

# Welcome to our Review of the Year

2026

Including our Summary financial statement



# What Nationwide has achieved this year



Delivered significant value for members and leading service:

**Delivered £1.8 billion in value for members**, including £0.4 billion in Nationwide Fairer Share payments, and £1.4 billion from better average prices and incentives than the market average

**Number one for customer satisfaction** compared to our peer group for the 14<sup>th</sup> year running<sup>1</sup>

**Extended our Branch Promise to 2030<sup>2</sup>**

**Further improved our banking app** with new functionality

**Recognised as the best bank in the UK** in Forbes' ranking of the World's Best Banks 2026



Number one for growth in mortgages and retail deposits in the UK

**Highest growth in mortgages and retail deposits** in the UK<sup>3</sup>

**UK's most switched-to current account provider<sup>4</sup>**

Attracted more young customers, including **over 40% of all student current accounts opened** in the UK<sup>5</sup>

Helped **88,000 first time buyers** into homes

Introduced Nationwide customers to Virgin Money **business current accounts**



Maintained an excellent financial performance:

**£2,026 million underlying profit before tax**

**£1,490 million statutory profit before tax**

**Remained financially strong**, with levels of capital and liquidity above external requirements



And had a positive impact in communities:

**Committed £21.8 million to charitable activities**

**Helped 200,000 people** through our Fairer Futures social impact strategy, since its launch in June 2024

Basis of reporting and comparatives - After acquiring Virgin Money on 1 October 2024, we changed our financial year end to 31 March. This review covers the year from 1 April 2025 to 31 March 2026. The previous period covered 361 days from 5 April 2024 to 31 March 2025, and included six months of Virgin Money results following the acquisition.

Footnotes - information relating to the footnotes referred to on this page is set out on the back cover of this document.

# A letter from Kevin Parry OBE

Chairman



## Dear fellow member,

As I reflect on my tenure on Nationwide's Board, I am proud of the phenomenal progress the Society has made on your behalf. Over the last decade, we have grown our membership from 15 million to 19 million, our annual member value from £0.4 billion to £1.8 billion and our annual contribution to charitable activities from £4 million to over £21 million.

This year, we once again demonstrated the value of mutuality with our third Fairer Share payment. The £0.4 billion distributed to members this year brought the total to over £1.7 billion given in member rewards since 2023. I am pleased to confirm that we will make our fourth Fairer Share payment to eligible members in June 2026.

Sharing our profits with our members has become even more important in the current challenging economic climate, and we remain committed to supporting our members through times of uncertainty.

All members of the Nationwide Board are also members of the Society. We all value feedback from fellow members to ensure that our decision-making considers a wide range of views that are representative of the breadth of our member base. This year, the Board held regular Closer to Customer focus groups to hear directly from our customers, and received updates from our online research community and customer experience surveys. The Board directors and I also appreciated speaking directly with members in branches and at the AGM in July 2025, with the highest member attendance in over a decade.

From all of this engagement, we gained a clear understanding of how important our branches and banking apps are to customers. In response, we extended our Branch Promise while always improving the digital experience for our customers.

I am pleased that we continue to make a positive impact in our communities. We committed over £21 million to charitable

activities, primarily through our four Fairer Futures charity partnerships. With our partners, we have helped over 200,000 people since June 2024, and we have now booked 6,000 dementia clinics run by specialist nurses in around 250 branches. It has been a privilege to serve as your Chairman. Nationwide is well positioned following the acquisition of Virgin Money, and I will leave the Society in good hands, confident in the knowledge that it is now one of the UK's leading financial services firms and the country's standout mutual business. This will be my last AGM as your Chairman, and I would like to thank members for their support of the Board during my tenure. As a member, I look forward to the continued success of Nationwide in serving you with dedication to value and service.

A handwritten signature in black ink that reads "Kevin Parry". The signature is written in a cursive style with a horizontal line underneath the name.

**Kevin Parry OBE**  
Chairman

# A letter from Dame Debbie Crosbie DBE

Group Chief Executive Officer



## Dear fellow member,

We have had another excellent year. Our members shared in our success, as we delivered £1.8 billion in value to them, including £0.4 billion in Fairer Share payments.

We continued to prioritise customer experience and value. Once again, Nationwide was first for customer satisfaction and our lead over peers continued to grow compared to last year<sup>1</sup>. We provide customers with choice in how they bank with us, and we were responsible for over 50% of all branch-based product openings in the UK<sup>6</sup>. We extended our Branch Promise and further improved our banking apps, making it easy for customers to bank with us across our channels. We also strengthened our systems with innovative technology, to make sure our customers can trust us with their banking needs.

We were number one for growth in mortgages, retail deposits and personal

current accounts<sup>3</sup>. We achieved Virgin Money's best ever growth in business current accounts, which included introducing these products to Nationwide customers for the first time. We are on track to launch our Nationwide-branded business banking offerings in 2027.

We welcomed a record number of students, gaining over 40% of all new student current account openings across the market<sup>5</sup>, and we were delighted that Virgin Money was named Best Credit Card Provider by Your Money for the second year running.

These achievements led to another strong financial performance, with underlying profit before tax of £2.0 billion and statutory profit before tax of £1.5 billion.

This year, Nationwide was recognised as the best bank in the UK in Forbes' ranking of the World's Best Banks 2026. We also secured Gold in the Retail Banking Sector in Britain's Most Admired Companies 2025<sup>7</sup>, reinforcing

our position as one of the UK's most trusted and respected organisations.

Since the year end, in April 2026 we completed the legal transfer of the majority of Virgin Money's business to Nationwide, with eligible Virgin Money account holders becoming members of the Society<sup>8</sup>. This was a significant milestone towards our integration of the two businesses.

I would like to thank our colleagues for their commitment and contribution to making this another highly successful year. We will continue to build momentum, invest in customer experience, and demonstrate the positive impact we make for customers, communities and businesses, as we deliver on our purpose: Banking – but fairer, more rewarding, and for the good of society.

A handwritten signature in black ink that reads "Debbie A Crosbie".

**Dame Debbie Crosbie DBE**  
Group Chief Executive Officer

# As a modern mutual, we do things differently

## Our purpose

### Banking – but fairer, more rewarding, and for the good of society.

We aim to improve banking for all, and make a positive difference for our members and customers, our communities and wider society.

We are owned by our members – our customers who have a personal current account, savings or mortgage with us. Certain business accounts also qualify for membership.

The combination of our size, mutual ownership and strong reputation puts us in a unique position in UK banking. It enables us to prioritise customer experience and value. It also means we can have a positive impact on society.

We have four strategic drivers that help us to achieve our purpose, covered over the next four pages.

## Our mutual difference

As a mutual, the value we create is used to benefit our members as owners. We do not have to use our profits to pay shareholders dividends, so we balance:

### ✔ **Sharing our success with our members**

Through Nationwide Fairer Share payments, valuable products and our leading service.

### ✔ **With our need to keep enough profit**

To remain financially strong.

We also commit at least 1% of our pre-tax profits<sup>9</sup> each year to fund charitable activities in communities across the UK.

## Our business

We provide banking products and services to our customers, helping them with:

### ✔ **Managing everyday finances**

More than one in nine<sup>10</sup> of the UK's personal current accounts are held with us.

### ✔ **Saving for the future**

We are the UK's largest retail deposit taker.

### ✔ **Owning a home**

We are the UK's second largest residential mortgage provider, which includes helping first time buyers into homes. We also provide buy to let mortgages to landlords, primarily through The Mortgage Works.

### ✔ **Business banking and borrowing**

For small to medium-sized enterprises, and larger businesses, as well as registered social landlords.

### ✔ **Other borrowing needs**

Through credit cards and personal loans.

# Simply brilliant experience

Delivering a **personal and easy banking experience**, from start to finish. We aim to combine a seamless mobile banking experience with modern branches that offer personalised and trusted support.

Our mutual model means we exist to serve and benefit our members and customers. We did this in a number of ways:

- ✔ **Leading customer experience:** We were first for customer satisfaction among our peer group for the 14<sup>th</sup> year running<sup>1</sup>.
- ✔ **Provided customers with a choice in ways to bank:** On the high street, on our app or internet bank, on the phone, or on our 24/7 online chat.
- ✔ **Extended our Branch Promise until at least the start of 2030<sup>2</sup>:** Nationwide has the largest single-brand branch network in the UK.
- ✔ **Invested in our banking app, giving customers greater control and a simpler, more secure banking experience.** We improved personalisation and added new support tools, such as a Better Off Indicator to help customers understand their eligibility for government benefits.
- ✔ **Protected customers from £225 million of fraud.** More than 900,000 people used our Scam Checker Service for reassurance on payments. We also launched a Call Checker in our app, so customers can confirm that their calls with Nationwide are genuine.



**Tom Evans**

Nationwide current account and savings customer

"I've only ever banked with Nationwide. Being able to go in to branches, speak to real people and get clear, straightforward help makes a big difference. I like that they've committed to staying on the high street. The app's also a big plus and keeps improving, but the branches are such a bonus these days."

**We measure our progress on providing a simply brilliant experience through our:**

## Customer experience score

This is based on the satisfaction score that customers with a Nationwide product provide when they complete our survey after they interact with us in our branches, digitally or by phone. Our score of 89.9 was above our target of 89.2.

# More rewarding relationships

Building **deeper, broader, more lifelong relationships** with our customers that provide the best value in banking.

We delivered £1.8 billion (2025: £2.8 billion) in value to our members. This included £1.4 billion (2025: £1.8 billion) from better pricing and incentives than the market average, largely from member deposits where the rates were, on average, 28% higher than the market average. It also included £0.4 billion (2025: £0.4 billion) in Fairer Share payments to eligible members in June 2025.

Overall member value was lower in 2026 compared with 2025, in part as a result of the £0.6 billion one-off payment (The Big Nationwide Thank You) made to members last year. It also reflected a lower interest rate environment which reduced the extent to which we could provide rates that were better than the market average.

**We measure our progress towards building more rewarding relationships through how many engaged customers we have.**

## Engaged customers

We define engaged customers as those who have a Nationwide-branded main current account, plus either a Nationwide savings or mortgage balance of at least £100.

We have 4.40 million engaged customers, ahead of our 4.31 million target.

## We helped more people into homes:

- Number one for growth in mortgages across the market<sup>3</sup>. Nationwide is the only Which? Recommended Provider for mortgages.
- Helped 88,000 first time buyers into homes.
- Made it easier to buy a home or remortgage, while ensuring we lend responsibly. We increased loan to value maximums for new build properties, and relaunched interest only mortgages with more ways to repay, for customers who meet eligibility criteria. We also enabled more customers to borrow up to six times their income.

## We supported our customers with their everyday banking needs:

- Number one for growth in retail deposits<sup>3</sup>.
- Most switched-to current account provider<sup>4</sup>.
- Over 40% of all new student current account openings were with Nationwide<sup>5</sup>.
- Opened up our Virgin Money business current accounts to Nationwide customers.

# Beacon for mutual good

Focusing our impact on the issues that matter most to customers, businesses, and society, in a way that only we can. We aim to **drive positive change and fairer practices in banking**, and support charitable causes aligned with our purpose.

In 2025/26, we committed £21.8 million (2025: £18.7 million) to charitable activities as part of the 1% of pre-tax profits<sup>9</sup> that we commit to good causes each year. This primarily contributed towards our Nationwide Fairer Futures social impact strategy. It also included donations of £2.7 million to the Nationwide Foundation and £1.6 million to the Virgin Money Foundation, both independent charities. In addition, our colleagues supported their local communities with fundraising and volunteering.

## Nationwide Fairer Futures

We have partnered with four charities to help us make a meaningful difference - these are: Centrepoin, Action for Children, Dementia UK and The Royal Marsden Cancer Charity.

Since launch in June 2024, we have helped over 200,000 people.



### Locks Farmer

Managing Director of Income and Engagement,  
Action for Children

“Action for Children’s partnership with Nationwide helps us support families facing heartbreaking financial hardships. From delivering grants that help families feed their children and pay essential bills, to influencing policy change needed to lift thousands of families out of poverty, our work together is creating deep and lasting impact.”

The **Nationwide Foundation** works to tackle the housing shortage. It funds on-the-ground advocacy work, ground-breaking research and innovation in housing, and convenes coalitions to campaign for change.

The **Virgin Money Foundation** supports positive lasting change in local communities. It is currently working to tackle digital poverty, and to help people in becoming more digitally confident.

## We measure our progress towards being a beacon for mutual good based on whether people have:

### Heard good things about Nationwide

In a monthly survey, we ask people in the UK whether they have heard good things about the Nationwide brand relative to its peers. Our measure is based on how non-customers rank us compared to our peers.

Nationwide was ranked first by non-customers for which brands they had heard good things about<sup>11</sup>. This was above our target of at least second place.

Find out more at: [nationwide.co.uk/fairer-futures](https://nationwide.co.uk/fairer-futures), on [nationwidefoundation.org.uk](https://nationwidefoundation.org.uk) and [virginmoneyfoundation.org.uk](https://virginmoneyfoundation.org.uk).

# Simplify, integrate and grow

Bringing Nationwide and Virgin Money together and **delivering even more for customers.**

Our financial strength enables us to progress our strategy. In 2025/26, our underlying profit before tax was £2,026 million (2025: £1,852 million). Our statutory profit before tax was £1,490 million (2025: £2,302 million). There were a number of significant one-off items that impacted statutory profit before tax in 2024/25, including the £2.3 billion gain as a result of our acquisition of Virgin Money on 1 October 2024. More information can be found on page 12.

Our capital position is strong, as shown by our Common Equity Tier 1 (CET1) ratio of 19.1% (2025: 19.1%), and by our leverage ratio which forms one of our measures for assessing our financial strength.

**We measure our financial strength, which enables us to progress our strategy, through our:**

## Leverage ratio

Our leverage ratio of 5.3% exceeded regulatory requirements.

Our leverage ratio is a measure of our ability to withstand economic shocks, so that we remain safe and strong for our customers, even in tougher times.

We are investing in system and technology improvements and innovations that help us provide even better customer experiences and make us even stronger and safer.

### **Providing a more seamless payments experience:**

- We invested in our payments systems so we can provide a faster, more resilient and uninterrupted payments service for our customers.

### **Making it easier to do business with us:**

- We are simplifying and automating key processes that support customer experience. We were the first lender to allow mortgage deeds to be signed electronically using a Qualified Electronic Signature, helping to speed up the home buying process.
- We are using artificial intelligence (AI) responsibly where it helps deliver better outcomes for customers. For example, it helps us spot and prevent fraud and gives us insights that allow us to improve the service we provide.

### **Becoming even safer and stronger:**

- New technology is enabling us to better manage cyber threats, further protecting our customers.

### **Our integration of Virgin Money is progressing well:**

- We completed the legal transfer of the majority of Virgin Money's business into Nationwide on 2 April 2026. More information can be found on page 10.

# Bringing Nationwide and Virgin Money together

We continue to make good progress with bringing the organisations together. We are **ahead of our plans on integrating Virgin Money into the Group**, and we are bringing the benefits of the acquisition to our customers sooner than expected.

## Transfer of Virgin Money's business to Nationwide

- We completed the transfer of the majority of Virgin Money's business to Nationwide on 2 April 2026.
- This was the largest banking business transfer of its kind in the UK. It included the legal transfer of approximately 6.8 million customers. We have achieved this sooner than we anticipated when we announced our plans to buy Virgin Money.
- As a result, Virgin Money account holders who hold personal current accounts, savings and mortgages are now members of Nationwide<sup>8</sup>. Some business accounts also qualify for membership. Eligible members could now qualify for member-exclusive products, and from 2027 they will be considered for any future Fairer Share payments that are made.
- We also transferred over 8,000 Virgin Money employees, uniting all our employees under one employer, with a single set of HR policies. This has made how we run our business more consistent.
- The completion of the transfer has set us up well for future activity, so we can progress bringing together our systems and processes more safely and efficiently than would otherwise have been the case.

## Extension of our Branch Promise

- The extension of our Branch Promise<sup>2</sup> until at least the start of 2030 includes all Virgin Money branches. Virgin Money account holders can access services in Virgin Money branches and Banking Hubs, and Nationwide account holders can access services in Nationwide branches.

## Sale of Virgin Money Investments

- During the year, we also completed the sale of Virgin Money's investments and pensions subsidiary, simplifying our business.

## Plans to launch Nationwide-branded business banking

- Looking ahead, we plan to launch Nationwide-branded business banking in the first half of 2027, combining Virgin Money's deep expertise with Nationwide's mutual ethos. We are on track to deliver this well ahead of the plans that we set out when we announced the deal to buy Virgin Money.

## Preparing for customers to move to the Nationwide brand

- We are getting ready to commence the migration of Virgin Money account holders to the Nationwide brand in 2026.

# Listening to our members and customers

As a mutual, we are here for our members and customers. We are keen to **understand their views and what matters most** to them. We engaged customers directly through surveys, interviews and focus groups.

## How we have engaged

- We held our online Annual General Meeting (AGM) in July 2025, with our highest attendance in over a decade.
- We considered the feedback from over 920,000 customer experience survey responses to improve our products and services.
- We surveyed over 210,000 customers about the acquisition of Virgin Money, with over 95% feeling positive or neutral about it.
- We conduct extensive research and testing on our banking app, with customers and colleagues across all age groups and needs, to shape how we design new features and functions.
- We set up a dedicated helpline for queries regarding the transfer of Virgin Money's business to Nationwide.
- Board members engaged with customers through Closer to Customer focus groups, and visited our branches to strengthen their understanding of customers' views and needs.
- We analyse complaint root causes to improve customer outcomes, which the Board regularly discussed in detail.

## How we have responded

- We extended our Branch Promise due to customer demand.
- We strengthened our banking app informed by our research, with more personalised features, and created simpler and safer ways for customers to identify themselves and verify calls from us.
- We launched an improved in-app Help section following our testing, to make it easier for customers to quickly report fraud, dispute transactions and access guidance.
- We created a Better Off Indicator to help customers understand which government benefits they may be entitled to.
- We introduced digital lessons to support digital inclusion further.
- We gave updates regarding our progress on Virgin Money integration, in response to members' comments at our AGM.
- We made it easier to open a new savings product when a fixed term ends, in response to complaint and survey feedback.
- We enhanced our current account switch incentive process to enable customers to receive their payment quicker.

## How to have your say

- Complete our customer experience surveys after interacting with us. Last year we sent over 11 million survey invitations.
- Tell us about your experience in our Nationwide banking app.
- Join us for our online AGM in July 2026.
- Contribute to our online research community, Member Voice. This is broadly representative of our member base, gathering views from over 5,000 members across the UK. We send email invitations when we're looking for more members to join.

# Summary financial statement

## For the year ended 31 March 2026

This financial statement is a summary of information in the audited annual accounts, the Directors' report and Annual business statement, all of which will be available on our website at [nationwide.co.uk](http://nationwide.co.uk) from 8 June 2026. Copies will also be available to members and depositors free of charge at every office of Nationwide Building Society. The auditor's report in relation to the full financial statements was not qualified in any respect.

## Basis of reporting and comparatives

After acquiring Virgin Money on 1 October 2024, we changed our financial year end to 31 March. This review covers the year from 1 April 2025 to 31 March 2026. The previous year covered a shorter period, from 5 April 2024 to 31 March 2025, and included six months of Virgin Money results following the acquisition.

## Summary directors' report

The Summary directors' report comprises the information set out on pages 2 to 11.

Approved by the board of directors on 20 May 2026 and signed on its behalf by:

**K A H Parry OBE**, Chairman

**D A Crosbie DBE**, Group Chief Executive Officer

**M J Mathieson**, Group Chief Financial Officer

Results for the year		
	2026 £m	2025 £m
Net interest income	6,076	4,992
Other income and charges	268	180
Gains from derivatives and hedge accounting	35	12
Gain on the acquisition of Virgin Money	-	2,300
Administrative expenses	(4,159)	(3,550)
Impairment losses and other provisions	(331)	(632)
<b>Profit before member reward payments and taxation</b>	<b>1,889</b>	<b>3,302</b>
Member reward payments (note i)	(399)	(1,000)
<b>Profit for the year before taxation</b>	<b>1,490</b>	<b>2,302</b>
Taxation	(387)	36
<b>Profit for the year</b>	<b>1,103</b>	<b>2,338</b>

Reconciliation of statutory profit before taxation to underlying profit before taxation (note ii)		
	2026 £m	2025 £m
<b>Statutory profit for the year before taxation</b>	<b>1,490</b>	<b>2,302</b>
Gain on the acquisition of Virgin Money	-	(2,300)
Amortisation of acquisition fair value adjustments	34	39
Costs relating to the acquisition of Virgin Money	138	367
Initial impairment provisions recognised following acquisition	-	456
Member reward payments (note i)	399	1,000
Gains from derivatives and hedge accounting	(35)	(12)
<b>Underlying profit for the year before taxation</b>	<b>2,026</b>	<b>1,852</b>

### Notes:

- i. Member reward payments represent discretionary payments to members of the Society which may be determined by the Board from time to time, depending on the financial strength of the Society.
- ii. Certain items are excluded from underlying profit before taxation, to reflect management's view of the Group's underlying performance and to assist with like-for-like comparisons of performance across periods.

Financial position at the end of the year		
Assets	2026 £m	2025 £m
Liquid assets	66,074	59,956
Mortgages	285,978	275,575
Other lending (note i)	25,505	25,314
Derivative financial instrument assets	3,341	4,742
Fixed and other assets (note ii)	1,430	2,290
<b>Total assets</b>	<b>382,328</b>	<b>367,877</b>
Members' interests, equity and liabilities		
Shares (member deposits)	217,052	207,428
Borrowings	137,040	131,829
Derivative financial instrument liabilities	1,178	1,547
Other liabilities	2,792	4,018
Subordinated liabilities	2,931	2,444
Subscribed capital	46	129
Core capital deferred shares	1,157	1,157
Other equity instruments	2,178	1,485
Reserves (note iii)	17,750	17,081
Non-controlling interests	204	759
<b>Total members' interests, equity and liabilities</b>	<b>382,328</b>	<b>367,877</b>

## Notes:

- i. Other lending includes consumer lending and business lending.
- ii. Fixed and other assets include negative hedge accounting adjustments which closely relate to other items within total assets.
- iii. Reserves include a general reserve of £17,746 million (2025: £17,086 million). The remainder relates to a cash flow hedge reserve, revaluation reserve and other reserves.

Summary of the key financial ratios required by the Building Societies Act		
	2026 %	2025 %
<b>Gross capital as a percentage of shares and borrowings:</b> This ratio helps us measure how much capital we have to protect our members and other creditors against shocks.	6.9	6.8
<b>Liquid assets as a percentage of shares and borrowings:</b> This ratio is a measure of our ability to meet normal cash demands, such as savings withdrawals or providing new mortgages.	18.6	17.6
<b>Profit for the year as a percentage of mean total assets:</b> This ratio measures the profit made in the year relative to the average amount of total assets.	0.29	0.72
<b>Management expenses as a percentage of mean total assets:</b> This ratio is a way of measuring how efficient we are being.	1.11	1.10

We are required to disclose the above ratios under legislation originally drafted in 1986. Today, we use different measures for capital strength, liquidity, profitability and efficiency. These include our Common Equity Tier 1 (CET1) capital ratio, leverage ratio and underlying profit before tax. More information on these measures is shown on page 9.

# Statement of the auditors to the members and depositors of Nationwide Building Society.

We have examined the Summary financial statement of Nationwide Building Society for the year ended 31 March 2026, which comprises the Results for the year, the Reconciliation of statutory profit before taxation to underlying profit before taxation, the Financial position at the end of the year, the Summary of key financial ratios required by the Building Societies Act 1986, set out on pages 12 to 13, and the Summary report of the directors on remuneration on pages 15 to 19.

## Respective responsibilities of directors and auditors

The directors are responsible for preparing the Summary financial statement, in accordance with the Building Societies Act 1986, which includes information extracted from the Annual Report and Accounts and the auditable part of the Report of the directors on remuneration of Nationwide Building Society for the year ended 31 March 2026.

Our responsibility is to report to you our opinion on the consistency of the Summary financial statement with the Financial statements, the Directors' report, and the Report of the directors on remuneration, and its compliance with the relevant requirements of Section 76 of the Building Societies Act 1986 and the regulations made thereunder.

## Basis of opinion

Our examination involved agreeing the balances disclosed in the Summary financial statement to the Annual Report and Accounts. Our audit report on the Society's Annual Report and Accounts and the auditable part of the Report of the directors on remuneration describes the basis of our opinion on those financial statements and the auditable part of that report.

## Opinion

In our opinion the Summary financial statement is consistent with the Financial statements, the Directors' report and the Report of the directors on remuneration of Nationwide Building Society for the year ended 31 March 2026, and complies with the applicable requirements of Section 76 of the Building Societies Act 1986, and the regulations made thereunder.

## Use of our report

This statement is made solely to the Society's members and depositors of Nationwide Building Society, as a body, in accordance with Section 76 of the Building Societies Act 1986. Our audit work has been undertaken so that we might state to the Society's members and depositors those matters we are required to state to them in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members and depositors as a body, for our audit work, for this statement, or for the opinions we have formed.

*Ernst & Young LLP*

**Ernst & Young LLP, Registered Auditors  
London, 20 May 2026**

# Summary report of the directors on remuneration



I am pleased to share a summary of the Remuneration Committee's report for the year ended 31 March 2026. Further details are set out in the full Report of the directors on remuneration, including a summary of our remuneration policy for executive and non-executive directors, as approved by members at the 2025 AGM. The full report is available at [nationwide.co.uk](http://nationwide.co.uk)

## 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 was 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.

## **Performance and pay outcomes for 2025/26**

### **Annual Performance Pay (APP)**

Colleagues across the Group participated in the APP plan during 2025/26. Separate performance measures applied for Nationwide and Virgin Money, reflecting the financial and strategic priorities of each business.

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.

### **Long-Term Performance Pay (LTTP)**

The 2023 LTTP 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. The Committee agreed a vesting outcome for the 2023 LTTP awards of 94.5%.

Reflecting on performance during 2025/26, the Committee granted the 2026 LTTP awards for the Group Chief Executive Officer and Group Chief Financial Officer.

### **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 and the Financial Conduct Authority 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.

### **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 be 150% of salary.

The Committee will continue to monitor evolving market practice around executive pay.

### **Member voting on remuneration**

At the 2026 AGM there will be one advisory vote on the directors' remuneration report. 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

# Annual Performance Pay

Executive directors' APP outcomes for 2025/26 were determined by the Committee as set out below:

Measure	Performance achieved in 2025/26 (note i)	Outcome / maximum achievable (% of maximum)		
		D A Crosbie	M J Mathieson	C S Rhodes (note ii)
Number of engaged customers	Maximum	12.5% / 12.5%	12.5% / 12.5%	31.3% / 50% Determined by reference to Virgin Money performance measures, and financial and risk gateways.
Customer experience score	Above Target	11.3% / 12.5%	11.3% / 12.5%	
Total costs	Maximum	12.5% / 12.5%	12.5% / 12.5%	
Heard good things about	Maximum	12.5% / 12.5%	12.5% / 12.5%	
Executive Scorecard element		28.5% / 30%	28.5% / 30%	28.5% / 30%
Individual performance element		20% / 20%	13.4% / 20%	18.5% / 20%
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. Overall, the Committee was satisfied that the outcomes were fair and no discretionary adjustment was applied.		0%	0%	0%
<b>Total performance pay achieved</b>		<b>97.3% / 100%</b>	<b>90.7% / 100%</b>	<b>78.3% / 100%</b>

Notes:

- i. Further details of the Committee's assessment of the outcomes for each element are set out in the full Report of the directors on remuneration. The Committee must also be satisfied that there are no significant conduct, risk, reputational, financial, operational or other reasons why awards should not be made, taking into account input from the Board Risk and Audit committees.
- ii. Relates to the period from 30 September 2025, being the date at which C S Rhodes was appointed to the Nationwide Board.

## Executive directors' remuneration

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. The table below includes the amounts delivered to the executive directors relating to the first LTPP awards granted in June 2023.

Single total figure of remuneration for each executive director (note i)						
(Audited)	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 (APP)	1,758	1,111	790	338	364	311
Long-term performance pay (LTPP) (note v)	1,464	-	-	-	943	-
<b>Total variable remuneration</b> (note vi)	<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.
- v. A portion of the 2023 LTPP award shown above is linked to the value of the Group's core capital deferred shares (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.

## CEO pay ratio reporting

The ratio of the Group CEO's total remuneration versus the total remuneration of the median employee was 109:1 (2024/25: 63:1). The increase 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, with any awards deferred over the long-term. Further details are set out in the full Report of the directors on remuneration.

## 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)		
(Audited)	Group fees £'000	Taxable benefits (note ii) £'000	Total fees and taxable benefits £'000	Group fees £'000	Taxable benefits (note ii) £'000	Total fees and taxable benefits £'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.



- 1 Nationwide brand lead as at March 2026: 8.0%pts, March 2025: 7.5%pts, March 2024: 5.5%pts, all are 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.
- 2 All our 605 Nationwide branches and 91 Virgin Money branches will remain open until at least 1 January 2030. Opening hours may vary. More information can be found on [nationwide.co.uk/about-us/branch-promise/](https://nationwide.co.uk/about-us/branch-promise/)
- 3 Peer group includes Barclays, HSBC UK, Lloyds Banking Group, NatWest Group and Santander UK. Peer group for personal current account balances excludes HSBC UK due to data not being available.
- 4 Pay.UK quarterly Current Account Switch Service data, nine months to December 2025, gross and net gains across the Nationwide group, based on the latest available data.
- 5 Based on Curinos eBenchmarkers comparison of financial services providers and Nationwide analysis, April 2025 to February 2026.
- 6 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.
- 7 Provided by Echo Research.
- 8 Further information on Virgin Money customers joining Nationwide as members is available at [virginmoney.com/nationwide-membership/](https://virginmoney.com/nationwide-membership/)
- 9 The 1% is calculated based on average pre-tax profits over the previous three years.
- 10 CACI's Current Account and Savings Database, stock credit balances (February 2026).
- 11 Based on a study conducted by an international market research company commissioned by Nationwide, which asks consumers: "Which of the brands have you heard good things about?". Respondents are asked to rate the Nationwide brand and its peer brands from a list. Performance is based on non-customer responses for the 12 months ended March 2026. Financial brands included are Nationwide, Barclays, Chase, Co-operative Bank, First Direct, Halifax, HSBC, Lloyds, Monzo, NatWest, Santander, Starling Bank, TSB and Virgin Money.