

# Invesco Investment Management Limited Defined Contribution Pension Scheme

Trustee's Report  
Year ended: 31 December 2021

Group Policy No: 606865  
Pensions Authority No: 163282

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

**Pensions Authority Registered Number: 163282**

**Irish Life Reference Number: 606865**

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## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### General Scheme Information

<b>Trustee</b>	ILP Pension Trustees DAC
<b>Directors of ILP Pension Trustees DAC</b>	Desmond McGarry Finian O' Driscoll Frank Downey Andrew Kelly (resigned 23 <sup>rd</sup> February 2021) Brian McGarry (resigned 23 <sup>rd</sup> February 2021) Brian Sexton (resigned 23 <sup>rd</sup> February 2021) Gerry Winters (resigned 23 <sup>rd</sup> February 2021) Hillary McCowan (appointed 23 <sup>rd</sup> July 2021) Ciaran Martin (appointed 23 <sup>rd</sup> July 2021)
<b>Principal Employer</b>	Invesco Investment Management Limited
<b>Registered Administrator*</b>	Irish Life Assurance plc Irish Life Centre Lower Abbey Street Dublin 1
<b>Investment Managers**</b>	Irish Life Investment Managers Limited Beresford Court Beresford Place Dublin 1  Standard Life Investments Limited 90 St. Stephen's Green Dublin 2  BlackRock 2 Ballsbridge Park Ballsbridge Dublin 4
<b>Auditors</b>	PricewaterhouseCoopers Chartered Accountants and Statutory Audit Firm One Albert Quay Cork

\* Irish Life Assurance plc replaced Invesco Limited as Registered Administrator with effect from 3 January 2021.

\*\* The Trustee has an insurance policy with Irish Life Assurance plc under which Irish Life Investment Managers Limited, Standard Life Investments Limited and BlackRock provide investment services to the Trustee on behalf of Irish Life Assurance plc.

## **Trustee's Report to the Members**

FOR THE YEAR ENDED 31 DECEMBER 2021

### **Trustee's Report**

#### **Introduction**

We are pleased to present our annual report of the Invesco Investment Management Limited Defined Contribution Pension Scheme ("the Scheme") together with the audited Scheme financial statements for the year ended 31 December 2021.

The purpose of this report is to communicate with you on the operation of the Scheme and its financial position. It covers the main areas of Scheme activity, including financial statements, investment matters and membership movements.

The content of the report conforms to the requirements set out in the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 (as amended).

We hope that you find the information contained in this report both interesting and informative.

#### **Legal Status of the Scheme**

The Scheme is established under a trust and is constituted and governed by the Trust Deed and Rules. It has been approved by the Revenue Commissioners under Section 774 of the Taxes Consolidation Act 1997. It is a defined contribution scheme with its own legal identity and is totally separate from the Principal Employer, Invesco Investment Management Limited. The Trustee has the responsibility of ensuring that the Scheme is properly managed in accordance with the trust documents. The Scheme is registered with the Pensions Authority, registration number 163282.

#### **Contributions**

The contributions payable during the period covered have been received by the Trustee within 30 days of the end of the Scheme year and have been paid in accordance with the Scheme Rules.

#### **Basis of Investment Managers' Fees**

The Investment Managers levy a management charge which is taken from the unit-linked fund assets and reflected in the value of the unit-linked fund units.

#### **Member Information**

On joining the Scheme, each new member is given a copy of the Explanatory Booklet outlining the benefits being provided for themselves and/or their dependants under the Scheme.

Active members receive benefit statements each year with details of their contributions and details of the value of their individual holdings in their selected funds. Members can also, on request, receive a copy of the Trustee's report and financial statements every year.

#### **Administering the Scheme**

Irish Life Assurance plc is the Registered Administrator for the purpose of carrying out the core administration functions associated with the Scheme, including preparation of the annual report and member benefit statements.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Trustee's Report (continued)

#### Financial Development

The value of the Scheme's net assets increased from €8,998,320 at the start of the year to €10,873,619 at the end of the year. This increase was accounted for by net returns on the Scheme's investments of €1,461,413, and net additions from dealings with members of €413,886.

Contributions amounted to €584,136. Benefits paid or payable amounted to €66,965 and payments to and on account of leavers amounted to €103,285.

The above information has been extracted from the financial statements of the Scheme which form part of this report.

#### Membership

The profile of Scheme membership is as follows:

	31/12/2020	Joiners	Leavers	Active to Deferred	31/12/2021
<b>Active Members</b>	36	27	(1)	(7)	55
<b>Deferred Members</b>	174	-	(2)	7	179
<b>Life Assurance Only Members</b>	-	-	-	-	-

There are no members in receipt of benefits under the Rules of the Scheme which are being paid from the resources of the Scheme.

#### Queries

Enquiries about the Scheme generally, or about an individual's entitlement to benefit, should in the first instance be sent to:

The Trustee of the Invesco Investment Management Limited  
Defined Contribution Pension Scheme  
Invesco Limited  
2 Sandyford Business Centre  
Burtonhall Road  
Sandyford  
Dublin 18

#### IORP II Directive

The provisions of Directive (EU) 2016/2341 ("The IORP II Directive") were transposed into Irish Law on 22 April 2021 through the European Union (Occupational Pension Schemes) Regulations, 2021. The Regulations introduce new requirements and changes to the Pensions Act, 1990, as amended. The Trustee, with its advisers, is reviewing the new requirements to ensure that the Trustee and the Scheme will fully comply with the Regulations. The Pensions Authority has, in November 2021, published a code of practice setting out what the Pensions Authority expects of trustees to meet their obligations under the Regulations. The Trustee has reviewed this code of practice and will ensure that the requirements of the code are implemented.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Trustee's Report (continued)

#### Impact of Covid-19

In early 2020, Covid-19, an illness caused by a new coronavirus, impacted a significant number of countries globally. Covid-19 has caused disruption to economic activity which has been reflected in recent fluctuations in global stock markets. The roll-out of the vaccines to combat the coronavirus has helped to spur on markets in 2021 and continues to do so in 2022. During the year the Trustee has worked with its advisors to ensure there was no disruption to the Scheme as a result of Covid-19.

The financial statements have been prepared on the going concern basis. In making this assessment, the Trustee has assessed the ability of the Scheme to meet its future obligations to pay member benefits as they fall due and the ability of the Principal Employer to continue to meet their obligations to the Scheme. The Trustee believes that the Scheme remains well positioned to manage its risks successfully and expects that the Scheme will continue in operational existence for the foreseeable future.

#### Subsequent Events

On 24 February 2022, Russia began a military invasion of Ukraine. In addition to causing intense human suffering, the conflict in Ukraine continues to be a key driver of global markets with commodity markets remaining volatile. The impact of Covid-19 has also continued post year end. The Trustee continues to monitor the situation in relation to Covid-19 and Ukraine, in conjunction with its investment advisors.

There have been no other significant subsequent events that would require disclosure in or amendment to the annual report.

Signed by the Trustee

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*Frank Downey*

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Director

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*Finian O'Driscoll*

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Director

Date: 19 September 2022

## Compliance Statement

The Trustee hereby makes the following statements:

**Self-Investment** There was no self-investment of contributions during the Scheme year. This means that all money, which was due to the Scheme was paid by the Employer within 21 days after the end of the month in which it was deducted from members or became due from the Employer as appropriate.

**Procedures for Ensuring Timely Receipt of Contributions** The Trustee has appropriate procedures in place to ensure that contributions payable have been paid in accordance with the Rules of the Scheme, and have been received by the Trustee in accordance with Section 58A of the Pensions Act, 1990, where applicable to the contributions and otherwise within 30 days of the end of the Scheme year. Section 58A sets out the following requirements:

- Member contributions must be remitted to the Trustee within 21 days from the end of the month in which they were deducted from pay; and
- Employer contributions must be remitted to the Trustee within 21 days from the end of the month to which they relate.

The Trustee regularly reviews procedures to ensure they remain appropriate.

**Selection of Trustees** The right of members to select or approve the selection of Trustees to the Scheme is set out in the Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) (No. 3) Regulations, 1996, S.I. No. 376 of 1996.

**Related Party Transactions** Details of material related party transactions are set out under note 17 to the financial statements.

**Benefit Increases** There were no increases made during the year to either pensions in payment or benefits payable following termination of a member's service in relevant employment.

**Liability for Pensions** There are no pensions or pension increases being paid by or at the request of the Trustee for which the Scheme would not have a liability upon winding up.

**Trustee Handbook and Guidance Notes** The Trustee and administrator have access to the Trustee Handbook produced by the Pensions Authority and the Guidance Notes issued by the Pensions Authority from time to time in accordance with Section 10 of the Pensions Act, 1990.

**Trustee Training** The Trustee directors have received training, as required, in accordance with Section 59AA of the Pensions Act, 1990. There were no costs or expenses incurred in relation to trustee training in the Scheme year which were met out of the resources of the Scheme.

**Changes to Basic Scheme Information** There were no changes made to the basic scheme information, set out in Schedule C to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 (as amended), during the year.

## Compliance Statement (continued)

**Condition of the Scheme** The Trustee is satisfied that at the end of the year the Scheme is in a good condition concerning the financial, technical and other risks associated with the Scheme.

Under law, the Trustee is required to describe the condition of the Scheme and the risks associated with the Scheme and disclose these to members.

**Statement of Risks** As it is a "defined contribution" scheme, where contribution levels are set down but the ultimate proceeds of those contributions cannot be forecast with certainty, it is not possible to provide a guarantee in relation to the level of benefits that will be received on retirement. The very nature of the Scheme means that there are financial and operational risks borne by the member. In brief, the following risks have been identified, amongst others:

- The return earned on members' pension monies may be poorer than expected, or the cost of purchasing an annuity when a member retires may be higher than expected. In such circumstances, the benefits payable from a member's retirement account may be less than expected. This risk is especially relevant in the period close to retirement.
- The administration of the Scheme may fail to meet acceptable standards. The Scheme could fall out of statutory compliance, the Scheme could fall victim to fraud or negligence or the projected benefits communicated to members could differ from what will actually be payable.
- The fund managers made available to members for their retirement account may underperform relative to other fund managers, or the funds in which members' contributions are invested may underperform relative to other funds available.
- There may be regulatory or legislative changes that will restrict the level or type of benefits members may receive and how they are taxed.

Apart from the last item, which is outside the control of the Trustee, the Trustee is satisfied that it is taking all reasonable steps with its professional advisers to protect the members from the effects of these risks. For example, a range of funds is made available so that members can take control of their own investment risk.

Professional firms are employed to minimise compliance and administrative risks. However, it is not possible to guard against every eventuality and, in particular, it may be appropriate for members to take some investment risk with their retirement account with the aim of maximising their benefits.

**Procedures for Internal Resolution of Disputes** The Trustee has put an Internal Disputes Resolution ("IDR") procedure in place. The IDR procedure is for certain types of complaints that may arise from actual or potential beneficiaries of the Scheme.

Two types of complaints are eligible for consideration under the IDR procedure.

These are where the actual or potential beneficiary:

- (1) Alleges that they have sustained a financial loss due to maladministration; or
- (2) Has a dispute of fact or law about an action taken by a person responsible for managing the Scheme.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Compliance Statement (continued)

Having gone through the IDR process, if a complainant is not satisfied with the outcome then they can refer their complaint to the Financial Services and Pensions Ombudsman.

The Financial Services and Pensions Ombudsman requires two steps from the complainant before they will consider the case. A complainant needs to:

- Have gone through the IDR procedure
- Hold a final response letter issued by the Trustee or managers

The Financial Services and Pensions Ombudsman may, at their discretion, decide to investigate a complaint without waiting for a final response letter.

### The procedures for making a complaint

- (i) The complainant should make an application to the Trustee.
- (ii) The application should include:
  - The name, address and date of birth of the complainant
  - The address on which documents should be served in relation to the dispute
  - A statement concerning the nature of the complaint or dispute
  - Such other information which is reasonably required by the Trustee
- (iii) The application must be in writing and signed by the actual or potential beneficiary.

A determination in writing must be issued by the Trustee within 3 months of all the required details having been received. The determination shall not be binding unless the actual or potential beneficiary assents, in writing, to be bound by it.

Queries regarding the availability of these procedures should be addressed to the Trustee.

**Report on the Valuation of Liabilities** The liabilities have been valued using the applicable value of the corresponding assets at the year-end date. The current and future liabilities of the Scheme as at 31 December 2021 amounted to €10,873,619.

	<b>Designated to Members</b>	<b>Not Designated to Members</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Current liabilities</b>	-	-	-
<b>Future liabilities</b>	10,721,206	152,413	10,873,619
	10,721,206	152,413	10,873,619

Signed by the Trustee

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Director

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Director

Date: 19 September 2022

## Investment Managers' Report

### Market Review

Global equities have generated strong returns over the last twelve months, rising 21.4% in local currency terms and 28.1% in Euro terms reflecting the recovery from the correction associated with the sell down caused by the emergence of Covid-19.

Equity markets fell sharply in the first quarter of 2020 with the global spread of Covid-19. The restrictions put in place to contain the virus contributed to a sharp slowing in growth and the sudden onset of recession. Global equities experienced their fastest ever bear market with a fall of 32% over a five-week period, followed by an equally impressive rally where these losses were recouped on the back of unprecedented fiscal and monetary stimulus launched to support growth.

Global equities enjoyed a strong end to 2020 as the removal of uncertainty surrounding the US Presidential election and the successful conclusion of several Covid-19 vaccine trials spurred further market gains. December saw the beginning of Covid-19 vaccination programmes with equity markets reaching new highs on the back of a \$900bn US stimulus package and a Brexit Trade Agreement.

In 2021 equities posted further gains as growth and earnings forecasts were revised higher on stronger than expected economic news flow and the announcement of additional fiscal stimulus in the US following the Democrats success in the run-off Senate elections in Georgia in early January. Equities experienced a number of modest corrections in 2021 associated with retail investor induced volatility in January and higher bond yields through the early months of the year. In September equity markets sold off approx. 5% on the back of concerns over potential contagion from the expected default of a large player in the Chinese property market, global supply chain disruptions lasting longer than expected, higher inflation proving to be stickier than originally anticipated, ongoing signs of a slowing in growth momentum and uncertainty over US fiscal policy.

Equities however recovered to new all-time highs again by early November on the back of a strong Q3 earnings reporting season and easing concerns around US political issues and potential contagion from the Chinese property sector as the authorities appeared ready to help manage an orderly default of Evergrande, the struggling large property developer.

In late November equities suffered another modest correction with the emergence of a new Covid variant, Omicron. Fears over the possible need to reintroduce restrictions to combat Omicron contributed to the sell off in equities. Markets however recovered through December to end the year close to all time highs as initial fears around Omicron began to ease. While being highly contagious, initial studies have shown Omicron to be less virulent than previous strains with the risk of hospitalisations and severe illness being significantly lower. Evidence from South Africa also suggests that the sharp rise in cases associated with Omicron could be relatively short lived. Improving economic data towards year end and hopes that global inflation might be close to peaking also contributed to the late year rally in equities.

## Investment Managers' Report (continued)

Irish commercial property has risen slightly over the last twelve months. Initial economic weakness associated with the outbreak of Covid-19 gave rise to some uncertainty over the outlook for property, particularly in the retail sector where physical retailing was severely affected by restrictions and the growing move to online shopping.

In relation to real estate markets, low interest rates, diversification and a strong income stream continue to underpin the appeal of property investments. However, the pandemic has challenged how the underlying real estate product is being used. Working from home, increased reliance on online retail and a greater focus on environmental, social and governance factors have all changed the way offices, shops, homes and industrial spaces are utilised by tenants and valued by investors.

In the office space, buildings with secure, long term income streams have maintained strong investor demand. Rents have experienced some pressure with effective rents being reduced by rent free periods and fit out contributions. Retail assets have unsurprisingly suffered most during the pandemic. In contrast, the industrial market is experiencing high demand from investors and tenants with demand being boosted by the growth in online retailing in a backdrop of limited supply of high-quality space in the logistics sector.

The property sector is supported by a current yield of approx. 5.0%.

Eurozone bond yields have risen over the last twelve months as yields recovered from all-time lows set in 2020.

In March 2020, yields fell to new all-time lows with the sudden onset of recession. Since the lows, bond yields have risen as the global growth outlook improved and the supply of bonds increased on the back of large fiscal stimulus programmes. Over the last twelve months the low in the German 10 year bond yield was in January at -0.61% while the high was reached in late-October at -0.06%. The rise in European yields has been more modest than other regions as the ECB increased the size of its bond purchases to limit the rise in yields evident earlier in 2021 to prevent a tightening of financial conditions. The ECB has also maintained more dovish policy guidance compared to other central banks which have shifted to guiding towards tighter policy in coming months. This has helped cap the rise in European bond yields compared to elsewhere. The German 10 year yield was -0.18% at the end of December.

Over the last twelve months, UK 10 year yields bottomed in January at 0.15% with the peak recently being seen in late October at 1.22%. In addition to global developments, UK yields have been sensitive to Brexit news flow and policy announcements from the Bank of England which had suggested it was contemplating implementing negative interest rates which helped keep yields low through most of 2020. In 2021 UK yields were pushed higher as UK growth began to recover following the relatively successful rollout of vaccines which facilitated an early reopening of the economy. UK yields have also risen on the back of more hawkish comments from the Bank of England which culminated in an increase in interest rates in December. This was in response to a tightening of the labour market, ongoing supply constraints and upward revisions to growth and inflation forecasts. At the end of December, the UK 10 year yield was 0.97%.

## Investment Managers' Report (continued)

US yields declined to a lower trading range in 2020 and hit new all-time lows in March 2020 with the onset of recession following the Covid-19 outbreak. Large scale asset purchases by the US Fed were a key factor in pushing the trading range for yields lower. Having remained in a lower trading range through the middle of 2020, US yields began to grind higher in the latter part of the year as the growth outlook improved. Yields continued to push higher in 2021 as US growth forecasts were revised up on the back of further fiscal stimulus with Congress passing an additional \$1.9trn package early in the year. President Biden subsequently proposed an additional \$4trn infrastructure spending programme over the next 10 years although he has struggled to have this approved in Congress. With high fiscal deficits, the supply of bonds has increased, and this has also resulted in upward pressure on US bond yields. Rising concerns over a potential sustained rise in inflation with US CPI recently rising to 6.8% y/y has also contributed to higher US 10 year yields. The rise in inflation has led the US Federal Reserve to indicate that asset purchases will end by March while it has also guided to three interest rate rises in 2022. The low low in the US 10 year yield over the last 12 months was 0.90% in early January while the high was in March at 1.77%. By the end of December the US 10 year yield was 1.51%.

Peripheral spreads against Germany have widened marginally over the last twelve months having narrowed through 2020, supported by the yield pickup available compared to core bond markets, substantial ECB asset purchases as well as the agreement in mid-2020 to include grants within a European Recovery Fund, which involves fiscal transfers from core countries to peripheral regions. Italian spreads narrowed through the first quarter of 2021 as former ECB President Mario Draghi was appointed Italian Prime Minister which gave rise to hopes of greater political stability in Italy with the potential for beneficial policies and reforms to be implemented. Spreads however have widened again in the second half of the year as investors began to discount lower levels of policy accommodation from the ECB in 2022 through reduced levels of asset purchases, with the Pandemic Emergency Purchases Programme (PEPP) due to end in March 2022. Doubts regarding whether Mario Draghi will remain as Italian PM have also caused Italian spreads to widen. At the end of December Italian and Spanish 10-year spreads against Germany were 135bps and 75bps respectively.

Commodity prices have risen 40.4% over the last twelve months and are up 50.1% in Euro terms. Commodity prices were initially extremely weak in 2020 on the back of the Covid-19 outbreak with demand collapsing due to the sudden onset of recession. From the lows however commodity prices rallied sharply as an improving growth outlook has boosted demand and prices. Oil prices have been strong with the price for West Texas Intermediate oil increasing by 55.0% over the last twelve months. Following a fall in the oil price in the immediate aftermath of Covid-19 to extreme lows, the price has rebounded strongly on OPEC discipline and an expected rise in demand as global growth continued to recover. Gas prices have also been extremely strong, particularly in Europe since mid-summer due to supply/demand imbalances.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Investment Managers' Report (continued)

#### Investment

At the end of the Scheme year contributions were invested in a combination of the following funds:

<b>Fund Name</b>	<b>Value at 31/12/2021</b>	<b>12 Month Return</b>	<b>% of Total Investments</b>
	<b>€</b>	<b>%</b>	<b>%</b>
Blackrock Dynamic Diversified Growth Fund	2,562	4.32	0.02
Diversified Cautious Fund	34,490	6.41	0.32
Pension And Cash Match Fund S1	75,451	-3.41	0.69
Standard Life GARS Fund	127,511	-2.75	1.17
Index AAA/AA >10y Gov Bond Fund	172,556	-7.58	1.59
Cash Fund S1	194,737	-0.70	1.79
Diversified Moderate Fund S1	937,891	11.49	8.63
Diversified High Growth Fund S1	1,230,385	24.59	11.32
Diversified Growth Fund S1	8,098,036	17.07	74.47
	<b>10,873,619</b>		<b>100.00</b>

*The above table shows the returns achieved on the specific versions of the fund the Scheme invests in. Further details on the underlying funds are contained in Appendix 1. These details are provided for information purposes only.*

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Statement of Trustee's Responsibilities

The financial statements are the responsibility of the Trustee. Irish pension legislation requires the Trustee to make the annual report of the Scheme available for each Scheme year, including audited financial statements and the report of the auditor to Scheme members, beneficiaries and certain other parties. The financial statements are required to:

- show a true and fair view, in accordance with Financial Reporting Standard 102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the year of its assets and liabilities. For this purpose liabilities do not include liabilities to pay pensions and benefits after the end of the Scheme year.
- contain the information specified in the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 (as amended), including a statement as to whether the financial statements have been prepared in accordance with the Statement of Recommended Practice – Financial Reports of Pension Schemes (Revised 2018) ("the SORP").

The Trustee has supervised the preparation of the financial statements and ensured that:

- suitable accounting policies are selected and then applied consistently;
- reasonable and prudent judgements and estimates are made;
- the SORP is followed, or particulars of any material departures have been disclosed and explained; and
- it has assessed the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for ensuring that proper membership and financial records are kept and contributions are made to the Scheme in accordance with the Scheme Rules and the requirements of legislation. It is also responsible for safeguarding the assets of the pension Scheme and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, including the maintenance of appropriate internal controls.

Signed by the Trustee

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*Frank Downey*  
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Director

DocuSigned by:  
*Finian O'Driscoll*  
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Director

Date: 19 September 2022



# ***Independent auditors' report to the trustee of Invesco Investment Management Limited Defined Contribution Pension Scheme***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Invesco Investment Management Limited Defined Contribution Pension Scheme's financial statements:

- give a true and fair view of the financial transactions of the scheme during the year ended 31 December 2021 and of the amount and disposition of the assets and liabilities (other than liabilities to pay pensions and other benefits in the future) at that date; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law).

We have audited the financial statements, included within the Trustee's Report, which comprise:

- the statement of net assets (available for benefits) as at 31 December 2021;
  - the fund account for the year then ended;
  - the notes to the financial statements, which include a description of the significant accounting policies.
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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the scheme's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the scheme's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

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### **Reporting on other information**

The other information comprises all of the information in the Trustee's Report other than the financial statements and our auditors' report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.



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## Responsibilities for the financial statements and the audit

### *Responsibilities of the trustee for the financial statements*

As explained more fully in the statement of trustee's responsibilities set out on page 12, the trustee is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The trustee is also responsible for ensuring that contributions are made to the scheme in accordance with the scheme's rules.

In preparing the financial statements, the trustee is responsible for assessing the scheme's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to wind up the scheme or has no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority website at: [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the trustee as a body in accordance with section 56 of the Pensions Act 1990, as amended and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## Other required reporting

### **Occupational Pension Schemes (Disclosure of Information) Regulations, 2006**

In our opinion:

- The financial statements include the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 which is applicable and material to the scheme;
- the contributions payable to the scheme during the year ended 31 December 2021 have been received by the trustee within thirty days of the end of the scheme year; and
- such contributions have been paid in accordance with the rules of the scheme.

*PricewaterhouseCoopers*

PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Cork  
21 September 2022

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Fund Account For the year ended 31 December 2021

		2021	2020
		€	€
<b>Contributions and benefits</b>	<b>Note</b>		
Employer contributions		427,678	340,630
Employee contributions		156,458	122,291
Total contributions	6	584,136	462,921
Benefits paid or payable	7	(66,965)	(12,979)
Payments to and on account of leavers	8	(103,285)	(187,263)
Other payments – life assurance premiums		-	(27,697)
		(170,250)	(227,939)
<b>Net additions from dealings with members</b>		413,886	234,982
<b>Returns on investments</b>			
Change in market value of investments	4	1,461,413	200,480
<b>Net returns on investments</b>		1,461,413	200,480
Net increase in the fund during the year		1,875,299	435,462
Net assets of the Scheme at 1 January		8,998,320	8,562,858
Net assets of the Scheme at 31 December		10,873,619	8,998,320

The notes on pages 17 to 24 form part of these financial statements.

The financial statements were approved by the Trustee on 19 September 2022

Signed by the Trustee

DocuSigned by:

*Frank Downey*

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Director

DocuSigned by:

*Finian O'Driscoll*

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Director

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### Statement of Net Assets (available for benefits) As at 31 December 2021

		2021	2020
		€	€
<b>Investment assets:</b>	<b>Note</b>		
Pooled investment vehicles	4	10,873,619	8,934,909
Current assets	9	-	69,387
Current liabilities	10	-	(5,976)
		<u>10,873,619</u>	<u>8,998,320</u>
Net assets of the Scheme at 31 December		<u><u>10,873,619</u></u>	<u><u>8,998,320</u></u>

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year.

The notes on pages 17 to 24 form part of these financial statements.

The financial statements were approved by the Trustee on 19 September 2022

Signed by the Trustee

DocuSigned by:

*Frank Downey*

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Director

DocuSigned by:

*Finian O'Driscoll*

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Director

## **Notes to the Financial Statements**

For the year ended 31 December 2021

### **1. Status of Scheme**

The Scheme is established in Ireland under a trust and is governed by the Trust Deed and Rules. It is a defined contribution scheme which has its own legal identity and has the approval of the Revenue Commissioners. The Scheme has been registered with the Pensions Authority. Ultimate benefits are determined by the contribution levels and by the investment returns achieved on the contributions made. The address for enquiries to the Scheme is included in the Trustee's Report.

The Scheme has been approved as an exempt approved scheme for the purposes of Section 774 of the Taxes Consolidation Act, 1997 and thus Scheme income and gains are exempt from taxation.

### **2. Basis of preparation**

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 (as amended), Financial Reporting Standard 102 (FRS 102) – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and the guidelines set out in the Statement of Recommended Practice – Financial Reports of Pension Schemes (Revised 2018) (“the SORP”).

### **3. Accounting policies**

The principal accounting policies adopted by the Trustee are as follows:

#### **i. Contributions**

- a. Employee contributions, including additional voluntary contributions, are accounted for when they are deducted from pay by the Employer.
- b. Employer normal contributions which are expressed as a rate of salary are accounted for on the same basis as employees' contributions, otherwise they are accounted for in the period they are due.
- c. Employer augmentation contributions are accounted for in accordance with the agreement under which they are payable, or in the absence of such an agreement, when received.

#### **ii. Payments to members**

- a. Benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.
- b. Individual transfers in or out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is received or paid.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

- c. Group transfers are accounted for in accordance with the terms of the transfer agreement, or in the absence of a transfer agreement on a receipts basis.
- d. Pensions in payment are accounted for in the period to which they relate.

### iii. Investments

Investments are included at fair value.

Pooled investment vehicles are valued at the latest available bid price or single price provided by the pooled investment manager.

Additional voluntary contribution investments are included within the Scheme's assets.

### iv. Change in market value of investments

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

### v. Investment income

Investment income is accounted for on an accruals basis. Income earned on investments in the pooled investment vehicles is not distributed but is accumulated with the capital of the funds and reflected in the value of the units.

### vi. Expenses

Expenses are accounted for on an accruals basis.

### vii. Annuities

Annuities purchased in the name of the Trustee, and which remain a liability of the Scheme, to provide pension benefits for members of the Scheme are included in the financial statements at the amount of the related obligation, as determined by a suitably qualified person. There were no such annuities held in the name of the Trustee at the end of the Scheme year or at the end of the previous Scheme year.

### viii. Foreign exchange

The functional and presentation currency of the Scheme is euro. Assets, including investments of the Scheme denominated in foreign currencies, are translated into euro at the rate of exchange ruling at the end of the accounting year. Transactions denominated in foreign currencies are translated into euro at the rate of exchange on the date of the transactions. Differences arising on translation of investment balances are accounted for in the net returns on investments and reported within 'change in market value' during the year.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4. Reconciliation of investments

A reconciliation between the opening and closing value of investments is shown below:

Investment type	Value at 31/12/2020	Purchases at cost	Sales proceeds	Change in market value	Value at 31/12/2021
	€	€	€	€	€
Pooled investment vehicles	8,934,909	647,547	(170,250)	1,461,413	10,873,619
	<b>8,934,909</b>	<b>647,547</b>	<b>(170,250)</b>	<b>1,461,413</b>	<b>10,873,619</b>

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on the sale of investments during the year. Where the investments are held in a unitised fund, the change in market value also includes expenses both implicit and explicit for the year and any reinvested income, where the income is not distributed. Investments are held under a unit-linked insurance policy, and are managed by Irish Life Investment Managers Limited, Standard Life Investments Limited and BlackRock on a pooled basis for the Trustee. Units are allocated to members by the Scheme administrator. At the end of the Scheme year investments designated to members amounted to €10,721,206 (2020: €8,781,417) and investments designated to the Employer amounted to €152,413 (2020: €153,492). Irish Life Investment Managers Limited, Standard Life Investments Limited and BlackRock are registered in the Republic of Ireland.

Holdings in the underlying pooled investment vehicles are set out below:

Pooled Investment Vehicle	Value at 31/12/2021	% of closing Net Assets	Value at 31/12/2020	% of Opening Net Assets	Type of fund
	€	%	€	%	
ILIM Pension & Cash Match Fund ES3	-	-	18,414	0.20	Multi Asset
ILIM Diversified Cautious Fund	-	-	51,568	0.57	Multi Asset
Standard Life GARS Fund	-	-	95,442	1.06	Multi Asset
ILIM Indexed AAA/AA>10yr Government Bond Fund	-	-	175,820	1.95	Bond
ILIM Cash Fund	-	-	195,991	2.18	Cash
ILIM Diversified Moderate Fund ES28	-	-	723,625	8.04	Multi Asset
ILIM Diversified High Growth Fund ES30	-	-	929,699	10.33	Multi Asset
ILIM Diversified Growth Fund ES29	-	-	6,744,350	74.95	Multi Asset
Blackrock Dynamic Diversified Growth Fund	2,562	0.02	-	-	Multi Asset
Diversified Cautious Fund	34,490	0.32	-	-	Multi Asset
Pension And Cash Match Fund S1	75,451	0.69	-	-	Multi Asset
Standard Life GARS Fund	127,511	1.17	-	-	Multi Asset
Index AAA/AA >10y Gov Bond Fund	172,556	1.59	-	-	Bond
Cash Fund S1	194,737	1.79	-	-	Cash
Diversified Moderate Fund S1	937,891	8.63	-	-	Multi Asset
Diversified High Growth Fund S1	1,230,385	11.32	-	-	Multi Asset
Diversified Growth Fund S1	8,098,036	74.47	-	-	Multi Asset
	<b>10,873,619</b>	<b>100.00</b>	<b>8,934,909</b>	<b>99.28</b>	

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### 5. Transaction costs

Transaction costs are included in the cost of purchases and sales proceeds. Transaction costs include costs charged directly to the Scheme such as fees, commissions, stamp duty and other fees. In addition to the transaction costs, indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amount of indirect costs is not separately provided to the Scheme.

### 6. Contributions

	<b>2021</b>	<b>2020</b>
	€	€
Employer contributions		
Normal	427,678	312,933
Life assurance premiums	-	27,697
Employee contributions		
Additional voluntary contributions	156,458	122,291
	584,136	462,921

### 7. Benefits paid or payable

	<b>2021</b>	<b>2020</b>
	€	€
Annuity purchases	50,224	-
Lump sum retirement benefits	16,741	12,979
	66,965	12,979

### 8. Payments to and on account of leavers

	<b>2021</b>	<b>2020</b>
	€	€
Individual transfers to other arrangements	103,285	187,263
	103,285	187,263

### 9. Current assets

	<b>2021</b>	<b>2020</b>
	€	€
<b>Designated to members</b>		
Contributions due from employer in respect of:		
Employer	-	23,966
Employees	-	7,494
Cash balances	-	31,950
Investment in transit	-	1
<b>Not designated to members</b>		
Life assurance premiums prepaid	-	5,976
	-	69,387

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### 10. Current liabilities

	2021	2020
	€	€
<b>Not designated to members</b>		
Life assurance premiums prepaid	-	5,976
	-	5,976
	-	5,976

### 11. Investment fair value determination

The fair value of financial instruments has been estimated using the following fair value hierarchy:

- |         |   |
|---------|---|
| Level 1 | The quoted price for an identical asset in an active market at the reporting date.  |
| Level 2 | When quoted prices are unavailable, the price of a recent transaction for an identical asset adjusted if necessary.   |
| Level 3 | Where a quoted price is not available and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is determined using a valuation technique that uses observable market data or non-observable data. |

The Scheme's investment assets have been fair valued using the above hierarchy categories as follows:

	Level 1	Level 2	Level 3	Total
	€	€	€	€
<b>31 December 2021</b>				
Pooled investment vehicles	-	10,873,619	-	10,873,619
	-	10,873,619	-	10,873,619
	-	10,873,619	-	10,873,619
<b>31 December 2020</b>				
Pooled investment vehicles	-	8,934,909	-	8,934,909
	-	8,934,909	-	8,934,909
	-	8,934,909	-	8,934,909

### 12. Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- **Currency risk**: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- **Interest rate risk**: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme has exposure to these risks arising from the investment strategy implemented by the Trustee.

### Investment strategy

The investment objective of the Trustee is to provide for the proper investment, in accordance with the Trust Deed and Rules and relevant legislation, of the contributions they receive from or in respect of the members.

The Scheme is a defined contribution scheme which means that the benefits available are determined by the amount of contributions paid by the members and the employers, and the investment return achieved on those contributions. Investment objectives will vary from member to member based on their personal financial circumstances, risk tolerance and proximity to retirement.

The Trustee has made available a range of investment options to meet the needs of individual members. Members can invest in a fund or a combination of funds designed to provide growth over the long term, protect against capital losses or provide protection against fluctuating annuity prices.

The range of funds the Scheme is invested in at the end of the Scheme year, and the risks that each fund is exposed to, is set out below:

<u>Pooled Investment Vehicle</u>	<u>Fund Type</u>	<u>Credit Risk</u>	<u>Currency Risk</u>	<u>Interest Rate Risk</u>	<u>Other Price Risk</u>
Blackrock Dynamic Diversified Growth Fund	Multi Asset	✓	✓	✓	✓
Diversified Cautious Fund	Multi Asset	✓	✓	✓	✓
Pension And Cash Match Fund S1	Multi Asset	✓	✓	✓	✓
Standard Life GARS Fund	Multi Asset	✓	✓	✓	✓
Index AAA/AA >10y Gov Bond Fund	Bond	✓		✓	✓
Cash Fund S1	Cash		✓		✓
Diversified Moderate Fund S1	Multi Asset	✓	✓	✓	✓
Diversified High Growth Fund S1	Multi Asset	✓	✓	✓	✓
Diversified Growth Fund S1	Multi Asset	✓	✓	✓	✓

Risk exposure arises from members investing in the underlying pooled investment vehicles and member level risk will depend on the funds invested in by members.

**Credit risk:** The Scheme has a direct credit risk to Irish Life Assurance plc as the Scheme's investments are held by way of a policy of assurance with Irish Life Assurance plc. Irish Life Assurance plc is regulated by the Central Bank of Ireland. Credit risk also arises from investment in bonds and bank deposits within the pooled investment vehicles. Furthermore, there is credit risk in relation to Irish Life Investment Managers Limited, Standard Life Investments Limited and BlackRock as managers of the pooled investment vehicles.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

Currency risk: Currency risk arises because some of the investments within the pooled investment vehicles are held in overseas markets.

Interest rate risk: Interest rate risk arises primarily from investment in bonds and bank deposits within the pooled investment vehicles.

Other price risk: Other price risk arises primarily from investment in equities, bonds and property within the pooled investment vehicles.

The Trustee has prepared a Statement of Investment Policy Principles, which is included in Appendix 2. This sets out the investment objectives of the Trustee, the asset allocation of the Scheme and details of the risk management process.

Management of the underlying pooled investment vehicles is delegated to professional investment managers. The Trustee regularly reviews the appropriateness of the funds made available to members and monitors the performance of the Investment Managers. The Investment Managers invest predominantly in regulated markets and underlying investments which are at least investment grade. The underlying assets of the pooled arrangements are ring-fenced from the pooled managers.

For further information in relation to type of funds the Scheme invests in, and their underlying asset distribution, see Appendix 1.

### 13. Self-investment

Under Section 58A of the Pensions Act, 1990, the Employer is required to remit contributions to the Scheme within 21 days following the end of the month in which they were deducted from the member, or became due from the Employer. Any contribution received after this 21 day period constitutes "self-investment" under the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 (as amended). There was no self-investment during the Scheme year.

### 14. Contingent liabilities

As stated on page 16 of the Report, liabilities to pay pensions and other benefits in the future have not been taken into account in the financial statements. On that basis, in the opinion of the Trustee, the Scheme has no contingent liabilities, or contractual commitments, at 31 December 2021 or at 31 December 2020.

### 15. Concentration of investment

The Scheme has no single investment holding, within the underlying managed funds, which accounted for more than 5% of the Scheme's net assets at 31 December 2021 or at 31 December 2020, which has not been disclosed.

### 16. Subsequent events

On 24 February 2022, Russia began a military invasion of Ukraine. In addition to causing intense human suffering, the conflict in Ukraine continues to be a key driver of global markets with commodity markets remaining volatile. The impact of Covid-19 has also continued post year end. The Trustee continues to monitor the situation in relation to Covid-19 and Ukraine, in conjunction with its investment advisors.

There have been no other significant subsequent events that would require disclosure in or amendment to the annual report.

## Trustee's Report to the Members

FOR THE YEAR ENDED 31 DECEMBER 2021

### 17. Related party transactions

i. The Trustee

The Trustee of the Scheme is outlined on page 1 of the Report. The Trustee did not receive and is not due any remuneration from the Scheme in connection with the management of the Scheme.

ii. Members

Transactions in relation to the members are disclosed on the face of the fund account and in the notes to the financial statements.

Contributions and benefits are paid in accordance with the Scheme Rules.

iii. The Principal Employer

Invesco Investment Management Limited is the Principal Employer.

Transactions in relation to the Employers are shown on the face of the fund account and in the notes to the financial statements.

Contributions and benefits are paid in accordance with the Scheme Rules.

The Principal Employer provides administration services to the Scheme, free of charge.

iv. Registered Administrator

Irish Life Assurance plc is the Registered Administrator for the purpose of carrying out the core administration functions associated with the Scheme, including preparation of the annual report and member benefit statements. The cost of preparation and audit of the financial statements is borne by the Principal Employer.

v. The Investment Managers

The investments are held under a unit-linked insurance policy with Irish Life Assurance plc. The underlying pooled investment vehicles are managed by Irish Life Investment Managers Limited, Standard Life Investments Limited and BlackRock. The Investment Managers are remunerated on a fee basis calculated as a percentage of assets under management. The fees are reflected in unit prices and borne by the Scheme.

# **Appendix 1**

## **Investment Details**



# BLACKROCK DYNAMIC DIVERSIFIED GROWTH FUND

Information is correct at 31 December 2021

## FUND FACTS

	<b>OBJECTIVE</b>	This fund seeks to deliver long term capital growth with a low tolerance for capital loss.
	<b>INVESTMENT STYLE</b>	Active
	<b>ASSET MIX</b>	Equities

## RISK LEVEL

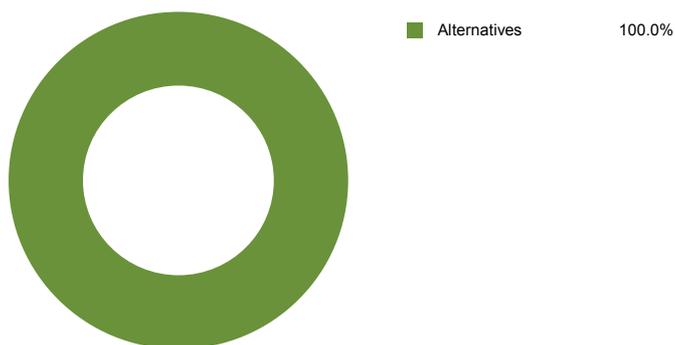
1	2	3	4	5	6	7
LOW RISK		MEDIUM RISK	HIGH RISK			

## FUND DESCRIPTION

The Fund actively invests in a diversified portfolio of global equities, government and non-government bonds, alternative assets and cash to provide growth, diversification and protection strategies. The alternative assets may include commodities, hedge funds, volatility strategies, high yield bonds, investment grade corporate bonds and emerging market equities. The investment objective of the Fund is to target a gross return of 4% a year above cash over a rolling three-year period. The cash benchmark shown below in the performance table is 3-MONTH EURIBID.

**Warning: If you invest in this product you may lose some or all of the money you invest.**

## ASSET ALLOCATION



External asset managers may change over time. Non euro currency exposures may be fully or partly hedged back to euro to reduce foreign currency risk.

## CALENDAR YEAR RETURN

	2017	2018	2019	2020	YTD
Fund	7.33%	-3.97%	9.42%	7.73%	4.32%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	0.47%	1.35%	4.32%	7.13%	4.85%	4.93%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.90%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 28 Nov 2016; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

**Warning: Past performance is not a reliable guide to future performance.**

**Warning: The value of your investment may go down as well as up.**

Irish Life Investment Managers are recognised internationally for their expertise, innovation and track record:

- RISK MANAGEMENT PROVIDER OF THE YEAR Irish Pensions Awards 2021
- INVESTMENT MANAGER OF THE YEAR Irish Pensions Awards 2020
- EXCELLENCE IN DC AWARDS Irish Pensions Awards 2020
- PASSIVE MANAGER OF THE YEAR European Pensions Awards 2018

To find out more about our fund range and to view the latest market and fund manager updates please visit:  
<http://www.irishlifecorporatebusiness.ie>

Irish Life Assurance p.l.c. is regulated by the Central Bank of Ireland.  
 Irish Life Investment Managers Limited is regulated by the Central Bank of Ireland.

ES58-NET-1221



# DIVERSIFIED CAUTIOUS FUND S1

Information is correct at 31 December 2021

## FUND FACTS

<b>OBJECTIVE</b>	To target a positive return over the longer term in line with the risk profile of the fund.
<b>INVESTMENT STYLE</b>	Indexed
<b>ASSET MIX</b>	Equities, Bonds and Property and Cash

## RISK LEVEL

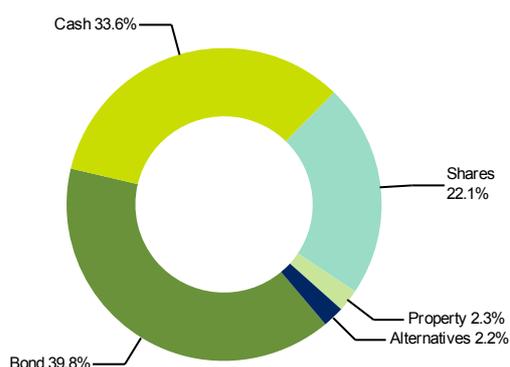
1	<b>2</b>	3	4	5	6	7
LOW RISK		MEDIUM RISK			HIGH RISK	

## FUND DESCRIPTION

The Diversified Cautious Fund is a low to medium risk fund, which is suitable for investors who have a short to mid term investment time horizon and want to earn a return that keeps pace with the rate of inflation and limit their investment risk over this period. The Fund aims to perform in line with its underlying indices, less any fees and transaction costs. The fund manager replicates the securities held in the index in the proportion that they are held. Allocations are rebalanced on a quarterly basis back to the target asset allocation.

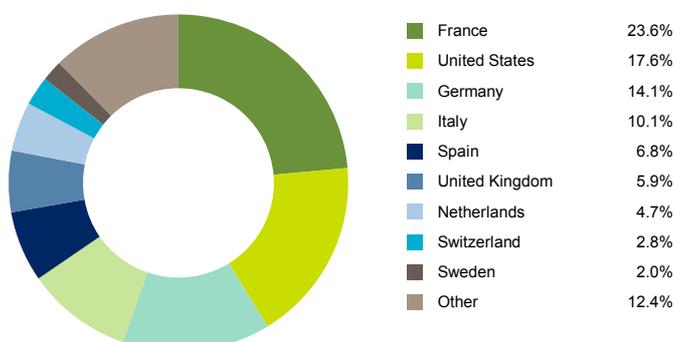
**Warning: If you invest in this product you may lose some or all of the money you invest.**

## ASSET ALLOCATION



<b>BOND</b>	<b>39.8%</b>
Corporate Bonds	28.7%
Inflation-Linked Bonds	7.2%
High Yield Bonds	2.0%
Emerging Market Bonds	1.9%
<b>CASH</b>	<b>33.6%</b>
<b>SHARES</b>	<b>22.1%</b>
Global Shares	14.4%
Minimum Volatility Shares	7.7%
<b>PROPERTY</b>	<b>2.3%</b>
<b>ALTERNATIVES</b>	<b>2.2%</b>

## BOND COUNTRY DISTRIBUTION



## TOP TEN DEPOSITS HELD WITH

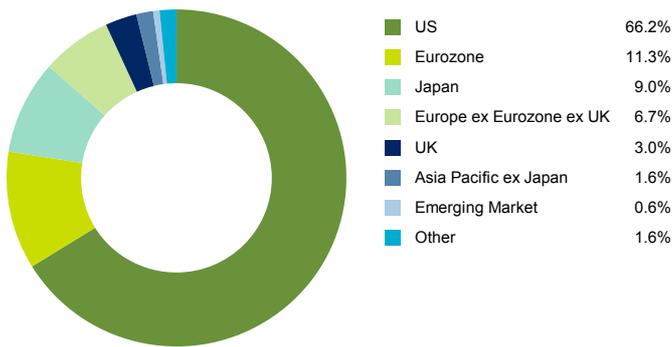
COUNTERPARTIES	COUNTRY
Barclays Bank	UK
Basler Kantonalbank	Switzerland
DNB Bank	Norway
Landeskreditbank	Germany
Mizuho Corporate Bank Ltd	UK
MUFG Bank	Japan
Natixis	France
PNP Paribas	France
Standard Chartered Bank	UK
Sumitomo Mitsui	Japan

The assets in this fund may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return. Non euro currency exposures may be fully or partly hedged back to euro to reduce foreign currency risk. High Yield Bonds are sub-advised by an external manager.

This fund is provided by Irish Life Assurance plc and is managed by Irish Life Investment Managers Limited.

**Warning: This fund may be affected by changes in currency exchange rates.**

## SHARE REGIONAL DISTRIBUTION



## TOP TEN SHARE HOLDINGS

STOCK NAME	% of FUND
MICROSOFT CORP	2.7%
APPLE INC	2.6%
JOHNSON & JOHNSON	1.2%
ALPHABET INC	1.2%
AMAZON.COM INC	1.2%
NESTLE SA/AG	1.1%
VERIZON COMMUNICATIONS INC	1.0%
PROCTER & GAMBLE CO (THE)	1.0%
CISCO SYSTEMS INC	0.9%
ROCHE HOLDING AG	0.9%

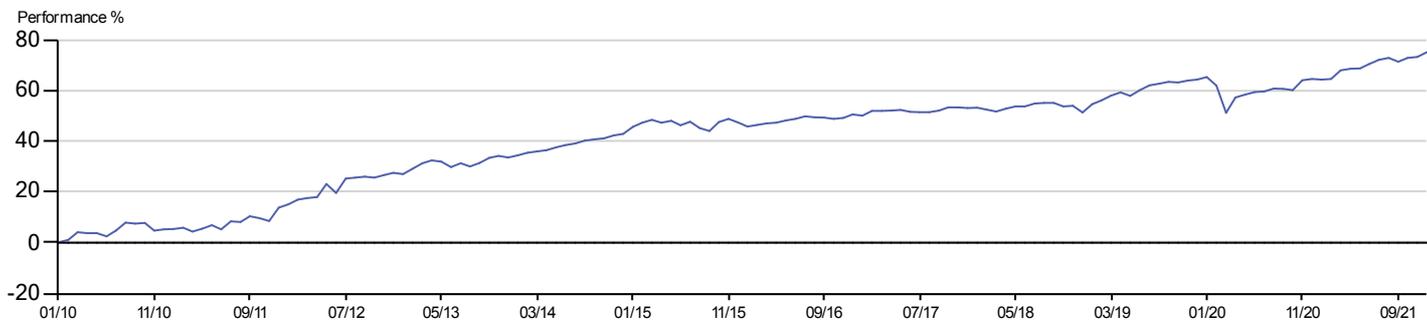
## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	2.11%	1.67%	-1.12%	8.57%	0.18%	6.41%
Benchmark	2.40%	2.00%	-0.87%	8.83%	0.33%	6.57%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	1.10%	2.17%	6.41%	4.99%	3.07%	4.41%	4.82%
Benchmark	1.14%	2.21%	6.57%	5.18%	3.31%	4.68%	5.07%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.30%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 27 Jan 2010; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

**Warning: Past performance is not a reliable guide to future performance.**

**Warning: The value of your investment may go down as well as up.**

Irish Life Investment Managers are recognised internationally for their expertise, innovation and track record:  
**-RISK MANAGEMENT PROVIDER OF THE YEAR** Irish Pensions Awards 2021  
**-INVESTMENT MANAGER OF THE YEAR** Irish Pensions Awards 2020  
**-EXCELLENCE IN DC AWARDS** Irish Pensions Awards 2020  
**-PASSIVE MANAGER OF THE YEAR** European Pensions Awards 2018

To find out more about our fund range and to view the latest market and fund manager updates please visit:  
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Irish Life Assurance p.l.c. is regulated by the Central Bank of Ireland.  
 Irish Life Investment Managers Limited is regulated by the Central Bank of Ireland.

ZU2-NET-1221

# PENSION AND CASH MATCH FUND S1

Information is correct at 31 December 2021

## FUND FACTS

 <b>OBJECTIVE</b>	To perform in line with its underlying indices, less any fees and transaction costs.
 <b>INVESTMENT STYLE</b>	Indexed
 <b>ASSET MIX</b>	Bonds and Cash

## RISK LEVEL

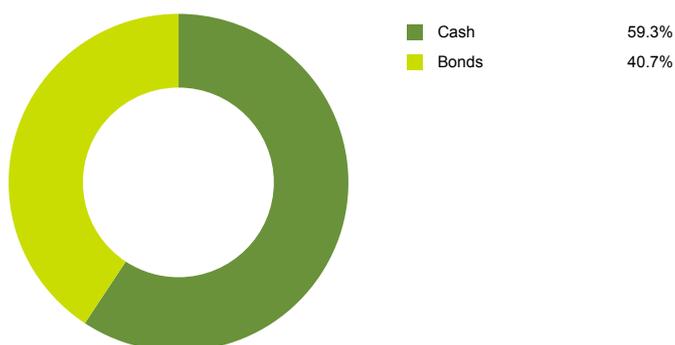
1	2	3	4	5	6	7
LOW RISK		MEDIUM RISK		HIGH RISK		

## FUND DESCRIPTION

The Pension & Cash Match Fund is a low risk fund suitable for investors who want to match the future cost of purchasing an annuity at retirement and plan to take a portion of their pension in the form of a tax-free lump sum at retirement. The Fund aims to perform in line with its benchmark, less any fees and transaction costs. The fund manager replicates the securities held in the index in the proportion that they are held. Allocations are rebalanced on a quarterly basis back to the target asset allocation.

**Warning: If you invest in this product you may lose some or all of the money you invest.**

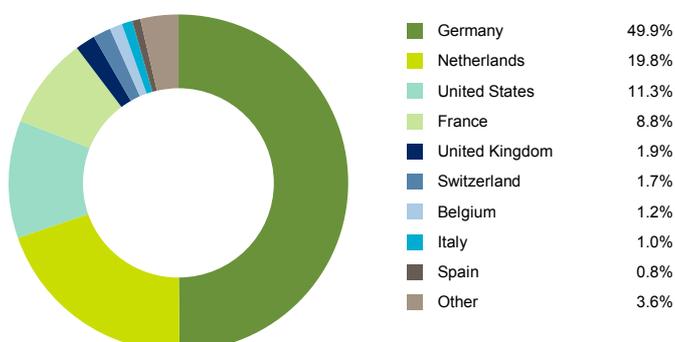
## ASSET ALLOCATION



## TOP TEN DEPOSITS HELD WITH

COUNTERPARTIES	COUNTRY
Barclays Bank	UK
Basler Kantonbank	Switzerland
DNB Bank	Norway
Landeskreditbank	Germany
Mizuho Corporate Bank Ltd	UK
MUFG Bank	Japan
Natixis	France
PNP Paribas	France
Standard Chartered Bank	UK
Sumitomo Mitsu	Japan

## BOND COUNTRY DISTRIBUTION



## BOND FUND CHARACTERISTICS

	BENCHMARK	PORTFOLIO
No. of Bonds	392	386
No. of Countries	18	17
Modified Duration	15.86	15.82
Coupon %	2.10	2.05
Yield %	0.44	0.44

The assets in this fund may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return.

This fund is provided by Irish Life Assurance plc and is managed by Irish Life Investment Managers Limited.

**Warning: This fund may be affected by changes in currency exchange rates.**

## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	5.33%	-0.71%	1.36%	4.53%	3.39%	-3.41%
Benchmark	5.48%	-0.52%	1.61%	4.71%	3.53%	-3.27%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-1.14%	0.14%	-3.41%	1.44%	0.99%	2.99%	3.31%
Benchmark	-1.12%	0.20%	-3.27%	1.60%	1.17%	3.19%	3.46%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.25%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 27 Jan 2010; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

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ZZ3-NET-1221

December 2021

The fund is invested in the Global Absolute Return Strategies Fund, managed by Standard Life Investments, which aims to provide positive investment returns in all market conditions over the medium to long term. The fund is actively managed, with a wide investment remit to target a level of return over rolling three-year periods equivalent to cash plus five per-cent a year, gross of fees. It exploits market inefficiencies through active allocation to a diverse range of market positions. The fund uses a combination of traditional assets (such as equities and bonds) and investment strategies based on advanced derivative techniques, resulting in a highly diversified portfolio. The fund can take long and short positions in markets, securities and groups of securities through derivative contracts.

The value of investments within the fund can fall as well as rise and is not guaranteed - you may get back less than you pay in. The Fund and its holdings may use derivatives for the purpose of efficient portfolio management, reduction of risk or to meet its respective investment objective if this is permitted and appropriate. The euro value of overseas assets held in the fund may rise and fall as a result of exchange rate fluctuations.

Standard Life Ireland Investment Fund

Absolute Return Fund

Monthly

Standard Life Launch Date	08/09/2008
Standard Life Fund Size (30/11/2021)	€576.2m
Base Currency	EUR
Volatility Rating (0-7)	3
Fund Manager(s)	Absolute Return Team

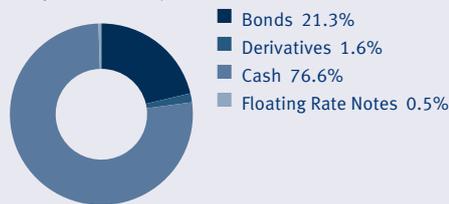
Annual Management Charge 1.35%

The fund breakdowns shown below represent the physical holdings of the fund. For the risk and return analysis of the fund please view the following fund factsheet [https://aberdeen.kurtosysweb.com/pdfs/F\\_STDR\\_en-GB-NN\\_LU1252714644.pdf](https://aberdeen.kurtosysweb.com/pdfs/F_STDR_en-GB-NN_LU1252714644.pdf)

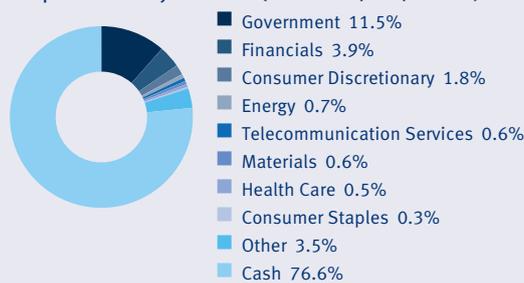
## Fund Information \*

Source: FE fundinfo

### Composition by Asset (as at 30/11/2021)



### Composition by Sector (as at 30/11/2021)



### Top 10 Holdings (as at 30/11/2021)

Name	Fund (%)
SOUTH AFRICA (GOVT OF) 8.25% 2032	1.6
SOUTH AFRICA (GOVT OF) 10.5% 2026	1.5
SOUTH AFRICA (GOVT OF) 8% 2030	1.4
BRAZIL (GOVT OF) 10% 2027	0.7
RUSSIA (GOVT OF) 7.75% 2026	0.4
S&P500 E-MINI FUTURE DEC 21	0.4
THAILAND (GOVT OF) 1.25% IL 2028	0.3
INDONESIA (GOVT OF) 7% 2027	0.3
BUY USD SELL EUR ON 12/01/2022 FX - CITIGROUP	0.3
GBL MKTS LTD (NON US / NON CAYMAN)	0.3
SOUTH AFRICA (GOVT OF) 9% 2040	0.3
<b>Total</b>	<b>7.2</b>

## Fund Performance \*

### Year on Year

Source: FE fundinfo

	Year to 30/11/2021 (%)	Year to 30/11/2020 (%)	Year to 30/11/2019 (%)	Year to 30/11/2018 (%)	Year to 30/11/2017 (%)
Standard Life Global Absolute Return Strategies	-3.8	5.6	4.1	-6.9	3.0

### Cumulative Performance

Source: FE fundinfo

	1 Month (%)	3 Months (%)	YTD (%)	1 Year (%)	3 Years (% p.a)	5 Years (% p.a)	S/L (% p.a)
Standard Life Global Absolute Return Strategies	-0.4	-2.6	-5.1	-3.8	1.9	0.3	3.2

### Growth of €10,000 to 30/11/2021



■ Standard Life Global Absolute Return Strategies

Performance is net of 1.35% Annual Management Charge (AMC), gross of taxes. Your AMC may be different, please talk to your financial adviser or contact us for more information. A decision to invest should not be based on the information within this document. Please talk to your financial adviser for more information or if you need an explanation of the terms.

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**Warning: This investment may be affected by changes in currency exchange rates**  
**Warning: If you invest in this fund you may lose some or all of the money you invest**

#### Definition:

S/L (Since Launch)

Cash - may include bank and building society deposits, other money market instruments such as Certificates of Deposits (CDs), Floating Rate Notes (FRNs) including Asset Backed Securities (ABSs), Money Market Funds and allowances for tax, dividends and interest due if appropriate.

Volatility rating - Indicates how much the fund price might move compared to other funds. The higher the volatility rating, the less stable the fund price is likely to be. You can use this to help you choose between funds with different volatility ratings. The volatility ratings of our funds are calculated using the European Security and Markets Authority (ESMA) guidelines, which use a seven point scale to rate funds based on their five year annualised volatilities. Higher volatility ratings typically mean greater potential investment returns over the longer term. But high volatility funds can suddenly fall or rise in value. Volatility ratings are regularly reviewed and may change over time.

## Key Risks

Below we document the specific or heightened risks applicable to this fund rather than an exhaustive list.

The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.

The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

This fund invests in bonds. Bonds are affected by changes in interest rates, inflation and any creditworthiness of the bond issuer. The Fund's portfolio may have significant exposure to bonds that typically have low credit ratings. Bonds with low credit ratings (sub-investment grade) typically produce a higher level of income but also carry greater risk; as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

Counterparty risk - The Investment manager may use one or more separate counterparties to undertake derivative transactions on behalf of the Fund. From time to time, the fund may be required to pledge collateral, and when this is required, it will be paid from within the assets of the Fund. The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the fund to financial loss.

## Key Risks

**Liquidity risk** - Liquidity risk occurs when the relevant market is inefficient and it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

**Extensive use of derivatives** – To achieve its objectives, an absolute-return fund utilises a combination of traditional investments (such as equities and bonds) and advanced techniques where it can use derivatives extensively. Derivatives are financial instruments that derive their value from an underlying asset, such as a share or a bond, used routinely in global financial markets. Derivatives offer an effective and cost-efficient way of investing in markets when used correctly. However, derivatives can lead to reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure among market participants. The use of derivatives will result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested), and in these market conditions, the effect of leverage will be to magnify losses. The Fund, therefore, requires a robust and extensive risk management process. While the Fund will not borrow cash for investment purposes, the total value of exposures to markets will routinely exceed the Fund's net asset value. Derivatives may be exchange-traded or 'over the counter' (OTC).

## How ESG is integrated into the investment strategy of the fund

abrdn, the Investment Manager of the fund, integrates sustainability risks and opportunities into its research, analysis and investment decision-making process. abrdn believes that the consideration of sustainability risks and opportunities of a company can have a material impact on a company's competitive position and future success and as such on long-term investment returns for investors. This fund is managed using an investment process that integrates environmental, social and governance ("ESG") factors but does not promote ESG characteristics or have specific sustainable investment objectives. This means that whilst ESG factors and risks are considered, they may or may not impact portfolio construction. abrdn's ESG integration requires, in addition to its inclusion in the investment decision making process, appropriate monitoring of sustainability considerations in risk management, portfolio monitoring, engagement and stewardship activities. abrdn also engages with policymakers on ESG and stewardship matters. Combining the integration of sustainability risks and opportunities with broader monitoring and engagement activities may affect the value of investments and therefore returns. Furthermore, investments within this Fund do not take into account the EU Taxonomy criteria for environmentally sustainable economic activities. Further information on abrdn's ESG integration approaches by asset classes can be found at <https://www.abrdn.com/ireland> under "Sustainable Investing".

**Important information:** Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Fund might otherwise invest. Such securities could be part of the benchmark against which the Fund is managed, or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Fund's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria. Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

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\*\*Standard Life means the relevant member of the Phoenix Group (being Phoenix Group Holdings together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time) and the Standard Life Aberdeen Group (being Standard Life Aberdeen plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time).

[www.standardlife.ie](http://www.standardlife.ie)

Standard Life

90 St. Stephen's Green, Dublin 2  
(01) 639 7000

[customerservice@standardlife.ie](mailto:customerservice@standardlife.ie)



# INDEX AAA/AA >10Y GOV BOND FUND S1

Information is correct at 31 December 2021

## FUND FACTS

	<b>OBJECTIVE</b>	To perform in line with Bank of America Merrill Lynch AAA/AA Govt Bond > 10 Year Index
	<b>INVESTMENT STYLE</b>	Indexed
	<b>SIZE</b>	519.2 million

## RISK LEVEL

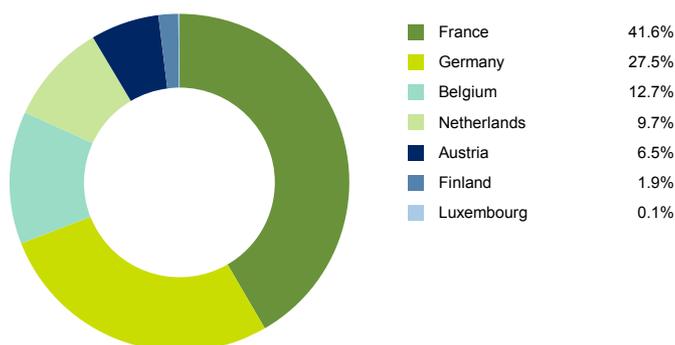
1	2	3	4	5	6	7
LOW RISK		MEDIUM RISK		HIGH RISK		

## FUND DESCRIPTION

The Indexed >10yr AAA/AA Euro Govt Bond Fund is a passively managed fixed interest fund. Its objective is to perform in line with the ICE BofAML AAA/AA >10 Year EMU Government Index. The fund invests in a portfolio of Eurozone government bonds issued by countries rated AAA or AA and holds these bonds in the weights dictated by the ICE BofAML AAA/AA >10 Year EMU Government Index.

**Warning: If you invest in this product you may lose some or all of the money you invest.**

## BOND COUNTRY DISTRIBUTION



## BOND PORTFOLIO CREDIT QUALITY



## BOND FUND CHARACTERISTICS

	BENCHMARK	PORTFOLIO
No. of Bonds	71	71
No. of Countries	7	7
Modified Duration	17.40	17.41
Coupon %	2.44	2.43
Yield %	0.43	0.43

The assets in this fund may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return.

## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	8.98%	-0.82%	3.24%	11.93%	9.59%	-7.59%
Benchmark	9.28%	-0.57%	3.52%	12.25%	9.82%	-7.40%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-3.55%	0.46%	-7.59%	4.26%	3.02%	5.66%	5.89%
Benchmark	-3.53%	0.51%	-7.40%	4.51%	3.28%	6.02%	5.48%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.25%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 04 Feb 2010; YTD = year to date; p.a. = per annum  
Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

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ZY8-NET-1221



# CASH FUND S1

Information is correct at 31 December 2021

## FUND FACTS

 <b>OBJECTIVE</b>	The aim of the fund is to deliver a return in line with interest rates being achieved on short term cash.
 <b>INVESTMENT STYLE</b>	Active
 <b>SIZE</b>	2 billion

## RISK LEVEL

1	2	3	4	5	6	7
LOW RISK			MEDIUM RISK		HIGH RISK	

## FUND DESCRIPTION

This fund is actively managed and invests in a mix of cash deposits with different maturities and other cash like instruments. The objective of the fund is to provide capital protection. However it is not guaranteed and aims to deliver a return in line with interest rates being achieved on short term cash deposit rates. The fund can invest in deposits and other money market instruments. All investments within the fund are Euro denominated.

**Warning: If you invest in this product you may lose some or all of the money you invest.**

## TOP TEN DEPOSITS HELD WITH

COUNTERPARTIES	COUNTRY
Barclays Bank	UK
Basler Kantonalbank	Switzerland
DNB Bank	Norway
Landeskreditbank	Germany
Mizuho Corporate Bank Ltd	UK
MUFG Bank	Japan
Natixis	France
PNP Paribas	France
Standard Chartered Bank	UK
Sumitomo Mitsui	Japan

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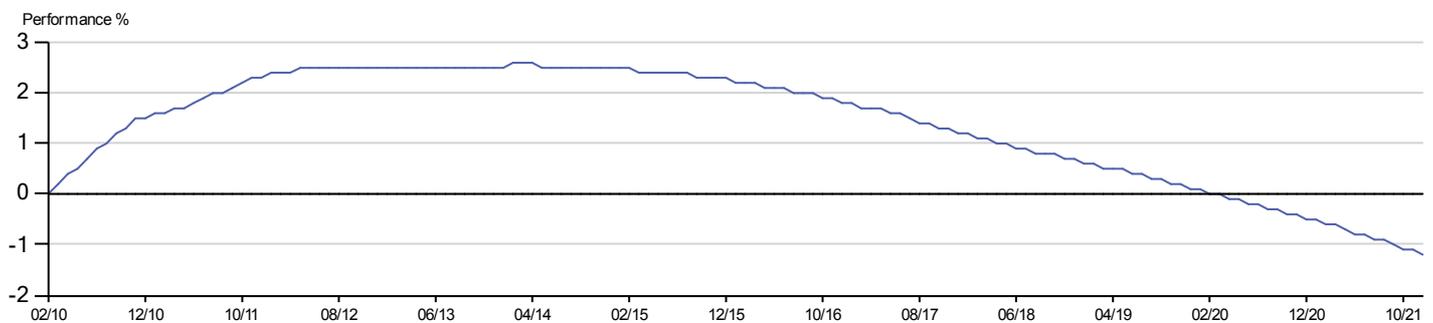
## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	-0.49%	-0.59%	-0.49%	-0.60%	-0.60%	-0.70%
Benchmark	-0.39%	-0.46%	-0.46%	-0.49%	-0.55%	-0.68%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-0.10%	-0.20%	-0.70%	-0.63%	-0.60%	-0.35%	-0.10%
Benchmark	-0.06%	-0.18%	-0.68%	-0.57%	-0.53%	-0.25%	-0.05%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.18%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 19 Feb 2010; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

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ZS8-NET-1221



# DIVERSIFIED MODERATE FUND S1

Information is correct at 31 December 2021

## FUND FACTS

<b>OBJECTIVE</b>	To target a positive return over the longer term in line with the risk profile of the fund.
<b>INVESTMENT STYLE</b>	Indexed
<b>ASSET MIX</b>	Equities, Bonds and Property

## RISK LEVEL

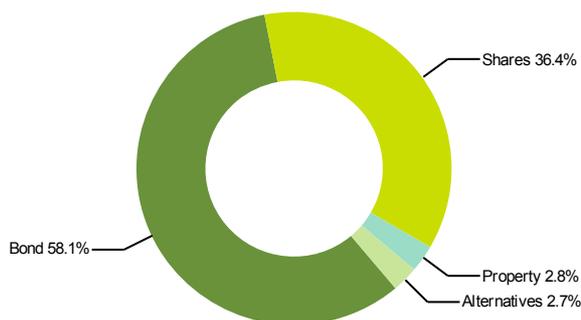
1	2	3	4	5	6	7
LOW RISK		MEDIUM RISK	HIGH RISK			

## FUND DESCRIPTION

The Diversified Moderate Fund is a medium risk fund suitable for investors who have a mid to long term investment time horizon and want to earn an investment return that is modestly higher than inflation and can withstand the additional risk required to achieve this level of return. The fund follows a passive strategy and aims to perform in line with its underlying indices, less any fees and transaction costs. The fund manager replicates the securities held in the index in the proportion that they are held. Allocations are rebalanced on a quarterly basis back to the target asset allocation.

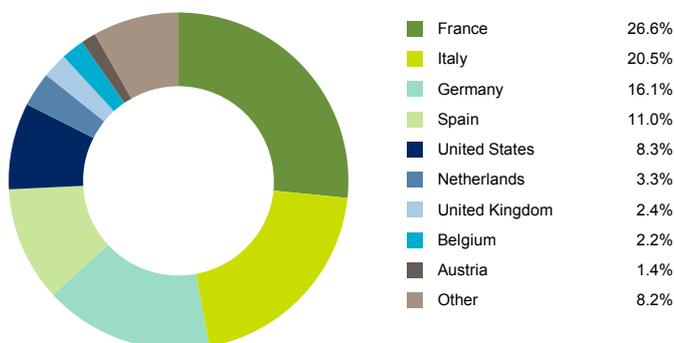
**Warning: If you invest in this product you may lose some or all of the money you invest.**

## ASSET ALLOCATION

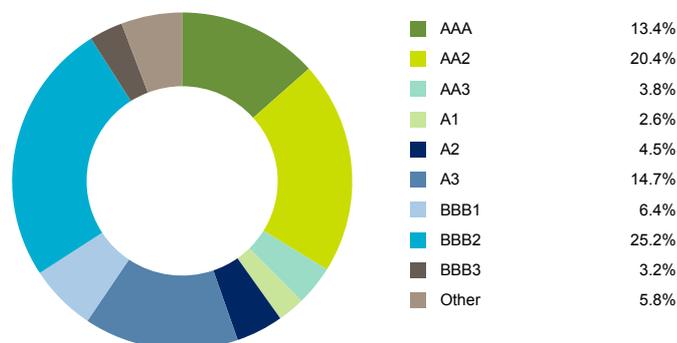


<b>BOND</b>	<b>58.1%</b>
Inflation-Linked Bonds	20.3%
Government Bonds	16.4%
Corporate Bonds	16.2%
Emerging Market Bonds	2.8%
High Yield Bonds	2.4%
<b>SHARES</b>	<b>36.4%</b>
Global Shares	27.1%
Minimum Volatility Shares	7.0%
Emerging Market Shares	2.3%
<b>PROPERTY</b>	<b>2.8%</b>
<b>ALTERNATIVES</b>	<b>2.7%</b>

## BOND COUNTRY DISTRIBUTION



## BOND PORTFOLIO CREDIT QUALITY

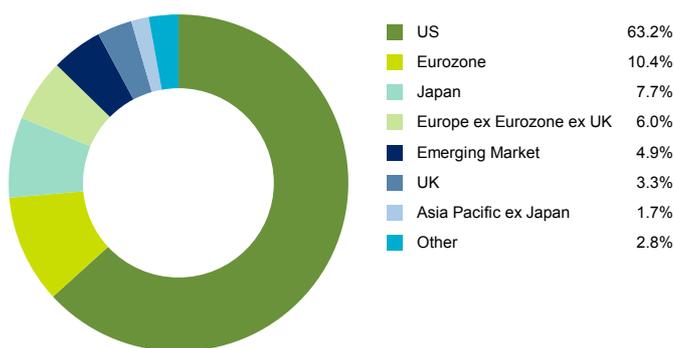


The assets in this fund may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return. Non euro currency exposures may be fully or partly hedged back to euro to reduce foreign currency risk. High Yield Bonds are sub-advised by an external manager.

This fund is provided by Irish Life Assurance plc and is managed by Irish Life Investment Managers Limited.

**Warning: This fund may be affected by changes in currency exchange rates.**

## SHARE REGIONAL DISTRIBUTION



## TOP TEN SHARE HOLDINGS

STOCK NAME	% of FUND
APPLE INC	2.9%
MICROSOFT CORP	2.7%
ALPHABET INC	1.5%
AMAZON.COM INC	1.4%
JOHNSON & JOHNSON	0.9%
NESTLE SA/AG	0.8%
PROCTER & GAMBLE CO (THE)	0.8%
TESLA INC	0.7%
VERIZON COMMUNICATIONS INC	0.7%
UNITEDHEALTH GROUP INC	0.7%

## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	5.13%	4.04%	-2.14%	15.63%	2.51%	11.49%
Benchmark	5.59%	4.43%	-1.80%	16.07%	2.74%	11.52%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	1.32%	3.57%	11.49%	9.73%	6.11%	6.94%	7.03%
Benchmark	1.35%	3.61%	11.52%	9.96%	6.40%	7.33%	7.42%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.31%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 27 Jan 2010; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

**Warning: Past performance is not a reliable guide to future performance.**

**Warning: The value of your investment may go down as well as up.**

Irish Life Investment Managers are recognised internationally for their expertise, innovation and track record:  
 -RISK MANAGEMENT PROVIDER OF THE YEAR Irish Pensions Awards 2021  
 -INVESTMENT MANAGER OF THE YEAR Irish Pensions Awards 2020  
 -EXCELLENCE IN DC AWARDS Irish Pensions Awards 2020  
 -PASSIVE MANAGER OF THE YEAR European Pensions Awards 2018

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 Irish Life Investment Managers Limited is regulated by the Central Bank of Ireland.

ZU9-NET-1221

# DIVERSIFIED HIGH GROWTH FUND S1

Information is correct at 31 December 2021

## FUND FACTS

 <b>OBJECTIVE</b>	To target a positive return over the longer term in line with the risk profile of the fund.
 <b>INVESTMENT STYLE</b>	Indexed
 <b>ASSET MIX</b>	Equities, Bonds and Property

## RISK LEVEL

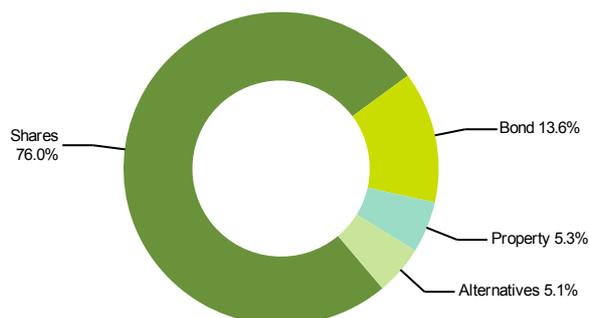
1	2	3	4	5	6	7
LOW RISK		MEDIUM RISK			HIGH RISK	

## FUND DESCRIPTION

The Diversified High Growth Fund is a very high risk fund, which is suitable for investors who want to earn a higher than average return on their investment and have a long-term investment time horizon. The Fund aims to perform in line with its underlying indices, less any fees and transaction costs. The fund manager replicates the securities held in the index in the proportion that they are held. Allocations are rebalanced on a quarterly basis back to the target asset allocation.

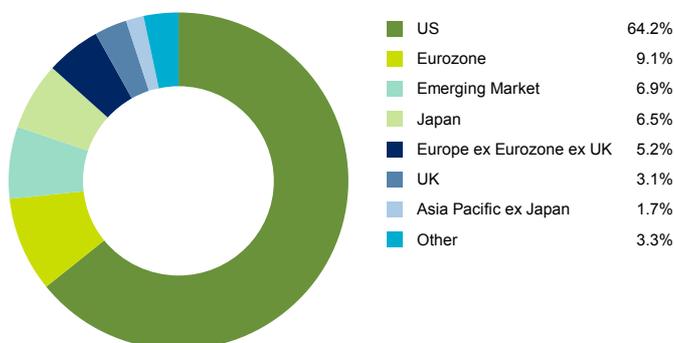
**Warning: If you invest in this product you may lose some or all of the money you invest.**

## ASSET ALLOCATION



SHARES	76.0%
Global Shares	60.9%
Minimum Volatility Shares	8.1%
Emerging Market Shares	7.0%
BOND	13.6%
Inflation-Linked Bonds	4.7%
High Yield Bonds	4.5%
Emerging Market Bonds	4.4%
PROPERTY	5.3%
ALTERNATIVES	5.1%

## SHARE REGIONAL DISTRIBUTION



## TOP TEN SHARE HOLDINGS

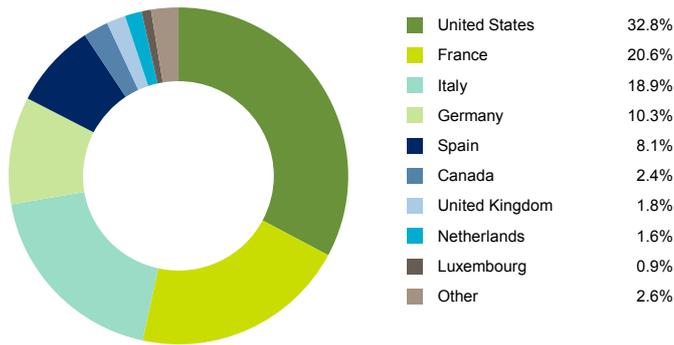
STOCK NAME	% of FUND
APPLE INC	2.9%
MICROSOFT CORP	2.6%
ALPHABET INC	1.6%
AMAZON.COM INC	1.4%
TESLA INC	0.8%
JOHNSON & JOHNSON	0.7%
META PLATFORMS INC	0.7%
NVIDIA CORPORATION	0.7%
TAIWAN SEMICONDUCTOR MANUFACTURING	0.7%
BROOKFIELD ASSET MANAGEMENT INC	0.6%

The assets in this fund may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return. Non euro currency exposures may be fully or partly hedged back to euro to reduce foreign currency risk. High Yield Bonds are sub-advised by an external manager.

This fund is provided by Irish Life Assurance plc and is managed by Irish Life Investment Managers Limited.

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## BOND COUNTRY DISTRIBUTION



## BOND PORTFOLIO CREDIT QUALITY

RATING	% of FUND
AAA	9.0%
AA2	17.7%
A3	7.0%
BBB2	17.6%
BB1	10.8%
BB2	10.2%
BB3	9.2%
B1	7.0%
B2	7.1%
Other	4.4%

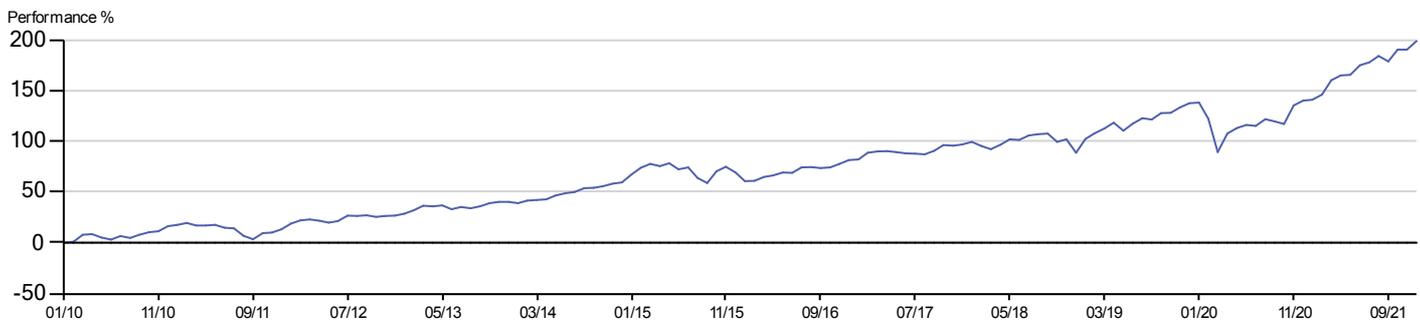
## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	7.27%	8.44%	-4.00%	25.72%	1.15%	24.59%
Benchmark	7.75%	9.01%	-3.56%	26.19%	1.33%	24.15%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	3.05%	7.34%	24.59%	16.56%	10.52%	10.20%	9.63%
Benchmark	3.01%	7.27%	24.15%	16.64%	10.78%	10.64%	10.12%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.31%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 27 Jan 2010; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

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ZS7-NET-1221



# DIVERSIFIED GROWTH FUND S1

Information is correct at 31 December 2021

## FUND FACTS

 <b>OBJECTIVE</b>	To target a positive return over the longer term in line with the risk profile of the fund.
 <b>INVESTMENT STYLE</b>	Indexed
 <b>ASSET MIX</b>	Equities, Bonds and Property

## RISK LEVEL

1	2	3	4	5	6	7
LOW RISK		MEDIUM RISK		HIGH RISK		

## FUND DESCRIPTION

The Diversified Growth Fund is a high risk fund, which is suitable for investors who have a long-term investment time horizon and want to earn high investment returns over the long term and are prepared to take on a higher level of risk in order to achieve this return. The Fund aims to perform in line with its underlying indices, less any fees and transaction costs. The fund manager replicates the securities held in the index in the proportion that they are held. Allocations are rebalanced on a quarterly basis back to the target asset allocation.

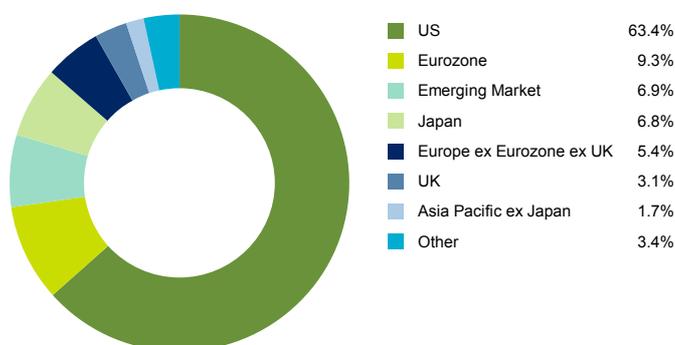
**Warning: If you invest in this product you may lose some or all of the money you invest.**

## ASSET ALLOCATION



SHARES	53.3%
Global Shares	41.3%
Minimum Volatility Shares	7.1%
Emerging Market Shares	4.9%
BOND	40.0%
Inflation-Linked Bonds	14.9%
Corporate Bonds	9.8%
Government Bonds	7.8%
Emerging Market Bonds	4.0%
High Yield Bonds	3.5%
PROPERTY	3.6%
ALTERNATIVES	3.1%

## SHARE REGIONAL DISTRIBUTION



## TOP TEN SHARE HOLDINGS

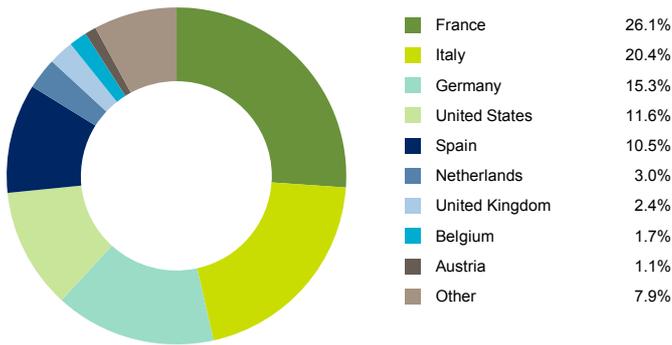
STOCK NAME	% of FUND
APPLE INC	2.9%
MICROSOFT CORP	2.6%
ALPHABET INC	1.5%
AMAZON.COM INC	1.4%
TESLA INC	0.8%
JOHNSON & JOHNSON	0.8%
META PLATFORMS INC	0.7%
NESTLE SA/AG	0.7%
NVIDIA CORPORATION	0.7%
TAIWAN SEMICONDUCTOR MANUFACTURING	0.7%

The assets in this fund may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return. Part of this fund may borrow to invest in property. Non euro currency exposures may be fully or partly hedged back to euro to reduce foreign currency risk. High Yield Bonds are sub-advised by an external manager.

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## BOND COUNTRY DISTRIBUTION



## BOND PORTFOLIO CREDIT QUALITY

RATING	% of FUND
AAA	12.3%
AA2	20.0%
AA3	3.2%
A1	2.3%
A2	4.1%
A3	13.8%
BBB1	6.0%
BBB2	24.6%
BBB3	3.0%
Other	10.7%

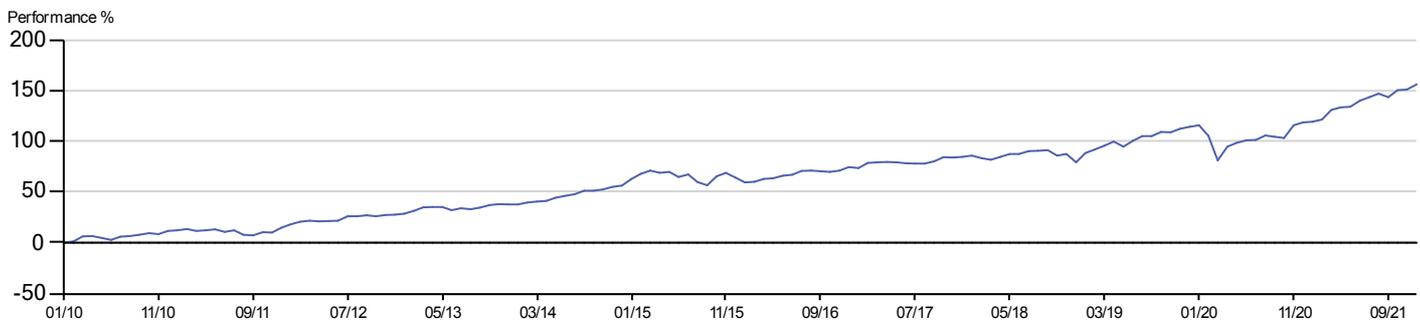
## CALENDAR YEAR RETURN

	2016	2017	2018	2019	2020	YTD
Fund	6.19%	5.77%	-2.84%	19.49%	2.16%	17.07%
Benchmark	6.65%	6.27%	-2.50%	19.94%	2.37%	16.89%

## PERFORMANCE AS AT 31/12/2021

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	2.01%	5.21%	17.07%	12.63%	7.99%	8.38%	8.21%
Benchmark	2.00%	5.23%	16.89%	12.79%	8.25%	8.77%	8.62%

## CUMULATIVE PERFORMANCE



Fund returns are quoted before taxes and after a standard annual management charge of 0.31%. Annual fund management charges are calculated and deducted based on the offer price of the fund. The unit price and value of the fund are always quoted after an allowance has been made for the fund management charge. There is no Bid/Offer spread.

Launch Date (for the series used in the above performance illustration) = 27 Jan 2010; YTD = year to date; p.a. = per annum

Source: Irish Life Investment Managers

Benchmark: The standard against which the performance of the fund is measured. It typically includes market indices or weighted combinations of these as appropriate.

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ZS1-NET-1221

## **Appendix 2**

### **Statement of Investment Policy Principles**

# Invesco Global Asset Management Limited DC Scheme

## Statement of Investment Policy Principles

As of 31 March 2021

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6. Strategic Asset Allocation .....	3
7. Manager Selection and Implementation .....	3
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### 1. Introduction

The purpose of this Statement of Investment Policy Principles (the “Statement”) is to document the policies and guidelines that govern the management of the assets of the Invesco Global Asset Management Limited DC Scheme (“the Scheme”). This Statement has been reviewed and adopted by the Trustee.

In preparing this Statement, the Trustee had sought advice from both consultants and investment managers to ensure that the guidelines are both realistic and appropriate. It is intended that this Statement be sufficiently specific to be meaningful but adequately flexible as to be practical.

This Statement will be reviewed at least every three years, or following any change in investment policy which impacts the content of the Statement.

### 2. Scheme Details

The Scheme operates for the purpose of providing retirement benefits to eligible participants. The benefits at retirement are determined by the accumulated assets invested on behalf of the individual members.

Scheme members will be presented with a default investment strategy (specified in Section 6) but can elect to direct their investment to a limited selection of other funds. Members choosing a fund other than the default fund are accepting a level of risk and return that may be different from the default strategy. Both the default investment strategy and the alternative fund options have been selected in accordance with this Statement.

### 3. Investment Objectives

The investment objectives of the Trustee are:

- a) To provide a range of fund options that sufficiently caters for the dispersion of investment objectives across the member base, in terms of risk and return.
- b) To provide members with adequate information on the available fund options, categorised within a risk profile framework as appropriately as possible.

# **Invesco Global Asset Management Limited DC Scheme**

## **Statement of Investment Policy Principles**

As of 31 March 2021

### **4. Risk Measurement Methods**

Given the nature of the Scheme, the Trustee will identify a range of fund options that meets the needs and objectives of various categories of members. Members are often distinguished by their time to retirement or their ability and willingness to accept investment risk (their personal risk tolerance). It is the policy of the Trustee to seek a range of fund options that consider the following risks:

- The risk that members with a low tolerance for investment risk do not have an investment option designed to protect their invested capital.
- The risk that members approaching retirement do not have an investment option designed to preserve their pension purchasing power and their account moves significantly out of line with the movement in the value of annuity rates.
- The risk that members with a relatively higher tolerance for investment risk and/or who are further away from retirement do not have the choice of investment options that have the potential for a significant level of capital growth over time, to keep pace with inflation and/or produce an acceptable level of retirement benefits.
- The risk that the members will not possess sufficient understanding of the options to make an informed decision, due either to an excessively wide or complex range of options or the provision of insufficient information on those options.

### **5. Risk Management Processes**

To address and manage the risks listed above, the Trustee will ensure that:

- Members have a choice of funds with higher risk/higher expected return and lower risk/lower expected return characteristics. These fund characteristics will be detailed to members in the communications that are provided to support the fund choice.
- Members have the option to complete a risk profiling questionnaire designed to help them understand their personal ability and willingness to accept investment risk.
- Members are provided with information that is accurate, clear, and easy to access.
- Members have the choice to reduce their investment risk in the years leading up to retirement by selecting a strategy that moves out of higher risk investments like equities and into lower risk investments such as bonds and cash. This is commonly referred to as a “lifestyle” strategy. The lifestyle option available to members of this Scheme is detailed in Appendix B.

The Trustee intends to monitor these risks and processes by reviewing trends in member decisions, discussing best practices, member feedback and emerging issues on a regular basis.

# Invesco Global Asset Management Limited DC Scheme

## Statement of Investment Policy Principles

As of 31 March 2021

### 6. Strategic Asset Allocation

In consideration of the range of possible needs and objectives of various categories of members, the Trustee has established a range of “risk profiles” which are defined by a level of expected risk and average/target allocation to higher risk investments. It is expected that members will use these risk profiles as the basis for selecting their investment fund(s).

Risk Profile	Potential Allocation to Higher Risk Investments*
1	0%
2	30%
3	50%
4	70%
5, 6 & 7	100%

\*“Higher Risk Investments” will often include investments in asset classes with higher relative volatility such as equities, property, and equity alternatives.

These funds may be diversified across various asset classes or may be concentrated in a single asset class (i.e. cash, fixed interest, equities), depending on the level of risk and expected return. Specific details of the funds that will be made available under each risk profile are provided in Appendix A.

As members approach retirement, their risk profile is likely to change. Members might want to switch their pension into lower risk funds in the years leading up to retirement to preserve the value of their pension. A “lifestyle strategy” that systematically reduces the risk within a member’s investment holdings will be made available to members that choose a particular “Moderate”, “Growth” or “High Growth” investment fund.

The default investment strategy that will be presented to members is the Diversified Growth Fund, in Risk Profile 4, transitioning to the Pension & Cash Match Fund in the years leading up to normal retirement age. This investment strategy has been chosen to balance the risk of not achieving a sufficient level of capital growth with the objective of preserving the value of the pension as members approach retirement.

### 7. Manager Selection and Implementation

The investment funds that are selected will be managed by professional investment managers. Investment managers are assessed and selected based on quantitative and qualitative criteria including:

- Historical volatility and downside risk
- Management style and discipline
- Correlation among securities and asset classes
- Opportunity costs and annual management fees

The Trustee recognises that past performance is not usually indicative of future returns, but will be considered to demonstrate that the manager could deliver on the target objective.

# **Invesco Global Asset Management Limited DC Scheme**

## **Statement of Investment Policy Principles**

As of 31 March 2021

The manager selection process is initiated by a professional investment consultant and then presented to the Trustee for final decision and appointment of the investment manager(s) and funds. Appendix A contains a current list of the investment managers and funds that have been selected. All investment managers employed by the Trustee are subject to termination at any time.

### **8. Ongoing Monitoring & Reporting**

The ongoing monitoring of fund performance will be a regular and disciplined process. An investment manager may be added or removed based on factors such as performance, market conditions, firm structure, or access to new investment products.

Although investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. In general, single quarter results are not immediately considered indicative of a longer-term concern. Investment options that consistently underperform in terms of risk and return will be carefully reviewed to determine if any action is warranted.

### **9. Communication**

Information on the investment strategies and performance is provided in several ways, including but not limited to fund descriptions in the Scheme booklet, presentations to members on choice of funds, and online tools and resources.

### **10. Environmental, Social and Governance Policy Statement**

This Environmental Social and Governance (“ESG”) Policy Statement (“the Policy”) has been prepared by the Trustees to set out their views on ESG factors. Environmental factors include but are not limited to carbon emissions, use of natural resources, energy efficiency, pollution and waste management and biodiversity. Social factors include but are not limited to employee satisfaction, human rights and supply chain, global health policy, stakeholder commitments and product responsibility. Governance factors include board diversity and independence, sustainability policy and reporting, bribery and anti-corruption, lobby group policy and management of subsidiaries.

As part of the Trustees’ duties, which includes a comprehensive approach to risk management and a focus on best member outcomes, the Trustees recognise the need for the Scheme to be a long-term, responsible investor.

#### **ESG Beliefs**

The Trustees have considered and discussed ESG factors to establish their beliefs to help underpin the Trustees’ decision making. The following represent a consensus of the beliefs to be incorporated:

- The Trustees believe that ESG factors are potentially financially material for the value of the Scheme’s investments and consequently members’ retirement benefits.
- The Trustees believe that the process for incorporating ESG issues should be consistent with, and proportionate to, the rest of the investment process.
- ESG issues, including climate change are a source of investment opportunities and are important in managing risks.
- It follows that ESG factors should be considered to the extent that they can reasonably be expected to impact on investment returns.

# **Invesco Global Asset Management Limited DC Scheme**

## **Statement of Investment Policy Principles**

As of 31 March 2021

### **Implementation**

The Trustees understand that the method of incorporating ESG in the investment strategy and process will differ between asset classes and should be considered alongside implementation factors. The process for incorporating ESG should be consistent with, and proportionate to, the rest of the investment process.

The Trustees are also conscious of the different investment time horizons that members will have. The Trustees believe that ESG issues may be of more importance to younger members as the financial materiality of such issues will have a greater impact over the longer term.

Subject to any agreed guidelines or restrictions, the Trustees delegate the consideration of all financially material factors in relation to determining the underlying holdings within the investment funds, including ESG factors, to the Scheme's investment managers as part of their day-to-day management. The Investment Manager(s) will be evaluated by the Trustees, along with other considerations on their ability to employ ESG policies within their decision-making process.

The Trustees will also review aspects such as, but not limited to, longer term performance, manager incentivisation and portfolio turnover to ensure alignment with the Scheme's investment policy.

The Scheme invests in unit linked investment vehicles and collective investment vehicles (e.g. UCITS) and the Trustees note that the Scheme's investment manager(s), Irish Life, BlackRock and Aberdeen Standard Investments, are signatories to the United Nations Principles for Responsible Investment ("UNPRI").

### **The EU Sustainable Finance Disclosure Regulation**

The Trustees are particularly minded that the EU Sustainable Finance Disclosure Regulation (SFDR) will apply from 10 March 2021 and with the assistance of its advisors have engaged with the relevant investment managers to ensure appropriate disclosures are made available detailing the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics, and sustainable investment for the funds available within the Scheme. The Trustees understand this process is evolving and will review their position as further disclosures are required or changes in regulation arise.

### **Shareholders' Rights Directive II 2020**

#### *Exercise of Voting Rights and Shareholder Engagement Activity*

The Trustees have delegated voting and engagement on their behalf to the investment managers of the fund range. The Trustees expect that the investment managers document their policies and disclose these publicly on a regular basis.

The Trustees meet regularly with their investment managers and consider how ESG issues are considered.

#### *Investment Strategy*

The investment strategy of the Scheme is designed to give members a range of investment options to cater for the range of risk and return appetites across the membership of the Scheme. Lifestyle strategies have been made available to align members' investments with how they are likely to take their benefits at retirement. By providing a range of risk-profiled funds with lifestyle strategies ensures that the Trustees have provided adequate options for Scheme members. Each member will have their own liability within the Scheme equal to their individual assets built up dependent on the contributions and investment returns made during their time investing in the Scheme. The profile and duration of the liabilities will be dependent on each member's preference of risk and period to

# Invesco Global Asset Management Limited DC Scheme

## Statement of Investment Policy Principles

As of 31 March 2021

retirement.

### *Remuneration*

The investment managers employed by the Trustees are remunerated for their management services, based on the market value of the underlying funds. As such, the investment managers are incentivised to maximise the value of assets under management, which supports the alignment of interests of the Trustees to maximise the long-term growth in the underlying investment funds. Further details of the Annual Management Charges charged by the managers for the underlying funds are outlined in the Scheme's investment materials e.g. fund factsheets.

## 11. Acknowledgement

Signed on behalf of the Trustee:

DocuSigned by:  
*Frank Downey*  
8AF7F70303394DA...

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Date: 19 September 2022

DocuSigned by:  
*Finian O'Driscoll*  
6DD20141F8484EF...

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Date: 19 September 2022

## Invesco Global Asset Management Limited DC Scheme - Statement of Investment Policy Principles (Appendices)

### Appendix A: Manager and Fund Selection

The Trustees have appointed Irish Life Investment Managers (ILIM), BlackRock, Invesco and Aberdeen Standard Investments (ASI) to manage the assets of the Plan. The following table summarises the characteristics of each investment fund along with their corresponding asset class benchmarks.

Risk Profile	Style	Manager	Fund Name	Asset Class Benchmarks			
				Cash	Bonds	Equities	Alternatives
1	Passive	ILIM	Cash Fund	100%	-	-	-
2	Passive	ILIM	Diversified Cautious Fund	35%	41%	20%	4%
3	Active	BlackRock	Dynamic Diversified Growth Fund	0-100%			
	Passive	ILIM	Diversified Moderate Fund	-	61%	34%	5%
4	Passive	ILIM	Indexed AAA/AA >10yr Government Bond Fund	-	100%	-	-
	Passive	ILIM	Diversified Growth Fund	-	40.5%	50%	9.5%
5	Passive	ILIM	Diversified High Growth Fund	-	15%	70%	15%
	Active	ASI	Global Absolute Return Strategies (GARS) Fund	0 - 100%			
	Active	Invesco	Global Targeted Returns Fund	0- 100%			
6	Passive	ILIM	Indexed Global Equity Fund	-	-	100%	-
7	Passive	ILIM	Indexed Emerging Market Equity Fund	-	-	100%	-
Lifestyle Funds	Passive	ILIM	Pension & Cash Match Fund*	40%	60%	-	-
	Passive	ILIM	Cash Match Fund*	70%	21%	9%	-
	Passive	ILIM	ARF Match Fund*	25%	45%	26%	4%

\*The Pension & Cash Match, Cash Match and ARF Match funds are only available as part of a lifestyle strategy.

#### Performance Objectives & Evaluation:

- (a) The Diversified Fund range are blended funds designed in line with the specific member risk profile. The passive allocations are expected to deliver performance in line with the underlying indices, less fees and transaction costs.
- (b) The Diversified Cautious, Moderate, Growth and High Growth are invested in a wide range of asset classes to increase diversification – the allocations to the asset classes above could be further broken down to allocations in:
  1. Bonds: Government Bonds (conventional and inflation-linked), Euro Corporate Bonds, Global High Yield Bonds and Emerging Market Debt.
  2. Equity: Global Equities, Minimum Volatility Equities, Emerging Market Equities and Small Cap Equities.

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3. Alternatives: Infrastructure, Global Real Estate Funds and Private Equities.

- (c) The BlackRock Dynamic Diversified Growth Fund is a multi-asset fund which is actively managed to produce low volatility against a performance objective of Cash (EONIA) + 4% (gross of fees) over a rolling 3-year period.
- (d) The ASI GARS Fund is an unconstrained actively managed absolute return fund which is actively managed to produce relatively low volatility against a performance objective of Cash (6-month EURIBOR) + 5% over a rolling 3 year period.
- (e) The Invesco Global Targeted Returns Fund is an unconstrained actively managed absolute return fund which is actively managed to produce relatively low volatility against a performance objective of Cash (6-month EURIBOR) + 5% over a rolling 3 year period.

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### **Appendix B: Details of Lifestyle Strategy**

As members approach retirement, their risk profile is likely to change. Members might choose to automatically switch their retirement account into lower risk funds in the years leading up to retirement in order to preserve their investment assets and reduce the risk of earning negative returns. This is commonly referred to as a “lifestyle” strategy. The three lifestyle strategies available to members of this Plan are detailed below.

1. Cash Match Strategy - suitable for someone who wants to take all of their retirement savings as cash.
2. Pension & Cash Match Strategy - suitable for someone who wants to take some of their retirement savings as tax free cash and use the remainder to buy a pension.
3. ARF Match Strategy - suitable for someone who wants to continue investing their retirement savings after retirement.

**The strategy is only available where a member’s entire retirement account is fully invested in one of the Diversified Moderate, Growth or High Growth funds.**

#### **Cash Match Strategy**

- 12 years before retirement, all future contributions will be directed to the Cash Match Fund. This fund is invested 70% Cash and 21% bonds and 9% Equities.
- 9 years before retirement, existing investments will be systematically reallocated to the Cash Match Fund. This transition will be completed over 7 years.
  - The reallocation between the existing fund and the Cash Match Fund will take place in 6 month intervals.
  - There will be a total of 15 periods during which a portion of the existing units will be sold.
- In the last 2 years before retirement, the investors’ retirement savings will be switched into the Cash Fund.

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### **Pension & Cash Match Strategy**

- 12 years before retirement, all future contributions will be directed to the Pension & Cash Match Fund. This fund is invested 60% Cash and 40% annuity matching bonds.
- 9 years before retirement, existing investments will be systematically reallocated to the Pension & Cash Match Fund. This transition will be completed over 7 years.
  - The reallocation between the existing fund and the Pension & Cash Match Fund will take place in 6 month intervals.
  - There will be a total of 15 periods during which a portion of the existing units will be sold.
- In the last 2 years before retirement, the investor will only hold assets in the Pension & Cash Match Fund.

### **ARF Match Strategy**

- 12 years before retirement, all future contributions will be directed to the ARF Match Fund. This fund is invested 25% Cash, 45% Bonds, 26% Equities and 4% Equity alternatives.
- 9 years before retirement, existing investments will be systematically reallocated to the ARF Match Fund. This transition will be completed over 7 years.
  - The reallocation between the existing fund and the ARF Match Fund will take place in 6 month intervals.
  - There will be a total of 15 periods during which a portion of the existing units will be sold.
- In the last 2 years before retirement, the investor will only hold assets in the ARF Match Fund.

**Effective Date: 31 March 2021**