

Northern Bank Pension Scheme – 2025 Implementation Statement for 2019 DB Regulations

Statement of Compliance with the Northern Bank Pension Scheme’s Stewardship Policy for the year ending 31 December 2025

Introduction

This statement is prepared on behalf of the Northern Bank Pension Trust Limited (“the Trustee”) in its capacity as Trustee of the Northern Bank Pension Scheme (“the Scheme”) in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. This statement sets out how the Trustee has complied with the Scheme’s Stewardship Policy during the period from 1 January 2025 to 31 December 2025.

As of 31 December 2025, the Trustee had entered into insurance policies with the Prudential Assurance Company Limited (“Prudential”) and Aviva Life & Pensions UK Limited (“Aviva”) that are expected to secure the pension benefits of all Scheme members in return for the initial payment of a buy-in premium.

As a result of the entered buy-in policies, Prudential and Aviva make monthly payments to the Scheme to cover benefit payments to members. The Scheme’s asset portfolio over the year was comprised of buy-in annuity policies, residual cash and one residual property asset (which is intended to be sold to reimburse a bridging loan from the Sponsoring Employer).

As a result, this statement will cover stewardship considerations following completion of the full insurance buy-in.

Stewardship policy and Voting activities

The Trustee’s Stewardship Policy covers voting and engagement by setting out how the Trustee will behave as an active owner of the Scheme’s assets, which includes the Trustee’s approach to:

- the exercise of voting rights attached to assets; and
- undertaking engagement activity, including how the Trustee monitors and engages with their investment managers and any other stakeholders.

You can review the Scheme latest Stewardship Policy which can be found within the Scheme’s Statement of Investment Principles (“SIP”), dated November 2023, at:

<https://danskebank.co.uk/northern-bank-pension-scheme/scheme-information>

The Stewardship Policy is reviewed on an annual basis and was last reviewed alongside the SIP review carried out in November 2023. Given that the Scheme’s assets are comprised of bulk annuities held with insurers, a single property asset and residual cash, stewardship and voting activities are now of reduced relevance for the Scheme.

The Trustee is satisfied that it has complied with the Scheme’s Stewardship Policy over the Scheme year ending 31 December 2025.

Engagement activity

The Trustee invests directly in property assets. Through its property adviser, Osborne King, the Trustee engages with the tenants of these properties on an ongoing basis to discuss issues that could affect the assets.

Review of policies

The Trustee expects that Prudential and Aviva will take account of all financially material factors, including the potential impact of Responsible Investment issues, in the implementation of their mandate. Given the nature of the insurance contracts, the Trustee expects both insurers to actively consider Environmental, Social and Governance (“ESG”) factors in their investment governance and decision making.

The Trustee monitors compliance with their Stewardship Policy on a regular basis and are satisfied that they have complied with the Scheme’s Stewardship Policy over the last year.