 6.5%).

The reduction in CET1 ratio is as a result of a reduction in CET1 capital resources of £1.7 billion, in conjunction with an increase in RWAs of £4.9 billion, both primarily linked to the acquisition of Virgin Money on 1 October. This includes an investment in subsidiary deduction from CET1 capital resources of £2.2 billion, and RWAs of £4.6 billion related to the acquisition and transfer of capital to Virgin Money, both of which are not reflected at Nationwide Group level.

Following the Virgin Money acquisition an internal capital framework has been established to enable capital to be transferred from the Nationwide sub-group to the Virgin Money sub-group. As at 31 March 2025, £0.8 billion of Common Equity Tier 1 (CET1) capital resources had been transferred in response to the impact of harmonisation of accounting policies and acquisition-related costs recognised in the Virgin Money sub-group, ensuring the Virgin Money sub-group continues to maintain sufficient capital.

Further detail on regulatory capital ratios, resources and risk weighted assets is included in Annex I (Key Metrics) and Annex XXI (IRB approach).

UK CRD V requires firms to calculate a leverage ratio, which is non-risk-based, to supplement risk-based capital requirements. Nationwide sub-group's leverage ratio is 5.5% (2024: 6.5%), with Tier 1 capital decreasing by £1.6 billion as a result of the CET1 capital movements referenced above, and an increase in leverage exposure of £14.3 billion, predominantly due to increased residential mortgage balances.

The leverage ratio remains in excess of the sub-group's leverage capital requirement of 3.95%, which comprises a minimum Tier 1 capital requirement of 3.25% and buffer requirements of 0.7%. related to the UK countercyclical leverage ratio buffer.

Further detail on leverage is included in Annex XI (Leverage ratio).

Nationwide sub-group's Liquidity Coverage Ratio (LCR), which ensures sufficient high-quality liquid assets are held to survive a short-term severe but plausible liquidity stress, averaged 176% over the 12 months ended 31 March 2025 (2024: 191%). The average Net Stable Funding Ratio (NSFR), which assesses the stability of funding relative to the liquidity of assets, was 147% for the four quarters ended 31 March 2025 (4 April 2024: 151%), which is in excess of the 100% minimum requirement. Nationwide sub-group continues to manage its liquidity against internal risk appetite which is more prudent than regulatory requirements. Further detail is included in Annex XIII (Liquidity requirements).

1.4. Background

The European Union Capital Requirements Directive, which applies to banks and building societies, came into effect on 1 January 2007. This introduced consistent capital adequacy standards and an associated supervisory framework in the EU based on the Basel II accord, and included disclosure requirements known as 'Pillar 3', which are designed to promote market discipline through the disclosure of key information about risk exposures and risk management processes. Following publication of the Basel III accord, this was replaced by the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (together referred to as CRD IV) which came into force on 1 January 2014 and was superseded by PS22/21 on 1 January 2022.

PS22/21 'Implementation of Basel standards: Final rules' included revisions to the Pillar 3 disclosure framework to align to Basel international standards. The revised requirements aim to increase the efficiency of institutions' disclosures and reinforce market discipline and consistency. The implementation date in the UK was 1 January 2022 and this document includes those revisions.

In May 2008, the Financial Services Authority (FSA) granted Nationwide Building Society permission to use Internal Ratings Based (IRB) approaches for Nationwide sub-group credit risk and capital management. This permission was updated to become a CRR IRB permission from 1 January 2014. The disclosures in this document are based on IRB approaches for most portfolios, including the majority of owner-occupied, buy to let and legacy mortgages, commercial loans, personal loans, credit cards and overdrafts as detailed in Annex XXI 'IRB approach to credit risk'. The Standardised Approach (SA) is used for the remainder of credit risk and for operational risk, as detailed in Annex XIX 'Standardised approach' and Annex XXXI 'Operational risk'.

As a building society subject to the Building Societies Act 1997, Nationwide Building Society is required to maintain at least 75% of its 'business assets' (total assets less fixed assets and liquid assets) in loans that are fully secured on residential property. For this reason, a higher proportion of Nationwide's lending is in the form of residential mortgages when compared with many of the high-street Plc banks. As a building society, Nationwide does not maintain a trading book and may only use derivatives to hedge risk.

1.5. Capital instruments

Individual details of Nationwide sub-group's eligible regulatory capital instruments and eligible liabilities can be found in template UK CCA.

Core capital deferred shares (CCDS)

CCDS are a form of Common Equity Tier 1 capital which has been developed to enable Nationwide to raise capital from the capital markets. CCDS are perpetual instruments. They rank equally to each other and are junior to claims against the Society of all depositors, creditors and investing members. Each holder of CCDS has one vote, regardless of the number of CCDS held.

Other equity instruments

Other equity instruments are Additional Tier 1 (AT1) capital instruments and are included within Tier 1 capital resources. The AT1 instruments rank equally to each other and are junior to claims against the Society of all depositors, creditors and investing members, other than the holders of CCDS.

Subscribed capital

Permanent Interest-Bearing Shares (PIBS) rank equally with each other. They are deferred shares of the Society and rank behind the claims against the Society of all noteholders, depositors, creditors and investing members of the Society, other than the holders of AT1 and CCDS instruments. PIBS do not meet the UK CRD V definition of capital and were phased out of the calculation of capital resources from 1 January 2022 under the transitional rules. However, they are eligible for the purposes of meeting MREL.

Subordinated liabilities

Tier 2 eligible subordinated notes rank equally with each other and ahead of claims against the Society of holders of PIBS, AT1 instruments and CCDS.

1.6. Capital buffers

Introduction

Under UK CRD V, institutions are required to meet the following own funds requirements: a CET1 capital ratio of 4.5%, a Tier 1 capital ratio of 6% and a total capital ratio of 8%. These form the institution's Pillar 1 requirements. Pillar 2A covers firm specific risks and those that are not fully addressed by Pillar 1. In addition to the minimum capital requirements, UK CRD V requires institutions to hold capital buffers, together the Combined Capital Buffer, that can be utilised to absorb losses in stressed conditions. The three buffers that make up Nationwide sub-group's Combined Capital Buffer are described below.

Capital conservation buffer

The capital conservation buffer is designed to ensure that institutions build up capital buffers outside times of stress that can be drawn upon if required. From January 2019 the capital conservation buffer requirement is 2.5% of RWAs.

Countercyclical buffer (CCyB)

The CCyB requires financial institutions to hold additional capital to reduce systemic risks associated with the excess build-up of credit by providing additional loss absorbing capacity and acting as an incentive to limit further credit growth.

Each institution's specific countercyclical buffer rate is a weighted average of the countercyclical capital buffers that apply in the jurisdictions where the relevant credit exposures are located. The Financial Policy Committee (FPC) is responsible for setting the UK CCyB rate (for credit exposures located in the UK) and indicated that this will be 2% in normal economic conditions.

On 5 July 2023 the UK CCyB rate was increased to 2% from 1% by the FPC. This led to an increase in Nationwide sub-group's risk-based capital requirements. Nationwide sub-group leverage requirements also increased as the countercyclical leverage ratio buffer is calculated as approximately 35% of the risk-based CCyB rate. Capital surpluses reduced as a result of these changes; however, they remained comfortably above Board risk appetite.

G-SII buffer

Financial institutions that are considered to represent a higher risk to the global financial system, based on several key factors, are defined as globally systemically important institutions (G-SIIs). G-SIIs are categorised into buckets based on size, interconnectedness, substitutability, complexity and global activity. As a result of its bucket allocation, each G-SII's capital requirement is determined from within the range of 1% to 2.5% of RWAs. Nationwide does not currently meet the definition of a G-SII so this buffer is not applicable.

Other systemically important institutions (O-SII) buffer

The O-SII (previously named the systemic risk buffer) was introduced by the PRA to mitigate long-term non-cyclical systemic or macro-prudential risks. The O-SII buffer only applies to ring fenced banks and large building societies. The buffer rate is between 0% and 3% depending on the average quarter-end leverage exposure over a calendar year. The O-SII buffer is set to 0% at Nationwide sub-group and individual consolidation level as the buffer applies at consolidated group level only.

PRA buffer

Under the Pillar 2 framework, the PRA may also set a firm specific capital buffer, known as the PRA buffer, over and above the Combined Capital Buffer. This should be maintained in non-stressed conditions as a mitigation against future possible stress periods. The PRA requires that the level of this buffer is not publicly disclosed. All buffers must be met with CET1 resources.

1.7. Policy, verification and sign off

Nationwide sub-group's Pillar 3 document has been verified and approved through internal governance procedures in line with Nationwide's Pillar 3 Disclosure Standard. The Pillar 3 Disclosure Standard requires that:

- capital data is produced under the Capital Reporting Controls Framework (CRCF), which provides assurance over its accuracy, integrity and completeness;
- data outside of the CRCF is subject to appropriate senior review and approval;
- appropriate reconciliations are performed on the disclosures;
- narrative content is subject to appropriate senior review and approval;
- compliance with regulatory requirements, as set out in the Disclosure (CRR) section of the PRA rulebook, is documented and met; and
- risk-based review activities are performed across the Three Lines of Defence, to provide assurance over the disclosures.

"We attest that, to the best of our knowledge, Nationwide sub-group's Pillar 3 disclosures have been prepared in accordance with Nationwide's Pillar 3 Disclosure Standard and the internal controls framework described within it."

Muir Mathieson	Gavin Smyth
Chief Financial Officer	Chief Risk Officer

2 Annex I | Key metrics and overview of risk-weighted exposure amounts

2.1. UK KM1 - Key metrics template

UK KM1 - Key metrics template - Sub-group		a	b	c	d	e
£m		31 Mar 25	31 Dec 24	30 Sep 24	30 Jun 24	04 Apr 24
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	**13,052**	13,316	15,087	14,800	14,798
2	Tier 1 capital	**14,537**	14,794	17,170	16,136	16,134
3	Total capital	**15,664**	15,977	18,323	17,334	17,808
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	**59,513**	57,572	53,067	55,137	54,628
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	**21.9**	23.1	28.4	26.8	27.1
6	Tier 1 ratio (%)	**24.4**	25.7	32.4	29.3	29.5
7	Total capital ratio (%)	**26.3**	27.8	34.5	31.4	32.6
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	**2.8**	2.8	2.8	2.9	2.9
UK 7b	Additional AT1 SREP requirements (%)	**0.9**	0.9	0.9	1.0	1.0
UK 7c	Additional T2 SREP requirements (%)	**1.2**	1.2	1.2	1.3	1.2
UK 7d	Total SREP own funds requirements (%)	**12.9**	12.9	12.9	13.1	13.1
	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 (%)	**–**	–	–	–	–
9	Institution specific countercyclical capital buffer (%)	**2.0**	2.0	2.0	2.0	2.0
UK 9a	Systemic risk buffer (%)	**–**	–	–	–	–
10	Global Systemically Important Institution buffer (%)	**–**	–	–	–	–
UK 10a	Other Systemically Important Institution buffer	**–**	–	1.0	1.0	1.0
11	Combined buffer requirement (%)	**4.5**	4.5	5.5	5.5	5.5
UK 11a	Overall capital requirements (%)	**17.4**	17.4	18.4	18.6	18.6
12	CET1 available after meeting the total SREP own funds requirements (%)	**13.4**	14.8	21.1	18.3	19.5
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	**263,603**	262,386	255,315	261,947	249,263
14	Leverage ratio excluding claims on central banks (%)	**5.5**	5.6	6.7	6.2	6.5
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**5.5**	5.6	6.7	6.2	6.5
14b	Leverage ratio including claims on central banks (%)	**5.2**	5.2	6.0	5.6	5.9
14c	Average leverage ratio excluding claims on central banks (%)	**5.5**	5.6	6.3	6.3	6.3
14d	Average leverage ratio including claims on central banks (%)	**5.1**	5.2	5.7	5.7	5.6
14e	Countercyclical leverage ratio buffer (%)	**0.7**	0.7	0.7	0.7	0.7
	Liquidity Coverage Ratio[1]					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	**47,302**	50,183	53,539	54,361	56,061
UK 16a	Cash outflows - Total weighted value	**29,034**	30,276	31,187	30,591	31,514
UK 16b	Cash inflows - Total weighted value	**2,111**	2,156	2,218	2,170	1,987
16	Total net cash outflows (adjusted value)	**26,923**	28,120	28,969	28,421	29,527
17	Liquidity coverage ratio (%)	**176**	179	186	192	191
	Net Stable Funding Ratio[1]					
18	Total available stable funding	**248,209**	245,846	246,175	245,427	245,157
19	Total required stable funding	**169,231**	165,058	162,712	161,795	162,366
20	NSFR ratio (%)	**147**	149	151	152	151

Note:
[1] The Liquidity Coverage and Net Stable Funding Ratios are calculated as a simple average of twelve month and four quarter end observations respectively

UK KM1 - Key metrics template - Individual consolidation[2]		a	b	c	d	e
£m		31 Mar 25	31 Dec 24	30 Sep 24	30 Jun 24	04 Apr 24
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	**12,967**				14,737
2	Tier 1 capital	**14,452**				16,073
3	Total capital	**15,579**				17,747
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	**59,277**				54,575
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	**21.9**				27.0
6	Tier 1 ratio (%)	**24.4**				29.5
7	Total capital ratio (%)	**26.3**				32.5
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	**2.8**				2.9
UK 7b	Additional AT1 SREP requirements (%)	**0.9**				1.0
UK 7c	Additional T2 SREP requirements (%)	**1.2**				1.2
UK 7d	Total SREP own funds requirements (%)	**12.9**				13.1
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	**2.5**				2.5
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	**–**				–
9	Institution specific countercyclical capital buffer (%)	**2.0**				2.0
UK 9a	Systemic risk buffer (%)	**–**				–
10	Global Systemically Important Institution buffer (%)	**–**				–
UK 10a	Other Systemically Important Institution buffer	**–**				1.0
11	Combined buffer requirement (%)	**4.5**				5.5
UK 11a	Overall capital requirements (%)	**17.4**				18.6
12	CET1 available after meeting the total SREP own funds requirements (%)	**13.3**				19.4
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	**263,573**				249,476
14	Leverage ratio excluding claims on central banks (%)	**5.5**				6.4
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**5.5**				6.4
14b	Leverage ratio including claims on central banks (%)	**5.1**				5.9
14c	Average leverage ratio excluding claims on central banks (%)	**5.4**				6.0
14d	Average leverage ratio including claims on central banks (%)	**5.1**				5.3
14e	Countercyclical leverage ratio buffer (%)	**0.7**				0.7
	Liquidity Coverage Ratio[1]					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	**47,302**				56,061
UK 16a	Cash outflows - Total weighted value	**29,034**				31,514
UK 16b	Cash inflows - Total weighted value	**2,111**				1,987
16	Total net cash outflows (adjusted value)	**26,923**				29,527
17	Liquidity coverage ratio (%)	**176**				191
	Net Stable Funding Ratio[1]					
18	Total available stable funding	**248,209**				245,157
19	Total required stable funding	**169,231**				162,366
20	NSFR ratio (%)	**147**				151

Notes:
[1] The Liquidity Coverage and Net Stable Funding Ratios are calculated as a simple average of twelve month and four quarter end observations respectively
[2] The disclosure of the individual consolidation is presented annually. The quarterly disclosures between year-ends are not published and thus have not been presented

2.2. Capital Flow

Capital Flow		
		a
£m		
1	**Common equity tier 1 capital as at 04 April 2024**	**14,798**
2	Issuance of CCDS	**–**
3	Profit for the year	**657**
4	Other comprehensive income recognised directly in the general reserve	**(268)**
5	Foreseeable distributions	**(4)**
6	Revaluation reserve	**(1)**
7	FVOCI reserve	**(76)**
8	Capital adjustments:	
9	Direct holdings of CET1 instruments	**–**
10	Direct holdings of CET1 instruments of financial sector entities where the institution has a significant investment in those entities	**(2,158)**
11	Prudential valuation adjustment	**4**
12	Own credit valuation adjustments	**7**
13	Intangible assets (net of deferred tax liabilities)	**107**
14	Defined-benefit pension fund assets (net of deferred tax liabilities)	**52**
15	Excess of expected loss over impairment	**(66)**
16	IFRS 9 transitional arrangements	**–**
17	**Common equity tier 1 capital as at 31 March 2025**	**13,052**
18	**Additional tier 1 capital as at 04 April 2024**	**1,336**
19	Redemption/Repurchase of AT1	**(593)**
20	Issuance of AT1	**742**
21	**Additional tier 1 capital as at 31 March 2025**	**1,485**
22	**Tier 2 capital as at 04 April 2024**	**1,674**
23	Issuance/Redemption/Repurchase of subordinated debt	**(433)**
24	Amortisation of subordinated debt	**(172)**
25	Fair value adjustments of subordinated debt	**31**
26	Excess of impairment provisions over regulatory expected losses	**27**
27	IFRS 9 transitional arrangements	**–**
28	**Tier 2 capital as at 31 March 2025**	**1,127**
29	Total regulatory capital as at 04 April 2024	**17,808**
30	**Total regulatory capital as at 31 March 2025**	**15,664**

The CET1 capital resources (row 17) reduction of £1.7 billion was primarily driven by increase in regulatory CET1 deductions relating to the Virgin Money acquisition and subsequent CET1 capital resources transfer to Virgin Money sub-group (row 10) partially offset by £0.7 billion profit after tax (row 3).

In the period, Nationwide sub-group issued £0.7 billion of AT1 capital, with £0.6 billion redeemed. In addition, £0.4 billion of Tier 2 capital was issued, with £0.9 billion redeemed.

2.3. UK OV1 - Overview of risk weighted exposure amounts[1]

UK OV1 – Overview of risk weighted exposure amounts		a	b	c	a	b	c
		Sub-group			Individual consolidation		
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements	Risk weighted exposure amounts (RWEAs)		Total own funds requirements
£m		31 Mar 25	04 Apr 24	31 Mar 25	31 Mar 25	04 Apr 24	31 Mar 25
1	**Credit risk (excluding CCR)**	51,717	47,169	4,137	51,481	47,116	4,118
2	Of which the standardised approach	5,397	3,742	432	5,412	3,754	432
3	Of which the foundation IRB (FIRB) approach	3,652	3,327	292	3,637	3,293	291
4	Of which slotting approach	385	473	31	385	473	31
UK 4a	Of which equities under the simple riskweighted approach	4,037	233	323	3,802	201	305
5	Of which the advanced IRB (AIRB) approach	38,246	39,394	3,059	38,245	39,395	3,059
6	**Counterparty credit risk - CCR**	614	777	49	614	777	49
7	Of which the standardised approach	192	273	15	192	273	15
8	Of which internal model method (IMM)	–	–	–	–	–	–
UK 8a	Of which exposures to a CCP	158	137	13	158	137	13
UK 8b	Of which credit valuation adjustment - CVA	263	362	21	262	362	21
9	Of which other CCR	1	5	–	2	5	–
15	**Settlement risk**	–	–	–	–	–	–
16	**Securitisation exposures in the non-trading book (after the cap)**	164	184	13	164	184	13
17	Of which SEC-IRBA approach	–	–	–	–	–	–
18	Of which SEC-ERBA (including IAA)	164	184	13	164	184	13
19	Of which SEC-SA approach	–	–	–	–	–	–
UK 19a	Of which 1250%/ deduction	–	–	–	–	–	–
20	**Position, foreign exchange and commodities risks (Market risk)[2]**	322	–	26	322	–	26
21	Of which the standardised approach	322	–	26	322	–	26
22	Of which IMA	–	–	–	–	–	–
UK 22a	**Large exposures**	–	–	–	–	–	–
23	**Operational risk**	6,696	6,498	536	6,696	6,498	536
UK 23a	Of which basic indicator approach	–	–	–	–	–	–
UK 23b	Of which standardised approach	6,696	6,498	536	6,696	6,498	536
UK 23c	Of which advanced measurement approach	–	–	–	–	–	–
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)**	4,211	293	337	4,222	306	338
29	**Total**	59,513	54,628	4,761	59,277	54,575	4,742

Notes:
[1] Specific rows of this table have not been presented as they are not applicable in the UK
[2] Foreign exchange RWAs increased as the related sub-group exposure exceeded the 2% own funds de minimis threshold

2.3. UK OV1 - Overview of risk weighted exposure amounts (cont.)

RWAs increased by £4.9 billion, predominantly driven by the £2.8 billion acquisition of Virgin Money which gave rise to an investment in subsidiary RWA of £3.8 billion included in row UK 4a and row 24 (a 'for information' row).

In addition, credit risk RWAs under standardised approach (row 2) increased by £1.7 billion primarily due to increased TMW limited company buy to let lending, RWA treatments related to the transfer of MREL eligible debt to Virgin Money sub-group and a guarantee provided to the Bank of England in relation to Virgin Money's participation in the Sterling Monetary Framework.

Credit risk advanced IRB (row 5) RWAs reduced by £1.1 billion driven by a £3.0 billion reduction in RWAs following the approval of Nationwide sub-group Hybrid IRB mortgage models. This was partially offset by an increase in RWAs due to higher residential mortgage balances.

Finally, foreign exchange risk RWAs also increased by £0.3 billion (row 21) as the related exposure exceeded the 2% own funds de minimis threshold and operational risk RWAs increased £0.2 billion (row 23) due to an increase in the rolling 3-year average income figure, in comparison with the 2024 average.

2.4. UK INS1 - Insurance participation

Nationwide has no own funds held in insurance or reinsurance firms, so this template has not been presented.

2.5. UK INS2 - Financial conglomerates information on own funds and capital adequacy ratio

Financial conglomerates are large groups with significant activities in more than one financial sector (banking, investment, insurance). Nationwide does not qualify as a financial conglomerate so this template has not been presented.

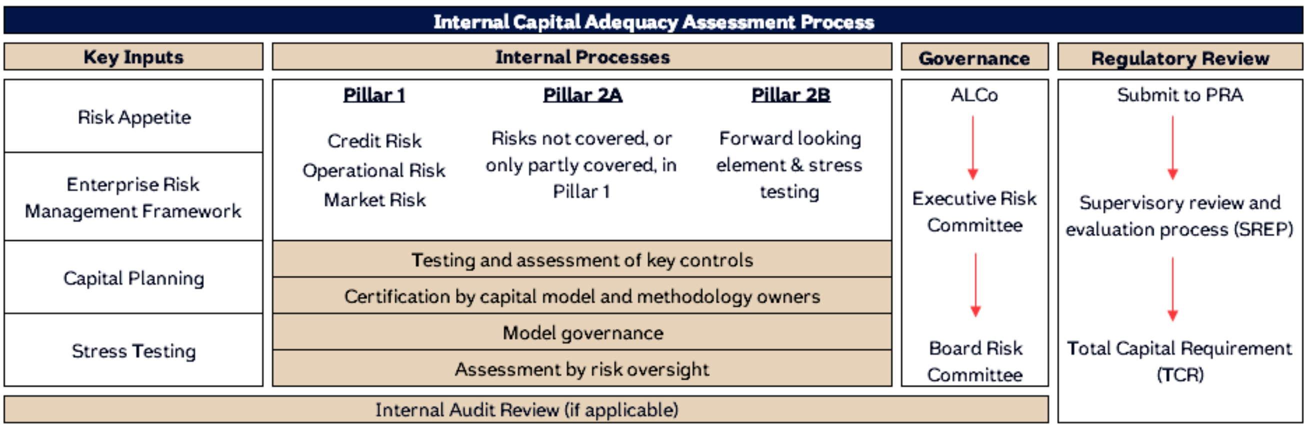
2.6. UK OVC - ICAAP information

(a) Approach to assessing the adequacy of the internal capital (Article 438(a) CRR)

Nationwide sub-group undertakes an ICAAP annually, or more frequently should the need arise. The ICAAP is an internal assessment of Pillar 2A and Pillar 2B capital requirements, with the Pillar 2A assessment considering firm-specific risks and risks not included or adequately captured in Pillar 1. The Pillar 2B element provides an assessment of Nationwide's stressed capital adequacy in the context of its business strategy, risk appetite, risk profile and capital plan throughout a five-year planning horizon. The capital plan provides the baseline for stress testing analysis which considers the impact of alternative scenarios on Nationwide sub-group's capital resources and requirements and the actions we can take to manage our capital position during periods of stress.

The outcome of the ICAAP is presented in an Internal Capital Assessment (ICA) document. This covers all the material risks for Nationwide sub-group to determine an internal assessment of capital requirements and ensures that Nationwide effectively plans to meet its future capital needs. Nationwide's capital strategy has established the target capital base that it aims to achieve over the planning horizon based on our financial plan and expectations of current and future capital quantity and quality needs. It also includes sufficient capital to cover the potential impact from severe but plausible economic scenarios, and considers the context of external stakeholders, including members, investors, rating agencies and regulators.

The ICA is presented to ALCO, ERC and BRC for review, challenge and approval ahead of submission to the PRA.



Governance for stress testing goes through the Stress Testing Committee, with the performance of the committee monitored by ALCO.

Pillar 2A

Capital is held to meet Pillar 1 requirements for credit, operational and market risks. In addition, the PRA requires firms to hold capital to meet Pillar 2A requirements. This is a point-in-time estimate, set by the PRA through their annual Supervisory Review and Evaluation Process (SREP) based on the submission of the results of the annual ICAAP. This process confirms the amount of capital required to be held to meet risks which are not covered or only partly covered by Pillar 1 such as credit concentration, operational, pension, interest rate and climate change risk. The combination of Pillar 1 and Pillar 2A requirements form Nationwide's Total Capital Requirement (TCR). Pillar 2A requirements are set as a percentage of RWAs, with the exception of some fixed add-ons, such as pension risk.

(b) Result of Nationwide's internal capital adequacy assessment process (Article 438(a) CRR)

Nationwide sub-group's latest Pillar 2A and TCR were received in August 2024. Pillar 2A equates to 5.0% of RWAs at 31 March 2025 (4 April 2024: 5.1% of RWA). Nationwide sub-group's Pillar 2A is equivalent to £3.0 billion at 31 March 2025, of which at least £1.7 billion must be met by CET1 capital. This largely reflects the low average risk weight density of Nationwide's balance sheet, given that approximately 83% (2024: 82%) of total assets, excluding central bank reserves, are in the form of secured residential mortgages.

3 Annex III | Risk management policies and objectives

3.1. UK OVA - Risk management approach

(a) Risk statement approved by the management body (Point (f) of Article 435(1) CRR)

Risk management is at the heart of Nationwide's business and has an important part to play in delivering our purpose: 'Banking - but fairer, more rewarding and for the good of society', by making sure it is safe and secure for the future.

All business activities involve some degree of risk; to protect members, risks arising from business activities must be managed appropriately by:

- identifying risks through a robust assessment of principal risks and uncertainties facing Nationwide, including those that would threaten its business model, future performance, solvency or liquidity, or increase the potential for customer harm;
- effective decision making, ensuring the right risks are taken, in a way that is considered and supports the strategy, maintaining a reputation for high standards of business conduct;
- ensuring the risks taken are understood and controlled; and
- maintaining an appropriate balance between delivering customer value and remaining a prudent and responsible lender.

To ensure risks are managed consistently and rigorously, we operate a Board approved Enterprise Risk Management Framework (ERMF) which defines how risks are managed across the principal risks.

The framework sets out the risk management responsibilities of all colleagues within a Three Lines of Defence model. This ensures risk is properly managed throughout the Society and that all risks are appropriately identified, assessed, managed, monitored and reported consistently. The Society's independent risk function, which is led by the Chief Risk Officer, provides oversight and challenge of the Society's risk management practices, whilst the Internal Audit function provides assurance of the effectiveness of our control environment for the Board.

Through the framework, the Board formally sets its risk appetite, articulating how much risk it is prepared to take in the pursuit of its objectives. A robust suite of policies, standards and other resources translates this appetite into the localised risk management activities and controls which are operated on a day-to-day basis to protect Nationwide's members and their money. The Board and management committees receive regular reporting on the Society's risk profile and key risk metrics to support them in monitoring our position relative to risk appetite.

To provide a structure for Board Risk Appetite, Nationwide uses a risk categorisation model for the principal risks described below.

Principal risk	Definition	Risk Committee
Credit risk	The risk of loss as a result of a customer or counterparty failing to meet their financial obligations.	Credit Committee
Liquidity and funding risk	Liquidity risk is the risk that Nationwide is unable to meet its liabilities as they fall due and maintain member and other stakeholder confidence. Funding risk is the risk that Nationwide is unable to maintain diverse funding sources in wholesale and retail markets and manage retail funding risk that can arise from excessive concentrations of higher risk deposits.	Assets and Liabilities Committee
Capital risk	The risk that Nationwide fails to maintain sufficient capital to absorb losses throughout a full economic cycle and sufficient to maintain the confidence of current and prospective investors, members, the Board, and regulators.	Assets and Liabilities Committee
Market risk	The risk that the net value of, or net income arising from, the sub-group's assets and liabilities is impacted as a result of market price or rate changes. Nationwide does not have a trading book; therefore market risk only arises in the banking book.	Assets and Liabilities Committee
Pension risk	The risk that the value of the pension schemes' assets will be insufficient to meet the estimated liabilities, creating a pension deficit.	Assets and Liabilities Committee
Business risk	The risk that volumes decline, margins shrink, or losses increase relative to the cost or capital base, affecting the sustainability of the business and the ability to deliver the strategy due to external factors (macroeconomic, geopolitical, industry, regulatory, technological or other external events) or internal factors (including the development and execution of the strategy).	Executive Risk Committee
Model risk	The risk of adverse consequences from model errors or the inappropriate use of modelled outputs. Model outputs may be affected by the quality of data inputs, choice and suitability of methodology and the integrity of implementation. The adverse consequences include financial loss, poor business or strategic decision making, or damage to Nationwide's reputation.	Model Risk Oversight Committee
Operational and conduct risk	The risk of impacts resulting from inadequate or failed internal processes, conduct and compliance management, people and systems, or from external events.	Conduct and Operational Risk Committee Economic Crime Risk Committee

Nationwide's risk appetite is aligned to these principal risks and is expressed in qualitative terms with measures supported by limits and triggers. Overall, these measures have consistently remained within appetite across the principal risk categories over the last 12 months, with the exception of operational and conduct risk, where some risk appetite limits have been exceeded within the financial year in respect of technology management and economic crime.

These measures are regularly reviewed and challenged by the relevant risk committees including any trigger or limit breaches to ensure the appropriate remedial actions are in place to return within appetite. Risk appetite breaches are escalated to the Executive Risk Committee (ERC) and Board Risk Committee (BRC) where relevant according to defined criteria.

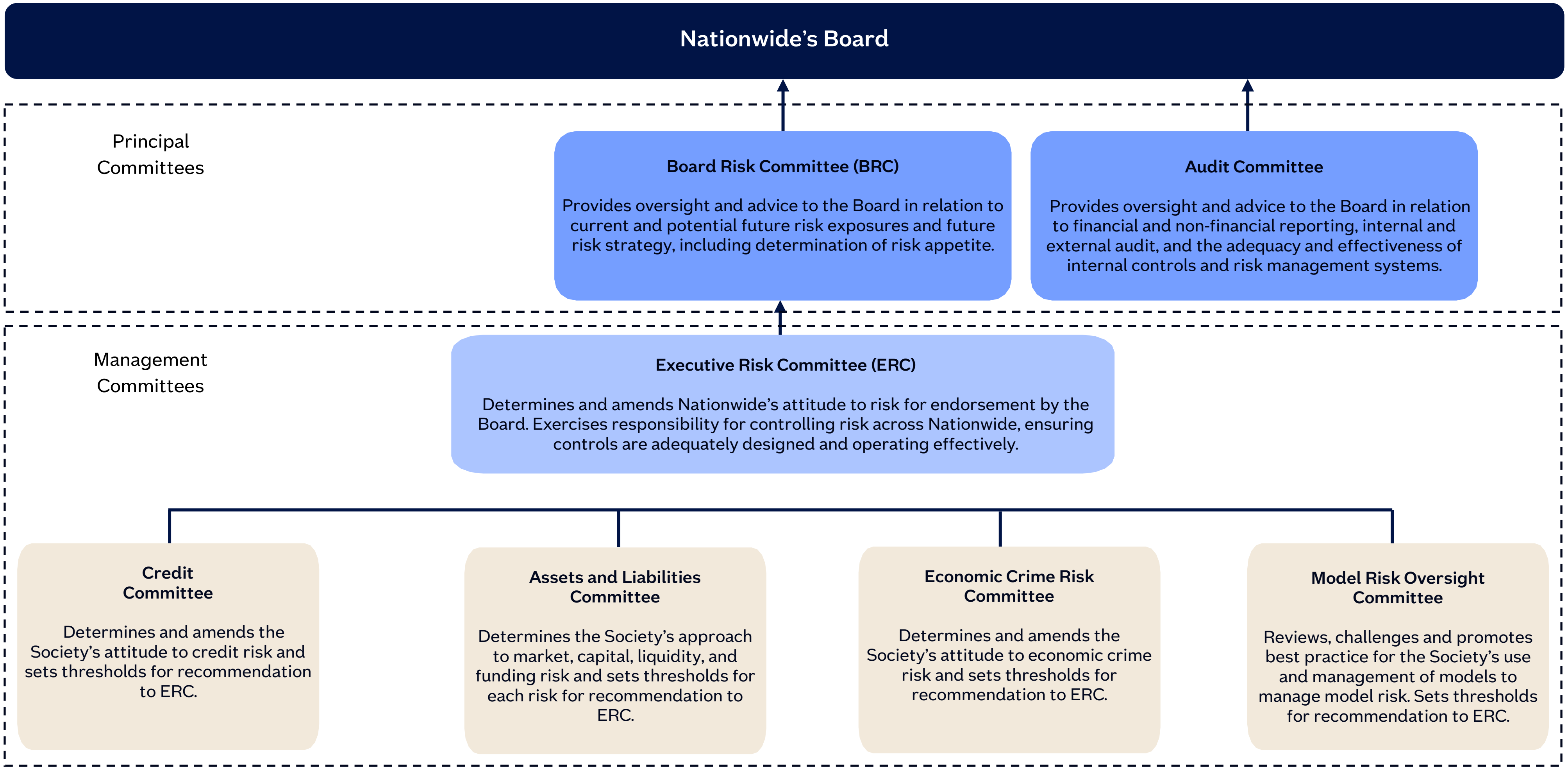
Risk appetite and associated metrics are reviewed annually to consider whether any changes are required. Following review and challenge by the 2nd Line of Defence, the proposed appetite suite is presented through various governance, with Board Risk Appetite ultimately approved by Nationwide's Board on the recommendation of BRC. The Society's risk appetite and indicator guidance sets out when a review of appetite should be undertaken and can lead to an ad-hoc refresh or change in appetite.

(b) Information on the risk governance structure for each type of risk (Point (b) of Article 435(1) CRR)

The Board is responsible for assessing the risks facing Nationwide. To achieve this, the Board approves Nationwide's risk appetite and metrics following consideration by the BRC and receives regular reports and assessments of Nationwide's risk and control processes and recommendations from BRC on matters spanning all risk categories, including the appropriate level of risk appetite. The Board has delegated responsibility to BRC for approval of the ERMF.

The BRC and Audit Committee provide oversight and advice to the Board. It is important the correct committees review the relevant risk management information in an accurate and timely manner. The Society reports key matters such as appetite breaches and associated actions to each management committee and escalates relevant issues to ERC chaired by the Chief Risk Officer. The ERC ensures a coordinated management approach across all risks and provides regular updates to the Board on areas where the Committee has challenged management and key decisions.

The Nationwide sub-group committee structure is detailed below:



Effective risk and control management relies on risk practitioners and colleagues across the Society having capabilities and a culture enabling the right things to be done, in the right way, for members and each other. At Nationwide, we require all colleagues to identify and manage risks. Our approach encourages positive behaviours of colleagues, promoting a healthy culture throughout our committee structure and Three Lines of Defence model. This is underpinned by our values, behaviours and ethics, influencing the decisions we make within the Society.

These components enable us to make better business decisions. This pro-active approach to risk management ensures we meet our strategic objectives in a resilient, sustainable and efficient way, whilst allowing us the freedom and capability to optimise opportunities.

The Society adopts a Three lines of defence (3LoD) model in the way it structures its risk management activities. Though everyone has a role to play in risk management, the overall responsibilities and accountabilities are outlined through this 3LoD model, as summarised below.

First line: Risk and control ownership

Responsibilities
Designing and running business operations, owning, and operating most controls to manage the Society's risks and meet regulatory requirements.

Accountabilities
- Setting business objectives
- Defining risk appetite for Board approval
- Identifying, owning, and managing risks
- Defining, operating, and testing controls
- Identifying future threats and risks
- Implementing and maintaining regulatory compliance
- Adhering to the Society's minimum standards for risk management and associated policies
- Testing controls
- Conduct outcomes testing
- Operating and reporting on the control framework

Second line: Oversight, support, and challenge

Responsibilities
Overseeing, through support, challenge and the provision of advice, the effectiveness of risk management by the first line.

Accountabilities
- Providing expert risk advice on business initiatives
- Providing advice on the setting of risk appetite
- Reporting aggregate enterprise level risks to the Board
- Providing independent and risk-based oversight
- Interpreting regulatory change
- Setting the Society's minimum standards for risk management
- Identifying future threats and risks

Third line: Assurance

Responsibilities
Providing assurance to the Board on the effectiveness of the control environment.

Accountabilities
- Performing independent audits of the effectiveness of first line risk management and control, and second line risk oversight, support and challenge
- Taking a risk-based approach to the programme of audit work
- Preparing an annual opinion of the risk management and controls framework across the Society to present to the Audit Committee

Policy and Control

Policy is the articulation of the principles and requirements that must be met to manage Nationwide's key risks and support the governance of the Society. Within Nationwide, policy is set for several internal and external reasons:

- it forms an important role in Nationwide's governance structure translating strategy and risk appetite into meaningful principles for action;
- it provides an articulation of the desired outcomes for managing risk that can be used as the basis for the setting of an appropriate control environment; and
- it provides a first point of information for employees on how to perform their role.

The Society has a suite of risk policies covering the full breadth of its principal risks. These risk policies articulate the principles and objectives to be met as well as the controls required to manage the Society's risks within appetite.

As part of the first line of defence, the Chief Controls Office (CCO) provides independent control testing and support. Further resources exist within the Finance function to provide specialist independent control testing services in respect of Finance-related activities.

(c) Declaration approved by the management body on the adequacy of the risk management arrangements (Point (e) of Article 435(1) CRR)

The Board is responsible for determining the nature and extent of risks the Society is willing to take to achieve its long-term objectives. This is detailed in the Society's Risk Appetite Statement. The Board is responsible for ensuring that management maintains an effective system of risk management and internal control and for assessing its effectiveness.

Nationwide has a robust Enterprise Risk Management Framework (ERMF) in place for identifying, evaluating and managing principal and emerging risks in accordance with the 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting', published by the Financial Reporting Council (FRC). The ERMF is supported by a system of internal controls and processes. These systems and processes are designed to manage, not eliminate, the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against misstatement or loss.

The Board monitors the Society's risk management and internal control systems and carries out an annual effectiveness review. On the basis of this year's review, the Board is satisfied that the ERMF is appropriate.

(d) Scope and nature of risk disclosure and/or measurement systems (Point (c) of Article 435(1) CRR)

The statement set out above (in section (c)) is reviewed and approved by Board Audit Committee, following an annual assessment of the effectiveness of the Society's control environment and ERC recommendation. This is in accordance with the respective Terms of Reference for each committee.

(e) Information on the main features of risk disclosure and measurement systems (Point (c) of Article 435(1) CRR)

As part of the UK Corporate Governance Code, an annual assessment on the effectiveness of Nationwide's control framework is conducted across the three lines of defence and approved by Audit Committee. The assessment is informed by information gathered from internal and external sources and may include but is not limited to the points summarised below.

- Risk, Policy and Control Dashboards which set out the extent to which the Society's principal risks are being controlled via defined policies
- Controls Statements which provide coverage of all risks, process and control accountabilities aligned to senior manager functions
- Board's annual review of the Effectiveness of the ERMF
- The previous year's assessment and progress in completing improvement actions
- Benchmarking against available external sources and data

Work is progressing to further refine this approach in response to changes to the UK Governance Code. This is a joint exercise across the three lines of defence.

(f) Strategies and processes to manage risks for each separate category of risk (Point (a) of Article 435(1) CRR)

Risk Management at Nationwide is underpinned by a positive culture. Strong risk management enables the Society to achieve its strategic ambitions in a resilient, sustainable, and efficient way, make better business decisions, achieve better outcomes, and prevent foreseeable harm to members and customers.

The ERMF consists of five core components: enablers and governance, risk appetite, policies and controls, risk management and risk reporting. These ensure effective and consistent risk and control management is delivered across the risk areas through dedicated approach documents. Each core component consists of supporting resources utilised in risk management processes and controls. The structure of the ERMF is summarised below:

Business strategy

The Board is accountable for setting the strategic direction for the Society. This sets the vision of where the Society is heading. Insights from our ongoing risk management and risk reporting help shape the strategy.

Risk appetite

Metrics describe the level of risk that is acceptable in pursuit of the strategy, and are supported by indicators which alert us if the level of risk in any part of the Society is becoming too high.

Policies and controls

Policies describe a set of objectives, activities and rules which cover the risks Nationwide faces. Controls are defined and implemented to ensure the rules are followed.

Risk management

The varied nature of the Society's activities creates different types of risk. Identifying, assessing, managing, monitoring and reporting these risks means we can stay within our defined appetite for risk.

Risk reporting

Regular reporting on our risks and controls ensures business areas, the Board and regulators are fully aware of our risk position. This enables better business decisions to be made.

Enablers and governance

To ensure the Enterprise Risk Management Framework works effectively and efficiently, a set of fundamental enablers and governance are in place, such as the three lines of defence model and risk committees.

The Enterprise Risk Management Framework

Stress Testing

Stress testing is an integral part of risk management processes, and the Society undertakes a range of multi-risk category stress tests and reverse stress tests, as well as operational risk scenario analysis. Stress testing also informs financial planning processes, the adequacy assessment for liquidity and capital and the annual review of risk appetite. These activities allow management to understand the impact of severe but plausible stresses to ensure that it remains resilient to them.

Stress testing outputs are used for capital and liquidity planning, determining potential management actions within contingency plans and further improving the management of Nationwide's risk profile. The results of stress testing, including regulatory stress tests, the Internal Capital Adequacy Assessment Process and the Internal Liquidity Adequacy Assessment Process are approved by BRC.

(g) Information on the strategies and processes to manage, hedge and mitigate risks (Point (a) of Article 435(1) CRR)

To ensure risks are managed consistently and rigorously, we operate a Board approved Enterprise Risk Management Framework (ERMF) which defines how risks are managed, hedged and mitigated across the principal risks and this is described further in sections 3.1 (a) and (b).

The ERMF is assessed annually to determine its effectiveness. Prior to the last annual review and approval of the ERMF by BRC in March 2025, there has been significant work across both the Risk Function and the broader Society to mature our risk management processes and capabilities. These activities have largely focussed on enhancing and embedding supporting standards, guidance and processes, particularly in respect of non-financial risk. Material developments have been made to the monitoring and insight of risk appetite, the introduction of issue acceptance and the embedding of policies and controls within processes.

Further work is planned throughout the coming year to ensure the risk framework and associated requirements are understood across all business areas and continue to embed, particularly in respect of our culture (as referenced in section 3.1 (b)). The ongoing objective for the coming year is to ensure there is no regression in maturity as per the minimum standards set out in the framework documentation, enabling targeted enhancements.

3.2. UK OVB - Governance arrangements

(a) Number of directorships held by members of the Board of Nationwide Building Society as at 31 March 2025 (Point (a) of Article 435(2) of CRR)

The number of directorships set out in the table below have been counted in line with Article 91(3), (4) and (5) of CRD. Accordingly, multiple directorships held in entities within the same group have been counted as a single directorship, and directorships held in organisations that do not pursue a commercial objective have not been included in the calculation.

Director	Number and nature of directorships held	
Kevin Parry	Non-Executive Director	2
Debbie Crosbie	Executive Director	1
	Non-Executive Director	1
Tracey Graham	Non-Executive Director	3
Anand Aithal	Non-Executive Director	4
David Bennett	Non-Executive Director	3
Albert Hitchcock	Non-Executive Director	1
Alan Keir	Non-Executive Director	1
Debbie Klein	Non-Executive Director	4
Muir Mathieson	Executive Director	1
Sally Orton	Non-Executive Director	1
Tamara Rajah	Non-Executive Director	2
Gillian Riley	Non-Executive Director	2
Philip Rivett	Non-Executive Director	2

The number of directorships set out in the table below includes the directorships listed above, as well as directorships held in organisations that do not pursue a commercial objective. Multiple directorships held in entities within the same group have been counted individually.

Director	Number and nature of directorships held	
Kevin Parry	Non-Executive Director	4
Debbie Crosbie	Executive Director	1
	Non-Executive Director	2
Tracey Graham	Non-Executive Director	7
Anand Aithal	Non-Executive Director	5
David Bennett	Non-Executive Director	8
Albert Hitchcock	Non-Executive Director	1
Alan Keir	Non-Executive Director	1
Debbie Klein	Non-Executive Director	7
Muir Mathieson	Executive Director	10[1]
Sally Orton	Non-Executive Director	1
Tamara Rajah	Non-Executive Director	3
Gillian Riley	Non-Executive Director	3
Philip Rivett	Non-Executive Director	3

Note:
[1] Directorships held in subsidiaries and associated companies of Nationwide Building Society

(b) Information regarding the recruitment policy for the selection of members of the management body (Point (b) of Article 435(2) CRR)

Nationwide has in place a Board Composition and Succession Policy to ensure that the Board is composed of persons who collectively are fit and proper to direct Nationwide's business with prudence and integrity; and possess an appropriate range of diverse backgrounds and balance of skills, experience, knowledge and behaviours. In determining the Board's needs, the Nomination and Governance Committee considers a range of factors including the diversity of the Board in its widest sense, the current and future challenges and opportunities facing Nationwide and the need to balance continuity and knowledge of Nationwide's business with progressively refreshing membership of the Board and its committees. The recruitment process for directors is designed to ensure the Board possesses a range of skills and appropriate objectivity. It also involves detailed referencing and other checks to establish the candidate's credentials, including suitability and fitness and propriety. Regulatory approval is also required for certain Board roles. Selecting the best candidate is paramount and all appointments are based on merit and objective criteria. The Nomination and Governance Committee undertakes a full review of board talent and succession annually. The skills and experience of the 13 directors on the Board at 31 March 2025 are set out below.

Number of directors with expert or advanced levels of skills and experience[1]	
Critical	
Financial services	10
Retail banking	9
Finance, accounting and audit	4
Commercial, corporate and business banking	8
Customer, brand and marketing	5
General	
Risk management	10
UK financial regulation and compliance	9
CEO-type experience	9
M&A/transactions	10
People leadership, talent and remuneration	10
Digital & technology resilience and transformation	8

Mutual business model	7
Treasury and capital markets	8
UK political network & government/policy/lobbying	5
Credit cards	7

Note:
[1] Individual directors may fall into one or more of the categories

(c) Information on the diversity policy with regard of the members of the management body (Point (c) of Article 435(2) CRR)

Nationwide is committed to having a diverse and inclusive Board to set the strategy, tone and culture. Nationwide aims to achieve this by ensuring there is diversity of ethnicity, age, gender, disability and sexual orientation, as well as socio-economic, educational and professional backgrounds within its membership. This is a key determinant of any new Board appointment and is also taken into consideration in the development of a diverse pipeline for succession. Selecting the best candidate is paramount and all appointments are based on merit and objective criteria with due regard for the benefits of diversity, including diversity on the Board. Nationwide continues to commit to the diversity targets set for FTSE companies, contained in the Financial Conduct Authority's UK Listing Rules. The Board's composition as at 31 March 2025 and its performance against each of the three diversity targets is presented in the table below.

Performance against FCA diversity targets as at 31 March 2025		
Target	**Outcome**	**Position**
At least 40% of Board directors are women	Exceeded	46.2% of Board directors are women
At least one senior Board position is held by a woman	Exceeded	Two senior Board positions are held by women
At least one director from a minority ethnic background	Exceeded	Two directors are from a minority ethnic background

Note:
Senior Board positions are defined as Chairman, Senior Independent Director, Chief Executive Officer and Chief Financial Officer

(d) Whether or not Nationwide has set up a separate risk committee and the frequency of the meetings (Point (d) of Article 435(2) CRR)

Nationwide has a Board Risk Committee which meets at least four times a year. The Committee held six scheduled meetings, and one additional ad hoc meeting, in the Financial Year ended 31 March 2025.

(e) Description of the information flow on risk to the management body (Point (e) of Article 435(2) CRR)

Whilst the Board retains overall responsibility and oversight for risk management, to ensure that there is independent oversight of risk management, it has delegated these responsibilities to the Board Risk Committee and Audit Committee. At each Board Risk Committee meeting, the Chief Risk Officer shares Nationwide's current and emerging risk profile. Subject matter experts are invited to present on a variety of topics, such as conduct risk, at Board committee meetings. Following each meeting, the Board Committees report to the Board on the matters discussed and, in the case of the Board Risk Committee, these reports are supplemented by regular reports from the Chief Risk Officer.

At an executive management level, the Executive Risk Committee, chaired by the Chief Risk Officer, ensures a co-ordinated risk management approach across all the Society's risks and provides regular updates to the Board Risk Committee, as well as specific updates to the Audit Committee.

4 Annex V | Scope of application

4.1. UK LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

UK LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories - assets - 31 Mar 2025

		a	b	c	d	e	f	g
				Carrying values of items				
	£m	Carrying values as reported in published financial statements[1]	Carrying values under scope of regulatory consolidation[1]	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by asset class according to the balance sheet in the published financial statements								
1	Cash	18,601	18,601	18,601	–	–	–	–
2	Loans and advances to banks and similar institutions	1,439	1,439	1,069	370	–	–	–
3	Investment securities	22,464	22,464	21,188	–	1,276	–	–
4	Derivative financial instruments	4,694	4,694	–	4,694	–	–	–
5	Fair value adjustment for portfolio hedged risk	(1,985)	(1,985)	(1,985)	–	–	–	–
6	Loans and advances to customers	229,654	229,654	229,654	–	–	–	–
7	Investments in Group undertakings	4,434	4,434	2,276	–	–	–	2,158
8	Intangible assets	795	795	–	–	–	–	795
9	Property, plant and equipment	615	615	615	–	–	–	–
10	Accrued income and expenses prepaid	293	293	293	–	–	–	–
11	Deferred tax	105	105	86	–	–	–	19
12	Current tax	241	241	241	–	–	–	–
13	Other assets	144	144	144	–	–	–	–
14	Retirement benefit assets	535	535	–	–	–	–	535
15	**Total assets**	282,029	282,029	272,182	5,064	1,276	–	3,507
Breakdown by liability classes according to the balance sheet in the published financial statements								
1	Shares	207,428	207,428	–	–	–	–	207,428
2	Deposits from banks and similar institutions	5,096	5,096	–	3,561	–	–	1,535
3	Other deposits	4,284	4,284	–	–	–	–	4,284
4	Fair value adjustment for portfolio hedged risk	27	27	–	–	–	–	27
5	Debt securities in issue	41,857	41,857	–	–	–	–	41,857
6	Derivative financial instruments	1,415	1,415	–	1,415	–	–	–
7	Other liabilities	767	767	–	–	–	–	767
8	Provisions for liabilities and charges	32	32	–	–	–	–	32
9	Accruals and deferred income	918	918	–	–	–	–	918
10	Subordinated liabilities	1,674	1,674	–	–	–	–	1,674
11	Subscribed capital	129	129	–	–	–	–	129
12	Deferred tax	177	177	–	–	–	–	177
13	Current tax liabilities	109	109	–	–	–	–	109
14	**Total liabilities**	263,913	263,913	–	4,976	–	–	258,937

Note:
[1] Differences between carrying value in the published financial statements and under the scope of regulatory consolidation are explained in section 4.4(a)

UK LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories - assets - 04 Apr 2024

		a	b	c	d	e	f	g
				Carrying values of items				
£m		Carrying values as reported in published financial statements[1]	Carrying values under scope of regulatory consolidation[1]	Subject to the credit risk framework[2]	Subject to the CCR framework	Subject to the securitisation framework[2]	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by asset class according to the balance sheet in the published financial statements								
1	Cash	23,817	23,817	23,817	–	–	–	–
2	Loans and advances to banks and similar institutions	2,478	2,478	2,115	363	–	–	–
3	Investment securities	26,532	26,532	25,216	–	1,316	–	–
4	Derivative financial instruments	6,290	6,290	–	6,290	–	–	–
5	Fair value adjustment for portfolio hedged risk	(3,330)	(3,330)	(3,330)	–	–	–	–
6	Loans and advances to customers	213,440	213,440	213,440	–	–	–	–
7	Investments in Group undertakings	848	848	–	–	–	–	848
8	Intangible assets	656	656	656	–	–	–	–
9	Property, plant and equipment	294	294	294	–	–	–	–
10	Accrued income and expenses prepaid	109	109	93	–	–	–	16
11	Deferred tax	54	54	54	–	–	–	–
12	Current tax	122	122	122	–	–	–	–
13	Other assets	607	607	–	–	–	–	607
14	Total assets	271,917	271,917	262,477	6,653	1,316	–	1,471
Breakdown by liability classes according to the balance sheet in the published financial statements								
1	Shares	193,366	193,366	–	–	–	–	193,366
2	Deposits from banks and similar institutions	16,388	16,388	–	5,181	–	–	11,207
3	Other deposits	4,530	4,530	–	–	–	–	4,530
4	Fair value adjustment for portfolio hedged risk	50	50	–	–	–	–	50
5	Debt securities in issue	29,599	29,599	–	–	–	–	29,599
6	Derivative financial instruments	1,451	1,451	–	1,451	–	–	–
7	Other liabilities	689	689	–	–	–	–	689
8	Provisions for liabilities and charges	149	149	–	–	–	–	149
9	Accruals and deferred income	405	405	–	–	–	–	405
10	Subordinated liabilities	7,225	7,225	–	–	–	–	7,225
11	Subscribed capital	173	173	–	–	–	–	173
12	Deferred tax	206	206	–	–	–	–	206
13	Current tax liabilities	–	–	–	–	–	–	–
14	Total liabilities	254,231	254,231	–	6,632	–	–	247,599

Notes:

[1] Differences between carrying value in the published financial statements and under the scope of regulatory consolidation are explained in section 4.4(a)

[2] Assets subject to the securitisation framework previously disclosed as loans and advances to banks and similar institutions (row 2) have been restated to investment securities (row 3). This has impacted the amount subject to the credit risk framework under loans and advances to banks and similar institutions (row 2)

4.2. UK LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements

UK LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements - 31 Mar 2025

		a	b	c	d	e
			Items subject to			
£m		Total[1]	Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)	**278,522**	**272,182**	**1,276**	**5,064**	**–**
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)	**4,976**	**–**	**–**	**4,976**	**–**
3	**Total net amount under the regulatory scope of consolidation**	**273,546**	**272,182**	**1,276**	**88**	**–**
4	**Off-balance-sheet amounts**	**24,639**	**24,639**	**–**	**–**	
5	*Differences in valuations*	**–**	**–**	**–**	**–**	
6	*Differences due to different netting rules, other than those already included in row 2*	**2,955**	**77**	**–**	**2,878**	
7	*Differences due to consideration of provisions*	**648**	**648**	**–**	**–**	
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	**–**	**–**	**–**	**–**	
9	*Differences due to credit conversion factors*	**(2,748)**	**(2,748)**	**–**	**–**	
10	*Differences due to Securitisation with risk transfer*	**–**	**–**	**–**	**–**	
11	*Other differences*	**6,897**	**5,537**	**–**	**1,360**	
12	**Exposure amounts considered for regulatory purposes**	**305,936**	**300,334**	**1,276**	**4,326**	**–**

UK LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements - 04 Apr 2024

		a	b	c	d	e
			Items subject to			
£m		Total[1]	Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)	270,446	262,477	1,316	6,653	–
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)	6,632	–	–	6,632	–
3	Total net amount under the regulatory scope of consolidation	263,814	262,477	1,316	21	–
4	Off-balance-sheet amounts	23,750	23,750	–	–	
5	*Differences in valuations*	–	–	–	–	
6	*Differences due to different netting rules, other than those already included in row 2*	2,321	24	–	2,296	
7	*Differences due to consideration of provisions*	715	715	–	–	
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	–	–	–	–	
9	*Differences due to credit conversion factors*	(3,245)	(3,245)	–	–	
10	*Differences due to Securitisation with risk transfer*	–	–	–	–	
11	*Other differences*	12,014	7,904	–	4,110	
12	Exposure amounts considered for regulatory purposes	299,369	291,626	1,316	6,427	–

Note:
[1] Differences between the regulatory exposure amounts and carrying values in the financial statements are explained in section 4.4(b)

4.3. UK LI3 - Outline of the differences in the scopes of consolidation - entity by entity[1]

UK LI3 - Outline of the differences in the scopes of consolidation (entity by entity) - 31 Mar 2025

a	b	c	d	e	f	g	h
		Method of regulatory consolidation					
Name of the entity	**Method of accounting consolidation**	Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	**Description of the entity**
Confederation Mortgage Services Limited	Full Consolidation	x					Dormant company
Derbyshire Home Loans Limited	Full Consolidation	x					Specialist mortgage lending
Dunfermline BS Nominees Limited	Full Consolidation	x					Property management
E-MEX Home Funding Limited	Full Consolidation	x					Specialist mortgage lending
Exeter Trust Limited	Full Consolidation	x					Dormant company
FN1	Full Consolidation	x					Dormant company
Home Propositions Limited	Full Consolidation	x					Technology developer
Nationwide (Isle of Man) Limited	Full Consolidation	x					Technology support
Nationwide Building Society	Full Consolidation	x					Credit Institution
Nationwide Covered Bonds LLP	Full Consolidation	x					Funding vehicle
Nationwide Home Loans Limited	Full Consolidation	x					Dormant company
Nationwide Housing Trust Limited	Full Consolidation	x					Residential housing developments
Nationwide Syndications Limited	Full Consolidation	x					Specialist mortgage lending
Nationwide Trust Limited	Full Consolidation	x					Dormant company
NBS Cosec Limited	Full Consolidation	x					Dormant company
NBS Ventures Limited	Full Consolidation	x					Investment Entity
NBS Ventures Management Limited	Full Consolidation	x					Holding company
NI1 Limited	Full Consolidation	x					Dormant company
NLF1 Limited	Full Consolidation	x					Dormant company
NOK1 Limited	Full Consolidation	x					Dormant company
Piper Javelin Holding Company Limited	Full Consolidation	x					Holding company
Piper Javelin No 1 Limited	Full Consolidation	x					Construction company
Silverstone Funding (No. 1) Limited	Full Consolidation	x					Funding vehicle
Silverstone Master Issuer plc	Full Consolidation	x					Funding vehicle
The Derbyshire (Premises) Limited	Full Consolidation	x					Dormant company
The Mortgage Works (UK) plc	Full Consolidation	x					Specialist mortgage lending
UCB Home Loans Corporation Limited	Full Consolidation	x					Specialist mortgage lending

Note:
[1] The table includes entities within the Nationwide sub-group accounting consolidation which excludes Virgin Money UK PLC which is a subsidiary of the Group. See section 1.2 for further details

4.4. UK LIA - Explanations of differences between accounting and regulatory exposure amounts

(a) Differences between columns (a) and (b) in template UK LI1 (Article 436(b) CRR)

There are no differences between the values of the assets and liabilities under the accounting and regulatory scopes of consolidation columns because no entities are derecognised from the accounting balance sheet for regulatory purposes.

(b) Information on the main sources of differences between the accounting and regulatory scope of consolidation shown in template UK LI2 (Article 436(d) CRR)

The amounts of assets and liabilities considered for capital requirements calculation purposes shown in template UK LI2 differ from the accounting carrying values under the regulatory scope of consolidation for the following key reasons:

- Off-balance sheet amounts are included in line with UK CRR article 111, as shown in row 4 of UK LI2, reduced by applicable credit conversion factors as shown in row 9;
- Differences due to different netting rules, as shown in row 6, primarily as per UK CRR article 275 which relates to the calculation of replacement cost in line with the standardised approach for counterparty credit risk; and
- Other differences shown in row 11 primarily relate to regulatory adjustments to carrying values in line with the UK CRR. These adjustments include applicable additions within PRA approved IRB models, adjustments in relation to securities financing transactions (SFTs), which have reduced in the period following the full repayment of cash in relation to the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME) and potential future credit exposure adjustments for derivative financial instruments.

4.5. UK LIB - Other qualitative information on the scope of application

(a) Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group (Article 436(f) CRR)

There are no significant restrictions on any of the sub-group entities in paying dividends or repaying loans, subject to their financial and operating performance, and availability of distributable reserves.

(b) Subsidiaries not included in the consolidation with own funds less than required (Article 436(g) CRR)

No subsidiaries are excluded from the sub-group consolidation.

(c) Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR (Article 436(h) CRR)

There are no material differences between the basis of consolidation of the sub-group for accounting and prudential purposes. Full details of the Society's subsidiary undertakings are included in Note 33 to the financial statements, within the Annual Report and Accounts 2025, and included in template UKLI3.

The entities included in the individual consolidation method laid down in UK CRR article 9 are:

- Nationwide Building Society;
- The Mortgage Works (UK) plc (TMW);
- UCB Home Loans Corporation Limited (UCB);
- Derbyshire Home Loans Limited;
- E-Mex Home Funding Limited; and
- Nationwide Syndications Limited.

Management does not see any practical or legal impediments to the transfer of capital resources or the repayment of liabilities within Nationwide sub-group.

(d) Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation (Article 436(g) CRR)

Not applicable to Nationwide

4.6. UK PV1 - Prudent valuation adjustments (PVA)

UK PV1: Prudent valuation adjustments (PVA) - 31 Mar 2025

		a	b	c	d	e	UK e1	UK e2	f	g	h
		Risk category					**Category level AVA - Valuation uncertainty**		**Total category level post-diversification**		
£m	**Category level AVA**	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
1	Market price uncertainty	**–**	**22**	**3**	**–**	**–**	**–**	**0**	**25**	**–**	**25**
2	Set not applicable in the UK						**–**	**–**			
3	Close-out cost	**–**	**2**	**0**	**–**	**–**	**–**	**–**	**2**	**–**	**2**
4	Concentrated positions	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
5	Early termination	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
6	Model risk	**–**	**3**	**–**	**–**	**–**	**–**	**–**	**3**	**–**	**3**
7	Operational risk	**–**	**2**	**0**	**–**	**–**	**–**	**–**	**3**	**–**	**3**
10	Future administrative costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
12	**Total Additional Valuation Adjustments (AVAs)[1]**								**70**	**–**	**70**

UK PV1: Prudent valuation adjustments (PVA) - 04 Apr 2024

		a	b	c	d	e	UK e1	UK e2	f	g	h
		Risk category					Category level AVA - Valuation uncertainty		Total category level post-diversification		
£m	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
1	Market price uncertainty	–	23	3	–	–	–	1	27	–	27
2	Set not applicable in the UK						–	–			
3	Close-out cost	–	5	2	–	–	–	–	6	–	6
4	Concentrated positions	–	–	–	–	–	–	–	–	–	–
5	Early termination	–	–	–	–	–	–	–	–	–	–
6	Model risk	–	3	–	–	–	–	–	3	–	3
7	Operational risk	–	3	–	–	–	–	–	3	–	3
10	Future administrative costs	–	–	–	–	–	–	–	–	–	–
12	Total Additional Valuation Adjustments (AVAs)[1]								73	–	73

Note:
[1] The value in row 12 also includes portfolios under the fall-back approach, relating to equity exposures. These portfolios are not included within rows 1-11, in line with the PRA guidance

5 Annex VII | Own funds

5.1. UK CC1 - Composition of regulatory own funds

	UK CC1 - Composition of regulatory own funds[8]	a	a	b	a
		31 Mar 25			04 Apr 24
		Sub-group	Individual consolidation	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Sub-group
£m		Amounts	Amounts		Amounts
	Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	**1,334**	**1,334**	(d)[1]	1,334
	of which: core capital deferred shares (CCDS)	**1,334**	**1,334**	(d)[1]	1,334
2	Retained earnings	**15,098**	**15,081**	(f)[2]	13,990
3	**Accumulated other comprehensive income (and other reserves)**	**(280)**	**(297)**	(f), (g), (h), (i), (j)[3]	(97)
UK-3a	Funds for general banking risk	**–**	**–**		–
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	**–**	**–**		–
5	Minority interests (amount allowed in consolidated CET1)	**–**	**–**		–
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	**590**	**600**	(f)[4]	1,237
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**16,742**	**16,718**		16,464
	Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	**(70)**	**(34)**		(73)
8	Intangible assets (net of related tax liability) (negative amount)	**(717)**	**(717)**	(a)[5]	(824)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	**–**	**–**		–
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	**(47)**	**(45)**		(76)
12	Negative amounts resulting from the calculation of expected loss amounts	**(116)**	**(114)**		(51)
13	Any increase in equity that results from securitised assets (negative amount)	**–**	**–**		–
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	**–**	**–**		–
15	Defined-benefit pension fund assets (negative amount)	**(401)**	**(401)**	(b)[5]	(454)
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	**(177)**	**(177)**	(d)[1]	(177)
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	**–**	**–**		–
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	**–**	**–**		–
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)[7]	**(2,158)**	**(2,226)**		–
UK-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	**–**	**–**		–
UK-20b	of which: qualifying holdings outside the financial sector (negative amount)	**–**	**–**		–
UK-20c	of which: securitisation positions (negative amount)	**–**	**–**		–
UK-20d	of which: free deliveries (negative amount)	**–**	**–**		–

UK CC1 - Composition of regulatory own funds (cont.)		a	a	b	a
		31 Mar 25		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	04 Apr 24
		Sub-group	Individual consolidation		Sub-group
£m		Amounts	Amounts		Amounts
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	–	–		–
22	Amount exceeding the 17,65% threshold (negative amount)	–	–		–
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	–	–		–
25	of which: deferred tax assets arising from temporary differences	–	–		–
UK-25a	Losses for the current financial year (negative amount)	–	–		–
UK-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	–	–		–
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	–	–		–
27a	Other regulatory adjustments to CET1 capital *(including IFRS 9 transitional adjustments when relevant)*	(4)	(37)		(11)
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	(3,690)	(3,751)		(1,666)
29	**Common Equity Tier 1 (CET1) capital**	13,052	12,967		14,798
	Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	1,485	1,485	(e)	1,336
31	of which: classified as equity under applicable accounting standards	1,485	1,485	(e)	1,336
32	of which: classified as liabilities under applicable accounting standards	–	–		–
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR	–	–		–
UK-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	–	–		–
UK-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	–	–		–
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	–	–		–
35	of which: instruments issued by subsidiaries subject to phase out	–	–		–
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	1,485	1,485		1,336
	Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	–	–		–
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	–	–		–
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	–	–		–
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	–	–		–
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	–	–		–
42a	Other regulatory adjustments to AT1 capital	–	–		–
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	–	–		–
44	**Additional Tier 1 (AT1) capital**	1,485	1,485		1,336
45	**Tier 1 capital (T1 = CET1 + AT1)**	14,537	14,452		16,134

UK CC1 - Composition of regulatory own funds (cont.)		a	a	b	a
		31 Mar 25			04 Apr 24
		Sub-group	Individual consolidation	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Sub-group
£m		Amounts	Amounts		Amounts
	Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	**1,076**	**1,076**	(c)[6]	1,650
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	**–**	**–**		–
UK-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	**–**	**–**		–
UK-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	**–**	**–**		–
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	**–**	**–**		–
49	of which: instruments issued by subsidiaries subject to phase out	**–**	**–**		–
50	Credit risk adjustments	**51**	**51**		24
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,127**	**1,127**		1,674
	Tier 2 (T2) capital: regulatory adjustments				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	**–**	**–**		–
53	Direct, indirect and synthetic goldings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	**–**	**–**		–
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	**–**	**–**		–
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	**–**	**–**		–
UK-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	**–**	**–**		–
UK-56b	Other regulatory adjustments to T2 capital	**–**	**–**		–
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**–**	**–**		–
58	**Tier 2 (T2) capital**	**1,127**	**1,127**		1,674
59	**Total capital (TC = T1 + T2)**	**15,664**	**15,579**		17,808
60	**Total Risk exposure amount**	**59,513**	**59,277**		54,628
	Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	**21.9**	**21.9**		27.1
62	Tier 1 (as a percentage of total risk exposure amount)	**24.4**	**24.4**		29.5
63	Total capital (as a percentage of total risk exposure amount)	**26.3**	**26.3**		32.6
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	**11.8**	**11.8**		12.9
65	of which: capital conservation buffer requirement	**2.5**	**2.5**		2.5
66	of which: countercyclical buffer requirement	**2.0**	**2.0**		2.0
67	of which: systemic risk buffer requirement	**–**	**–**		–
UK-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	**–**	**–**		1.0
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	**13.4**	**13.3**		19.5

UK CC1 - Composition of regulatory own funds (cont.)

		a	a	b	a
		31 Mar 25			04 Apr 24
		Sub-group	Individual consolidation	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Sub-group
£m		Amounts	Amounts		Amounts
	Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	–	–		–
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)[7]	1,521	1,519		–
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	164	170		117
	Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	–	–		–
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	63	63		44
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	51	51		24
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	279	278		262
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	–	–		–
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	–	–		–
82	Current cap on AT1 instruments subject to phase out arrangements	–	–		–
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	–		–
84	Current cap on T2 instruments subject to phase out arrangements	–	–		–
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–	–		–

Notes:

[1] The CCDS amount does not include deductions for repurchase exercises. This is presented separately as a regulatory adjustment in line with UK Capital Requirements Regulation (CRR) article 42 (row 16)

[2] Retained earnings correspond to the general reserves on the balance sheet, excluding defined-benefit pension fund surplus and profits for the year, as these amounts are presented in other rows

[3] Accumulated other comprehensive income and other reserves comprises the revaluation reserve, cash flow hedge reserve, other hedging reserve, the FVOCI reserve, and other comprehensive income amounts included in the general reserves specifically the defined-benefit pension fund surplus

[4] Profits are included within the general reserves, but the amount presented excludes any foreseeable dividends or charges

[5] The intangible assets and defined-benefit pension fund asset values relate to the intangible assets and retirement benefit assets on the balance sheet respectively, net of related tax liability where the conditions in CRR article 38 (3) are met

[6] Subordinated debt includes fair value adjustments relating to changes in market interest rates, adjustments for unamortised premiums and discounts that are included in the consolidated balance sheet, and any amortisation of the capital value of Tier 2 instruments required by regulatory rules for instruments with fewer than five years to maturity. In addition, minority interest haircuts are applied to Virgin Money's externally issued subordinated debt in line with CRR article 87

[7] 'Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities' (row 19 and row 73), relate to the acquisition of Virgin Money

[8] Certain rows of this table have not been presented as they are not applicable in the UK

5.2. UK CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

UK CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements - 31 Mar 2025			
		a	c
£m		Balance sheet as in published financial statements[1] As at period end	Reference
	Assets - Breakdown by asset classes according to the balance sheet in the published financial statements		
1	Cash	**18,601**	
2	Loans and advances to banks and similar institutions	**1,439**	
3	Investment securities	**22,464**	
4	Derivative financial instruments	**4,694**	
5	Fair value adjustment for portfolio hedged risk	**(1,985)**	
6	Loans and advances to customers	**229,654**	
7	Investments in Group undertakings	**4,434**	
8	Intangible assets	**795**	(a)
9	Property, plant and equipment	**615**	
10	Accrued income and expenses prepaid	**293**	
11	Deferred tax	**105**	
12	Current tax	**241**	
13	Other assets	**144**	
14	Retirement benefit assets	**535**	(b)
15	**Total assets**	**282,029**	
	Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements		
1	Shares	**207,428**	
2	Deposits from banks and similar institutions	**5,096**	
3	Other deposits	**4,284**	
4	Fair value adjustment for portfolio hedged risk	**27**	
5	Debt securities in issue	**41,857**	
6	Derivative financial instruments	**1,415**	
7	Other liabilities	**767**	
8	Provisions for liabilities and charges	**32**	
9	Accruals and deferred income	**918**	
10	Subordinated liabilities	**1,674**	(c)
11	Subscribed capital	**129**	
12	Deferred tax	**177**	
13	Current tax liabilities	**109**	
14	**Total liabilities**	**263,913**	
	Shareholders' equity		
1	Core capital deferred shares	**1,157**	(d)
2	Other equity instruments	**1,485**	(e)
3	General reserve	**15,508**	(f)
4	Revaluation reserve	**34**	(g)
5	Cash flow hedge reserve	**97**	(h)
6	Other hedging reserve	**(50)**	(i)
7	Fair value through other comprehensive income reserve	**(115)**	(j)
8	**Total shareholders' equity**	**18,116**	

Note:
[1] Nationwide has the same statutory and regulatory scope of consolidation. Therefore, 'column b' has not been disclosed (as it is equal to 'column a')

5.3. UK CCA - Main features of regulatory own funds instruments and eligible liabilities instruments

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025

		a	a	a	a
		Qualitative or quantitative information	Qualitative or quantitative information	Qualitative or quantitative information	Qualitative or quantitative information
1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	GB00BBQ33664	XS2113658202	XS2896922312	XS0184519139
2a	Public or private placement	Public	Public	Public	Public
3	Governing law(s) of the instrument	English	English	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	n/a	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	CET1	AT1	AT1	Ineligible
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Core Capital Deferred Shares	AT1	AT1	PIBS
8	Amount recognised in regulatory capital (as of most recent reporting date)	£ 1,157,209,096	£ 742,657,943	£ 741,893,540	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 1,157,209,096	£ 742,657,943	£ 741,893,540	£ 82,488,916
9	Nominal amount of instrument	£ 10,555,500	£ 750,000,000	£ 750,000,000	£ 83,740,000
UK-9a	Issue price	126.39	100.00	100.00	100.00
UK-9b	Redemption price	n/a	100	100	100
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Liability - amortised cost
11	Original date of issuance	06/12/2013	10/06/2020	16/09/2024	06/02/2004
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	n/a	Issuer call date: 20/06/2027; par regulatory/tax call; 6-month anytime call before first reset	Issuer call date: 20/12/2030; par regulatory/tax call; 6-month anytime call before first reset	Issuer call date: 06/02/2026; par tax call
16	Subsequent call dates, if applicable	n/a	5 yearly	5 yearly	5 yearly
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Variable	Fixed-to-fixed	Fixed	Fixed-to-fixed
18	Coupon rate and any related index	£10.25 per CCDS	0.05750	0.07500	0.05769
19	Existence of a dividend stopper	No	No	No	Yes
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Partially discretionary
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Partially discretionary
21	Existence of step up or other incentive to redeem	No	No	No	Yes
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	convertible	convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	FL CET1<7%	FL CET1<7%	n/a
25	If convertible, fully or partially	n/a	F/P conv.	F/P conv.	n/a
26	If convertible, conversion rate	n/a	conv. px: £100	conv. px: £100	n/a
27	If convertible, mandatory or optional conversion	n/a	Both	Both	n/a
28	If convertible, specify instrument type convertible into	n/a	CET1 - CCDS	CET1 - CCDS	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	Society	Society	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	None contractual, statutory via bail-in	None contractual, statutory via bail-in	None contractual, statutory via bail-in	None contractual, statutory via bail-in
32	If write-down, full or partial	n/a	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	n/a	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	n/a	n/a	n/a	Stat
UK-34b	Ranking of the instrument in normal insolvency proceedings	1	2	2	3
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	AT1	PIBS	PIBS	Tier 2
36	Non-compliant transitioned features	No	No	No	Yes
37	If yes, specify non-compliant features	n/a	n/a	n/a	Step-up reset rate
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE (CHESHIRE)	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	GB0001777886	GB0001918076	US63859WAE93	US63859WAF68
2a	Public or private placement	Public	Public	Public	Public
3	Governing law(s) of the instrument	English	English	New York	New York
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	Ineligible	Ineligible	Tier 2	Tier 2
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	PIBS	PIBS	Subordinated Debt	Subordinated Debt
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	245,833,167.93	£ 388,029,696
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 41,578,009	£ 4,928,350	£ 843,896,284	£ 388,029,696
9	Nominal amount of instrument	£ 38,400,000	£ 4,811,000	$ 1,114,094,000	$ 507,721,000
UK-9a	Issue price	100.00	100.00	99.71	99.91
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	13/03/2000	28/03/1994	14/09/2016	18/10/2017
12	Perpetual or dated	Perpetual	Perpetual	Dated	Dated
13	Original maturity date	No maturity	No maturity	14/09/2026	18/10/2032
14	Issuer call subject to prior supervisory approval	Yes	Yes	No	Yes
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 13/03/2030	Issuer call date: 30/09/2030	No issuer call; par regulatory/tax call	Issuer call date: 18/10/2027; par regulatory/tax call, at 100%
16	Subsequent call dates, if applicable	5 yearly	6 monthly	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed-to-fixed	Floating	Fixed	Fixed
18	Coupon rate and any related index	0.07859	6MSonia + 4.1766%	0.04000	0.04125
19	Existence of a dividend stopper	Yes	Yes	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary	Partially discretionary	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Partially discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	Yes	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	n/a	n/a
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	None contractual, statutory via bail-in	None contractual, statutory via bail-in	None contractual, statutory via bail-in	None contractual, statutory via bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	3	3	4	4
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2	Tier 2	Senior Non-Preferred	Senior Non-Preferred
36	Non-compliant transitioned features	Yes	No	No	No
37	If yes, specify non-compliant features	Step-up reset rate	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2801451654	US63861VAB36	XS1890754721	XS1901006699
2a	Public or private placement	Public	Public	Private	Private
3	Governing law(s) of the instrument	English	New York	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	Tier 2	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Subordinated Debt	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	£ 441,733,935	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 441,733,935	£ 558,788,563	£ 72,050,235	£ 20,797,862
9	Nominal amount of instrument	EUR 500,000,000	$750,000,000	NOK 1,000,000,000	JPY 4,000,000,000
UK-9a	Issue price	99.97	100.00	100.00	100.00
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	16/04/2024	08/03/2018	05/10/2018	30/10/2018
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	16/04/2034	08/03/2029	05/10/2026	30/10/2026
14	Issuer call subject to prior supervisory approval	Yes	No	No	No
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 16/04/29; par regulatory/tax call, at 100%	Issuer call date: 08/03/2028, Tax event, Loss absorption disqualification event, at 100%	Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 30/10/2025, Tax event, Loss absorption disqualification event, at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	0.04375	0.04302	0.03468	0.00993
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	n/a	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	None contractual, statutory via bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	4	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Non-Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1905620263	XS1906305526	XS1909093368	US63861VAE74
2a	Public or private placement	Private	Private	Private	Public
3	Governing law(s) of the instrument	English	English	English	New York
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	n/a	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 20,840,303	£ 69,350,829	£ 15,204,983	£ 722,902,397
9	Nominal amount of instrument	NOK 300,000,000	NOK 1,000,000,000	JPY 3,000,000,000	$1,000,000,000
UK-9a	Issue price	100.00	100.00	100.00	100.00
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	13/11/2018	13/11/2018	14/11/2018	18/07/2019
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	13/11/2028	13/11/2028	14/11/2029	18/07/2030
14	Issuer call subject to prior supervisory approval	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	Tax event, Loss absorption disqualification event, at 100%	Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 14/11/2028, Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 18/07/2029, Tax event, Loss absorption disqualification event,at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	0.03875	0.03900	0.01278	0.03960
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	5	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2038515883	US63861VAF40	US63861VAG23	XS2562898143
2a	Public or private placement	Private	Public	Public	Public
3	Governing law(s) of the instrument	English	New York	New York	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	n/a	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 24,670,872	£ 559,917,209	£ 233,420,432	£ 660,482,202
9	Nominal amount of instrument	JPY 5,000,000,000	$750,000,000	$300,000,000	£ 650,000,000
UK-9a	Issue price	100.00	100.00	100.00	100.00
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	16/08/2019	16/02/2022	16/02/2022	7/12/2022
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	16/08/2030	16/02/2028	16/02/2028	7/12/2027
14	Issuer call subject to prior supervisory approval	No	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 16/08/2029, Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 16/02/2027,Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 16/02/2027,Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 7/12/2026,Tax event, Loss absorption disqualification event, at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed	Fixed	Floating	Fixed
18	Coupon rate and any related index	0.00850	0.02972	3MSOFR + 1.290%	0.06178
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	5	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2645716692	XS2649134629	XS2649148504	XS2649644403
2a	Public or private placement	Private	Private	Private	Private
3	Governing law(s) of the instrument	English	English	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	n/a	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 25,344,923	£ 15,182,954	£ 10,126,999	£ 10,134,730
9	Nominal amount of instrument	£ 25,000,000	JPY 3,000,000,000	JPY 2,000,000,000	JPY 2,000,000,000
UK-9a	Issue price	100.00	100.00	100.00	100.00
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	04/07/2023	12/07/2023	12/07/2023	14/07/2023
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	04/07/2026	12/07/2028	12/07/2028	14/07/2028
14	Issuer call subject to prior supervisory approval	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 04/07/2025, Tax event, Loss absorption disqualification event, at 100%	Tax event, Loss absorption disqualification event at 100%	Tax event, Loss absorption disqualification event at 100%	Tax event, Loss absorption disqualification event at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Floating	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Sonia + 1.40%	0.01060	0.01060	0.01064
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	5	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2651632114	XS2660276218	XS2665521816	XS2667562677
2a	Public or private placement	Private	Private	Private	Private
3	Governing law(s) of the instrument	English	English	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	n/a	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 10,154,946	£ 52,488,588	£ 50,422,320	£ 10,277,506
9	Nominal amount of instrument	JPY 2,000,000,000	£ 50,000,000	£ 50,000,000	JPY 2,000,000,000
UK-9a	Issue price	100.00	100.00	100.00	100.00
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	19/07/2023	01/08/2023	10/08/2023	16/08/2023
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	19/07/2029	01/08/2026	10/08/2033	16/08/2026
14	Issuer call subject to prior supervisory approval	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 19/07/2028, Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 01/08/2025, Tax event, Loss absorption disqualification event, at 100%	Tax event, Loss absorption disqualification event at 100%	Tax event, Loss absorption disqualification event at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	0.01200	0.06948	0.06240	0.00900
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	5	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2668511384	CH1280994299	XS2697559628	US63861VAJ61
2a	Public or private placement	Private	Public	Private	Public
3	Governing law(s) of the instrument	English	English	English	New York
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	n/a	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 10,353,981	£ 159,581,601	£ 20,594,582	£ 1,006,391,364
9	Nominal amount of instrument	JPY 2,000,000,000	CHF 175,000,000	£ 20,000,000	$1,250,000,000
UK-9a	Issue price	100.00	100.00	100.00	100.00
UK-9b	Redemption price	100	100	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	18/08/2023	08/09/2023	29/09/2023	18/10/2023
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	18/08/2026	08/09/2027	29/09/2036	18/10/2027
14	Issuer call subject to prior supervisory approval	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 18/08/2025,Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 08/09/2026,Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 29/09/2035,Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 18/10/2026, Tax event, Loss absorption disqualification event, at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	0.00988	0.02980	0.06122	0.06557
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	5	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments - 31 Mar 2025 (cont.)

1	Issuer	NATIONWIDE	NATIONWIDE	NATIONWIDE	NATIONWIDE
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2866379220	XS2974139292	XS2986730708	XS2986730617
2a	Public or private placement	Public	Public	Public	Public
3	Governing law(s) of the instrument	English	English	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules				
5	Post-transitional CRR rules	n/a	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo	Consolidated; Solo
7	Instrument type (types to be specified by each jurisdiction)	Senior Non-Preferred	Senior Non-Preferred	Consolidated; Solo	Senior Non-Preferred
8	Amount recognised in regulatory capital (as of most recent reporting date)	-	-	-	-
8.5	Amount recognised in MREL (as of most recent reporting date)	£ 868,331,815	£ 1,008,686,069	£ 839,762,930	£ 1,035,283,961
9	Nominal amount of instrument	EUR 1,000,000,000	£ 1,000,000,000	EUR 1,000,000,000	EUR 1,250,000,000
UK-9a	Issue price	100.00	–	100.00	100.00
UK-9b	Redemption price	100	–	100	100
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	24/07/2024	13/01/2025	27/01/2025	27/01/2025
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	24/07/2032	13/01/2033	27/01/2029	27/01/2036
14	Issuer call subject to prior supervisory approval	No	No	Yes	No
15	Optional call date, contingent call dates and redemption amount	Issuer call date: 08/03/2028, Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 13/01/2032, Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 27/01/2028, Tax event, Loss absorption disqualification event, at 100%	Issuer call date: 27/01/2035, Tax event, Loss absorption disqualification event, at 100%
16	Subsequent call dates, if applicable	n/a	n/a	n/a	n/a
	Coupons / dividends				
17	Fixed or floating dividend/coupon	Fixed to floating	Fixed	Floating	Fixed to floating
18	Coupon rate and any related index	0.03828	0.05530	Euribor+0.008	0.03770
19	Existence of a dividend stopper	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	n/a	n/a	n/a	n/a
25	If convertible, fully or partially	n/a	n/a	n/a	n/a
26	If convertible, conversion rate	n/a	n/a	n/a	n/a
27	If convertible, mandatory or optional conversion	n/a	n/a	n/a	n/a
28	If convertible, specify instrument type convertible into	n/a	n/a	n/a	n/a
29	If convertible, specify issuer of instrument it converts into	n/a	n/a	n/a	n/a
30	Write-down features	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in	Contractual recognition of statutory bail-in
32	If write-down, full or partial	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a	n/a
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	5	5	5	5
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	Web link	Web link	Web link	Web link

6 Annex IX | Countercyclical capital buffers

6.1. UK CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

The below table shows the geographical distribution of credit exposures relevant to the calculation of the sub-group countercyclical buffer. Exposures in the below table are prepared in accordance with the UK CRR and therefore exclude exposures to central governments or banks, regional governments or local authorities, public sector entities, multilateral development banks, international organisations and institutions and therefore the exposure values differ to those found in UK CR4 within section 11.2.

UK CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer - 31 Mar 2025

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		**Relevant credit exposures – Market risk**		**Securitisation exposures Exposure value for non-trading book**	**Total exposure value**	**Own fund requirements**				**Risk-weighted exposure amounts**	**Own fund requirements weights (%)**	**Counter-cyclical buffer rate (%)**
£m	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010 **Breakdown by country:**													
United Kingdom	**10,088**	**250,672**	**–**	**–**	**945**	**261,705**	**4,019**	**–**	**10**	**4,029**	**50,378**	**99.1**	**2.00**
Australia	**–**	**115**	**–**	**–**	**–**	**115**	**3**	**–**	**–**	**3**	**35**	**0.1**	**1.00**
Canada	**–**	**929**	**–**	**–**	**–**	**929**	**19**	**–**	**–**	**19**	**238**	**0.5**	**–**
Denmark	**–**	**9**	**–**	**–**	**–**	**9**	**–**	**–**	**–**	**–**	**2**	**0.0**	**2.50**
Finland	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.0**	**–**
France	**–**	**190**	**–**	**–**	**–**	**190**	**6**	**–**	**–**	**6**	**75**	**0.1**	**1.00**
Germany	**–**	**67**	**–**	**–**	**–**	**67**	**2**	**–**	**–**	**2**	**19**	**0.0**	**0.75**
Jersey	**2**	**5**	**–**	**–**	**–**	**7**	**–**	**–**	**–**	**–**	**2**	**0.0**	**–**
Netherlands	**–**	**–**	**–**	**–**	**331**	**331**	**–**	**–**	**3**	**3**	**33**	**0.1**	**2.00**
Norway	**–**	**133**	**–**	**–**	**–**	**133**	**3**	**–**	**–**	**3**	**37**	**0.1**	**2.50**
Singapore	**–**	**36**	**–**	**–**	**–**	**36**	**1**	**–**	**–**	**1**	**8**	**0.0**	**–**
Sweden	**–**	**96**	**–**	**–**	**–**	**96**	**1**	**–**	**–**	**1**	**15**	**0.0**	**2.00**
020 **Total**	**10,090**	**252,252**	**–**	**–**	**1,276**	**263,618**	**4,054**	**–**	**13**	**4,067**	**50,842**	**100.0**	

UK CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer - 04 Apr 2024

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
£m	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)
010 Breakdown by country:													
United Kingdom	8,100	235,005	–	–	1,080	244,185	3,690	–	13	3,703	46,265	99.0	2.00
Australia	–	175	–	–	–	175	4	–	–	4	48	0.1	1.00
Canada	–	844	–	–	–	844	20	–	–	20	247	0.5	–
Denmark	–	9	–	–	–	9	–	–	–	–	3	0.0	2.50
Finland	–	23	–	–	–	23	–	–	–	–	3	0.0	–
France	–	178	–	–	–	178	4	–	–	4	56	0.1	1.00
Germany	–	51	–	–	–	51	1	–	–	1	15	0.0	0.75
Jersey	2	6	–	–	–	8	–	–	–	–	2	0.0	–
Netherlands	–	–	–	–	236	236	–	–	2	2	24	0.1	1.00
Norway	–	130	–	–	–	130	3	–	–	3	42	0.1	2.50
Singapore	–	70	–	–	–	70	1	–	–	1	17	0.0	–
Sweden	–	107	–	–	–	107	2	–	–	2	22	0.0	2.00
020 Total	8,102	236,598	–	–	1,316	246,016	3,725	–	15	3,740	46,744	100.0	

6.2. UK CCyB2 - Amount of institution-specific countercyclical capital buffer

UK CCyB2 - Amount of institution-specific countercyclical capital buffer

		a	a
£m		**31 Mar 25**	04 Apr 24
1	Total risk exposure amount	**59,513**	54,628
2	Institution specific countercyclical capital buffer rate (%)	**1.99**	1.99
3	Institution specific countercyclical capital buffer requirement (£m)	**1,183**	1,085

In 2025 the FPC confirmed its intention to maintain the UK CCyB rate at 2%, the level to which it was increased in 2023. The amount in row 2 is not equal to 2% because not all of Nationwide's applicable exposures are located in the UK as shown in UK CCyB1 above.

7 Annex XI | Leverage ratio

7.1. UK LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

UK LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

£m		a	b
		31 Mar 25	04 Apr 24
1	**Total assets as per published financial statements**	**282,029**	271,917
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	**–**	–
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	**–**	–
4	(Adjustment for exemption of exposures to central banks)	**(17,070)**	(23,678)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) of the CRR)	**–**	–
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	**–**	–
7	Adjustment for eligible cash pooling transactions	**–**	–
8	Adjustment for derivative financial instruments	**(3,207)**	(4,860)
9	Adjustment for securities financing transactions (SFTs)[1]	**1**	2,715
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**5,604**	4,866
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced tier 1 capital (leverage))	**(70)**	(73)
UK-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	**–**	–
UK-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	**–**	–
12	Other adjustments	**(3,684)**	(1,624)
13	**Total exposure measure**	**263,603**	249,263

Note:
[1] 'Adjustment for SFTs' (line 9) reduction driven by the full repayment of cash in relation to the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME)

7.2. UK LR2 - LRCom: Leverage ratio common disclosure

UK LR2 - LRCom: Leverage ratio common disclosure			
		a	b
		Leverage ratio exposures	
£m		**31 Mar 25**	04 Apr 24
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**277,737**	266,269
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	**–**	–
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	**(470)**	(686)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	**–**	–
5	(General credit risk adjustments to on-balance sheet items)	**–**	–
6	(Asset amounts deducted in determining tier 1 capital (leverage))	**(3,686)**	(1,654)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**273,581**	263,929
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**26**	52
UK-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	**–**	–
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	**1,461**	1,378
UK-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	**–**	–
UK-9b	Exposure determined under the original exposure method	**–**	–
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	**–**	–
UK-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	**–**	–
UK-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	**–**	–
11	Adjusted effective notional amount of written credit derivatives	**–**	–
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	**–**	–
13	**Total derivatives exposures**	**1,487**	1,430
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	**–**	–
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	**–**	–
16	Counterparty credit risk exposure for SFT assets	**1**	2,715
UK-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	**–**	–
17	Agent transaction exposures	**–**	–
UK-17a	(Exempted CCP leg of client-cleared SFT exposures)	**–**	–
18	**Total securities financing transaction exposures**	**1**	2,715
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	**24,639**	23,766
20	(Adjustments for conversion to credit equivalent amounts)	**(19,035)**	(18,900)
21	(General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated associated with off-balance sheet exposures)	**–**	–
22	**Off-balance sheet exposures**	**5,604**	4,866
	Excluded exposures		
UK-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	**–**	–
UK-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on- and off-balance sheet))	**–**	–
UK-22g	(Excluded excess collateral deposited at triparty agents)	**–**	–
UK-22k	**(Total exempted exposures)**	**–**	–
	Capital and total exposure measure		
23	**Tier 1 capital (leverage)**	**14,537**	16,134
24	Total exposure measure including claims on central banks	**280,674**	272,941
UK-24a	(-) Claims on central banks excluded	**(17,071)**	(23,678)
UK-24b	**Total exposure measure excluding claims on central banks**	**263,603**	249,263

UK LR2 - LRCom: Leverage ratio common disclosure (cont.)

		a	b
		Leverage ratio exposures	
£m		**31 Mar 25**	04 Apr 24
	Leverage ratio		
25	Leverage ratio excluding claims on central banks (%)[1]	**5.5**	6.5
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**5.5**	6.5
UK-25b	Leverage ratio excluding central bank reserves as if the temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income had not been applied (%)	**5.5**	6.5
UK-25c	Leverage ratio including claims on central banks (%)	**5.2**	5.9
26	Regulatory minimum leverage ratio requirement (%)	**3.25**	3.25
	Additional leverage ratio disclosure requirements - leverage ratio buffers		
27	Leverage ratio buffer (%)	**0.70**	1.05
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	**–**	0.35
UK-27b	Of which: countercyclical leverage ratio buffer (%)	**0.70**	0.70
	Additional leverage ratio disclosure requirements - disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	**–**	–
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	**–**	–
UK-31	Average total exposure measure including claims on central banks	**288,054**	285,275
UK-32	Average total exposure measure excluding claims on central banks	**268,887**	252,272
UK-33	Average leverage ratio including claims on central banks	**5.1**	5.6
UK-34	Average leverage ratio excluding claims on central banks	**5.5**	6.3

Note:
[1] The explanations for changes in the leverage ratio, as disclosed in row 25, are included within section 7.4 (b)

7.3. UK LR3 - LRSpl: Split-up of on balance sheet exposures[1]

UK LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		a	a
		Leverage ratio exposures	
£m		31 Mar 25	04 Apr 24
UK-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**277,267**	265,583
UK-2	Trading book exposures	**–**	–
UK-3	Banking book exposures, of which:	**277,267**	265,583
UK-4	Covered bonds	**2,807**	2,966
UK-5	Exposures treated as sovereigns	**35,910**	46,135
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	**–**	–
UK-7	Institutions	**1,325**	908
UK-8	Secured by mortgages of immovable properties	**216,185**	200,371
UK-9	Retail exposures	**3,937**	3,656
UK-10	Corporates	**6,169**	5,997
UK-11	Exposures in default	**2,191**	867
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	**8,743**	4,683

Note:
[1] Exposures in default (row UK-11) 4 April 2024 figures restated to include loans risk weighted under the IRB approach, which were previously included across other rows (£426 million). The increase between periods is related to the implementation of Hybrid IRB models which include an updated definition of default including loans 90 days past due rather than 180 days as per relevant regulations

7.4. UK LRA - Disclosure of LR qualitative information

(a) Processes used to manage the risk of excessive leverage

Given Nationwide sub-group's balance sheet is focused on residential mortgage lending, it is considered that the risk of material unexpected movements in the leverage exposure measure is limited, due to the relative stability of mortgage balances.

Regular stress testing and forecasting are undertaken, which assess the sensitivity of the leverage ratio to stress conditions relative to risk-based capital metrics, and form part of the risk appetite framework. Management calibrates Nationwide's risk appetite to ensure that leverage resources are sufficient to manage through normal and stressed economic conditions.

(b) Factors that had an impact on the leverage ratio during the period

Nationwide sub-group leverage ratio excluding claims on central banks is 5.5% (2024: 6.5%). Tier 1 capital decreased by £1.6 billion in the year ended 31 March 2025 (see UK LR2 row 23) driven by the increased CET1 regulatory deductions due to the investment in Virgin Money and CET1 capital resources transfer to the Virgin Money sub-group. In addition, there was an increase in leverage exposure of £14.3 billion (see UK LR2 row UK-24b), predominantly due to an increase in residential mortgage balances (UK LR3 row UK-8).

8 Annex XIII | Liquidity requirements

8.1. UK LIQA - Liquidity risk management

(a) Strategies and processes in the management of the liquidity risk

Nationwide manages liquidity and funding risks within a comprehensive risk framework which includes its policy, strategy, limit setting and monitoring, stress testing and robust governance controls. The Society aims to ensure that at all times there are sufficient liquid assets, both as to amount and quality, to cover cash flow mismatches and fluctuations in funding, to retain public confidence and to meet financial obligations as they fall due, even during episodes of stress.

This is achieved through management and stress testing of business cash flows, setting appropriate risk limits to maintain a prudent funding mix and maturity profile, and maintaining sufficient levels of high-quality liquid assets and appropriate encumbrance levels.

(b) Structure and organisation of the liquidity risk management function

Nationwide's Board is responsible for setting liquidity and funding risk appetite and the Assets and Liabilities Committee (ALCO) is responsible for managing Nationwide's liquidity and funding risk profile within this defined appetite. Liquidity and funding risk is managed and reported by segregated teams within the Treasury function in line with the Society's Enterprise Risk Management Framework. The Society operates a Three Lines of Defence model to provide challenge, oversight and assurance of Treasury activity.

(c) The degree of centralisation of liquidity management and interaction between the group's units

Following the acquisition of Virgin Money UK PLC, the Nationwide sub-group and Virgin Money sub-group continue to manage their day-to-day liquidity requirements as separate businesses. Nationwide manages its liquidity at a sub-group level through its Treasury function.

(d) Scope and nature of liquidity risk reporting and measurement systems

Nationwide's position against internal and regulatory metrics is monitored and reported on a regular basis, using a centralised Treasury Management System (TMS) and liquidity reporting system. Liquidity risk reporting is subject to Nationwide's Liquidity Risk Control Framework which ensures appropriate controls and governance are applied.

(e) Policies for hedging and mitigating the liquidity risk and strategies and processes

To mitigate liquidity and funding risks generated by its business activities, Nationwide aims to maintain a liquid asset buffer of at least 100% of the anticipated outflows seen under internal stress test scenarios and the regulatory-prescribed Liquidity Coverage Ratio (LCR).

Internal risk limits are set in respect of the liquid asset buffer to ensure the buffer is high-quality and appropriately diversified. This includes prudent management of the currency mix of liquid assets to ensure there is no undue reliance on currencies not consistent with the profile of stressed outflows.

(f) An outline of contingency funding plans

A Liquidity Contingency Plan (LCP), which is part of the wider recovery plan framework, is maintained which sets out early warning indicators used to identify an emerging liquidity or funding stress as well as escalation procedures and a range of actions that could be taken in response to ensure sufficient liquidity is maintained. The LCP is tested annually to ensure it remains robust. Nationwide's Recovery Plan describes potential actions that could be utilised in a more extreme holistic stress.

(g) An explanation of how stress testing is used

Stress testing is a key component of Nationwide's approach to liquidity and funding risk. A range of stress tests is undertaken across multiple-time horizons based on internally generated and regulatory prescribed scenarios. These include short-term standard stress tests, such as the LCR, alternative short-term stress tests and medium / long-term stress tests which consider the wider impact on Nationwide's financial position, such as earnings and capital as result of a stress.

Potential contractual and behavioural stress outflows are assessed across a range of liquidity risk drivers over 30 calendar days. An assessment over three months is also performed against which LCP capacity is assessed. Internal stress assumptions are reviewed regularly with changes approved by ALCO and approved annually by the Board as part of the Internal Liquidity Adequacy Assessment Process (ILAAP).

(h) A declaration approved by the management body on the adequacy of liquidity risk management arrangements

Nationwide's liquidity and funding risk framework, which includes setting appropriate risk limits, ensures that a prudent liquidity and funding risk profile is maintained which is commensurate with Nationwide's low-risk business model given its building society status.

(i) A concise liquidity risk statement approved by the management body

Nationwide's management of liquidity and funding risks aims to ensure that there are sufficient liquid assets at all times, both as to amount and quality, to cover cash flow mismatches and fluctuations in funding; retain public confidence; and meet financial obligations as they fall due, even during episodes of stress.

Nationwide's LCR averaged 176% over the 12 months ended 31 March 2025 (2024: 191%). Nationwide continues to manage its liquidity against internal risk appetite which is more prudent than regulatory requirements. Under the most severe internal 30 calendar day stress test (a combined market-wide and Nationwide-specific stress scenario), the average ratio of the liquid asset buffer to stressed net outflows using the 12 month-ends to 31 March 2025 equated to 150% (4 April 2024: 167%). The average Net Stable Funding Ratio (NSFR), which assesses the stability of funding relative to the liquidity of assets, was 147% for the four quarters ended 31 March 2025 (4 April 2024: 151%), in excess of the 100% minimum requirement.

8.2. UK LIQ1 - Quantitative information of LCR

UK LIQ1 - Quantitative information of LCR		a	b	c	d	e	f	g	h
£m		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on (DD Month YYY)	**31 Mar 25**	31 Dec 24	30 Sep 24	30 Jun 24	**31 Mar 25**	31 Dec 24	30 Sep 24	30 Jun 24
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)**					**47,302**	50,183	53,539	54,361
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	**202,627**	199,534	196,834	194,446	**12,328**	12,040	11,747	11,364
3	*Stable deposits*	**132,598**	131,112	130,620	132,059	**6,630**	6,556	6,531	6,603
4	*Less stable deposits*	**44,839**	43,260	41,298	38,331	**5,694**	5,479	5,209	4,750
5	Unsecured wholesale funding	**7,222**	7,895	8,531	8,578	**6,459**	7,138	7,898	7,954
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	**–**	–	–	–	**–**	–	–	–
7	*Non-operational deposits (all counterparties)*	**2,259**	2,315	2,260	2,405	**1,496**	1,558	1,627	1,781
8	*Unsecured debt*	**4,963**	5,580	6,271	6,173	**4,963**	5,580	6,271	6,173
9	Secured wholesale funding					**46**	58	74	90
10	Additional requirements	**10,180**	11,206	12,041	12,069	**6,511**	7,501	8,267	8,281
11	*Outflows related to derivative exposures and other collateral requirements*	**6,228**	7,098	7,853	8,143	**5,767**	6,698	7,438	7,681
12	*Outflows related to loss of funding on debt products*	**160**	213	239	255	**160**	213	239	255
13	*Credit and liquidity facilities*	**3,792**	3,895	3,949	3,671	**584**	590	590	345
14	Other contractual funding obligations	**207**	203	224	226	**41**	45	65	65
15	Other contingent funding obligations	**22,263**	21,670	20,325	19,189	**3,649**	3,494	3,136	2,837
16	**TOTAL CASH OUTFLOWS**					**29,034**	30,276	31,187	30,591
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	**5,101**	4,109	4,080	3,247	**178**	204	202	210
18	Inflows from fully performing exposures	**1,987**	2,010	1,992	1,955	**1,652**	1,662	1,640	1,601
19	Other cash inflows	**281**	290	376	359	**281**	290	376	359
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**	**7,369**	6,409	6,448	5,561	**2,111**	2,156	2,218	2,170
UK-20a	*Fully exempt inflows*	**–**	–	–	–	**–**	–	–	–
UK-20b	*Inflows subject to 90% cap*	**–**	–	–	–	**–**	–	–	–
UK-20c	*Inflows subject to 75% cap*	**7,369**	6,409	6,448	5,561	**2,111**	2,156	2,218	2,170
TOTAL ADJUSTED VALUE									
UK-21	LIQUIDITY BUFFER					**47,302**	50,183	53,539	54,361
22	TOTAL NET CASH OUTFLOWS					**26,923**	28,120	28,969	28,421
23	**LIQUIDITY COVERAGE RATIO**					**176**	179	186	192

8.3. UK LIQB - Qualitative information on LCR, which complements template UK LIQ1

(a) Main drivers of LCR results

Nationwide sub-group's LCR is driven by a combination of the size of the liquid asset buffer, modelled stressed retail net outflows, wholesale funding requirements from upcoming maturities and collateral outflows that could arise in a stress. As Nationwide is predominantly retail funded, 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 12-month average LCR has declined reflecting lower liquid asset balances offset by a decrease in net cash outflow requirements. Liquid asset balances declined following the repayment of Nationwide's drawings from the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME) and the completion of Nationwide's acquisition of Virgin Money. Lower net cash outflow requirements reflect lower unsecured debt (row 8) and derivative exposure and other collateral outflows (row 11), offset by higher requirements for retail deposits (row 2) and contingent funding obligations (row 15).

(c) Explanations on the actual concentration of funding sources

Nationwide sub-group is predominantly retail deposit funded and also has a wholesale funding platform which comprises a range of secured and unsecured instruments to ensure that a stable and diversified funding base is maintained across a range of instruments, currencies, maturities and investor types.

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

Nationwide sub-group's liquid assets, which predominantly comprise reserves held at central banks and highly rated debt securities issued or guaranteed by a restricted range of governments, central banks and supranationals, are held and managed centrally by its Treasury function. The assets held in the liquid asset buffer are primarily sterling, US dollar and Euro.

(e) Derivative exposures and potential collateral calls

The Society only uses derivatives to manage and mitigate exposures to market risks, and not for trading or speculative purposes. The LCR net cash outflows related to derivative transactions primarily reflect the risk of potential additional collateral outflows due to adverse market rate changes. Credit ratings downgrades by external credit rating agencies could also lead to collateral outflows which are considered when determining LCR outflows.

(f) Currency mismatch in the LCR

Liquid assets are primarily denominated in sterling, US dollar or Euro, with the currency mix of the liquid asset buffer being subject to internal risk limits and policy requirements. This ensures that no undue level of currency mismatch arises between the currency composition of the liquid asset buffer and currency profile of stressed outflows in the LCR.

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

There are no other relevant items.

8.4. UK LIQ2 - Net Stable Funding Ratio (NSFR)

UK LIQ2: Net Stable Funding Ratio - 31 Mar 2025		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	Available stable funding (ASF) Items					
1	Capital items and instruments	17,921	319	21	1,809	19,731
2	*Own funds*	17,921	297	–	1,165	19,087
3	*Other capital instruments*		22	21	644	644
4	Retail deposits		170,485	27,750	5,683	191,497
5	*Stable deposits*		125,050	23,014	4,506	145,166
6	*Less stable deposits*		45,435	4,736	1,177	46,331
7	Wholesale funding:		15,000	6,542	31,999	36,886
8	*Operational deposits*		–	–	–	–
9	*Other wholesale funding*		15,000	6,542	31,999	36,886
10	Interdependent liabilities		–	–	–	–
11	Other liabilities:	113	5,981	–	95	95
12	*NSFR derivative liabilities*	113				–
13	*All other liabilities and capital instruments not included in the above categories*		5,981	–	95	95
14	**Total available stable funding (ASF)**					248,209
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					2,336
UK-15a	Assets encumbered for more than 12m in cover pool		–	–	–	–
16	Deposits held at other financial institutions for operational purposes		–	–	–	–
17	Performing loans and securities:		9,942	4,023	212,005	159,236
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		2,463	–	–	–
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1,222	–	2	96
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		2,401	401	1,634	2,790
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		–	–	–	–
22	*Performing residential mortgages, of which:*		3,833	3,581	209,749	155,790
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		3,286	3,044	181,292	131,060
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		23	41	620	560
25	Interdependent assets		–	–	–	–
26	Other assets:	–	3,487	–	2,973	5,667
27	*Physical traded commodities*				–	–
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		1,401	–	–	1,191
29	*NSFR derivative assets*	–	–	–	–	–
30	*NSFR derivative liabilities before deduction of variation margin posted*		453	–	–	23
31	*All other assets not included in the above categories*		1,633	–	2,973	4,453
32	Off-balance sheet items		26,370	–	–	1,992
33	**Total RSF**					169,231
34	**Net Stable Funding Ratio (%)**					147

UK LIQ2: Net Stable Funding Ratio - 04 Apr 2024

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	Available stable funding (ASF) Items					
1	Capital items and instruments	16,991	215	533	1,580	18,571
2	*Own funds*	16,991	215	511	1,312	18,303
3	*Other capital instruments*		–	22	268	268
4	Retail deposits		158,535	20,593	14,047	182,175
5	*Stable deposits*		122,158	16,091	11,309	142,646
6	*Less stable deposits*		36,377	4,502	2,738	39,529
7	Wholesale funding:		17,337	4,255	40,646	44,411
8	*Operational deposits*		–	–	–	–
9	*Other wholesale funding*		17,337	4,255	40,646	44,411
10	Interdependent liabilities		–	–	–	–
11	Other liabilities:	72	9,782	–	–	–
12	*NSFR derivative liabilities*	72				–
13	*All other liabilities and capital instruments not included in the above categories*		9,782	–	–	–
14	Total available stable funding (ASF)					245,157
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					2,274
UK-15a	Assets encumbered for more than 12m in cover pool		–	–	–	–
16	Deposits held at other financial institutions for operational purposes		–	–	–	–
17	Performing loans and securities:		8,197	4,100	200,909	154,697
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		406	–	–	–
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		822	–	3	68
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		2,476	423	1,822	2,752
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		–	–	–	(246)
22	*Performing residential mortgages, of which:*		4,475	3,645	198,316	151,199
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		3,959	3,220	176,369	132,074
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		18	32	768	678
25	Interdependent assets		–	–	–	–
26	Other assets:	–	4,314	–	843	4,283
27	*Physical traded commodities*				–	–
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		1,481	–	–	1,259
29	*NSFR derivative assets*	–	13	–	–	13
30	*NSFR derivative liabilities before deduction of variation margin posted*		520	–	–	26
31	*All other assets not included in the above categories*		2,300	–	843	2,985
32	Off-balance sheet items		22,238	–	–	1,112
33	Total RSF					162,366
34	Net Stable Funding Ratio (%)					151

8.5. UK LIQ2 - Net Stable Funding Ratio (NSFR) qualitative information

Drivers of NSFR results

Nationwide is predominately funded by retail deposits and long-term wholesale funding, which receive high Available Stable Funding factors. Nationwide's assets predominately comprise mortgage lending and liquid assets, which typically receive low Required Stable Funding factors. The combination of the above results in an NSFR in excess of the 100% regulatory minimum.

Interdependent assets and liabilities

Nationwide has no interdependent assets and liabilities.

9 Annex XV | Credit risk quality

9.1. UK CRA - General qualitative information about credit risk

(a) Risk statement in accordance how the business model translates into the components of Nationwide's credit risk profile ((f) of Article 435(1) CRR)

At Nationwide, we lend in a responsible, affordable and sustainable way to ensure we safeguard members and the financial strength of the Society throughout the credit cycle. We operate with a commitment to responsible lending and a focus on championing good conduct and fair outcomes.

Credit risks are inherent across Nationwide's lending activities and may arise from changes in credit quality, such as a borrower's risk profile, and the recoverability of loans and amounts due from counterparties. Adverse changes in the credit quality of borrowers or a general deterioration in economic conditions could affect the recoverability and value of Nationwide's assets and therefore its financial performance. Comprehensive risk management methods and processes have been established as part of Nationwide's overall governance framework to measure, mitigate and manage credit risk within Nationwide's risk appetite.

(b) The criteria and approach used for defining the credit risk management policy and for setting credit risk limits (points (a) and (d) of Article 435(1) CRR)

The Board sets the level of risk appetite it is willing to take in pursuit of the Society's strategy, which is articulated as Board risk appetite statements and underlying principles:

Safeguarding our customers and counterparties by lending responsibly:

- only lending to customers or counterparties who demonstrate that they can afford to borrow;
- supporting customers buying mortgageable properties of wide-ranging types and qualities; and
- working with customers and counterparties to recover their financial position should there be a delay, or risk of delay, in meeting their financial obligations.

Safeguarding the Society's financial performance, strength and reputation:

- managing asset quality so that losses through an economic cycle will not undermine profitability, financial strength and our standing with external stakeholders;
- ensuring that no material segment of our lending exposes the Society to excessive loss; and
- proactively managing credit risk and complying with regulations.

Nationwide is committed to helping customers who may anticipate or find themselves experiencing a period of financial difficulty, offering a range of forbearance options tailored to their individual circumstances. Accounts in arrears, or where the borrower is in financial difficulty, are managed by specialist teams within Nationwide to ensure an optimal outcome for our members, customers and the Society.

Retail

The owner-occupied and buy to let portfolios have their own credit scoring models, policy and underwriting rules to make lending decisions on applications for credit and to manage accounts. The principal factors considered in the residential lending decision are affordability, credit score, nature of income and LTV, with the principal factors considered in the buy to let lending decision being rental cover, credit score and LTV. In addition, confirmation of borrower identity is obtained, and an assessment of the value and suitability of the security being taken as collateral is carried out prior to granting a credit facility.

The principal factors considered in unsecured lending decisions are credit scoring, affordability, policy and underwriting rules. Each unsecured portfolio has its own models and rules to make decisions on applications for credit and for ongoing management of accounts. Credit scoring is also used within the customer account management process to set lending limits, to segment authorisation decisions and to prioritise collections activity.

Commercial

The portfolios have historically supported the funding requirements of Commercial Real Estate (CRE) investors, Project Finance Initiatives (PFI) and Registered Social Landlords/Housing Associations (RSL). The CRE and PFI portfolios are closed and in managed run-off; only the RSL portfolio remains open to new lending.

All commercial lending decisions are subject to a robust manual underwriting assessment undertaken by the Commercial Credit Risk function, supplemented by a risk rating process which has been developed to enhance portfolio risk management capabilities and support capital and risk-based pricing models. All commercial lending exposure and their risk rating are reviewed annually, or more frequently in the event of material change.

An established governance structure ensures a monthly review is undertaken of the current and expected future performance of the commercial portfolios. Monitoring of asset quality is based upon several measures, including rating grade migration, financial covenant monitoring, risk concentrations, and market changes. The risk profiles, performance metrics and emerging risks within the commercial portfolios are reviewed monthly by risk committees. In addition, credit quality assurance reviews are undertaken by an independent control function.

Treasury

The Treasury Credit Risk function (TCR) manages all aspects of credit risk arising from Treasury's liquidity and balance sheet risk management. TCR manages the credit policy that sets country, asset class, counterparty and issuer credit limits. These enable Treasury to meet its objectives whilst operating within risk appetite. TCR regularly provides risk strategy updates to Nationwide's Credit Committee and proposes changes to credit policy to meet changes in business needs or the operating environment.

(c) The structure and organisation of the credit risk management and control function (point (b) of Article 435(1) CRR)

The Risk function manages all aspects of Retail, Commercial and Treasury credit risk in accordance with Nationwide's risk governance frameworks, under the supervision of the Credit Committee. Compliance with Board Risk Appetite is measured against absolute limits and risk metrics including impairment provisions and is reported each month to the Society's Credit Committee (members of which include the Chief Risk Officer, the Chief Financial Officer and the Chief Credit Officer), with adverse trends being investigated and corrective action taken to mitigate the risk and bring performance back on track.

(d) The relationships between credit risk management, risk control, compliance and internal audit functions (point (b) of Article 435(1) CRR)

Nationwide adopts a Three Lines of Defence (3LoD) model in the way it structures its risk management activities. We have tailored this approach to reflect Nationwide's size, complexity, and business model.

1st Line designs and runs all business operations and is responsible for day-to-day operation of controls and management of risks and loss events.

2nd Line is responsible for setting credit policies and controls, ongoing oversight, challenge, support and advice to ensure effective management of risks, and for the design, training and maintenance of enterprise risk management framework standards and guidance.

3rd Line, Internal Audit, provide independent assurance on the effectiveness of the control environment.

9.2. UK CRB - Additional information related to the credit quality of assets

(a) The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, for accounting and regulatory purposes (in accordance with Article 178 CRR)

For accounting purposes, an exposure is deemed to be credit-impaired if it has an arrears status of more than 90 days past due or if it is considered unlikely that the borrower will repay the outstanding balance in full, without recourse to actions such as realising security. For regulatory purposes, all assets past due by 90 days or more, or are assessed as unlikely to repay, are treated as being in default.

(b) The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this

All assets more than 90 days past due are treated as impaired.

(c) Description of methods used for determining general and specific credit risk adjustments

Provisions are allocated against individual loans and Nationwide does not have any general credit risk adjustments; therefore, all provisions are specific credit risk adjustments.

(d) Definition of a restructured exposure (point (d) of Article 178(3) CRR)

Retail: Distressed restructures that result in diminished financial obligation are included as an indicator of default, and treated as an "unlikely to pay" default (as defined in SS11/13 11.5).

The approach taken is to use the Financial Reporting (FinRep) definition of forbearance which is aligned to the European Banking Authority financial reporting requirements (FinRep) referenced in the Guidelines, which is also used in Nationwide's annual reporting.

There are six categories of FinRep forbearance defined within the financial reporting as a consequence of financial difficulty:

(i) Past Term Interest Only – Customers on interest only mortgages who are unable to repay their capital at term expiry are given a 6-month grace period post maturity, after which time the account is considered forborne, these accounts are already being flagged as term expiry and therefore considered in default three months after term expiry.

(ii) Interest Only Concession – A temporary interest only concession during which period the loans do not accrue arrears and are therefore not categorised as impaired provided the revised interest only repayment amount is maintained.

(iii) Capitalisation – When a customer emerges from financial difficulty provided they have made at least six full monthly instalments, Nationwide offers the ability to capitalise arrears, resulting in the account being repaired. Once capitalised, the loans are categorised as not impaired as long as contractual repayments are maintained.

(iv) Term Extension (within term) – Customers in financial difficulty that have been allowed to extend the term of their mortgage. On a capital repayment mortgage this will reduce their monthly commitment, interest only customers will benefit by having a longer period to repay the capital at maturity.

(v) Term Extension (at term expiry) – Customers that have had their mortgage term extended after expiry (separate to accounts rolling past term) resetting the loan over a longer term clearing existing arrears.

(vi) Permanent Interest Only Conversion – Customers in financial difficulty that have been allowed a permanent interest only conversion, normally reducing their monthly commitment. This facility was completely withdrawn in March 2012.

Commercial: Exposures involving material capital forgiveness, application of non-accrual status, interest being charged below cost of funds and other subjective criteria are classified as distressed restructures. Subject to a PRA submission that is progressing for approval, revised definitions of distressed restructures will be applied to the existing forborne loans, with re-classification to either performing or non-performing. This will not result in any incremental first-time default events being recorded.

9.3. UK CR1 - Performing and non-performing exposures and related provisions

UK CR1: Performing and non-performing exposures and related provisions - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**						**Accumulated partial write-off**	**Collateral and financial guarantees received**	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
£m			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	19,466	19,466	–	–	–	–	–	–	–	–	–	–	–	–	–
010	Loans and advances	229,004	192,384	36,584	1,729	76	1,652	(372)	(65)	(306)	(336)	(2)	(334)	–	223,822	1,355
020	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
030	*General governments*	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–
040	*Credit institutions*	192	192	–	–	–	–	–	–	–	–	–	–	–	–	–
050	*Other financial corporations*	182	182	–	–	–	–	–	–	–	–	–	–	–	–	–
060	*Non-financial corporations*	11,780	11,043	737	98	3	95	(29)	(22)	(7)	(22)	–	(22)	–	11,477	73
070	*Of which SMEs*	6,875	6,450	425	29	3	26	(27)	(22)	(5)	(6)	–	(6)	–	6,831	23
080	*Households*	216,848	180,967	35,847	1,631	73	1,557	(343)	(43)	(299)	(314)	(2)	(312)	–	212,345	1,282
090	Debt securities	22,403	22,401	–	–	–	–	–	–	–	–	–	–	–	–	–
100	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
110	*General governments*	15,760	15,761	–	–	–	–	–	–	–	–	–	–	–	–	–
120	*Credit institutions*	1,519	1,519	–	–	–	–	–	–	–	–	–	–	–	–	–
130	*Other financial corporations*	5,121	5,121	–	–	–	–	–	–	–	–	–	–	–	–	–
140	*Non-financial corporations*	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–
150	Off-balance-sheet exposures	24,589	22,802	861	44	1	43	–	–	–	–	–	–		–	–
160	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–		–	–
170	*General governments*	–	–	–	–	–	–	–	–	–	–	–	–		–	–
180	*Credit institutions*	–	–	–	–	–	–	–	–	–	–	–	–		–	–
190	*Other financial corporations*	97	97	–	–	–	–	–	–	–	–	–	–		–	–
200	*Non-financial corporations*[1]	3,062	2,126	10	4	–	4	–	–	–	–	–	–		–	–
210	*Households*	21,430	20,579	851	40	1	39	–	–	–	–	–	–		–	–
220	**Total**	**295,462**	**257,053**	**37,445**	**1,773**	**77**	**1,695**	**(372)**	**(65)**	**(306)**	**(336)**	**(2)**	**(334)**	**–**	**223,822**	**1,355**

Note:
[1] Differences between values reported for non-financial corporations within UK CR1 and the published annual results presentation at nationwide.co.uk are due to the inclusion of TMW Limited Company lending within UK CR1 as per regulatory prescribed guidance

UK CR1: Performing and non-performing exposures and related provisions - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
£m			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	25,689	25,689	–	–	–	–	–	–	–	–	–	–	–	–	–
010	Loans and advances	212,824	175,542	37,241	1,764	80	1,682	(431)	(53)	(378)	(351)	(3)	(348)	(9)	207,896	1,373
020	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
030	*General governments*	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–
040	*Credit institutions*	255	255	–	–	–	–	–	–	–	–	–	–	–	1	–
050	*Other financial corporations*	114	114	–	–	–	–	–	–	–	–	–	–	–	10	–
060	*Non-financial corporations*	10,131	9,566	564	102	4	99	(19)	(11)	(8)	(25)	–	(25)	(9)	9,776	72
070	*Of which SMEs*	5,465	5,124	342	35	4	32	(17)	(11)	(6)	(9)	–	(9)	(9)	5,428	23
080	*Households*	202,322	165,607	36,677	1,662	76	1,583	(412)	(42)	(370)	(326)	(3)	(323)	–	198,109	1,301
090	Debt securities	26,472	26,469	–	–	–	–	–	–	–	–	–	–	–	–	–
100	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
110	*General governments*	19,607	19,607	–	–	–	–	–	–	–	–	–	–	–	–	–
120	*Credit institutions*	1,504	1,504	–	–	–	–	–	–	–	–	–	–	–	–	–
130	*Other financial corporations*	5,358	5,358	–	–	–	–	–	–	–	–	–	–	–	–	–
140	*Non-financial corporations*	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–
150	Off-balance-sheet exposures	23,693	22,703	985	45	1	44	–	–	–	–	–	–		–	–
160	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–		–	–
170	*General governments*	–	–	–	–	–	–	–	–	–	–	–	–		–	–
180	*Credit institutions*	–	–	–	–	–	–	–	–	–	–	–	–		–	–
190	*Other financial corporations*	97	97	–	–	–	–	–	–	–	–	–	–		–	–
200	*Non-financial corporations*	2,064	2,045	14	5	–	5	–	–	–	–	–	–		–	–
210	*Households*	21,532	20,561	971	40	1	39	–	–	–	–	–	–		–	–
220	Total	288,678	250,403	38,226	1,809	81	1,726	(431)	(53)	(378)	(351)	(3)	(348)	(9)	207,896	1,373

9.4. UK CR1-A – Maturity of exposures[1]

UK CR1-A: Maturity of exposures - 31 Mar 2025

		a	b	c	d	e	f
		Net exposure value					
£m		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	**238**	**10,029**	**30,732**	**188,893**	**133**	**230,025**
2	Debt securities	**-**	**1,804**	**8,519**	**12,141**	**–**	**22,464**
3	**Total**	**238**	**11,833**	**39,251**	**201,034**	**133**	**252,489**

UK CR1-A: Maturity of exposures - 04 Apr 2024

		a	b	c	d	e	f
		Net exposure value					
£m		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	255	9,943	30,124	173,384	100	213,806
2	Debt securities	–	1,106	12,655	12,771	–	26,532
3	Total	255	11,049	42,779	186,155	100	240,338

Note:
[1] Off-balance sheet exposures are not included

9.5. UK CR2 – Changes in the stock of non-performing loans and advances

Disclosures may be omitted if not regarded as material as per Article 432 of the Disclosure (CRR) section within the PRA Rulebook. As non-performing loans and advances comprise less than 5% of total loans and advances, it is deemed that UK CR2 is not a material disclosure and therefore has not been presented.

9.6. UK CR2-A – Changes in the stock of non-performing loans and advances and related net accumulated recoveries

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CR2-A has not been disclosed.

9.7. UK CQ1 – Credit quality of forborne exposures

UK CQ1: Credit quality of forborne exposures - 31 Mar 2025

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**		**Collateral received and financial guarantees received on forborne exposures**	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
£m				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	–	–	–	–	–	–	–	–
010	Loans and advances	453	693	304	635	(6)	(89)	1,019	592
020	*Central banks*	–	–	–	–	–	–	–	–
030	*General governments*	–	–	–	–	–	–	–	–
040	*Credit institutions*	–	–	–	–	–	–	–	–
050	*Other financial corporations*	–	–	–	–	–	–	–	–
060	*Non-financial corporations*	96	87	82	83	(2)	(19)	151	64
070	*Households*	357	606	222	552	(4)	(70)	868	528
080	Debt securities	–	–	–	–	–	–	–	–
090	Loan commitments given	26	14	8	14	–	–	–	–
100	**Total**	479	707	312	649	(6)	(89)	1,019	592

Note:
UK CQ1 does not include exposures with concessions provided as part of Mortgage Charter requirements as these concessions do not meet the forbearance definition per CRR article 47b

UK CQ1: Credit quality of forborne exposures - 04 Apr 2024

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
£m				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	–	–	–	–	–	–	–	–
010	Loans and advances	494	774	311	709	(11)	(102)	1,105	657
020	*Central banks*	–	–	–	–	–	–	–	–
030	*General governments*	–	–	–	–	–	–	–	–
040	*Credit institutions*	–	–	–	–	–	–	–	–
050	*Other financial corporations*	–	–	–	–	–	–	–	–
060	*Non-financial corporations*	99	89	83	85	(2)	(22)	151	61
070	*Households*	395	685	228	624	(9)	(80)	954	596
080	Debt securities	–	–	–	–	–	–	–	–
090	Loan commitments given	33	15	8	14	–	–	–	–
100	Total	527	789	319	723	(11)	(102)	1,105	657

9.8. UK CQ2 – Quality of forbearance

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CQ2 has not been disclosed.

9.9. UK CQ3 – Credit quality of performing and non-performing exposures by past due days

UK CQ3: Credit quality of performing and non-performing exposures by past due days - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
£m			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	**19,466**	**19,466**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
010	Loans and advances	**229,004**	**228,528**	**476**	**1,729**	**644**	**393**	**313**	**229**	**142**	**6**	**2**	**913**
020	*Central banks*	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
030	*General governments*	**2**	**2**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
040	*Credit institutions*	**192**	**192**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
050	*Other financial corporations*	**182**	**182**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
060	*Non-financial corporations*	**11,780**	**11,769**	**11**	**98**	**82**	**7**	**6**	**1**	**2**	**–**	**–**	**89**
070	*Of which SMEs*	**6,875**	**6,864**	**11**	**29**	**13**	**7**	**6**	**1**	**2**	**–**	**–**	**20**
080	*Households*	**216,848**	**216,383**	**465**	**1,631**	**562**	**386**	**307**	**228**	**140**	**6**	**2**	**824**
090	Debt securities	**22,403**	**22,403**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
100	*Central banks*	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
110	*General governments*	**15,760**	**15,760**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
120	*Credit institutions*	**1,519**	**1,519**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
130	*Other financial corporations*	**5,121**	**5,121**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
140	*Non-financial corporations*	**3**	**3**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
150	Off-balance-sheet exposures	**24,589**			**44**								**29**
160	*Central banks*	**–**			**–**								**–**
170	*General governments*	**–**			**–**								**–**
180	*Credit institutions*	**–**			**–**								**–**
190	*Other financial corporations*	**97**			**–**								**–**
200	*Non-financial corporations*	**3,062**			**4**								**4**
210	*Households*	**21,430**			**40**								**25**
220	**Total**	**295,462**	**270,397**	**476**	**1,773**	**644**	**393**	**313**	**229**	**142**	**6**	**2**	**942**

UK CQ3: Credit quality of performing and non-performing exposures by past due days - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
£m			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	25,689	25,689	–	–	–	–	–	–	–	–	–	–
010	Loans and advances	212,824	212,368	456	1,764	709	393	336	213	107	4	2	893
020	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–
030	*General governments*	2	2	–	–	–	–	–	–	–	–	–	–
040	*Credit institutions*	255	255	–	–	–	–	–	–	–	–	–	–
050	*Other financial corporations*	114	114	–	–	–	–	–	–	–	–	–	–
060	*Non-financial corporations*	10,130	10,118	12	102	82	4	5	11	–	–	–	91
070	*Of which SMEs*	5,465	5,453	12	35	15	4	5	11	–	–	–	24
080	*Households*	202,323	201,879	444	1,662	627	389	331	202	107	4	2	802
090	Debt securities	26,472	26,472	–	–	–	–	–	–	–	–	–	–
100	*Central banks*	–	–	–	–	–	–	–	–	–	–	–	–
110	*General governments*	19,607	19,607	–	–	–	–	–	–	–	–	–	–
120	*Credit institutions*	1,504	1,504	–	–	–	–	–	–	–	–	–	–
130	*Other financial corporations*	5,358	5,358	–	–	–	–	–	–	–	–	–	–
140	*Non-financial corporations*	3	3	–	–	–	–	–	–	–	–	–	–
150	Off-balance-sheet exposures	23,693			45								29
160	*Central banks*	–			–								–
170	*General governments*	–			–								–
180	*Credit institutions*	–			–								–
190	*Other financial corporations*	97			–								–
200	*Non-financial corporations*	2,064			4								4
210	*Households*	21,532			41								25
220	Total	288,678	264,529	456	1,809	709	393	336	213	107	4	2	922

9.10. UK CQ4 – Quality of non-performing exposures by geography

This template is subject to a 10% threshold (i.e. non-domestic exposures divided by total exposures) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-domestic exposures are below this threshold and therefore UKCQ4 has not been disclosed.

9.11. UK CQ5 – Credit quality of loans and advances to non-financial corporations by industry

UK CQ5: Credit quality of loans and advances to non-financial corporations by industry - 31 Mar 2025

		a	b	c	d	e	f
		Gross carrying amount				**Accumulated impairment**	**Accumulated negative changes in fair value due to credit risk on non-performing exposures**
			Of which non-performing		Of which loans and advances subject to impairment		
£m				Of which defaulted			
010	Agriculture, forestry and fishing	–	–	–	–	–	–
020	Mining and quarrying	–	–	–	–	–	–
030	Manufacturing	–	–	–	–	–	–
040	Electricity, gas, steam and air conditioning supply	–	–	–	–	–	–
050	Water supply	–	–	–	–	–	–
060	Construction	**421**	**69**	**69**	**421**	**(17)**	–
070	Wholesale and retail trade	–	–	–	–	–	–
080	Transport and storage	–	–	–	–	–	–
090	Accommodation and food service activities	**4**	**1**	–	**4**	–	–
100	Information and communication	–	–	–	–	–	–
110	Financial and insurance activities	–	–	–	–	–	–
120	Real estate activities	**11,386**	**28**	**20**	**11,386**	**(34)**	–
130	Professional, scientific and technical activities	–	–	–	–	–	–
140	Administrative and support service activities	–	–	–	–	–	–
150	Public administration and defence, compulsory social security	**36**	–	–	**36**	–	–
160	Education	**31**	–	–	**31**	–	–
170	Human health services and social work activities	–	–	–	–	–	–
180	Arts, entertainment and recreation	–	–	–	–	–	–
190	Other services	–	–	–	–	–	–
200	**Total**[1]	**11,878**	**98**	**89**	**11,878**	**(51)**	–

Note:
[1] Differences between values reported for non-financial corporations within UK CQ5 and the published annual results presentation at nationwide.co.uk are due to the inclusion of TMW Limited Company lending within UK CQ5 as per regulatory prescribed guidance

UK CQ5: Credit quality of loans and advances to non-financial corporations by industry - 04 Apr 2024							
		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
£m				Of which defaulted			
010	Agriculture, forestry and fishing	–	–	–	–	–	–
020	Mining and quarrying	–	–	–	–	–	–
030	Manufacturing	–	–	–	–	–	–
040	Electricity, gas, steam and air conditioning supply	–	–	–	–	–	–
050	Water supply	–	–	–	–	–	–
060	Construction	479	67	67	479	(18)	–
070	Wholesale and retail trade	1	–	–	1	–	–
080	Transport and storage	–	–	–	–	–	–
090	Accommodation and food service activities	4	–	–	4	–	–
100	Information and communication	–	–	–	–	–	–
110	Financial and insurance activities	–	–	–	–	–	–
120	Real estate activities	9,684	35	24	9,684	(26)	–
130	Professional, scientific and technical activities	–	–	–	–	–	–
140	Administrative and support service activities	–	–	–	–	–	–
150	Public administration and defence, compulsory social security	40	–	–	40	–	–
160	Education	23	–	–	23	–	–
170	Human health services and social work activities	2	–	–	2	–	–
180	Arts, entertainment and recreation	–	–	–	–	–	–
190	Other services	–	–	–	–	–	–
200	Total	10,233	102	91	10,233	(44)	–

9.12. UK CQ6 – Collateral valuation – loans and advances

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CQ6 has not been disclosed.

9.13. UK CQ7 – Collateral obtained by taking possession and execution processes

Repossessed collateral is not disclosed in the statutory balance sheet. Where possession has been taken, the loan amount is reduced to the recoverable amount as appropriate. Template UK CQ7 discloses the value of repossessed collateral – as this is not included on the sub-group balance sheet, this template has been deemed not applicable.

9.14. UK CQ8 – Collateral obtained by taking possession and execution processes – vintage breakdown

This template is subject to the 5% threshold (i.e. non-performing loans and advances divided by total loans and advances) as stated within the Disclosure (CRR) section of the PRA Rulebook. Non-performing loans are below this threshold and therefore UK CQ8 has not been disclosed.

10 Annex XVII | Credit risk mitigation (CRM) techniques

10.1. UK CRC – Information related to CRM techniques

Nationwide utilises various types of CRM techniques tailored to the exposure which is being secured by that CRM. Amongst CRM tools there are two generic types: funded credit protection, which is based on the receipt of eligible financial or other eligible collateral, and unfunded credit protection which utilises guarantees from eligible guarantors or credit derivatives. Nationwide utilises predominantly the funded forms of CRM as further described below for each of the main business segments.

(a) Core policies and processes for on- and off-balance sheet netting (Article 453 (a) CRR)

On-balance sheet netting is only used where there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle on a net basis or realise the asset and liability simultaneously. This is the case for derivatives contracts with central clearing counterparties and offsetting repos and reverse repo contracts with the same counterparty. Appropriate documentation is required prior to trading to ensure that the netting arrangements are legally enforceable.

(b) The core features of policies and processes for eligible collateral evaluation (Article 453 (b) CRR)

Retail: All retail mortgage lending activities are supported by an appropriate form of valuation using in-house valuers, an independent firm of valuers or by an Automated Valuation Model which is subject to internal benchmarking, model governance standards, business rules and confidence levels. New build sites are subject to a suitability assessment and exposure limits prevent an over concentration. Environmental data is also used to assess physical risks (e.g. flooding and subsidence) on all properties.

Valuations of properties in the portfolio are updated quarterly using an Automated Valuation Model. Areas that have shown material market changes or LTV movement are highlighted to the Property Risk team who will refer the cases to an Area Valuer for review and sign off.

Commercial: Policies and processes ensure that eligible collateral, in the form of residential property, taken to secure loan facilities granted to Residential Social Landlords (RSLs) are re-valued at regular intervals. This is carried out by an independent external panel of specialist valuers accredited by the Royal Institution of Chartered Surveyors (RICS), using market standard valuation methodologies for the social housing sector. Throughout the life of the loan, updated valuations are obtained in accordance with the loan agreement for each facility or at Nationwide's request where a breach of asset cover may have occurred.

Eligible collateral is factored into the RWA calculation through the regulatory LGD, where property valuations have been undertaken within a three-year period, and also meet other regulatory requirements. Where valuations have not been carried out within a three-year period the collateral will not be used in the RWA calculations. When facilities are renegotiated or additional funds requested, where possible, a three yearly valuation cycle is agreed to reduce the number of facilities that fall outside of CRM eligibility.

Loan documentation requires all borrowers to maintain adequate insurance throughout the life of the loan, provided by a member of the Association of British Insurers (ABI), to cover for potential property replacement or re-instatement and typical hazards which may affect property value(e.g. fire, flood, subsidence, etc.).

Treasury: The form of credit risk mitigation employed by Treasury is determined by the nature of the instrument. Sovereign, Sub-sovereign, Supranational and Agency debt securities are generally unsecured. The same is true for short-term loans. Covered bonds, securitisations and similar instruments are secured by pools of financial assets.

Counterparty credit risk is mitigated by clearing qualifying derivatives through Central Clearing Counterparties or by transacting with counterparties under market-standard agreements (ISDA, GMRA etc) that allow for the netting of positions and exchange of collateral to reduce credit exposure.

ISDA (International Swaps and Derivatives Association) Master Agreements are completed, including a Credit Support Annex (CSA), with each derivative counterparty, allowing for the exchange of collateral to mitigate the credit risk of the derivatives portfolio. Under ISDA Master Agreements the derivatives portfolio is valued daily using discounted cash flow models. The terms of a CSA allow for collateral to be passed between parties to mitigate the market contingent counterparty risk inherent in the outstanding positions. Nationwide's CSAs are two-way agreements where both parties post collateral dependent on the exposure of the derivative. Collateral (typically cash) is paid or received on a regular basis (typically daily) to mitigate the mark-to-market exposures. CSAs grant legal rights of set off for transactions with the same counterparty. Accordingly, the credit risk associated with such positions is reduced to the extent that negative mark-to-market values offset positive mark-to-market values in the calculation of credit risk within each netting agreement.

Nationwide agrees Global Master Repurchase Agreements with all Securities Financing Transactions counterparties and under these agreements collateral is exchanged to mitigate counterparty risk. Nationwide receives cash in repurchase (repo) transactions and receives securities in reverse-repo transactions. Amounts are adjusted daily to cover changes in the fair value of the underlying securities.

(c) Main types of collateral taken by Nationwide to mitigate credit risk (Article 453 (c) CRR)

Nationwide uses different types of collateral within established risk appetite for each line of business as described below.

Retail: Residential property is the source of collateral for retail mortgages.

Commercial: The main source of collateral for the Registered Social Landlord portfolio is residential property; a mix of commercial and residential property is held as collateral for the residual Commercial Real Estate (CRE) portfolio.

Treasury: Nationwide typically posts and receives cash to mitigate credit risk arising from derivatives and repo; however, its risk appetite allows for other types of collateral. This includes bonds issued by highly-rated governments, supranational entities, sub-sovereign issuers and government agencies. Highly-rated covered bonds issued by strong banks are also eligible as collateral in line with the Society's risk appetite statement.

(d) Guarantees and credit derivatives used as credit protection (Article 453 (d) CRR)

Nationwide does not utilise credit derivatives. Some bonds purchased by Treasury for Nationwide's liquidity portfolios benefit from government guarantees. Total exposure to the guarantor governments is capped according to the methodology set out in the Society's credit policy.

(e) Information about market or credit risk concentrations within the credit mitigation taken (Article 453 (e) CRR)

Concentration risk is defined as the risk arising from insufficient diversification, resulting in a single exposure or group of correlated exposures with the potential to generate severe losses for Nationwide.

All lending books are stress tested quarterly using IFRS9 models. This may result in a new concentration being identified that is susceptible to a particular form of stressed scenario.

Board Risk Appetite and Credit Risk Strategies detail the metrics used to report on concentration risk. The intrinsic protection against more specific local risks such as industry closures or reduced demand is in the diversification of the portfolio across areas and regions throughout the UK.

For Treasury, Nationwide does not rely on credit derivatives and only relies on guarantees as described above in (d). Acceptable collateral is closely aligned to the credit risk appetite governing the Liquid Asset Buffer. Any credit risk mitigation concentrations, should they occur, would be in high quality liquid assets denominated in global reserve currencies.

10.2. UK CR3 - CRM techniques overview: Use of credit risk mitigation techniques

UK CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques - 31 Mar 2025

		a	b	c	d	e
		Unsecured carrying amount	**Secured carrying amount**			
				Of which secured by collateral	Of which secured by financial guarantees	
£m						Of which secured by credit derivatives
1	Loans and advances	**23,536**	**225,955**	**225,955**	**–**	**–**
2	Debt securities	**22,403**	**–**	**–**	**–**	
3	**Total**	**45,939**	**225,955**	**225,955**	**–**	**–**
4	*Of which non-performing exposures*	**34**	**1,359**	**1,359**	**–**	**–**
5	*Of which defaulted*	**31**	**624**			

UK CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques - 04 Apr 2024

		a	b	c	d	e
		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
£m						Of which secured by credit derivatives
1	Loans and advances	29,516	209,979	209,979	–	–
2	Debt securities	26,472	–	–	–	
3	Total	55,988	209,979	209,979	–	–
4	*Of which non-performing exposures*	34	1,379	1,379	–	–
5	*Of which defaulted*	31	600			

11 Annex XIX | Standardised approach

11.1. UK CRD - Information related to standardised model

(a) Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) (Article 444 (a) CRR)

When applying standardised approach to certain exposures, Nationwide uses the external credit assessments provided by Standard and Poor's (S&P), Moody's and Fitch as ECAIs. These are mapped to credit quality steps as set out in the PRA rules. The risk weights applicable to each of the exposure classes is then determined as per the UK CRR and PRA rulebook.

(b) The exposure classes for which each ECAI or ECA is used (Article 444 (b) CRR)

ECAI ratings are used for central governments, central banks and applicable institutions and corporate exposures. ECAIs ratings are also used for public sector entities and multilateral development bank exposures that do not have central government guarantees or do not qualify for 0% risk weights as set out in the UK CRR. Nationwide does not use ECAIs for other credit risk exposure classes under the standardised approach.

(c) The process used to transfer the issuer and issue credit ratings onto comparable assets items not included in the trading book (Article 444 (c) CRR)

Nationwide does not transfer issuer credit ratings onto comparable assets.

(d) The association of the external rating of each nominated ECAI or ECA with the risk weights that correspond with the credit quality steps (Article 444 (d) CRR)

The ratings from the ECAIs are mapped across to the Credit Quality Step requirements as set out in Commission Implementing Regulation (EU) 2016/1799 of 7 October 2016.

11.2. UK CR4 - standardised approach - Credit risk exposure and CRM effects

UK CR4 – standardised approach – Credit risk exposure and CRM effects - 31 Mar 2025

		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
£m	Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
1	Central governments or central banks	30,401	–	30,401	–	771	2.5
2	Regional government or local authorities	1,620	–	1,620	–	0	0.0
3	Public sector entities	1,131	–	1,131	–	9	0.8
4	Multilateral development banks	1,348	–	1,348	–	0	0.0
5	International organisations	1,410	–	1,410	–	0	0.0
6	Institutions	399	920	399	920	540	40.9
7	Corporates	820	99	820	20	178	21.1
8	Retail	2	107	2	25	20	75.0
9	Secured by mortgages on immovable property	7,877	429	7,877	99	2,794	35.0
10	Exposures in default	328	–	328	–	330	100.4
11	Exposures associated with particularly high risk	–	–	–	–	–	–
12	Covered bonds	–	–	–	–	–	–
13	Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–
14	Collective investment undertakings	–	–	–	–	–	–
15	Equity	755	–	755	–	755	100.0
16	Other items	–	–	–	–	–	–
17	**TOTAL**	46,091	1,555	46,091	1,064	5,397	11.4

UK CR4 – standardised approach – Credit risk exposure and CRM effects - 04 Apr 2024

		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
£m	Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
1	Central governments or central banks	40,261	–	40,261	–	736	1.8
2	Regional government or local authorities	1,602	–	1,602	–	0	0.0
3	Public sector entities	1,349	–	1,349	–	19	1.4
4	Multilateral development banks	1,334	–	1,334	–	0	0.0
5	International organisations	1,589	–	1,589	–	0	0.0
6	Institutions	405	–	405	–	81	20.0
7	Corporates	829	97	829	19	171	20.2
8	Retail	3	86	3	21	18	75.0
9	Secured by mortgages on immovable property	6,688	342	6,687	84	2,375	35.1
10	Exposures in default	341	–	342	–	342	100.1
11	Exposures associated with particularly high risk	–	–	–	–	–	–
12	Covered bonds	–	–	–	–	–	–
13	Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–
14	Collective investment undertakings	–	–	–	–	–	–
15	Equity	–	–	–	–	–	–
16	Other items	–	–	–	–	–	–
17	TOTAL	54,401	525	54,401	124	3,742	6.9

11.3. UK CR5 - standardised approach

UK CR5 – standardised approach - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight															Total	Of which unrated
£m	Exposure classes	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
1	Central governments or central banks	28,425	–	–	–	1,812	–	–	–	–	–	–	164	–	–	–	30,401	–
2	Regional government or local authorities	1,620	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,620	–
3	Public sector entities	1,084	–	–	–	47	–	–	–	–	–	–	–	–	–	–	1,131	–
4	Multilateral development banks	1,348	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,348	–
5	International organisations	1,410	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,410	–
6	Institutions	–	–	–	–	399	–	920	–	–	–	–	–	–	–	–	1,319	–
7	Corporates	–	–	–	–	828	–	–	–	–	12	–	–	–	–	–	840	12
8	Retail exposures	–	–	–	–	–	–	–	–	27	–	–	–	–	–	–	27	27
9	Exposures secured by mortgages on immovable property	–	–	–	–	–	7,972	–	–	–	4	–	–	–	–	–	7,976	7,976
10	Exposures in default	–	–	–	–	–	–	–	–	–	325	3	–	–	–	–	328	328
11	Exposures associated with particularly high risk	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12	Covered bonds	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	Exposures to institutions and corporates with a short-term credit assessment	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	Units or shares in collective investment undertakings	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	Equity exposures	–	–	–	–	–	–	–	–	–	755	–	–	–	–	–	755	755
16	Other items	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	**TOTAL**	33,887	–	–	–	3,086	7,972	920	–	27	1,096	3	164	–	–	–	47,155	9,098

UK CR5 – standardised approach - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight															Total	Of which unrated
£m	Exposure classes	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
1	Central governments or central banks	37,928	–	–	–	2,216	–	–	–	–	–	–	117	–	–	–	40,261	–
2	Regional government or local authorities	1,602	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,602	–
3	Public sector entities	1,254	–	–	–	95	–	–	–	–	–	–	–	–	–	–	1,349	–
4	Multilateral development banks	1,334	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,334	–
5	International organisations	1,589	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,589	–
6	Institutions	–	–	–	–	405	–	–	–	–	–	–	–	–	–	–	405	–
7	Corporates	–	–	–	–	846	–	–	–	–	2	–	–	–	–	–	848	2
8	Retail exposures	–	–	–	–	–	–	–	–	24	–	–	–	–	–	–	24	24
9	Exposures secured by mortgages on immovable property	–	–	–	–	–	6,764	–	–	–	7	–	–	–	–	–	6,771	6,771
10	Exposures in default	–	–	–	–	–	–	–	–	–	341	1	–	–	–	–	342	342
11	Exposures associated with particularly high risk	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12	Covered bonds	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	Exposures to institutions and corporates with a short-term credit assessment	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	Units or shares in collective investment undertakings	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	Equity exposures	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
16	Other items	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	TOTAL	43,707	–	–	–	3,562	6,764	–	–	24	350	1	117	–	–	–	54,525	7,139

12 Annex XXI | IRB approach to credit risk

12.1. UK CRE - Information related to IRB approach

(a) The competent authority's permission of the approach or approved transition (Article 452 (a) CRR)

In May 2008, the Financial Services Authority (FSA) granted Nationwide sub-group permission to use Internal Ratings Based (IRB) approaches for the calculation of credit risk own funds requirements. This permission was updated to become a CRR IRB permission from 1 January 2014. Nationwide continues to develop and maintain approved models across its exposure types, with over 84% of Nationwide sub-group's assets risk weighted using the IRB approach including most owner-occupied mortgages, buy to let mortgages, commercial and personal loans, as well as credit cards and overdrafts.

The majority of exposures are rated under the Advanced IRB (A-IRB) approach, with three quarters of the overall exposure amount relating to mortgage lending measured using the A-IRB hybrid rating system, whilst the unsecured portfolios are using the PiT rating system within the IRB framework. The A-IRB hybrid rating system for both owner-occupied and buy to let mortgages received regulatory approval in October 2024. The Foundation IRB (F-IRB) approach supports capital measurement for Treasury and Social Housing exposures. The regulatory slotting approach is applied to the other wholesale portfolios (Investment Property Real Estate and Project Finance Initiatives).

The standardised approach is applied to the other credit risk exposures not assessed on the IRB models, with the Limited Company buy to let portfolio being targeted for future IRB roll-out.

(b) The control mechanisms for rating systems at the different stages of model development, controls and changes including (Article 452 (c) CRR):

The Nationwide Model Risk Framework provides the foundation for the management of model risk in IRB rating systems. It is supported by policies and standards covering each stage of the model lifecycle i.e. design, implementation and use. The framework is aligned to PRA SS1/23, prescribing minimum requirements and containing the following key controls:

- assignment of accountability and responsibilities to manage model risk;
- identification and registration of all models in the Society's model inventory and their classification by materiality:
- detailed standards that define the expected approaches and activities undertaken at each stage of the model lifecycle;
- defined governance structures and individually delegated authorities that approve or oversee each stage; and
- an independent Model Risk Oversight (MRO) function that is organisationally separate from the modelling teams, which sets validation standards and undertakes initial and regular validation of models.

Each IRB model is required to have a model owner who is accountable for ensuring models comply with the requirements of the framework, covering documentation, development, implementation, validation, change processes, monitoring and reporting on model performance.

The process of developing a model is initiated by the model development team, who in collaboration with the model owner and key stakeholders set out the proposed scope and timelines for the development. The scope of the model development is set up to ensure that the proposed model is consistent with business requirements and operations, and meets the necessary regulatory requirements, both current and future. Each model development considers various methodologies, taking into account the specific nature of portfolios, and the appropriate regulation. Consideration is given to the existing model estate, to understand how the model can support and align with internal practices, as per the use test. The model owner and other key stakeholders and SMEs are engaged throughout the model development, in this way helping to ensure each model has a robust methodological foundation, whilst also being representative of the modelled portfolio. Upon completion, each model is presented to the model owner for approval, ahead of its submission to Model Risk Oversight (MRO) for independent validation.

All models are independently validated to confirm that they are appropriate for regulatory capital calculation and consistent with internal practices. The scope of validation includes data quality assessment, portfolio analysis, statistical assessment, performance testing and compliance with applicable regulatory requirements. Validations are performed by MRO, which has a separate reporting line from the modelling team and is not involved in the design or operation of the rating systems. MRO is sufficiently resourced with experienced and qualified professionals who provide effective challenge on model design, outputs and performance.

The findings of the validation, which include recommendation for endorsement and/or conditions for model use, are presented to the Model Risk Oversight Committee (MROC). MROC is responsible for the oversight of model risk delegated from the Executive Risk Committee. MROC, chaired by the Head of MRO, assesses whether models are fit for purpose, and provides endorsement before models are presented to the Credit Committee for approval.

The models are approved by the Credit Committee, a first-line committee with responsibility for IRB rating systems. Its membership includes the Chief Risk Officer, Chief Credit Officer and Chief Finance Officer, as well as representation from Product, Risk, Financial Risk Oversight and Internal Audit areas. One of the responsibilities of the committee is to approve all material aspects of the IRB models and receive updates on the operation of the rating systems.

Once an IRB model has been approved and implemented it enters a regular cycle of performance monitoring, covering appropriate performance metrics for the portfolio. Frequent and detailed monitoring is reviewed by specialist technical committees and model owners in each product area. This is used to identify and prioritise corrective action for any underperformance, which can include temporary adjustments to capital requirements. If model performance falls outside expected tolerance, then corrective action may be taken, such as modification, re-calibration or re-development, as appropriate. In addition to reviewing out-of-tolerance performance in detail, the models are reviewed in depth on an annual basis, with the results signed off by the model owner and submitted to Model Risk Oversight (MRO) for independent validation, prior to approval by the Model Risk Oversight Committee (MROC). The Credit Committee is provided with a thematic review of the rating system, covering the design, assumptions, performance and future developments.

Annually, the Chief Risk Officer attests to the compliance with the applicable Capital Requirements Regulation articles and PRA supervisory statements. To support this, a line-by-line re-assessment of regulatory compliance is undertaken by the modelling team, approved by the model owner, reviewed by MRO, and assurance provided periodically by Internal Audit. The results of the attestation are reported to the PRA and an action plan is put in place to return any gaps to compliance.

Changes to previously approved models are also subject to review and governance; dependent on materiality, these may require regulatory approval or notification prior to implementation. Nationwide has established a specific policy, prescribing its internal processes to implement model changes in line with PRA guidance.

Internal Audit is independent from the risk management function, reporting to the Chair of the Audit Committee. Internal Audit undertake a comprehensive risk-based audit programme which reviews IRB models and related activity, assessing model developments, model risk management, independent validation and the risk management function's role and activities, on a regular basis. The audit reviews assess whether appropriate controls are in place and operating effectively across all aspects of Nationwide's rating systems including adherence to applicable regulations. The findings of the audit reviews are reported to model owners, senior management, and first and second-line committees; a summary is provided to the Audit Committee. Nationwide's Internal Audit function provides independent assurance of Nationwide's control framework and in meeting its regulatory and statutory requirements.

(c) The role of the functions involved in the development, approval and subsequent changes of the credit risk models (Article 452 (d) CRR)

The roles and responsibilities of functions involved in the management of IRB models are detailed in a set of delegation standards.

The IRB Modelling team carries out the development, monitoring and maintenance of IRB models, and performs the function of the 'Credit Risk Control Unit' (CRCU) as described in the CRR.

The model owner is accountable for the maintenance of incumbent IRB models, and provides approval for changes to and development of IRB models, as defined by the PRA's 'Model Risk Management Principles'. The model owner is accountable for ensuring the IRB framework is adhered to, considering the model performance and regulatory compliance of the models, and adequacy of any temporary adjustments to capital.

Model Risk Oversight (MRO) is responsible for the independent validation of the IRB model changes and developments prior to their submission to the Model Risk Oversight Committee (MROC). MRO also independently validates temporary adjustments to capital and annual compliance attestations. MRO maintains a record of historical and future model changes and their submission to the PRA.

The Model Risk Oversight Committee (MROC) is Nationwide's governing committee for model risk, and is responsible for assessing models for fitness-for-purpose. It endorses changes to and developments of IRB models, with this endorsement serving as an input to the Credit Committee. The MROC has authority to approve the annual review of incumbent IRB models, which assess the adequacy of the models, temporary adjustments, and compliance attestations. The MROC controls the annual regulatory attestation process and seeks Senior Manager Function (SMF) approval.

The Credit Committee includes the Credit Risk Officer, Chief Credit Officer, Chief Finance Officer and the heads of multiple business areas, including Retail Modelling and Portfolio Management functions, alongside attendees from Product, Risk, Financial Risk Oversight and Internal Audit, and draws on the expertise of these functions. The Committee has authority to approve material changes to and developments of IRB models and reviews compliance attestations, prior to their submission to the PRA. The Committee approves the addition and removal of temporary adjustments, and is notified of their status and size within the context of capital adequacy, on a monthly basis, together with the IRB roll-out plan.

To ensure that IRB outputs continue to meet expectations of all applicable IRB regulations, including the mitigation of material model performance issues, a temporary adjustment process is in place for all IRB portfolios with approval authority by Nationwide's Credit Committee; these adjustments increase IRB outputs until new models or model changes are approved.

The Chief Risk Officer (as SMF) provides the final attestation to the compliance of IRB models with the Capital Requirements Regulation, PRA supervisory statements and assimilated components of the 'IRB Roadmap'.

(d) The scope and main content of the reporting related to credit risk models (Article 452 (e) CRR)

The reporting on the IRB models can be broken down into the monthly tasks that are undertaken to ensure the model performance is in line with expectations, and the annual tasks performed to keep internal and external stakeholders informed of the model performance and its outputs.

The monthly tasks primarily consist of the business as usual (BAU) monitoring of the key model metrics, which assesses the quality of the input data and the performance of the models. Performance testing assesses the accuracy, stability and the discrimination of the models, using industry standard metrics. Where temporary adjustments to capital are applied for a portfolio, these are also monitored on a monthly basis to ensure their continued appropriateness. The monitoring is reviewed by the model development team, which remains responsible for the model monitoring and maintenance, and discussed at the appropriate forum for the product area. Material issues may be escalated to a committee if escalation is required. Forums are attended by the model owner (or delegate), product SMEs from across the business, and Model Risk Oversight teams. The breadth of experience and knowledge of forum attendees supports effective discussion of and decision-making related to the risk management of portfolios and maintenance of models. This ensures a thorough understanding of IRB rating systems and their interactions with business practices and policies.

A comprehensive annual review is undertaken into the performance of each rating system, considering the internal and external environments that it operates within, and its compliance against current and prevailing regulatory requirements. This regular review ensures a deep understanding of each rating system, and its performance is maintained. The outputs of the annual compliance attestation are reviewed by Model Risk Oversight, prior to its approval by the Chief Risk Officer (CRO) and submission to the PRA.

(e) Internal ratings process by exposure class (Article 452 (f) CRR)

Credit risk models key features

Division	Portfolio	Portfolio RWAs 31 March 2025 (£m)	Model	Model description and methodology	Number of years of loss data	Basel asset class	Applicable industry-wide regulatory thresholds
Retail	Owner-occupied Mortgages	22,567	PD	Exposures are mapped to a Nationwide Retail master scale related to probability of default and calibrated to a combined point-in-time and through-the-cycle default expectation (hybrid rating system).	> 10 years	Retail exposures secured by residential properties	PD floor of 0.03%
			EAD	Models are based on the assumption that exposure will increase when customers miss their payments.			Floored by existing account balance
			LGD	Models are built using either the losses experienced after possessing default exposures and the following forced sales or based on the successful rehabilitations of accounts. A probability of possession model is used to weight the estimates.			Account level 5% floor and Secured Residential LGD floor of 10%
Retail	Buy to let and Legacy (TMW / UCB)	10,864	PD	Exposures are mapped to a Nationwide Retail master scale related to probability of default and calibrated to a combined point-in-time and through-the-cycle default expectation (hybrid rating system).	> 10 years	Retail exposures secured by residential properties	PD floor of 0.03%
			EAD	Models are based on the assumption that exposure will increase when customers miss their payments.			Floored by existing account balance
			LGD	Models are built using either the losses experienced after possessing default exposures and the following forced sales or based on the successful rehabilitations of accounts. A probability of possession model is used to weight the estimates.			Account level 5% floor and Secured Residential LGD floor of 10%
Retail	Credit Card	1,594	PD	Exposures are mapped to a Nationwide Retail master scale related to probability of default and calibrated to a point-in-time default expectation. Appropriate margins of conservatism are used to determine a regulatory buffer, which ensures estimates are conservative.	> 10 years	Qualifying Revolving Retail Exposure	PD floor of 0.03%
			EAD	Model estimates are based on the assumption that exposure will increase, should a customer fail to make a minimum payment and borrow within the limit provided.			
			LGD	Model estimates are based on historically experienced losses, extrapolated for accounts that have not reached a final resolution.			
Retail	Current Accounts	755	PD	Exposures are mapped to a Nationwide Retail master scale related to probability of default and calibrated to a point-in-time default expectation. Appropriate margins of conservatism are used to determine a regulatory buffer, which ensures estimates are conservative.	> 10 years	Qualifying Revolving Retail Exposure	PD floor of 0.03%
			EAD	Models are based on the assumption that exposure will increase, should a customer fail to maintain their borrowing within the limit provided.			
			LGD	Internally estimated recovery curve based on default status and type and predicted default type for non-defaulted accounts.			
Retail	Personal Loans	2,466	PD	Exposures are mapped to a Nationwide Retail master scale related to probability of default and calibrated to a point-in-time default expectation. Appropriate margins of conservatism are used to determine a regulatory buffer, which ensures estimates are conservative.	> 10 years	Other Retail Exposures	PD floor of 0.03%
			EAD	Model estimates are based on the assumption that exposure will increase should a customer fail to make a minimum payment.			
			LGD	Model estimates are based on historically experienced losses, extrapolated for accounts that have not reached a final resolution.			
Treasury	Institutions	670	PD	Model comprises of two components: (1) a quantitative component, which uses only standard financial information; and (2) a bespoke qualitative component, which provides a framework to capture additional factors that effect a counterparty's credit risk.	> 10 years	Institutions	PD floor of 0.03%
Treasury	Institutions: Counterparty Credit Risk	193				Institutions: Counterparty Credit Risk	
Commercial	RSL Housing	1,767	PD	PD model based on expert judgement and inputs from financial accounts and borrower specific drivers. The model calibration is based on a standard low-default portfolio approach.	N/A - Low Default Portfolio	Corporates	PD floor of 0.03%
Commercial	Project Finance	239	Slotting	Slotting approach model based on Supervisory criteria for Project Finance exposures, which map to 5 grades with predefined risk weights from Strong to Default.	N/A - Low Default Portfolio	Corporates - Specialised Lending	-
Commercial	Income Producing Real Estate (IPRE)	146	Slotting	Slotting approach model based on Supervisory criteria for IPRE exposures, which map to 5 grades with predefined risk weights from Strong to Default.	> 10 years	Corporates - Specialised Lending	-

12.2. Specific products & models

Retail IRB credit risk model performance

Retail Secured Mortgages

Retail mortgages include owner-occupied and buy to let (BTL) & Legacy portfolios. By nature of the product, the retail mortgage portfolios are secured against immoveable residential real estate, with the property being the collateral for the loan. Bespoke rating systems have been developed for the owner-occupied and the BTL & Legacy portfolios, which both use a recently approved hybrid rating system to estimate regulatory PD.

Definition of Default (DoD): There are two main default types in the Secured Retail IRB models – days past due and unlikeliness to pay. This has recently been altered as the rating systems that align with the 'IRB Roadmap' have been implemented in the reporting processes. Other default types include: accounts on book past term end; accounts in bankruptcy, litigation or possession; accounts for borrowers who have Specific Credit Risk Adjustments (SCRA) raised as part of IFRS 9 stage 3; and accounts who have informed Nationwide of their unlikeliness or inability to pay in the near future.

Probability of Default (PD): For early month on book populations, loans are assigned a PD based on their application score, after which a behavioural score is used. The scorecards utilise a range of obligor and transactional characteristics, including delinquency status (both current and historic), loan-to-value (LTV) ratio, utilisation ratios, and term remaining. Segmentation for the PD is based on accounts that are new to book, interest only accounts who are near to the end of the term, and the remainder of the population.

The account-level scores are calculated and applied monthly and mapped to the rating scale. As the behavioural scores are calculated on a monthly basis there is the expectation that there will be some migration through the rating scales as the information on the obligors and account changes. The master scale is based on pre-defined thresholds which remain fixed through time. Monitoring is performed on a monthly basis, with a range of tests applied to ensure that the underlying scorecards continue to discriminate and rank order well and to understand if there are changes in the underlying population. The monitoring of the assignment to the rating grades ensures that the assignment to rating grades remains appropriate and that the PD output is prudent. This regular performance testing has demonstrated that the scorecards continue to discriminate well, and that the assignment of the scores to the rating scale remains appropriate and within established performance thresholds.

Exposure at Default (EAD): This predicts the balance at the point of default, adjusting the starting balance to include the potential for additional months' interest. An additional adjustment is made to cater for potential draw-down of overpayments for the eligible population, i.e., those on a 'Borrowback' mortgage who have overpaid. This approach assumes that the account balance does not reduce between observation and default. EAD estimates have remained appropriate across the recent reporting period, with the exception of a small number of outliers.

Loss Given Default (LGD): The mortgage LGD design follows a two-stage modelling concept, creating an estimated likelihood of possession or cure, and the loss associated with these outcomes (where for downturn purposes, accounts unresolved 120 months after entering default are treated as possessed). The first part of the modelling process predicts the likelihood of a defaulted mortgage account flowing into possession, which is driven by the LTV, time since entering default and reason for entering default. For cases that are expected to possess, the second part of the process estimates the loss given possession. This brings together forced sale discount (or loss of property value), the assumption of a 25% HPI shock, estimated outstanding balance at the point of sale and the cost of sale. For the assumption of non-possession, the loss given cure is estimated, which caters for the assumption that there is a loss incurred associated with the time value of money. These models are then combined to provide an estimate of loss given that a mortgage account will default.

Retail Unsecured Lending

Retail unsecured exposures include the personal loan, credit card and current account portfolios, with bespoke rating systems in use for each portfolio. The unsecured rating systems use a Point in Time (PiT) rating philosophy to estimate regulatory PD and capital. Accounts are expected to migrate across rating grades as the economy moves through the cycle.

Definition of Default (DoD): The unsecured definition of default includes days past due, and unlikeliness to pay indicators such as distressed restructuring, accounts charged off / written off, in bankruptcy or an IVA (Individual Voluntary Agreement). Future model developments for personal loans and credit cards will align with the 'IRB Roadmap', using more expansive default definitions. The current account portfolio already uses a wider default definition, aligned to the 'IRB Roadmap', incorporating further unlikeliness to pay indicators. The personal loan and credit card rating systems identify accounts on payment plans where interest is suspended as distressed restructures and in default.

Probability of Default (PD): Accounts are assigned a PD score based on one of several distinct portfolio-specific scorecards. Application scores are used for 'new-to-book' segments to support compliance with the Basel 'use test'. The scorecard segments are allocated by hierarchy, with segmentation largely driven by different behaviour exhibited by each segment. Key scorecard characteristics include utilisation, arrears, the exposure value of the account, cross-product internal data, and credit bureau data. An automated quarterly realignment of the PD scorecards is implemented for all the unsecured rating systems, considering the most recent actual default rates.

The scores derived from scorecards are used to assign accounts to a rating scale, which changes monthly as accounts are rescored using the latest data available; each discrete rating grade has an associated fixed PiT and regulatory PD. For all unsecured products, the regulatory PD is based on the PiT PD and includes a buffer, which adds the necessary conservatism to the regulatory PD. Back-testing demonstrate that PD estimates remain conservative compared to actual default rates

Exposure at Default (EAD): For personal loans, the Downturn (DT) EAD is simply calculated as the current balance of the loan at month end; it is a fixed term product, for which no further drawdown can be made, hence this simple calculation provides an appropriate conservatism and regulatory compliance.

For the credit cards and current accounts DT EAD models, the account-level estimates are derived using multiple regressions and downturn assumptions for several distinct segments of the portfolio, where behaviour and predictive characteristics differ. The key variables in the credit card and current account EAD models focus on the current balance and limit of the accounts, with the DT calibration derived based on how the actual exposure at default has changed through time. Across the rating systems, the DT EAD outputs assume that the balance of an account will not decrease between observation and default; the relationships between predictive characteristics and EAD are tested as part of monthly monitoring and annual reviews, to verify that they remain consistent. There is an additional temporary adjustment in place for the current account portfolio, due to inaccuracies observed in the PiT EAD model, that reduce conservatism compared to the original model design. The inaccuracies are largely caused by changes to limit management strategies first implemented during the Covid-19 pandemic.

Loss Given Default (LGD): The LGD for personal loans and credit cards is calculated using recovery curves from the point of default, which measure the percentage of the default balance remaining outstanding for each month post default. At the point of observation, accounts are assigned to distinct recovery segments to predict future expected recoveries. The cost of recoveries and discounting are applied to each point of the curve to calculate LGD. The model is segmented by the remaining term of the loan (personal loans) or whether a payment plan is in place (credit cards). DT LGD takes a historically conservative point and applies the above methodology to derive the estimate. The LGD approaches are assessed for accuracy and/or conservatism, by comparing the cohort-level observed balances post default to the PiT and DT LGD estimates.

Within the current accounts portfolio, a similar methodology to the other unsecured rating systems is used for the in-default population, with the primary difference being that the recoveries are taken over a shorter outcome window. The models track the recoveries of defaulted accounts for up to 60 months to determine their final status, including closure. The in-default population model has two segments, based on the default type of the account. For the not-in-default population, a scorecard is used to assign the likelihood of each account defaulting as a forbearance default. This probability is then used in conjunction with recovery curves to assign an LGD weighted by the probability of being in each of the in-default segments.

Temporary adjustments are currently in place for personal loans, credit cards and current account portfolios, increasing Risk Weighted Assets to meet expectations of the 'IRB Roadmap' and corresponding PRA SS11/13 regulation. A temporary adjustment is in place for the current account portfolio due to inaccuracies in the PiT EAD models, as outlined in the EAD section above.

Commercial

Three IRB models are used to support the Commercial lending portfolios; Registered Social Landlords (RSL), Project Finance Initiatives (PFI) and Income Producing Real Estate (IPRE), which were adopted for capital reporting from 2012.

Probability of Default (PD): The RSL portfolio is measured on a Foundation IRB (F-IRB) approach, so only PD estimates are modelled. LGD and EAD estimates under the F-IRB approach are determined in accordance with standard parameters set by the regulator rather than using internal estimates. The RSL model produces PD estimates but to date no defaults have been recorded against the portfolio. PD estimates are based on an expert judgement scorecard to rank order borrowers to one of 21 performing grades, with a further grade (22) reserved for any defaulted exposures. The model contains a range of drivers including the size of the borrower, strength of management/board, viability ratings and financial ratios based on annual accounts. Regular monitoring appropriate for a low default portfolio PD model has been developed, which is shared with internal committees on a monthly basis, with an expert group meeting quarterly to discuss model monitoring and address any model performance issues. Table UK CR9 sets out the results of PD back-testing.

Given the lack of default history on the Registered Social Landlords portfolio, the model qualifies for treatment as a Low Default Portfolio (LDP) and the PDs are based on the industry benchmark approach defined by Pluto and Tasche, designed to produce appropriately conservative PDs. Given no defaults have been experienced for the duration of Nationwide's lending to Registered Social Landlords the observed default rate for validation of the F-IRB PD is zero. The Basel floor of 0.03% is applied to the PD scale used for the RSL portfolio. The Credit Conversion Factor (CCF) and LGD estimates are based on regulatory parameters provided under the F-IRB approach and adjusted for credit risk mitigation benefits. The EADs are based upon 100% of the drawn balance and any interest rate hedge exposure plus 75% of any undrawn commitments. The LGDs are assigned between 35% and 45% dependent upon the qualification for credit risk mitigation, which considers the recency of the property collateral valuation and the ratio of collateral to the drawn exposure. A temporary adjustment is currently in place, which is primarily due to the improvement in the portfolio PD since model development being influenced by most recent data not reflecting long-run-average PD behaviour. This temporary adjustment to capital will remain in place until the replacement model build has been completed and approved for IRB reporting.

Regulatory Slotting: The PFI and IPRE models adopt the Specialised Lending (Slotting) methodology in PRA Supervisory Statement SS11/13 'Internal Ratings Based approaches'. These models do not use internal estimates of Probability of Default (PD) and Loss Given Default (LGD) to calculate capital, instead they use regulatory prescribed risk weights and expected loss percentages. As a result, measures of model performance for PD and LGD are not applicable. Regular monitoring appropriate for the Specialised Lending methodology has been developed and indicates the models continue to perform as expected. Outputs of the model monitoring are shared with internal committees on a monthly basis, with an expert group meeting quarterly to discuss model monitoring and address any model performance issues.

The supervisory slotting approach has been specifically designed for portfolios where evidencing fully compliant PD estimates may not be viable. Under this approach, a number of prescribed factors (financial strength, asset characteristics, strength of sponsor, security package, transaction structure and political/legal environment) are weighted to produce an overall model score which is then mapped to one of four supervisory risk grades - Strong, Good, Satisfactory and Weak - with a separate grade for defaulted borrowers. Both slotting models remain fit for purpose and have performed in line with expectations and predetermined standards over the past 12-months.

Treasury

As Treasury credit risks (for Institutions) are measured on a Foundation IRB (F-IRB) basis, the only modelled parameter is PD.

Probability of Default (PD): An F-IRB model is used to determine PDs for Treasury's exposures to institutions. The model consists of two key elements, a statistically driven quantitative financial strength rating and a qualitative overlay. Under the F-IRB approach, regulatory parameters are used for LGD and credit conversion factors applicable to commitments.

The quantitative rating of the model is underpinned by a model application provided by Moody's (RiskCalc International Banks). The qualitative overlay is applied to the quantitative rating by the Treasury Credit Risk (TCR) function to account for factors that may not be reflected in published financial information, such as recent changes in operating conditions or business-specific factors. This adjustment will also incorporate any external (or internal) support mechanisms that would take effect in the event of the counterparty encountering financial difficulties. The model generates a long-term rating by combining the quantitative and qualitative factors. The output is a numerical rating ranging from 1 to 22, with grades 1 to 10 equating to investment grade status and grade 22 representing default.

Developments in the year and Outlook

The delivery of new capital models that comply with the IRB roadmap regulations, which came into effect on 1 January 2022, remains a priority and is in line with the PRA timetable. As detailed in this section, temporary adjustments are currently made to risk weighted assets and expected loss amounts, ensuring the Society's minimum capital requirements reflect IRB roadmap expectations.

In tandem with the adoption of a temporary adjustment for the Registered Social Landlords portfolio a full redevelopment of the PD model has been commenced.

Formal confirmation of alignment and preparedness of wholesale PD models to prevailing default definition regulations is being finalised ahead of submission for regulatory approval.

During the year the PRA published near-final rules on the implementation of Basel 3.1 and revised the timeframe for implementation in the UK to 1 January 2027. Nationwide's model redevelopment and maintenance plans for capital models consider any required changes.

No further changes are expected to the owner-occupied and BTL & Legacy IRB models for the portfolios that are currently on the Advanced IRB approach. Future developments will look at rolling out the IRB models to some smaller sub-sections of the portfolio that currently use a Standardised approach for Pillar 1 capital calculations.

12.3.UK CR6 - IRB approach - Credit risk exposures by exposure class and PD range

Retail - Secured by immovable property Non-SME[1]

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Secured by property Non-SME - 31 Mar 2025

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Secured by property Non-SME												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
0.00 to <0.10	–	–	–	–	–	–	–	–	–	–	–	–
0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
0.15 to <0.25	1,932	380	73	2,416	0.18	25,456	5.1	–	73	3	–	–
0.25 to <0.50	62,105	4,060	88	67,863	0.43	472,789	7.6	–	4,355	6	24	(8)
0.50 to <0.75	8,893	179	100	9,229	0.64	69,957	16.7	–	1,529	17	10	(12)
0.75 to <2.50	123,609	5,585	99	131,829	1.06	879,041	10.6	–	19,851	15	151	(66)
0.75 to <1.75	114,529	5,146	99	122,127	0.98	811,282	10.7	–	17,865	15	132	(60)
1.75 to <2.5	9,080	439	99	9,702	2.06	67,759	9.6	–	1,986	20	19	(6)
2.50 to <10.00	10,873	406	100	11,511	4.15	85,598	12.3	–	4,193	36	54	(58)
2.5 to <5	8,012	279	100	8,468	3.27	63,393	13.2	–	3,042	36	35	(40)
5 to <10	2,861	127	100	3,043	6.60	22,205	9.6	–	1,151	38	19	(18)
10.00 to <100.00	1,067	84	55	1,135	33.12	9,788	12.5	–	739	65	44	(21)
10 to <20	356	23	60	377	13.90	3,085	15.0	–	292	77	7	(9)
20 to <30	274	35	43	295	26.26	2,759	10.1	–	180	61	8	(4)
30.00 to <100.00	437	26	69	463	53.13	3,944	11.9	–	267	58	29	(8)
100.00 (Default)	1,843	8	–	1,843	100.00	16,262	9.0	–	2,691	146	10	(87)
Subtotal (exposure class)	210,322	10,702	93	225,826	1.97	1,558,891	10.0	–	33,431	15	293	(252)

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Secured by property Non-SME - 04 Apr 2024

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Secured by property Non-SME												
0.00 to <0.15	131,839	14,497	53	144,749	0.05	1,064,308	9.5	–	18,890	13	146	(26)
0.00 to <0.10	118,454	13,315	52	129,966	0.04	929,289	9.5	–	16,831	13	130	(20)
0.10 to <0.15	13,385	1,182	64	14,783	0.14	135,019	9.5	–	2,059	14	16	(6)
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
0.25 to <0.50	50,672	1,917	90	54,649	0.29	366,761	15.0	–	9,980	18	84	(74)
0.50 to <0.75	5,071	256	80	5,490	0.64	41,336	13.9	–	1,334	24	13	(17)
0.75 to <2.50	3,383	170	85	3,671	1.47	29,728	12.5	–	1,174	32	13	(17)
0.75 to <1.75	2,428	107	87	2,628	1.15	20,326	13.5	–	869	33	10	(14)
1.75 to <2.5	955	63	81	1,043	2.26	9,402	9.9	–	305	29	3	(3)
2.50 to <10.00	2,062	59	93	2,206	5.19	18,275	12.3	–	1,245	56	20	(40)
2.5 to <5	1,487	55	92	1,606	3.80	13,372	12.9	–	845	53	12	(28)
5 to <10	575	4	100	600	8.92	4,903	10.5	–	400	67	8	(12)
10.00 to <100.00	864	10	94	899	36.69	7,502	10.2	–	966	107	17	(34)
10 to <20	137	8	93	150	16.50	1,421	8.4	–	89	59	1	(2)
20 to <30	401	2	100	417	24.36	3,308	10.7	–	403	97	11	(15)
30.00 to <100.00	326	0	100	332	61.29	2,773	10.3	–	474	143	5	(17)
100.00 (Default)	475	1	10	475	100.00	3,999	11.2	–	1,056	222	12	(46)
Subtotal (exposure class)	194,366	16,910	58	212,139	0.58	1,531,909	11.1	–	34,645	16	305	(254)

Note:
[1] Hybrid IRB mortgage models were approved by the PRA in the financial year replacing existing point-in-time mortgage models. This led to a change in exposures reported across the rating system as shown above

Retail - Qualifying Revolving[1]

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Qualifying Revolving - 31 Mar 2025

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Qualifying Revolving												
0.00 to <0.15	390	7,844	63	7,403	0.04	7,979,376	78.6	–	211	3	3	(13)
0.00 to <0.10	386	7,667	62	7,015	0.04	6,859,665	78.7	–	189	3	3	(11)
0.10 to <0.15	4	177	119	388	0.10	1,119,711	76.8	–	22	6	–	(2)
0.15 to <0.25	159	1,217	72	1,191	0.18	1,281,983	79.4	–	116	10	2	(6)
0.25 to <0.50	197	743	74	893	0.37	1,044,749	78.9	–	158	18	3	(9)
0.50 to <0.75	183	352	70	428	0.69	113,049	80.5	–	128	30	3	(5)
0.75 to <2.50	222	306	88	586	1.25	728,141	78.4	–	266	45	7	(16)
0.75 to <1.75	222	306	88	586	1.25	728,141	78.4	–	266	45	7	(16)
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	438	204	102	615	4.12	279,269	78.8	–	667	108	25	(36)
2.5 to <5	235	136	84	351	2.85	155,483	79.2	–	302	86	10	(16)
5 to <10	203	68	136	264	5.80	123,786	78.3	–	365	138	15	(20)
10.00 to <100.00	206	41	241	242	24.94	138,508	78.2	–	561	232	59	(39)
10 to <20	101	26	153	122	11.46	61,072	78.5	–	251	206	14	(15)
20 to <30	52	10	266	62	22.98	43,953	78.0	–	172	277	14	(11)
30.00 to <100.00	53	5	682	58	55.43	33,483	77.6	–	138	239	31	(13)
100.00 (Default)	128	36	–	128	100.00	92,817	73.3	–	242	188	100	(83)
Subtotal (exposure class)	**1,923**	**10,743**	**67**	**11,486**	**2.03**	**11,657,892**	**78.7**	**–**	**2,349**	**20**	**202**	**(207)**

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Qualifying Revolving - 04 Apr 2024

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Qualifying Revolving												
0.00 to <0.15	358	7,514	63	7,068	0.05	7,650,260	79.1	–	202	3	3	(12)
0.00 to <0.10	355	7,351	61	6,704	0.04	6,606,733	79.1	–	182	3	3	(10)
0.10 to <0.15	3	163	123	364	0.10	1,043,527	78.5	–	20	6	–	(2)
0.15 to <0.25	144	1,202	70	1,134	0.18	1,200,668	79.3	–	110	10	2	(7)
0.25 to <0.50	182	768	72	890	0.37	1,000,090	79.1	–	156	18	3	(11)
0.50 to <0.75	156	309	67	365	0.69	96,428	79.6	–	108	30	3	(8)
0.75 to <2.50	213	338	83	597	1.26	696,622	79.1	–	274	46	7	(20)
0.75 to <1.75	213	338	83	597	1.26	696,622	79.1	–	274	46	7	(20)
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	431	193	101	604	4.17	264,469	79.4	–	666	110	26	(50)
2.5 to <5	220	123	85	330	2.85	147,265	79.4	–	285	86	10	(24)
5 to <10	211	70	130	274	5.77	117,204	79.3	–	381	139	16	(26)
10.00 to <100.00	204	40	205	240	23.53	121,365	79.3	–	566	236	56	(56)
10 to <20	102	27	133	123	11.36	55,180	79.4	–	254	207	14	(22)
20 to <30	53	9	224	63	22.72	37,594	79.3	–	176	279	15	(16)
30.00 to <100.00	49	4	615	54	52.13	28,591	79.1	–	136	251	27	(18)
100.00 (Default)	143	37	–	143	100.00	117,380	79.7	–	333	233	119	(95)
Subtotal (exposure class)	1,831	10,401	66	11,041	2.20	11,147,282	79.2	–	2,415	22	219	(259)

Note:
[1] RWA and expected loss amounts include the impact of temporary adjustments applied to meet revised IRB regulations (see 'Retail unsecured lending' in section 12.2). All other metrics in the table remain unadjusted and in line with incumbent IRB models

Retail - Other (Personal Loans)[1]

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Retail Other - 31 Mar 2025

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Retail Other (Personal loans)												
0.00 to <0.15	**98**	**–**	**–**	**98**	**0.08**	**33,460**	**69.5**	**–**	**39**	**40**	**–**	**–**
0.00 to <0.10	**98**	**–**	**–**	**98**	**0.08**	**33,460**	**69.5**	**–**	**39**	**40**	**–**	**–**
0.10 to <0.15	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
0.15 to <0.25	**312**	**2**	**100**	**314**	**0.17**	**45,752**	**76.5**	**–**	**175**	**56**	**1**	**(1)**
0.25 to <0.50	**359**	**4**	**100**	**363**	**0.34**	**51,717**	**76.6**	**–**	**259**	**72**	**2**	**(2)**
0.50 to <0.75	**524**	**6**	**100**	**530**	**0.69**	**65,525**	**78.1**	**–**	**472**	**89**	**5**	**(5)**
0.75 to <2.50	**426**	**7**	**100**	**433**	**1.38**	**55,089**	**78.3**	**–**	**461**	**106**	**8**	**(7)**
0.75 to <1.75	**426**	**7**	**100**	**433**	**1.38**	**55,089**	**78.3**	**–**	**461**	**106**	**8**	**(7)**
1.75 to <2.5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2.50 to <10.00	**468**	**12**	**100**	**480**	**3.86**	**67,885**	**78.0**	**–**	**599**	**125**	**18**	**(17)**
2.5 to <5	**280**	**7**	**100**	**287**	**2.75**	**39,423**	**78.1**	**–**	**342**	**119**	**8**	**(8)**
5 to <10	**188**	**5**	**100**	**193**	**5.50**	**28,462**	**77.8**	**–**	**257**	**133**	**10**	**(9)**
10.00 to <100.00	**169**	**4**	**100**	**173**	**20.61**	**29,050**	**77.1**	**–**	**287**	**166**	**31**	**(24)**
10 to <20	**102**	**4**	**100**	**105**	**11.00**	**16,978**	**77.4**	**–**	**160**	**152**	**10**	**(9)**
20 to <30	**39**	**0**	**100**	**40**	**22.00**	**6,926**	**76.9**	**–**	**75**	**189**	**8**	**(6)**
30.00 to <100.00	**28**	**–**	**–**	**28**	**55.47**	**5,146**	**76.2**	**–**	**52**	**187**	**13**	**(9)**
100.00 (Default)	**126**	**–**	**–**	**126**	**100.00**	**19,916**	**83.6**	**–**	**174**	**138**	**105**	**(108)**
Subtotal (exposure class)	**2,482**	**35**	**100**	**2,517**	**7.60**	**368,394**	**77.6**	**–**	**2,466**	**98**	**170**	**(164)**
Total (all A-IRB exposures classes)	**214,727**	**21,480**	**80**	**239,829**	**2.03**	**13,585,177**	**14.0**	**–**	**38,246**	**16**	**665**	**(623)**

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - A-IRB - Retail Other - 04 Apr 2024

a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Retail Other (Personal loans)												
0.00 to <0.15	208	–	–	208	0.08	53,130	72.1	–	85	41	–	–
0.00 to <0.10	208	–	–	208	0.08	53,130	72.1	–	85	41	–	–
0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
0.15 to <0.25	235	–	–	235	0.17	39,061	75.0	–	133	56	1	(1)
0.25 to <0.50	388	2	100	390	0.34	56,816	76.3	–	287	73	2	(2)
0.50 to <0.75	441	3	100	444	0.69	59,429	77.5	–	415	93	5	(4)
0.75 to <2.50	365	4	100	369	1.38	48,389	78.0	–	398	108	7	(7)
0.75 to <1.75	365	4	100	369	1.38	48,389	78.0	–	398	108	7	(7)
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	429	7	100	436	3.84	63,347	77.8	–	553	127	18	(20)
2.5 to <5	259	4	100	262	2.75	37,317	77.8	–	318	121	8	(9)
5 to <10	170	3	100	174	5.50	26,030	77.8	–	235	136	10	(11)
10.00 to <100.00	160	2	100	162	22.16	26,921	77.2	–	275	170	32	(28)
10 to <20	92	2	100	94	11.00	15,078	77.5	–	146	155	9	(7)
20 to <30	35	–	100	35	22.00	6,041	76.9	–	66	189	7	(7)
30.00 to <100.00	33	–	–	33	54.48	5,802	76.6	–	63	191	16	(14)
100.00 (Default)	128	–	–	128	100.00	19,561	81.5	–	188	148	105	(115)
Subtotal (exposure class)	2,354	18	100	2,372	8.02	366,654	76.9	–	2,334	98	170	(177)
Total (all A-IRB exposures classes)	198,551	27,329	61	225,552	0.74	13,045,845	15.2	–	39,394	17	694	(690)

Note:
[1] RWA and expected loss amounts include the impact of temporary adjustments applied to meet revised IRB regulations (see 'Retail unsecured lending' in section 12.2). All other metrics in the table remain unadjusted and in line with incumbent IRB models

Institutions

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Institutions - 31 Mar 2025

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class -Institutions												
0.00 to <0.15	3,734	–	–	3,734	0.05	43	33.9	2	670	18	1	–
0.00 to <0.10	3,576	–	–	3,576	0.05	41	34.9	2	654	18	1	–
0.10 to <0.15	158	–	–	158	0.10	2	11.3	4	16	10	–	–
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	–
0.75 to <1.75	–	–	–	–	–	–	–	–	–	–	–	–
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
2.5 to <5	–	–	–	–	–	–	–	–	–	–	–	–
5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
20 to <30	–	–	–	–	–	–	–	–	–	–	–	–
30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal (exposure class)	**3,734**	**–**	**–**	**3,734**	**0.05**	**43**	**33.9**	**2**	**670**	**18**	**1**	**–**

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Institutions - 04 Apr 2024

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB £m PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class -Institutions												
0.00 to <0.15	3,470	–	–	3,470	0.06	45	31.6	3	644	19	1	–
0.00 to <0.10	3,228	–	–	3,228	0.05	42	33.1	3	616	19	1	–
0.10 to <0.15	242	–	–	242	0.10	3	11.3	4	28	12	–	–
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	–
0.75 to <1.75	–	–	–	–	–	–	–	–	–	–	–	–
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
2.5 to <5	–	–	–	–	–	–	–	–	–	–	–	–
5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
20 to <30	–	–	–	–	–	–	–	–	–	–	–	–
30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal (exposure class)	3,470	–	–	3,470	0.06	45	31.6	3	644	19	1	–

Corporates SME

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates SME - 31 Mar 2025

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB *£m* PD range	**On-balance sheet exposures**	**Off-balance-sheet exposures pre-CCF**	**Exposure weighted average CCF (%)**	**Exposure post CCF and post CRM**	**Exposure weighted average PD (%)**	**Number of obligors**	**Exposure weighted average LGD (%)**	**Exposure weighted average maturity (years)**	**Risk weighted exposure amount after supporting factors**	**Density of risk weighted exposure amount (%)**	**Expected loss amount**	**Value adjust-ments and provisions**
Exposure Class - Corporates SME												
0.00 to <0.15	**454**	**83**	**75**	**517**	**0.04**	**115**	**39.9**	**5**	**120**	**23**	**–**	**–**
0.00 to <0.10	**454**	**83**	**75**	**517**	**0.04**	**115**	**39.9**	**5**	**120**	**23**	**–**	**–**
0.10 to <0.15	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
0.15 to <0.25	**13**	**–**	**–**	**13**	**0.17**	**3**	**35.5**	**5**	**5**	**40**	**–**	**–**
0.25 to <0.50	**0**	**–**	**–**	**0**	**0.36**	**2**	**45.0**	**5**	**0**	**70**	**–**	**–**
0.50 to <0.75	**0**	**–**	**–**	**0**	**0.71**	**1**	**45.0**	**5**	**0**	**90**	**–**	**–**
0.75 to <2.50	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
0.75 to <1.75	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
1.75 to <2.5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2.50 to <10.00	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2.5 to <5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
5 to <10	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
10.00 to <100.00	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
10 to <20	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
20 to <30	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
30.00 to <100.00	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
100.00 (Default)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Subtotal (exposure class)	**467**	**83**	**75**	**530**	**0.05**	**121**	**39.8**	**5**	**125**	**24**	**–**	**–**

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates SME - 04 Apr 2024

a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB *£m* PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Corporates SME												
0.00 to <0.15	458	55	75	499	0.04	118	39.3	5	90	18	–	–
0.00 to <0.10	458	55	75	499	0.04	118	39.3	5	90	18	–	–
0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
0.15 to <0.25	15	–	–	15	0.17	6	44.7	5	7	43	–	–
0.25 to <0.50	6	–	–	6	0.35	1	45.0	5	4	60	–	–
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	–
0.75 to <1.75	–	–	–	–	–	–	–	–	–	–	–	–
1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
2.5 to <5	–	–	–	–	–	–	–	–	–	–	–	–
5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
20 to <30	–	–	–	–	–	–	–	–	–	–	–	–
30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal (exposure class)	479	55	75	520	0.05	125	39.5	5	101	19	–	–

Corporates Other (Non-SME)

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates Other - 31 Mar 2025

a		b	c	d	e	f	g	h	i	j	k	l	m
F-IRB £m	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Corporates Other													
	0.00 to <0.15	4,245	1,524	75	5,389	0.04	90	35.9	5	1,617	30	1	(1)
	0.00 to <0.10	4,245	1,524	75	5,389	0.04	90	35.9	5	1,617	30	1	(1)
	0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	34	–	–	34	0.22	1	35.0	5	25	73	–	–
	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	–
	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal (exposure class)		4,279	1,524	75	5,423	0.04	91	35.9	5	1,642	30	1	(1)
Total (all F-IRB exposures classes)		8,480	1,607	75	9,687	0.04	255	35.3	4	2,437	25	2	(1)

UK CR6 – IRB approach – Credit risk exposures by exposure class and PD range - F-IRB - Corporates Other - 04 Apr 2024

a		b	c	d	e	f	g	h	i	j	k	l	m
F-IRB £m	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF (%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount (%)	Expected loss amount	Value adjust-ments and provisions
Exposure Class - Corporates Other													
	0.00 to <0.15	3,955	1,591	75	5,148	0.04	94	37.2	5	1,236	24	1	(1)
	0.00 to <0.10	3,955	1,591	75	5,148	0.04	94	37.2	5	1,236	24	1	(1)
	0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	–
	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal (exposure class)		3,955	1,591	75	5,148	0.04	94	37.2	5	1,236	24	1	(1)
Total (all F-IRB exposures classes)		7,904	1,646	75	9,138	0.04	264	35.2	4	1,981	22	2	(1)

12.4.UK CR6-A - Scope of the use of IRB and SA approaches

UK CR6-A – Scope of the use of IRB and SA approaches - 31 Mar 2025

£m		a	b	c	d	e
		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	**Total exposure value for exposures subject to the Standardised approach and to the IRB approach**	**Percentage of total exposure value subject to the permanent partial use of the SA (%)**	**Percentage of total exposure value subject to IRB Approach (%)**	**Percentage of total exposure value subject to a roll-out plan (%)**
1	Central governments or central banks	**–**	**35,910**	**100.0**	**–**	**–**
1.1	*of which Regional governments or local authorities*		**1,620**	**100.0**	**–**	**–**
1.2	*of which Public sector entities*		**1,131**	**100.0**	**–**	**–**
2	Institutions	**3,734**	**5,053**	**26.1**	**73.9**	**–**
3	Corporates	**6,614**	**7,455**	**11.3**	**88.7**	**–**
3.1	*of which Corporates - Specialised lending, excluding slotting approach*		**–**	**–**	**–**	**–**
3.2	*of which Corporates - Specialised lending under slotting approach*		**661**	**–**	**100.0**	**–**
4	Retail	**239,829**	**248,160**	**3.4**	**96.6**	**–**
4.1	*of which Retail – Secured by real estate SMEs*		**6,260**	**100.0**	**–**	**–**
4.2	*of which Retail – Secured by real estate non-SMEs*		**233,802**	**3.4**	**96.6**	**–**
4.3	*of which Retail – Qualifying revolving*		**11,486**	**–**	**100.0**	**–**
4.4	*of which Retail – Other SMEs*		**–**	**–**	**–**	**–**
4.5	*of which Retail – Other non-SMEs*		**2,517**	**–**	**100.0**	**–**
5	Equity	**1,584**	**2,339**	**32.3**	**67.7**	**–**
6	Other non-credit obligation assets	**1,417**	**1,417**	**–**	**–**	**–**
7	**Total**	**253,178**	**300,334**	**15.7**	**84.3**	**–**

UK CR6-A – Scope of the use of IRB and SA approaches - 04 Apr 2024

£m		a	b	c	d	e
		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposure value subject to a roll-out plan (%)
1	Central governments or central banks	–	46,135	100.0	–	–
1.1	*of which Regional governments or local authorities*		1,602	100.0	–	–
1.2	*of which Public sector entities*		1,349	100.0	–	–
2	Institutions	3,470	3,875	10.5	89.5	–
3	Corporates	6,466	7,314	11.6	88.4	–
3.1	*of which Corporates - Specialised lending, excluding slotting approach*		–	–	–	–
3.2	*of which Corporates - Specialised lending under slotting approach*		798	–	100.0	–
4	Retail	225,552	232,689	3.1	96.9	–
4.1	*of which Retail – Secured by real estate SMEs*		–	–	–	–
4.2	*of which Retail – Secured by real estate non-SMEs*		218,910	3.1	96.9	–
4.3	*of which Retail – Qualifying revolving*		11,041	–	100.0	–
4.4	*of which Retail – Other SMEs*		–	–	–	–
4.5	*of which Retail – Other non-SMEs*		2,372	–	100.0	–
5	Equity	63	63	–	100.0	–
6	Other non-credit obligation assets	1,551	1,551	–	–	–
7	Total	237,102	291,627	18.7	81.3	–

12.5. UK CR7 - IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques

Nationwide does not use credit derivatives to mitigate credit risk - this template has therefore not been presented.

12.6. UK CR7-A - IRB approach - Extent of the use of CRM techniques

A-IRB

UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - A-IRB - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
	A-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
£m			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
1	Central governments and central banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Institutions	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3	Corporates	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.1	*Of which Corporates – SMEs*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.2	*Of which Corporates – Specialised lending*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.3	*Of which Corporates – Other*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4	Retail	**239,829**	–	**211.7**	**211.7**	–	–	–	–	–	–	–	–	**38,245**	**38,245**
4.1	*Of which Retail – Immovable property SMEs*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4.2	*Of which Retail – Immovable property non-SMEs*	**225,826**	–	**224.8**	**224.8**	–	–	–	–	–	–	–	–	**33,430**	**33,430**
4.3	*Of which Retail – Qualifying revolving*	**11,486**	–	–	–	–	–	–	–	–	–	–	–	**2,349**	**2,349**
4.4	*Of which Retail – Other SMEs*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4.5	*Of which Retail – Other non-SMEs*	**2,517**	–	–	–	–	–	–	–	–	–	–	–	**2,466**	**2,466**
5	**Total**	**239,829**	–	**211.7**	**211.7**	–	–	–	–	–	–	–	–	**38,245**	**38,245**

UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - A-IRB - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
	A-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
£m			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)		
1	Central governments and central banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Institutions	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3	Corporates	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.1	*Of which Corporates – SMEs*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.2	*Of which Corporates – Specialised lending*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.3	*Of which Corporates – Other*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4	Retail	225,552	–	213.7	213.7	–	–	–	–	–	–	–	–	39,395	39,395
4.1	*Of which Retail – Immovable property SMEs*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4.2	*Of which Retail – Immovable property non-SMEs*	212,139	–	227.2	227.2	–	–	–	–	–	–	–	–	34,646	34,646
4.3	*Of which Retail – Qualifying revolving*	11,041	–	–	–	–	–	–	–	–	–	–	–	2,415	2,415
4.4	*Of which Retail – Other SMEs*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4.5	*Of which Retail – Other non-SMEs*	2,372	–	–	–	–	–	–	–	–	–	–	–	2,334	2,334
5	Total	225,552	–	213.7	213.7	–	–	–	–	–	–	–	–	39,395	39,395

F-IRB

UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - F-IRB - 31 Mar 2025

	F-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
£m			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
1	Central governments and central banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Institutions	3,734	–	–	–	–	–	–	–	–	–	–	–	670	670
3	Corporates	6,614	–	67.1	67.1	–	–	–	–	–	–	–	–	2,152	2,152
3.1	*Of which Corporates – SMEs*	530	–	52.3	52.3	–	–	–	–	–	–	–	–	125	125
3.2	*Of which Corporates – Specialised lending*	661	–	–	–	–	–	–	–	–	–	–	–	385	385
3.3	*Of which Corporates – Other*	5,423	–	76.8	76.8	–	–	–	–	–	–	–	–	1,642	1,642
4	**Total**	**10,348**	**–**	**42.9**	**42.9**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,822**	**2,822**

UK CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques - F-IRB - 04 Apr 2024

	F-IRB	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
£m			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
1	Central governments and central banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Institutions	3,470	–	–	–	–	–	–	–	–	–	–	–	644	644
3	Corporates	6,466	–	54.7	54.7	–	–	–	–	–	–	–	–	1,810	1,810
3.1	*Of which Corporates – SMEs*	520	–	55.0	55.0	–	–	–	–	–	–	–	–	101	101
3.2	*Of which Corporates – Specialised lending*	798	–	–	–	–	–	–	–	–	–	–	–	473	473
3.3	*Of which Corporates – Other*	5,148	–	63.1	63.1	–	–	–	–	–	–	–	–	1,236	1,236
4	Total	9,936	–	35.6	35.6	–	–	–	–	–	–	–	–	2,454	2,454

12.7. UK CR8 - RWEA flow statements of credit risk exposures under the IRB approach

UK CR8 – RWEA flow statements of credit risk exposures under the IRB approach		
		a
£m		**Risk weighted exposure amount**
1	**Risk weighted exposure amount at 31 December 2024**	**45,803**
2	Asset size (+/-)	**805**
3	Asset quality (+/-)	**(288)**
4	Model updates (+/-)	**–**
5	Methodology and policy (+/-)	**–**
6	Acquisitions and disposals (+/-)	**–**
7	Foreign exchange movements (+/-)	**–**
8	Other (+/-)	**–**
9	**Risk weighted exposure amount at 31 March 2025**	**46,320**

The above table shows the RWA flow between the reporting date (row 9) and the prior Pillar 3 disclosure period (row 1). For previous quarter movements, within the financial year, see prior period Pillar 3 disclosures at nationwide.co.uk.

In the quarter period, there was a £0.5 billion increase in RWAs for exposures risk weighted under the IRB approach. This was driven by higher asset sizes, principally due to increased residential mortgage balances, partially offset by improvements in credit quality.

12.8.UK CR9 - IRB approach - Back-testing of PD per exposure class

Retail - Secured by immovable property non-SME[1234]

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - A-IRB - Retail Secured by Immovable Property - 31 Mar 2025

a	b	c	d	e	f	g	h
A-IRB							
Exposure class	**PD range**	**Number of obligors at the end of previous year**		**Observed average default rate (%)**	**Exposures weighted average PD (%)**[5]	**Average PD (%)**[5]	**Average historical annual default rate (%)**
			Of which number of obligors which defaulted in the year				
Retail - Secured by immovable property non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	–	–	–	–	–	–
	0.00 to <0.10	–	–	–	–	–	–
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	24,897	5	0.02	0.18	0.18	0.02
	0.25 to <0.50	455,853	154	0.03	0.43	0.42	0.04
	0.50 to <0.75	67,505	54	0.08	0.64	0.64	0.05
	0.75 to <2.50	821,482	1,329	0.16	1.06	1.07	0.20
	0.75 to <1.75	758,335	991	0.13	0.98	0.99	0.16
	1.75 to <2.5	63,147	338	0.54	2.06	2.06	0.64
	2.50 to <10.00	81,280	1,445	1.78	4.15	4.15	1.72
	2.5 to <5	59,815	609	1.02	3.27	3.27	1.06
	5 to <10	21,465	836	3.89	6.60	6.60	3.62
	10.00 to <100.00	10,428	2,830	27.14	33.12	33.50	26.45
	10 to <20	3,221	388	12.05	13.90	13.96	10.11
	20 to <30	3,003	590	19.65	26.26	26.20	18.76
	30.00 to <100.00	4,204	1,852	44.05	53.13	53.67	45.22
	100.00 (Default)	17,849	–	–	100.00	100.00	–

Notes:
[1] Nationwide use overlapping windows for calculating long run average PD as it is consistent with internal practices on calculating long run averages
[2] The average historical annual default rate is calculated based on the realised monthly defaults (simple weighted), averaged over a measurement period. The measurement period is 5 years for secured by immovable property exposures
[3] Approximately 4% of Nationwide's loans and advances had a maturity of less than or equal to 1 year as per UK CR1-A
[4] Hybrid IRB mortgage models were approved by the PRA in the financial year replacing existing point-in-time mortgage models. This led to a change in defaults data reported across the PD rating system as shown above
[5] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

This table is disclosed based on the basis of preparation described below.

- All exposures within the range of the Retail A-IRB models are included in the back-testing results provided.
- All Retail A-IRB models use overlapping 12-month windows in the calculation of long run average PD rates.
- The average historical default rates provided for Retail A-IRB are the simple average of the annual default rate of the five most recent years.
- The number of obligors with residual maturity of less than 12 months at the disclosure date for Retail Secured by Immovable Property is 18,187.

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - A-IRB - Retail Secured by Immovable Property - 04 Apr 2024

A-IRB							
a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors at the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[5]	Average PD (%)[5]	Average historical annual default rate (%)
Retail - Secured by immovable property non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	1,095,607	320	0.03	0.05	0.04	0.02
	0.00 to <0.10	993,071	201	0.02	0.04	0.03	0.02
	0.10 to <0.15	102,536	119	0.12	0.14	0.14	0.06
	0.15 to <0.25	–	–	–	–	–	0.11
	0.25 to <0.50	301,338	279	0.09	0.29	0.29	0.06
	0.50 to <0.75	40,263	127	0.32	0.64	0.63	0.18
	0.75 to <2.50	28,736	291	1.01	1.47	1.50	0.61
	0.75 to <1.75	19,876	140	0.70	1.15	1.16	0.46
	1.75 to <2.5	8,860	151	1.70	2.26	2.26	0.97
	2.50 to <10.00	17,852	731	4.09	5.19	5.12	2.66
	2.5 to <5	13,128	354	2.70	3.80	3.75	1.66
	5 to <10	4,724	377	7.98	8.92	8.91	5.39
	10.00 to <100.00	6,541	1,740	26.60	36.69	35.37	18.49
	10 to <20	1,478	98	6.63	16.50	16.50	5.89
	20 to <30	2,721	502	18.45	24.36	24.28	11.24
	30.00 to <100.00	2,342	1,140	48.68	61.29	60.16	34.00
	100.00 (Default)	3,263	–	–	100.00	100.00	–

Notes:

[1] Nationwide use overlapping windows for calculating long run average PD as it is consistent with internal practices on calculating long run averages

[2] The average historical annual default rate is calculated based on the realised monthly defaults (volume weighted), averaged over a measurement period. The measurement period is 5 years for secured by immovable property exposures

[3] The average historical annual default rate for PD 0.15 to <0.25 relates to obligors in default prior to this financial year (noting measurement period per above note)

[4] Approximately 5% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A

[5] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

Retail - Qualifying revolving[123]

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - A-IRB - Retail Qualifying Revolving - 31 Mar 2025

A-IRB

	a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors at the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[4 5]	Average PD (%)[5]	Average historical annual default rate (%)
Retail - Qualifying revolving - with own estimates of LGD or conversion factors	0.00 to <0.15	7,650,260	1,968	0.03	0.04	0.05	0.02
	0.00 to <0.10	6,606,733	1,167	0.02	0.04	0.04	0.02
	0.10 to <0.15	1,043,527	801	0.08	0.10	0.10	0.07
	0.15 to <0.25	1,200,668	1,901	0.16	0.18	0.20	0.13
	0.25 to <0.50	1,000,090	3,349	0.33	0.37	0.40	0.28
	0.50 to <0.75	96,428	414	0.43	0.69	0.69	0.43
	0.75 to <2.50	696,622	5,638	0.81	1.25	1.11	0.87
	0.75 to <1.75	696,622	5,638	0.81	1.25	1.11	0.87
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	264,469	7,310	2.76	4.12	4.37	2.76
	2.5 to <5	147,265	2,808	1.91	2.85	3.03	2.10
	5 to <10	117,204	4,502	3.84	5.80	6.06	3.79
	10.00 to <100.00	121,365	18,799	15.49	24.94	25.05	17.53
	10 to <20	55,180	4,368	7.92	11.46	11.88	8.99
	20 to <30	37,594	4,915	13.07	22.98	23.62	15.53
	30.00 to <100.00	28,591	9,516	33.28	55.43	52.35	33.62
	100.00 (Default)	117,380	–	–	100.00	100.00	–

Notes:
[1] Nationwide use overlapping windows for calculating long run average PD as it is consistent with internal practices on calculating long run averages
[2] The average historical annual default rate is calculated based on the realised monthly defaults (simple weighted), averaged over a measurement period. The measurement period is 5 years for qualifying revolving exposures
[3] Approximately 4% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A
[4] The observed average default rate exceeds the average PD for some PD grades, but the model remains conservative at an overall level. The PD is realigned on a quarterly basis to address any under-estimation. Additional RWA and EL adjustments are applied where necessary
[5] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

This table is disclosed based on the basis of preparation described below.

- All exposures within the range of the Retail A-IRB models are included in the back-testing results provided.
- All Retail A-IRB models use overlapping 12-month windows in the calculation of long run average PD rates.
- The average historical default rates provided for Retail A-IRB are the simple average of the annual default rate of the five most recent years.

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - A-IRB - Retail Qualifying Revolving - 04 Apr 2024

A-IRB							
a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors at the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[4,5]	Average PD (%)[5]	Average historical annual default rate (%)
Retail - Qualifying revolving - with own estimates of LGD or conversion factors	0.00 to <0.15	6,651,709	1,235	0.02	0.05	0.05	0.02
	0.00 to <0.10	5,755,515	881	0.02	0.04	0.04	0.02
	0.10 to <0.15	896,194	354	0.04	0.10	0.10	0.06
	0.15 to <0.25	1,128,727	919	0.08	0.18	0.20	0.13
	0.25 to <0.50	982,712	1,860	0.19	0.37	0.40	0.26
	0.50 to <0.75	99,435	408	0.41	0.69	0.69	0.43
	0.75 to <2.50	1,128,556	4,978	0.44	1.26	1.17	0.88
	0.75 to <1.75	1,128,556	4,978	0.44	1.26	1.17	0.88
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	453,964	6,868	1.51	4.17	4.30	2.87
	2.5 to <5	280,384	2,951	1.05	2.85	3.13	2.19
	5 to <10	173,580	3,917	2.26	5.77	6.17	3.97
	10.00 to <100.00	192,527	19,303	10.03	23.53	26.46	18.85
	10 to <20	84,420	3,780	4.48	11.36	12.11	9.50
	20 to <30	60,269	5,353	8.88	22.72	23.89	17.34
	30.00 to <100.00	47,838	10,170	21.26	52.13	55.02	37.35
	100.00 (Default)	136,639	–	–	100.00	100.00	–

Notes:

[1] Nationwide use overlapping windows for calculating long run average PD as it is consistent with internal practices on calculating long run averages

[2] The average historical annual default rate is calculated based on the realised monthly defaults (volume weighted), averaged over a measurement period. The measurement period is 5 years for qualifying revolving exposures

[3] Approximately 5% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A

[4] The observed average default rate exceeds the average PD for some PD grades, but the model remains conservative at an overall level. The PD is realigned on a quarterly basis to address any under-estimation. Additional RWA and EL adjustments are applied where necessary

[5] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

Retail - Other non-SME (Personal Loans)[1,2,3]

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - A-IRB - Retail Other - 31 Mar 2025

A-IRB

a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors at the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)[4]	Exposures weighted average PD (%)[4]	Average PD (%)[4]	Average historical annual default rate (%)
Retail - Other non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	53,130	10	0.02	0.08	0.07	0.04
	0.00 to <0.10	53,130	10	0.02	0.08	0.07	0.04
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	39,061	27	0.07	0.17	0.17	0.09
	0.25 to <0.50	56,705	112	0.20	0.34	0.34	0.20
	0.50 to <0.75	59,215	288	0.49	0.69	0.69	0.45
	0.75 to <2.50	48,036	509	1.06	1.38	1.38	1.00
	0.75 to <1.75	48,036	509	1.06	1.38	1.38	1.00
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	62,579	1,891	3.02	3.86	3.88	3.11
	2.5 to <5	36,930	787	2.13	2.75	2.75	2.21
	5 to <10	25,649	1,104	4.30	5.50	5.50	4.40
	10.00 to <100.00	26,484	4,486	16.94	20.61	22.84	16.12
	10 to <20	14,762	1,165	7.89	11.00	11.00	7.79
	20 to <30	5,920	826	13.95	22.00	22.00	14.15
	30.00 to <100.00	5,802	2,495	43.00	55.47	53.81	41.68
	100.00 (Default)	19,561	–	–	100.00	100.00	–

Notes:
[1] Nationwide use overlapping windows for calculating long run average PD as it is consistent with internal practices on calculating long run averages
[2] The average historical annual default rate is calculated based on the realised monthly defaults (simple weighted), averaged over a measurement period. The measurement period is 5 years for personal loan exposures
[3] Approximately 4% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A
[4] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

This table is disclosed based on the basis of preparation described below.

- All exposures within the range of the Retail A-IRB models are included in the back-testing results provided.
- All Retail A-IRB models use overlapping 12-month windows in the calculation of long run average PD rates.
- The average historical default rates provided for Retail A-IRB are the simple average of the annual default rate of the five most recent years.
- The number of obligors with residual maturity of less than 12 months at the disclosure date for Retail Other is 62,314.

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - A-IRB - Retail Other - 04 Apr 2024

	a	b	c	d	e	f	g	h
A-IRB								
Exposure class	PD range	Number of obligors at the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)[4]	Exposures weighted average PD (%)[4]	Average PD (%)[4]	Average historical annual default rate (%)
Retail - Other non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	56,364	13	0.02	0.08	0.07	0.05
	0.00 to <0.10	56,364	13	0.02	0.08	0.07	0.05
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	49,108	43	0.09	0.17	0.17	0.10
	0.25 to <0.50	59,167	100	0.17	0.34	0.34	0.21
	0.50 to <0.75	64,355	281	0.44	0.69	0.69	0.45
	0.75 to <2.50	45,854	453	0.99	1.38	1.38	1.00
	0.75 to <1.75	45,854	453	0.99	1.38	1.38	1.00
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	60,900	1,942	3.19	3.84	3.89	3.14
	2.5 to <5	35,629	793	2.23	2.75	2.75	2.22
	5 to <10	25,271	1,149	4.55	5.50	5.50	4.46
	10.00 to <100.00	27,269	4,243	15.56	22.16	22.79	16.37
	10 to <20	15,142	1,114	7.36	11.00	11.00	7.98
	20 to <30	6,536	822	12.58	22.00	22.00	14.73
	30.00 to <100.00	5,591	2,307	41.26	54.48	55.65	42.79
	100.00 (Default)	19,718	–	–	100.00	100.00	–

Notes:
[1] Nationwide use overlapping windows for calculating long run average PD as it is consistent with internal practices on calculating long run averages
[2] The average historical annual default rate is calculated based on the realised monthly defaults (volume weighted), averaged over a measurement period. The measurement period is 5 years for personal loan exposures
[3] Approximately 5% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A
[4] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

Institutions[1]

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - F-IRB - Institutions - 31 Mar 2025

F-IRB

a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[2]	Average PD (%)[2]	Average historical annual default rate (%)
Institutions without own estimates of LGD or conversion factors	0.00 to <0.15	**45**	–	–	**0.05**	**0.06**	–
	0.00 to <0.10	**42**	–	–	**0.05**	**0.05**	–
	0.10 to <0.15	**3**	–	–	**0.10**	**0.10**	–
	0.15 to <0.25	–	–	–	–	–	–
	0.25 to <0.50	–	–	–	–	–	–
	0.50 to <0.75	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–

Notes:
[1] Approximately 8% of Nationwide's debt securities had a maturity of less than 1 year as per UK CR1-A
[2] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - F-IRB - Institutions - 04 Apr 2024

F-IRB

a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[2]	Average PD (%)[2]	Average historical annual default rate (%)
Institutions without own estimates of LGD or conversion factors	0.00 to <0.15	44	–	–	0.06	0.06	–
	0.00 to <0.10	39	–	–	0.05	0.05	–
	0.10 to <0.15	5	–	–	0.10	0.10	–
	0.15 to <0.25	1	–	–	–	0.15	–
	0.25 to <0.50	–	–	–	–	–	–
	0.50 to <0.75	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–

Notes:

[1] Approximately 4% of Nationwide's debt securities had a maturity of less than 1 year as per UK CR1-A

[2] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

Corporates - SME[1]

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - F-IRB - Corporates SME - 31 Mar 2025

F-IRB							
a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[2]	Average PD (%)[2]	Average historical annual default rate (%)
Corporates - SME without own estimates of LGD or conversion factors	0.00 to <0.15	110	–	–	0.04	0.04	–
	0.00 to <0.10	110	–	–	0.04	0.04	–
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	6	–	–	0.17	0.17	–
	0.25 to <0.50	1	–	–	0.36	0.35	–
	0.50 to <0.75	–	–	–	0.71	–	–
	0.75 to <2.50	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–

Notes:
[1] Approximately 4% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A
[2] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

To confirm:

- The number of obligors with residual maturity of less than 12 months at the disclosure date for Corporates SME is 1.

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - F-IRB - Corporates SME - 04 Apr 2024

F-IRB

a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[2]	Average PD (%)[2]	Average historical annual default rate (%)
Corporates - SME without own estimates of LGD or conversion factors	0.00 to <0.15	118	–	–	0.04	0.04	–
	0.00 to <0.10	118	–	–	0.04	0.04	–
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	3	–	–	0.17	0.18	–
	0.25 to <0.50	1	–	–	0.35	0.43	–
	0.50 to <0.75	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–

Notes:
[1] Approximately 5% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A
[2] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

Corporates - Other (Non-SME)[1]

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - F-IRB - Corporates Other - 31 Mar 2025

F-IRB

a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[2]	Average PD (%)[2]	Average historical annual default rate (%)
Corporates - Other without own estimates of LGD or conversion factors	0.00 to <0.15	**60**	–	–	**0.04**	**0.04**	–
	0.00 to <0.10	**60**	–	–	**0.04**	**0.04**	–
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	**0**	–	–	**0.22**	–	–
	0.25 to <0.50	–	–	–	–	–	–
	0.50 to <0.75	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–

Notes:
[1] Approximately 4% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A
[2] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

To confirm:

- The number of obligors with residual maturity of less than 12 months at the disclosure date for Corporates Other (Non-SME) is 0.

UK CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale) - F-IRB - Corporates Other - 04 Apr 2024

F-IRB

a	b	c	d	e	f	g	h
Exposure class	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)[2]	Average PD (%)[2]	Average historical annual default rate (%)
Corporates - Other without own estimates of LGD or conversion factors	0.00 to <0.15	56	–	–	0.04	0.04	–
	0.00 to <0.10	56	–	–	0.04	0.04	–
	0.10 to <0.15	–	–	–	–	–	–
	0.15 to <0.25	–	–	–	–	–	–
	0.25 to <0.50	–	–	–	–	–	–
	0.50 to <0.75	–	–	–	–	–	–
	0.75 to <2.50	–	–	–	–	–	–
	0.75 to <1.75	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–
	2.50 to <10.00	–	–	–	–	–	–
	2.5 to <5	–	–	–	–	–	–
	5 to <10	–	–	–	–	–	–
	10.00 to <100.00	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–

Notes:

[1] Approximately 5% of Nationwide's loans and advances had a maturity of less than 1 year as per UK CR1-A

[2] Exposure weighted average PD aligns to the corresponding UK CR6 table (current period) whereas Average PD includes prior period PD in line with regulatory instructions

12.9.UK CR9.1 - IRB approach - Back-testing of PD per exposure class (only for PD estimates according to Article 180(1))

Institutions[1]

UK CR9.1 – IRB approach – Back-testing of PD per exposure class - 31 Mar 2025

a	b	c	c	c	d		e	f	g	h
F-IRB										
Exposure class	**PD range**	**External rating equivalent: Fitch**	**External rating equivalent: Moody's**	**External rating equivalent: S&P**	**Number of obligors in the end of previous year**		**Observed average default rate (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
						Of which number of obligors which defaulted in the year			
Institutions	0.00 to <0.037	AAA to AA	Aaa to Aa2	AAA to AA	–	–	–	–	–
	0.037 to <0.073	AA- to A	Aa3 to A2	AA- to A	**32**	–	–	**0.05**	**0.00**
	0.073 to <0.230	A- to BBB	A3 to Baa2	A- to BBB	**13**	–	–	**0.08**	**0.00**
	0.230 to <0.915	BBB- to BB	Baa3 to Ba2	BBB- to BB	–	–	–	–	–
	0.915 to <6.385	BB- to B-	Ba3 to B3	BB- to B-	–	–	–	–	–
	6.385 to <100.00	CCC+ to D	Caa1 to D	CCC+ to D	–	–	–	–	–

UK CR9.1 – IRB approach – Back-testing of PD per exposure class - 04 Apr 2024

a	b	c	c	c	d		e	f	g	h
F-IRB										
Exposure class	PD range	External rating equivalent: Fitch	External rating equivalent: Moody's	External rating equivalent: S&P	Number of obligors in the end of previous year		Observed average default rate (%)	Average PD (%)	Average historical annual default rate (%)
						Of which number of obligors which defaulted in the year			
Institutions	0.00 to <0.037	AAA to AA	Aaa to Aa2	AAA to AA	–	–	–	–	–
	0.037 to <0.073	AA- to A	Aa3 to A2	AA- to A	31	–	–	0.05	0.00
	0.073 to <0.230	A- to BBB	A3 to Baa2	A- to BBB	14	–	–	0.09	0.00
	0.230 to <0.915	BBB- to BB	Baa3 to Ba2	BBB- to BB	–	–	–	–	–
	0.915 to <6.385	BB- to B-	Ba3 to B3	BB- to B-	–	–	–	–	–
	6.385 to <100.00	CCC+ to D	Caa1 to D	CCC+ to D	–	–	–	–	–

Note:
[1] Nationwide only uses external credit rating agencies for bank exposures, which are within the Institutions exposure class. No exposures under the A-IRB method use external rating agencies

13 Annex XXIII | Specialised lending

13.1. UK CR10 - Specialised lending and equity exposures under the simple risk weighted approach[1]

Project Finance[2]

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: Project finance - 31 Mar 2025							
Template UK CR10.1		a	b	c	d	e	f
£m		Specialised lending : Project finance (Slotting approach)					
Regulatory categories	**Remaining maturity**	**On-balance sheet exposure**	**Off-balance sheet exposure**	**Risk weight**	**Exposure value**	**Risk weighted exposure amount**	**Expected loss amount**
Category 1	Less than 2.5 years	**10**	**1**	**50%**	**11**	**4**	**–**
	Equal to or more than 2.5 years	**334**	**40**	**70%**	**364**	**191**	**1**
Category 2	Less than 2.5 years	**–**	**–**	**70%**	**–**	**–**	**–**
	Equal to or more than 2.5 years	**14**	**–**	**90%**	**14**	**10**	**–**
Category 3	Less than 2.5 years	**–**	**–**	**115%**	**–**	**–**	**–**
	Equal to or more than 2.5 years	**28**	**3**	**115%**	**30**	**26**	**1**
Category 4	Less than 2.5 years	**4**	**1**	**250%**	**5**	**9**	**–**
	Equal to or more than 2.5 years	**–**	**–**	**250%**	**–**	**–**	**–**
Category 5	Less than 2.5 years	**–**	**–**	**0%**	**–**	**–**	**–**
	Equal to or more than 2.5 years	**58**	**4**	**0%**	**61**	**–**	**31**
Total	**Less than 2.5 years**	**14**	**2**		**16**	**13**	**–**
	Equal to or more than 2.5 years	**434**	**47**		**469**	**227**	**33**

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: Project finance - 04 Apr 2024

Template UK CR10.1		a	b	c	d	e	f
£m		Specialised lending : Project finance (Slotting approach)					
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	8	1	50%	9	4	–
	Equal to or more than 2.5 years	394	43	70%	426	223	2
Category 2	Less than 2.5 years	–	–	70%	–	–	–
	Equal to or more than 2.5 years	23	–	90%	23	16	–
Category 3	Less than 2.5 years	–	–	115%	–	–	–
	Equal to or more than 2.5 years	23	3	115%	25	21	1
Category 4	Less than 2.5 years	–	–	250%	–	–	–
	Equal to or more than 2.5 years	5	1	250%	6	11	–
Category 5	Less than 2.5 years	–	–	0%	–	–	–
	Equal to or more than 2.5 years	57	4	0%	60	–	30
Total	Less than 2.5 years	8	1		9	4	–
	Equal to or more than 2.5 years	502	51		540	271	33

Income-producing real estate[2]

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: IPRE - 31 Mar 2025							
Template UK CR10.2		a	b	c	d	e	f
£m		**Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)**					
Regulatory categories	**Remaining maturity**	**On-balance sheet exposure**	**Off-balance sheet exposure**	**Risk weight**	**Exposure value**	**Risk weighted exposure amount**	**Expected loss amount**
Category 1	Less than 2.5 years	**8**	**–**	**50%**	**8**	**4**	**–**
	Equal to or more than 2.5 years	**96**	**–**	**70%**	**96**	**67**	**–**
Category 2	Less than 2.5 years	**10**	**–**	**70%**	**10**	**7**	**–**
	Equal to or more than 2.5 years	**14**	**–**	**90%**	**14**	**12**	**–**
Category 3	Less than 2.5 years	**–**	**–**	**115%**	**–**	**–**	**–**
	Equal to or more than 2.5 years	**28**	**–**	**115%**	**28**	**33**	**1**
Category 4	Less than 2.5 years	**8**	**–**	**250%**	**8**	**20**	**1**
	Equal to or more than 2.5 years	**1**	**–**	**250%**	**1**	**2**	**–**
Category 5	Less than 2.5 years	**10**	**–**	**0%**	**10**	**–**	**5**
	Equal to or more than 2.5 years	**2**	**–**	**0%**	**2**	**–**	**1**
Total	**Less than 2.5 years**	**36**	**–**		**36**	**31**	**6**
	Equal to or more than 2.5 years	**141**	**–**		**141**	**114**	**2**

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Specialist lending: IPRE - 04 Apr 2024

Template UK CR10.2		a	b	c	d	e	f
£m		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	8	–	50%	8	4	–
	Equal to or more than 2.5 years	143	–	70%	143	99	1
Category 2	Less than 2.5 years	13	–	70%	13	10	–
	Equal to or more than 2.5 years	54	–	90%	54	48	–
Category 3	Less than 2.5 years	1	–	115%	1	1	–
	Equal to or more than 2.5 years	1	–	115%	1	2	–
Category 4	Less than 2.5 years	12	–	250%	12	29	1
	Equal to or more than 2.5 years	2	–	250%	2	5	–
Category 5	Less than 2.5 years	13	–	0%	13	–	6
	Equal to or more than 2.5 years	2	–	0%	2	–	1
Total	Less than 2.5 years	47	–		47	44	7
	Equal to or more than 2.5 years	202	–		202	154	2

Equities[3]

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Equity exposures - 31 Mar 2025

Template UK CR10.5	a	b	c	d	e	f
£m	**Equity exposures under the simple risk-weighted approach**					
Categories	**On-balance sheet exposure**	**Off-balance sheet exposure**	**Risk weight**	**Exposure value**	**Risk weighted exposure amount**	**Expected loss amount**
Private equity exposures	**–**	**–**	**190%**	**–**	**–**	**–**
Exchange-traded equity exposures	**–**	**–**	**290%**	**–**	**–**	**–**
Other equity exposures	**63**	**–**	**370%**	**63**	**234**	**2**
Total	**63**	**–**		**63**	**234**	**2**

UK CR10 – Specialised lending and equity exposures under the simple risk weighted approach - Equity exposures - 04 Apr 2024

Template UK CR10.5	a	b	c	d	e	f
£m	Equity exposures under the simple risk-weighted approach					
Categories	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	–	–	190%	–	–	–
Exchange-traded equity exposures	–	–	290%	–	–	–
Other equity exposures	63	–	370%	63	233	2
Total	63	–		63	233	2

Notes:
[1] CR10.3 Specialised lending: Object finance (Slotting approach) and CR10.4 Specialised lending: Commodities finance (Slotting approach) have not been presented as Nationwide does not have any related exposures
[2] Off-balance sheet exposures are applied a credit conversion factor of 75%. Risk weighted exposure amount is post SME and infrastructure supporting factors
[3] Other equity exposures primarily relate to equity investments, within Fintech companies, included within other assets as per the financial statements. This table excludes investments in subsidiaries (Virgin Money) which are below the threshold for deduction from CET1 capital resources, and are subsequently risk weighted at 250%

14 Annex XXV | Counterparty credit risk (CCR)

14.1. UK CCRA - Information related to CCR

(a) Methodology used to assign internal capital and credit limits for counterparty credit exposures (Article 439 (a) CRR)

When Nationwide enters into derivative contracts or securities financing transactions, it incurs counterparty credit risk. Derivative contracts cleared via central counterparties (CCPs) and non-cleared derivatives facing other institutions, are used to hedge Nationwide's foreign exchange and interest rate risk. Securities financing transactions, such as repurchase agreements and reverse repurchase agreements are used for liquidity management purposes. Nationwide sets limits on such exposures in line with its risk appetite, to manage counterparty credit risk.

The Treasury IRB model is used to determine internal ratings and PDs for exposures to institutions. The model consists of three key elements: a statistically-driven quantitative financial strength rating; qualitative factor scores, and a qualitative overlay. The model generates a long-term rating by combining the quantitative and qualitative factors. The output is a numerical rating ranging from 1 to 22; grade 1 is equivalent to AAA/Aaa and grade 22 represents default. Under the F-IRB approach, regulatory parameters are used for LGD and credit conversion factors applied to commitments.

Credit limits for institutions are managed by a tiering system, with maximum limits determined by a combination of the internal rating and counterparty size. All exposures to institutions are reviewed at least annually and their performance is subject to monthly review via the portfolio surveillance process. The institution credit limit framework is formally reviewed via the annual credit policy and credit risk strategy updates presented to Nationwide's Credit Committee. Credit limits are restricted to institutions with an internal rating of 8 (BBB+ equivalent) or above.

To comply with regulations, Nationwide is a direct member of a central clearing counterparty (CCP); direct membership necessitates a contribution to the CCP's default fund. The CCP is used to clear qualifying derivatives and is also used for repurchase (repo) agreements. The credit limit for the CCP is calculated and monitored based on business need. Capital for these exposures is calculated using the standardised approach.

(b) Policies related to guarantees and other credit risk mitigants (Article 439 (b) CRR)

Nationwide uses derivatives to reduce exposure to market risks. To mitigate counterparty credit risk qualifying derivatives are centrally cleared through a CCP. Other derivatives are transacted with highly-rated institutions and collateralised under market standard documentation. Nationwide does not mitigate counterparty credit risk through the use of guarantees.

Before transacting derivatives with any counterparty Nationwide requires an International Swaps and Derivatives Association (ISDA) Master Agreement, in conjunction with a Credit Support Annex (CSA). These agreements help mitigate counterparty credit risk through the offsetting of amounts due to the same counterparty ('netting benefits') and the requirement for collateral to be deposited by a counterparty ('collateral held') to mitigate the mark-to-market exposures on derivatives. Valuations are agreed with the relevant counterparties, and collateral is exchanged to bring the credit exposure within agreed tolerances.

(c) Description of policies with respect to Wrong-Way risk (Article 439 (c) CRR)

"Wrong-way risk" may occur when the value of the exposure to a counterparty is highly correlated in a material way with the credit quality of that counterparty, i.e. when the credit quality of the counterparty deteriorates, the value of the exposure increases. This risk is mitigated by Nationwide's policy of executing an ISDA Master Agreement, including Credit Support Annex, and agreeing an Eligible Collateral Schedule with each of its counterparties. These prohibit Nationwide or its counterparties using their own debt securities in meeting initial and variation margin requirements. In addition, Nationwide's eligible collateral policy requires that reverse-repo collateral take the form of highly rated securities. Management does not accept self-issued bonds as eligible collateral in these transactions.

(d) Any other risk management objectives and relevant policies related to CCR (Article 431 (3) and (4) CRR)

Nationwide also enters into Securities Financing Transactions (SFTs), in which Nationwide lends bonds held within the Liquid Asset Buffer to generate cash. These transactions demonstrate Nationwide's ability to monetise the Liquid Asset Buffer and generate incremental income. The counterparty risk arising from SFTs is mitigated in a similar way to how it is mitigated for derivatives, where counterparty credit limits are controlled by Treasury Credit Risk (TCR). In addition, Nationwide also enters into Global Master Repurchase Agreements with its SFT counterparties, which allow for the collateralisation of SFT exposures. Amounts are adjusted daily to reflect the change in the fair value of the underlying securities. In addition to paragraph (c), Nationwide will not enter into securities transactions with a counterparty where the underlying collateral is the counterparty's own issued securities, retained or otherwise.

(e) The amount of collateral Nationwide would have to provide if its credit rating was downgraded (Article 439 (d) CRR)

Liquidity is held for both additional collateral that would have to be posted in the event of a credit rating downgrade and adverse movements in market rates. Collateral requirements following downgrade are assessed on a contractual basis, whereas liquidity for changes in market rates is assessed using historic market rate volatility.

The amount of additional collateral Nationwide would need to provide in the event of a one notch and two notch downgrade by external credit rating agencies would be £0 (4 April 2024: £0) and £0.6 billion (4 April 2024: £0.7 billion) respectively. The contractually required cash outflow would not necessarily match the actual cash outflow as a result of management actions that could be taken to reduce the impact of the downgrades.

14.2. UK CCR1 - Analysis of CCR exposure by approach

UK CCR1 – Analysis of CCR exposure by approach - 31 Mar 2025

		a	b	c	d	e	f	g	h
£m		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
UK1	Original Exposure Method (for derivatives)	–	–		1.4	–	–	–	–
UK2	Simplified SA-CCR (for derivatives)	–	–		1.4	–	–	–	–
1	SA-CCR (for derivatives)	8	373		1.4	5,376	534	534	192
2	IMM (for derivatives and SFTs)	–	–	–	–	–	–	–	–
2a	*Of which securities financing transactions netting sets*	–	–	–	–	–	–	–	–
2b	*Of which derivatives and long settlement transactions netting sets*	–	–	–	–	–	–	–	–
2c	*Of which from contractual cross-product netting sets*	–	–	–	–	–	–	–	–
3	Financial collateral simple method (for SFTs)	–	–	–	–	–	–	–	–
4	Financial collateral comprehensive method (for SFTs)					2,367	9	9	1
5	VaR for SFTs					–	–	–	–
6	**Total**					**7,743**	**543**	**543**	**193**

UK CCR1 – Analysis of CCR exposure by approach - 04 Apr 2024

		a	b	c	d	e	f	g	h
£m		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
UK1	Original Exposure Method (for derivatives)	–	–		1.4	–	–	–	–
UK2	Simplified SA-CCR (for derivatives)	–	–		1.4	–	–	–	–
1	SA-CCR (for derivatives)	35	467		1.4	7,704	703	703	273
2	IMM (for derivatives and SFTs)	–	–	–	–	–	–	–	–
2a	*Of which securities financing transactions netting sets*	–	–	–	–	–	–	–	–
2b	*Of which derivatives and long settlement transactions netting sets*	–	–	–	–	–	–	–	–
2c	*Of which from contractual cross-product netting sets*	–	–	–	–	–	–	–	–
3	Financial collateral simple method (for SFTs)	–	–	–	–	–	–	–	–
4	Financial collateral comprehensive method (for SFTs)					15,283	2,738	2,738	5
5	VaR for SFTs					–	–	–	–
6	Total					22,987	3,441	3,441	278

The total counterparty credit risk exposure value post CRM (column f, row 6) reduced in the period to £0.5 billion (2024: £3.4 billion) following the full repayment of cash in relation to the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME).

14.3. UK CCR2 - Transactions subject to own funds requirements for CVA risk

UK CCR2 – Transactions subject to own funds requirements for CVA risk

		a	b	a	b
		31 March 2025		04 April 2024	
£m		Exposure value	RWEA	Exposure value	RWEA
1	Total transactions subject to the Advanced method	–	–	–	–
2	(i) VaR component (including the 3× multiplier)		–		–
3	(ii) stressed VaR component (including the 3× multiplier)		–		–
4	Transactions subject to the Standardised method	543	262	748	362
UK4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	–	–	–	–
5	**Total transactions subject to own funds requirements for CVA risk**	543	262	748	362

14.4. UK CCR3 - Standardised approach - CCR exposures by regulatory exposure class and risk weights

UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l
		Risk weight											
£m	Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	–	–	–	–	–	–	–	–	–	–	–	–
2	Regional government or local authorities	–	–	–	–	–	–	–	–	–	–	–	–
3	Public sector entities	–	–	–	–	–	–	–	–	–	–	–	–
4	Multilateral development banks	–	–	–	–	–	–	–	–	–	–	–	–
5	International organisations	–	–	–	–	–	–	–	–	–	–	–	–
6	Institutions	–	–	–	–	–	–	–	–	–	–	–	–
7	Corporates	–	–	–	–	–	–	–	–	–	–	–	–
8	Retail	–	–	–	–	–	–	–	–	–	–	–	–
9	Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–	–	–	–	–	–	–
10	Other items	–	–	–	–	–	–	–	–	–	–	–	–
11	**Total exposure value**	–	–	–	–	–	–	–	–	–	–	–	–

UK CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l
		Risk weight											
£m	Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	2,693	–	–	–	–	–	–	–	–	–	–	2,693
2	Regional government or local authorities	–	–	–	–	–	–	–	–	–	–	–	–
3	Public sector entities	–	–	–	–	–	–	–	–	–	–	–	–
4	Multilateral development banks	–	–	–	–	–	–	–	–	–	–	–	–
5	International organisations	–	–	–	–	–	–	–	–	–	–	–	–
6	Institutions	–	–	–	–	–	–	–	–	–	–	–	–
7	Corporates	–	–	–	–	–	–	–	–	–	–	–	–
8	Retail	–	–	–	–	–	–	–	–	–	–	–	–
9	Institutions and corporates with a short-term credit assessment	–	–	–	–	–	–	–	–	–	–	–	–
10	Other items	–	–	–	–	–	–	–	–	–	–	–	–
11	Total exposure value	2,693	–	–	–	–	–	–	–	–	–	–	2,693

14.5. UK CCR4 - IRB approach - CCR exposures by exposure class and PD scale

Institutions[1]

UK CCR4 – IRB approach – CCR exposures by exposure class and PD scale - 31 Mar 2025

£m	PD scale	a Exposure value	b Exposure weighted average PD (%)	c Number of obligors	d Exposure weighted average LGD (%)	e Exposure weighted average maturity (years)	f RWEA	g Density of risk weighted exposure amounts
	Institutions							
1	0.00 to <0.15	**543**	**0.05**	**54**	**45.0**	**4**	**193**	**35.5**
2	0.15 to <0.25	–	–	–	–	–	–	–
3	0.25 to <0.50	–	–	–	–	–	–	–
4	0.50 to <0.75	–	–	–	–	–	–	–
5	0.75 to <2.50	–	–	–	–	–	–	–
6	2.50 to <10.00	–	–	–	–	–	–	–
7	10.00 to <100.00	–	–	–	–	–	–	–
8	100.00 (Default)	–	–	–	–	–	–	–
x	**Sub-total (Institutions)**	**543**	**0.05**	**54**	**45.0**	**4**	**193**	**35.5**
y	**Total (all CCR relevant exposure classes)**	**543**	**0.05**	**54**	**45.0**	**4**	**193**	**35.5**

UK CCR4 – IRB approach – CCR exposures by exposure class and PD scale - 04 Apr 2024

£m	PD scale	a Exposure value	b Exposure weighted average PD (%)	c Number of obligors	d Exposure weighted average LGD (%)	e Exposure weighted average maturity (years)	f RWEA	g Density of risk weighted exposure amounts
	Institutions							
1	0.00 to <0.15	748	0.05	53	45.0	4	278	37.1
2	0.15 to <0.25	–	–	–	–	–	–	–
3	0.25 to <0.50	–	–	–	–	–	–	–
4	0.50 to <0.75	–	–	–	–	–	–	–
5	0.75 to <2.50	–	–	–	–	–	–	–
6	2.50 to <10.00	–	–	–	–	–	–	–
7	10.00 to <100.00	–	–	–	–	–	–	–
8	100.00 (Default)	–	–	–	–	–	–	–
x	Sub-total (Institutions)	748	0.05	53	45.0	4	278	37.1
y	Total (all CCR relevant exposure classes)	748	0.05	53	45.0	4	278	37.1

Note:
[1] Nationwide only has counterparty credit risk exposures to institutions, risk weighted under the IRB approach

14.6. UK CCR5 - Composition of collateral for CCR exposures

UK CCR5 – Composition of collateral for CCR exposures - 31 Mar 2025

		a	b	c	d	e	g
		Collateral used in derivatives transactions				**Collateral used in securities financing transactions (SFTs)**	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
£m	**Collateral type**	Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash	**–**	**4,081**	**–**	**742**	**2,160**	**646**
2	Debt	**–**	**128**	**–**	**1,730**	**616**	**2,142**
3	Equity	**–**	**–**	**–**	**–**	**–**	**–**
4	Other	**–**	**–**	**–**	**–**	**–**	**–**
5	**Total**	**–**	**4,209**	**–**	**2,472**	**2,776**	**2,788**

UK CCR5 – Composition of collateral for CCR exposures - 04 Apr 2024

		a	b	c	d	e	f
		Collateral used in derivatives transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of collateral posted		Fair value of collateral received	Fair value of collateral posted
£m	Collateral type	Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash	–	6,225	–	999	2,577	628
2	Debt	–	27	–	1,328	625	2,591
3	Equity	–	–	–	–	–	–
4	Other	–	–	–	–	–	–
5	Total	–	6,252	–	2,327	3,202	3,219

14.7. UK CCR6 - Credit derivatives exposures

Nationwide does not use credit derivatives to mitigate credit risk - therefore this template has not been presented.

14.8. UK CCR7 - RWEA flow statements of CCR exposures under the IMM

Nationwide does not use the Internal Model Method for CCR exposures - therefore this template has not been presented.

14.9. UK CCR8 - Exposures to CCPs

UK CCR8 – Exposures to CCPs

		a	b	a	b
		31 March 2025		04 April 2024	
£m		**Exposure value**	**RWEA**	Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**158**		137
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	**1,663**	**33**	1,293	26
3	(i) OTC derivatives	**1,641**	**33**	1,293	26
4	(ii) Exchange-traded derivatives	**–**	**–**	–	–
5	(iii) SFTs	**22**	**–**	–	–
6	(iv) Netting sets where cross-product netting has been approved	**–**	**–**	–	–
7	Segregated initial margin	**–**		–	
8	Non-segregated initial margin	**1,987**	**40**	1,592	32
9	Prefunded default fund contributions	**133**	**85**	100	79
10	Unfunded default fund contributions	**–**	**–**	–	–
11	**Exposures to non-QCCPs (total)**		**–**		–
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	**–**	**–**	–	–
13	(i) OTC derivatives	**–**	**–**	–	–
14	(ii) Exchange-traded derivatives	**–**	**–**	–	–
15	(iii) SFTs	**–**	**–**	–	–
16	(iv) Netting sets where cross-product netting has been approved	**–**	**–**	–	–
17	Segregated initial margin	**–**		–	
18	Non-segregated initial margin	**–**	**–**	–	–
19	Prefunded default fund contributions	**–**	**–**	–	–
20	Unfunded default fund contributions	**–**	**–**	–	–

15 Annex XXVII | Securitisation positions

15.1. UK-SECA - Information related to securitisation exposures

(a) Description of securitisation and re-securitisation activities (Article 449(a) CRR)

Nationwide invests in highly rated securitisation tranches, primarily to help meet regulatory liquidity requirements. Investment is focused in a small number of low-risk sectors, mainly Residential Mortgage-Backed Securities (RMBS) and Auto Asset Backed Securities (ABS). Securities that satisfy the "simple, transparent and standardised" (STS) criteria can be included in Nationwide's Liquid Asset Buffer.

Nationwide has securitised certain mortgage loans by transferring the loans to special purpose entities (SPEs) sponsored by the sub-group. The SPEs are fully consolidated into the sub-group accounts. The Silverstone Master Trust Programme for retail mortgages is currently the only vehicle that securitises assets originated by the Society. The senior, Class A, notes issued by Silverstone Master Issuer (SMI) plc meet UK STS criteria, are notified as STS-compliant with the FCA and were distributed to external investors (providing funding for the Society) and to the Society (as retained securitisation positions). Class Z notes provide note subordination that, together with the General Reserve, provides the credit enhancement required to maintain the Aaa/AAA (Moody's/Fitch) rating of the Class A notes. SMI Series 2017-1 (the Z VFN) is a variable funding note that can be increased and decreased in size to meet all required note subordination requirements as outstanding Class A notes are issued and redeemed. There are no other Class Z notes.

Nationwide does not use Silverstone for risk-transfer or regulatory capital relief purposes. Although the Silverstone programme benefits from a 'True Sale' legal opinion, the transfers of the mortgage loans to the Silverstone Master Trust are not treated as sales by Nationwide for accounting purposes. Nationwide continues to recognise the mortgage loans on its own balance sheet after the transfer because it substantially retains their risks and rewards through the receipt of substantially all the profits or losses of the Silverstone entities.

Nationwide introduced its Stock & Drop (S&D) initiative in 2023. S&D involves the production of one or more series of Silverstone notes (the Stock) once a year. The Stock is purchased and retained by Nationwide for future sale to 3rd party investors. New Silverstone issues can take weeks, a period that can often end when market conditions are less welcoming for the sale/distribution of new notes than before and during the production phase. S&D allows Nationwide to hold the notes for distribution to 3rd parties (the Drops) in later, more benign market conditions, or as the need arises. Though these sales are secondary in nature, the distribution process is handled like a normal, new issue book-build involving a number of relationship investment banks.

Silverstone issued and Nationwide purchased £500 million Series 2024-1 Class 1A (3yr WAL), £500 million Series 2024-1 Class 2A (5yr WAL) and £500 million Series 2024-1 Class 3A (5yr WAL) in December of 2024. None of the three 2024 S&D note tranches had been dropped by Nationwide Building Society as at 31 March 2025.

(b) The type of risk Nationwide are exposed to in securitisation and re-securitisation activities (Article 449(b) CRR)

(i) risk retained in own-originated transactions

Silverstone Master Issuer issues Class A notes. There is also an unrated Class Z (non-STS) variable funding note (see above) which is retained by Nationwide. All outstanding Class A notes are STS. A majority of Class A notes were retained as at 31 March 2025 (£3.6 billion of £6.4 billion). The Z VFN was increased from £410 million to £555 million as part of the £1.5 billion stock producing SMI 2024-1 notes in December 2024.

The Society and its subsidiaries are under no obligation to support any losses that may be incurred by the securitisation programme or any holders of the notes issued. The parties holding the notes in issue are only entitled to obtain payment of the principal and interest to the extent that the resources of the Silverstone Master Trust structure are sufficient to support such payments and the holders of the notes have contracted not to seek recourse in any other form.

As at 31 March 2025, Nationwide held £3.6 billion of Silverstone retained STS Class A notes. Of these, £2.1 billion are available to meet the minimum pledge required by Nationwide Pension Fund (NPF) and £1.5 billion are S&D related notes. In November 2020, Nationwide and the NPF Trustee entered into an arrangement whereby Nationwide agreed to provide collateral (a contingent asset) in the form of Silverstone retained Class A notes of minimum value of £1.7 billion to provide additional security to NPF, which would then have access to such notes in case of certain events, such as Nationwide's insolvency. Any unpledged retained Class A contingent asset notes are unencumbered and eligible for use in repo transactions or as collateral for other potential purposes. This is also the case for any S&D notes that have not yet been dropped. Though retained S&D notes are eligible for use in repo transactions or as collateral for other potential purposes and could be encumbered, it is Nationwide's intention that these notes remain available to Drop at short notice.

(ii) risk incurred in relation to transactions originated by third parties

Nationwide's securitisation positions include UK and Dutch Prime RMBS, UK Auto ABS, UK buy to let RMBS, UK Non-Conforming RMBS and UK Credit Card ABS. This exposes Nationwide to risks associated with underlying borrower credit quality, price movements in housing and used vehicle markets, lenders' underwriting policies, servicers' capabilities, and the credit quality of counterparties providing services to the securitisations (e.g. swap counterparties). These risks are mitigated by credit enhancement and other structural features. Approximately 69% are either UK or EU STS positions.

(c) Approaches to calculating the risk-weighted exposure amounts (Article 449(c) CRR)

Nationwide has opted to use the External Ratings Based Approach (SEC-ERBA) method to calculate capital requirements for all securitisation exposures.

(d) A list of SSPEs (Article 449(d) CRR)

i) SSPEs which acquire exposures originated by Nationwide

Silverstone Master Trust

(ii) SSPEs which acquire exposures sponsored by Nationwide

Nil

(iii) SSPEs and other legal entities for which Nationwide provide securitisation-related services

Silverstone Master Trust
Silverstone Funding 1
Silverstone Master Issuer

(iv) SSPEs included in Nationwide's regulatory scope of consolidation

Silverstone Master Trust
Silverstone Funding 1
Silverstone Master Issuer

(e) Legal entities that Nationwide have provided support in accordance with Chapter 5 of Title II of Part Three CRR (Article 449(e) CRR)

Chapter 5 of Title II of Part Three CRR relates to risk weighted exposures under the standardised approach, this is not applicable in the context of Silverstone.

(f) A list of legal entities affiliated with Nationwide and that invest in securitisations originated by the institutions (Article 449(f) CRR)

Nationwide Building Society

(g) A summary of accounting policies for securitisation activity (Article 449(g) CRR)

As Originator/Sponsor

Although the Silverstone programme benefits from a 'True Sale' legal opinion, the transfers of the mortgage loans to the Silverstone Master Trust are not treated as sales by Nationwide for accounting purposes. Nationwide continues to recognise the mortgage loans on its own balance sheet after the transfer because it substantially retains their risks and rewards through the receipt of all the profits or losses of the Silverstone entities.

As Investor

Nationwide's accounting policy for securitisations follows the business model decision. If the intention is to 'Hold to Collect & Sell' then the securitisation positions is accounted for as FVOCI. In all cases Nationwide's securitisation positions pass the Solely Payments of Principal and Interest' ('SPPI') test therefore none are accounted for as FVTPL. All of Nationwide's securitisations are accounted as FVOCI.

(h) The names of the ECAIs used for securitisations and the types of exposure for which each agency is used (Article 449(h) CRR)

For investment in securitisations originated by third parties Credit Policy requires securitisation positions to have ratings from at least two of the following ECAIs: S&P, Moody's, Fitch & DBRS. Issuance from the Silverstone programme has a minimum two ratings from the following ECAIs: S&P, Moodys, Fitch. The ratings composition is reviewed at each issuance.

(i) A description of the Internal Assessment Approach (Article 449(i) CRR)

Not applicable because Nationwide has adopted the SEC-ERBA approach.

15.2. UK-SEC1 - Securitisation exposures in the non-trading book

UK-SEC1 - Securitisation exposures in the non-trading book - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator[1]							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS												
£m			of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
1	**Total exposures**	–	–	–	–	–	–	–	–	–	–	–	911	365	–	1,276
2	Retail (total)	–	–	–	–	–	–	–	–	–	–	–	911	365	–	1,276
3	residential mortgage	–	–	–	–	–	–	–	–	–	–	–	755	365	–	1,120
4	credit card	–	–	–	–	–	–	–	–	–	–	–	37	–	–	37
5	other retail exposures	–	–	–	–	–	–	–	–	–	–	–	119	–	–	119
6	re-securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	Wholesale (total)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	loans to corporates	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	commercial mortgage	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	lease and receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	other wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12	re-securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

UK-SEC1 - Securitisation exposures in the non-trading book - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator[1]							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS												
£m			of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
1	Total exposures	–	–	–	–	–	–	–	–	–	–	–	795	521	–	1,316
2	Retail (total)	–	–	–	–	–	–	–	–	–	–	–	795	521	–	1,316
3	residential mortgage	–	–	–	–	–	–	–	–	–	–	–	657	521	–	1,178
4	credit card	–	–	–	–	–	–	–	–	–	–	–	28	–	–	28
5	other retail exposures	–	–	–	–	–	–	–	–	–	–	–	110	–	–	110
6	re-securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	Wholesale (total)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	loans to corporates	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	commercial mortgage	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	lease and receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	other wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12	re-securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Note:
[1] Nationwide acts as originator for a number of securitisations as part of its Silverstone programme. However, all securitisations are not subject to own fund requirements and therefore nil values are disclosed

15.3. UK-SEC2 - Securitisation exposures in the trading book

Nationwide does not have a trading book - therefore this template has not been presented.

15.4. UK-SEC3 - Securitisation exposures in the non-trading book - Nationwide acting as originator or as sponsor

UK SEC3 discloses securitisation exposures where the institution acts as originator or sponsor. Nationwide originates a number of securitisations as part of the Silverstone programme. There are no capital requirements for these securitisations due to no significant risk transfer. Therefore, this template has not been presented.

15.5.UK-SEC4 - Securitisation exposures in the non-trading book - Nationwide acting as investor

UK-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by RW bands/deductions)					**Exposure values (by regulatory approach)**				**RWEA (by regulatory approach)**				**Capital charge after cap**			
£m		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
1	**Total exposures**	**1,276**	**–**	**–**	**–**	**–**	**–**	**1,276**	**–**	**–**	**–**	**164**	**–**	**–**	**–**	**13**	**–**	**–**
2	Traditional securitisation	**1,276**	**–**	**–**	**–**	**–**	**–**	**1,276**	**–**	**–**	**–**	**164**	**–**	**–**	**–**	**13**	**–**	**–**
3	Securitisation	**1,276**	**–**	**–**	**–**	**–**	**–**	**1,276**	**–**	**–**	**–**	**164**	**–**	**–**	**–**	**13**	**–**	**–**
4	Retail underlying	**1,276**	**–**	**–**	**–**	**–**	**–**	**1,276**	**–**	**–**	**–**	**164**	**–**	**–**	**–**	**13**	**–**	**–**
5	Of which STS	**911**	**–**	**–**	**–**	**–**	**–**	**911**	**–**	**–**	**–**	**91**	**–**	**–**	**–**	**7**	**–**	**–**
6	Wholesale	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
7	Of which STS	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
8	Re-securitisation	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
9	Synthetic securitisation	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
10	Securitisation	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
11	Retail underlying	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
12	Wholesale	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
13	Re-securitisation	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

UK-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
£m		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
1	Total exposures	1,316	–	–	–	–	–	1,316	–	–	–	184	–	–	–	15	–	–
2	Traditional securitisation	1,316	–	–	–	–	–	1,316	–	–	–	184	–	–	–	15	–	–
3	Securitisation	1,316	–	–	–	–	–	1,316	–	–	–	184	–	–	–	15	–	–
4	Retail underlying	1,316	–	–	–	–	–	1,316	–	–	–	184	–	–	–	15	–	–
5	Of which STS	795	–	–	–	–	–	795	–	–	–	80	–	–	–	6	–	–
6	Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	Of which STS	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	Re-securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	Synthetic securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	Retail underlying	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12	Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	Re-securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

15.6.UK-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

UK-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments - 31 Mar 2025

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
£m			Of which exposures in default	
1	**Total exposures**	**12,982**	**37**	**–**
2	Retail (total)	**12,982**	**37**	**–**
3	residential mortgage	**12,982**	**37**	**–**
4	credit card	**–**	**–**	**–**
5	other retail exposures	**–**	**–**	**–**
6	re-securitisation	**–**	**–**	**–**
7	Wholesale (total)	**–**	**–**	**–**
8	loans to corporates	**–**	**–**	**–**
9	commercial mortgage	**–**	**–**	**–**
10	lease and receivables	**–**	**–**	**–**
11	other wholesale	**–**	**–**	**–**
12	re-securitisation	**–**	**–**	**–**

UK-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments - 04 Apr 2024

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
£m			Of which exposures in default	
1	Total exposures	7,370	39	–
2	Retail (total)	7,370	39	–
3	residential mortgage	7,370	39	–
4	credit card	–	–	–
5	other retail exposures	–	–	–
6	re-securitisation	–	–	–
7	Wholesale (total)	–	–	–
8	loans to corporates	–	–	–
9	commercial mortgage	–	–	–
10	lease and receivables	–	–	–
11	other wholesale	–	–	–
12	re-securitisation	–	–	–

16 Annex XXIX | Standardised approach and internal model for market risk

16.1. UK MRA - Information related to market risk

(a) Nationwide's strategies and processes to manage market risk (Points (a) and (d) of Article 435 (1) CRR)

Nationwide's market risk only arises in the banking book as it does not have a trading book. Most of the exposure to market risk arises from fixed-rate mortgages and savings and changes in the market value of the liquidity portfolio. To reduce the impact of such movements, hedging activities are undertaken by Nationwide's Treasury function. For example, interest rate risks generated by lending to and receiving deposits from customers are first offset against each other internally with the remaining net exposure managed using derivatives, within risk limits set by ALCO.

Whilst the default strategy in managing market risk is to ensure such risks arising from Nationwide's assets and liabilities are fully hedged, the appetite recognises that to ensure maximum value to members, a limited amount of market risk will remain due to:

- enhancing operational efficiency - eliminating all market risk would involve a larger volume of derivative and foreign exchange transactions which increases operational costs;
- stability of earnings - hedging risks with derivatives for which effective hedge accounting is not possible could create earnings volatility e.g. optionality within retail products could be hedged with swaptions; and
- cost minimisation - in some instances, such as investing in liquid assets other than cash, the market risk incurred (e.g. swap spread risk) is outweighed by the cost savings.

The Board is responsible for setting market risk appetite and ALCO is responsible for managing Nationwide's market risk profile within this defined risk appetite. Market risk is managed within a comprehensive risk framework which includes policies, limit setting and monitoring, stress testing and robust governance controls. This includes setting and monitoring more granular limits within Board limits with relevant market risk metrics reported monthly to ALCO.

The Society's Market Risk Policy is reviewed and approved annually by the Director of Treasury.

The Society has tight limits put in place to mitigate and allow effective monitoring of Market Risk. The key measures utilised by the Society include Value at Risk (VaR) and value sensitivity measures. These metrics are monitored daily and reported to ALCO monthly.

(b) The structure and organisation of the market risk management function (Point (b) of Article 435 (1) CRR)

Nationwide's Board is responsible for setting market risk appetite.

ALCO, to which the Board has delegated the day-to-day management of market risk, performs its duties in accordance with Board Risk Appetite, its Terms of Reference and regulatory requirements. This includes the monitoring of performance against risk appetite.

Certain treasury activities, in respect of market risk, are delegated to Material Risk Takers (MRTs) within Treasury by ALCO. Market risk is managed and reported by segregated teams within the Treasury function in line with the Society's Enterprise Risk Management Framework. The Society operates a Three Lines of Defence model to provide challenge, oversight and assurance of Treasury activity.

(c) Scope and nature of risk reporting and measurement systems (Point (c) of Article 435 (1) CRR)

The principal market risks that affect Nationwide are listed below together with the types of risk reporting measures used.

Market risk exposure	Definition	Reporting measure
Interest Rate Risk	The risk that the value of, or net income arising from, the sub-group's assets and liabilities changes as a result of changes in market interest rates.	Value Sensitivity / Value at Risk / Net Interest Income Sensitivity / Economic Value of Equity Sensitivity
Product (Option) risk	The risk of loss arising from the exercise of options granted to customers in product offerings.	Value at Risk / Economic Value of Equity sensitivity / Net Interest Income Sensitivity
Foreign Exchange (FX) Risk	The risk that the value of, or net income arising from the sub-group's foreign currency assets and liabilities, changes as a result of changes in the market level of exchange rates.	Value at Risk
Credit Spread Risk	The risk that the value of, or net income arising from, the sub-group's assets and liabilities changes as a result of changes in the sub-group's funding cost or credit spreads earned on its assets.	Value at Risk
Inflation Risk	The risk that the value of, or net income arising from, the sub-group's assets and liabilities changes as a result of changes in published inflation indices and market inflation swap rates.	Value Sensitivity

Where relevant, Nationwide has a capital requirement for each of the above market risks. In addition, stress analysis is used to evaluate the impact of more extreme, but plausible events.

16.2.UK MR1 - Market risk under the standardised approach

As at 31 March 2025, foreign exchange (FX) risk RWAs increased to £0.3 billion (2024: £0) as the exposure exceeded the 2% of own funds de minimis threshold outlined in CRR article 351. The increase in the FX risk weighted exposure amount does not represent an increase in Nationwide's economic FX risk position.

UK MR1 - Market risk under the standardised approach - 31 Mar 2025

		a
£m		**Risk weighted exposure amount**
	Outright products	
1	Interest rate risk (general and specific)	–
2	Equity risk (general and specific)	–
3	Foreign exchange risk	**322**
4	Commodity risk	–
	Options	
5	Simplified approach	–
6	Delta-plus approach	–
7	Scenario approach	–
8	Securitisation (specific risk)	–
9	**Total**	**322**

16.3.UK MRB - Information on the internal Market Risk Models

Nationwide do not use an internal Market Risk Model for Market Risk.

16.4.UK MR2-A - Market risk under the internal Model Approach (IMA)

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

16.5.UK MR2-B - RWA flow statements of market risk exposures under the IMA

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

16.6.UK MR3 - IMA values for trading portfolios

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented.

16.7.UK MR4 - Comparison of Value at Risk (VaR) estimates with gains/losses

Nationwide does not use the Internal Model Approach for market risk - therefore this template has not been presented

17 Annex XXXI | Operational risk

17.1. UK ORA - Information on operational risk

(a) Risk management objectives and policies (Points (a), (b), (c) and(d) of Article 435(1) CRR)

Structure and organisation of risk management function for operational risk

Operational and conduct risk is the risk of impacts resulting from inadequate or failed internal processes, conduct and compliance management, people and systems, or from external events. This risk is managed through proportionate controls designed to identify and prevent failures that could affect customers, colleagues or the Society. Nationwide manages operational and conduct risk across a number of sub-categories. These include but are not limited to technology, security, payments, economic crime and regulatory compliance.

Nationwide operates a Three Lines of Defence model to manage operational and conduct risk. Details on this approach are set out in 'Annex III Risk management policies and objectives' section. Risk management is driven by a positive risk culture and consists of core components: risk appetite, policy, risk management, reporting and enablers and governance.

Risk measurement and control

The operational and conduct risk profile is informed by risk assessments from across Nationwide, and by review and challenge by both 1st line management and the 2nd line Oversight functions. 2nd line Oversight supports management in managing the risks it faces in its normal day-to-day activities and when implementing change programmes. The 3rd line of defence provides assurance to the Board on the effectiveness of the control environment.

Nationwide recognises the importance of continuous improvement in the understanding of the operational and conduct risks it is exposed to and the associated control environment it relies on to mitigate these risks. Nationwide has continued to mature its operational and conduct risk management processes and capabilities, with a particular focus on change management, economic crime risk capabilities and strengthening the technology control environment. A successful cyber-attack on the Society could potentially cause significant disruption to business operations and prevent our customers accessing key services. Nationwide maintains and develops a robust suite of preventative, detective and recovery measures to manage cyber security risks. In addition, as new technologies are implemented and as external attack techniques strengthen, we constantly assess how we prevent attacks by monitoring threats closely, risk assessing third parties and prioritising investment appropriately. It is critical Nationwide remains safe and secure, with a risk and control culture embedded across the Society.

Operational Resilience

Customers understandably expect services to be available when they want to use them, with a demand for an 'always on' capability. To support our customers, Operational Resilience forms a fundamental part of Nationwide's strategy and continues to be an area of regulatory focus. Significant work has been undertaken to define Nationwide's Important Business Services and identify recovery strategies to prevent unacceptable levels of customer disruption to these services in the unlikely event of a major operational disruption. Nationwide achieved material compliance with the prescribed deadline of March 2025 to meet Operational Resilience expectations set by the Bank of England (BoE), Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA). Following the delivery of these regulatory activities, as part of continuous improvement, plans are in place to further mature Operational Resilience capabilities.

Operational risk reporting

Operational and conduct risk events which have occurred are monitored and reported to better understand those exposures and drive sustainable mitigation to prevent re-occurrence. For the purposes of this reporting, events include only those where a financial loss arises from an incident. Events are recorded against internally defined risk categories, in addition to reporting them against the categories defined by the Basel Committee on Banking Supervision in Basel II, which allows comparison of risk experience with our main banking competitors.

More information regarding key operational and conduct risks and losses are included in the Operational and conduct risk section in the Annual Report and Accounts 2025.

Policies on hedging and mitigating operational risk

The Society has an adequate risk framework in place and an effective control environment. Their design has been and will continue to be enhanced, to ensure they remain fit for purpose and reflect changes to the internal and external risk profile, allowing tailored responses to be developed where further maturity or improvements are considered appropriate. To give full coverage of risk management activities, subject matter specific policies articulate the principles and requirements that must be met to manage Nationwide's key risks in line with the Society's ERMF.

(b) Approaches for the assessment of minimum own funds requirements (Article 446 CRR)

The standardised approach (STA) is used to calculate Pillar 1 operational risk.

(c) Description of the AMA methodology approach used (Article 446 CRR) and (d) use of insurance for risk mitigation (Article 454 CRR))

This is not applicable to Nationwide as we do not apply the Advanced Measurement Approach (AMA).

17.2. UK OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

UK OR1 - Operational risk own funds requirements and risk-weighted exposure amounts - 31 Mar 2025

		a	b	c	d	e
		Relevant indicator[1]			**Own funds requirements**	**Risk weighted exposure amount**
£m	**Banking activities**	Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	**–**	**–**	**–**	**–**	**–**
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	**4,577**	**4,578**	**4,255**	**536**	**6,696**
3	*Subject to TSA:*	**4,577**	**4,578**	**4,255**		
4	*Subject to ASA:*	**–**	**–**	**–**		
5	Banking activities subject to advanced measurement approaches AMA	**–**	**–**	**–**	**–**	**–**

UK OR1 - Operational risk own funds requirements and risk-weighted exposure amounts - 04 Apr 2024

		a	b	c	d	e
		Relevant indicator[1]			Own funds requirements	Risk weighted exposure amount
£m	Banking activities	Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	–	–	–	–	–
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	3,779	4,577	4,578	520	6,498
3	*Subject to TSA:*	3,779	4,577	4,578		
4	*Subject to ASA:*	–	–	–		
5	Banking activities subject to advanced measurement approaches AMA	–	–	–	–	–

Note:
[1] The relevant indicators use audited figures

18 Annex XXXIII | Remuneration policy

18.1. UK REMA - Remuneration policy

(a) Information relating to the bodies that oversee remuneration:

(i) Name, composition and mandate of the main body

The Society's Remuneration Committee (the 'Remuneration Committee' or the 'Committee') is responsible for determining on behalf of the Board the remuneration strategy and the specific remuneration packages for the Group Chairman, the Society's executive directors, and other members of the Society's Executive Committee, as well as any other employees who are deemed to fall within scope of the Remuneration Part of the PRA Rulebook and

SYSC 19D of the FCA Handbook (together, the 'UK Remuneration Code').

The Committee also provides oversight and advice to the Board on the appropriateness and relevance of the remuneration policy and pay practices for the workforce across the sub-group, with a specific focus on the risks posed, including, but not limited to, conduct risk. The implementation of the remuneration policy is subject to an internal independent annual review.

There were six scheduled Remuneration Committee meetings held during the financial year.

Details of the Committee's composition and activities during the year ending 31 March 2025 can be found in the Report of the Directors on Remuneration set out in the Annual Report and Accounts 2025 and the Committee's full Terms of Reference are available at nationwide.co.uk.

(ii) External consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework

Deloitte LLP are appointed as the Remuneration Committee's independent external consultants. The Committee agreed to retain Deloitte LLP during 2024/25 after a review of its fees and quality of service provided. Deloitte advise on a wide range of areas in relation to the remuneration framework, including performance related pay plans, key considerations in relation to the approach to remuneration for the Society's senior employees, including executive directors, and compliance with the UK Remuneration Code.

(iii) The scope of Nationwide's remuneration policy

The Society's overarching remuneration strategy and policy apply to the executive directors and all other employees of the Society. The Society does not have any branches or subsidiaries located outside of the UK.

(iv) Staff or categories of staff whose professional activities have a material impact on Nationwide's risk profile

The Society identifies Material Risk Takers ('MRTs') in accordance with the requirements of the UK Remuneration Code. MRTs identified for 2024/25 are those individuals whose professional activities could have a material impact on the Society's risk profile, based on, but not limited to, the qualitative and quantitative criteria as set out in the Remuneration Part of the PRA Rulebook. We identify MRTs by reviewing their responsibilities within their role and assessing the materiality of the impact their role could have on the risk profile of the Society. For 2024/25 there were a total of 103 MRTs (2023/24: 104). Those identified as MRTs include, but are not limited to:

- executive and non-executive directors, and Senior Management (being the other members of the Society's Executive Committee, for the purposes of these disclosures);
- other staff with key functional or managerial responsibility including senior managers of control functions such as audit and risk; and
- other risk takers, including those identified against the Society's internally developed criteria, whose professional activities could have a material impact on the Society's risk profile.

(b) Information relating to the design and structure of the remuneration system for identified staff:

(i) An overview of the key features and objectives of remuneration policy

Being a member owned organisation, our approach to pay reflects the needs of our members and is consistent with our purpose, strategy and values, whilst also being competitive in the talent market.

There are three main elements of remuneration for employees (including MRTs):

- Base salary;
- Benefits (including, for example, pension, car benefits and healthcare); and
- Variable pay.

We seek to deliver pay, for all our employees, which is competitive, fair and aligned with the value delivered to members.

Fixed pay

All employees receive a salary, or in the case of non-executive directors, fees. Salary levels are reviewed at least annually, considering market data, individual skills and experience. Pension and other benefits are provided as part of a competitive reward package. Fixed pay may also include cash in lieu of pension and other cash allowances, such as location allowances, in accordance with market practice. These pay elements are categorised as fixed pay as they are based on predetermined criteria, are non-discretionary, permanent and non-revocable for as long as an individual is in role, are transparent and cannot be reduced, suspended or cancelled, do not provide incentives for risk assumption and do not depend on performance. Role based allowances may be offered in exceptional circumstances and in accordance with regulatory requirements. There are currently no MRTs who receive role-based allowances.

Non-executive directors are paid a basic fee, with an additional supplement paid for additional roles or responsibilities, including the Senior Independent Director and Voice of the Employee, or for serving on, or chairing, a Board or committee of a subsidiary entity. Fees are set considering practice at other organisations as well as the time commitment. The Society Chairman's fee is normally reviewed and approved by the Remuneration Committee on an annual basis. The fees paid to non-executive directors are normally reviewed and approved by the executive directors and by the Society Chairman annually. Benefits may be provided to non-executive directors if considered appropriate, including reimbursement of any reasonable expenses (together with any tax thereon where these are deemed to be taxable benefits). Non-executive directors do not take part in any variable pay plans or in any pension arrangements.

Variable pay

Variable pay for 2024/25 was delivered via our Society-wide Annual Performance Pay (APP) plan, and a number of our senior leaders also received awards under the Long-Term Performance Pay (LTPP) plan, based on performance during the year.

APP outcomes for 2024/25 for all eligible colleagues were determined by reference to consistent Society gateways, performance measures and two separate individual performance ratings reflecting both delivery and behaviours. Under the APP plan for 2024/25, we focused on rewarding our employees, including MRTs, for delivering the highest quality service, broadening and deepening the relationships we have with customers, the strength of our brand in the market and managing the Society's cost base wisely. A new Executive Scorecard element was also introduced for the executive directors for 2024/25, capturing a wide range of financial and non-financial key performance indicators (KPIs).

The 2024/25 LTPP awards are subject to a forward-looking three-year performance period and outcomes will be determined by reference to a balanced scorecard of financial and non-financial objectives drawn from the sub-group's Plan, with performance measures over the three years to 2027/28. The Board will only approve payment of any variable pay if it is sure that the sub-group is financially secure and continues to maintain a sound capital base.

Further details in relation to the key features and objectives of our remuneration policy, including for 2025/26 onwards, can be found in the Report of the Directors on Remuneration set out in the Annual Report and Accounts 2025.

The Remuneration Committee is responsible for determining and agreeing with the Board the remuneration strategy and the broad policy on remuneration for all MRTs. This includes approving the design of, and determining the performance measures and targets for, any discretionary performance pay plan operated by Nationwide for the benefit of these employees. The Committee also approves the outcomes of any performance pay plan and reviews the year-end pay outcomes for all of these employees. The Committee is supported by the Board Risk Committee on risk-related matters including performance pay plan design, the assessment of specific performance measures, and wider issues relating to risk and controls. The Remuneration Committee is also supported by and receives input from the Audit Committee as well as management, while ensuring that conflicts of interests are suitably mitigated, and by the Committee's independent external consultants (Deloitte LLP during 2024/25).

Further details in relation to the roles of the relevant stakeholders in the decision-making process used for determining the remuneration policy can be found throughout these disclosures, and all Board Committees' full Terms of Reference are available at nationwide.co.uk.

(ii) Information on the criteria used for performance measurement and ex ante and ex post risk adjustment

The Society uses variable pay to align reward with performance and takes a rounded view of performance by assessing against a range of measures, considering risk, sustainability of performance and adherence to the Society's values. We ensure that individuals are only rewarded for the achievement of challenging objectives drawn from the Society's Plan and the extent to which their individual performance and behaviours meet our expectations. Under the APP plan, an individual conduct gateway applies such that where any colleagues have a formal disciplinary sanction issued within the performance year, they will not meet the gateway and will not be eligible to receive any APP award. LTPP grants are subject to a pre-grant assessment as well as a future-looking three-year performance period, at the end of which performance against the pre-determined measures will be assessed.

Our approach to risk adjustment at a Society level provides for a discretionary assessment of 'ex ante' and 'ex post' risk adjustment, based on performance against our risk appetite as set out in the Society Plan, and taking into account any risk events that came to light during the year from a conduct, reputational, financial or operational perspective. In reaching its determination of an appropriate level of risk adjustment, the Remuneration Committee considers a range of factors, including evidence from the Audit Committee and Board Risk Committee. This includes an assessment of our financial performance provided by the Audit Committee, an assessment of all types of current and future risk issues provided by the Board Risk Committee, supported by the risk management and compliance functions and, for all MRTs, any conduct issues on an individual basis based on information provided by the Chief People Officer. Accordingly, the Remuneration Committee has discretion to reduce variable pay, including to zero, in relation to risk-related or individual conduct related matters. For all of our MRTs, variable pay is subject to malus and clawback.

Risk adjustment may be applied by way of:

- a reduction or cancellation of in-year payments under the Society's variable pay arrangements;
- where payments under the variable pay arrangements are retained or deferred, the retained or deferred element may be reduced or cancelled at the Committee's discretion;
- all variable pay awards for MRTs are subject to clawback for a minimum of five and up to seven years from when the award is made. This requirement will continue to apply if the individual leaves employment; and
- for PRA- and FCA-designated Senior Managers, awards are subject to clawback provisions for a period of seven years from the date of the award. This may be extended to ten years from the date of award in the event of an ongoing internal or regulatory investigation at the end of the seven-year period.

(iii) Whether the management body or the remuneration committee where established reviewed Nationwide's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration

During the year ending 31 March 2025, the Remuneration Committee reviewed the Society's remuneration policy from a range of perspectives. The review resulted in some minor changes to our remuneration approach, including:

- the performance measures and opportunities which apply for the Society's variable pay plans for 2024/25 to ensure they remain appropriate; and
- our approach to MRT identification to ensure ongoing compliance with regulatory requirements in this area.

Following the acquisition of Virgin Money, there were no immediate changes to the broad approach to remuneration for any employees within the sub-group. Further details can be found in the Report of the Directors on Remuneration set out in the 2025 Annual Report and Accounts.

(iv) Information of how Nationwide ensures that staff in internal control functions are remunerated independently of the businesses they oversee

For our senior population in Control Functions (Risk, Compliance and Internal Audit), the majority of any APP award for 2024/25 was linked to the performance of the Control Function and individual performance. The individual performance objectives for all Control Function employees are also linked to delivering the objectives of the Control Function, with no financial or other metrics directly linked to the business areas they control, thereby ensuring the remuneration of these individuals is independent from the areas they oversee. Remuneration for the senior officers in Control Functions is directly overseen by the Remuneration Committee, with input on objectives and performance from the Board Risk Committee and Audit Committee, as appropriate. In all cases, award levels are set at a level which allows the Society to employ qualified and experienced individuals without compromising their objectivity and independence.

(v) Policies and criteria applied for the award of guaranteed variable remuneration and severance payments

Guaranteed variable remuneration is only awarded in exceptional circumstances, limited to new hires in the first year of service where the Society can demonstrate a strong and sound capital base. Any such payments would be made in line with the requirements of the UK Remuneration Code.

Payments on termination of employment are made in accordance with any contractual or other statutory entitlements (e.g. redundancy) and are made in a way that reflects performance over time and does not reward failure or misconduct.

(c) Description of the ways in which current and future risks are taken into account in the remuneration processes

In considering remuneration in the context of the Society's risk objectives, the Remuneration Committee takes into account a range of factors, including input from the Audit Committee and Board Risk Committee. Remuneration and risk adjustment outcomes are determined by reference to an assessment of our financial performance provided by the Audit Committee and an assessment of all types of current and future risk issues provided by the Board Risk Committee, supported by the risk management, audit and compliance functions.

The Society's Risk and Performance Adjustment Standard details our approach to ex ante risk adjustment and provides that performance will be assessed on an ongoing basis in the context of the Society's Risk Appetite and will take into account all relevant risk categories, for example, Operational and Conduct risk, Credit risk, Market risk and Liquidity and Funding risk. The approach includes an assessment of affordability in relation to the award or release of variable remuneration, consideration of the cost and quantity of capital and liquidity required, the consistency with the timing and likelihood of potential future revenues incorporated into current earnings, and an additional qualitative event-based overlay, applied by the Remuneration Committee at the recommendation of the Audit Committee, Board Risk Committee or Chief Risk Officer (CRO), to take account of any other exceptional events which may also need to be taken into consideration.

The Committee may reduce or cancel the payment of variable remuneration where it deems appropriate in light of any emerging or potential risks.

Details of the approach to ex post risk adjustment are included in section (f)(ii).

(d) The ratios between fixed and variable remuneration

The total value of any variable pay in respect of 2024/25 was not greater than 3.3 times the total value of fixed remuneration (base salary, pension payments and other benefits) on an individual basis. Details of our executive directors' remuneration for the year ending 31 March 2025 can be found in the Report of the Directors on Remuneration set out in the Annual Report and Accounts 2025.

(e) Description of the ways in which Nationwide seeks to link performance during a performance measurement period with levels of remuneration:

(i) An overview of main performance criteria and metrics for institution, business lines and individuals

Annual Performance Pay

APP outcomes for 2024/25 for all eligible colleagues were determined by reference to consistent Society gateways, performance measures and two separate individual performance ratings reflecting both delivery and behaviours. Society-wide performance measures are based on challenging strategic and financial measures drawn from the Society's Plan and for 2024/25 reflected the measures set out below.

- Number of engaged customers;
- Customer Experience Score;
- Total costs;
- Heard good things about Nationwide; and
- Delivery against the Society's strategic priorities via the Executive Scorecard Element (for executive directors only).

Three 'gateways' must be passed before any payment is made under the APP plan, based on measures of profit before tax, leverage ratio and conduct risk. If certain thresholds in respect of these gateways are not met, then scale back may be applied (including reducing awards to zero). The Remuneration Committee must also be satisfied that there are no significant current or future conduct, reputational, financial, operational risks or other reasons why awards should not be made, considering input from the Board Risk and Audit Committees.

Individual performance is also rewarded under the scheme, considering both the 'what' and the 'how', with objectives aligned to the Society's strategy as well as individual conduct and behaviours. Senior individuals may have performance goals that are linked to the performance of the department or business line in which they are based. For control function staff, APP awards are primarily linked to the performance of the specific function rather than the business line which they oversee.

To receive an award under the APP plan, all employees, including MRTs, must meet a satisfactory level of individual performance, assessed against the delivery of individual goals, conduct and behaviours. Awards are scaled back, including to zero, where an individual has not achieved a satisfactory level of performance.

Long-Term Performance Pay

LTPP awards are granted subject to the achievement of satisfactory performance during the year prior to grant. Awards are then subject to a future-looking three-year performance period, with outcomes determined by reference to a balanced scorecard of financial and non-financial objectives. For LTPP awards in respect of 2024/25, this scorecard will reflect the measures set out below.

- Financial goals;
- Customer service satisfaction;
- Risk and Compliance; and
- Transformation goals, including Environmental, Social and Governance (ESG) objectives, aligned with the sub-group's strategic drivers.

The 'gateways' described above in relation to the APP plan will also apply to LTPP awards.

Further details of the measures, targets and performance outcomes for 2024/25 can be found in the Report of the Directors on Remuneration set out in the Annual Report and Accounts 2025.

(ii) An overview of how amounts of individual variable remuneration are linked to Nationwide's and individual performance

In respect of both our APP and LTPP plans, employees have on-target and maximum award opportunities which are set at the start of the performance year and reflect the individual's role and seniority. Individual award outcomes will be determined by reference to an assessment of the performance measures set out above.

(iii) Information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments

In line with the requirements of the UK Remuneration Code, at least 50% of variable remuneration awarded to MRTs is paid in cash linked to the value of Nationwide's core capital deferred shares ('CCDS') over the relevant deferral and retention periods. For these purposes, the value of CCDS may be adjusted to remove the impact of long-term interest rates. The remainder of any awards is paid in cash.

Given the Society's mutual status, other forms of non-cash instrument are not readily available for the purposes of meeting the requirements of the UK Remuneration Code, and the Remuneration Committee has determined that our approach is appropriate.

(iv) Information of the measures Nationwide will implement to adjust variable remuneration in the event that performance metrics are weak, including criteria for determining "weak" performance metrics

As detailed above, there are three gateway measures that must be passed before any payment is made under either the APP arrangement or the LTPP plan that applied for 2024/25. The Remuneration Committee receives input, including from the Board Risk Committee, Audit Committee and the CRO, in determining the extent to which these gateways are met, and if certain thresholds are not met in respect of these gateways, then awards may be scaled back, including to zero. The three gateways cover profit before tax and leverage ratio, to ensure affordability and the Society's ongoing stability are considered, as well as an assessment of conduct risk.

Under both the LTPP and APP plans, performance is assessed against a balanced scorecard of measures, which include a range of financial and non-financial measures, with maximum, target and threshold levels of performance determined by the Remuneration Committee at the start of the performance period. Awards are determined following the end of the performance period based on the extent to which the performance targets have been satisfied. No awards will be made where performance has not met the threshold target.

In considering any formulaic outcomes of the measures and financial gateways, the Committee will determine whether these are a true reflection of performance or whether any further discretionary adjustments should be applied.

All variable pay is subject to a robust risk assessment in advance of the payment of any awards. The Remuneration Committee must be satisfied that there are no significant current or future conduct, reputational, financial, operational risks or other reasons why awards should not be made, considering input from the Board Risk and Audit Committees.

(f) Description of the ways in which Nationwide seeks to adjust remuneration to take account of long-term performance:

(i) An overview of Nationwide's policy on deferral, payout in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff

For all MRT roles, variable pay awards are subject to deferral. A Society-wide deferral approach also applies to non-MRTs, whereby a portion of awards above a specified threshold will be deferred. Our approach to deferral for 2024/25 variable pay awards, as set out below, provides that the time horizons and level of deferral will vary considering seniority, role and level of remuneration, including whether the individual meets the 'higher paid' criteria as set out in the UK Remuneration Code.

For executive members of the Society Board and other PRA-designated Senior Managers meeting the 'higher paid' criteria for whom total variable pay exceeds £500,000, up to 40% of each individual's overall variable pay (i.e., across both the APP and LTPP plans where individuals are eligible to receive awards under both plans), vests in the following year and the remaining amount is deferred, payable between years three and seven following the date of award. A minimum of 50% of both the upfront portion and the deferred portion is linked to the performance of Nationwide's CCDS, adjusted to reflect the absence of distributions. CCDS linked elements are paid in cash following a twelve-month retention period.

For PRA-designated Senior Managers meeting the 'higher paid' criteria for whom total variable pay does not exceed £500,000, up to 60% of each individual's overall variable pay vests in the following year and the remaining amount is deferred, payable between years three and seven following the date of award. A minimum of 50% of both the upfront portion and the deferred portion is linked to the performance of Nationwide's CCDS, adjusted to reflect the absence of distributions. CCDS linked elements are paid in cash following a twelve-month retention period.

For PRA-designated Senior Managers not meeting the "higher paid" criteria, FCA-designated Senior Managers, other members of senior management, and "higher paid" MRTs meeting the requirements for five-year deferral, up to 60% of each individual's overall variable pay vests in the following year and the remaining amount is deferred, payable over five years following the date of award. A minimum of 50% of both the upfront portion and the deferred portion is linked to the performance of Nationwide's CCDS, adjusted to reflect the absence of distributions. CCDS linked elements are paid in cash following a twelve-month retention period.

For all other MRTs who are subject to the UK Remuneration Code requirements in full, up to 60% of each individual's overall variable pay vests following the year and the remaining amount is deferred, payable over four years following the date of award. A minimum of 50% of both the upfront portion and the deferred portion is linked to the performance of Nationwide's CCDS, adjusted to reflect the absence of distributions. CCDS linked elements are paid in cash following a twelve-month retention period.

For other employees, where APP awards exceed £80,000 a portion will be deferred over four years following the date of award, with all payments made in cash.

(ii) Information of Nationwide's criteria for ex post adjustments (malus during deferral and clawback after vesting, if permitted by national law)

All variable pay awards made to MRTs are subject to malus and clawback arrangements. Awards are subject to clawback for a minimum of five and up to seven years from when the award is made. For PRA and FCA-designated Senior Managers, awards are subject to clawback for up to ten years in the event of ongoing internal/regulatory investigation at the end of a seven-year period, in line with regulatory requirements. These requirements will continue to apply if the individual leaves employment.

The circumstances in which ex post adjustment may be applied include, but are not limited to:

- where the Committee believes that the variable pay outcomes are not representative of overall performance or are otherwise unaffordable;
- if it emerges that the original assessment of performance was misleading, or where there is a material downturn in financial performance over the deferral or retention period;
- where the sub-group, any sub-group entity, or any relevant business area suffers a material failure of risk management;
- where there is evidence that an employee participated in or was responsible for conduct which resulted in significant losses to Nationwide or the Society or failed to meet appropriate standards of fitness or propriety; and
- there is reasonable evidence of employee misbehaviour or misconduct or direct or indirect accountability for a material failure of risk management or misconduct.

All participants in variable pay plans are not allowed to undermine the performance of the arrangement or the Society or Nationwide's ability to take action in relation to their variable pay as a result of any form of risk exposure, by using personal investment strategies, such as hedging or taking out liability related insurance contracts.

(iii) Where applicable, shareholding requirements that may be imposed on identified staff

Not applicable given Nationwide's mutual status.

(g) The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR

Performance is assessed under both the APP and LTPP arrangements using challenging strategic and financial measures.

Further details are included in section (e) and in the Report of the Directors on Remuneration set out in the Annual Report and Accounts 2025.

(h) The total remuneration for each member of the management body or senior management

Details of the remuneration of our executive and non-executive directors can be found in the Report of the Directors on Remuneration set out in Annual Report and Accounts 2025.

(i) Information on whether Nationwide benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR:

The Society is a proportionality Level 1 firm in the UK and therefore applies the requirements of the remuneration part of the UK Remuneration Code in full.

The Society applies the derogation laid down in Article 94(3)(b) of CRD where an individual's annual variable remuneration (a) does not exceed £44,000 and (b) does not represent more than one third of the individual's total annual remuneration.

Details of the staff in relation to which this derogation was applied in respect of 2024/25 are set out below:

Number of staff benefiting from the derogation laid down in Article 94(3)(b) of CRD for 2024/25	Total fixed remuneration	Total variable remuneration
19	£3,103,709	£686,320

(j) Information on the remuneration of their collective management body (Article 450(2) CRR)

See tables UK REM1 to UKREM5

18.2.UK REM1 - Remuneration awarded for the financial year[1]

UK REM1 - Remuneration awarded for the financial year - 31 Mar 2025			a	b	c	d
£m			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	11	3	10	79
2		Total fixed remuneration	2.2	2.6	5.3	19.1
3		Of which: cash-based	2.2	2.6	5.3	19.1
UK-4a		Of which: shares or equivalent ownership interests	–	–	–	–
5		Of which: share-linked instruments or equivalent non-cash instruments	–	–	–	–
UK-5x		Of which: other instruments	–	–	–	–
7		Of which: other forms	–	–	–	–
9	Variable remuneration	Number of identified staff	–	2	10	78
10		Total variable remuneration	–	5.7	5.5	10.1
11		Of which: cash-based	–	2.4	2.6	4.9
12		Of which: deferred	–	1.7	1.4	1.3
UK-13a		Of which: shares or equivalent ownership interests	–	–	–	–
UK-14a		Of which: deferred	–	–	–	–
UK-13b		Of which: share-linked instruments or equivalent non-cash instruments	–	3.3	2.9	5.2
UK-14b		Of which: deferred	–	2.5	1.7	2.4
UK-14x		Of which: other instruments	–	–	–	–
UK-14y		Of which: deferred	–	–	–	–
15		Of which: other forms	–	–	–	–
16		Of which: deferred	–	–	–	–
17	**Total remuneration (2 + 10)**		2.2	8.3	10.8	29.2

UK REM1 - Remuneration awarded for the financial year - 04 Apr 2024			a	b	c	d
£m			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	11	2	10	81
2		Total fixed remuneration	2.0	2.3	5.4	17.7
3		Of which: cash-based	2.0	2.3	5.4	17.7
UK-4a		Of which: shares or equivalent ownership interests	–	–	–	–
5		Of which: share-linked instruments or equivalent non-cash instruments	–	–	–	–
UK-5x		Of which: other instruments	–	–	–	–
7		Of which: other forms	–	–	–	–
9	Variable remuneration	Number of identified staff	–	2	10	74
10		Total variable remuneration	–	4.6	5.8	9.3
11		Of which: cash-based	–	2.0	2.7	4.6
12		Of which: deferred	–	1.2	1.4	1.2
UK-13a		Of which: shares or equivalent ownership interests	–	–	–	–
UK-14a		Of which: deferred	–	–	–	–
UK-13b		Of which: share-linked instruments or equivalent non-cash instruments	–	2.6	3.1	4.7
UK-14b		Of which: deferred	–	1.8	1.8	2.3
UK-14x		Of which: other instruments	–	–	–	–
UK-14y		Of which: deferred	–	–	–	–
15		Of which: other forms	–	–	–	–
16		Of which: deferred	–	–	–	–
17	Total remuneration (2 + 10)		2.0	6.9	11.2	27.0

Note:
[1] Certain rows of this table have not been presented as they are not applicable in the UK

18.3.UK REM2 - Special payments to staff whose professional activities have a material impact on risk profile

UK REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) - 31 Mar 2025		a	b	c	d
£m		**MB Supervisory function**	**MB Management function**	**Other senior management**	**Other identified staff**
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	–	–	–	–
2	Guaranteed variable remuneration awards -Total amount	–	–	–	–
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	–	–	–	–
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	–	–	–	–
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	–	–	–	–
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff	–	–	–	**1**
7	Severance payments awarded during the financial year - Total amount	–	–	–	**0.1**
8	Of which paid during the financial year	–	–	–	**0.1**
9	Of which deferred	–	–	–	–
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	–	–	–	**0.1**
11	Of which highest payment that has been awarded to a single person	–	–	–	**0.1**

UK REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) - 04 Apr 2024		a	b	c	d
£m		MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	–	–	–	4
2	Guaranteed variable remuneration awards -Total amount	–	–	–	0.6
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	–	–	–	–
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	–	–	–	–
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	–	–	–	–
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff	–	–	–	5
7	Severance payments awarded during the financial year - Total amount	–	–	–	0.2
8	Of which paid during the financial year	–	–	–	0.2
9	Of which deferred	–	–	–	–
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	–	–	–	0.2
11	Of which highest payment that has been awarded to a single person	–	–	–	0.1

18.4.UK REM3 - Deferred remuneration

UK REM3 - Deferred remuneration - 31 Mar 2025		a	b	c	d	e	f	UK - g	UK - h
£m	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods[1]	Of which due to vest in the financial year[2]	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)[3]	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year[4]	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods[4]
1	**MB Supervisory function**								
2	Cash-based	–	–	–	–	–	–	–	–
3	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
4	Share-linked instruments or equivalent non-cash instruments	–	–	–	–	–	–	–	–
5	Other instruments	–	–	–	–	–	–	–	–
6	Other forms	–	–	–	–	–	–	–	–
7	**MB Management function**	**7.3**	**0.4**	**6.9**	**–**	**–**	**–**	**0.4**	**–**
8	Cash-based	2.7	0.1	2.6	–	–	–	0.1	–
9	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
10	Share-linked instruments or equivalent non-cash instruments	4.6	0.3	4.3	–	–	–	0.3	–
11	Other instruments	–	–	–	–	–	–	–	–
12	Other forms	–	–	–	–	–	–	–	–
13	**Other senior management**	**7.0**	**0.6**	**6.4**	**–**	**–**	**–**	**0.6**	**–**
14	Cash-based	2.6	0.2	2.3	–	–	–	0.2	–
15	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
16	Share-linked instruments or equivalent non-cash instruments	4.4	0.4	4.1	–	–	–	0.4	–
17	Other instruments	–	–	–	–	–	–	–	–
18	Other forms	–	–	–	–	–	–	–	–
19	**Other identified staff**	**7.5**	**1.0**	**6.6**	**–**	**–**	**–**	**1.0**	**–**
20	Cash-based	2.2	0.4	1.9	–	–	–	0.4	–
21	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
22	Share-linked instruments or equivalent non-cash instruments	5.3	0.6	4.7	–	–	–	0.6	–
23	Other instruments	–	–	–	–	–	–	–	–
24	Other forms	–	–	–	–	–	–	–	–
25	**Total amount**	**21.8**	**2.0**	**19.9**	**–**	**–**	**–**	**2.0**	**–**

Notes:
[1] This is the total value of deferred remuneration awarded for previous performance periods as at 5 April 2024, prior to any changes of value due to ex-post adjustment or changes to the prices of instruments. This excludes non-deferred CCDS-linked elements of remuneration that are subject to a retention period
[2] This is the value that was due to be paid out in the financial year ending 31 March 2025, prior to any changes of value of deferred remuneration due to ex-post adjustment or changes to the prices of instruments
[3] This reflects the change in value of deferred remuneration paid out in the financial year
[4] For the purposes of this table amounts shown in column G are amounts paid out in the financial year post any retention period

UK REM3 - Deferred remuneration - 04 Apr 2024

£m	Deferred and retained remuneration	a Total amount of deferred remuneration awarded for previous performance periods[1,5]	b Of which due to vest in the financial year[2]	c Of which vesting in subsequent financial years[5]	d Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	e Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	f Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)[3]	UK - g Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year[4]	UK - h Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods[4]
1	MB Supervisory function	–	–	–	–	–	–	–	–
2	Cash-based	–	–	–	–	–	–	–	–
3	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
4	Share-linked instruments or equivalent non-cash instruments	–	–	–	–	–	–	–	–
5	Other instruments	–	–	–	–	–	–	–	–
6	Other forms	–	–	–	–	–	–	–	–
7	MB Management function	4.4	0.4	4.0	–	–	(0.1)	0.3	–
8	Cash-based	1.4	–	1.4	–	–	–	–	–
9	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
10	Share-linked instruments or equivalent non-cash instruments	3.0	0.4	2.6	–	–	(0.1)	0.3	–
11	Other instruments	–	–	–	–	–	–	–	–
12	Other forms	–	–	–	–	–	–	–	–
13	Other senior management	4.5	0.4	4.1	–	–	–	0.4	–
14	Cash-based	1.6	0.3	1.3	–	–	–	0.3	–
15	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
16	Share-linked instruments or equivalent non-cash instruments	2.9	0.1	2.8	–	–	–	0.1	–
17	Other instruments	–	–	–	–	–	–	–	–
18	Other forms	–	–	–	–	–	–	–	–
19	Other identified staff	5.0	0.9	4.1	–	–	(0.1)	0.8	–
20	Cash-based	1.5	0.4	1.1	–	–	–	0.4	–
21	Shares or equivalent ownership interests	–	–	–	–	–	–	–	–
22	Share-linked instruments or equivalent non-cash instruments	3.5	0.5	3.0	–	–	(0.1)	0.4	–
23	Other instruments	–	–	–	–	–	–	–	–
24	Other forms	–	–	–	–	–	–	–	–
25	Total amount	13.9	1.7	12.2	–	–	(0.2)	1.5	–

Notes:

[1] This is the total value of deferred remuneration awarded for previous performance periods as at 5 April 2023, prior to any changes of value due to ex-post adjustment or changes to the prices of instruments

[2] This is the value that was due to be paid out in the financial year ending 4 April 2024, prior to any changes of value of deferred remuneration due to ex-post adjustment or changes to the prices of instruments

[3] This reflects the change in value of deferred remuneration paid out in the financial year

[4] For the purposes of this table amounts shown in column G are amounts paid out in the financial year post any retention period

[5] Figures restated due to change in calculation methodology to remove non-deferred CCDS-linked elements of remuneration that are subject to a retention period

18.5.UK REM4 - Remuneration of 1 million EUR or more per year

UK REM4 - Remuneration of 1 million EUR or more per year

		a	a
		31 Mar 2025	04 Apr 2024
	EUR	**Identified staff that are high earners as set out in Article 450(i) CRR**	Identified staff that are high earners as set out in Article 450(i) CRR
1	*1,000,000 to below 1,500,000*	**3**	6
2	*1,500,000 to below 2,000,000*	**3**	1
3	*2,000,000 to below 2,500,000*	**1**	1
4	*2,500,000 to below 3,000,000*	**1**	1
5	*3,000,000 to below 3,500,000*	**–**	–
6	*3,500,000 to below 4,000,000*	**–**	–
7	*4,000,000 to below 4,500,000*	**–**	–
8	*4,500,000 to below 5,000,000*	**–**	–
9	*5,000,000 to below 6,000,000*	**–**	1
10	*6,000,000 to below 7,000,000*	**–**	–
11	*7,000,000 to below 8,000,000*	**1**	–

18.6.UK REM5 - Information on remuneration of staff whose professional activities have a material impact on risk profile

UK REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) - 31 Mar 2025

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			**Business areas**						
	£m	**MB Supervisory function**	**MB Management function**	**Total MB**	**Investment banking**	**Retail banking**	**Asset management**	**Corporate functions**	**Independent internal control functions**	**All other**	**Total**
1	**Total number of identified staff**										**103**
2	Of which: members of the MB	**11**	**3**	**14**							
3	Of which: other senior management				**–**	**4**	**–**	**5**	**1**	**–**	
4	Of which: other identified staff				**–**	**14**	**–**	**38**	**27**	**–**	
5	**Total remuneration of identified staff**	**2.2**	**8.3**	**10.5**	**–**	**9.7**	**–**	**21.0**	**9.2**	**–**	
6	Of which: variable remuneration	**–**	**5.7**	**5.7**	**–**	**4.1**	**–**	**8.5**	**3.0**	**–**	
7	Of which: fixed remuneration	**2.2**	**2.6**	**4.8**	**–**	**5.6**	**–**	**12.5**	**6.2**	**–**	

UK REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) - 04 Apr 2024

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
	£m	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										104
2	Of which: members of the MB	11	2	13							
3	Of which: other senior management				–	4	–	4	2	–	
4	Of which: other identified staff				–	15	–	39	27	–	
5	Total remuneration of identified staff	2.0	6.9	8.9	–	9.5	–	19.7	9.0	–	
6	Of which: variable remuneration	–	4.6	4.6	–	4.0	–	8.3	2.8	–	
7	Of which: fixed remuneration	2.0	2.3	4.3	–	5.5	–	11.4	6.2	–	

19 Annex XXXV | Encumbered and unencumbered assets

19.1. UK AE1 - Encumbered and unencumbered assets

UK AE1 - Encumbered and unencumbered assets - 31 Mar 2025

£m		010	030	040	050	060	080	090	100
		Carrying amount of encumbered assets		**Fair value of encumbered assets**		**Carrying amount of unencumbered assets**		**Fair value of unencumbered assets**	
			of which notionally eligible EHQLA and HQLA		**of which notionally eligible EHQLA and HQLA**		**of which EHQLA and HQLA**		**of which EHQLA and HQLA**
010	**Assets of the reporting institution**	**38,063**	**2,253**			**246,743**	**46,402**		
030	Equity instruments	**–**	**–**	**–**	**–**	**60**	**–**	**60**	**–**
040	Debt securities	**3,414**	**1,621**	**3,414**	**1,621**	**21,961**	**20,874**	**21,961**	**20,874**
050	of which: covered bonds	**54**	**54**	**54**	**54**	**2,819**	**2,792**	**2,819**	**2,792**
060	of which: securitisations	**–**	**–**	**–**	**–**	**1,274**	**816**	**1,274**	**816**
070	of which: issued by general governments	**3,057**	**1,284**	**3,057**	**1,284**	**15,633**	**14,998**	**15,633**	**14,998**
080	of which: issued by financial corporations	**262**	**262**	**262**	**262**	**6,405**	**5,769**	**6,405**	**5,769**
090	of which: issued by non-financial corporations	**–**	**–**	**–**	**–**	**3**	**–**	**3**	**–**
120	Other assets	**35,328**	**–**			**224,796**	**25,423**		

UK AE1 - Encumbered and unencumbered assets - 04 Apr 2024

£m		010	030	040	050	060	080	090	100
		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
010	Assets of the reporting institution	47,586	2,253			232,422	57,478		
030	Equity instruments	–	–	–	–	62	–	62	–
040	Debt securities	3,756	2,253	3,756	2,253	23,076	22,728	23,076	22,728
050	of which: covered bonds	62	62	62	62	2,919	2,919	2,919	2,919
060	of which: securitisations	–	–	–	–	1,766	829	1,766	829
070	of which: issued by general governments	3,008	1,506	3,008	1,506	16,791	16,476	16,791	16,759
080	of which: issued by financial corporations	748	748	748	748	6,337	5,786	6,337	5,786
090	of which: issued by non-financial corporations	–	–	–	–	3	–	3	–
120	Other assets	44,866	–			213,039	34,015		

19.2.UK AE2 - Collateral received and own debt securities issued

UK AE2 - Collateral received and own debt securities issued - 31 Mar 2025					
		010	030	040	060
		Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
				Fair value of collateral received or own debt securities issued available for encumbrance	
£m			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
130	**Collateral received by the reporting institution**	–	–	5,884	1,487
140	Loans on demand	–	–	4,398	–
150	Equity instruments	–	–	–	–
160	Debt securities	–	–	1,487	1,487
170	of which: covered bonds	–	–	–	–
180	of which: securitisations	–	–	–	–
190	of which: issued by general governments	–	–	1,487	1,487
200	of which: issued by financial corporations	–	–	–	–
210	of which: issued by non-financial corporations	–	–	–	–
220	Loans and advances other than loans on demand	–	–	–	–
230	Other collateral received	–	–	–	–
240	**Own debt securities issued other than own covered bonds or securitisations**	–	–	–	–
241	**Own covered bonds and asset-backed securities issued and not yet pledged**			1,803	–
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	38,063	1,621		

UK AE2 - Collateral received and own debt securities issued - 04 Apr 2024					
		010	030	040	060
		Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
				Fair value of collateral received or own debt securities issued available for encumbrance	
£m			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
130	Collateral received by the reporting institution	–	–	7,428	257
140	Loans on demand	–	–	6,301	–
150	Equity instruments	–	–	–	–
160	Debt securities	–	–	319	257
170	of which: covered bonds	–	–	–	–
180	of which: securitisations	–	–	168	–
190	of which: issued by general governments	–	–	67	67
200	of which: issued by financial corporations	–	–	242	–
210	of which: issued by non-financial corporations	–	–	–	–
220	Loans and advances other than loans on demand	–	–	–	–
230	Other collateral received	–	–	–	–
240	Own debt securities issued other than own covered bonds or securitisations	–	–	–	–
241	Own covered bonds and asset-backed securities issued and not yet pledged			815	–
250	TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	47,586	2,253		

19.3.UK AE3 - Sources of encumbrance

UK AE3 - Sources of encumbrance					
		010	030	010	030
		31 Mar 2025		04 Apr 2024	
£m		**Matching liabilities, contingent liabilities or securities lent**	**Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered**	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
010	**Carrying amount of selected financial liabilities**	**28,434**	**36,497**	35,358	45,103

19.4.UK AE4 - Accompanying narrative information

(a) Information on asset encumbrance

Encumbrance arises where assets are pledged as collateral against secured funding and other collateralised obligations and therefore cannot be used for other purposes.

Nationwide maintains a level of encumbrance commensurate with the scale and scope of its business operations, within the context of a robust and diversified funding capability. The Board is responsible for setting risk appetite with respect to levels of liquidity and funding risks, including asset encumbrance. Nationwide's limit framework ensures the amount of assets it encumbers during normal business conditions is limited so that sufficient contingent funding capacity is retained in the event of a stress.

Accounting values are used in all tables, these reflect the median of the sums of the four quarterly end-of-period values over the previous year as prescribed by regulatory requirements.

The consolidation scope applied for the purposes of asset encumbrance disclosures is consistent with those applied for liquidity requirements.

There are also no differences between the treatment of transactions which have been deemed to have been pledged or transferred compared to their encumbrance status.

(b) Information on the impact of the business model on assets encumbrance and the importance of encumbrance to Nationwide's business model:

(i) the main sources and types of encumbrance

Most of Nationwide's asset encumbrance arises from the use of owner-occupied mortgages to collateralise its secured funding programmes as shown in the Other Assets row in table UK AE1, namely the Covered Bond and Silverstone Residential Mortgage-Backed Securities programmes and, prior to the repayment of its drawings, from Nationwide's participation in the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME). Nationwide also undertakes securities financing transactions in the form of repurchase (repo) agreements where cash is borrowed in return for pledging assets as collateral.

Nationwide both pledges and receives collateral from margining requirements on transactions conducted under the terms of ISDA, CSA, Global Master Securities Lending Agreements (GMSLA) and Global Master Repurchase Agreements (GMRA).

(ii) the structure of encumbrance between entities within a group

There is no material difference in the level of encumbrance of Nationwide entities on a Society or sub-group basis.

(iii) information on over-collateralisation

A buffer of over-collateralisation is voluntarily maintained for operational efficiency across Nationwide's secured funding programmes. Nationwide Covered Bond programme has an asset pool of c.£23.8 billion and c.£16.8 billion of notes outstanding, whilst the Silverstone programme has an asset pool of c.£13.0 billion and c.£7.0 billion of notes. Collateral in the Covered Bond pools over and above the minimum over-collateralisation required is not considered encumbered as it can be freely withdrawn. The minimum required over-collateralisation is the greater of that required to (a) maintain the rating (pass the contractual Asset Coverage Test) and, (b) comply with the statutory 8% minimum over-collateralisation. Conversely over-collateralisation in Silverstone asset pool is considered encumbered as it cannot be freely withdrawn.

(iv) additional information on encumbrance of assets

Most encumbered assets are denominated in sterling given they primarily relate to the use of mortgages originated in the UK.

(v) proportion of items included in column 060 'Carrying amount of unencumbered assets' in template UK AE1 that Nationwide would not deem available for encumbrance in the normal course of its business

The majority of unencumbered assets comprise owner-occupied or buy to let mortgages, providing Nationwide with high levels of contingent funding capacity, with only a small proportion of assets deemed unavailable for encumbrance which primarily consist of derivative and intangible assets.

(vi) the amount of underlying assets and of cover pool assets of retained securitisations and retained covered bonds

Nationwide retains approximately £3.6 billion of Silverstone RMBS, some of which are (i) encumbered and pledged to the Nationwide Pension Fund, (ii) currently unencumbered but may be pledged to 3rd parties and become encumbered, and (iii) currently unencumbered but may subsequently be sold in the secondary market. The remaining retained notes consist of the seller share required to support the programme rating which are unencumbered. The assets in the Silverstone cover pool are considered encumbered for regulatory reporting purposes. Nationwide does not retain any Covered Bond notes.

(vii) the impact of Nationwide's business model on their level of encumbrance

Most of Nationwide's asset encumbrance arises from the use of owner-occupied mortgages to collateralise its secured funding programmes as shown in the Other Assets row in table UK AE1, namely the Covered Bond and Silverstone RMBS programmes and, prior to the repayment of its drawings, from Nationwide's participation in the Bank of England's TFSME.

There is a limited volume of assets encumbered without an associated liability, including assets ringfenced to facilitate payment systems.

(viii) additional information on the breakdown of rows in the templates UK AE1, UK AE2 and UK AE3

Row 120 of template UK AE1 "Other assets" primarily relates to loans and advances, with encumbrance arising where mortgages are used as collateral for secured funding programmes and, prior to the repayment of its drawings, Nationwide's participation in TFSME, with the corresponding liabilities included in Row 010 of template UK AE3 "Carrying amount of selected financial liabilities".

20 Annex XXXVII | Interest rate risk in the banking book (IRRBB)

20.1.UK IRRBBA - IRRBB risk management objectives and policies

Qualitative disclosures:

(a) How Nationwide defines, measures, mitigates and controls IRRBB for the purposes of risk control and measurement

Nationwide's interest rate risk arises in the banking book; it does not have a trading book. Interest rate risk, which is defined as the impact of market movements in interest rates, which affect interest rate margin realised from lending and borrowing activities, is a key component of Nationwide's market risk framework.

The Board is responsible for setting market risk appetite and the Assets and Liabilities Committee (ALCO) is responsible for managing Nationwide's market risk profile, including interest rate risk, within this defined risk appetite.

Market risk is managed within a comprehensive risk framework which includes policies, limit setting and monitoring, stress testing and robust governance controls. This includes setting and monitoring more granular limits within Board limits, with relevant risk metrics reported monthly to ALCO. Governance and controls are also in place for the models and systems which are used to measure interest rate risk.

Consistent with other risk categories, IRRBB is subject to Nationwide's Three Lines of Defence model with oversight undertaken by Second Line and assurance provided by Third Line (Internal Audit). This includes an independent Model Risk Oversight function which sets validation standards and undertakes initial and regular validation of models.

The key market risks to which Nationwide is exposed are:

- interest rate risk (including Basis risk and Structural interest rate risk);
- credit spread risk; and
- product option risk (fixed-rate mortgage prepayment and take-up risk and fixed-rate savings access risk).

Refer to the Market Risk section of the Risk Report within the Annual Report and Accounts 2025 for further details of these specific risk types.

(b) Nationwide's overall IRRBB management and mitigation strategies

Interest rate risk specifically is managed and mitigated through a combination of:

- monitoring and reporting risk exposures;
- matching or offsetting exposures;
- appropriate use of derivatives;
- the design of appropriate product features, such as early repayment charges; and
- setting an appropriate internal transfer price for product risks.

(c) The periodicity of the calculation of Nationwide's IRRBB measures

Interest rate risk is measured using a combination of value-based assessments and earnings sensitivity assessments. This includes Economic Value of Equity (EVE) and Net Interest Income (NII) sensitivities. EVE sensitivities and NII sensitivities are measured on a quarterly and monthly frequency respectively but can be assessed more frequently in the event of market conditions changing. Internal risk limits are also set for these metrics.

These measures are complemented by more granular metrics, such as PV01 and Value at Risk (VaR) risk limits set for sub-portfolios and risk types which are monitored daily. This includes risk metrics which measure the impact of the market value of treasury investments arising from changes in the spread between bond yields and swap rates (credit spread risk).

Models are also used to determine IRRBB capital requirements which includes product option risk. The output of the models is used as part of the annual Internal Capital Adequacy Assessment Process (ICAAP), with the outputs also monitored regularly for risk management purposes.

(d) Interest rate shock and stress scenarios that Nationwide uses to estimate changes in its economic value and in earnings

Nationwide's EVE and NII sensitivities are calculated in accordance with the PRA's regulatory requirements, with the following six prescribed interest rate shocks applied. Note that NII sensitivity is assessed against the parallel shock up and parallel shock down only.

- Parallel shock up;
- Parallel shock down;
- Steepener shock;
- Flattener shock;
- Short rates shock up; and
- Short rates shock down.

For the purposes of NII sensitivity, more likely rate shocks are assessed, which include +/- 25 and +/- 100 basis point changes in interest rates, with the Nationwide Board also monitoring NII sensitivity against its risk appetite.

(e) A high-level description of key modelling and parametric assumptions used in calculating change in economic value of equity (ΔEVE) and change in net interest income (ΔNII) in template UK IRRBB1

EVE sensitivity

The key assumptions used in calculating the EVE sensitivity shown in template UK IRRBB1 are as follows:

- the sensitivity represents the difference between the present value of assets and liabilities in a baseline scenario and the shock scenario;
- the balance sheet at the report date is run off over its remaining expected duration;
- the yield curve at the report date is instantaneously shocked in line with the six prescribed scenarios. This includes GBP rates being shocked by 250 basis points in the parallel shocks. A floor of -100 basis points is applied then unwound by 5 basis points per annum for twenty years until the rate returns to 0%. This floor and assumed recovery is consistent with regulations and is applied to the relevant shock scenarios where rates would otherwise become significantly negative;
- Nationwide's own equity is excluded;
- commercial margins are excluded from cash flows and discount rates;
- behavioural risk modelling is used to estimate the change in the extent to which customers use options contained in retail products, specifically the repayment of fixed-rate mortgages, the take-up of fixed-rate mortgage offers / pre-applications and the early access of fixed-rate savings products; and
- non-maturing deposits (NMDs) are assumed to reprice overnight unless they have been deemed to be rate-insensitive and stable, in which case they are assumed to reprice in line with their associated hedging.

Net Interest Income (NII) sensitivity

The key assumptions used in calculating the NII sensitivity shown in template UK IRRBB1 are as follows:

- static balance sheet over a one-year horizon, with all assets and liabilities maturing within the year reinvesting in like-for-like products;
- the prevailing interest rates at the report date are held constant over the one-year horizon to which instantaneous parallel interest rate shocks are applied, with GBP shocked at +/- 250 basis points. Unlike the EVE sensitivity, no rate floor is applied;
- it is assumed that changes in interest rates are fully passed through to retail products, which includes managed rate variable products;
- the sensitivities do not include any management actions which could be taken in response to a change in interest rates; and
- the values are reported on a pre-tax basis.

(f) Modelling assumptions used in Nationwide internal measurement systems (IMS) for purposes other than disclosure that differ from the modelling assumptions prescribed for the disclosure in template UK IRRBB1

The NII sensitivity presented in template UK IRRBB1 below assumes that the extent of the rate shock is fully passed through to managed rate retail mortgage and savings balances and fixed-rate mortgages and savings which reinvest during the one-year horizon. This can result in customer rates becoming negative.

For the purposes of internal reporting, which includes scenarios which apply less severe but more likely interest rate shocks, it is assumed that retail customer rates do not fall below 0 basis points. This reflects the possibility that customer rates may not become negative even if market rates did. The key impact of this assumption is additional NII sensitivity which arises from managed rate savings customer rates flooring at 0 basis points. The impact of this is described in section (h) below.

(g) How Nationwide hedges its IRRBB, as well as the associated accounting treatment

Interest rate risk is hedged primarily through a combination of matching or offsetting exposure and the appropriate use of derivatives.

Nationwide has structural hedging programmes in place to stabilise earnings as interest rates change on-balance-sheet items that have stable balances, have an interest rate that is fixed or are non-interest bearing and have no defined maturity date. The most material structural hedging programmes include General Reserves and Core Capital Deferred Shares (CCDS) and current accounts.

In addition to structural hedging programmes, Nationwide also undertakes other balance sheet hedging to mitigate the asymmetric risk which arises in very low or negative interest rate scenarios.

Details of the accounting treatment of Nationwide's derivatives and hedge accounting is set out in note 1 to the financial statements within the Annual Report and Accounts 2025.

(h) Other information regarding significance and sensitivity of the IRRBB measures

Below is a description of the key drivers of the EVE and NII sensitivities which are presented in template UK IRRBB1.

EVE sensitivity

EVE sensitivity, which is monitored quarterly, measures the change in the value of Nationwide's assets and liabilities, excluding equity, arising from a change in interest rates and is calculated on the following basis:

Nationwide's most severe EVE sensitivity is the parallel shock up, with a decline in EVE of £939 million (2024: £992 million). This represents a Supervisory Outlier Test (ΔEVE as a percentage of Tier 1 capital) result of 6.5% (2024: 6.2%), which is within the 15% regulatory threshold.

The most material driver of the sensitivity relates to CCDS and reserves structural hedging, with a decline in EVE of £911 million (2024: £860 million) arising from this due to the exclusion of Nationwide's own equity. Whilst CCDS and reserves structural hedging can have a significant impact in EVE sensitivity, it does reduce volatility in net interest margin which arises when interest rates change. This includes providing a positive contribution to income should rates fall over a short period of time, which is the case in the NII sensitivity parallel shock down scenario.

The remainder of the sensitivity primarily relates to the estimated change in customer behaviour and the extent to which they are assumed to use product optionality in the scenario and the impact of short-term timing mismatches which may arise from the hedging of fixed-rate retail products on a macro-portfolio level.

Most of Nationwide's EVE sensitivity arises in GBP due to Nationwide's hedging policy and strategy for non-GBP exposures.

Note that whilst treasury investments, which are subject to credit spread risk, are included in EVE sensitivity calculations, Nationwide's primary measurement of credit spread risk is through a VaR metric against which risk limits are set.

NII sensitivity

NII sensitivity, which is monitored monthly, measures the extent to which NII is affected by changes in interest rates and is calculated as follows:

NII sensitivities will vary over time due to several factors, such as the timing of maturing assets and liabilities, product pricing, market conditions, and strategic changes to the balance mix. As such, they should not be considered as a guide to future performance.

The parallel shock down, which assumes a 250-basis point reduction in GBP interest rates, is Nationwide's most severe NII sensitivity with a reduction in NII of £490 million (2024: £259 million). This is driven by changes in NII arising from various on-balance sheet items and a change in customer mortgage take-up behaviour. It also includes the positive contribution from structural hedging and other balance sheet hedging strategies, which partially offset the negative contribution to NII when rates fall from various on-balance sheet items.

The result is also influenced by the assumption that the rate change is fully passed through to managed rate retail mortgage and savings balances and fixed-rate mortgages and savings which reinvest during the one-year horizon. If a customer rate floor of 0 basis points were applied, the reduction in NII in this scenario would be £669 million (2024: £298 million).

Quantitative disclosures:

(i) Average repricing maturity assigned to non-maturity deposits (NMDs)

The average repricing maturity assigned to NMDs is 0.5 years (2024: 0.7 years). This is calculated using both balances which are assumed to reprice overnight (non-core) and those which have been assigned a term repricing profile (core).

(j) Longest repricing maturity assigned to NMDs.

The longest repricing maturity assigned is 5.0 years (2024: 5.0 years).

20.2. UK IRRBB1 - Quantitative information on IRRBB

UK IRRBB1 - Quantitative information on IRRBB		a	b	c	d	e	f
	In reporting currency	ΔEVE		ΔNII		Tier 1 capital	
£m	Period	31 Mar 25	04 Apr 24	31 Mar 25	04 Apr 24	31 Mar 25	04 Apr 24
010	Parallel shock up	(939)	(992)	15	(82)		
020	Parallel shock down	353	287	(490)	(259)		
030	Steepener shock	(35)	(72)				
040	Flattener shock	9	3				
050	Short rates shock up	(258)	(275)				
060	Short rates shock down	260	283				
070	**Maximum**	(939)	(992)	(490)	(259)		
080	**Tier 1 capital**					14,537	16,134

21 Annex XXXVIII | Other principal risks

21.1. Other business risks

Nationwide ensures that it can generate sustainable profits by focusing on recurrent sources of income that provide value commensurate with risk appetite. This risk is monitored as part of ongoing business performance reporting to, and through regular discussion of business model risks by, senior management and the Board.

Nationwide's business model is reliant on managing net interest margin – primarily the difference between the interest rates paid to savers and those received from mortgage holders. As inflationary pressures eased last year, the Bank of England reduced the Bank rate by 0.75% to 4.50% and this decrease affected both mortgage and savings rates with an associated slight reduction in margin as a result.

Nationwide operates in a highly competitive environment where incumbent banks and digital new entrants aim to attract and retain customers with a focus on service and product offerings. To mitigate the impact of this competition, Nationwide focuses on business efficiency, delivering key strategic initiatives and maintaining attractive customer propositions. This supports a financially sustainable and competitive position in our core retail and business banking markets.

21.2. Pension risk

Summary

Pension risk is defined as the risk that the value of the pension schemes' assets will be insufficient to meet the estimated liabilities, creating a pension deficit. Pension risk could negatively impact Nationwide's capital position and may result in increased cash funding obligations to the pension schemes.

Nationwide has funding obligations to a number of defined benefit pension schemes, of which the Nationwide Pension Fund (the Fund) represents over 99% of the Society's pension obligations. The Fund has approximately 29,000 participants (Fund members), the majority of whom are deferred members (former and current employee members, not yet retired). The Fund closed to new entrants in 2007 and closed to future accrual on 31 March 2021.

In accordance with UK legislation, the assets of the Fund are held in a legally separate trust from Nationwide's assets and are administered by a board of trustees (the Trustee) which has fiduciary responsibilities to Fund members.

Nationwide has a specialist pension risk management team responsible for regularly monitoring the financial risk to the Society from the Fund. This includes analysis, insight, risk appetite articulation and regular reporting to governance committees. The team maintains effective engagement with the Trustee in order to manage the long-term impact on Nationwide's capital and financial position. This is supported by Nationwide's representation at the Trustee's Investment and Funding Committee and investment working groups, and the sharing of management information between Nationwide and the Trustee for the consideration of specific risk management initiatives.

Pension risk is embedded into Nationwide's Enterprise Risk Management Framework and stress testing processes. Nationwide monitors the potential capital deterioration from the retirement benefit position that might occur in a 1-in-200-year stress test. Nationwide considers all pension regulation and legislation change which may impact Nationwide's obligations to the Fund.

Volatility in investment returns from the assets and the value of the liabilities both affect the Fund's net deficit or surplus position. The key risk factors which impact this position are asset performance, liabilities and actuarial assumptions. These factors can have a positive or negative impact on the Fund's position. For further details of these risk factors, Nationwide's approach to management of pension risk and the outlook for this risk, see the Risk Report section of the Annual Report and Accounts 2025.

Developments in the year

As the Fund is closed to future accrual, there were no employer contributions made in respect of future benefit accrual during the year. There were also no employer deficit contributions into the Fund for the year ended 31 March 2025 and none are scheduled for the year ending 31 March 2026. The effective date of the Fund's next Triennial Valuation is 31 March 2025.

Glossary

A more extensive glossary which corresponds to the Annual Report and Accounts 2025 can be reviewed at nationwide.co.uk.

A-IRB	Advanced Internal Ratings Based (see Internal ratings based approach).
Asset Backed Securities (ABS)	Securities that represent an interest in an underlying pool of referenced assets. The referenced pool can comprise any assets which attract a set of associated cash flows, including credit card assets, but are commonly pools of residential or commercial mortgages. Investors in these securities have the right to cash received from future payments (interest and or principal) on the underlying asset pool.
Basel III	The Basel Committee rules text, issued in December 2010, which presents the details of strengthened global regulatory standards on bank capital adequacy and liquidity. This has been implemented via the Capital Requirements Directive legislation.
Basel 3.1	UK reforms to the existing Basel III framework originally developed by the Basel Committee on Banking Supervision (BCBS). The proposals would, among other things, revise the calculation of RWAs by improving both the measurement of risk in internal models (IMs) and standardised approaches (SAs), and the comparability of risk measurement across firms.
Buy to Let Mortgages	Mortgages offered to customers purchasing residential property as a rental investment.
Capital Requirements Directive V (CRD V)	The supervisory framework which covers prudential rules for banks, building societies and investment firms in the UK.
Capital Requirements Regulation (CRR)	Regulation defining prudential requirements for capital, liquidity and credit risk for credit institutions and investment firms.
Capital Resources Requirement	The amount of capital that Nationwide is required to hold based upon the risks to which the business is exposed.
Collectively assessed impairments	Where a portfolio comprises assets with similar characteristics, collective impairment assessment takes place using appropriate statistical techniques. The collective assessment takes account of losses that will have taken place but are not yet identified.
Commercial lending	Loans secured on commercial property, loans to registered social landlords and loans relating to project finance.
Common Equity Tier 1 capital	The highest quality form of capital as defined by CRD IV, comprising accumulated reserves and qualifying instruments after regulatory deductions.
Common Equity Tier 1 (CET1) ratio	Common Equity Tier 1 capital expressed as a percentage of risk weighted assets.
Countercyclical capital buffer (CCyB)	Designed to counter procyclicality in the financial system ensuring that when cyclical system risk is increasing that institutions accumulate capital to create buffers that strengthen the resilience of the banking sector during periods of stress when losses materialise. This will help maintain the supply of credit to the economy and dampen the downswing of the financial cycle. The CCyB can also help dampen excessive credit growth during the upswing of the financial cycle.
Counterparty credit risk	Counterparty credit risk is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows.
Covered Bonds	Debt securities backed by a portfolio of mortgages that are segregated from the issuer's other assets to be solely for the benefit of the holders of the covered bonds.
Credit quality steps	A credit quality assessment scale as set out in CRD IV.

Credit risk	The risk of loss as a result of a customer or counterparty failing to meet their financial obligations.
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.
Default	Circumstances in which the probability of default is taken as 100% for the purposes of the calculation of regulatory capital and compliance with the Capital Requirements Directive IV (CRD IV) legislation. This is defined as when a borrower reaches a predefined arrears status or where a borrower is considered unlikely to repay the credit obligation in full without the lender taking action such as realising security. For further information see CRR article 178.
Exposure at Default (EAD)	An estimation of the amount of exposure that will be outstanding at the time of default.
European Banking Authority (EBA)	The independent EU authority which works to ensure effective and consistent prudential regulation and supervision across the European banking sector.
Expected credit loss (ECL)	The present value of all cash shortfalls over the expected life of the financial instrument. Term is used for the accounting for impairment provisions under the new IFRS 9 standard.
ECL 12 Month	Cash shortfalls resulting from default events that are possible in the next 12 months weighted by the probability of the default occurring.
ECL lifetime	Cash shortfalls resulting from default events that are possible over the remaining expected life of the loan, weighted by the probability of that default occurring.
Expected loss (EL)	A calculation to estimate the potential losses on current exposures due to potential defaults. It is the product of probability of default (PD), loss given default (LGD) and exposure at default (EAD).
Exposure	The maximum loss that a financial institution might suffer if a borrower, counterparty or group fails to meet their obligations or if assets and off-balance sheet positions have to be realised.
Exposure Value	A parameter used in IRB approaches to estimate the exposure (amount outstanding) at the time of default.
External Credit Assessment Institution	External Credit Assessment Institution (ECAI). An ECAI (e.g. Moody's, Standard and Poor's, Fitch) is an institution that assigns credit ratings to issuers of certain types of debt obligations as well as the debt instruments themselves.
Financial Conduct Authority (FCA)	The statutory body responsible for conduct of business regulation and supervision of UK authorised firms from 1 April 2013. The FCA also has responsibility for the prudential regulation of firms that do not fall within the Prudential Regulation Authority's (PRA's) scope.
Financial Services Authority (FSA)	The financial services industry regulator in the UK, before transition to the PRA and FCA in April 2013.
Forbearance	Forbearance takes place when a concession is made on the contractual terms of a loan to a customer that is experiencing or about to experience financial difficulties.
Foundation internal ratings based (F-IRB) approach	A method of calculating credit risk capital requirements using internal probability of default (PD) models but with regulators' supervisory estimates of loss given default (LGD) and conversion factors for the calculation of exposure at default. (EAD).
Funding Risk	Funding risk is the risk that Nationwide is unable to maintain diverse funding sources in wholesale and retail markets and manage retail funding risk that can arise from excessive concentrations of higher risk deposits.

Fair Value through other comprehensive income (FVOCI)	Financial assets held at fair value on the balance sheet with changes in fair value recognized through other comprehensive income.
Fair value through profit or loss (FVTPL)	Financial assets held at fair value on the balance sheet with changes in fair value being recognised through the income statement.
FX PRR	Foreign Exchange Position Risk Requirement. The capital requirement under CRR (Market risk) as part of the calculation of the market risk capital requirement.
Guarantee	An agreement by a third party to cover the potential loss to a credit institution should a specified counterparty default on their obligations.
ICA	Internal Capital Assessment the document produced as a result of the ICAAP.
ICR	Individual Capital Requirement. The minimum amount of capital the sub-group should hold as set by the PRA under Pillar 2 and informed by the ICAAP.
Individual consolidation	As per CRR article 6(1) referring to the application of prudential requirements to a single credit institution or investment firm, rather than a consolidated group. Individual consolidation under CRR article 9 is a method of allowing parent institutions to incorporate subsidiaries which meet specified conditions in the calculation of their requirement under CRR article 6(1).
Internal capital adequacy assessment process (ICAAP)	The sub-group's own assessment of the levels of capital that it needs to hold in respect of its regulatory capital requirements for credit, market and operational risks as well as for other risks including stress events.
Impaired loans	Loans which are three or more months in arrears, or which have individual provisions raised against them.
Individually assessed impairments	Residential loans are assessed individually for impairment when they are in possession. Commercial loans are assessed individually for impairment when there is objective evidence that an impairment loss has occurred.
Interest rate risk	Interest rate risk is the exposure of a firm's financial condition to adverse movements in interest rates.
Internal ratings based approach (IRB)	An approach for measuring exposure to credit risks. IRB approaches are more sophisticated and risk sensitive than the Standardised approach and may be Foundation or Advanced. IRB approaches may only be used with Prudential Regulation Authority (PRA) permission.
International Swaps and Derivatives Association (ISDA) master agreement	A standardised contract developed by ISDA and used to enter into bilateral derivatives transactions. The contracts grant legal rights of set-off for derivative transactions with the same counterparty. This reduces the credit risk of the derivatives to the extent that negative values offset positive values.
Legacy Mortgages	Self-certified, near prime and sub-prime lending, all of which were discontinued in 2009
Leverage ratio	A ratio which measures Tier 1 capital as a proportion of exposures on a non-risk weighted basis
LIBOR (London Interbank Offered Rate)	A benchmark interest rate at which banks can borrow funds from other banks in the London interbank market.
Liquid assets	Total of cash in hand and balances with the Bank of England, loans and advances to banks and investment securities.

Liquidity risk	Liquidity risk is the risk that Nationwide is unable to meet its liabilities as they fall due and maintain member and stakeholder confidence.
Long-run average PD	Probability of default based on a long-run average default rate which would be expected over a full economic cycle.
Loan to value ratio (LTV)	A ratio which expresses the amount of exposure as a percentage of the value of the property on which it is secured. Nationwide calculates LTV on an indexed basis such that the value of the property is updated on a regular basis to reflect changes in the market using either the house price or commercial real estate indices.
Loss given default (LGD)	An estimate of the difference between exposure at default (EAD) and the net amount of the expected recovery expressed as a percentage of EAD.
Market risk	The risk that the net value of, or net income arising from, Nationwide's assets and liabilities is impacted as a result of market prices or rate changes.
Maturity	The remaining time in years that a borrower is permitted to take to fully discharge their contractual obligation (principal, interest and fees) under the terms of a loan agreement.
Medium Term Performance Pay Plan	The Medium Term Performance Pay Plan rewards sustained performance and the achievement of challenging financial targets over a three-year performance cycle.
Minimum capital requirement	The minimum amount of regulatory capital that a financial institution must hold to meet the Pillar 1 requirements for credit, market and operational risk.
Model validation	The process of assessing how well a risk model performs, using a predefined set of criteria including the discriminatory power of the model, the appropriateness of the inputs and expert opinion.
Netting	The ability to reduce credit risk exposures by offsetting the value of any deposits against loans to the same counterparty.
Non-Performing	An exposure in respect of which a default is considered to have occurred or as per other definitions as included in CRR article 47a
Operational risk	The risk of loss arising from failures of internal processes, people and systems or from external events.
Probability of default (PD)	An estimate of the probability that a borrower will default on their credit obligations in the next 12 months.
Permanent Interest Bearing Shares (PIBS)	Unsecured, deferred shares of Nationwide that, in the event of insolvency, rank equally with the claims of Additional Tier 1 (AT1) securities, behind the claims of all subordinated debt holders, depositors, creditors and investing members of Nationwide, and ahead of the claims of core capital deferred shares (CCDS) investors. PIBS are also known as subscribed capital.
Pillar 1 Minimum capital requirements	The regulatory minimum capital requirements for credit, market and operational risk.
Pillar 2 The supervisory review process	Sets out the processes by which financial institutions review their overall capital adequacy. Supervisors then evaluate how well financial institutions are assessing their risks and take appropriate actions in response to the assessments. This includes all risks (including Pillar 1 risks). ICR is an outcome from Pillar 2.
Pillar 3 Market discipline	Disclosure requirements for firms to publish details of their risks, capital and risk management. The aims are greater transparency and strengthening market discipline.

PiT	Point-in-time. A modelling approach which assesses the credit risk of an exposure at a single point in time.
Prime residential mortgages	Mainstream residential loans, which typically have a higher credit quality and fit standard underwriting processes. As such, they are likely to have a good credit history, and pass a standard affordability assessment at the point of origination.
Project Finance	Loans advanced to provide financial support for public-private partnerships between the public and private sectors under the Private Finance Initiative.
Provisions	Amounts set aside to cover incurred losses associated with credit risks.
Present Value 01/200 (PV01 PV200)	A calculation to assess the change in value of the net present value (NPV) of financial instruments with 1 basis point 200 basis points parallel shifts in interest rates. PV01 shows the sensitivity while PV200 applies a more severe stress test.
Prudential Regulation Authority (PRA)	The statutory body responsible for the prudential supervision of banks, building societies, insurers and a small number of significant investment firms in the UK from 1 April 2013. The PRA is a subsidiary of the Bank of England.
Qualifying Revolving Retail Exposures	Facilities to retail customers that provide a revolving facility e.g. credit cards and overdrafts from which credit risks arise. Nationwide's main current account is the FlexAccount.
Rating system	A system for assessing and ranking customers and accounts by risk. A rating system comprises all of the methods, processes, controls, data collection and IT systems that support the assessment of credit risk, the assignment of exposures to grades or pools (rating), and the quantification of default and loss estimates for credit risk exposures.
Repurchase agreement (repo) **Reverse repurchase agreement (reverse repo)**	An agreement that allows a borrower to use a financial security as collateral for a cash loan. In a repo, the borrower agrees to sell a security to the lender subject to a commitment to repurchase the asset at a specified price on a given date. For the party selling the security (and agreeing to repurchase it in the future) it is a repo; for the counterparty to the transaction (buying the security and agreeing to sell in the future) it is a reverse repurchase agreement or reverse repo.
Resecuritisation	A securitisation where the risk associated with an underlying pool of exposures is tranched and at least one of the underlying exposures is a securitisation position.
Revaluation reserve	The revaluation reserve represents the cumulative gains, and associated deferred taxation, arising on the revaluation of certain property assets held by Nationwide.
Retail loans	Loans to individuals rather than institutions, including residential mortgage lending and consumer banking.
Reverse stress tests	Regulatory stress tests that require a firm to assess scenarios and circumstances that would render its business model unviable, thereby identifying potential business vulnerabilities.
Risk appetite	The level and type of risk that Nationwide is willing to assume in pursuit of its strategic goals.
Risk weighted assets (RWA)	The value of assets, after adjustment under the capital rules to reflect the degree of risk they represent.
RWA density	Risk-weighted assets divided by exposure after default (post credit risk mitigation and the application of credit conversion factors).

Securitisation	A process by which a group of assets, usually loans, are aggregated into a pool, which is used to back the issuance of new securities. A company transfers assets to a special purpose entity (SPE) which then issues securities backed by the assets. The cash flows from the assets are used to pay interest on and repay the debt securities.
Senior non-preferred debt	A form of wholesale funding that is unsecured and ranks behind the claims of all depositors, creditors and other investing members, but before the claims of holders of regulatory capital instruments (instruments qualifying as CET1, AT1 or Tier 2 capital).
Society	Nationwide Building Society.
SREP	Supervisory Review and Evaluation Process, the PRA assessment of a firm's own capital assessment (ICA) under Pillar 2.
Standardised approach	The basic method used to calculate credit risk capital requirements. In this approach the risk weights used in the capital calculation are determined by regulators' supervisory parameters. The Standardised approach is less risk-sensitive than the internal ratings based (IRB) approach.
Stress testing	A process which involves identifying possible future adverse events or changes in economic conditions that could have unfavourable effects on Nationwide (either financial or non-financial), assessing Nationwide's ability to withstand such changes, and identifying management actions to mitigate the impact.
Sub-group	Nationwide Building Society and its consolidated subsidiaries, excluding the Virgin Money sub-group
Subordinated debt	A form of Tier 2 capital that is unsecured and ranks behind the claims of all depositors, creditors and investing members but before the claims of holders of Additional Tier 1 securities (AT1), permanent interest bearing shares (PIBS) and core capital deferred shares (CCDS).
Subordinated Liabilities	Unsecured debt instruments issued by the Society consisting of non-preferred senior debt, and subordinated debt qualifying as Tier 2 capital.
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.
Tier 1 capital	A measure of Nationwide's financial strength. Tier 1 capital comprises Common Equity Tier 1 capital and additional Tier 1 capital instruments.
Tier 2 capital	A further measure of Nationwide's financial capital that meets the Tier 2 requirements set out in the Capital Requirements Regulation (CRR), comprising qualifying subordinated debt and other securities and eligible impairment allowances after regulatory deductions.
Total Capital Requirements (TCR)	The minimum amount of capital the sub-group should hold as set by the PRA under Pillar 2 and informed by ICAAP.
Value at Risk (VaR)	A technique that estimates the potential loss that could occur on risk positions as a result of future movements in market rates and prices over a specified time horizon and to a given level of statistical confidence. In its day to day monitoring, Nationwide uses a 10 day horizon and a 99% confidence level.
Wrong-way risk	Defined by the PRA as a situation where there is an adverse correlation between the counterparty's probability of default and the mark-to- market value of the underlying transaction.

Abbreviations

Abbreviation	Brief description	Abbreviation	Brief description
ABS	Asset Backed Securities	**GMSLA**	Global Master Securities Lending Agreement
ACS	Annual Cyclical Scenario	**G-SII**	Globally Systemically Important Institutions
A-IRB	Advanced Internal Ratings Based	**ICA**	Internal Capital Assessment
ALCO	Assets and Liabilities Committee	**ICAAP**	Internal Capital Adequacy Assessment Process
AT1	Additional Tier 1	**IFRS**	International Financial Reporting Standards
BRC	Board Risk Committee	**IPRE**	Income Producing Real Estate
BRRD	Bank Recovery and Resolution Directive	**IRB**	Internal Ratings Based
CCDS	Core Capital Deferred Shares	**IRRBB**	Interest Rate Risk in the Banking Book
CCF	Credit Conversion Factors	**ISDA**	International Swaps and Derivatives Association
CCP	Central Counterparty	**LARS**	Limits and Ratings System
CET1	Common Equity Tier 1	**LCR**	Liquidity Coverage Ratio
CCyB	Countercyclical Capital Buffer	**LGD**	Loss Given Default
CRD	Capital Requirements Directive	**LTV**	Loan to Value
CRE	Commercial Real Estate	**MDB**	Multilateral Development Bank
CRM	Credit Risk Mitigation	**MRT**	Material Risk Taker
CRR	Capital Requirements Regulation	**NPV**	Net Present Value
CSA	Credit Support Annex	**NSFR**	Net Stable Funding Ratio
CST	Concurrent Stress Testing	**O-SII**	Other Systemically Important Institution
CVA	Credit Valuation Adjustment	**PD**	Probability of Default
EAD	Exposure at Default	**PFE/PFCE**	Potential Future Credit Exposure
EBA	European Banking Authority	**PIBS**	Permanent Interest-Bearing Shares
ECAI	External Credit Assessment Institution	**PiT**	Point in Time
ECL	Expected Credit Losses	**PRA**	Prudential Regulatory Authority
EEA	European Economic Area	**QCCP**	Qualifying Central Counterparty
ERC	Executive Risk Committee	**RWA**	Risk Weighted Assets
ERMF	Enterprise Risk Management Framework	**RSL**	Registered Social Landlords
FCA	Financial Conduct Authority	**SMI**	Silverstone Master Issuer
FI	Financial Institution	**SA**	Standardised Approach
F-IRB	Foundation Internal Ratings Based	**SFT**	Security financing transaction
FPC	Financial Policy Committee	**SRB**	Systemic Risk Buffer
FSA	Financial Services Authority	**TCR**	Total Capital Requirements
FVOCI	Fair Value through Other Comprehensive Income	**TFS**	Term Funding Scheme
FVP&L	Fair value through profit or loss (FVTPL)	**VM**	Variation Margin
FX PRR	Foreign Exchange Position Risk Requirement	**Z-VFN**	Z Variable Funding Note
GIC	Guaranteed Investment Contract		
GMRA	Global Master Repurchase Agreement		

nationwide

Nationwide Building Society
Head Office: Nationwide House, Pipers Way, Swindon, Wiltshire SN38 1NW.
nationwide.co.uk