

Third Party Risk Policy For Third Parties and Senior Relationship Owners

Introduction

This guide sets out the Third Party Risk Policy requirements that are **applicable to Third Parties**.

These requirements support Nationwide:

- in managing the sourcing activity and ongoing management of Third Party services to ensure continued effectiveness, reliability and resilience.
- to source and contract with third parties in a manner that minimises serious disruption, enables robust contractual performance management, maintains customer service and is compliant with regulatory requirements to ensure a safe and sustainable business.

Statements

All Third Parties must;

- Support Nationwide's compliance with relevant regulation such as FCA Handbook – SYSC 8 (Outsourcing), PRA Rulebook (Outsourcing), Information Commissioner's Office (ICO) requirements, including General Data Protection Regulation (GDPR) and PRA Supervisory Statement 2/21 on Outsourcing & Third Party Risk Management.
- Only undertake negotiations of service, contract and pay with Nationwide **Procurement** employees.
- Provide accurate and complete information for due diligence and/or controls testing, such as:
 - o Data Security certification
 - o Regulatory permissions
 - o Business Continuity plans
 - o Operational controls
 - o Sub-contractor governance arrangements.
- Report accurate, complete and timely Management Information in support of Service Level Agreements and actively participate in Performance reviews.
- Immediately alert Nationwide to any issues, incidents or risks that may impact the provision of the service.
- Notify Nationwide Procurement of any material changes, especially changes to the country from which the service is delivered and from where data is accessed/stored/used, move to Cloud storage or, introduction or change of a material/critical subcontractor.
- Inform Nationwide Procurement of any sub-contracting arrangements put in place to support the Nationwide contract. Provide accurate and complete information regarding those arrangements throughout the term of the contract. Notify Nationwide Procurement of any changes to subcontractors (4th and 5th parties).

Responsibilities of Senior Relationship Owners

Nationwide's Third Party relationship managers must:

- Implement appropriate Third Party oversight and governance, including monitoring of Service Level Agreements.
- Undertake ongoing operational due diligence to ensure that the Third Party continues to have the capability, capacity and authority to provide the service to the standard required, and any risks identified are documented.