



# Quarterly Report Q3 2022 Irish Life MAPS<sup>®</sup>

The Irish Life Multi Asset Portfolio Funds (MAPS) are available on a range of products provided by Irish Life Assurance, managed by Irish Life Investment Managers (ILIM).

MAPS is an 'Article 8' fund under the Sustainable Finance Disclosure Regulation (SFDR).

Helping people build  
better futures

# WELCOME

At Irish Life Assurance, we understand that our customers' financial objectives and attitudes to risk are personal to their circumstances. We worked closely with Irish Life Investment Managers, our award-winning appointed investment managers, to create our Multi-Asset Portfolios (MAPS), which cater to different risk profiles. The funds are suitable for longer-term investors and are rebalanced every quarter to ensure alignment with risk preferences. MAPS can be accessed via our pension, investment and savings plans.

- > This update discusses key themes driving markets in the third quarter of 2022 and highlights how each of the funds performed.
- > We also explain the asset mix within each fund and outline how ILIM manages risk across the range.
- > Lastly, we explain ILIM's Responsible Investment 'Beliefs and Approach'. These are referenced throughout this report and are responsible for MAPS achieving the 'Article 8' status under the Sustainable Finance Disclosure Regulation (SFDR).

As a proud ambassador for the United Nations-supported Principles for Responsible Investment (UN PRI), ILIM is a leader in driving ESG (Environmental, Social, Governance) investing in Ireland. ILIM's goal is to create a more sustainable future for the world and its inhabitants, thereby protecting long-term investor returns.

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

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

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

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# Market and Irish Life MAPS<sup>®</sup> Overview

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# MARKET SUMMARY AND IRISH LIFE MAPS® FUND PERFORMANCE

The third quarter began with a strong rally for equities and bonds on the back of falling commodity prices and expectations of a possible US Federal Reserve (Fed) policy pivot and interest rate cuts in 2023.

However, from mid-August, this mood gave way to acceptance of tighter monetary policy for some time to come; the Fed and other central banks stressed that policy tightening would continue until inflation is clearly falling back towards the banks' 2% targets.

The commitment to continue raising rates caused global bond yields to rise to their highest levels in 10-12 years.

Contagion from the surge in UK gilt yields, following the announcement of a large, unfunded fiscal package, also contributed to the rise in yields.

Weak global economic data and several profit warnings from large corporates added to the pressure on equities, as did fears over an escalation of the Russia/Ukraine conflict.

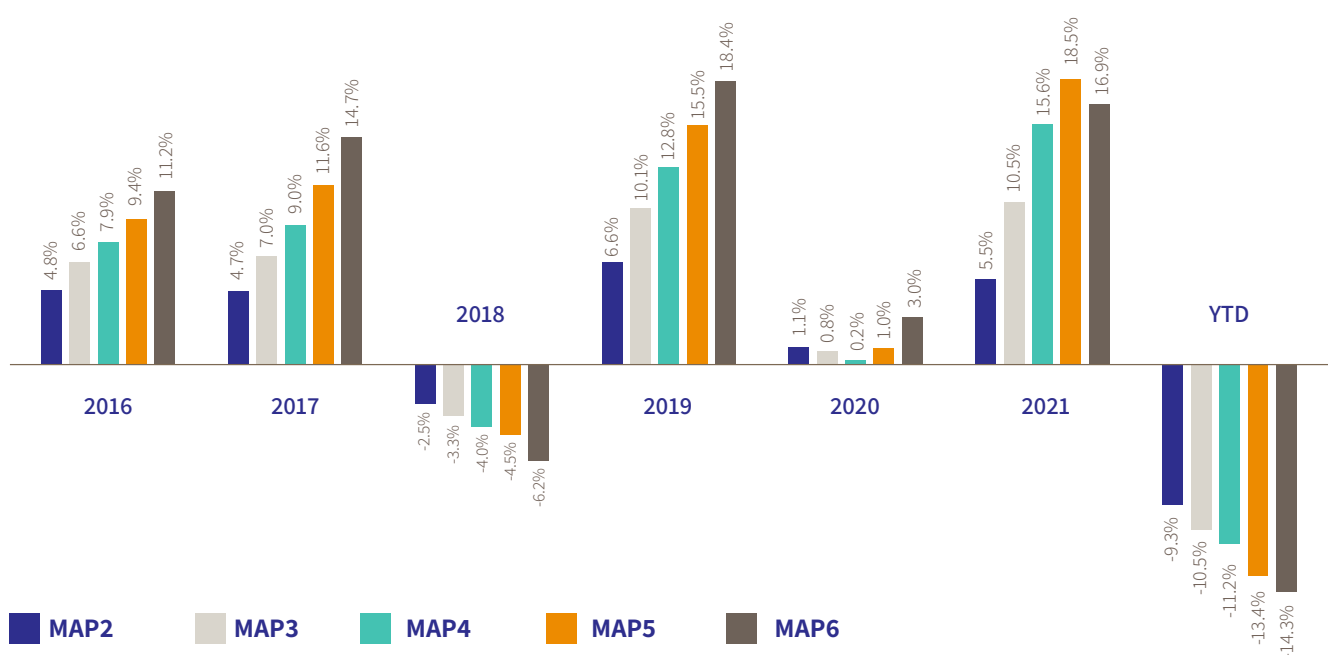
By quarter end, global equities and bonds had fallen to new year-to-date lows.

## MAPS – AIMING TO DELIVER RISK MANAGEMENT AND SMOOTHER RETURNS OVER THE LONG TERM

Our MAPS funds are built on the belief that diversification offers investors a potentially smoother journey and that risk management aims to reduce the impact of the various ups and downs in the underlying investments. Each of our five MAPS funds invests in a range of assets, reflective of its risk profile. These include shares, bonds, property, cash and external managers/alternatives. You'll find a full explanation of these asset classes on pages 13–20.

In the table below and on the following page, you can see the individual calendar year returns on each of the five Irish Life MAPS funds, and the annualised return over the last one, three, five and seven years as well as since launch (17 May 2013) to the end of the third quarter of 2022. Irish Life MAPS is a long-term investment – we would always advise caution when looking at fund performances over time periods of less than five years.

### Calendar Year Return



Source: 'MoneyMate'. Gross returns shown to 30 September 2022 ('MoneyMate'), before any fund management charge.

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

## PERFORMANCE AS AT 30 SEPTEMBER 2022

MAP2		MAP3		MAP4	
<b>-7.5%</b> 1 year	<b>-0.9%</b> 3 year per annum (p.a.)	<b>-7.3%</b> 1 year	<b>0.5%</b> 3 year p.a.	<b>-6.3%</b> 1 year	<b>1.9%</b> 3 year p.a.
<b>0.4%</b> 5 year p.a.	<b>1.7%</b> 7 year p.a.	<b>1.7%</b> 5 year p.a.	<b>3.3%</b> 7 year p.a.	<b>2.8%</b> 5 year p.a.	<b>4.8%</b> 7 year p.a.

MAP5		MAP6	
<b>-7.8%</b> 1 year	<b>2.6%</b> 3 year p.a.	<b>-9.5%</b> 1 year	<b>3.0%</b> 3 year p.a.
<b>3.5%</b> 5 year p.a.	<b>5.8%</b> 7 year p.a.	<b>3.7%</b> 5 year p.a.	<b>6.5%</b> 7 year p.a.

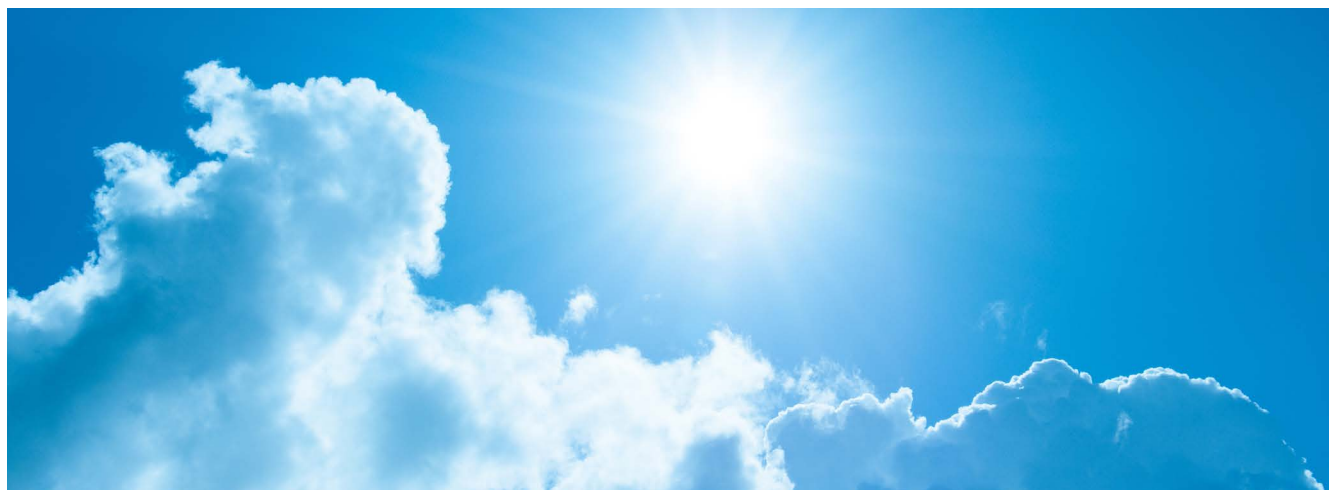
Source: 'Moneybate'. Gross returns shown to 30 September 2022 ('Moneybate'), before any fund management charge. Launch date: 17 May 2013.

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# MARKET SNAPSHOT

## Shares

- > Over the quarter, the MSCI AC World equity benchmark fell -4.7% (-0.4% in euros) as central banks reaffirmed their commitment to tighten monetary policy, bond yields rose to multi-year highs and concerns over the global growth outlook increased.
- > The US fell -4.7% (+1.7% in euros) as expectations for the peak in the federal funds rate rose on more hawkish commentary and guidance from the US Federal Reserve (Fed). Technology stocks underperformed given the continued rise in bond yields.
- > The UK outperformed, falling -2.9% (-4.8% in euros) as the weakness in sterling supported overseas earners. A higher relative weight in defensive sectors, such as pharmaceuticals and staples, also supported the UK.
- > Japan also outperformed, falling -1.5% (-1.3% in euros), with the weaker yen supporting exporters as the Bank of Japan, in contrast to other central banks, remains committed to maintaining an accommodative monetary policy stance. An improvement in economic data, as Covid-19 restrictions were lifted, also supported the market.
- > Emerging market (EM) equities fell -8.0% (-5.5% in euros). The Chinese market underperformed due to difficulties in the property market and restrictions remaining in place given the country's ongoing 'zero tolerance' Covid-19 policy.

## Bonds, currencies and commodities

- > Despite an initial strong rally, global bonds fell over the quarter as yields rose to multi-year highs on central banks' continued monetary policy tightening in response to persistently high inflation.
- > The announcement of a large, unfunded fiscal package in the UK, which drew criticism from many sources, led to a sharp correction in UK assets, particularly gilts. This caused some contagion to global bond markets and added to the upward pressure on bond yields at quarter end.

- > The ICE BofA Merrill Lynch Eurozone > 5-year sovereign bond benchmark fell -6.9%. The German 10-year yield rose 77 basis points to 2.11%, having hit a high of 2.35%, as Eurozone inflation rose to a record high of 10.0% year-on-year. Upward pressure on yields also came from the ending of European Central Bank (ECB) asset purchases on 1 July, the raising of interest rates for the first time in 11 years and guidance from the ECB that further significant rises in interest rates were likely in the coming months.
- > The euro fell below parity to 0.9802 against the US dollar. The euro weakened as concerns rose over the outlook for European growth amid the continued deterioration in economic data and the surge in natural gas prices; Russia significantly reduced supplies to Europe over the quarter, ahead of the suspected sabotage of the Nord Stream pipelines in September. The US dollar benefited from the more aggressive guidance from the Fed and its 'safe haven' status in the risk-off environment.
- > Commodities fell -10.3% (-4.3% in euros). Increasing concerns over the outlook for commodity demand in the slowing growth backdrop, particularly given the weakness in the Chinese economy, caused commodity prices to fall.
- > Brent oil fell -23.4%, despite OPEC announcing a production cut of 100,000 barrels per day. European gas rose, although it was off the highs where it had been up 133% compared to the end of June. The rise in gas storage levels across Europe beyond targeted levels eased the pressure on prices towards quarter end.
- > Food prices remained firm as weather conditions impacted expected production levels, with wheat up 3.2%.
- > Metal prices were generally soft, with aluminium down -11.6% and copper -8.5% due to slower growth and weaker demand. Gold fell -8.3% due to the stronger US dollar and higher US real yields.

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# IRISH LIFE MAPS® ASSET SPLIT

There are five Irish Life MAPS funds to suit different attitudes to risk. The table below shows the strategic asset mix for each of the funds. As you can see, the lower-risk Multi Asset Portfolio 2 (MAP2) has a very high percentage in bonds and cash, which are traditionally less volatile assets. The higher-risk MAP6 is mainly invested in shares, which are traditionally more volatile than bonds or cash but have, in the past, given better long-term returns.

## At 30 September 2022

Asset class	MAP2	MAP3	MAP4	MAP5	MAP6
*Low Volatility Shares	5.0%	10.0%	15.0%	11.0%	6.5%
*Global Shares (DSC)	11.0%	20.0%	25.0%	25.0%	15.0%
*Global Shares	3.5%	9.0%	18.0%	30.0%	53.5%
*Emerging Market Shares	0.5%	1.0%	2.0%	14.0%	20.0%
<b>EQUITIES</b>	<b>20.0%</b>	<b>40.0%</b>	<b>60.0%</b>	<b>80.0%</b>	<b>95.0%</b>
<b>BONDS</b>	<b>48.0%</b>	<b>31.5%</b>	<b>16.5%</b>	<b>4.5%</b>	<b>0.0%</b>
Liquid Alternatives	9.0%	9.0%	9.0%	3.0%	0.0%
Global Infrastructure	3.0%	3.0%	3.0%	2.0%	0.0%
Equity Option Strategy	3.0%	3.0%	3.0%	2.0%	0.0%
<b>ALTERNATIVES</b>	<b>15.0%</b>	<b>15.0%</b>	<b>15.0%</b>	<b>7.0%</b>	<b>0.0%</b>
<b>*PROPERTY</b>	<b>7.0%</b>	<b>8.5%</b>	<b>8.5%</b>	<b>8.5%</b>	<b>5.0%</b>
<b>CASH</b>	<b>10.0%</b>	<b>5.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

Source: ILIM, 30 September 2022. \*DSC Global Shares use the Dynamic Share to Cash model – see page 11 for more details.

The table above shows the strategic asset mix before any Dynamic Share to Cash (DSC) or tactical movements (where applicable). ILIM rebalances the fund back to this mix on a quarterly basis. For the latest actual Irish Life MAPS fund mixes, which allow for any tactical or DSC changes, for example, see the relevant MAPS fund factsheet at [www.irishlife.ie](http://www.irishlife.ie).

ILIM will continue to monitor and review these assets and may change them over time.

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# Irish Life MAPS<sup>®</sup> Risk Management Strategies

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## IRISH LIFE MAPS RISK<sup>®</sup> MANAGEMENT STRATEGIES

### Irish Life MAPS<sup>®</sup> Diversification

As we've demonstrated, each of the Irish Life MAPS funds is diversified across a range of asset types – shares, bonds, property, cash and external managers/alternatives.

Within each of these different asset types, there is even more diversification. For example, within shares, there are allocations to Global Shares and Low Volatility Shares; within bonds, there are allocations to Corporate, Government, High Yield and Emerging Markets with comprehensive levels of diversification also seen within each of MAPS' other asset allocations.

The diversification contained in each asset class is shown in more detail on pages 13–20.

This level of diversification aims to ensure that the performance of the funds is not dependent on any one asset type, sector, geographical region, investment manager or investment style. Removing this dependence aims to produce a smoother investment journey over the longer term.

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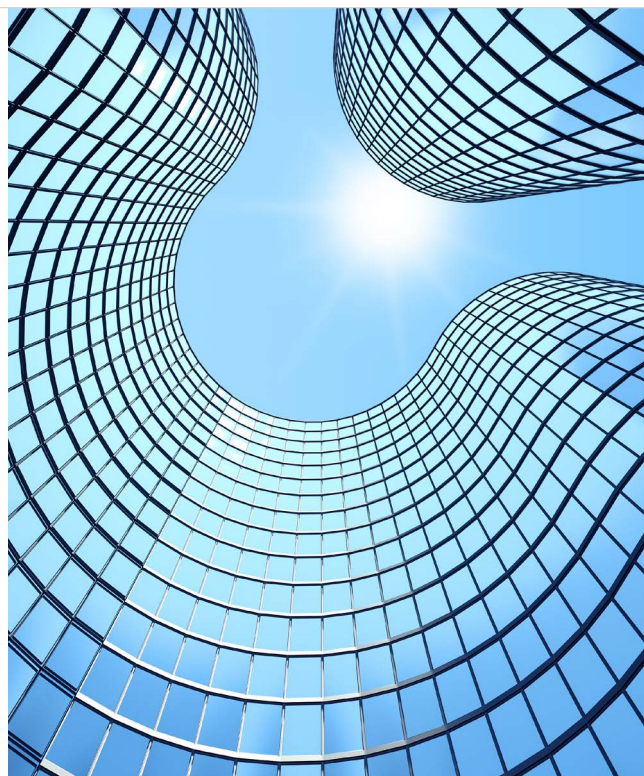
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### Regular Reviews

ILIM undertakes a regular review of Irish Life MAPS, evaluating the current asset and manager allocations to ensure they always represent 'ILIM's best thinking' and capabilities with respect to achieving long-term risk and performance objectives.

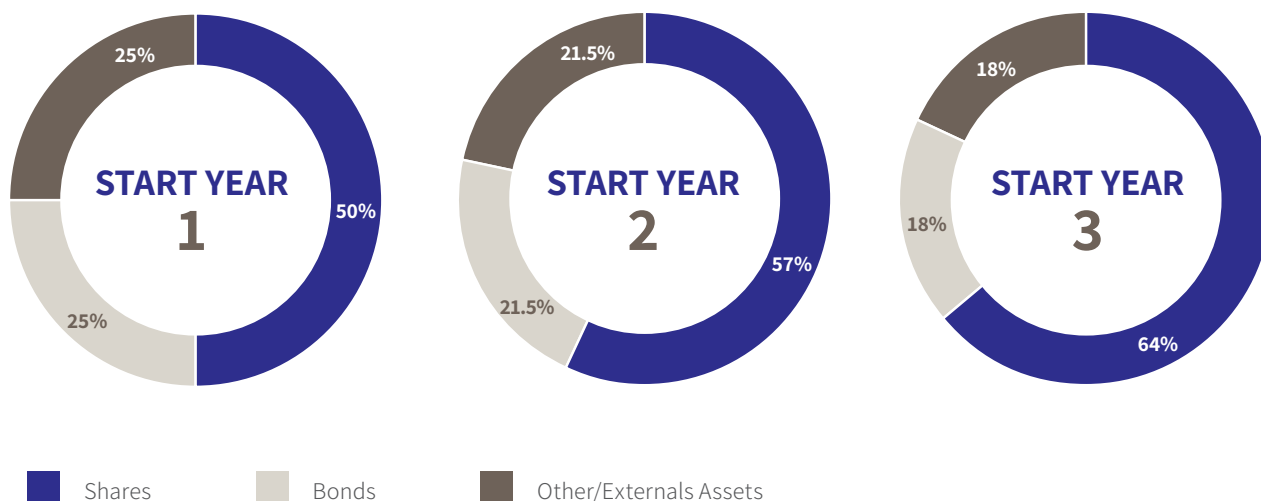
The process takes into account the short, medium and long-term expected outlook for investment markets, with a view to optimising the strategic asset allocation mix. Typically in these reviews, ILIM is looking for opportunities to either enhance risk management and/or increase the expected fund returns. This process involves reviewing investment opportunities such as new managers, asset classes, strategies, geographies, developments in quantitative research and simulating how best to incorporate any prospective changes into the existing funds allowing for the complexity, time, cost and benefit of doing so before then implementing the best solutions within MAPS.



## IRISH LIFE MAPS RISK<sup>®</sup> MANAGEMENT STRATEGIES

### Rebalancing

As investment managers, it's ILIM's job to ensure that the level of risk you are exposed to within MAPS is in line with the indicated risk profile for each MAP fund, over time.



We start with this pie chart, which shows a fund with 50% in shares, 25% in bonds and 25% in other assets/external managers.

If, over the course of a year, shares grew in value by 20%, while bonds and other assets/external managers both fell in value by 10%, then, **without rebalancing**, the second pie chart shows the new split of the fund. Here, 57% of the fund is now invested in shares.

If the same thing happened again, we would end up with nearly two-thirds of the fund invested in shares. This fund mix may no longer be suitable for someone who originally chose an allocation of 50% in shares, 25% in bonds and 25% in cash.

This change in asset split can be avoided by regularly rebalancing the fund to ensure that it stays in line with its intended split. ILIM rebalances each of the MAPS funds on a quarterly basis, which means that each fund will not drift over time. This means that you don't have to worry about a fund becoming a higher risk rating than the one originally invested in.

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## IRISH LIFE MAPS RISK<sup>®</sup> MANAGEMENT STRATEGIES

### Dynamic Share to Cash Model

Each Irish Life MAPS fund uses the innovative DSC (Dynamic Share to Cash) model on the DSC Global Shares portion of each fund. The DSC is a quantitative model that has been developed by ILIM which uses a number of factors, across three broad categories, shown below. DSC aims to reduce the amount invested in shares and increase the amount in cash when it identifies greater potential for stock market falls. It is important to note that the DSC looks at long-term movements and trends in the market. It is not designed to react to one-off or short-term jumps or shocks.

The DSC signal was sitting on the level of -0.84 at the end of Q3 2022 (on a scale of +2 to -2) compared to -0.68 at the end of Q2 2022. DSC is fully invested in shares above zero. Below zero, DSC moves progressively from shares to cash and is fully in cash at -2. During the quarter, the strategy started with a 65% traded equity weight. While the signal strengthened over the course of July and early August with the traded equity weight increasing to 71% and then 76%, from the second half of August into the end of the quarter, the signal weakened with the traded equity weight ending the period at 59%.

The factors include:

	MARKET MOMENTUM VARIABLE ▼	VALUATIONS ▼	GLOBAL MACROECONOMICS ▼
OBJECTIVE	Take account of trends in shares	Take account of long-term valuation of shares	Take account of the influence of global economics on shares
INDIVIDUAL FACTORS	Moving average crossover signal	Long-term share values Earnings quality Earnings yield Earnings revisions	Real Gross Domestic Product (GDP) growth rate Bond yield curve slope Energy price levels
Q3 2022 UPDATE	Market momentum and moving average cross factors both ending Q3 at similar levels to the end of Q2. The total contribution from the technical group was negative.	The contribution from the fundamentals decreased primarily due to the deteriorated earnings yield factor. The overall contribution from the fundamentals moved from positive to neutral over the quarter.	Macroeconomics' contribution increased as a result of an improved slope factor. The overall contribution from macroeconomics group was positive.
Q3 2022 INDICATOR	—	Neutral	+

Based on how these factors move over time, DSC will decide how much of each Irish Life MAPS fund to invest in Global Shares and how much to invest in cash. ILIM will regularly monitor and review these factors.

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## IRISH LIFE MAPS RISK<sup>®</sup> MANAGEMENT STRATEGIES

### Currency hedging

ILIM uses a systematic currency hedging process within the Irish Life MAPS range. The proprietary strategy aims to limit the negative impact foreign currency moves can have on investment returns.



#### STRATEGY

The strategy aims to reduce the risk of experiencing negative returns from foreign currency moves. This is achieved by hedging significant non-euro currency exposure when it is beneficial to do so.

#### HOW IT WORKS

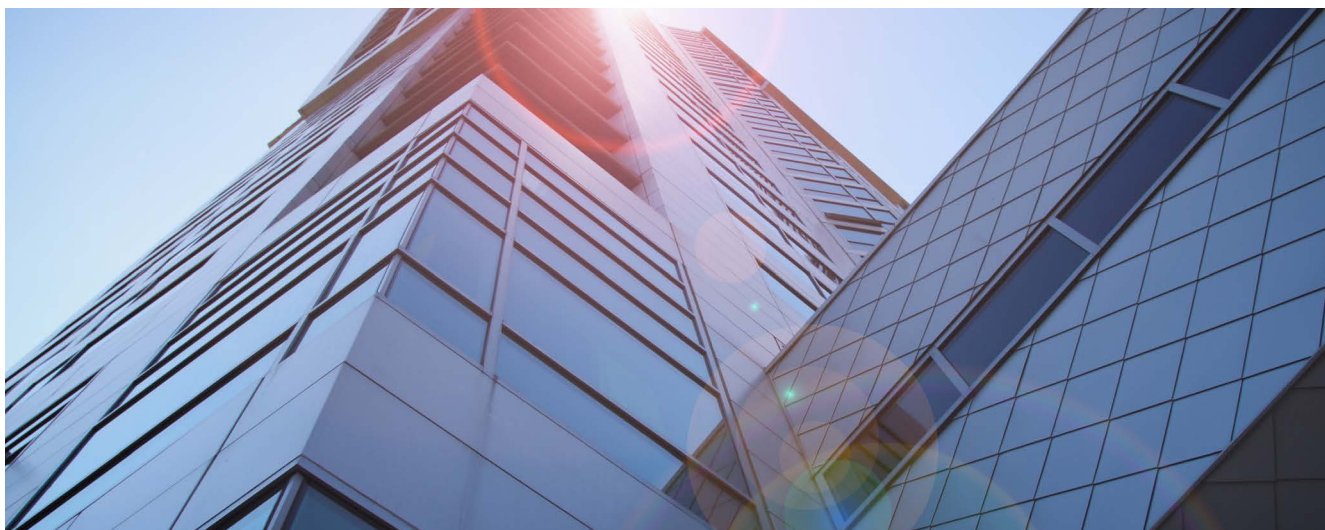


ILIM uses a systematic approach to identify key factors (valuations, market momentum, etc) that, when combined, aim to indicate when it is beneficial to hedge foreign currency exposure.



#### KEY BENEFITS

This strategy contributes to MAPS smoother investment journey by mitigating the risk of loss which can occur from moves in foreign currency valuations.



- ▶ **FOR GLOBAL LOW VOLATILITY SHARES SEE PAGE 14**
- ▶ **FOR OPTION STRATEGY SEE PAGE 19**



# What does Irish Life MAPS<sup>®</sup> invest in?

## Asset Classes Explained

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## ASSET CLASSES EXPLAINED

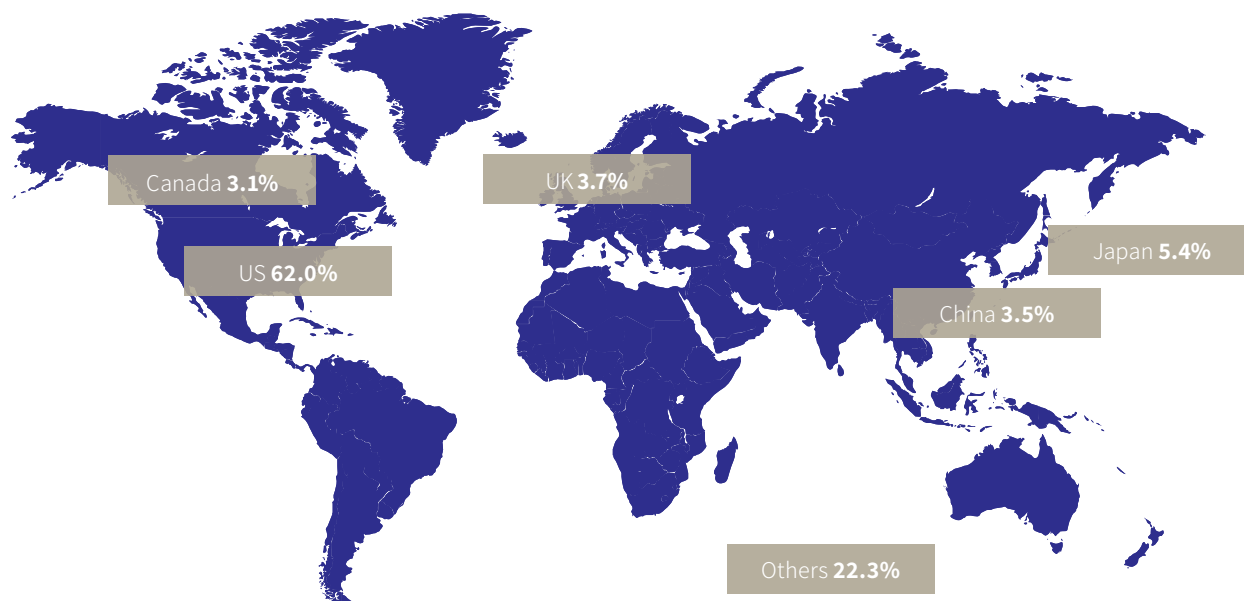
### 1 SHARES

#### DSC Global Shares/Global Shares\*

DSC Global Shares and Global Shares track the performance of a large, customised, global share index which has enhanced sustainability characteristics, a better alignment to the transition to a low-carbon economy, and is therefore completely aligned with ILIM's responsible investment 'beliefs and approach.' This index aims to have a more positive impact on the environment and society compared to a standard index and uses ESG (Environmental, Social, Governance) factors in its composition. ILIM uses its DSC model (explained on page 11) in the DSC Global Shares allocation, while the Global Share allocation remains fully invested, providing the optimal mix for achieving the objectives of MAPS. Global Shares includes approximately 10% in emerging market shares.

For the percentage of Global Shares in each Irish Life MAPS fund, see the latest factsheet on [www.irishlife.ie](http://www.irishlife.ie).

The geographic split of the index is illustrated below:



This information is correct as at 30 September 2022

## RISK MANAGEMENT STRATEGIES

#### Global Low Volatility Shares\*

Using a detailed, quantitative strategy, ILIM chooses shares from a broad global share index. Not only has this shown lower volatility in the past, it is also screened for other indicators, such as value, momentum, etc. The circa 200 shares that make up the Global Low Volatility Shares fund align with ILIM's responsible investing (or ESG) policies.

For the percentage of Low Volatility Shares in each Irish Life MAPS fund, see the latest factsheet on [www.irishlife.ie](http://www.irishlife.ie).

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#### Low Volatility Shares weight compared to the global share index

Sector	Global Low Volatility
Information Technology	-4.9%
Industrials	-3.1%
Materials	-1.9%
Financials	-1.5%
Consumer Discretionary	-0.5%
Utilities	-0.5%
Energy	1.2%
Real Estate	1.4%
Telecommunication Services	1.9%
Healthcare	3.2%
Consumer Staples	4.6%

\*Includes sustainable characteristics that help qualify MAPS as an Article 8 fund under the Sustainable Finance Disclosure Regulation (SFDR). For more on ILIM's responsible investing, please refer to ILIM's Responsible Investing 'Beliefs and Approach' section on page 21 and/or to [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing).














## EMERGING MARKET LOW VOLATILITY SHARES

Using a detailed, quantitative strategy, ILIM chooses shares from a broad emerging markets share index which not only have shown lower volatility in the past, but which are also screened for other indicators, such as value, momentum etc. The circa 200 shares that make up the emerging markets low volatility shares fund align with ILIM's responsible investing (or ESG) policies.

For more on ILIM's responsible investing please refer to ILIM's Responsible Investing 'Beliefs and Approach' section on page 21 and/or to [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing).

Low Volatility Shares weight compared to the emerging market shares index:

Sector	EM Low Volatility
 Information Technology	-1.8%
 Industrials	-1.5%
 Materials	-4.8%
 Financials	-1.2%
 Consumer Discretionary	-3.6%
 Utilities	-0.4%
 Energy	0.3%
 Real Estate	0.4%
 Telecommunication Services	4.2%
 Healthcare	5.4%
 Consumer Staples	3.2%

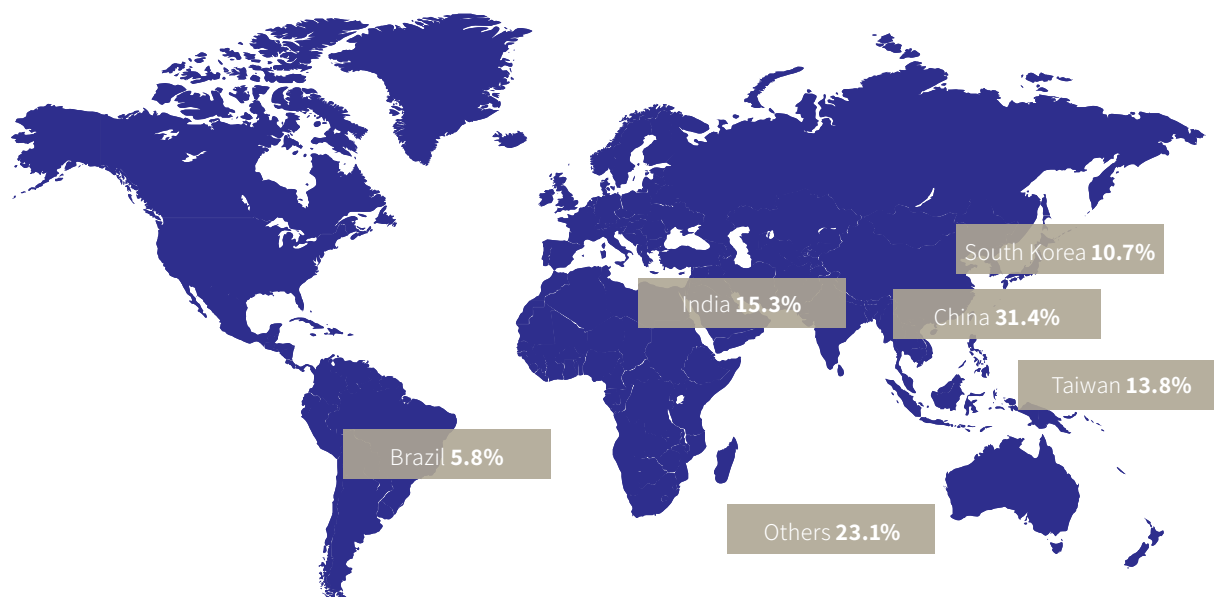


## Emerging Market Shares

ILIM tracks the performance of a broad emerging markets share index. Emerging Market Shares includes over 1,400 individual companies, which operate in 26 different markets across the emerging markets.

For the percentage of Emerging Market Shares in each Irish Life MAPS fund, see the latest factsheet on [www.irishlife.ie](http://www.irishlife.ie)

The geographic split of the index is illustrated below:



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## ASSET CLASSES EXPLAINED

### 2 BONDS

#### Government Bonds

- > ILIM currently tracks the performance of a recognised and leading government bond index to provide exposure to shorter-dated government bonds.
- > Within the bond allocation, ILIM chooses the proportion to invest in government bonds and has discretion in relation to the index that is tracked.

The geographic split of the index is illustrated below:

Country	Weight
Austria	4.1%
Belgium	4.0%
Cyprus	0.2%
Germany	19.1%
Spain	14.7%
Finland	1.5%
France	23.8%
Ireland	1.5%
Italy	23.5%
Lithuania	0.1%
Luxembourg	0.2%
Latvia	0.2%
Netherlands	4.0%
Portugal	2.4%
Slovenia	0.4%
Slovakia	0.7%

This information is correct as at 30 September 2022.

#### Corporate Bonds\*

- > ILIM currently tracks the performance of a recognised and leading corporate bond index to provide exposure to corporate bonds.
- > Within the bond allocation, ILIM chooses the proportion to invest in corporate bonds and has discretion in relation to the index that is tracked.
- > ILIM's corporate bonds\* are managed to ILIM's responsible investing (ESG) policy.

The sector split of the index is illustrated below:

Sector	Weight
Automotive	6.2%
Banking	28.0%
Basic Industry	3.8%
Capital Goods	3.6%
Consumer Goods	6.3%
Energy	3.2%
Financial Services	6.2%
Healthcare	6.3%
Insurance	4.5%
Leisure	0.2%
Media	1.2%
Real Estate	7.5%
Retail	2.4%
Services	1.0%
Technology & Electronics	2.9%
Telecommunications	5.9%
Transportation	3.3%
Utility	7.8%

\*Includes sustainable characteristics that helps qualify MAPS as an Article 8 fund under the Sustainable Finance Disclosure Regulation (SFDR). For more on ILIM's responsible investing, please refer to the ILIM's Responsible Investing 'Beliefs and Approach' section on page 21 and/or to [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing).

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## Emerging-market Bonds\*

- > ILIM currently tracks the performance of recognised and leading emerging-market bond indices, both local and hard currency (denominated in US dollars), to provide exposure to emerging-market bonds.
- > Within the bond allocation, ILIM chooses the proportion to invest in emerging-market bonds and has discretion in relation to the indices that are tracked.

The geographic split of the local currency index is illustrated below:

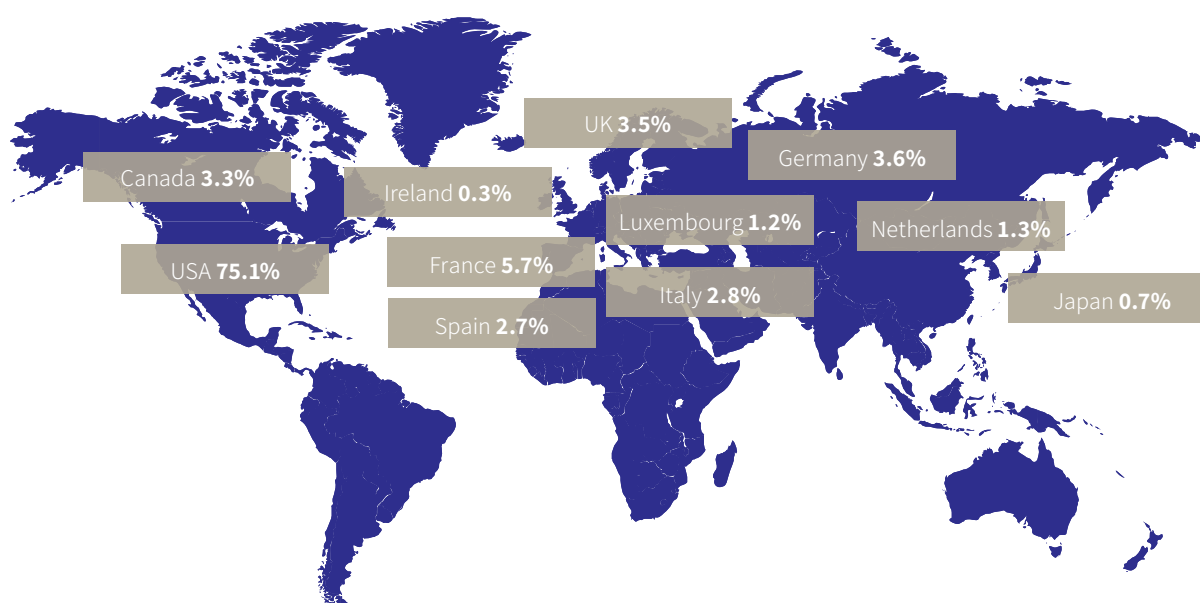
Country	Weight	Country	Weight
Brazil	9.6%	Poland	8.7%
Chile	2.5%	Romania	4.3%
China	6.4%	Serbia	0.3%
Colombia	4.1%	Egypt	1.1%
Czech Republic	8.2%	Thailand	9.6%
Hungary	3.5%	Turkey	0.7%
Indonesia	9.6%	Uruguay	0.2%
Mexico	9.6%	South Africa	9.6%
Dominican Republic	0.1%		
Malaysia	9.6%		
Peru	2.2%		
Philippines	0.1%		

\*Includes sustainable characteristics within the Emerging Market Bond (Hard Currency) allocation that helps qualify MAPS as an Article 8 fund under the Sustainable Finance Disclosure Regulation (SFDR). For more on ILIM's responsible investing, please refer to the ILIM's Responsible Investing 'Beliefs and Approach' section on page 21 and/or to [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing).

## High Yield Bonds

- > ILIM currently tracks the performance of a recognised and leading high-yield bond index to provide exposure to emerging-market bonds.
- > The high-yield bond allocation is currently sub-advised by an external manager.

The geographic split of the index is illustrated below:



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## ASSET CLASSES EXPLAINED

### 3 EXTERNAL MANAGERS/ALTERNATIVES

ILIM recognises the need to incorporate alternative strategies within the Irish Life MAPS funds. ILIM complements its own alternative strategies with an active pipeline of external and alternative managers that bring diverse performance and at the right price. The external manager/alternative allocation is monitored and adapted on an ongoing basis, as ILIM's fund managers feel appropriate to best achieve MAPS' investment objectives. ILIM monitors performance and may choose to change the allocation to external managers or the target allocation within the external manager allocation, as deemed appropriate. ILIM may also choose to replace, add or remove external managers as opportunities arise and market conditions change.

ILIM's infrastructure shares and options strategy, along with strategies from eight leading managers, are currently held within each Irish Life MAPS fund. The percentage allocated to external managers/alternatives varies for each MAP and can be found in the Asset Split section of this update or on the latest factsheet, at [www.irishlife.ie](http://www.irishlife.ie).

Responsible investment factors (ESG) are included as part of ILIM's initial and ongoing due diligence process.

For more on ILIM's responsible investing, please refer to the ILIM's Responsible Investing 'Beliefs and Approach' section on page 21 and/or to [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing).

Managers	Assets Managed	Fund Names
<b>GMO</b> Source: <a href="http://www.gmo.com">www.gmo.com</a>	<b>\$69.8 billion</b> (28 February 2022)	GMO Real Return Fund
<b>AQR</b> Source: <a href="http://www.aqr.com">www.aqr.com</a>	<b>\$117.0 billion</b> (31 March 2022)	AQR Style Premia
<b>Dunn Capital Management</b> Source: <a href="http://www.montlakeucits.com">www.montlakeucits.com</a>	<b>\$1.5 billion</b> (30 September 2022)	Montlake Dunn WMA
<b>MidOcean</b> Source: <a href="http://www.midoceanpartners.com">www.midoceanpartners.com</a>	<b>\$6.6 billion</b> (30 June 2022)	DB Platinum MidOcean Fund
<b>RenaissanceRe</b> Source: <a href="http://www.renre.com">www.renre.com</a>	<b>\$12.0 billion</b> (30 June 2022)	RenRe Medici Fund
<b>LGT ILS Partners</b> Source: <a href="http://www.lgtcp.com">www.lgtcp.com</a>	<b>\$85 billion</b> (30 September 2022)	LGT ILS Cat Bonds Fund
<b>Greencoat Renewables Plc.</b> Source: Factset	<b>€1.5 billion*</b> (13 October 2022)	Greencoat Renewables Plc.
<b>International Public Partnerships</b> Source: Bloomberg Terminal	<b>£2.7 billion*</b> (13 October 2022)	INPP Plc
<b>Oceanwood Capital Management LLP</b> Source: Oceanwood Capital Management LLP	<b>\$718.0 million</b> (30 June 2022)	Oceanwood UCITS

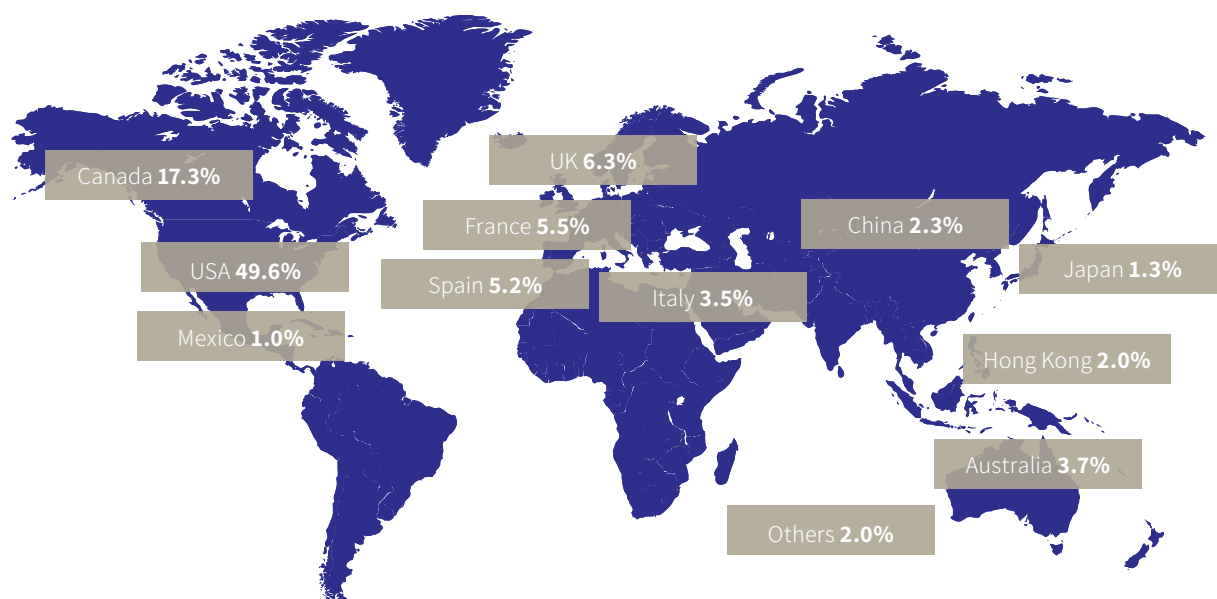
\*Market Capitalisation

## INFRASTRUCTURE SHARES

- > ILIM tracks the performance of a large global infrastructure shares index.
- > There are 100 individual company shares represented, investing in sectors such as airports, toll roads, railways, ports, water, gas and many others.
- > These infrastructure shares come mainly from developed market economies, but also some emerging markets.

For the percentage of infrastructure shares in each Irish Life MAPS fund, see the latest factsheet on [www.irishlife.ie](http://www.irishlife.ie).

The geographic split of the index is illustrated below:



This information is correct as at 30 September 2022

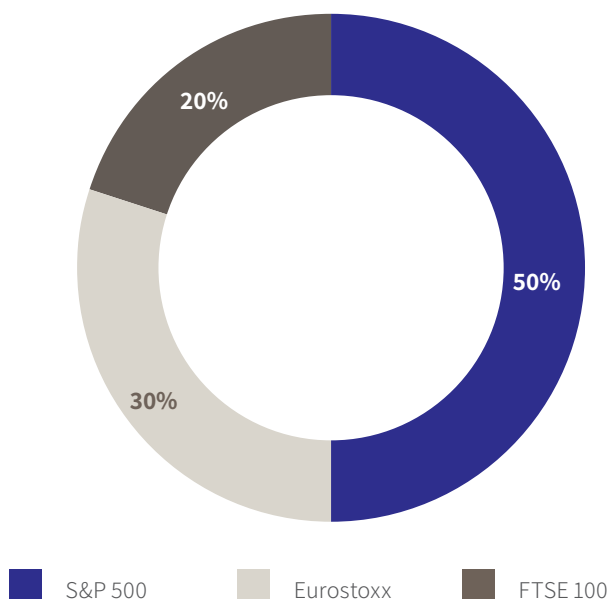
## RISK MANAGEMENT STRATEGIES

### Option Strategy

- > The option strategy provides an alternative source of share market returns. It has a low correlation with the performance of global shares and therefore provides a diversified source of share-market-derived returns.
- > The option strategy currently sells 'put' options on a monthly basis. This provides downside protection if markets fall (relative to direct global share market exposure), for which the funds are paid a fee.

This information is correct as at 30 September 2022

### Percentage split of the underlying indices on which the options are taken



## ASSET CLASSES EXPLAINED

### 4 PROPERTY

Each Irish Life MAPS fund currently invests in commercial property through an allocation to ILIM's Pension Property fund, in the form of offices, retail and industrial property. You can see the split between these areas and the funds' top five holdings below. More information on this part of the property allocation at the end of June 2022 is also shown below. ILIM also added extra property diversification through a small exposure to residential property via an investment in the private rented sector (PRS).

As part of ILIM's commitment to responsible investing and sustainability, ILIM has also integrated ESG (Environmental, Social and Governance) considerations into the MAPS property allocation. The industry standard is the GRESB (Global Real Estate Sustainability Benchmark), against which ILIM was awarded 4 out of 5 stars in 2021.

\*Includes sustainable characteristics that helps qualify MAPS as an Article 8 fund under the Sustainable Finance Disclosure Regulation (SFDR). For more on ILIM's responsible investing please refer to the ILIM's Responsible Investing 'Beliefs and Approach' section on page 21 and/or to [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing).



- 1 2 Grand Canal Square, Dublin
- 2 1 Georges Quay, Dublin
- 3 13-18 City Quay, Dublin
- 4 Cadenza
- 5 24-26 City Quay, Dublin

**€1.54 bn**

TOTAL VALUE OF PROPERTY FUND



The information is correct as at 30 September 2022. For the percentage of property invested in each MAP Fund, please see the factsheet on [www.irishlife.ie](http://www.irishlife.ie).

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

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

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



# ILIM's Responsible Investing 'Beliefs And Approach'

Helping people build  
better futures



## ILIM'S RESPONSIBLE INVESTMENT BELIEFS AND APPROACH

ESG stands for the Environmental, Social and Governance factors against which companies are measured. These factors facilitate ILIM's 'three pillar approach' to responsible investing.



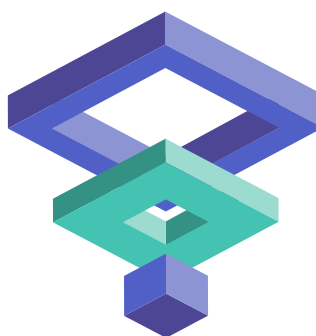
As climate change poses a significant risk to all assets, we are actively reducing our investment exposure to carbon risk, as set out by the Paris Agreement, which is a legally binding international treaty that aims to tackle climate change.



ILIM also targets companies that can demonstrate good corporate behaviour both internally and externally e.g., with employees, in communities and with suppliers and shareholders.

## ILIM INVESTMENT PHILOSOPHY

ILIM's approach of exclusions, integration and engagement is making the difference today to deliver a better, more sustainable tomorrow.



- Responsible Investing  
This is **what** we do
- ESG Framework  
This is **how** we do it
- Sustainability  
This is **why** we do it

## WHAT IS THE ESG FRAMEWORK



- > Carbon Emissions
- > Use of Natural Resources
- > Energy Efficiency
- > Pollution & Waste Management
- > Biodiversity



- > Employee Satisfaction
- > Human Rights & Supply Chain
- > Global Health Policy
- > Stakeholder Commitments
- > Product Responsibility



- > Board Diversity & Independence
- > Sustainability Policy & Reporting
- > Bribery & Anti-Corruption
- > Lobby Group Policy
- > Management of Subsidiaries

## ILIM'S THREE-PILLAR APPROACH TO APPLYING ESG

### EXCLUSIONS

Exclude companies harmful to the environmental/social objectives of a sustainable society

Companies are excluded if their:

- > products cause harm when used as intended
- > production causes significant harm
- > behaviour is shown to be harmful

### ESG INTEGRATION

Incorporate ESG criteria as part of stock selection and the portfolio construction process

We enhance exposure if the company:

- > has strong ESG credentials relative to competitors
- > generates revenues from more sustainable business activities

### RESPONSIBLE OWNERSHIP

Encourage better standards and management processes around key ESG risks

This is done via:

- > shareholder voting
- > constructive engagement
- > operating in a manner that emphasises the importance of ESG factors in industry
- > regulatory forums

## ILIM'S RESPONSIBLE INVESTMENT JOURNEY





# ILIM's Credentials

Helping people build  
better futures



# ILIM'S CREDENTIALS



ILIM currently manages €91.6 billion of assets (as at 30 September 2022) from clients including private investors and leading Irish and international companies. By investing in one of these funds through an Irish Life Assurance pension, savings or investment plan, you will benefit from ILIM's experience and expertise.

ILIM is a multi-award winner, recognised internationally for its expertise, innovation and track record:



## IRISH LIFE MAPS®

- > Choice is offered across a range of funds
- > Aims for smoother returns over the long term
- > Risk management aims to keep returns on track
- > Peace of mind through regular reviews
- > Available across our pension, investment and savings plans

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

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

**Warning:** These funds may be affected by changes in currency exchange rates.

For more details please see [www.irishlife.ie/investments](http://www.irishlife.ie/investments) or contact your financial broker or financial adviser.







Irish Life Investment Managers Ltd is regulated by the Central Bank of Ireland  
Irish Life Assurance plc is regulated by the Central Bank of Ireland