UN environment programme | finance initiative

Principles for Responsible Banking

Principles for Responsible Banking 2026

Reporting and self-assessment

July 2026

nationwide

Introduction

Nationwide became a signatory of the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking ("the Principles") in April 2021.

We are one of over 360 financial services organisations across the world signed up to the Principles. This is our fifth report on our progress towards implementing the Principles, using the reporting and self-assessment template provided by the UNEP FI.

Key features of the Principles

- Comprehensive framework addressing the strategic, portfolio and transaction level processes across all business areas
- Alignment with the UN Sustainable Development Goals and the Paris Climate Agreement
- Target setting in the areas of most significant positive and negative impact
- Transparency and accountability through public reporting and review
- Guidance, expert advice and peer learning to support implementation

Information on how to read this report

The information in this disclosure is presented for the year 2025/26, covering the 12 months to 31 March 2026, unless otherwise stated.

A full list of references that support the Principles for Responsible Banking is provided on page 9.

Principle 1: Alignment

We will align our business strategy to be consistent with, and contribute to, individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Briefly describe your bank's sustainability strategy, and which international, regional or national frameworks and UN Sustainable Development Goals (SDGs) it aims to align with. Note any changes in the reporting year.

Aligned with our mutual purpose of Banking – but fairer, more rewarding, and for the good of society, we are committed to doing business in a responsible and sustainable way.

We have four strategic drivers that help us to achieve our purpose, as described on pages 8-11 of our Annual Report and Accounts 2026. Our environmental, social and governance (ESG) ambitions are embedded within our strategy and are supported by five Mutual Good Commitments, which span across three of our strategic drivers. Our Mutual Good Commitments are focused in areas where we believe we can have the most meaningful and positive impact across our customers, colleagues and communities. They demonstrate how our business aligns with the UN SDGs.

Our strategic drivers				
Simply brilliant experience Delivering a personal and easy banking experience, from start to finish.	**More rewarding relationships** Building deeper, broader, more lifelong relationships with our customers that provide the best value in banking.	**Beacon for mutual good** Focusing our impact on the issues that matter most to customers, businesses and society, in a way that only we can.		
Our Mutual Good Commitments				
We will offer customers a choice in how they bank with us, and support their financial resilience.	We will help more people into safe and secure homes, both our customers who have relationships with us and more broadly.	We will make a positive difference for our customers, communities and society as a whole.	We aim to build a more sustainable world by supporting progress towards a greener society.	We will enhance our performance by better reflecting the diversity of our society.
SDGs 1, 8, 10	SDGs 1, 10, 11	SDGs 1, 11	SDGs 7, 11, 12, 13	SDGs 5, 8, 10

The measures that support our progress towards our Mutual Good Commitments can be found on pages 33-36 of our ESG Disclosures 2026. Over the year, we continued to progress activities in support of our five Mutual Good Commitments, as detailed in the Strategy section of our ESG Disclosures 2026 (from page 4).

We are committed to a net-zero future and it is our aspiration to support the UK in achieving its ambition to be net-zero by 2050. In support of our climate-related Mutual Good Commitment, we have set intermediate (by 2030) science-based targets for our scope 1, 2, and 3 emissions. Our Climate-related Financial Disclosures 2026 provides detail on our climate change strategy, and how we manage the risks from climate change.

As a signatory to the UN Global Compact, we are aligned to its principles, including those encompassing human and labour rights. Our respect for human rights is also aligned with the UN Guiding Principles on Business and Human Rights, and those codified in international law through the International Bill of Human Rights. Our approach to human rights can be found in our Human Rights Standard and on page 27 of our ESG Disclosures 2026.

Information on our business model and four strategic drivers can be found on pages 5 and 8-11 respectively of our Annual Report and Accounts 2026. More on the composition of our balance sheet can be found on page 36 of our Annual Report and Accounts 2026. Nationwide is UK-based and therefore no segmental analysis by geography is provided. Our approach to assessing social and environmental risks is covered on page 7 of this report.

Principle 2: Impact and target setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Briefly describe the bank's most significant impact areas and the steps taken to identify, measure and manage them – including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank's transition/action plan, and progress made. Explain how the bank addressed interlinkages between impact areas where possible.

We continue to advance our understanding of the areas across our value chain where we can have the most significant and sustained positive impact, based on our scale, capability and expertise. In 2025, we completed our first Group materiality assessment, following our acquisition of Virgin Money in October 2024. Our Group materiality assessment was considered through a double materiality lens. We engaged with a wide range of stakeholders including customers, non-customers, employees, suppliers and investors, to understand what matters most to them, and we conducted a judgement-based exercise to understand the potential impact and materiality to Nationwide. More information can be found on page 4 of our ESG Disclosures 2026.

Based on our assessment, we consider that our Mutual Good Commitments remain focused in the right areas. Our Mutual Good Commitments also support our own strategic ambitions and broader UK challenges and priorities. They cover the following significant impact areas:

- Financial resilience and accessibility (SDG 1, 8, 10)
- Safe and secure homes (SDG 1, 10, 11)
- Positively impacting communities (SDG 1, 11)
- Environmental impact (SDG 7, 11, 12, 13)
- Inclusion and diversity (SDG 5, 8, 10)

The target measures that underpin our Mutual Good Commitments, and our progress towards them, can be found on pages 33-36 of our ESG Disclosures 2026. We introduced some new target measures in 2025/26 further supporting our ambitions, including supporting customers in the least well-off areas to develop positive savings habits and helping customers with digital initiatives and tools. In addition, we have set new diversity targets for the combined Group, effective from 1 April 2026 (see page 36 of our ESG Disclosures 2026). We also introduced a new target for new lending to support the energy and environmental sector (see page 35 of our ESG Disclosures 2026). Information on our progress towards our intermediate (by 2030) science-based targets can be found in the Metrics and targets section of our Climate-related Financial Disclosures 2026 (from page 22).

We made progress across the majority of our Mutual Good Commitment target measures over the year. However, we recognise that there remain areas where we want to do better, including with respect to female representation in our leadership population, as part of our diverse workforce ambitions. We also face challenges with respect to achieving our scope 3 downstream intermediate (by 2030) science-based targets for mortgages and business lending (see pages 1 and 22 of our Climate-related Financial Disclosures 2026).

Information on the actions we are taking to support and progress our Mutual Good Commitments can be found in the Strategy section of our ESG Disclosures 2026. Our Intermediate (by 2030) net-zero-aligned Transition Plan 2023 details the actions, and potential actions, needed for us to progress towards our science-based targets. We will continue to review our Mutual Good Commitments and supporting target measures, to ensure they remain relevant and focused in the areas where we can make the most significant, positive impacts across society.

Our Mutual Good Commitments also support the UNEP FI priorities of climate change, healthy and inclusive economies, and human rights. Information on how we manage environmental (climate and nature) and social risks can be found on pages 14-19 of our Climate-related Financial Disclosures 2026 and on pages 25-27 of our ESG Disclosures 2026 respectively.

Principle 3: Clients and customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/activities. Note any changes in the reporting year.

As a mutual, we are here to support our customers. This includes our members as owners - who are customers with a personal current account, savings or mortgage with us. Certain business accounts also qualify for membership[1]. Our purpose-led strategy means we act responsibly, doing business in a way that positively impacts our members and customers, as well as our colleagues, communities and society as a whole.

Policies and processes that support sustainable practices

We have a robust suite of controls, policies[2] and practices that support our strategy and embed a culture of responsible behaviour. Our Code of Conduct ensures we operate ethically and with integrity, and is supported by a suite of policies and procedures, including for economic crime, fraud, information security, data security, responsible marketing, responsible products and services, responsible investment and political involvement. In the context of our business lending, our Sensitive Sector Statement[3] sets out the sectors and activities where ESG risks are unacceptably high, and where we have limited or no lending appetite. We apply enhanced controls for sectors with heightened ESG risk, reflecting our commitment to operating responsibly. We also have policies[4] for our third-party suppliers that promote the values and behaviours expected of our supply chain, including the environmental and social standards we expect them to uphold. Our UK Modern Slavery Act statement and Human Rights Standard[5] describe how we promote responsible relationships with our customers, colleagues a nd suppliers.

Our risk management policies and processes ensure we design, sell and manage products and services in a responsible and sustainable way, so we can deliver good outcomes for our customers. For example, affordability assessments and robust underwriting checks ensure we lend responsibly to our customers. Our Property Risk Hub supports climate adaptation, assessing whether a property is at risk of flooding, subsidence or coastal erosion as part of the mortgage underwriting process (see page 11 of our Climate-related Financial Disclosures 2026).

Supporting our customers through our products and services

We engage regularly with our stakeholders, including customers, throughout the year. Their views and feedback guide our decision making and help us to make targeted improvements to our services and propositions so that we continue to deliver good customer outcomes. We have a range of propositions and initiatives in place that support our progress in relation to the impact areas on page 4 of this report. This includes with respect to protecting customers from economic crime, encouraging good savings habits, making our products and services accessible and inclusive, providing financial education to help people more confidently manage their money, and providing specialist support for customers in vulnerable circumstances. It also includes helping first time buyers into homes, lending to the social housing sector and supporting communities through our Nationwide Fairer Futures social impact strategy. More information on our progress can be found in the Strategy section of our ESG Disclosures 2026 (from page 4). More information on our sustainability tools and green finance propositions that help our customers make energy-efficient home improvements and support businesses in their transition plans can be found on pages 4 and 6-7 respectively of our Climate-related Financial Disclosures 2026.

[1]Further information on Virgin Money customers joining Nationwide as members is available at virginmoney.com/nationwide-membership/
[2]Policies and statements | Nationwide.
[3]Sensitive Sector Statement.
[4]Nationwide supplier policies and Third Party Code of Practice.
[5]Human rights standard | Nationwide.

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

Briefly describe how the bank consults, engages and collaborates/partners with relevant stakeholders for the purpose of implementing the Principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partnerships that contribute to addressing significant impacts. Note any changes in the reporting year.

Listening to, and engaging regularly with, our stakeholders is fundamental to the way we do business, and it ensures we operate in a balanced and responsible way, both in the short and longer term. Their views are important to us, and they help to guide our decision making.

As a mutual, our members, as owners, are our primary stakeholders. We also have several other important stakeholders who we engage with and consider in our decision making, including retail customers (many of whom are members), business customers, colleagues, communities, regulators and policymakers, investors, rating agencies, and suppliers. More on our engagement across these groups of stakeholders can be found on pages 15-20 of our Annual Report and Accounts 2026, and in the Strategy sections of our ESG Disclosures 2026 (on page 9) and our Climate-related Financial Disclosures 2026 (from page 3).

In forming our five Mutual Good Commitments, we incorporated the views of a wide range of stakeholders to understand the ESG issues that mattered most to them, as described on page 4 of this report and on page 4 of our ESG Disclosures 2026. Over the year, we also conducted a human rights saliency assessment with stakeholders across the business, to identify and prioritise the human rights risks across our value chain that are most relevant to our business, and that require our greatest focus (see page 27 of our ESG Disclosures 2026).

We use our scale and influence to drive positive change across the UK. We effectively engage with regulators and policymakers to understand and discuss regulatory priorities and developments, provide appropriate and constructive input, and to influence them on behalf of Nationwide and its customers. Most notably over the year, we helped secure a regulatory change that enabled us to increase our proportion of high loan-to-income lending in a responsible way. We continue to prioritise high loan-to-income lending to support more first time buyers. We also engaged with regulators and policymakers on themes such as growing the mutual and cooperative sector and on business banking, tackling fraud and supporting greater financial and digital inclusion.

Through our Nationwide Fairer Futures social impact strategy, we partner with four charities to help us make a meaningful difference in tackling four of the biggest issues we see in society today – youth homelessness, families living in poverty, the challenges faced by those living with dementia, and those impacted by cancer (see pages 14-16 of our ESG Disclosures 2026). We also partner with organisations to support our customers' financial resilience (see pages 6 and 8 of our ESG Disclosures 2026). This includes working with the digital inclusion charity Good Things Foundation to roll out the National Databank programme, by distributing free, data-loaded mobile SIM cards through Virgin Money branches to enable internet access for those impacted by data poverty. In addition, we became a funding partner to the Invest in Women Taskforce, committing to invest £25 million over a number of years to support a more inclusive financial system, by helping female and mixed gender-led businesses to secure the funding they need to grow and develop their businesses. Our involvement in charters and accreditations continues to help us drive forward our inclusion and diversity ambitions. These include the Women in Finance Charter and Race at Work Charter.

We continue to play an advocacy role with government, engaging with them on a variety of climate-related topics in support of green policy development. Over the year, we supported the development of climate policies such as the Warm Homes Plan, Private Rented Sector Minimum Energy Efficiency Standards (MEES) regulation, and responded to consultations on climate-related topics such as the UK Sustainability Reporting Standards. We are also participating in the Government's Green Homes Finance Strategic Partnership and working groups. We will continue to engage with government to develop policies that endorse affordable, green homes. We believe in a just transition, as we aim to ensure the most vulnerable in society are not disadvantaged as we transition to a net-zero economy. We also partner with a number of other key organisations to increase our knowledge and effect change around climate-related matters, as referenced on page 9 of our Climate-related Financial Disclosures 2026.

Principle 5: Governance and culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Briefly describe the key governance structures in place (Board and executive level) and related accountability mechanisms, and how these support the bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (such as via employee learning and development). Note any changes or progress in the reporting year.

Nationwide has a well-established governance structure for providing clear oversight and management of sustainability-related risks and opportunities.

Board and **Board-level committees:** The Board has ultimate responsibility for setting the Group's strategic direction, including our ESG ambitions, which are embedded through our strategic drivers. The Board also has accountability for all climate change risk-related matters. It has responsibility for assessing the principal risks facing the Group and approving our risk appetite. The Board is supported by Board-level committees that provide oversight and advice on a range of matters, including sustainability-related matters.

Management-level committees: Our Group Responsible Business Committee (RBC) is the management-level committee accountable for overseeing Nationwide's responsible business agenda. The RBC meets quarterly to discuss and approve, where required, ESG-related matters, and reports to the Group Executive Committee and Board as required. The RBC oversees progress towards our Mutual Good Commitments and supporting target measures, as well as our approach to climate change risk management, both of which support implementation of the Principles for Responsible Banking.

More detail on our governance framework can be found on pages 46-51 and 96 of our Annual Report and Accounts 2026. Information on our sustainability-related governance frameworks can be found on pages 28-29 of our ESG Disclosures 2026 and pages 20-21 of our Climate-related Financial Disclosures 2026.

Culture of responsible banking

Our purpose-led strategy means we act responsibly, doing business in a way that positively impacts our customers, colleagues and communities, while seeking to reduce our impact on the environment. We have a suite of controls, policies and practices, including mandatory training, that supports a culture of responsible behaviour among colleagues (see page 5 of this report). Our Code of Conduct guides colleagues on the standards of conduct and behaviour we expect from them. We encourage our colleagues to speak up if they witness or experience actions or behaviours that do not match our values, and provide a range of channels for raising concerns confidentially or anonymously. We have a well-established whistleblowing policy if they wish to remain anonymous. Colleagues undertake annual, mandatory online training across several topics including anti-bribery and corruption, market abuse, conflicts of interest, Consumer Duty and vulnerable customers, data protection, information, physical and cyber security, economic crime (including modern slavery and human trafficking), sanctions, health and safety, and speaking up and whistleblowing. We also have measures in place to promote inclusion, diversity and wellbeing.

Nationwide identifies, assesses and manages risks to which it is exposed, including ESG-related risks, through its established, Board-approved, Group Risk Management Framework (GRMF). The embedding of ESG-related risks within our GRMF enables the Board and executive management team to make better, more informed, business decisions, which influence Nationwide's strategy and deliver good outcomes for our customers. Further information on our approach to risk management can be found on pages 26-27 of our Annual Report and Accounts 2026. More on our approach to ESG risk management can be found on pages 25-27 of our ESG Disclosures 2026 and pages 14-19 of our Climate-related Financial Disclosures 2026.

Remuneration and reward

Our approach to variable pay arrangements for our colleagues continues to support the delivery of Nationwide's strategy and purpose, whilst enabling us to differentiate reward outcomes based on colleague performance and behaviours. These arrangements ensure we drive the right culture and behaviours for delivering good outcomes for our customers. ESG objectives are also part of executive remuneration through Long-Term Performance Pay (LTPP) plans, which includes diversity measures and our scope 1 intermediate (by 2030) science-based target. More information on reward can be found in the Report of the directors on remuneration, on pages 70-89 of our Annual Report and Accounts 2026, and on page 28 of our ESG Disclosures 2026 and page 20 of our Climate-related Financial Disclosures 2026.

Principle 6: Transparency and accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

Provide reference to additional relevant reports, if not listed as references with Principles 1 – 5. Briefly note whether/where assurance of sustainability information has been undertaken (optional).

Nationwide publishes sustainability information as part of its annual reporting suite on nationwide.co.uk, including its:

- Annual Report and Accounts 2026
- ESG Disclosures 2026
- Climate-related Financial Disclosures 2026
- Climate-related Financial Disclosures: Basis of Reporting 2026
- Intermediate (by 2030) net-zero-aligned Transition Plan 2023
- UNGC Communication on Progress report
- Modern Slavery Statement
- Human rights standard and Labour rights standard

Nationwide appointed Ernst & Young LLP (EY) to provide limited independent assurance over selected KPIs within our scope 1, 2, and 3 carbon emission disclosures for the year ended 31 March 2026. This includes: scope 1, 2 and 3 upstream and downstream (investments) emissions (for mortgages, registered social landlords, shipping, and oil and gas) for the 12-month period ended 31 December 2025. Assured metrics and KPIs are indicated throughout. The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, as promulgated by the International Auditing and Assurance Standards Board (IAASB). A limited assurance report was issued and is available on our website. This report includes details of the scope, respective responsibilities, work performed, limitations and conclusion.

Principle 1 - 6: References

A	Annual Report and Accounts 2026
ESG	ESG Disclosures 2026
C	Climate-related Financial Disclosures 2026
W	Website

Content	References	Page	Principle reference within this report
Business model and strategy	A	Page 5	1
Group Chief Executive Officer review, including progress against our strategy	A	Pages 7-11	1
Group balance sheet	A	Page 36	1
ESG ambitions	ESG	Pages 3 and 33-36	1
Impact assessment of material ESG topics	ESG	Page 4	2, 4
Our Mutual Good Commitment measures	ESG	Pages 3 and 33-36	1, 2, 3
Progress and actions towards our Mutual Good Commitments	ESG	Pages 4-24 and 33-36	1, 2, 3 4
Detail on the following impact areas: • Financial resilience and accessibility • Safe and secure homes • Positively impacting communities • Inclusion and diversity	 ESG ESG ESG ESG	 Pages 5-11 and 33 Pages 12-13 and 34 Pages 14-19 and 34 Pages 21-24 and 36	1, 2, 3, 4
Climate-related metrics and targets	C	Pages 22-34	1, 2, 3
Sustainability tools and green finance propositions	C	Pages 4 and 6-7	3
Partnerships (climate-related)	C	Page 9	4
Partnerships (social)	ESG	Pages 6,8 and 14-16	
Our approach to human rights	ESG	Page 27	1, 2
Human rights standard	W	Policies and statements | Nationwide	2, 3
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Engagement with stakeholders	A C	Pages 15-20 Pages 8-9	3, 4
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Risk management			5
• GRMF and principal risks	A	Pages 26-27 and 94-95	
• Social-related risks	ESG	Pages 25-27	
• Climate- and nature-related risks	C	Pages 14-19	
Nationwide's policies and statements	W	Policies and statements | Nationwide	3, 5
Sensitive Sector Statement	W	Policies and statements | Nationwide	3, 5
Remuneration and reward	A	Pages 70-89	5

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