

Nationwide

On your side

Nationwide is more than 160 years old and is the world's largest building society. Unlike its bank competitors it has no shareholders so its only focus is its 15 million members. This 'On your side' approach has helped it to become a top three provider of mortgages and savings in the UK.



Market

The financial services market is served by a number of providers. Distinguished from its banking competitors, Nationwide is a building society or mutual, and so owned by and run for the benefit of its members (i.e. customers). With no external shareholders to pay dividends to, profits are reinvested in the business for the benefit of those members.

Nationwide has more than 10 million savings customers, five million current account customers and, as one of the UK's largest mortgage providers, issues a new mortgage every two minutes. In recent years it has grown substantially through its amalgamation with a number of other mutual societies across the UK.

Product

Nationwide builds every product with mutuality in mind: understanding what members want and adapting its products accordingly. While its core market is traditionally mortgages and savings, Nationwide also offers a wide range of other products including current accounts, credit cards, investments, insurance – in the form of home, car, life and lifestyle – and personal loans.

The Society continues to demonstrate its support for first time home buyers, both with new products and through the free and impartial advice provided by its First Time Buyers' Guide. In the last year, one quarter of all Nationwide mortgages were for first time buyers.

Despite a climate of low interest rates, Nationwide savers continue to enjoy good rates; the Society's products consistently appeared in 'best buy' tables throughout 2011. As part of its Savings Promises (first announced in 2010), Nationwide took the unique step of writing to each of its savings customers to detail their current interest rates, therefore enabling them to make better informed decisions about their savings.

Achievements

Nationwide receives numerous accolades for its consumer friendly products. In 2011 its current account received a five-star rating from Defaqto for the sixth consecutive year, recognising the excellence of the product's features and costs. Nationwide's main current account customers enjoy a variety of exclusive offers and benefits for no monthly fee, including free travel insurance. Thanks

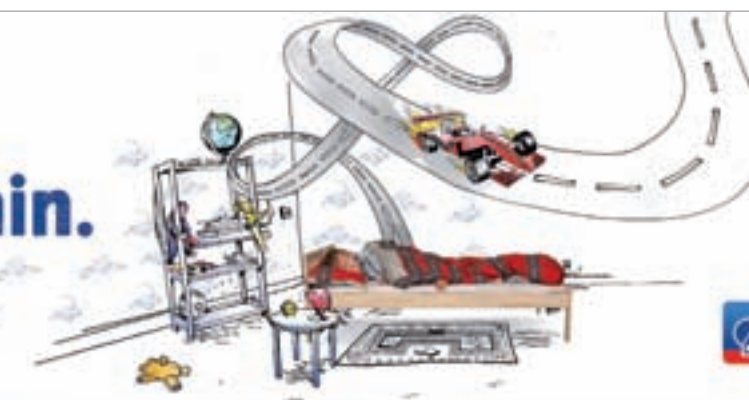
Brand History

- ▶ **1846:** Provident Union Building Society is founded in Ramsbury, Wiltshire.
- ▶ **1848:** Northampton Town and County Freehold Land Society is founded.
- ▶ **1884:** The Southern Co-operative Permanent Building Society opens.
- ▶ **1967:** Northampton Town and County merges with Leicestershire Building Society to form Anglia Building Society.
- ▶ **1970:** The Co-operative Permanent Building Society changes its name to Nationwide Building Society.
- ▶ **1987:** FlexAccount is launched – the first full service current account to pay interest – and Nationwide merges with Anglia to become Nationwide Anglia.
- ▶ **1991:** The brand's name is shortened to Nationwide and a new logo launches.
- ▶ **2007:** Nationwide merges with the Portman Building Society.
- ▶ **2008:** Nationwide merges with Derbyshire and Cheshire Building Societies, and acquires the Dunfermline Building Society the following year.
- ▶ **2010:** Nationwide launches a new campaign starring David Walliams and Matt Lucas.
- ▶ **2011:** The brand launches its 'On your side' positioning and campaign.

to its current account, Nationwide has also garnered Recommended Provider status from Which? magazine.

Providing excellent products is only one part of the equation for Nationwide; the provision of top quality customer service is also critically important to the way it does business. Against its peer group of high street competitors,

Sleep well Britain.



Nationwide is a top performer for customer satisfaction in the combined areas of current accounts, savings and mortgages as measured by an independent industry benchmark (Source: GfK NOP Financial Research Survey (FRS), three months ending September 2011).

Nationwide has an 18-year relationship with Macmillan Cancer Support and has raised more than £6 million over the years. It is also supporting Disability Sport Events through a £1 million sponsorship deal over seven years. This is helping the charity increase opportunities for disabled people to realise their sporting potential on the road to the London 2012 Paralympic Games.

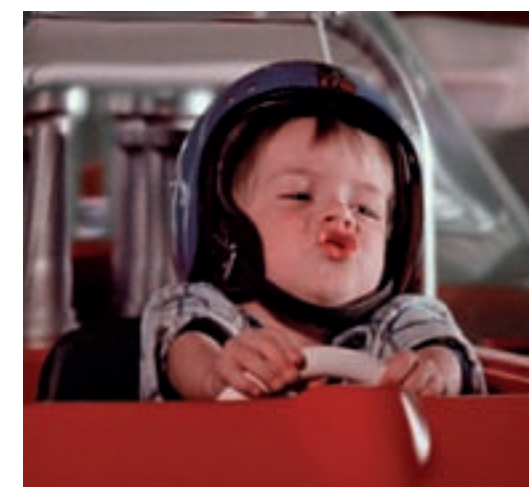


Recent Developments

Nationwide continues to expand its offering of banking products, with 2011 seeing the introduction of two new credit card products. It received the award for Most Responsible Credit Card Lending Practices for the fourth successive year at The Card & Payments Awards 2011.

The Society also remains focused on the customer experience, working to ensure flexible and convenient access to its products and services. Indeed, 2011 saw the launch of Nationwide's new internet banking solution, designed to give customers greater control of their finances.

Nationwide has also launched a new member engagement online portal: Your Nationwide.



The site provides an information resource for members, including how to submit feedback, how comments are being acted on, and the latest Society news and community initiatives. Nationwide also uses the site to openly publish its complaints-handling record and levels of customer service satisfaction. The move won support from The Mail on Sunday, which cited it as one from which Nationwide's competitors should learn.

Did You Know?

Nationwide publishes the longest running series of house price data in the UK, going back as far as 1952, when the price of an average house was just £1,891.

Promotion

In 2011, Nationwide relaunched the brand with a new strapline – 'On your side' – highlighting the importance of putting customers first, rather than shareholders.

'On your side' is Nationwide's promise to help the hard-working people of Britain get on better with their money. The campaign features a magical 'carousel' that is made up of the moments of everyday life in which Nationwide helps people, whether it's better managing their day-to-day finances or saving for the big things in life.

The integrated launch began with a 60-second TV execution during the series premiere of ITV's Downton Abbey, followed by a London-focused digital out-of-home campaign and an online partnership with AOL. Further 30-second product-centric spots extended the campaign across TV. Nationwide will continue to communicate 'On your side' through a range of TV, press, digital, direct marketing, radio and outdoor media.

Brand Values

'On your side' is delivered and sustained internally and externally with PRIDE, Nationwide's set of shared values and behavioural principles that are embedded in its culture: Putting members first; Rewarding relationships; Inspiring trust; Delivering great service; Exceeding expectations. The brand promise ensures that members are put first in everything Nationwide does, underlining the company's fundamental difference from its key competitors.

▶ www.nationwide.co.uk

