

Third Party Code of Practice

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Working with Nationwide

We are a mutual, driven by a social purpose to build a better society for the mutual good of everyone.

What we buy and who we buy it from matters to us. We're committed to continually building a greener, more inclusive, and more ethical supply chain, and we expect our third parties to support us in achieving this by upholding the environmental and social standards set out within this Third Party Code of Practice. Internally, we've established a [Procurement for Mutual Good](#) programme to drive best practice in sustainable procurement and we champion sustainability considerations to key colleagues through our *Responsible Purchasing Principles* and *Responsible Purchasing Training*.

About this code

This Third Party Code of Practice sets out the environmental and social standards we expect our third party suppliers to uphold, beyond applicable legal requirements (including but not limited to the UK Modern Slavery Act).

When we refer to "third parties", we mean an organisation that provides goods or services to Nationwide or its subsidiary undertakings. This includes both third parties we have contractual agreements with and those we use from time to time on purchase order terms.

Standards are split by those for small and medium organisations, defined as those with up to 250 employees, and those for large organisations, those with more than 250 employees. Micro businesses (up to ten employees) are not required to uphold specific company sustainability standards, given their size.

For some relationships, for example where there is a greater environmental or social risk or opportunity, we may request additional standards are upheld. An example of this could be that packaging materials used are recyclable or that a science-based decarbonisation target is set. These additional standards would be made clear within the specific requirements for the provision of the relevant good/service.

Nationwide requests third parties agree to comply with this Third Party Code of Practice during onboarding and at intervals during the relationship. Third parties may be required to evidence that our expectations are met from time to time, and to facilitate site visits or audits in line with agreed audit terms.

Small/Medium businesses

Defined as organisations with between 11 and 250 employees.

We expect

- Where requested, complete and refresh annually the sustainability assessment by [EcoVadis](#) and the risk-based [Financial Services Qualification System \(FSQS\)](#) questionnaire and take any necessary corrective actions to ensure you meet Nationwide's policies and control requirements.
- Enforce the standards laid out within the Ethical Trading Initiative's Base Code (full code available [here](#)):
 - o Employment is freely chosen.
 - o Freedom of association and the right to collective bargaining are respected.
 - o Working conditions are safe and hygienic.
 - o Child labour shall not be used.
 - o Living wages are paid.
 - o Working hours are not excessive.
 - o No discrimination is practiced.
 - o Regular employment is provided.
 - o No harsh or inhumane treatment is allowed.
- Adopt clear grievance procedures that are uniformly applied to tackle bullying, discrimination, harassment, and mental, physical, or verbal abuse.
- A documented commitment or action plan relating to reducing environmental impacts, such as biodiversity, energy, emissions, water and/or waste footprints.

We recommend

- Align employment policies to the [Ethical Trading Initiative Base Code](#).
- Obtain accreditation as a [Living Wage Employer](#).
- Operate an inclusion and diversity policy or statement with a clear commitment to actively supporting the development of an inclusive and diverse workforce, employment and recruitment practices, and culture.
- Become a [Disability Confident](#) employer and work towards Level 3 Leader status.
- Monitor and report diversity information, including but not limited to gender and ethnicity pay gaps.
- Monitor and report scope 1 and scope 2 greenhouse gas emissions.
- Set a greenhouse gas emissions reduction target; for example, to halve scope 1 and scope 2 emissions by 2030.
- Offer apprenticeships to provide employment opportunities to the local community.
- Provide volunteering opportunities for workers to give back to their local communities.

Large businesses

Defined as organisations with more than 250 employees.

We expect

- Where requested, complete and refresh annually the sustainability assessment by [EcoVadis](#) and the risk-based [Financial Services Qualification System \(FSQS\)](#) questionnaire and take any necessary corrective actions to ensure you meet Nationwide's policies and control requirements.
- Enforce written employment policies that align with the Ethical Trading Initiative's Base Code (full code available [here](#)) *:
 - o Employment is freely chosen.
 - o Freedom of association and the right to collective bargaining are respected.
 - o Working conditions are safe and hygienic.
 - o Child labour shall not be used.
 - o Living wages are paid.
 - o Working hours are not excessive.
 - o No discrimination is practiced.
 - o Regular employment is provided.
 - o No harsh or inhumane treatment is allowed.
- Operate controls to monitor and mitigate human rights risks across your supply chain, including assessing supplier performance.
- Operate a policy, standard or statement that clearly outlines commitment to combatting modern slavery as it relates to the organisation.
- Adopt a clear grievance procedure that uniformly applies to tackle bullying, discrimination, harassment, and mental, physical or verbal abuse. This should allow for anonymous reporting.
- Operate an inclusion and diversity policy or statement with a clear commitment to actively supporting the development of an inclusive and diverse workforce, employment and recruitment practices, and culture and communications. *
- Support for and promotion of employee wellbeing.
- Operate of an environmental policy or statement with a clear commitment to reducing environmental impact, such as minimising energy, water, and resource use, protecting and preserving biodiversity, reducing emissions/pollution, and effectively managing waste. *
- Report scope 1 and scope 2 greenhouse gas emissions.
- Set and take steps to achieve a quantitative greenhouse gas emissions reduction target. Progress should be monitored at least annually and action to remediate taken when not on track.
- Propose more environmentally responsible options to Nationwide wherever available.

*All policies should be approved by a senior representative and reviewed regularly (for example, annually)

We recommend

- Become a signatory to the [UN Global Compact](#) and support the Sustainable Development Goals.
- Assign a senior representative accountable for the organisation's approach to modern slavery.
- Provide annual training to all employees on modern slavery, red flag indicators and reporting suspicions.
- Become an accredited [Living Wage Employer](#).
- Adopt a wellbeing policy, strategy or statement including mental health.
- Become a signatory to the [Mindful Business Charter](#).
- Assign a senior representative accountable for the organisation's approach to inclusion and diversity.
- Become a [Disability Confident](#) employer and work towards Level 3 Leader status.
- Become a signatory to Business in the Community's [Race at Work Charter](#), and where relevant the [Tech Talent Charter](#), and [Women in Tech Charter](#).
- Monitor workforce diversity and publicly report diversity data and targets, including but not limited to ethnicity pay gaps.
- Establish inclusive language guidance to support adoption of inclusive terminology and avoidance of discriminatory terms.
- Adopt recruitment processes that promote diversity in the workplace, such as countering unconscious bias training and utilising diverse interview panels.
- Provide a diverse account team to support the delivery of services to Nationwide.
- Create and champion employee network groups, to bring employees together who share similar characteristics or life experiences who want to connect.
- Seek out partnerships with businesses owned by a diversity of people; for example, by engaging with [MSDUK](#) and other supplier networks.
- Seek out partnerships with social enterprises; for example, by engaging with [Social Enterprise UK](#) and/or participating in the [Buy Social Corporate Challenge](#).
- Offer apprenticeships and skills training to provide employment opportunities to the local community.
- Provide volunteering opportunities for workers to give back to their local communities.
- Become a signatory to the UK's [Prompt Payment Code](#).
- Assign a senior representative accountable for the organisation's approach to climate change.
- Use renewable electricity, whenever possible.
- Set science-based and net-zero climate change targets in line with a credible methodology such as the [Science Based Targets Initiative](#).
- Actively monitor and manage physical and transition climate change risk as part of your risk management framework or processes.
- Calculate the greenhouse gas emissions associated with the specific goods/services delivered to Nationwide.
- Actively seek out opportunities to protect and promote biodiversity and nature-positive outcomes.
- Be an ally and advocate on environmental and social issues both internally and externally.

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.

Supply Chain Responsible Business Team

Email: businessservicesresponsiblebusiness@nationwide.co.uk

If you are concerned that any actions or decisions contravene the minimum requirements set out in this code, please contact your relationship manager or business contact. To raise a concern anonymously, contact our Whistleblowing Team.

Nationwide Whistleblowing Team

Telephone: **0330 460 5445** (9am-5pm)

Email: whistleblowingofficer@nationwide.co.uk

Web portal: www.nbs.ethicspoint.com (24 hours, seven days a week)

Write to: Whistleblowing Officer, First Floor B, Nationwide House, Swindon, SN38 1NW

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 they will be fully investigated. Nationwide's whistleblowing mechanism meets the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) requirements.

Last updated February 2023