

# How Irish Life takes account of sustainability risk in our investment decisions relating to saving, investment, and pension products

Irish Life Assurance plc  
Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”)

## 1. Our approach to the integration of sustainability risk in investment decisions

Irish Life Investment Managers Ltd. (ILIM) and Setanta Asset Management Ltd. (Setanta) manage most of the funds we offer on our products. ILIM and Setanta are related companies, within the same group as Irish Life Assurance. We also offer customers a range of funds managed by external investment managers.

ILA relies on its investment managers, and ILIM and Setanta in particular, to consider sustainability risks, where appropriate, when making investment decisions. ILIM and Setanta have policies to consider sustainability risks as part of their investment processes. ILIM and Setanta believe that considering sustainability risk is in the best interest of their clients. Both firms have a Responsible Investment Committee overseeing this area. Information on how other investment managers approach sustainability risks is available on their websites details of which have been included below.

Depending on the relationship with an individual investment manager we also agree the approach and criteria used to make investment decisions. The approach to managing sustainability risk will be different depending on the asset class and the investment strategy. Where appropriate we have given our investment managers the authority to use voting rights and to engage with investee companies on sustainability issues. This helps them to manage risk and deliver more sustainable

long term outcomes. We regularly engage with our investment managers to ensure their investment approach continues to meet our needs.

## 2. What is the likely impact of sustainability risks on the returns of investment products available from Irish Life?

The impacts of a sustainability risk vary depending on the specific risk and asset class. A sustainability risk may impact a specific investment fund, it may also impact an economic sector or geographical region and so impact underlying investments of the fund. If a sustainability risk occurs, there may be a sudden negative impact on the value of an investment. In extreme circumstances, the value of the full investment may be lost. Considering sustainability risks as part of investment decisions, as explained in section 1 above, helps minimise the risk of this happening.

### 3. Funds that promote environmental or social characteristics

Under SFDR investment funds which promote environmental or social characteristics (ESG funds) must be identified and certain information made available. Our most popular ESG funds are managed by ILIM and information in relation to how these funds meet ESG characteristics is provided below. In addition a list of ESG funds available from other investments managers has also been provided.

#### Irish Life Investment Managers

- > Irish Life Multi Asset Portfolios (MAPS)
- > Irish Life Retirement Portfolios (REPs)
- > Irish Life Pension Portfolios
- > Irish Life Consensus Fund, Consensus Equity Fund and Managed Portfolio Funds 2, 3, 4, 5 & 6
- > Indexed Ethical Global Equity Fund
- > Irish Property Fund
- > Empower Funds (Growth, Stability, Cautious Growth and High Growth)
- > Corporate Business PRSA Funds (Cautious, Growth, Stability and Flexible ARF)
- > Corporate Business Consensus Plus Fund and Performance Pension Fund
- > Public Sector Adventurous, Balanced and Cautious Funds
- > Public Sector PRSA Adventurous Balanced and Cautious Funds

Other ESG funds are available and information in relation to these funds will be provided if required.

These funds aim to promote environmental and social characteristics and focus more on investment in sustainable companies and those with low carbon aims.

Depending on the fund, ILIM will invest in individual or multiple asset classes or strategies. ILIM will do this to achieve the overall fund objective and the fund's sustainability goals.

Different approaches will be used to manage sustainability risks depending on the asset class or strategy. For equity and credit investments, this may involve excluding or reducing investment in companies with poorer sustainability characteristics and increasing investment in companies with better sustainability characteristics. Alternatively, it may involve ILIM managing a fund against a specified index which itself aims to promote environmental or social characteristics. ILIM will use its voting rights and engage with investee companies on sustainability issues, if appropriate.

For property investments sustainability characteristics are considered when choosing properties and in the ongoing management of the property portfolio.

Where funds are managed externally we consider sustainability characteristics as part of the regular due diligence process for these fund managers.

Below is a list of external investment managers' ESG funds, you can find more information about these on their websites.

#### Amundi Asset Management

- > Amundi Absolute Return Multi-Strategy Fund
- > Amundi Multi-Asset Sustainable Future Fund
- > Amundi Euroland Equity Small Cap Fund
- > Amundi European Equity Conservative Fund
- > Amundi Global ESG Ecology Equity Fund

#### Davy

- > Davy Global Brands Fund
- > Davy Conservative Income and Growth Fund

#### Fidelity Worldwide Investment

- > Fidelity World Fund
- > Fidelity India Fund

In relation to funds which are not ESG funds (for the purposes of SFDR), the investments underlying those funds do not take into account the EU criteria for environmentally sustainable economic activities (within the meaning of Regulation (EU) 2020/852).

### Investment Manager websites



**ILIM:** [www.ilim.com/responsible-investing](http://www.ilim.com/responsible-investing)

**Setanta:** <https://www.setanta-asset.com/responsible-investing/>

**Amundi:** [www.amundi.com/int/ESG](http://www.amundi.com/int/ESG)

**Fidelity Worldwide Investment:** <https://www.fidelityinstitutional.com/en-gb/sustainable-investing/sustainable-investing>

**Davy:** [www.davy.ie/legal/disclosures/sustainable-finance.html](http://www.davy.ie/legal/disclosures/sustainable-finance.html)