

# Report of the directors on remuneration

For the year ended 31 March 2026.

Extract from the Annual Report and Accounts 2026, pages 70 to 89.

# Report of the directors on remuneration

For the year ended 31 March 2026

I am pleased to share the Remuneration Committee's report for the year ended 31 March 2026.

Our directors' remuneration report for the year ended 31 March 2025, as well as our directors' remuneration policy, received strong support at the 2025 Annual General Meeting (AGM) (with both receiving 95% of votes 'FOR'). I would like to thank our members for their ongoing support. For 2025/26, we operated in line with the approved remuneration policy, a summary of which is set out in this report.

## Remuneration arrangements across the Group

As the integration of Virgin Money progressed, we remained focused on our approach to attracting and retaining high-performing and purpose-driven colleagues with a customer-first mindset.

During 2025/26, the Committee has overseen the establishment of a combined Group approach to remuneration, including a full alignment of our performance management and variable pay framework for 2026/27. Through a comprehensive review of colleague terms and conditions, we have taken a thoughtful approach to ensuring our proposition is fit for the future whilst providing protection and certainty around the terms that colleagues value most. We have invested in health and protection, ensuring all colleagues are eligible for Private Medical Insurance and Group Income Protection schemes. We also reviewed our pensions proposition, restructuring our approach to ensure greater access for colleagues to benefit from market-competitive options. Separately, an interim pay package for Virgin Money colleagues was applied to the six months from 1 January 2026, under which minimum salaries were increased, and eligible colleagues received a salary increase of the greater of 1.75% or £850 (full-time equivalent).

Under the 2026/27 pay proposal covering our whole workforce, effective from 1 July 2026, eligible colleagues will receive a salary increase of the greatest of 3% of current salary, £1,000 (full-time equivalent), or an increase up to the minimum of the salary range for their role. This equates to an average award of 3.8%. These changes reflect a significant investment in our people, recognising the contribution and commitment of those at the heart of serving our customers and delivering our strategy.

## Director changes

Chris Rhodes stepped down from Nationwide's Board on 6 September 2024. Chris was subsequently re-appointed to the Board on 30 September 2025 in his role as Virgin Money UK Chief Executive Officer. Chris will retire from Nationwide in September 2026 and will therefore be treated as an eligible leaver for remuneration purposes, in line with the directors' remuneration policy. Details of his remuneration arrangements are set out in this report.

## Performance and pay outcomes for 2025/26

### Annual Performance Pay (APP)

Colleagues across the Group participated in the Annual Performance Pay (APP) plan during 2025/26. Separate performance measures applied for Nationwide and Virgin Money, reflecting the financial and strategic priorities of each business. Financial and risk gateways, which consider profit before tax, leverage ratio and conduct risk, also applied under the APP plan. Taking account of performance over the year, the Committee approved outcomes against both the applicable Nationwide and Virgin Money performance measures for 2025/26.

In addition to the performance measures that applied to all eligible colleagues, the 2025/26 APP awards for the executive directors were also assessed against the Executive Scorecard, which captures a wide range of Group financial and non-financial measures. Taking the Scorecard and their individual performance into account, the Committee agreed APP outcomes of 97.3% of maximum for the Group Chief Executive Officer, 90.7% of maximum for the Group Chief Financial Officer and 78.3% of maximum for the Virgin Money UK Chief Executive Officer. Details of the measures, individual performance assessments and the overall APP awards delivered to our executive directors are set out in this report.

During the year, Muir Mathieson became accountable for the combined Group Finance function, including Virgin Money. In recognition of his expanded role as Group Chief Financial Officer, the Committee set Muir's maximum APP opportunity at 150% of salary, effective from September 2025.



### Key activities of the Committee:

- Oversaw the remuneration and performance framework for all colleagues within the Group.
- Oversaw the establishment of a combined Group approach to remuneration.
- Reviewed regulatory changes impacting our approach to remuneration.

### How the Committee spent its time in the year



***Long-Term Performance Pay (LTPP)***

The 2023 LTPP awards, first granted in June 2023, had a three-year performance period ending 31 March 2026 and vested by reference to performance measures aligned to our longer-term financial and strategic priorities and members' interests. These awards were previously disclosed in the Annual Report and Accounts 2023 and were granted to the Society's incumbent executive directors at that time, Debbie Crosbie DBE and Chris Rhodes. The Committee agreed a vesting outcome for the 2023 LTPP awards of 94.5%. Given this is the first year in which awards made under the LTPP plan have vested, the single total figure of remuneration for the Group Chief Executive Officer has significantly increased year-on-year. The Committee is comfortable that remuneration outcomes reflect the Society's excellent performance.

Reflecting on performance during 2025/26, the Committee has determined to grant 2026 LTPP awards with a maximum opportunity of 300% of salary for the Group Chief Executive Officer and 250% of salary for the Group Chief Financial Officer. The increased award level for the Group Chief Financial Officer reflects his experience in role and expanded Group responsibilities, and ensures market-competitive positioning relative to our peers. These awards are subject to performance conditions over a three-year forward-looking period ending 31 March 2029. The Virgin Money UK Chief Executive Officer will not receive a 2026 LTPP award.

**Malus adjustments**

In light of the regulatory fine received in 2025 in relation to weaknesses in financial crime controls between October 2016 to July 2021, a thorough accountability review was performed. Following this review, the Committee determined that whilst no individual was found personally culpable, it would be appropriate to apply a malus adjustment to previous senior executives who were in relevant roles during that period. The Committee also determined further adjustments were appropriate in light of other risk matters. The total value of adjustments made by the Committee amounted to £192,000.

**Regulatory changes**

In October 2025, the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) jointly published changes to their remuneration rules, seeking to simplify the UK regime. The Committee welcomed the changes, taking account of how the market has evolved since their announcement. The Committee has agreed changes to our approach that will impact awards of variable pay made to our executive directors in respect of 2025/26. The Committee has sought to implement an approach which goes above regulatory standards to meet the UK Corporate Governance Code and ensure appropriate levels of deferral. Further details are set out in this report.

**Looking ahead to 2026/27**

In the context of the base pay package agreed for the wider workforce, the Committee approved base salary increases of 2.9% for the Group Chief Executive Officer and 3.7% for the Group Chief Financial Officer, effective from 1 April 2026. The Group Chief Executive Officer and Group Chief Financial Officer's maximum APP opportunities for 2026/27 will remain at 150% of salary. The Committee will continue to monitor evolving market practice around executive pay.

As announced in my letter last year, this will be my last report as Chair of this Committee and I will hand over to Debbie Klein during the year, subject to regulatory approval. I would like to thank my fellow Committee members for their hard work and diligence during my tenure. I will remain on the Board as Senior Independent Director.

**Member voting on remuneration**

At the 2026 AGM there will be one advisory vote on the directors' remuneration report. Details are set out for your consideration on the following pages. On behalf of the Remuneration Committee, I would like to thank members for their continued support and encourage you to vote in favour of the resolution.

**Tracey Graham Chair – Remuneration Committee**

## How the Committee works

### Committee purpose and membership

The Committee is responsible for determining, on behalf of the Board, the remuneration strategy, the broad policy for remuneration and the specific remuneration packages for the Chairman, members of the Executive Committee, other employees who are deemed to fall within scope of the PRA and FCA Remuneration Codes, and any other Group employees specified by the Committee from time to time. The Committee also provides oversight and advice to the Board on the appropriateness and relevance of the remuneration policy and pay practices for the wider workforce. More details on the duties and responsibilities of the Committee can be found in its terms of reference at [nationwide.co.uk](https://www.nationwide.co.uk). Membership comprises at least two non-executive directors.

### Committee meetings

The Committee held six scheduled meetings and one ad hoc meeting during the year. The attendance record of Committee members is set out on page 47. Regular attendees at Committee meetings included the Chairman, Group Chief Executive Officer, Group Chief People Officer, the Director of People and Culture and a partner of Deloitte LLP (in their capacity as independent adviser to the Committee). In no case was any person present when their own remuneration was discussed. The Chair of the Committee reported to the Board on the matters considered at each meeting. The Committee is supported by the Board Risk and Audit committees on risk-related matters.

During the year, the Committee met privately with the Group Chief People Officer and a partner of Deloitte LLP. The Chair of the Committee met regularly with the Group Chief People Officer, the Director of People and Culture, and a partner of Deloitte LLP, and attended meetings with the PRA and FCA.

### Virgin Money oversight

Prior to the establishment of the mirror board and committee structure on 30 September 2025, the Committee received and considered written reports provided by the Chair of Virgin Money's Remuneration Committee, which detailed all decisions taken and matters discussed at each of its meetings.

### Committee performance, skills, and expertise

The performance of the Committee is reviewed annually, along with the Committee's terms of reference and its activities over the previous year. This review confirms whether the terms of reference align with the Committee's remit and purpose, and continue to reflect all applicable governance codes, guidelines, legislation and best practice. The 2025 Board performance review indicated that Committee members were satisfied with the performance and effectiveness of the Committee. An overview of the review is set out on pages 56 to 57.

### Committee adviser

The Committee agreed to retain Deloitte LLP as independent adviser to the Committee after a review of their fees and the quality of service provided. The Committee reviews annually all other services provided by Deloitte to ensure they continue to be independent and objective. Deloitte is a founding member of the Remuneration Consultants Group and voluntarily operates under its code of conduct in relation to executive remuneration consulting in the UK. Deloitte's advisory team has no connection with any individual director of Nationwide. Their fees for advice provided to the Committee during 2025/26 were £192,500 (excluding VAT), typically charged on a time-and-materials basis. Deloitte also provided tax, risk, internal audit and consulting services to the Group during 2025/26.

## What the Committee did in the year

### Pay strategy and approach

The Committee has continued to dedicate significant attention to reviewing reward arrangements across the Group.

During the year, the Committee received updates on the review of colleague terms and conditions and the reward and grading framework that applies from April 2026. The Committee approved the transition to a fully aligned performance management and variable pay framework across the Group for 2026/27, to ensure it continues to support the Group's strategy and purpose, and consistently differentiates excellent colleague performance and customer service.

The Committee approved the performance measures that apply for the 2026/27 APP plan. The Committee also reviewed LTPP performance measures to ensure they are aligned with the strategy of the Group.

The Committee reviewed and approved the leaving terms for Chris Rhodes, ahead of his retirement in September 2026. Further details can be found on page 85.

The Committee also reviewed and approved the Chairman's fees effective from 1 April 2026. Further details can be found on page 83.

### Performance award outcomes

The Committee approved the outcome of the 2025/26 APP plan, the vesting outcome of the 2023 LTPP awards and the grant of 2026 LTPP awards.

The Committee approved malus adjustments in light of the regulatory fine received in 2025 in relation to weaknesses in financial crime controls and other risk matters.

### Oversight of remuneration across the Group

The Committee took account of information received on Nationwide's wider workforce pay practices and culture throughout the year in making executive pay decisions.

During the year, the Committee oversaw the establishment of a combined Group approach to remuneration, including a full alignment of Nationwide's performance management and variable pay framework for 2026/27.

### Regulatory and reporting matters

Following the publication of the joint PRA and FCA Remuneration Reform in October 2025, the Committee agreed changes to Nationwide's approach for colleagues in scope of the PRA and FCA Remuneration Codes, including the executive directors.

The Committee reviewed and approved the report of the directors on remuneration for the year ended 31 March 2025. It also reviewed and approved all remuneration submissions made to the PRA and FCA over the course of the year.

### Procedural matters

The Committee agreed the base pay and variable pay arrangements for all employees in scope of the PRA and FCA Remuneration Codes.

## Alignment between wider workforce and executive directors' remuneration

Our reward and benefit framework is designed to attract, motivate and retain colleagues who are inspired to do their best for our customers every day, and to reward all colleagues fairly across the Group. The framework for executive directors is generally aligned with the wider workforce. Where there are deviations, this is to ensure our executive directors have a significant proportion of their remuneration linked to the Group's longer-term priorities.

All colleagues		Senior colleagues	
Base salary and pension	Benefits	Annual Performance Pay plan	Long Term Performance Pay plan
<p>Salaries are set to reflect the work colleagues do and the contribution they make, informed by external market benchmarking and the salaries of colleagues doing similar roles. Nationwide Building Society is a principal partner of the Living Wage Foundation.</p> <p>The Group's pensions offering for joiners from April 2026 was reviewed during 2025/26. The Group restructured its pension contribution approach to ensure greater access for colleagues to benefit from market-competitive options. We introduced a non-contributory option, meaning colleagues can join the pension scheme and receive a 10% employer contribution at no cost to the colleague, allowing more colleagues to start saving for their future. As part of the review, we protected the maximum employer's contribution of 16% for existing Nationwide colleagues employed before April 2026.</p> <p>The current executive directors' contributions are aligned to Nationwide colleagues employed before April 2026.</p>	<p>We are committed to providing a comprehensive and competitive benefits package that meets the needs of our colleagues. Our philosophy is to offer a range of core benefits, supplemented by flexible benefit options that can be tailored to individual circumstances.</p> <p>During 2025/26, the terms and conditions of existing and future colleagues were reviewed. With effect from 1 April 2026, we have invested in health and protection, ensuring all colleagues are eligible for Private Medical Insurance and Group Income Protection schemes. We have aligned our life assurance provisions with market practice, whilst providing significant protection of key terms for existing colleagues. We continue to provide a range of market-competitive core benefits including additional holiday and family-friendly policies.</p> <p>Our approach ensures appropriate alignment between the benefits offered to our executive directors and our wider workforce.</p>	<p>We aim to ensure our approach to variable pay is competitive and enables us to attract and retain high-calibre colleagues across all areas of the Group.</p> <p>While specific arrangements may vary, our overarching philosophy is to link a proportion of variable pay to performance against both Group and individual objectives. This fosters a culture of shared success and rewards colleagues for their contribution to the Group's overall performance.</p>	<p>Our most senior colleagues are invited to participate in the LTPP plan. This plan supports the delivery of sustainable customer value, with performance measures aligned to the achievement of our long term financial and strategic priorities, including our sustainability commitments.</p> <p>LTPP awards are deferred over the long-term and will only be paid subject to sustained satisfactory Group and individual performance.</p>

## Annual report on remuneration for 2025/26

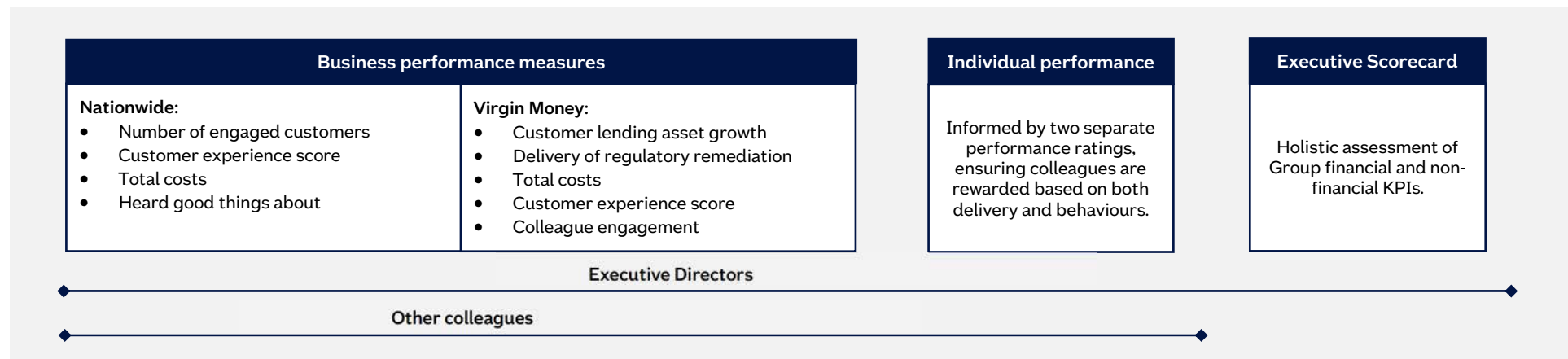
This section provides information on how the directors' remuneration policy, as approved by members at the 2025 AGM, was implemented during 2025/26. A summary of the policy can be found on pages 87 to 89.

### Base salary and pension

The base salary in the year for D A Crosbie was £1,205,000, and for M J Mathieson was £675,000. The pension allowance for D A Crosbie and M J Mathieson was 16% of salary, which is the maximum benefit available to Nationwide colleagues who joined before April 2026. C S Rhodes received an annual salary of £930,000 in respect of his role as Virgin Money UK Chief Executive Officer, along with a pension allowance of 11.3%, consistent with other colleagues within Virgin Money who received a cash allowance in lieu of pension.

### Annual Performance Pay (APP) for 2025/26

For D A Crosbie and M J Mathieson, APP awards were determined based on Nationwide performance measures set at the start of the financial year, as well as their individual contribution. For C S Rhodes, the APP award was determined based on Virgin Money performance measures set at the start of the financial year, as well as his individual contribution. In addition, the Executive Scorecard was assessed for all executive directors for 2025/26, capturing a wide range of Group financial and non-financial KPIs.



The maximum potential APP award level for 2025/26 was 150% of base salary for D A Crosbie. M J Mathieson's maximum potential APP award level increased from 100% to 150% of base salary with effect from his appointment into an expanded Group role in September 2025. C S Rhodes' maximum potential APP award level for 2025/26 was 100% of base salary. For all executive directors, including C S Rhodes in respect of the period he served on Nationwide's Board, 50% of the overall award was based on the relevant business performance measures, 30% based on Executive Scorecard performance and 20% based on individual performance. An illustration of the pay-out schedule of the executive directors' APP awards can be found on page 81. The Group has the ability to clawback APP awards for up to ten years after they were awarded in certain circumstances.



Performance against the Executive Scorecard was based on an assessment of Group financial and non-financial measures. The table below provides an overview of the key achievements considered in determining the outcome of the Executive Scorecard for 2025/26.

Strategic driver	Performance commentary
Simply brilliant experience	<ul style="list-style-type: none"> <li>Achieved recognition for Nationwide as the best bank in the UK in Forbes' ranking of the World's Best Banks 2026, and secured gold in the Retail Banking Sector in Britain's Most Admired Companies 2025<sup>2</sup>.</li> <li>Operated the UK's largest single-brand branch network, which was responsible for over half of the UK's branch-based product openings<sup>3</sup>.</li> <li>Recognised for Best mortgage customer journey, as ranked by Which? across 21 lenders.</li> </ul>
More rewarding relationships	<ul style="list-style-type: none"> <li>Delivered £1.8 billion in member value, including £1.4 billion from member financial benefit and £0.4 billion in Fairer Share payments.</li> <li>Remained the UK's most switched-to provider<sup>4</sup> and increased the Group's market share of current account balances.</li> <li>Doubled the Group's student current account openings compared to last year and achieved a 43% (2025: 27%) share of the market<sup>5</sup>.</li> <li>Achieved market-leading<sup>6</sup> mortgage net lending, increasing the Group's market share of balances to 16.3%.</li> <li>Achieved market-leading<sup>7</sup> growth in retail deposit balances, maintaining market share at 12.2%.</li> <li>Grew business deposit balances to £22.8 billion, including a Virgin Money brand record of 56,000 business current account openings.</li> </ul>
Beacon for mutual good	<ul style="list-style-type: none"> <li>Responsibly increased loan to value maximums on new builds, relaunched interest-only mortgages, and enabled more customers to borrow up to six times their income.</li> <li>Helped 88,000 first time buyers<sup>7</sup> into a home of their own through the Helping Hands initiative.</li> <li>Supported over 200,000 people through Nationwide Fairer Futures since launch in June 2024, including bookings for more than 6,000 free dementia clinics in the Group's branches.</li> <li>Delivered support for school children, with financial education through a refreshed Money Lessons programme and the Make £5 Grow programme.</li> <li>Established Nationwide as a funding partner of the Invest in Women Taskforce, committing to invest £25 million in female and mixed gender-led businesses.</li> </ul>
Simplify, integrate and grow	<ul style="list-style-type: none"> <li>Delivered underlying profit before tax of £2,026 million, up 9% on the prior year.</li> <li>Completed the legal transfer of the majority of Virgin Money's business to Nationwide on 2 April 2026, including the legal transfer of approximately 6.8 million customers and all employees.</li> <li>Well positioned to progress the integration of Virgin Money's systems and processes, with preparations underway to commence customer migration to the Nationwide brand during 2026.</li> <li>On track to launch a Nationwide-branded business banking proposition in the first half of 2027.</li> </ul>
<b>Weighting</b>	30%
<b>Outcome</b>	28.5%

<sup>2</sup> Provided by Echo Research.

<sup>3</sup> Based on internal data sources and Curinos eBenchmarkers multi-channel analysis, April 2025 to February 2026. Includes sales of retail banking products including current accounts, savings, credit cards, unsecured loans and home insurance. Peer group includes Bank of Scotland, Barclays, First Direct, Halifax, HSBC, Lloyds, Metro Bank, NatWest, RBS, Santander and TSB.

<sup>4</sup> Pay.UK quarterly Current Account Switch Service data, 9 months to December 2025, based on the latest available data. Across Nationwide and Virgin Money, we had the highest gross and net gains in current account switches.

<sup>5</sup> Based on Curinos eBenchmarkers comparison of financial services providers and Nationwide analysis, April 2025 to February 2026.

<sup>6</sup> Peer group includes Barclays, HSBC, Lloyds Banking Group and NatWest Group.

<sup>7</sup> Our definition of a first time buyer is set out in the Glossary for the Annual Report and Accounts 2026, available at nationwide.co.uk

Individual performance was assessed by reference to two separate performance ratings, rewarding both delivery against goals set in the context of our strategic drivers and the display of customer first behaviours. For 2025/26, a number of the personal objectives were shared by the executive directors. The tables below provide an overview of performance achieved by the executive directors for 2025/26, based on their objectives.

Objectives for D A Crosbie, M J Mathieson and C S Rhodes			
	D A Crosbie	M J Mathieson	C S Rhodes (note i)
<b>Shared objectives for executive directors</b>			
<ul style="list-style-type: none"> <li>• Ambitious and achievable strategy to grow the Society and deliver value for members.</li> </ul>	<ul style="list-style-type: none"> <li>• Number one for growth in our core business of mortgages and retail deposits, and remained the UK's most switched-to provider.</li> <li>• On track to launch our Nationwide-branded business banking proposition in the first half of 2027.</li> </ul>		
<ul style="list-style-type: none"> <li>• Recognised for service excellence.</li> </ul>	<ul style="list-style-type: none"> <li>• First for customer satisfaction among our peer group for the 14<sup>th</sup> consecutive year<sup>8</sup>.</li> </ul>		
<ul style="list-style-type: none"> <li>• Strong and sustainable financial performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Strong financial performance; underlying profit before tax increased by 9%, supported by a stronger and more diversified balance sheet.</li> <li>• Cost growth was below inflation on a like-for-like basis<sup>9</sup>.</li> <li>• Peer-leading core capital ratio.</li> </ul>		
<ul style="list-style-type: none"> <li>• Development of customer-focused integration plan for Virgin Money.</li> </ul>	<ul style="list-style-type: none"> <li>• Completed the Part VII legal transfer of the majority of Virgin Money's business to Nationwide on 2 April 2026, marking the largest banking business transfer scheme undertaken in the UK<sup>10</sup>.</li> </ul>		
<b>Individual objectives</b>			
<ul style="list-style-type: none"> <li>• Inspiring team and leadership performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Established group-wide Purpose, Strategic Drivers and Customer First behaviours and established new Group Executive Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Established Group Finance function to enable future integration and oversaw delivery of Treasury migration.</li> </ul>	<ul style="list-style-type: none"> <li>• Effective accountability for Virgin Money business within Group Executive Committee and drove strong colleague engagement in Virgin Money.</li> </ul>
<ul style="list-style-type: none"> <li>• Robust risk and control.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensured Nationwide Group operated within overall risk appetite limits.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensured all regulatory approvals in place for Part VII legal transfer.</li> </ul>	<ul style="list-style-type: none"> <li>• Managed effective Virgin Money relationships with all regulators.</li> </ul>
<ul style="list-style-type: none"> <li>• Effective governance and contribution to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Delivered transition to single Group Boards and executive governance structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Contributed to Board and Executive Committee discussions beyond financial matters.</li> </ul>	<ul style="list-style-type: none"> <li>• Managed transition from Virgin Money standalone Board and executive governance structure to new Group-wide arrangements.</li> </ul>

Note:

i. Relates to the period from 30 September 2025, being the date at which C S Rhodes was appointed to the Nationwide Board.

Based on the performance above, D A Crosbie was awarded an APP outcome of 145.9% of salary, M J Mathieson was awarded 117.1% of salary and C S Rhodes was awarded 78.3% of salary for 2025/26.

### Outcomes for 2023 LTPP awards

The first awards granted under the LTPP plan were made to D A Crosbie and C S Rhodes in June 2023, following the Committee's assessment of the applicable pre-grant conditions during 2022/23. The awards had a maximum value of 100% of base salary. M J Mathieson did not receive an LTPP award in June 2023.

The 2023 LTPP awards were subject to a three-year performance period which ended on 31 March 2026. The financial goals were adjusted during the performance period following the acquisition of Virgin Money, and were therefore re-calibrated to reflect Group-based targets. The Committee was comfortable that the Group targets were no less stretching to achieve than the original Nationwide-only targets set at the point the awards were granted. In determining the 2023 LTPP award vesting outcome, the Committee assessed performance against the scorecard below. When approving the outcome, the Committee considered the profit before tax, leverage ratio and conduct risk gateways that applied under the APP for 2025/26, and these were passed. The resulting 2023 LTPP outcome for both D A Crosbie and C S Rhodes is 94.5% of the maximum award, as shown below.

<sup>8</sup> Nationwide brand lead as at March 2026: 8.0%pts, significantly larger (based on a 95% confidence level) than the next best peer since March 2013. © Ipsos 2026, Financial Research Survey (FRS), for the 12 months ended 31 March 2013 to the 12 months ended 31 March 2026. The survey contacts 50,000 adults in Great Britain. Interviews were face to face, by phone and online, weighted to the profile of the population. The results are based on a sample of around 13,000 Nationwide customers and around 65,000 peer group customers with a main current account, mortgage or savings, and reflect the percentage of extremely and very satisfied customers minus any dissatisfied customers. The peer group consists of Barclays, Halifax, HSBC, Lloyds Bank, NatWest, Santander and TSB. Prior to April 2017, Lloyds and TSB were combined as Lloyds TSB.

<sup>9</sup> Like-for-like costs compare the Group's costs on a consistent basis. It reflects a full 12 months of Group costs in both periods, with Virgin Money costs annualised in 2024/25 following acquisition on 1 October 2024. The prior period is also adjusted for the shorter accounting period of 361 days. Acquisition and integration-related costs are excluded.

<sup>10</sup> Excludes transfers related to the introduction of the UK ring-fencing regime.

2023 LTPP award scorecard		Threshold	Target	Maximum	Actual	Performance pay achieved / maximum achievable (shown as % of maximum)
Customer outcomes (financial goals)	Group return on equity employed (note i)	5.5%	6.1%	6.7%	7.3%	20% / 20%
	Adjusted Group profit before tax (note ii)	£3,697m	£4,108m	£4,519m	Adjusted Group profit before tax was £4,255m (note ii)	16% / 20%
Sustainability (note iv)	Financial Research Survey (FRS) satisfaction (note iii)	Within 1% point of 1 <sup>st</sup> within peer group	1 <sup>st</sup> within peer group	1 <sup>st</sup> plus statistically significant lead over next competitor	1 <sup>st</sup> + 8% lead over next competitor	10% / 10%
	Environmental, Social and Governance (ESG) objectives	This measure provided alignment with our emissions and diversity targets amongst our leadership population. The Committee applied its judgement when assessing performance for this measure, taking account of a range of factors including the level of progress towards our Mutual Good Commitments.		Emissions have continued to reduce in comparison to previous years, and we are currently ahead of our intermediate (by 2030) science-based targets. The Society continues to make progress against the original 2023 LTPP targets set for gender and ethnicity amongst our leadership population.		8.5% / 10%
	Risk and compliance – focus on delivery of substantial progress across key priorities	This measure captured substantial progress against key priorities linked to improving the internal control environment, member outcomes and the Consumer Duty.		Substantial progress has been made across all key priorities. Key highlights include: Financial crime transformation project materially completed; strong outcomes from regulatory engagement; improvements in member data quality; and strong performance against Consumer Duty obligations and priorities.		20% / 20%
Transformation (note iv)	'Basket' of measures aligned with strategic objectives	This measure captured performance against a range of objectives linked to our strategic drivers, including launching refreshed member financial rewards, current account service propositions, improvements to our digital frameworks and simplifying legacy estates.		All key strategic projects have been delivered on time and above expectations. Key highlights include: Material value delivered to members through Fairer Share; transformed current account service proposition by improving opening, onboarding and activation journeys; simplified and transformed our service communications; and materially enhanced the digital experience for customers.		20% / 20%
<b>Remuneration Committee discretionary performance and risk assessment</b> The Committee carefully considered the outcomes for the executive directors to ensure they were a fair reflection of performance. This took account of a broad range of factors, including performance against wider key performance indicators and risk factors. Overall, the Committee was satisfied that the outcomes were a fair reflection of performance, and no discretionary adjustment was applied.						0%
<b>Total performance pay achieved</b>						<b>94.5% / 100%</b>

## Notes:

- For the purposes of the above, return on equity employed is defined as the return (profit after tax excluding items in relation to the Virgin Money acquisition) as a percentage of the minimum amount of capital required to stay above Board Risk Appetite and regulatory requirements throughout a plausible severe macroeconomic stress scenario, while allowing for full distributions to be paid to core capital deferred shares (CCDS) and ATI holders.
- Performance was measured on a cumulative basis over 2023/24 – 2025/26. The Group-based targets shown in the table above were re-calibrated by the Committee for 2025/26 (the first full financial year following the acquisition of Virgin Money). The adjustments reflect impacts of Bank rate changes, movement in member reward payments and impacts arising from the acquisition of Virgin Money. In determining the vesting outcome, the Committee also took account of performance during 2023/24 and 2024/25 against the original Nationwide-only targets set at the point the awards were granted.
- Nationwide brand lead as at March 2026: 8.0%pts, significantly larger (based on a 95% confidence level) than the next best peer since March 2013. © Ipsos 2026, Financial Research Survey (FRS), for the 12 months ended 31 March 2013 to the 12 months ended 31 March 2026. The survey contacts 50,000 adults in Great Britain. Interviews were face to face, by phone and online, weighted to the profile of the population. The results are based on a sample of around 13,000 Nationwide customers and around 65,000 peer group customers with a main current account, mortgage or savings, and reflect the percentage of extremely and very satisfied customers minus any dissatisfied customers. The peer group consists of Barclays, Halifax, HSBC, Lloyds Bank, NatWest, Santander and TSB. Prior to April 2017, Lloyds and TSB were combined as Lloyds TSB.
- The Sustainability and Transformation measures were assessed on a Nationwide-only basis against the original targets set by the Committee at the point the awards were granted.

### Long-Term Performance Pay (LTPP) awards in respect of 2025/26

LTPP awards in respect of 2025/26 will be granted in 2026. LTPP awards are discretionary and granted subject to a pre-grant performance assessment over the year prior to grant based on:

- **Individual conduct and performance** – must be satisfactory, including an assessment of individual delivery, behaviours and conduct during the year.
- **Leverage ratio and statutory profit before tax** – both gateways must be assessed and passed in respect of the period prior to grant.

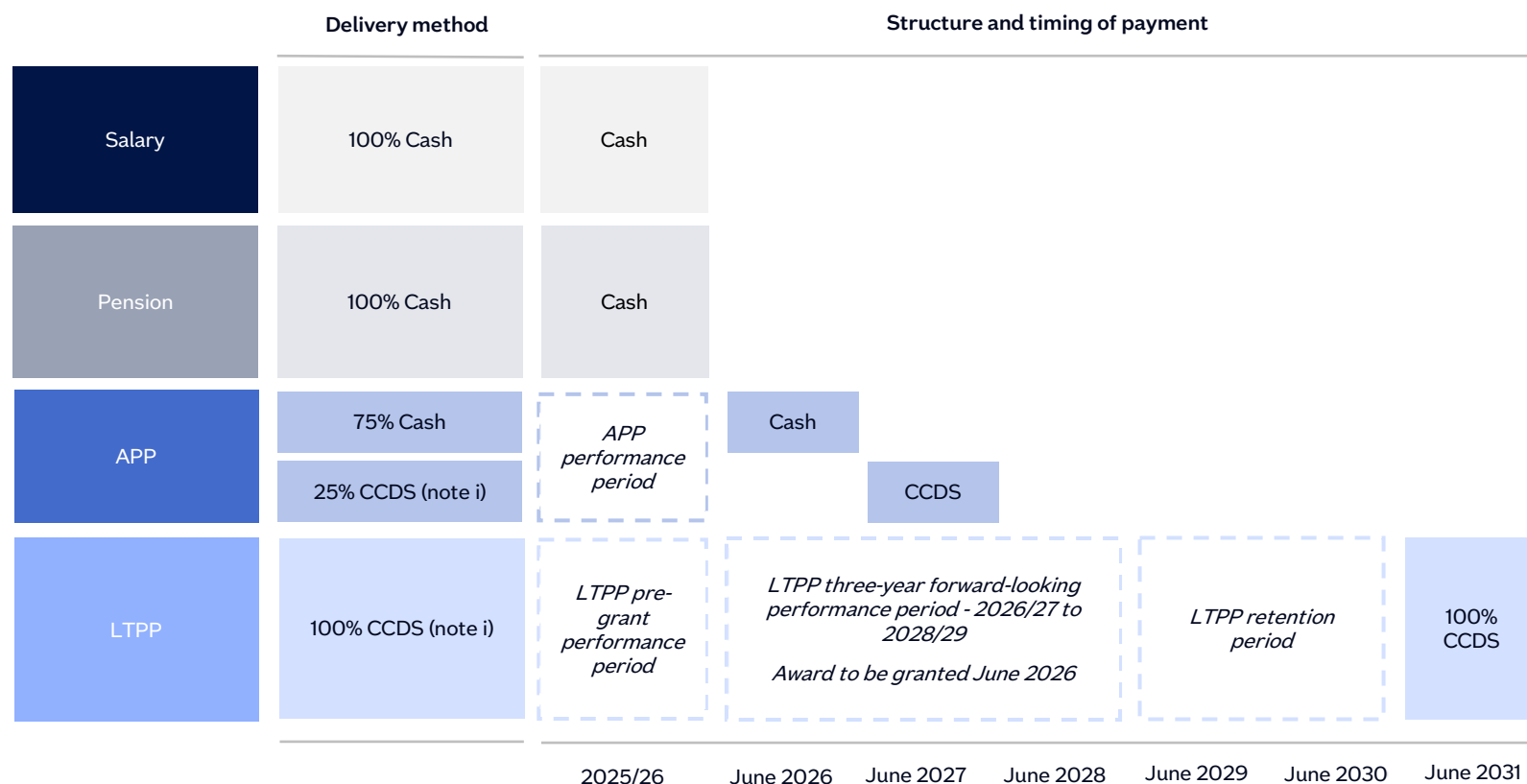
After taking into account performance over 2025/26, the Committee agreed to grant D A Crosbie and M J Mathieson LTPP awards of 300% and 250% of base salary, respectively. C S Rhodes will not be eligible to receive a 2026 LTPP award. The Committee is satisfied that the granting of these awards is sustainable according to the financial position of the Group and justified on the basis of individual performance, conduct and behaviours.

The 2026 LTPP awards will be subject to a three-year forward-looking performance period commencing 1 April 2026. During this period, performance will be assessed based on a scorecard aligned to the Group's longer-term priorities. The Committee intends to approve the details of the scorecard during 2026 and further information will be disclosed in the Annual Report and Accounts 2027.

**How awards will be released to executive directors**

Following the publication of the joint PRA and FCA Remuneration Reform in October 2025, new rules apply to how variable pay awards can be paid to executive directors. In this context, the Committee determined the following will apply:

- 25% of the APP awards for D A Crosbie and M J Mathieson in respect of 2025/26 will be deferred for one year, linked to the value of the Group’s CCDS. This exceeds minimum regulatory requirements.
- LTPP awards granted in 2026 will be subject to a three-year performance period and, subject to the achievement of the forward-looking performance measures, will vest in two tranches: 75% after three years, subject to a two-year retention period, and 25% after four years, subject to a one-year retention period. LTPP payments will therefore be made five years after award. This exceeds minimum regulatory requirements, under which payments could be made in years three and four. This approach aligns with the principles of the UK Corporate Governance Code, which Nationwide adheres to on a voluntary basis. 100% of the LTPP awards will be linked to the value of the Group’s CCDS.
- C S Rhodes will not be eligible to receive a 2026 LTPP award; over 40% of his 2025/26 APP award will be subject to deferral, linked to the value of CCDS and released in equal tranches over the next four years.



Note:  
i. Payments are linked to the value of the Group’s CCDS.

**Executive directors' remuneration**

These disclosures are included in compliance with the Building Societies Act 1986 and other mandatory reporting regulations, as well as the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), which Nationwide has voluntarily adopted to the extent deemed appropriate. The table below shows the total remuneration for each executive director who served during the year ended 31 March 2026.

Amounts of variable remuneration shown below consist of the awards made under the APP and LTPP plans. LTPP awards are subject to the achievement of performance conditions over three years from grant and, to the extent the performance measures are met, details are included in the relevant directors' remuneration report. The table below includes the amounts delivered to the executive directors relating to the first LTPP awards granted in June 2023 in respect of the 2022/23 financial year.

Predominantly driven by the vesting of the first LTPP awards, the total pay packages reflected in the table below have increased year-on-year for D A Crosbie and C S Rhodes. The 2023 LTPP awards were subject to a three-year performance period ending 31 March 2026.

Single total figure of remuneration for each executive director (note i)						
	D A Crosbie		M J Mathieson (note ii)		C S Rhodes (note iii)	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Salary	1,205	1,152	675	383	469	316
Pension allowance	193	184	108	61	53	51
Taxable benefits (note iv)	50	44	99	52	70	45
<b>Total fixed remuneration</b>	<b>1,448</b>	<b>1,380</b>	<b>882</b>	<b>496</b>	<b>592</b>	<b>412</b>
Annual performance pay	1,758	1,111	790	338	364	311
Long-term performance pay (note v)	1,464	-	-	-	943	-
<b>Total variable remuneration (note vi)</b>	<b>3,222</b>	<b>1,111</b>	<b>790</b>	<b>338</b>	<b>1,307</b>	<b>311</b>
<b>Total pay package</b>	<b>4,670</b>	<b>2,491</b>	<b>1,672</b>	<b>834</b>	<b>1,899</b>	<b>723</b>

## Notes:

- i. The year end date of Nationwide Building Society was changed to 31 March from 2024/25 onwards. The 2025 single total figure of remuneration for each executive director reflects the period from 5 April 2024 to 31 March 2025, as applicable for each executive director.
- ii. M J Mathieson's 2025 single total figure relates to the period 6 September 2024 to 31 March 2025.
- iii. C S Rhodes stepped down as Chief Financial Officer and from the Board on 6 September 2024; the 2025 single total figure relates to the period from 5 April 2024 to 6 September 2024. C S Rhodes was subsequently re-appointed to the Board on 30 September 2025 in his role as Virgin Money UK Chief Executive Officer. The 2026 single total figure relates to the period from 30 September 2025 to 31 March 2026.
- iv. Taxable benefits include travel, accommodation and other business-related costs for directors, incurred in connection with the performance of their duties, including any tax due under HMRC regulations, as well as medical insurance, car allowance and security. These amounts are included as fixed remuneration for the calculation of the variable pay ratio in meeting our regulatory requirements.
- v. A portion of the 2023 LTPP award shown above is linked to the value of the Group's CCDS, in accordance with the directors' remuneration policy under which the awards were granted. An average CCDS price over the period 25 March 2026 to 31 March 2026, adjusted in accordance with the directors' remuneration policy, has been used to indicate the value. The values shown above include amounts attributable to CCDS price appreciation.
- vi. There was no application of malus and clawback provisions in the reporting period for current executive directors.

**Chairman and non-executive directors' remuneration**

The total fees paid to each non-executive director who served during the year ended 31 March 2026 are shown below.

Single total figure of remuneration for non-executive directors	2026			2025 (note i)		
	Group Fees	Taxable benefits (note ii)	Total fees and taxable benefits	Group Fees	Taxable benefits (note ii)	Total fees and taxable benefits
	£'000	£'000	£'000	£'000	£'000	£'000
K A H Parry (Chairman)	650	18	668	581	16	597
T Graham (Senior Independent Director) (note iii)	332	11	343	263	11	274
A Aithal (note iv)	120	10	130	78	7	85
G Bainbridge (note v)	27	-	27	-	-	-
D Bennett (note vi)	391	7	398	200	7	207
A Hitchcock (note vii)	125	11	136	161	16	177
A M Keir	218	13	231	200	15	215
D Klein	126	1	127	121	2	123
S Orton	126	7	133	121	8	129
T Rajah	106	1	107	104	2	106
G Riley	165	33	198	161	26	187
P G Rivett	222	4	226	210	1	211
<b>Total</b>	<b>2,608</b>	<b>116</b>	<b>2,724</b>	<b>2,200</b>	<b>111</b>	<b>2,311</b>
Pension payments to past non-executive directors (note viii)			193			197

## Notes:

- i. The year end date of Nationwide Building Society was changed to 31 March from 2024/25 onwards. The 2025 single total figure of remuneration for each non-executive director reflects the period from 5 April 2024 to 31 March 2025, as applicable for each non-executive director.
- ii. Taxable benefits for non-executive directors relate to travel, accommodation and other business-related costs in connection with their duties and attendance at Board and committee meetings. Where these expenses are deemed taxable, the Group settles the tax on behalf of the non-executive directors and this is included in the amounts shown. Where a non-UK director is not UK domiciled, their reimbursed cost of travel into and out of the UK is not a taxable benefit.
- iii. Group fees for 2026 include £64,000 (2025: £19,000) in connection with Virgin Money Board services for the period 1 April 2025 to 30 September 2025 (2025: 23 January 2025 to 31 March 2025). From 1 October 2025 the membership of the Virgin Money Board was aligned with that of Nationwide, and fees in connection with Virgin Money Board services ceased to be paid.
- iv. A Aithal joined the Board on 1 October 2024 and stepped down from the Board on 31 December 2025.
- v. G Bainbridge joined the Board on 1 February 2026.
- vi. D Bennett joined the Board on 13 November 2024 and stepped down from the Board on 31 December 2025. Group fees for 2026 include £322,000 (2025: £165,000) in connection with Virgin Money Board services for the period 1 April 2025 to 30 September 2025 (2025: 13 November 2024 to 31 March 2025). From 1 October 2025 the membership of the Virgin Money Board was aligned with that of Nationwide, and fees in connection with Virgin Money Board services ceased to be paid.
- vii. A Hitchcock stepped down from the Board on 30 September 2025.
- viii. Nationwide stopped granting pension rights to non-executive directors who joined the Board after January 1990.

## Additional disclosures

### CEO remuneration for the past ten years

The table below shows details of the remuneration of the Chief Executive Officer role for the previous ten years. The year-on-year increase in total remuneration for 2025/26 is predominantly driven by the vesting of the first awards granted under the LTPP plan in June 2023.

CEO remuneration for the past ten years			
Financial year	Total Remuneration (£'000)	Annual performance pay earned as % of maximum available (%)	Long term performance pay earned as % of maximum available (note i) (%)
2025/26	4,670	97.3	94.5
2024/25	2,491	94.9	-
2023/24	2,410	91.9	-
2022/23 (note ii)	3,455 / 301	77.2 / 42.6	-
2021/22	2,114	67.2	-
2020/21 (note iii)	1,236	72.3	-
2019/20	1,286	-	-
2018/19	2,372	75.1	-
2017/18	2,317	69.5	-
2016/17 (note iv)	3,386	71.9	-

#### Notes:

- i. The first awards granted in June 2023 under the LTPP plan vested in April 2026.
- ii. Figures shown for 2022/23 are those relating to D A Crosbie and J D Garner, respectively. D A Crosbie commenced her role as Group Chief Executive Officer on 2 June 2022. Her total remuneration for 2022/23 was £3,455,452 including the value of replacement awards on joining (£1,704,844). These awards did not form part of ongoing remuneration. The annual performance pay earned by D A Crosbie for 2022/23 was 77.2% of the maximum opportunity. J D Garner stepped down as Chief Executive Officer and from the Board on 1 June 2022. His total remuneration for 2022/23 shown above reflected the period of time he served on the Board. The annual performance pay earned by J D Garner for 2022/23 was 42.6% of the maximum opportunity.
- iii. The performance pay opportunity for 2020/21 was reduced by around two thirds.
- iv. J D Garner commenced his role as Chief Executive Officer on 5 April 2016. His total remuneration for 2016/17 included the value of replacement awards on joining (£1,070,752). These awards did not form part of ongoing remuneration.

**Relative importance of spend on pay**

The chart below shows the cost of remuneration for all employees of the Group, compared with retained earnings.

Remuneration cost for all employees (note i)		
	2025/26	2024/25
	£m	£m
All-employee remuneration	1,667	1,291
Retained earnings (note ii)	836	2,117

Notes:

- i. On 1 October 2024, the Group acquired Virgin Money. The results of Virgin Money are included in the Group's consolidated financial results for the period from 1 October 2024.
- ii. Retained earnings represents profit attributable to members, less distributions to the holders of core capital deferred shares and Additional Tier 1 capital.

All-employee remuneration represents 40.08% (2025: 36.37%) of total administrative expenses. All-employee remuneration costs include wages and salaries, bonuses, social security costs and pension costs.

**Payments for loss of office and payments to past directors**

C S Rhodes will step down from the Board on 21 May 2026, before retiring from Nationwide in September 2026.

In line with our approved directors' remuneration policy, C S Rhodes will be treated as an eligible leaver for the purposes of his outstanding APP and LTPP awards made in respect of previous performance years, and will therefore remain entitled to receive the deferred and retained elements of his unvested awards in full. His 2024 and 2025 LTPP awards will remain subject to performance testing and will be pro-rated based on time served during the relevant performance period. Payments will be made on the normal payment dates and will remain subject to malus and clawback.

In line with the other executive directors, C S Rhodes has a 12-month notice period. In line with contractual obligations, C S Rhodes will receive a payment in lieu of notice of £465,000, equivalent to six months' salary.

C S Rhodes will be eligible to receive a pro-rated 2026/27 APP award in respect of time served during the year. Any such award will be subject to the achievement of performance conditions and will be disclosed in next year's Report of the directors on remuneration. C S Rhodes will not be eligible to receive a 2026 LTPP award.

C S Rhodes will receive a contribution towards legal fees of £5,000 in connection with his departure.

**Pay gap reporting**

The Group is fully committed to promoting a diverse and inclusive workplace. Pay gaps are the difference in average hourly pay, when comparing different groups of people within an organisation. Nationwide's latest pay gap report was published in March 2026 and can be found at [nationwide.co.uk](https://www.nationwide.co.uk), together with an update of progress on our inclusion and diversity ambition, and Women in Finance Charter commitments. Within the report we have again voluntarily published Nationwide's ethnicity pay gap, comparing the pay of all employees who have identified as black, asian and minority ethnic (ethnically diverse), with the pay for white (non-ethnically diverse) employees.

**CEO pay ratio reporting**

The table below compares the total remuneration of the Group Chief Executive Officer against the total remuneration of the median employee and those who sit at the 25<sup>th</sup> and 75<sup>th</sup> percentiles (lower and upper quartiles). This reporting will build annually to cover a rolling ten-year period. For 2025/26, employee remuneration data covers all employees within the Group. Data prior to and including 2024/25 does not include Virgin Money employees.

The increase in CEO pay ratios for 2025/26 is predominantly driven by the vesting of the first awards granted under the LTPP plan in June 2023. Only our most senior colleagues are invited to participate in the LTPP plan, including the Group Chief Executive Officer, with any awards deferred over the long-term. If the 2023 LTPP award is excluded, the 2025/26 median pay ratio would be 75:1.

Year	Method	25 <sup>th</sup> percentile pay ratio	Median pay ratio	75 <sup>th</sup> percentile pay ratio
2025/26	Option A	139:1	109:1	66:1
2024/25	Option A	78:1	63:1	38:1
2023/24	Option A	78:1	64:1	38:1
2022/23	Option A	71:1	56:1	35:1
2021/22	Option A	80:1	54:1	35:1
2020/21	Option A	51:1	38:1	24:1
2019/20	Option A	53:1	41:1	26:1
2018/19	Option A	99:1	77:1	48:1

The total remuneration and salary values for the 25<sup>th</sup>, median and 75<sup>th</sup> percentile employees for 2025/26 are:

	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
<b>Total remuneration</b>	<b>£33,497</b>	<b>£42,959</b>	<b>£71,081</b>
<b>Salary</b>	<b>£25,980</b>	<b>£34,004</b>	<b>£54,388</b>

Supplementary information on the tables above:

- The calculation is based on Option A as set out in the regulations, which is considered to be the most statistically accurate methodology.
- Employee data includes full time equivalent total remuneration for all UK employees as at 1 March 2026. For each employee, remuneration was calculated based on all components of pay including base pay, performance pay for 2025/26, core benefits including medical insurance and car allowance, and pension payments.
- The CEO pay ratio for 2022/23 above excludes the one-off replacement awards granted to D A Crosbie upon her appointment as Group Chief Executive Officer.
- For 2018/19, 2019/20 and 2020/21, whilst most employees participated in a defined contribution scheme with a fixed maximum employer contribution, there were other pension arrangements in place for some employees, including a defined benefit pension scheme which has been closed to new participants since 2007. Although it would have been possible to recognise a higher value under the defined benefit scheme, in order to ensure accurate year-on-year comparative data, a fixed value equal to the maximum employer contribution available to the defined contribution scheme members was included for all defined benefit scheme members. From 2021/22 there is only one defined contribution scheme available; therefore, the actual employer contribution value has been used for all employees.
- The Committee has considered the pay data for the three individuals identified for 2025/26 and confirms that the ratios reasonably represent the approach to pay and reward for employees taken as a whole.

**Voting at AGM**

Resolutions to approve the 2024/25 Report of the directors on remuneration and the current directors' remuneration policy were passed at the 2025 AGM. In each case votes were cast as follows:

Vote	Report of the directors on remuneration (2025 AGM)	Remuneration policy (2025 AGM)
For	632,500 (95.37%)	627,982 (94.79%)
Against	30,708 (4.63%)	34,492 (5.21%)
Withheld	8,656	9,390

## Summary remuneration policy and implementation for 2026/27

The table below sets out a summary of our remuneration policy for executive and non-executive directors, as approved by members at the 2025 AGM, as well as its proposed implementation in 2026/27. The full text of the policy can be found in our Annual Report and Accounts 2025, available at [nationwide.co.uk](http://nationwide.co.uk)

Element	Operation and opportunity	Implementation in 2026/27
<p><b>Base salary</b> Supports the recruitment and retention of key talent. Base salaries are market-competitive and reflect the size and complexity of the role</p>	<p>Base salaries are normally reviewed on an annual basis. Any changes are normally effective from 1 April.</p>	<p>The Committee determined base salaries for 2026/27 with effect from 1 April 2026 as follows:</p> <ul style="list-style-type: none"> <li>• D A Crosbie £1,240,000 (increase of 2.9%)</li> <li>• M J Mathieson £700,000 (increase of 3.7%)</li> <li>• C S Rhodes £930,000 (no change)</li> </ul>
<p><b>Benefits</b> Provide a market-competitive and cost-effective benefits package as part of fixed remuneration</p>	<p>Benefits may include a car allowance, access to drivers when required, security when required, healthcare and insurance benefits. Business-related expenses are also reimbursed, including any associated tax.</p> <p>Other benefits may be provided, including to enable recruitment, retention or relocation.</p>	<p>No change for 2026/27.</p>
<p><b>Pension</b> Provides post-retirement benefits for participants in a cost-efficient manner</p>	<p>Executive directors may receive a cash allowance and/or contribution to a defined contribution pension scheme.</p> <p>Pension allowances are set as a percentage of base salary. The maximum allowance payable is aligned with the maximum pension benefit available to Nationwide colleagues, which is currently 16% of base salary.</p>	<p>No change for 2026/27.</p>
<p><b>Annual Performance Pay (APP) plan</b> Rewards the achievement of stretching Group, team and individual targets for a single financial year</p>	<p><b>Operation</b> APP awards are discretionary and determined by the Committee following the end of the one-year performance period, reflecting achievement against targets set.</p> <p>To ensure alignment of goals, a portion of the awards for executive directors is based on the same performance measures as all eligible colleagues. The executive directors may also have a portion of their awards based on the achievement of other strategic and / or individual objectives.</p> <p>Alongside awards under the LTPP plan, the payment and deferral of APP awards are determined at the time of award and in compliance with regulatory requirements.</p> <p>Awards are normally paid in cash, although a portion may be delivered in, or linked to the value of, the Group's CCDS.</p> <p>The Committee may reduce, freeze, suspend or cancel payments under the APP plan if it believes that outcomes are not representative of the overall performance of the Group.</p> <p><b>Opportunity</b> The normal maximum APP opportunity for the executive directors is 150% of base salary. Maximum opportunities may vary by role. Actual award levels will be determined by the Committee.</p> <p>Normally, 67% of the maximum opportunity is payable for target performance and at the threshold level of performance, 33.5% of the maximum opportunity will be paid. No portion of the award will be paid where threshold performance is not achieved.</p>	<p>For awards made in respect of 2026/27, the target opportunity for D A Crosbie and M J Mathieson will be 100% of base salary with a maximum opportunity of 150%. For C S Rhodes, the target opportunity will be 67% of base salary with a maximum opportunity of 100%.</p> <p><b>Performance measures</b> Awards made in respect of 2026/27 will be subject to the following Group-wide performance measures:</p> <ul style="list-style-type: none"> <li>• More rewarding relationships: Number of engaged customers (12.5%);</li> <li>• Simply brilliant experience: Customer experience score (12.5%);</li> <li>• Simplify, integrate and grow: Total costs (12.5%);</li> <li>• Beacon for mutual good: Heard good things about (12.5%);</li> <li>• Executive Scorecard: Performance against a comprehensive scorecard capturing a wide range of Group financial and non-financial measures (30%).</li> </ul> <p>The remaining 20% of the award will be based on individual contribution, behaviours and conduct.</p> <p>Gateway measures based on profit before tax, leverage ratio and conduct risk will also apply.</p> <p>Targets under the APP plan are commercially sensitive and so will be disclosed, along with performance achieved, in next year's report.</p>

<p><b>Long-Term Performance Pay (LTPP) plan</b></p> <p>Incentivises sustainable long-term performance and alignment with members' interests</p> <p>Awards are made annually and only pay out where challenging performance measures are met, normally measured over a three-year period</p>	<p><b>Operation</b></p> <p>LTPP awards are discretionary and normally granted subject to the achievement of satisfactory performance over the year prior to grant. Awards are then normally subject to a three-year forward-looking performance period from the start of the financial year in which the grant is made.</p> <p>Payment of the awards will not start until after the end of the three-year performance period and is subject to the achievement of the performance conditions. The payment of awards will be deferred in compliance with regulatory requirements.</p> <p>A portion of the awards is normally delivered in or linked to the value of the Group's CCDS. Participants will be entitled to the value of CCDS distributions (or equivalent) to the extent permitted by regulations.</p> <p><b>Opportunity</b></p> <p>LTPP awards may be granted up to a maximum value of 300% of base salary. Maximum opportunities may vary by role. Actual award levels will be determined by the Committee.</p> <p>Normally, 67% of the maximum opportunity is payable for target performance and at the threshold level of performance, 33.5% of the maximum opportunity will be paid. No portion of the award will be paid where threshold performance is not achieved.</p>	<p>LTPP awards in respect of 2026/27 will be made following the year, subject to the achievement of satisfactory Group performance and individual delivery, behaviours and conduct. The Committee intends to keep LTPP grant levels under review to ensure they remain appropriate.</p> <p><b>Performance measures</b></p> <p>Forward-looking performance will be measured against a long-term scorecard determined by the Committee on an annual basis and set to align with the long-term strategic objectives of the Group.</p> <p>Details of the performance measures for the 2026/27 LTPP (for the performance period 2027/28 to 2029/30) will be included in next year's remuneration report.</p>																														
<p><b>Chairman and non-executive director fees</b></p> <p>Provide a market-competitive fee level for the role at Nationwide</p>	<p>The Chairman's fee is normally reviewed and approved by the Remuneration Committee on an annual basis.</p> <p>Non-executive director fees are normally reviewed and approved by the executive directors and the Chairman on an annual basis.</p> <p>Any changes are typically effective from 1 April.</p> <p>Non-executive directors are paid a basic fee, with an additional supplement paid for additional roles or responsibilities, including in respect of the Senior Independent Director or Employee Voice role, or for serving on or chairing a Board Committee or committee of a subsidiary entity. Additional fees may be payable for additional time commitment or responsibilities.</p> <p>The Chairman and non-executive directors do not take part in any performance pay plans or in any pension arrangements. Benefits may be provided if considered appropriate including reimbursement of any reasonable expenses (together with any tax thereon where these are deemed to be taxable benefits).</p>	<p>The annual review of non-executive director fees for 2026/27 has been undertaken and fees adjusted with effect from 1 April 2026. Where appropriate, fees have been increased to ensure they continue to be competitively positioned against the market.</p> <table border="1" data-bbox="1406 914 2112 1342"> <thead> <tr> <th colspan="3">Chairman and non-executive director fees for 2026/27</th> </tr> <tr> <th></th> <th>Fees effective 1 April 2026</th> <th>Fees effective 1 April 2025</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>£670,000</td> <td>£650,000</td> </tr> <tr> <td>Deputy Chair</td> <td>£160,000</td> <td>-</td> </tr> <tr> <td>Basic fee for non-executive directors</td> <td>£95,000</td> <td>£92,000</td> </tr> <tr> <td>Senior Independent Director</td> <td>£50,000</td> <td>£50,000</td> </tr> <tr> <td>Chair of the Audit, Board Risk or Remuneration Committee</td> <td>£80,000</td> <td>£75,000</td> </tr> <tr> <td>Member of the Audit, Board Risk or Remuneration Committee</td> <td>£36,000</td> <td>£34,000</td> </tr> <tr> <td>Member of the Nomination and Governance Committee</td> <td>£16,700</td> <td>£16,500</td> </tr> <tr> <td>Employee Voice</td> <td>£15,000</td> <td>£14,000</td> </tr> </tbody> </table>	Chairman and non-executive director fees for 2026/27				Fees effective 1 April 2026	Fees effective 1 April 2025	Chairman	£670,000	£650,000	Deputy Chair	£160,000	-	Basic fee for non-executive directors	£95,000	£92,000	Senior Independent Director	£50,000	£50,000	Chair of the Audit, Board Risk or Remuneration Committee	£80,000	£75,000	Member of the Audit, Board Risk or Remuneration Committee	£36,000	£34,000	Member of the Nomination and Governance Committee	£16,700	£16,500	Employee Voice	£15,000	£14,000
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**Discretion, risk adjustment and malus and clawback**

In determining variable pay awards, the Committee has the ability to apply independent judgement to ensure that the outcome is a fair reflection of the performance of the Group and the individual over the relevant period. In applying this judgement, the Committee has scope to consider any such factors it deems relevant.

The Committee takes into account performance against a broad set of financial and non-financial performance measures and considers performance on a risk-adjusted basis, evaluating progress against defined measures within the context of our risk appetite, including conduct risk. This is a formal process which also includes input and feedback from the Audit and Board Risk committees. In this manner, the Committee has discretion to reduce an executive director's variable pay in relation to risk-related matters.

In certain circumstances, the Committee has the discretion to operate malus and clawback provisions under the APP and LTPP plans. Such circumstances may include, but are not limited to: participation in, or responsibility for, conduct that results in significant losses; failure to meet appropriate standards of fitness and propriety; employee misbehaviour or material error; a material downturn in financial performance; a material failure of risk management; as well as other circumstances required by regulatory obligations or deemed appropriate by the Committee. Clawback can be applied for a period of seven years from the date of award. This may be extended to ten years in the event of ongoing internal or regulatory investigation at the end of the seven-year period. This period is considered appropriate in light of regulatory requirements, the Group's business cycle and to allow sufficient time for any potential risks to crystallise.

