

Third Party Code of Practice 2026

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Introduction

We are a building society, not a bank. That means we are owned by our members – who are our customers who have their current account, mortgage, or savings with us. The combination of our scale, mutual model and strong reputation puts us in a unique position in UK financial services. It enables us to prioritise customer experience and value, whilst having a positive impact on wider society and growing our business to bring the benefits of mutuality to more people.

As a genuine alternative to the shareholder-owned banks, we provide a good way to bank, delivering the value, service and benefits of mutuality to our customers and members that others cannot, in line with our purpose: **Banking – but fairer, more rewarding, and for the good of society.**

It is important to us that our third parties share our values, are committed to operating responsibly, and are transparent regarding their approach.

Scope

This Third Party Code of Practice (“the Code”) sets out the Environmental, Social and Governance (ESG) standards we expect our third party suppliers to uphold.

When we refer to “third parties”, we mean an organisation that provides goods or services to one or more members of the Nationwide Group, including Virgin Money. This also includes both third parties that we have a contractual agreement with, and those we use from time to time on purchase order terms. Compliance with our Code is incorporated into our standard contractual terms. In addition, Nationwide conducts evidence-based controls testing on a prioritised set of third parties to assess compliance to the Code, detailed on page 3.

Updates to the Code

The Code is reviewed and updated annually. Version control can be found on page 12.

The 2026 update includes the following changes:

- The Code now covers Virgin Money suppliers within its scope.
- New expectations for large third parties on disclosing waste generation and water usage performance.
- New expectations for third parties to maintain a documented commitment to proactively supporting employee wellbeing.

- Inclusion of EcoVadis Carbon Action Manager Scorecard requirements in 'Additional Expectations'.

Implementation

Nationwide requests third parties agree to comply with this Third Party Code of Practice during contracting and may ask for confirmation of continuing compliance at intervals during the relationship.

We ask that you take time to review the Code in detail, to implement necessary measures to meet expectations relating to your company size, and to flag to us immediately where you identify any gaps between your company's practices and our expectations. This includes answering the questions we ask about adherence to our Code (for example in Coupa and FSQS by Hellios) accurately. The identification of gaps does not automatically mean we will not work with you, but we will request that you close any gaps within an agreed timeframe. Any exceptions would require senior Procurement approval.

From time to time, third parties may be required to evidence that expectations laid out in the Code are met; for example, as part of our controls testing reviews. If gaps are found, remediating actions will be requested. Some third parties may also be asked to facilitate on-site visits or audits, in line with agreed audit terms.

Our expectations

All expectations outlined in this Code align with Nationwide's own commitments.

To be fair and proportionate in our expectations, our ESG standards are split by those for small and medium-sized organisations (defined as those with 11-250 employees) and for large organisations (more than 250 employees).

Micro businesses (up to ten employees) are not required to uphold specific company sustainability standards, given their size. Micro businesses are however expected to review the standards for larger organisations and consider what actions, if any, would be appropriate to take now, in preparedness for company growth and use this as guidance for operating responsibly.

Environment

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
Operating an <u>Environmental Standard</u> which details Nationwide's commitment to try to reduce our impact on the environment , as it relates to our business, operations and supply chain. This includes monitoring supplier environmental performance and operating processes to engage suppliers to drive improvements. Supplier environmental performance and risk are also incorporated into decision-making processes.	Document a commitment to reducing environmental impacts (for example energy, emissions, water and/or waste footprints).	Operate an environmental policy/statement with a clear commitment to reducing environmental impact (for example energy, emissions, nature, water and/or waste footprints). *
<p>Addressing climate change by:</p> <ul style="list-style-type: none"> Reporting our scope 1, scope 2 and scope 3 greenhouse gas emissions each year in our <u>climate-related financial disclosures</u>. Utilising emissions calculation methodologies informed by the Greenhouse Gas (GHG) Protocol standards and seeking to improve accuracy over time. Setting science-based targets/pathways for scope 1, 2, and 3 emissions, as appropriate. Taking actions to achieve our ambitions, such as those disclosed within our <u>Transition Plan</u>, and publishing progress at least annually in our climate-related financial disclosures. 	Review the expectations for a large organisation and consider what actions, if any, would be appropriate to take now, in preparedness for company growth.	Record and report scope 1, scope 2 and scope 3 greenhouse gas emissions annually, informed by/aligned to the GHG Protocol.
		Set quantitative greenhouse gas emissions reduction ambitions including scope 1, scope 2 and scope 3, where appropriate.
		Execute a plan to achieve ambitions.

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
<p>Measuring and managing our impacts on the environment and nature by:</p> <ul style="list-style-type: none"> • Reporting water usage and waste produced across our operations in our climate-related financial disclosures. • Aiming for 99% of waste to be diverted from landfill each year and disclosing our progress. 	<p>Review the expectations for a large organisation and consider what actions, if any, would be appropriate to take now, in preparedness for company growth.</p>	<p>Record and report data on water consumption and waste generated.</p>

Social

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
Recognising the importance of staff representation through our collective bargaining arrangements with the Nationwide Group Staff Union (NGSU), and Unite the Union, and communicating to employees their right to become members.	Uphold the freedom of association and the right to collective bargaining.	Uphold the freedom of association and the right to collective bargaining, and stipulate this as part of a policy/statement.*
<p>Operating a <u>Labour Rights Standard</u>, aligned to the International Labour Organization’s (ILO’s) fundamental principles, that outlines our intent to:</p> <ul style="list-style-type: none"> • Support the elimination of all forms of forced and compulsory labour and the effective abolition of child labour. • Prohibit recruitment-related fees being charged to workers (with the exception of personal visa costs). • Never partake in practices to withhold identity documents. 	Prohibit the use of forced or child labour; charging of recruitment fees; and withholding identity documents.	<p>Prohibit the use of forced or child labour; charging of recruitment fees; and withholding identity documents.</p> <p>This should be stipulated as part of a policy/statement.*</p>
Engaging in a range of initiatives to raise awareness of modern slavery, including making anti-slavery training available to all employees and promoting whistleblowing channels for reporting on incidents.	Review the expectations for a large organisation and consider what actions, if any, would be appropriate to take now, in preparedness for company growth.	Make anti-slavery training available to all employees and promote whistleblowing channels for reporting incidents.

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
Operating a <u>Health & Safety Policy</u> and providing annual training for all colleagues to ensure they're aware of, and prepared for, potential hazards.	Provide the necessary information and instruction for a safe and healthy working environment.	Operate a health and safety policy and/or management system with senior management oversight.*
		Provide health and safety training for all workers (for example, during induction or as part of annual learning requirements).

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
<p>Implementing responsible workplace practices such as:</p> <ul style="list-style-type: none"> • Operating clear internal people policies that cover working hours, overtime, and wages, and that are reflective of the right to decent work and in accordance with relevant legislative requirements. • Remaining a real Living Wage Employer, by paying employees and temporary workers at least the rates defined by the <u>Living Wage Foundation</u> to meet the cost of living within the UK. • Providing regular and recognised employment relationships for the workforce, with the majority being composed of permanent employees, as disclosed in our <u>Annual Report and Accounts</u>. 	<p>Adhere to working hour practices outlined within the <u>Ethical Trading Initiative Base Code</u> or an equivalent recognised international labour standard including*:</p> <ul style="list-style-type: none"> • All workers are provided with written and understandable information about their employment conditions, including hours, wages and pay period, before they enter employment. • Working hours must comply with national laws, industry benchmark standards, collective agreements, and the provisions below, whichever affords the greater protection for workers. • Working hours, excluding overtime, shall be defined by contract and shall not exceed 48 hours per week. • All overtime is voluntary and in line with national law. • All overtime is compensated, either at a premium rate or with time off in lieu. • Working hours do not exceed 60 hours within a 7 day period, including overtime. Except in circumstances outlined in the ETI Base Code. • All workers are provided with at least one day off within a 7 day period. • Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry/country/region benchmark standards (including real living wage benchmarks), whichever is higher. In any event, wages should always be enough to meet basic needs and to provide some discretionary income. • Any deductions from wages are made only with the consent of staff and there is no deduction of wages as a disciplinary or performance measure. • Ensure the majority of the workforce is composed of permanent employees, avoiding excessive use of fixed-term or zero-hour contracts or subcontracting. 	

*For Small/Medium third parties, the above working hour practices should be evidencable in writing; for example, through template employment contracts or offer letters. For Large third parties, the above working hour practices should be evidencable in a policy/statement; for example, working hour policies or an employee code of conduct.

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
Operating a <u>Discrimination Policy Statement</u> outlining that we have a no tolerance approach .	Practice no discrimination, harassment, threat of violence, intimidation, bullying, or victimisation on any grounds, in the workplace or in connection with any Nationwide service.	Practice no discrimination, harassment, threat of violence, intimidation, bullying, or victimisation on any grounds, in the workplace or in connection with any Nationwide service. This should be stipulated as part of a policy/statement.*

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
<p>Supporting, promoting and encouraging all colleagues and third parties to speak up whenever they witness or experience actual or potential wrongdoing or misconduct, by:</p> <ul style="list-style-type: none"> • Ensuring there are channels that allow employees to <u>“Speak Up” in confidence.</u> • Enabling anonymous Whistleblowing where desired, including for contractors, temporary workers and third parties. • Upholding our Resolution Framework as our approach to effective and timely resolution of disputes in the workplace. • Not tolerating instances where individuals are treated differently due to raising concerns. • Providing annual Speak Up training for employees to ensure they are aware of how to escalate concerns. 	<p>Adopt clear procedures for all workers to escalate concerns. Those reporting should be able to do so confidentially and anonymously and be free from retaliation.</p>	<p>Adopt clear procedures for all workers and third parties to escalate concerns. Those reporting should be able to do so confidentially and anonymously and be free from retaliation.</p> <p>This should be stipulated as part of a policy/statement.*</p>
	<p>Provide signposting for all workers so they're aware of how to escalate concerns.</p>	

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
<p>Continually taking steps to build an inclusive culture where everyone can thrive, by:</p> <ul style="list-style-type: none"> • Operating and promoting the Inclusion & Diversity commitments outlined in our internal <u>Code of Conduct</u>. • Maintaining and operating to a commitment to actively support colleague wellbeing. • Reporting on our diversity measures and inclusion, diversity and wellbeing initiatives in our <u>Environmental, Social and Governance Disclosures</u>. 	Document a commitment to actively supporting the development of an inclusive and diverse workforce.	Operate a policy/statement/code* with a clear commitment to actively supporting the development of an inclusive and diverse workforce.
		Embed inclusion and diversity into people processes, such as recruitment and selection, training and development, promotion opportunities or job moves, compensation, performance reviews, and communications.
	Document a commitment to actively supporting employee wellbeing.	

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

Governance

At Nationwide, we are committed to	We expect our third party suppliers to	
	Small/Medium (11-250 employees)	Large (>250 employees)
<p>Setting clear ESG standards for our third party suppliers to uphold, through:</p> <ul style="list-style-type: none"> • Operating our Third Party Code of Practice. • Requesting adherence to this Code during contracting and operating a process to request closure of gaps, where identified. • Conducting evidence-based controls testing on a prioritised set of third parties at regular intervals, including requesting and tracking the closure of gaps. 	<p>Review the expectations for a large organisation and consider what actions, if any, would be appropriate to take now, in preparedness for company growth.</p>	<p>Operate a Code/policy* with expectations for suppliers to uphold.</p> <p>This code should cover environment, social, and governance topics, including climate change, inclusion and diversity, and human and labour rights.</p>
<p>Providing guidance to colleagues around making clear, fair and accurate sustainability claims supported by evidence through our Communications Risk Policy to avoid greenwashing.</p>		<p>Provide employees with guidance and/or implement controls to avoid and be vigilant to greenwashing.</p>
<p>Operating an information security management system, aligned to recognised standards. This includes a <u>security policy</u> with a requirement that information is protected for confidentiality, integrity and availability.</p>	<p>Adopt clear information security management procedures, using recognised standards.</p>	<p>Operate an information security management system, aligned to a recognised standard. This should include a security policy with a requirement that information is protected for confidentiality, integrity and availability.</p>

*All policies/statements should be reviewed regularly (e.g. annually or biannually) and approved by a senior representative.

Additional expectations

Our [Supplier Policies](#) are accessible via our [Supplier portal](#). These provide an overview of what else we expect from our suppliers to address further key areas of risks that Nationwide could be exposed to through its relationships. This is not an exhaustive list and Nationwide reserves the right to update these policies from time to time.

For some relationships, for example where there is a greater risk or opportunity, we may request that additional standards are upheld. For example:

- For contracts with a value of £3 million or more and at least a 12-month tenure, we ask our third parties to record and report emissions, set intermediate science-based ambitions, and publish a transition plan, all in line with industry standards, and to report on progress to us via EcoVadis' Carbon Action Manager. Micro enterprises, those with up to 10 employees, are excluded.
- For contracts where third party personnel are providing services to Nationwide for at least two hours per week, across at least eight consecutive weeks of the year, from the UK, we ask our third parties to pay each of their personnel a salary that is greater than or equal to (but no less than) the living wage that is set by the Living Wage Foundation.
- For services which require access to Nationwide data or systems, we ask our third parties to uphold further cyber security and resilience standards, to protect our customer's data and prevent cyber-crime.

These additional standards will be made clear within specific requirements for the provision of the relevant good/service.

We also request that certain third parties utilise community-based tools to provide us with information on their approach to ESG sustainability and risk-related topics. These tools enable third parties to complete one questionnaire via the tool, that can be shared with multiple firms to obtain the information they need, making for a more efficient data collection process and seeking to minimise third party effort. We may request your company completes the following:

- [Financial Services Qualification System \(FSQS\)](#), provided by Hellios Information Ltd – a standard set of questions agreed by a community of financial institutions, used to collect and maintain information on a supplier's policies and controls. Suppliers are requested to complete the questionnaire annually, depending on the service(s) they provide. Additional action may be requested where questionnaire responses demonstrate a gap in meeting Nationwide's policies and control requirements.
- [EcoVadis](#) – a sustainability rating system with an evidence-based assessment. Suppliers requested to participate are those of strategic importance to Nationwide or where there could be high ESG risk. Where requested, suppliers will be expected to complete and refresh the assessment annually, maintaining a valid Ratings scorecard, and / or Carbon Action Manager scorecard, for the duration of the relationship and taking any necessary corrective action to meet Nationwide's benchmark(s).

Initiatives we promote

Nationwide partners with key organisations and supports cross-industry sustainability initiatives to grow our knowledge and create positive change. Some examples are listed below, though this is not an exhaustive list. We encourage our third parties to consider these and further relevant initiatives that may be appropriate for them to engage with.

- CDP
- Cyber Essentials standard
- Disability Confident employer
- EcoVadis
- Living Wage Foundation
- MSDUK
- NIST Cybersecurity Framework
- Fair Payment Code
- Social Enterprise UK and their Buy Social Corporate Challenge or Social Procurement Connect initiatives
- The Employer Pays Principle and The Responsible Recruitment Register
- UN Environment Programme
- UN Global Compact

Whistleblowing

If you are concerned that any actions or decisions contravene the minimum expectations set out in this Code, please contact your relationship manager or business contact. You can raise a concern, confidentially or anonymously, directly through Nationwide's Whistleblowing arrangements. This can be done by:

- Telephone: 0330 460 5445
- Email: whistleblowingofficer@nationwide.co.uk;
- Reporting via the Ethicspoint web portal (24 hours, seven days a week):
<https://nbs.ethicspoint.com>
- Writing to: Whistleblowing Officer, First Floor B, Nationwide House, Swindon, SN38 1NW
- Or contacting the Financial Conduct Authority (FCA) or Prudential Regulation Authority (PRA) directly

Nationwide's whistleblowing policy ensures that concerns are appropriately investigated and responded to, to ensure individuals can raise concerns without fear of negative repercussion and with the confidence that their concerns will be fully investigated. Nationwide's whistleblowing mechanisms meets the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) requirements.

Contact us

Get in touch to collaborate with us on a responsible business project or to share feedback on our Third Party Code of Practice by emailing our Supply Chain Responsible Business Team at:

businessservicesresponsiblebusiness@nationwide.co.uk

Version control

Version	Year approved and published	Approver/Owner
1.0	2019	Director of Supply Chain Management
2.0	2020	Chief Procurement Officer
3.0	2022	Chief Procurement Officer
4.0	2023	Director of Business Services
5.0	2024	Chief Procurement Officer
6.0	2025	Chief Procurement Officer
7.0	2026	Head of Procurement Strategy & Performance

Glossary of terms

Item	Description
Bullying	The repetitive, intentional hurting of one person or group by another person or group, where the relationship involves an imbalance of power. Bullying can be physical, verbal or psychological, in-person or online.
Discrimination	Treating someone less favourably than someone else because of a protected characteristic
Due diligence	The action taken by a company to both identify and act upon actual and potential risks in its supply chains and the services it uses.
Ethical Trading Initiative Base Code	An internationally recognised code of labour practice, founded on the conventions of the International Labour Organisation (ILO).
Green Claims	Claims that suggest that a product, service, brand or business provides a benefit, or is less harmful to the environment.
Greenhouse gases	Atmospheric gases that trap heat or longwave radiation in the atmosphere, increasing the temperature of the Earth's surface. There are seven gases considered as part of the GHG Corporate Protocol Standard: carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF ₆), and nitrogen trifluoride (NF ₃). CO ₂ makes up the vast majority of these emissions.
Greenhouse Gas (GHG) Protocol	Global standardised frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.
Grievance	An official complaint by an employee that they have been treated unfairly.
Harassment	Unwanted behaviour related to a protected characteristic which has the purpose or effect of violating someone's dignity or which creates a hostile, degrading, humiliating or offensive environment.
Living Wage	A wage that enables workers and their families to meet their basic needs.
Living Wage Foundation	A UK organisation, part of Citizens UK which calculates the real UK Living Wage rate based on the cost of living. Employers paying this wage rate can gain an accreditation from the Foundation.

Item	Description
Science-Based Targets	Emissions reduction targets set in line with the latest climate science.
Scope 1 emissions	Direct emissions from owned sources, such as the fuel Nationwide burns to heat its buildings.
Scope 2 emissions	Indirect emissions from the generation and consumption of purchased electricity and heating.
Scope 3 emissions	<p>Indirect emissions that occur in an organisation's value chain.</p> <p>Upstream emissions (GHG Protocol categories 1-8) cover emissions which result from the organisation's supply chain. The categories are: 1. Purchased goods and services; 2. Capital goods; 3. Fuel- and energy-related activities not included in scope 1 and 2; 4. Upstream transportation and distribution; 5. Waste generated in Operations; 6. Business travel; 7. Employee commuting; 8. Upstream lease assets.</p> <p>Downstream (GHG Protocol categories 9-15) emissions cover emissions resulting from the goods and services provided by the organisation. The categories are: 9. Downstream transportation and distribution; 10. Processing of sold products; 11. Use of sold products; 12. End-of-life treatment of sold products; 13. Downstream leased assets; 14. Franchises; 15. Investments.</p>
Third party	An organisation that provides goods or services to Nationwide or its subsidiary undertakings. This includes third parties that we have contractual agreements with, as well as those we use from time to time on purchase order terms.
Trade union	An organised association of workers in an organisation; a trade; group of trades; or a profession, formed to maintain and improve their conditions of employment.
Victimisation	Treating someone unfavourably because they have taken some form of action, related to a discrimination or harassment complaint.
Waste	Any substance or object which the holder discards or intends or is required to discard.
Wellbeing	A positive state experienced by individuals and societies. Similar to health, it is a resource for daily life and is determined by social, economic and environmental conditions. Wellbeing encompasses quality of life and the ability of people and societies to contribute to the world with a sense of meaning and purpose.