

FINAL TERMS

21 July 2017

Nationwide Building Society

€1,000,000,000 Fixed Rate Reset Subordinated Notes due July 2029
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 31 August 2016 and the supplemental Prospectuses dated 18 November 2016, 10 February 2017, 24 May 2017 and 17 July 2017 which together constitute 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

- | | | |
|----|--------------------------------|--------------------------------|
| 1. | Deposit/Ordinary/Subordinated: | Subordinated |
| 2. | Interest Basis: | Reset (see paragraph 15 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: | 508 |
| | (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 (€) |

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| (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 higher than €199,000. |
| (e) | Calculation Amount: | €1,000 |
| 7. | Issue Price: | 99.503 per cent. of the Nominal Amount of Notes |
| 8. | Issue Date: | 25 July 2017 |
| 9. | Interest Commencement Date: | Issue Date |
| 10. | Automatic/optional conversion from one Interest Basis to another: | Not Applicable |
| 11. | Additional Financial Centre(s) | London |

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

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|-----|--|---|
| 12. | Fixed Rate Note Provisions | Not Applicable |
| 13. | Zero Coupon Note Provisions | Not Applicable |
| 14. | Floating Rate Note Provisions | Not Applicable |
| 15. | Reset Note Provisions | Applicable |
| (a) | Initial Rate of Interest: | 2.00 per cent. per annum payable in arrear on each Interest Payment Date up to (and including) the First Reset Date |
| (b) | First Margin: | +1.50 per cent. per annum |
| (c) | Subsequent Margin: | Not Applicable |
| (d) | Interest Payment Date(s): | 25 July in each year, from (and including) 25 July 2018 up to (and including) the Maturity Date |
| (e) | Fixed Coupon Amount to (but excluding) the First Reset Date: | €20.00 per Calculation Amount |
| (f) | Broken Amount(s): | Not Applicable |
| (g) | Reset Reference Rate: | Mid-Swaps |
| (h) | First Reset Date: | 25 July 2024 |
| (i) | Second Reset Date: | Not Applicable |
| (j) | Subsequent Reset Date(s): | Not Applicable |
| (k) | Relevant Screen Page: | Reuters page “ICESWAP2” |

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| (l) | Mid-Swap Rate: | Single Mid-Swap Rate |
| (m) | Mid-Swap Maturity: | 6 months |
| (n) | Reference Bond Reset Rate Time: | Not Applicable |
| (o) | Reference Bond Price in respect of the first Reset Determination Date: | Not Applicable |
| (p) | Fixed Leg Swap Duration: | 12 months |
| (q) | Day Count Fraction: | Actual/Actual (ICMA) |
| (r) | Reset Determination Date(s): | The second day on which the TARGET2 System is open prior to the First Reset Date |
| (s) | Business Centre(s): | TARGET2 System |
| (t) | Calculation Agent: | Agent |

PROVISIONS REGARDING REDEMPTION/MATURITY

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| 16. | Maturity Date: | 25 July 2029 |
| 17. | Redemption at Issuer's option: | Applicable |
| (a) | Optional Redemption Date(s): | First Reset Date |
| (b) | Optional Redemption Amount: | €1,000 per Calculation Amount |
| (c) | If redeemable in part: | |
| (i) | Minimum Redemption Amount: | Not Applicable |
| (ii) | Maximum Redemption Amount: | Not Applicable |
| (iii) | Minimum Period: | Not Applicable |
| (d) | Notice periods: | Minimum period: 30 days Maximum period: 60 days |
| 18. | Regulatory Event (Subordinated Notes only): | Full or Partial Exclusion |
| 19. | Redemption at Noteholder's option: | Not Applicable |
| 20. | 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 |
| 21. | Early Redemption Amount payable on redemption for taxation reasons or (for Subordinated Notes only) following a | €1,000 per Calculation Amount |

Regulatory Event or (for any Note) on an
Event of Default:

GENERAL PROVISIONS APPLICABLE TO THIS ISSUE OF NOTES

22. U.S. Selling Restrictions: Reg S Compliance Category 2: TEFRA D

Signed on behalf of **NATIONWIDE BUILDING SOCIETY**

By: **ALEX WALL**
Duly Authorised

By: **KRISHAN HIRANI**
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 25 July 2017.
- (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:

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| 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 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 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. YIELD

Indication of yield: 2.077 per cent. per annum up to (but excluding) the First Reset Date. The yield is calculated on the basis of the Initial Rate of Interest and the Issue Price as at the Issue Date. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (a) ISIN: XS1651453729
- (b) Common Code: 165145372
- (c) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (d) Names and addresses of additional Paying Agent(s) (if any): Not Applicable