

Indexed Euro Hedged Global Equity Fund

The aim of the Irish Life Indexed Euro Hedged Global Equity Fund is to replicate the return of the FTSE World Euro Hedged Index (source FTSE).

In addition to the replication of the holdings within the FTSE World Index, the non-Euro currency positions are hedged on a monthly basis for 1 month using currency forwards. The currency positions are based on the geographical weights and the resulting currency exposures within the index and at the end of the following month are adjusted to reflect the revised geographical and consequent revised currency positions.

The forward positions are adjusted on a daily basis to account for any significant subscriptions and redemptions on the fund as they occur. This process ensures that the fund delivers the performance of the FTSE World Index having eliminated all fluctuations due to currency movements. At the end of December 2009 the non-Euro currency exposure within the FTSE World Index was 84.7%.

Irish Life Investment Managers launched the Indexed Euro Hedged Global Equity Fund in December 2009. This fund aims to provide the following:

1. Full replication of the FTSE World Index
2. All non-Euro currency exposures removed
3. Reduced volatility in returns by removing all non-Euro currency exposure
4. Cost efficient method of currency hedging
5. Partial hedged position can be created by blending allocations between the Indexed Global equity (unhedged) Fund and Indexed Euro Hedged Global Equity Fund

While benefiting from the advantages of a Global Equity portfolio in term of greater diversification and avoidance of sectoral and macro economic bias, Trustees will naturally wish to dampen the currency volatility within such portfolios from Funding Standard and other measurement purposes.

Irish Life Investment Managers can assist Trustees on execution by advising on the timing of transition to a hedged portfolio and by delivering full and partially hedged portfolios through the blending of the hedged and unhedged funds within the range.



Indexed Euro Hedged Global Equity Fund

The Irish Life Indexed Euro Hedged Global Equity Fund aims to replicate both the equity holding of the FTSE World Euro Hedged Index and the non-Euro currency hedging methodology used by FTSE. The Fund has been designed to provide clients with an efficient, cost effective, liquid exposure to a global equity fund with all non-Euro currency exposure removed.

Investment Objective

This Fund is designed to track the performance of the FTSE World Euro Hedged Index. This is an index created by FTSE for Irish Life.

The Indexed Euro Hedged Global Equity Fund invests in a diverse range of global equities and the Fund is managed on an indexed basis and this means that the country, sector and stock allocations within the fund are dictated by the FTSE World Index. The non-Euro currency elements of the Fund are hedged back to Euro to eliminate all currency risk for a € investor.

Key Fund Characteristics

Launch Date: December 2009 **Fund Manager:** - Irish Life Investment Managers
Fund Structure: Life Fund **Currency:** Euro

Country Allocation

Regional/Country Exposure	%
USA	50
E/zone	13
Pacific	10
Japan	9
UK	8
Europe	5
BIMSA	5

Hedged Currencies

Hedged Currencies	% Weight	Hedged Currencies	% Weight
United States	46	Denmark	1
United Kingdom	8	Canada	4
Singapore	1	Mexico	1
Australia	4	Brazil	2
Japan	9	South Africa	1
Hong Kong	2	Korea	2
Sweden	1	Taiwan	2
Switzerland	3		

For further information please contact

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Irish Life Investment Managers is regulated by the Financial Regulator

Warning: Past performance may not be a reliable guide to future performance. Investments may fall as well as rise in value. The performance of contributions in any given year will depend on both the frequency and the duration of the contributions. Income may fluctuate in accordance with the market conditions and taxation arrangements. Simulated performance may not be a reliable guide to future performance. Changes in currency exchange rates may have an adverse effect on the value, price or income of the product. Market conditions may sometimes require us to impose certain restrictions to switches or exits from your pension funds. These restrictions may include a delay in switching funds and/or applying a market value adjustment to the fund.



Irish Life
Investment Managers