

## FINAL TERMS

9 January 2020

**Nationwide Building Society**

**Issuer Legal Entity Identifier (LEI): 549300XFX12G42QIKN82**

**Issue of GBP1,000,000,000 Series 2020-01 Floating Rate Regulated Covered Bonds due 10 January 2025 irrevocably and unconditionally guaranteed as to payment of principal and interest by Nationwide Covered Bonds LLP under the €45 billion Global Covered Bond Programme**

### **PART A – CONTRACTUAL 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 Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds 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 Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a distributor) should take into consideration each manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Covered Bonds 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(ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**) as amended and superseded, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.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 (the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15 July 2019 and as supplemented by the Supplemental Prospectus dated 22 November 2019 (together, the **Base Prospectus**) which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the LLP and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus are available for viewing during normal business hours at the registered office of the Issuer and copies may be obtained from the specified office of each of the Paying Agents and have been published on the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

The LLP is not now, and immediately following the issuance of the Covered Bonds pursuant to the Trust Deed will not be, a "covered fund" for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the "Volcker Rule". In reaching this conclusion, although other statutory or regulatory exemptions under the Investment Company Act of 1940, as amended,

and under the Volcker Rule and its related regulations may be available, the LLP has relied on the exemption from registration set forth in Section 3(c)(5)(C) of the Investment Company Act of 1940, as amended. See "Certain Volcker Rule Considerations" in the Prospectus dated 15 July 2019.

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|-----|-----|--|--|
| 1.  | (a) | Issuer:  | Nationwide Building Society  |
|     | (b) | Guarantor:   | Nationwide Covered Bonds LLP   |
| 2.  | (a) | Series Number:   | 2020-01  |
|     | (b) | Tranche Number:  | 1  |
|     | (c) | Series which Covered Bonds will be consolidated and form a single Series with:   | Not Applicable   |
|     | (d) | Date on which the Covered Bonds will be consolidated and form a single Series with the Series specified above:                     | Not Applicable   |
| 3.  |     | Specified Currency or Currencies:  | Pounds Sterling ( <b>GBP</b> or <b>£</b> )   |
| 4.  |     | Nominal Amount of Covered Bonds to be issued:  | £1,000,000,000   |
| 5.  |     | Aggregate Nominal Amount of Covered Bonds:   |  |
|     | (a) | Series:  | £1,000,000,000   |
|     | (b) | Tranche:   | £1,000,000,000   |
| 6.  |     | Issue Price:   | 100 per cent. of the Aggregate Nominal Amount  |
| 7.  | (a) | Specified Denominations:   | £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Covered Bonds in definitive form will be issued with a denomination above £199,000. |
|     | (b) | Calculation Amount:  | £1,000   |
| 8.  | (a) | Issue Date:  | 10 January 2020  |
|     | (b) | Interest Commencement Date:  | Issue Date   |
| 9.  | (a) | Final Maturity Date:   | 10 January 2025  |
|     | (b) | Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: | 10 January 2026  |
| 10. |     | Interest Basis:  | SONIA + 0.55 per cent. per annum Floating Rate   |

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|-----|---|---|
| 11. | Redemption/Payment Basis:                                   | 100 per cent. of the nominal value  |
| 12. | Change of Interest Basis:                                   | <p>Applicable for the period from and including the Final Maturity Date to but excluding the Extended Due for Payment Date as follows:</p> <p>Interest Period(s): The period from and including the Final Maturity Date or, as the case may be, a Specified Interest Payment Date, to but excluding the following Specified Interest Payment Date</p> <p>Specified Interest Payment Date(s): Monthly on the 10th day of each month from but excluding the Final Maturity Date to and including the Extended Due for Payment Date or any other date on which the Covered Bonds are redeemed in full</p> <p>First Interest Payment Date: 10 February 2025</p> <p>Save as set out above, the Floating Rate Covered Bond Provisions specified in item 16 shall continue to apply.</p> |
| 13. | Call Options:   | Not Applicable  |
| 14. | Date Board approval for issuance of Covered Bonds obtained: | 19 October 2005   |

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

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|-----|--|--|
| 15. | Fixed Rate Covered Bond Provisions:                              | Not Applicable   |
| 16. | Floating Rate Covered Bond Provisions:                           | Applicable   |
| (a) | Interest Period(s):  | The period from and including the Interest Commencement Date or, as the case may be, a Specified Interest Payment Date, to but excluding the following Specified Interest Payment Date                                 |
| (b) | Specified Interest Payment Date(s):                              | Quarterly on the 10th day of January, April, July and October in each year from and including 10 April 2020 to and including the Final Maturity Date or any other date on which the Covered Bonds are redeemed in full |
| (c) | First Interest Payment Date:                                     | 10 April 2020  |
| (d) | Business Day Convention:   | Modified Following Business Day Convention   |
| (e) | Business Centre(s):  | Not Applicable   |
| (f) | Manner in which the Rate(s) of Interest is/are to be determined: | Screen Rate Determination  |

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|-----|--|---|
| (g) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount (if not the Agent): | Not Applicable  |
| (h) | Screen Rate Determination:   | Applicable  |
|     | – Reference Rate:  | SONIA   |
|     | – Interest Determination Date(s):  | Five London Banking Days prior to the end of each Interest Period |
|     | – Relevant Screen Page:  | Reuters Screen SONIA  |
| (i) | ISDA Determination:  | Not Applicable  |
| (j) | Margin(s):   | + 0.55 per cent. per annum  |
| (k) | Minimum Rate of Interest:  | 0.00 per cent. per annum  |
| (l) | Maximum Rate of Interest:  | Not Applicable  |
| (m) | Day Count Fraction:  | Actual/365 (Fixed)  |
| (n) | Observation Period:  | 5 London Banking Days   |
| 17. | Zero Coupon Covered Bond Provisions:   | Not Applicable  |

#### **PROVISIONS RELATING TO REDEMPTION BY THE ISSUER**

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|-----|--|-------------------------------|
| 18. | Call Option:   | Not Applicable                |
| 19. | Final Redemption Amount of each Covered Bond:  | £1,000 per Calculation Amount |
| 20. | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, on acceleration following an Issuer Event of Default or an LLP Event of Default: | £1,000 per Calculation Amount |

#### **GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

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|-----|--|---|
| 21. | Form of Covered Bonds:   | Bearer Covered Bonds:<br><br>Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds in definitive form only after an Exchange Event |
| 22. | New Global Covered Bond:   | Yes   |
| 23. | Financial Centre(s) relating to payment dates:   | Not Applicable  |
| 24. | Talons for future Coupons to be attached to Bearer Definitive Covered Bonds (and dates | No  |

on which such Talons mature):

25. Redenomination, renominatisation and Not Applicable reconventioning provisions:

## **PART B – OTHER INFORMATION**

### **1. LISTING**

- (a) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the London Stock Exchange's Regulated Market and to the Official List of the UK Listing Authority with effect from the Issue Date.
- (b) Estimate of total expenses related to admission to trading: £4,560

### **2. RATINGS**

- (a) The Covered Bonds to be issued are expected to be rated: S & P: AAA  
Fitch: AAA

### **3. PROVISIONS RELATING TO THE JUMBO INTEREST RATE SWAPS**

BMR Spread:	1.60 per cent. per annum
Fixed Rate Spread:	1.30 per cent. per annum
SMR Spread:	3.00 per cent. per annum
Tracker Rate Spread:	1.50 per cent. per annum

### **4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in "*Subscription and Sale and Transfer and Selling Restrictions*", so far as the Issuer and the LLP are aware, no person involved in the issue of the Covered Bonds has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking transactions with and may perform other services for the Issuer and/or the LLP and its or their affiliates in the ordinary course of business.

### **5. OPERATIONAL INFORMATION:**

- (a) ISIN Code: XS2100384853
- (b) Common Code: 210038485
- (c) CUSIP: Not Applicable
- (d) CFI Code: As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (e) FISN: As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National

Numbering Agency that assigned the ISIN

- (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" means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds 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 satisfaction of the Eurosystem eligibility criteria.

**6. DISTRIBUTION**

U.S. Selling Restrictions

Reg. S Compliance Category 2; TEFRA D

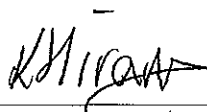
**7. YIELD (Fixed Rate Covered Bonds only)**

Indication of yield:


Not Applicable

**8. U.S. FEDERAL INCOME TAX CONSIDERATION** Not Applicable

Signed on behalf of the **Issuer**:

By:   
Duly authorised

Signed on behalf of the **LLP**:

By:   
Duly authorised