

Nationwide announces tender offer for certain of its dollar-denominated Notes up to the U.S. dollar equivalent of £700,000,000

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

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May 25, 2022

Nationwide Building Society (the “**Society**” or “**Nationwide**”) announced today that it is making two separate cash tender offers to purchase an aggregate principal amount for both offers of up to the U.S. dollar equivalent of £700,000,000 (as determined at the Price Determination Time) of its outstanding 4.125% Reset Subordinated Notes due October 2032 (the “**2032 Notes**”) and its 4.000% Subordinated Notes due September 2026 (the “**2026 Notes**”) (together, the “**Securities**”) (each, an “**Offer**” and together, the “**Offers**”). The Offers are made on, and are subject to, the terms and conditions set forth in the offer to purchase (the “**Offer to Purchase**”), dated May 25, 2022. Capitalized terms not otherwise defined in this announcement have the same meaning as assigned to them in the Offer to Purchase.

Summary of the Offers

Title of Security	ISIN / CUSIP Numbers	Acceptance Priority Level	Outstanding Principal Amount	First Reset Date	Maturity Date	Reference Security / Bloomberg Reference Page	Early Tender Payment ⁽¹⁾	Fixed Spread (bps)	Hypothetical Total Early Tender Consideration ⁽²⁾
4.125% Reset Subordinated Notes due October 2032	US63859WAF68 / 63859WAF6 (144A) US63859XAE76 / 63859XAE7 (Reg S)	1	US\$1,250,000,000	18 October 2027	18 October 2032	2.75% due April 2027 FIT1	U.S.\$30	185	U.S.\$978.51
4.000% Subordinated Notes due September 2026	US63859WAE93 / 63859WAE9 (144A) US63859XAD93 / 63859XAD9 (Reg S)	2	US\$1,250,000,000	N/A	14 September 2026	2.75% due April 2027 FIT1	U.S.\$30	165	U.S.\$985.28

Note:

(1) Per U.S.\$1,000 principal amount of Securities accepted for purchase.

(2) Per U.S.\$1,000 principal amount of Securities accepted for purchase. The Hypothetical Total Early Tender Consideration was calculated at 11:00 a.m. (New York City time) on May 24, 2022 assuming the Early Settlement Date in accordance with the formula set forth in Annex 1 of the Offer to Purchase, it includes the Early Tender Payment and is for illustrative purposes only. The Total Early Tender Consideration will be calculated by the Dealer Managers at the Price Determination Time (as defined herein) and may be greater or less than the amount shown in the above table depending on the yield of the Reference Security at the Price Determination Time.

The Offers will expire at 11:59 p.m., New York City time, on June 22, 2022, unless extended (such time and date, as the same may be extended, the “**Expiration Date**”). Holders of Securities subject to the offers must validly tender and not validly withdraw their securities at or prior to 5:00 p.m., New York City

time, on June 8, 2022, unless extended (such date and time, as the same may be extended, the “**Early Tender Deadline**”) to be eligible to receive the applicable Total Early Tender Consideration, which includes an Early Tender Payment (as defined below), plus Accrued Interest. Holders who validly tender their Securities after the Early Tender Deadline but at or prior to the Expiration Date will only be eligible to receive an amount equal to the applicable Total Early Tender Consideration minus the Early Tender Payment, plus Accrued Interest. Tendered Securities under the Offers may be validly withdrawn at any time at or prior to 5:00 p.m., New York City time, on June 8, 2022, unless extended (such date and time, as the same may be extended, the “**Withdrawal Deadline**”), but not thereafter.

The “**Total Early Tender Consideration**” for each U.S.\$1,000 principal amount of each Series of Securities validly tendered and not validly withdrawn at or prior to the Early Tender Deadline and accepted for purchase by the Society will be equal to an amount (rounded to the nearest cent) that would reflect, as of the applicable Settlement Date, a yield to the first reset date of October 18, 2027 (in the case of the 2032 Notes) or a yield to the maturity date of 14 September 2026 (in the case of the 2026 Notes) of such Series of Securities equal to the sum of: (i) the Reference Yield for the Reference Security, plus (ii) the relevant Fixed Spread set forth in the table above. Specifically, the Total Early Tender Consideration will equal (i) the value of all remaining payments of principal and interest on the relevant Series of Securities up to and including the first reset date of October 18, 2027 (in the case of 2032 Notes) or the maturity date (in the case of the 2026 Notes) discounted to the applicable Settlement Date at a discount rate equal to (x) the relevant Reference Yield plus (y) the relevant Fixed Spread, minus (ii) Accrued Interest. The Total Early Tender Consideration with respect to each Series of Securities includes the Early Tender Payment.

The “**Tender Offer Consideration**” for each U.S.\$1,000 principal amount of each Series of Securities validly tendered after the Early Tender Deadline but at or prior to the Expiration Date and accepted for purchase by the Society is equal to the Total Early Tender Consideration for such Series minus the Early Tender Payment.

The “**Early Tender Payment**” for each U.S.\$1,000 principal amount of Securities of each Series validly tendered and not validly withdrawn in the Offers at or prior to the Early Tender Deadline in any Offer and accepted for purchase is U.S.\$30.

Holders will also receive Accrued Interest (as defined in the Offer to Purchase) on the relevant settlement date for the Offer.

The Total Early Tender Consideration for each U.S.\$1,000 principal amount of each Series of Securities validly tendered and not validly withdrawn at or prior to the Expiration Date and accepted for purchase by the Society will be determined by the Dealer Managers in accordance with standard market practice and with the formula set forth in Annex 1 of the Offer to Purchase, as of 11:00 a.m., New York City time, on June 9, 2022 (the “**Price Determination Time**”).

The Offers are subject to a purchase limit of the U.S. Dollar Equivalent of £700,000,000 in aggregate principal amount of Securities as determined by the Society at the Price Determination Time in accordance with the Offer to Purchase (the “**Maximum Tender Amount**”).

The amount of each Series of Securities that is purchased in the Offers will be based on the Maximum Tender Amount and the Acceptance Priority Level for such Series, as set forth in the table on the cover page of this Offer to Purchase, with Acceptance Priority Level 1 being higher than Acceptance Priority Level 2, provided that any Securities tendered at or prior to the Early Tender Deadline will be accepted for purchase in priority to any Securities tendered after the Early Tender Deadline, even if such Securities tendered following the Early Tender Deadline have a higher Acceptance Priority Level than Securities tendered on or prior to the Early Tender Deadline. Among any Securities validly tendered after the Early Tender Deadline but on or prior to the Expiration Date, Securities having a higher Acceptance Priority Level will be accepted before any Securities tendered following the Early Tender Deadline having a lower

Acceptance Priority Level. If the Offer is oversubscribed, then the Securities will be subject to proration as described in the Offer to Purchase.

Indicative Timeline (New York City time)

Date	Calendar Date and Time	Event
Commencement Date	May 25, 2022	Commencement of the Offers.
Early Tender Deadline	5:00 p.m. on June 8, 2022, unless extended	The last time and day for Holders to tender Securities and be eligible to receive the Total Early Tender Consideration (which includes the Early Tender Payment), plus Accrued Interest.
Withdrawal Deadline	5:00 p.m. on June 8, 2022, unless extended	The last time and day for Holders to validly withdraw tenders of Securities.
Price Determination Time	11:00 a.m. on June 9, 2022, unless extended	The time at which the FX Rate and the Reference Yield for the Reference Security will be determined by the Dealer Managers for purposes of determining the Total Early Tender Consideration and the Tender Offer Consideration.
Early Acceptance Date	If the Society exercises the Early Settlement Right, the first Business Day following the Early Tender Deadline, expected to be on or about June 9, 2022, assuming that the Early Tender Deadline is not extended	The date on which the Society accepts for purchase (subject to any proration) the Securities validly tendered and not validly withdrawn at or prior to the Early Tender Deadline.
Early Settlement Date	If the Society exercises the Early Settlement Right, the second Business Day after the Early Tender Deadline, expected to be on or about June 10, 2022, assuming that the Early Tender Deadline is not extended	The Society will deposit with DTC, for distribution to the Holders entitled thereto, the amount of cash necessary to pay each Holder in respect of their Securities that are accepted for payment the Total Early Tender Consideration, plus Accrued Interest.

Date	Calendar Date and Time	Event
Expiration Date	11:59 p.m., on June 22, 2022, unless extended or earlier terminated	The last time and date for Holders to tender Securities and be eligible to receive the Tender Offer Consideration (which does not include the Early Tender Payment), plus Accrued Interest.
Final Settlement Date	Expected to be the second Business Day after the Expiration Date, expected to be on or about June 24, 2022, assuming that the Expiration Date is not extended	The Society will deposit with DTC, for distribution to the Holders entitled thereto, the amount of cash necessary to pay each Holder in respect of their Securities that are accepted for payment (i) in the case of Securities validly tendered and not validly withdrawn at or prior to the Early Tender Deadline (and assuming the Society does not exercise the Early Settlement Right), the Total Early Tender Consideration and (ii) in the case of Securities validly tendered after the Early Tender Deadline but at or prior to the Expiration Date, the Tender Offer Consideration (which does not include the Early Tender Payment (as defined herein)), in each case plus Accrued Interest.

The above dates and times are subject, where applicable, to the right of the Society to extend, re-open, amend, and/or terminate the offers, subject to applicable laws. Holders of Securities are advised to check with any bank, securities broker or other intermediary through which they hold Securities when such intermediary would require to receive instructions to participate in, or withdraw their instruction to participate in, the offers before the deadlines set out above.

Purpose of the Offers and Source of Funds

The objective of the Offers is for the Society to manage its liquidity in an efficient manner by proactively managing its outstanding capital base and optimising its future interest expense.

Following consummation of the Offers, the Securities that are purchased in the Offers will be retired and cancelled and no longer remain outstanding. Nationwide expects to pay for the Securities that they

purchase in the Offers with cash on hand. The Offers are not conditioned on the Society obtaining any financing.

Offers

The consummation of the Offers is subject to the satisfaction of several conditions set forth in the Offer to Purchase. There can be no assurance that such conditions will be satisfied or if they are not satisfied, that the Society will waive them. If any of the conditions are not satisfied or waived by the Society, the Society will not be obligated to accept for purchase, purchase or pay for validly tendered Securities, in each case subject to applicable laws, and may terminate the offers. The offers are not conditioned on the tender of a minimum principal amount of Securities.

Holders of Securities are advised to read carefully the Offer to Purchase for full details of and information on the procedures for participating in the offers. Holders of Securities may access the Offer to Purchase at <https://deals.is.kroll.com/nationwide>.

Dealer Managers

BNP Paribas Securities Corp. Tel : +33 1 55 77 78 94 (Europe) Tel.: (212) 841-3059 (U.S. Collect) Tel: (888) 210-4358 (U.S. Toll Free) Email: liability.management@bnpparibas.com	NatWest Markets Securities Inc. Tel: +44 20 7678 5222 (UK) Tel: +1 203 897 6166 (U.S.) Tel: +1 800 231 5380 (U.S. Toll Free) Email: liabilitymanagement@natwestmarkets.com
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Tender Agent:

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NOTICE AND DISCLAIMER

This press release is neither an offer to purchase, nor a solicitation of an offer to sell the Securities or any other securities. The Society is making the offers only by, and pursuant to, the terms of the Offer to Purchase. The offers are not being made in any jurisdiction in which the making of or acceptance thereof would not be in compliance with the securities laws, blue sky laws or other laws of such jurisdiction. None of the Society, the Dealer Managers or the Tender Agent is making any recommendation as to whether Holders should tender or refrain from tendering their Securities in response to the Offers or how much they should tender. Each Holder must make his, her or its own decision as to whether to tender or refrain from tendering Securities and, if a Holder determines to tender, as to how many Securities of each Series to tender.

This announcement must be read in conjunction with the Offer to Purchase. This announcement and the Offer to Purchase contain important information which should be read carefully before any decision is made with respect to the Offer. If any Holder is in any doubt as to the contents of the Offer to Purchase or the action it should take, it is recommended to seek its own financial advice, including in respect of any

tax consequences, from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Securities pursuant to the Offers.

UK MARKET ABUSE REGULATION

This announcement is released by Nationwide Building Society and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MAR**”), encompassing information relating to the Offers described above. For the purposes of UK MAR, this announcement is made by Sarah Robinson, Head of Term Funding of Nationwide Building Society.

OFFER AND DISTRIBUTION RESTRICTIONS

This announcement and the Offer to Purchase do not constitute an offer or an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such offer or invitation or for there to be such participation under applicable laws. The distribution of this announcement and the Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Offer to Purchase comes are required by each of the Society, the Dealer Managers and the Tender Agent to inform themselves about and to observe any such restrictions.

United Kingdom

The communication of this announcement, the Offer to Purchase and any other documents or materials relating to the Offers is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”)) or within Article 43(2) of the Financial Promotion Order, or to any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

Belgium

None of this announcement, the Offer to Purchase nor any other documents or materials relating to the Offers in respect of each Series of Securities have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (“*Autorite des services et marches financiers/Autoriteit financiële diensten en markten*”) and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids (the “**Belgian Takeover Law**”) as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and none of this announcement, the Offer to Purchase nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than (i) to “qualified investors” in the sense of Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account or (ii) in any circumstances set out in Article 6, § 4 of the Belgian Takeover Law. This announcement and the Offer to Purchase have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the information contained in this announcement

and the Offer to Purchase may not be used for any other purposes or disclosed to any other person in Belgium.

France

The Offers are not being made, directly or indirectly, to the public in the Republic of France ("**France**"). The Offer to Purchase and any other document or material relating to the Offers have only been and shall only be distributed in France to qualified investors as defined in Article 2(e) of Regulation (EU) 2017/1129, as amended. The Offer to Purchase has not been and will not be submitted for clearance to nor approved by the Autorité des Marchés Financiers.

Italy

None of the Offers, the Offer to Purchase or any other document or materials relating to the Offers have been or will be submitted to the clearance procedures of the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian laws and regulations. Each Offer is being carried out in Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the Financial Services Act) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Accordingly, Holders or beneficial owners of the Securities that are located in Italy can tender Securities for purchase in the Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with any other applicable laws and regulations and with any requirements imposed by CONSOB or any other Italian authority.

General

Neither this announcement nor the Offer to Purchase constitutes an offer to buy or a solicitation of an offer to sell Securities, and tenders of Securities in the Offers will not be accepted from Holders, in any jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and a Dealer Manager or its affiliate is such a licensed broker or dealer in such jurisdictions, the Offer shall be deemed to be made on behalf of the Society by such Dealer Manager or such affiliate, as the case may be, and no Offer is made in any such jurisdiction where the relevant Dealer Manager or its affiliate is not so licensed..