

Conflicts of Interest Policy - a guide for third parties and SROs

Background

Nationwide and its subsidiaries are governed by a Conflicts of Interest Policy which sets out the minimum standards in respect of the identification, recording, management and avoidance of conflicts of interest. The policy requirements must also be met by those third parties providing a service that creates a potential for conflicts of interests to arise, which could cause material adverse impact to Nationwide and/or our customers. This guide provides a summary of the key policy requirements and how third parties can comply.

Definition of Conflicts of Interest

Nationwide defines **Personal Conflicts of Interest** as a situation which could cause an employee to put their own interests (whether professional or personal) or those of a close personal relationship or a close family member's interests before the interests of a customer or Nationwide. This includes situations which could potentially affect an employee's work, independence or decision making.

Nationwide defines **Organisational Conflicts of Interest** as a situation where Nationwide's arrangements, activities or its structure could put either Nationwide's or its employees' interests above those of our customers or create a conflict of interest between two or more of Nationwide's customers, where each is owed a duty of care. This includes situations arising from third parties operating on behalf of Nationwide.

How Nationwide expects third parties to manage conflicts of interest

- Provide training to employees to ensure they understand how to recognise conflicts of interest, and their associated responsibilities.
- Maintain effective processes and controls to ensure that conflicts of interest, which may impact Nationwide and/or our customers, are identified, disclosed, managed and recorded.
- Record conflicts of interest that may impact Nationwide and/or our customers in a register and share it with your Nationwide Senior Relationship Owner (SRO). The register must include details of each potential or actual conflict of interest; and the associated controls/actions taken to prevent or mitigate the conflict.
- Discuss identified conflicts of interest that may impact Nationwide and/or our customers with your SRO, specifically the controls/actions taken to prevent or mitigate any impact to Nationwide and/or our customers.
- Review recorded conflicts of interest on a regular basis to ensure that information is kept up to date and that the associated controls/actions remain appropriate and are operating as designed.
- Report any breaches of this policy to your Nationwide SRO.

Nationwide Senior Relationship Owner (SRO) Responsibilities

- Obtain written commitment that each third party will adhere to the policy requirements.
- Implement appropriate oversight and supervision to satisfy themselves that:
 - i. Third parties have established effective policies, processes and controls for identifying, recording and managing conflicts of interest throughout their supply chain, that could impact Nationwide and/or our customers.

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ii. Conflicts of interest identified by third parties are being managed in a way that prevents or mitigates the impact to Nationwide and/or our customers.

- Record all conflicts identified by third parties on your community conflicts of interest register.
- Report on the effectiveness of processes, controls and the output of testing to Compliance Advice when requested.
- Inform Compliance Advice of any material breaches of this policy immediately upon identification.