

**SUPPLEMENT DATED 17 JULY 2017
TO THE BASE PROSPECTUS REFERRED TO BELOW**



Nationwide Building Society

(Incorporated in England under the Building Societies Act 1986, as amended)

**U.S.\$25,000,000,000
European Note Programme
(the European Note Programme)**

This supplement (the **Supplement**) to the base prospectus dated 31 August 2016 for the European Note Programme (as supplemented on 18 November 2016, 10 February 2017 and 24 May 2017) (as so supplemented, the **Base Prospectus**) constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 and is prepared in connection with the European Note Programme established by Nationwide Building Society (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to:

- (a) amend Condition 10 of the Terms and Conditions of the Notes contained in the Base Prospectus and the corresponding provision in “*Overview of the Programme*” in the Base Prospectus; and
- (b) include a new risk factor relating to the amendment to Condition 10.

Terms and Conditions of the Notes

The first paragraph of Condition 10 of the Terms and Conditions of the Notes as contained in the Base Prospectus shall be deemed to be deleted and replaced by the following:

“All payments of principal and interest (if any) in respect of the Notes and Coupons by (or on behalf of) the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, or levied by the United Kingdom or any political subdivision thereof or by any authority thereof or therein having power to tax, unless the withholding or deduction for, or on account of, such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will (a) in the case of Ordinary Notes

and Deposit Notes, in respect of payments of interest (if any) or principal, or (b) in the case of Subordinated Notes, in respect of payments of interest (if any) only, pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders or, as the case may be, Couponholders after such withholding or deduction shall equal the respective amounts of (in the case of Ordinary Notes and Deposit Notes only) principal and (in the case of any Notes) interest (if any) which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of such withholding or deduction; except that no such additional amount shall be payable in respect of any Note or Coupon.”

The following paragraph shall be deemed to be added as a new final paragraph of Condition 10 of the Terms and Conditions of the Notes as contained in the Base Prospectus:

“For the avoidance of doubt, if this Note is a Subordinated Note, the Issuer will not pay any additional amounts under this Condition 10 in respect of principal of this Note.”

Overview of the Programme

The paragraph entitled “*Taxation*” under “*Overview of the Programme*” in the Base Prospectus shall be deemed to be deleted and replaced by the following:

“All payments in respect of the Notes will be made without deduction for or on account of United Kingdom withholding taxes, unless the withholding is required by law. In that event, the Issuer will (subject to certain exceptions as set out in Condition 10) pay such additional amounts (i) in the case of Ordinary Notes or Deposit Notes, in respect of interest or principal, or (ii) in the case of Subordinated Notes, in respect of interest only, as will result in Noteholders receiving such amounts as they would have received in respect of the Notes had no such withholding been required.

For the avoidance of doubt, in the case of Subordinated Notes, the Issuer will not pay any additional amounts in respect of principal (including premium and other payments akin to principal, as more fully described in the Terms and Conditions).”

Risk Factors

The following new risk factor shall be deemed to be added in the Base Prospectus in the section “*Risk Factors - Factors which are Material for the Purpose of Assessing the Market Risks associated with Notes issued under the Programme*” immediately prior to the risk factor entitled “*If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*”:

“Limitation on gross-up obligation under the Subordinated Notes

The Issuer’s obligation to pay additional amounts in respect of any withholding or deduction for or on account of United Kingdom taxes under the terms of the Subordinated Notes applies only to payments of interest due and payable under the Subordinated Notes and not to payments of principal (which term, for these purposes, includes any premium, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount and Amortised Face Amount and any other amount (other than interest) payable in respect of Subordinated Notes). As such, the Issuer would not be required to pay any additional amounts under the terms of the Subordinated Notes to the extent any withholding or deduction for or on account of United Kingdom tax applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any

payments of principal under any Subordinated Notes, holders of such Subordinated Notes would, upon repayment or redemption of such Subordinated Notes, be entitled to receive only the net amount of such redemption or repayment proceeds after deduction of the amount required to be withheld. Therefore, holders may receive less than the full amount due under such Subordinated Notes, and the market value of such Subordinated Notes may be adversely affected as a result.”

General

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

The date of this Supplement is 17 July 2017.