Nationwide Building Society

Capital Requirements
(Country by Country Reporting)

For the year ended
4 April 2015
Country by Country Reporting

The disclosures set out in the table below are required by The Capital Requirements (Country by Country) Regulations 2013.

Substantially all of the Group’s activities are conducted in the United Kingdom. In addition there are some operations in the Isle of Man, the Republic of Ireland, and the Netherlands.

The country by country reporting (CBCR) disclosure for the year ended 4 April 2015 is shown below.

<table>
<thead>
<tr>
<th>Country</th>
<th>Nature of activities</th>
<th>Number of employees (average full time equivalent)</th>
<th>Total operating income / (expense) (£m)</th>
<th>Pre-tax profit / (loss) (£m)</th>
<th>Corporation tax paid (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>Provision of financial services</td>
<td>16,117</td>
<td>3,114</td>
<td>1,049</td>
<td>162</td>
</tr>
<tr>
<td>Republic of Ireland</td>
<td>Deposit taking and employment services</td>
<td>23</td>
<td>(4)</td>
<td>(6)</td>
<td>-</td>
</tr>
<tr>
<td>Isle of Man</td>
<td>Deposit taking</td>
<td>60</td>
<td>27</td>
<td>24</td>
<td>3</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Investment in financial assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Intra-group adjustments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td>N/A</td>
<td>-</td>
<td>6</td>
<td>(23)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>16,200</td>
<td>3,143</td>
<td>1,044</td>
<td>165</td>
</tr>
</tbody>
</table>

(1) The amount disclosed for total operating income is prepared on the same basis as the consolidated financial statements of the Group for the year ended 4 April 2015, which are prepared in accordance with International Financial Reporting Standards.

(2) This relates principally to transactions between the Group’s operations in different countries that are included within the individual country turnover and/or profit before tax, which require adjustment to avoid double counting when arriving at the overall Group results.

(3) No public subsidies were received by the Group during the year ended 4 April 2015.

(4) For a full list of Group entities and branches by jurisdiction, please refer to Appendix 1.

Basis of preparation

The Group’s CBCR disclosure has been prepared to comply with The Capital Requirements (Country by Country Reporting) Regulations 2013, which came into effect on 1 January 2014. The requirements place certain reporting obligations on financial institutions that are within the scope of the European Union’s Capital Requirements Directive (CRD IV). CBCR requires annual publication of certain statutory information on a consolidated basis, by country where an institution has an establishment. Income and expenses relating to transactions between business units in the same jurisdiction have been eliminated.

Independent auditors’ report to the Directors of Nationwide Building Society

We have audited the accompanying schedule of Nationwide Building Society (“the Group”) for the year ended 4 April 2015 (“the Schedule”). The Schedule has been prepared by the directors based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013 (“the Regulations”).

Directors’ Responsibility for the Schedule

The directors are responsible for the preparation of the Schedule in accordance with the Regulations, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the Schedule, and for such internal control as the directors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group’s preparation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the country-by-country information in the Schedule as at, and for the period ended 4 April 2015 is prepared, in all material respects, in accordance with the requirements of the Regulations.

Basis of Preparation and Restriction on Distribution
Without modifying our opinion, we draw attention to the basis of preparation. The Schedule is prepared to assist the directors to meet the requirements of the Regulations. As a result, the Schedule may not be suitable for another purpose.

Our report is intended solely for the benefit of the directors of the Group. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
16 December 2015
London, United Kingdom
Appendix 1 – Full listing of Nationwide group entities and branches as at 4 April 2015

United Kingdom
Nationwide Building Society
At.Home Nationwide Limited
Confederation Mortgage Services Limited
Derbyshire Home Loans Limited
Dunfermline BS Nominees Limited
E-Mex Home Funding Limited
Ethos Independent Financial Services Limited
Exeter Trust Limited
First Nationwide
Jubilee Mortgages Limited
LBS Mortgages Limited
Longwide Limited [joint venture]
Monument (Sutton) Limited
Nationwide Anglia Property Services Limited
Nationwide Covered Bonds LLP [consolidated structured entity]
Nationwide Financial Service Limited
Nationwide Home Loans Limited
Nationwide Housing Trust Limited
Nationwide International Limited
Nationwide Investments (No. 1) Limited
Nationwide Lease Finance Limited
Nationwide Mortgage Corporation Limited
Nationwide Overseas (UK) Limited
Nationwide Property Services (NBS) Limited
Nationwide Syndications Limited
Nationwide Trust Limited
NBS Fleet Services Limited
Silverstone Funding (No. 1) Limited [consolidated structured entity]
Silverstone Master Issuer plc [consolidated structured entity]
Staffordshire Leasing Limited
The Derbyshire (Premises) Limited
The Mortgage Works (UK) plc
UCB Home Loans Corporation Limited

Republic of Ireland
Nationwide Building Society Dublin branch
Ashton Employment Limited
Cromarty CLO Limited [consolidated structured entity]

Isle of Man
Nationwide Building Society Isle of Man branch
Nationwide (Isle of Man) Limited

Netherlands
Moulton Finance Overseas B.V.