IRISH LIFE INVESTMENT
MANAGERS LIMITED (“ILIM”)

Irish Life

INDEXATION STRATEGIES DISCLOSURES FOR THE EU SUSTAINABLE FINANCE DISCLOSURE REGULATION (SFDR)

Status under the EU Sustainable Finance Disclosure Regulation (SFDR)

Irish Life Investment Managers (“ILIM”) has categorised a number of Indexation strategies as meeting the provisions set out in Article 8 of SFDR for products which promote environmental and/or social characteristics, as further described below.

1. What are the environmental and social characteristics promoted by the strategies?

The strategies are passively managed. Their objective is to track the performance of the relevant Index. The relevant Index aims, among other characteristics to promote environmental and/or social characteristics as set out in the index objective (see section 3 below).

2. How are the environmental and social characteristics measured by the strategies?

In order to meet the environmental and/or social characteristics promoted, the strategy aims, in so far as is possible, for full replication of the underlying constituents of the index in line with ILIM’s approach to indexation.

Underlying investments can also consist of assets that are not relevant to the environmental and/or social characteristics promoted by the strategy, including but not limited to hedging instruments, derivatives, or money market instruments.

In addition, as a responsible investor, ILIM adopts an active ownership approach across its equity holdings, which aims to maximise the medium- to long-term value for our clients. ILIM uses the discretion afforded to it under a client’s Investment Management Agreement to exercise voting rights and to constructively engage with investee companies, encouraging better standards and management processes covering financially material ESG risks.

3. How are the environmental and social characteristics met by the strategies?

The information below relates to the individual strategies and their relevant indices:

Irish Life Sustainable Index Range (Developed Equity, Emerging Market Equity, Corporate Bonds)

The specific indices which fall into this range include;

- Solactive ILIM Sustainable Global Market Equity Index (ACWI)
- Solactive ILIM Sustainable Developed Market Equity Index
- Solactive ILIM Sustainable Developed Market Equity Index (EUR hedged)
- Solactive ILIM Sustainable Emerging Market Equity Index
- Irish Life Sustainable Equity Fund (legacy property)
- ICE ILIM Sustainable Euro Corporate Bond Index

These strategies follow the Irish Life Sustainable Indices. These Indices are designed to deliver market returns with enhanced exposure to more sustainable companies and a better alignment to the low carbon transition economy.

These Indices uses both exclusionary screening and integrates Sustainability criteria into its security selection process, both of which ILIM believe can improve the risk profile of the strategies' portfolio relative to the respective market capitalisation index.

These Indices follow ILIM's exclusion policy which targets the exclusion of business activities that damage the environmental or social objectives of a sustainable environment in addition to excluding companies that demonstrate harmful corporate behaviour or produce products that harm when used as intended or where production causes significant harm.

These indices select securities using Sustainability criteria (in addition to an assessment of their governance practices) in order to: Remove exposures to the lowest ESG rated companies and increase exposure to better ESG rated companies based on their level of ESG rating; and Reduce exposure to companies with high risk of "Stranded Assets" and large fossil fuel reserves and increasing exposure to companies with higher sustainable revenues which are best placed to benefit from the transition to a low carbon economy.

Irish Life Climate Focused Fund

The Climate Focused Fund aims to deliver market returns coupled with increased sustainable characteristics. This is done by embedding climate risk in the investment process through minimising fossil fuel exposure and increasing investment in the green economy. This strategy follows a similar but altered methodology to the Irish Life Sustainable Indices with added focus on climate change and sustainability.

The strategy uses both exclusionary screening and integrates Sustainability criteria into its security selection process, both of which ILIM believe can improve the risk profile of the strategy's portfolio relative to the respective market capitalisation index.

The strategy follows ILIM's exclusion policy which targets the exclusion of business activities that damage the environmental or social objectives of a sustainable environment in addition to excluding companies that demonstrate harmful corporate behaviour or produce products that harm when used as intended or where production causes significant harm.

This strategy selects securities using sustainability criteria (in addition to an assessment of their governance practices) in order to:

- Remove exposure to companies' fossil fuel reserves or direct involvement in the fossil fuel industry or fossil fuel supply chain while increasing exposure to companies with higher sustainable revenues which are best placed to benefit from the transition to a low carbon economy.
- Reduce exposures to the companies with poor carbon and climate characteristics (laggards) and increase exposures to companies with better carbon and climate characteristics

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Irish Life Low Carbon Equity Income Fund

The Low Carbon Equity Income Fund aims to deliver market returns coupled with increased sustainable characteristics coupled with an elevated dividend yield versus a broad market index. This is done by embedding climate risk in the investment process through minimising fossil fuel exposure and increasing investment in the green economy. This strategy follows a similar but altered methodology to the Irish Life Sustainable Indices with added focus on climate change, sustainability and dividend yield.

The strategy uses both exclusionary screening and integrates Sustainability criteria into its security selection process, both of which ILIM believe can improve the risk profile of the strategy's portfolio relative to the respective market capitalisation index.

The strategy follows ILIM's exclusion policy which targets the exclusion of business activities that damage the environmental or social objectives of a sustainable environment in addition to excluding companies that demonstrate harmful corporate behaviour or produce products that harm when used as intended or where production causes significant harm. The strategy also removes exposure to the weapons industry.

This strategy selects securities using sustainability criteria (in addition to an assessment of their governance practices) in order to:

- Remove exposure to companies' fossil fuel reserves or direct involvement in the fossil fuel industry and fossil fuel supply chain while increasing exposure to companies with higher sustainable revenues which are best placed to benefit from the transition to a low carbon economy.
- Reduce exposures to the companies with poor carbon and climate characteristics (laggards) and increase exposures to companies with better carbon and climate characteristics

JP Morgan ESG EMBI Global Diversified Index

The strategy follows the JP Morgan ESG EMBI Global Diversified Index. This Index is designed as an environmental, social and corporate governance ("ESG") version of the JP Morgan EMBI Global Diversified Index ("EMBIGD"). The methodology for the Index is based on a starting universe that is the EMBIGD. The Index provider determines an ESG score for each constituent of the EMBIGD, using ESG criteria from three different data sources (RepRisk, Sustainalytics and Climate Bonds Initiative). These data providers are leaders in the field of independent ESG research in financial markets.

Each bond issuer is rated from 1 (highest) to 5 (lowest) based on the data provided. Issuers with a score of 1 are given 100% of their EMBIGD index market value, scores of 2 get 80%, 3 get 60%, 4 get 40% and 5 is excluded. Any issuer that is excluded will not be eligible for the 12 months after its ESG score is determined.

Climate Bonds identifies any bond that qualifies as a green bond for the purposes of the Index. These are bonds which are almost entirely linked with green and climate friendly assets or projects. If an instrument is categorised as a green bond by Climate Bonds, then it will get a one-notch rating upgrade (with scores of 1 not eligible for upgrade).

MSCI World ESG Screened ex Select Conventional Weapons Index

The strategy follows the MSCI World ESG Screened ex Select Conventional Weapons Index. This index is designed to screen out controversial business areas while maintaining a risk profile similar to traditional global equity benchmarks. It is comprised of global companies screened for exposure to thermal coal, weapons, tobacco and other controversial industries. These companies are excluded based on specific environmental, social and governance (ESG) criteria.

RAFI ESG Index The strategy follows the RAFI™ ESG Index.

This Index is designed to promote sustainability, financial discipline, and gender diversity, while delivering the potential for added returns through a thoughtful smart beta approach. The strategy helps investors achieve the dual objectives of sustainability and long-horizon outperformance by combining traditional ESG metrics with financial discipline and gender diversity measures and with the proven return engine of the Fundamental Index™ approach.

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