

Retail Product Lifecycle Policy For Third Parties and Senior Relationship Owners

Introduction

This policy applies to all employees of third-parties or subsidiaries who design, sell or service products or services on behalf of Nationwide Building Society (NBS). It sets out minimum expectations and controls that must be in place and operating effectively whilst designing, selling, or servicing. This policy should be read alongside NBS' Operations Vendor Management Governance process **and** the third-parties' own internal processes/policies. The third-party is accountable for adhering to all relevant regulations and policy requirements. The Senior Relationship Owner (SRO) within NBS is responsible for checking that the third party is meeting these obligations.

Key Definitions

Products Anything we offer to our members to satisfy their financial needs, e.g current accounts or mortgages.

Services Anything we offer to our members to help them to manage or administrate their products, e.g internet banking.

Members All NBS product holders and customers.

Product Lifecycle The end to end process of every product/service, from idea stage through to launch, distribution, change, servicing, and withdrawal (this includes back book and closed products).

Key Statements

Any third-party or subsidiary designing a product or service for NBS must ensure that:

- A product/service design process is in place which ensures products meet all relevant regulation. This will include, but is not limited to, the following elements:
 - Target market analysis is well defined and documented
 - Member vulnerability and accessibility needs are considered in the end-to-end journey
 - Products and services provide value for money e.g. being fairly priced, with features and benefits that are easily accessible, understood, and utilised by members
 - People involved in product/service design are trained and competent. Assessments take place to ensure that there are enough people and system capacity to be able to serve members at all times

Any third party or subsidiary selling a product/service for NBS must ensure that:

- Clear, documented, and repeatable processes are in place to fulfil all regulatory requirements and provide our members with fair outcomes. These must be under-pinned by controls that ensure:
 - Members are eligible for their chosen product/service
 - The product/service is affordable and compatible with the member's circumstances
 - Members are given all the necessary information in their preferred format, both pre- and post-sale
 - Employees are evidenced as competent, meet the requirements of any Training & Competence schemes and there are no inappropriate remuneration or incentive schemes

Any third party or subsidiary servicing products/services for NBS must ensure:

- Clear, documented, and repeatable processes are in place to fulfil all regulatory requirements and provide our members with fair outcomes. These must be under-pinned by controls that ensure:
 - The members request is completed correctly and within a timely manner
 - Any ongoing service the member is paying for in addition to their request is still received as intended
 - The member is given all the necessary information in their preferred format, both pre- and post-transaction
 - Competently trained people are in place and system capacity is available to meet the servicing needs of our members, both now and in the future
- Quality checking is done on a percentage of transactions to ensure servicing meet all of the above requirements

The SRO must work with the third-party to ensure that the right controls are in place and are tested. They should be comfortable that sufficient MI is in place to measure whether the requirements of this policy are being met. Wherever outside of tolerance on any metric, action is taken to address this.

Evidence to support the above may be requested by the Policy Owner to assess whether the requirements of the policy are being met. For any support or questions, please contact the SRO or [Policy Operations Team Mailbox](#).