



## **INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF NATIONWIDE BUILDING SOCIETY ON SELECTED SUSTAINABILITY METRICS WITHIN THE 2024 CLIMATE-RELATED FINANCIAL DISCLOSURES**

EY was engaged by Nationwide Building Society (the 'Society') to perform a limited assurance engagement in accordance with the International Standard on Assurance Engagements (UK) 3000 (July 2020) *Assurance engagements other than audits or reviews of historical financial information*, in respect of selected sustainability metrics as defined within Appendix A (the 'Subject Matter') and presented in the 2024 Climate-related Financial Disclosures (the 'Report').

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion or conclusion on this information.

This report is produced in accordance with the terms of our engagement letter dated 27<sup>th</sup> February 2024 and subsequent addendum dated 14<sup>th</sup> May 2024 for the purpose of reporting to the Directors of the Society in connection with the Subject Matter defined within Appendix A and reported within the 2024 Climate-related Financial Disclosures.

This report is made solely to the Society's Directors, as a body, in accordance with our engagement letter dated 27<sup>th</sup> February 2024 and subsequent addendum dated 14<sup>th</sup> May 2024. Those terms permit disclosure on Nationwide Building Society's website, solely for the purpose of the Society showing that it has obtained an independent assurance report in connection with the Subject Matter. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's Directors as a body, for our examination, for this report, or for the opinions we have formed.

Our work has been undertaken so that we might report to the Directors those matters that we have agreed to state to them in this report and for no other purpose. Our report must not be recited or referred to in whole or in part in any other document nor made available, copied or recited to any other party, in any circumstances, without our express prior written permission. This engagement is separate to, and distinct from, our appointment as the auditors to the Society.

### **Responsibilities of the company**

As Directors of the Society, you are responsible for the Subject Matter which is attached as Appendix A to this report. The Directors of the Society remain solely responsible for presenting the Subject Matter in accordance with the narrative and accompanying notes to the Subject Matter referenced within the Report (the 'Criteria').

### **Responsibilities of Ernst & Young LLP**

It is our responsibility to provide a conclusion on the Subject Matter based on our examination. The Criteria has been used as the basis on which to evaluate the measurement and presentation of the Subject Matter.

### **Our approach**

We conducted our engagement in accordance with International Standard on Assurance Engagements (UK) 3000 (July 2020) *Assurance engagements other than audits or reviews of historical financial information* ("ISAE (UK) 3000 (July 2020)") as promulgated by the Financial Reporting Council (FRC). For the purpose of the engagement, we have been provided by the Directors with the Subject Matter, for which the Directors of the Society remain solely responsible.

In performing this engagement, we have applied International Standard on Quality Management (ISQM) 1 and the independence and other ethical requirements of the Institute of Chartered Accountants of England and Wales (ICAEW) Code of Ethics (which includes the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA)).

We have performed the procedures agreed with you and set out in our engagement letter dated 27<sup>th</sup> February 2024 and subsequent addendum dated 14<sup>th</sup> May 2024. Our work included, but was not limited to:

- Evaluating the appropriateness of the Reporting Criteria used to measure and disclose the Subject Matter.
- Interviewing management and relevant staff to understand how the Reporting Criteria has been applied, and relevant information and data is gathered for the measurement and reporting of the Subject Matter.
- Obtaining an understanding of the processes for collecting, reporting and consolidating the Subject Matter.
- Performing an analytical review of the data underlying the Subject Matter, including inquiry of management to substantiate variances.
- Checking that the calculation criteria has been applied in accordance with the methodologies outlined within the Criteria.
- For selected samples, agreeing information to underlying source documentation and evidence.
- For selected samples, checking the mathematical calculations and formulae applied in the measurement of the Subject Matter.
- Reading the Reports and narrative supporting the Subject Matter to assess the consistency with the Criteria.
- Obtaining Management Representations.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on the Subject Matter. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### **Inherent limitations**

Our conclusion is based on historical information and the projection of any information or conclusions in the attached report to any future periods would be inappropriate. Our examination excludes audit procedures such as verification of all assets, liabilities and transactions and is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the information.

#### **Conclusion**

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not fairly stated, in all material respects, based on the applicable criteria.

*Ernst & Young LLP*

Ernst & Young LLP  
London, United Kingdom  
22<sup>nd</sup> May 2024

## Appendix A: Subject Matter Information

The metrics listed below constitute the Sustainability Metrics within the scope of this report.

Subject Matter	Result	Reporting Period
Scope 1 emissions: <ul style="list-style-type: none"><li>Energy (excluding refrigerant gas)</li><li>Travel</li></ul>	<ul style="list-style-type: none"><li>1,743 tCO<sub>2</sub>e/y</li><li>49 tCO<sub>2</sub>e/y</li></ul>	12-month period ending 04 April 2024
Scope 2 emissions: <ul style="list-style-type: none"><li>Purchased Electricity</li></ul>	<ul style="list-style-type: none"><li>14,042 tCO<sub>2</sub>e/y</li></ul>	12-month period ending 04 April 2024
Scope 3 emissions: <ul style="list-style-type: none"><li>Category 1 - purchased goods and services</li><li>Category 2 - capital goods</li><li>Category 4 – upstream transportation and distribution</li></ul>	<ul style="list-style-type: none"><li>129,500 tCO<sub>2</sub>e/y</li><li>13,000 tCO<sub>2</sub>e/y</li><li>14,500 tCO<sub>2</sub>e/y</li></ul>	12-month period ending 31 December 2023
Scope 3 financed emissions – category 15 (investments): <ul style="list-style-type: none"><li>Mortgages</li><li>Commercial Real Estate</li><li>Registered Social Landlords</li></ul>	<ul style="list-style-type: none"><li>2,807,000 tCO<sub>2</sub>e/y</li><li>32,000 tCO<sub>2</sub>e/y</li><li>218,000 tCO<sub>2</sub>e/y</li></ul>	Year to: 31 December 2023