

CONFORMED COPY

FINAL TERMS

MiFID II product governance/target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Prohibition of sales to EEA retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (**IMD**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

6 March 2018

Nationwide Building Society

Legal entity identifier (LEI): 549300XFX12G42QIKN82

**€1,000,000,000 Fixed-to-Floating Rate Senior Non-Preferred Notes due March 2026
issued pursuant to its U.S.\$25,000,000,000 European Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 16 February 2018 which constitutes a base prospectus (the **Base Prospectus**) for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the London Stock Exchange through a regulatory information service (<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>).

TYPE OF NOTE

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|----|----------------------------------------------------|----------------------|
| 1. | Status of the Notes: | Senior Non-Preferred |
| | (a) Senior Non-Preferred Notes: Waiver of Set-off: | Applicable |

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|-----|--------------------------------------------------------------|----------------------------------------------|
| (b) | Senior Non-Preferred Notes:
Restricted Events of Default: | Applicable |
| (c) | Senior Non-Preferred Notes: Gross-up
of principal: | Applicable |
| 2. | Interest Basis: | Combination (see paragraphs 12 and 14 below) |

DESCRIPTION OF THE NOTES

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| 3. | New Global Note: | Yes |
| 4. | Form of Notes: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| 5. | (a) Series Number: | 509 |
| | (b) Tranche Number: | 1 |
| | (c) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 6. | (a) Nominal Amount of Notes to be issued: | €1,000,000,000 |
| | (b) Aggregate nominal amount of Series (if more than one issue for the Series): | €1,000,000,000 |
| | (c) Specified Currency: | Euro (€) |
| | (d) Specified Denomination(s): | €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000 |
| | (e) Calculation Amount: | €1,000 |
| 7. | Issue Price: | 99.382 per cent. of the Nominal Amount of the Notes |
| 8. | Issue Date: | 8 March 2018 |
| 9. | Interest Commencement Date: | Issue Date |
| 10. | Automatic/optional conversion from one Interest Basis to another: | 1.50 per cent. Fixed Rate from (and including) the Interest Commencement Date up to (but excluding) 8 March 2025 (the Fixed Rate Period)

3 month EURIBOR +0.93 per cent. per annum from (and including) 8 March 2025 up to (but excluding) the Maturity Date (the Floating Rate Period) |
| 11. | Additional Financial Centre(s): | London |

**PROVISIONS RELATING TO INTEREST (IF ANY)
PAYABLE**

12.	Fixed Rate Note Provisions	Applicable in respect of the Fixed Rate Period
	(a) Fixed Rate(s) of Interest:	1.50 per cent. per annum payable annually in arrear on each Fixed Interest Date
	(b) Fixed Interest Date(s):	8 March in each year, from (and including) 8 March 2019 up to (and including) 8 March 2025
	(c) Initial Broken Amount per denomination:	Not Applicable
	(d) Fixed Coupon Amount(s):	€15.00 per Calculation Amount
	(e) Broken Amount(s):	Not Applicable
	(f) Final Broken Amount per denomination:	Not Applicable
	(g) Day Count Fraction:	Actual/Actual (ICMA)
	(h) Business Day Convention:	Following Business Day
	• Adjusted:	Not Applicable
	• Non-Adjusted:	Applicable
	(i) Additional Business Centre(s):	Not Applicable
	(j) Determination Date(s):	8 March in each year
13.	Zero Coupon Note Provisions	Not Applicable
14.	Floating Rate Note Provisions	Applicable in respect of the Floating Rate Period
	(a) Party responsible for calculating the Interest Rate and Interest Amount (if not the Agent):	Not Applicable
	(b) Interest Period(s) or specified Interest Payment Date(s):	8 June 2025, 8 September 2025, 8 December 2025 and 8 March 2026, subject in each case to adjustment in accordance with the Business Day Convention
	(c) Business Day Convention:	Modified Following Business Day
	(d) Additional Business Centre(s):	Not Applicable
	(e) First Interest Payment Date:	8 June 2025 (subject to adjustment in accordance with the Business Day Convention)
	(f) Manner in which Rate of Interest is to be determined:	Screen Rate Determination

(g)	If Screen Rate Determination:	
(i)	Reference Rate, Specified Time and Relevant Financial Centre:	Reference Rate: 3 month EURIBOR Specified Time: 11.00 a.m. Relevant Financial Centre: Brussels
(ii)	Interest Determination Date:	Second business day on which the TARGET2 System is open prior to the start of each Interest Period
(iii)	Relevant Screen Page:	Reuters page EURIBOR01
(h)	If ISDA Determination:	Not Applicable
(i)	Linear Interpolation:	Not Applicable
(j)	Margin(s):	+0.93 per cent. per annum
(k)	Minimum Rate of Interest (if any):	Not Applicable
(l)	Maximum Rate of Interest (if any):	Not Applicable
(m)	Day Count Fraction:	Actual/360
15.	Reset Note Provisions	Not Applicable
16.	Benchmark Replacement:	Applicable

PROVISIONS REGARDING REDEMPTION/MATURITY

17.	Maturity Date:	Interest Payment Date falling in or nearest to March 2026
18.	Redemption at Issuer's option:	Applicable
(a)	Optional Redemption Date(s):	8 March 2025
(b)	Optional Redemption Amount:	€1,000 per Calculation Amount
(c)	If redeemable in part:	Not Applicable
(d)	Notice periods:	Minimum period: 5 days Maximum period: 30 days
19.	Regulatory Event (Subordinated Notes only):	Not Applicable
20.	(a) Senior Non-Preferred Notes: Loss Absorption Disqualification Event Redemption:	Applicable
	(b) Loss Absorption Disqualification Event:	Full or Partial Exclusion

- | | | |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| (c) | Senior Non-Preferred Notes:
Substitution and Variation: | Applicable |
| 21. | Redemption at Noteholder's option: | Not Applicable |
| 22. | Final Redemption Amount: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 23. | Early Redemption Amount payable on redemption for taxation reasons or (for Subordinated Notes only) following a Regulatory Event or (for any Note) on an Event of Default: | €1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THIS ISSUE OF NOTES

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| 24. | U.S. Selling Restrictions: | Reg S Compliance Category 2: TEFRA D |
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Signed on behalf of **NATIONWIDE BUILDING SOCIETY**

By: [Sarah Robinson]
Duly Authorised

By:[Rob Collins]
Duly Authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (a) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority with effect from the Issue Date.
- (b) Estimate of total expenses related to admission to trading: £4,380

2. RATINGS

- Ratings: The Notes to be issued are expected to be rated:
- | | |
|----------------------------------------------------------|------|
| Moody's Investors Service Limited: | Baa1 |
| Standard & Poor's Credit Market Services Europe Limited: | BBB+ |
| Fitch Ratings Ltd.: | A |

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business

4. OPERATIONAL INFORMATION

- (a) ISIN: XS1788834700
- (b) Common Code: 178883470
- (c) CFI: Not Applicable
- (d) FISN: Not Applicable
- (e) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (f) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (g) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (ICSDs) as common safekeeper and does not

necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank (**ECB**) being satisfied that Eurosystem eligibility criteria have been met.

5. **DISTRIBUTION**

Prohibition of Sales to EEA Retail Investors: Applicable