



# Statement on principal adverse impacts of investment decisions on sustainability factors

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## INTRODUCTION TO PRINCIPAL ADVERSE IMPACTS



Irish Life Assurance Plc (“Irish Life”), as part of the Great-West Lifeco group of companies, hold Corporate and Social Responsibility as a core principle which helps our customers, our staff and our communities to build sustainable futures and which guide us in our approach to Responsible Investment, Climate Change and Risk Management.

Every asset in which we invest – whether this is for our own purposes or on behalf of our customers - has an impact in some way on the environment or society. Through our investment processes and stewardship practices, we have the ability to influence the impact our investments have on the environment and society.

The Sustainable Finance Disclosure Regulation (“SFDR”), established a framework for Irish Life to disclose the negative, material or likely to be material impact of its investment decisions on a number of specified environmental, social and employee matters; respect for human rights; anti-corruption and anti-bribery matters (“sustainability factors”).

This statement sets out how we identify, prioritise and seek to manage the adverse impacts of our activity on those sustainability factors across our portfolio, over time.



Financial market participant: Irish Life Assurance Company plc (“Irish Life”)  
Legal Entity Identifier: YYV6S3OE6EWZYI2FFW31

## SUMMARY

Irish Life Assurance Plc, Legal Entity Identifier YYV6S3OE6EWZYI2FFW31, considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors for assets managed by Irish Life.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2022 to 31 December 2022.

### Note on coverage of this Statement:

This PAI statement covers the majority of Irish Life’s total assets (circa 80%) (“**In-Scope Assets**”).

The In-Scope Assets are managed on behalf of Irish Life by the following investment managers who are appointed by Irish Life as “primary Investment managers”:

- > Irish Life Investment Managers Limited (ILIM – LEI TWBHJZDB2TYBXZPLM625);
- > Setanta Asset Management Limited (Setanta- LEI 635400OGCJBX1UFS6F61); and
- > Canada Life Asset Management Limited (CLAM – LEI 213800N6FQGY4U7I2F47),

**Note:** ILIM manages the majority of our portfolio, circa 83% as at 31 December 2022, and this statement should be read in conjunction with ILIM’s own statement on principal adverse impacts on sustainability factors which provides further detail (<https://www.ilim.com/media/2338/ilim-pai-statement-june-2023.pdf>).

The following assets in our portfolio are not covered by this statement:

- > Cash and derivatives such as equity or sovereign futures. These are not included in the assets which are taken into account under this statement because, by their nature, they do not have associated PAIs.
- > Assets which are invested in strategies/funds run by fund managers who are not part of the Irish Life group (“Third Party Managers”). These are not included in the assets which are taken into account under this statement because there are challenges around obtaining the necessary data from Third Party Managers. This is something we will keep under review and our intent is to expand the statement where practical and feasible to do so.
- > Investments for which there is insufficient or inadequate data.

## OUR RESPONSIBLE INVESTMENT PRIORITIES

Irish Life, in conjunction with our primary investment managers, has identified Climate Change, Human Rights and Corporate Governance as key investment priorities which govern our responsible investment approach given their importance for the long-term sustainability of all businesses and society as a whole.

As part of our approach to responsible investing, we aim to manage the negative impacts of our investment decisions on sustainability factors. The most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters are known as Principle Adverse Impacts (“PAIs”). Our key priorities can be linked to the following PAIs:

- > Greenhouse Gas (“GHG”) emissions (PAI 1-6)
- > Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10)
- > Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (PAI 14)

In addition to these prioritised PAIs, our primary investment managers have the discretion to take action to manage other PAIs based on their own approach and subject to ongoing reporting and monitoring.

We acknowledge we are part of an ongoing responsible investment journey and expect that, in conjunction with our primary investment managers, our approach will evolve over time and these changes will be captured within future disclosures.

## INFLUENCE ON PAI INDICATORS

As an asset owner, we manage assets which back our liabilities as a life assurance company (“General Account”) and manage assets on behalf of our customers (“Policyholder Assets”).

We have two main levers to influence the PAI indicators across our portfolio:

- > The approach taken to the investment management of our portfolio. We have the greatest scope to reflect our responsible investment priorities in respect of our assets which are invested in funds/strategies which are created and managed by the Irish Life Group and which are promoted as Article 8 under SFDR (“Proprietary Funds”).
- > The positive and constructive influence we bring to our investments in terms of direct engagement (where our primary investment managers engage unilaterally with the companies we invest in (“investee companies”) on our behalf) or collective action (where our primary investment managers, along with other like-minded investors, engage collaboratively with investee companies).

In addition, we recognise that outside of these specific levers of influence, the investee companies themselves may change or evolve their own business practices to be more sustainable.

## DESCRIPTION OF PRINCIPAL ADVERSE SUSTAINABILITY IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

The table below provides an overview of the mandatory PAI indicators and the two additional voluntary PAIs indicators which we are tracking and how we aim to manage them through our Responsible Investment approach.

**Table 1- Mandatory PAIs**  
**Indicators applicable to investments in investee companies**

Adverse sustainability indicator	Metric	Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>							
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	(tCO2eq)	1,323,560	N/A	N/A	<p><b>Overall Approach</b> One of the key responsible investment priorities for Irish Life is Climate Change.</p> <p>Through 2022, ILIM committed to transitioning its portfolio to net zero by 2050 and commenced setting interim targets. Throughout 2022 key actions taken included:</p> <ul style="list-style-type: none"> <li>&gt; ILIM strengthened its exclusion lists to specifically exclude companies with material exposures to certain fuel related activities;</li> <li>&gt; ILIM strengthened its voting and engagement programmes on climate issues and net zero targets.</li> </ul> <p>In 2023, Irish Life intends to formalise its commitment to addressing Climate Change across its portfolio and intends to set targets. This will align with commitments already made/ to be made by our primary investment managers.</p>
		Scope 2 GHG emissions	(tCO2eq)	361,311	N/A	N/A	
		Scope 3 GHG emissions	(tCO2eq)	11,226,097	N/A	N/A	
		Total GHG emissions	(tCO2eq)	12,910,968	N/A	N/A	
	2. Carbon footprint	Carbon footprint	(tCO2eq/ EURm)	412.0	N/A	N/A	
3. GHG intensity of investee companies	GHG intensity of investee companies (Scope 1, 2, 3)	(tCO2eq/ EURm)	898.5	N/A	N/A		
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	(% involved)	9.0%	N/A	N/A		
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	(% of portfolio)	64.3%	N/A	N/A		

		Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period
	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	(GWh/ EURm)				
	Agriculture, Forestry & Fishing (GWh/EURm)	(GWh/ EURm)	3.07	N/A	N/A	
	Construction (GWh/EURm)	(GWh/ EURm)	0.10	N/A	N/A	
	Electricity, Gas, Steam and Air Conditioning Supply (GWh/ EURm)	(GWh/ EURm)	3.01	N/A	N/A	
	Manufacturing (GWh/EURm)	(GWh/ EURm)	1.20	N/A	N/A	
	Mining & Quarrying (GWh/EURm)	(GWh/ EURm)	1.85	N/A	N/A	
	Real Estate Activities (GWh/ EURm)	(GWh/ EURm)	0.39	N/A	N/A	
	Transportation & Storage (GWh/ EURm)	(GWh/ EURm)	1.71	N/A	N/A	
	Water Supply, Sewerage, Waste Management & Remediation (GWh/EURm)	(GWh/ EURm)	0.48	N/A	N/A	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles (GWh/EURm)	(GWh/ EURm)	0.09	N/A	N/A	

Adverse sustainability indicator		Metric	Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	(% involved)	8.2%	N/A	N/A	<p>Climate change is also intricately linked to biodiversity loss and the success in tackling these issues are interdependent.</p> <p>This is an emerging area and we will continue to work with our primary investment managers to evolve and enhance our approach to addressing biodiversity across our investment portfolio.</p> <p>As part of the active ownership activity undertaken on our behalf (primarily through ILIM), our primary investment managers have been involved in direct and collaborative engagement on environmental issues, of which biodiversity, while not the primary focus, has been discussed. The selection of investee companies is determined by each manager's own approach.</p>
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	(t/EURm)	0.16	N/A	N/A	<p>This is an emerging area where data coverage and availability is improving. We will continue to work with our primary investment managers to understand their approach. We have addressed this PAI generally through the active ownership activities undertaken on our behalf (primarily through ILIM) both directly and collaboratively.</p>
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	(t/EURm)	6.84	N/A	N/A	<p>This is an emerging area where data coverage and availability is improving. We will continue to work with our primary investment managers to understand their approach.</p> <p>We have addressed this PAI generally through the active ownership activities undertaken on our behalf (primarily through ILIM) both directly and collaboratively.</p>

Adverse sustainability indicator	Metric	Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>							
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	(% involved)	0.6%	N/A	N/A	<p>Irish Life recognises Human Rights and Good Governance as key responsible investment priorities.</p> <p>For our Article 8 products, Irish Life has identified adherence to global internationally accepted norms and standards relating to human rights, labour rights, the environment and business ethics as a minimum investment criteria. Our approach reduces our exposure to companies with identified violations of international norms including UN Global Compact Principles and OECD Guidelines for Multinational Enterprises.</p> <p>Additionally, as part of the active ownership activity undertaken on our behalf, investee companies identified as having violations of international norms including UN Global Compact Principles and OECD Guidelines for Multinational Enterprises will be subject to engagement and/or voting activity – primarily through ILIM.</p>
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance / complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	(% involved)	60.5%	N/A	N/A	<p>Irish Life recognises Human Rights and Good Governance as key responsible investment priorities.</p> <p>As part of the active ownership activity, undertaken on our behalf (primarily through ILIM), engagement is undertaken with investee companies regarding the potential lack of alignment with these processes and compliance mechanisms and we expect investee companies to have such process and mechanisms in place to monitor compliance with UNGC.</p>



Adverse sustainability indicator		Metric	Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	(% of portfolio)	15.2%	N/A	N/A	<p>As part of the active ownership activity undertaken by our primary investment managers, in 2022 ILIM launched an engagement programme focusing on companies that lack sufficient diversity on the board level. This program also addresses issues regarding gender pay gap issues.</p> <p>In addition, our proxy voting activity undertaken by ILIM on our behalf demonstrates support for shareholder proposals that seek disclosure on gender pay gap information within companies.</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	(% Female)	33.4%	N/A	N/A	<p>As part of the active ownership activity undertaken by ILIM on our behalf, ILIM launched an engagement programme focusing on investee companies that lack sufficient diversity on the board level. This program also addresses issues regarding a lack of gender diversity in leadership positions as well as in the wider workforce.</p> <p>As part of the proxy voting activity undertaken on our behalf, ILIM introduced specific gender diversity thresholds which have been adopted for different markets, that follow best practices and local regulations, and hold the most appropriate directors accountable if the board lacks gender diversity.</p> <p>In addition, the proxy voting activity undertaken by ILIM on our behalf supports shareholder proposals that seek additional disclosure on diversity, equity and inclusion</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	(% Involved)	0.0%	N/A	N/A	<p>For our Article 8 products, companies involved in the production and sale of Controversial Weapons (nuclear, cluster, anti-personnel mines and biological weapons) are excluded from investment.</p> <p>Our approach reduces our exposure to companies involved in the manufacture or selling of controversial weapons.</p>

Adverse sustainability indicator		N/A	N/A	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
<b>INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS</b>							
Environmental	15. GHG intensity	GHG intensity of investee countries	(KtonCO2eq/ EURm)	0.15	N/A	N/A	<p>The majority of our portfolios' sovereign bond exposures are Euro government bond funds and PAIs are not targeted for these products. This is currently under review.</p> <p>Irish Life has a number of sovereign bond funds which promote E/S characteristics (Article 8 under SFDR) and incorporate ESG data. Such Article 8 funds may have an increased allocation to green bonds and may have improved country-level carbon intensity scores.</p>
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	(# of countries)	2*, 2%	N/A	N/A	<p>Irish Life's primary investment managers follow specified sanctions of the EU and follow any associated mandatory investment restrictions to which the firm is subject.</p> <p>*Note: There was some exposure to Russian bonds in Q1 2022 before the outbreak of the war between Russian and Ukraine. The vast majority of Russian bonds were sold in Q2 2022 and any bonds which couldn't be sold are currently valued at zero.</p> <p>Ukraine is also deemed to be subject to social violations primarily due to the impact of the war on the country.</p>
<b>INDICATORS APPLICABLE TO INVESTMENTS IN REAL ESTATE ASSETS</b>							
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	(% of portfolio)	0%	N/A	N/A	Irish Life does not hold any direct property which has exposure to real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	(% of portfolio)	49.4%	N/A	N/A	Irish Life holds direct property assets through ILIM and as part of our responsible investment approach, ILIM invests in property assets which have strong energy efficiency. ILIM also aims where possible to improve the energy efficiency of less efficient assets within its property portfolios. ILIM is continually seeking, where able, to reduce the level of assets within its portfolios which are deemed energy inefficient.

**Table 2- Voluntary environmental PAIs**  
**Other indicators for principal adverse impacts on sustainability factors**

Adverse sustainability indicator	Metric	Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
<b>INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES</b>							
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>							
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	(% of portfolio)	34.8%	N/A	N/A	<p>Irish Life has identified Climate Change as a key investment priority.</p> <p>As part of the Net Zero Commitments made by ILIM in 2022, engagement is undertaken with investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement in order to encourage such companies to set emissions targets.</p> <p>In 2023, Irish Life intends to formalise its commitment to addressing Climate Change across its portfolio and intends to set targets. This will align with commitments already made/ to be made by our primary investment managers.</p>

**Table 3- Voluntary Social PAIs**

Adverse sustainability indicator	Metric	Metric (unit)	Impact (year n)	Impact (year n-1)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>							
Human Rights	9. Lack of a human rights policy	Share of investments in entities without a human rights policy	(% of portfolio)	6.5%	N/A	N/A	<p>Irish Life recognises Human Rights as a key responsible investment priority.</p> <p>Through the active ownership programmes undertaken on our behalf, we engage with investee companies both directly and collaboratively around human rights- primarily ILIM. Among our engagement objectives on that topic, we expect companies to have a human rights policy.</p>

## DESCRIPTION OF POLICIES TO IDENTIFY AND PRIORITISE PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

Irish Life Assurance Plc has a Responsible Investment Policy (approved on 28 June 2023) (the “Responsible Investment Policy”) which outlines our responsible investment principles and sets out how these are to be incorporated into our requirements for investment activities and ownership practices. The Responsible Investment Policy forms part of our Investment Policy as approved each year by the Board of Directors of Irish Life Assurance Plc.

Irish Life expect our primary investment managers to have policies and/or procedures in place to manage PAIs within their investment decision making in relation to the assets they manage on our behalf.

In conjunction with our primary investment managers, we have identified specific PAI indicators which align with our responsible investment principles and which are prioritised across our investment portfolio.

Having reviewed their approach, and subject to ongoing reporting and monitoring, Irish Life have enabled our primary investment managers to adopt their own approach, which may differ by asset class, investment style or mandate, to the identification and prioritisation of PAIs, based on their own policies. We acknowledge that they may only consider a subset of the PAI indicators which they deem relevant for the respective product or mandate they are responsible for managing.

There may be circumstances where such PAIs are not relevant to certain asset classes or types of investment or where it may not be practical or proportionate to so identify them because of the investment strategy or due to the specific investment outcomes targeted by the respective investment strategy.

The responsibility for the implementation of the approach to PAIs is allocated as follows:

- > **Irish Life Assurance Plc’s Board of Directors:** The board of directors is Irish Life Assurance Plc’s decision-making body. The board has the responsibility of monitoring the policies including the Responsible Investment Policy to ensure their ongoing appropriateness.
- > **Irish Life Group Executive Sustainability Committee:** This committee is comprised of senior leadership across the Irish Life Group and is responsible for reviewing and monitoring progress on Irish Life’s Sustainability Strategy which includes its Responsible Investment Strategy.
- > **Irish Life Executive Investment Risk Committee:** This committee is responsible for overseeing and monitoring the investment management activity undertaken on behalf of Irish Life and specifically its adherence to the Responsible Investment Policy.
- > **Primary Investment Managers:** These managers are responsible for managing assets on behalf of Irish Life and in accordance with the Responsible Investment Policy.

## MARGIN OF ERROR WITH OUR METHODOLOGIES

Irish Life are reliant on the quality of data received from the third-party data providers appointed by our primary investment managers. The methodologies used to identify PAIs are subject to data availability and quality with some PAI indicators having more readily available, and less estimated data, than others.

Where PAI data from third-party data provider is not available or is not of adequate quality, this may be excluded from the PAI calculations. An added limitation in terms of data availability is that Irish Life do not currently gather PAI data from third party managers or in relation to derivatives.

Irish Life, through our primary investment managers, continuously work with our data providers to improve data coverage. While it is hard to ascertain the exact margin of error relating to ESG data used and the corresponding methodologies, we engage with our data providers to reduce any margin of error involved as much as possible.

ESG data disclosure is continually improving which will help improve the accuracy of the data and to reduce any associated margin of error.



## DATA SOURCES

Our primary investment managers have partnered with Sustainalytics, one of the world's largest research and data providers and work with other third-party data providers to analyse the PAIs of our investment portfolio.

PAI data and corporate reporting continues to evolve and information is not always available and/or may contain inaccuracies and may be subject to restating in future statements. This is particularly the case in the following circumstances:

- > Data obtained from companies in jurisdictions where disclosure requirements to report are not as developed and/or where there is a lower level or quality of disclosure or data may not be available. In such circumstances estimation models may be used by data providers which may result in inaccuracies or data having to be amended over time as more detailed information is made available.
- > from external managers where a standardised data provision approach is not well established at this time.

As part of our ongoing commitment to transparency and reporting, our primary investment managers aim to:

- > co-operate with third party data providers to expand their existing datasets and product ranges.
- > collaborate with international initiatives that are working to improve the availability and quality of relevant company disclosures.<sup>1</sup>
- > explore new voluntary mechanisms and emerging 3rd party aggregation solutions for sourcing ESG data from 3rd party managers in which we invest.

All information contained in this PAI Statement (including the PAI impact percentages) are, to the best of our knowledge and belief, true and accurate at the time of publication. Irish Life has relied solely on data obtained from third party data providers ("Third Party Data") to calculate the PAI impact percentages. Irish Life shall not be responsible or liable for any errors, inaccuracies or inconsistencies in the PAI impact percentages which arise as a result of our reliance on such Third-Party Data.

<sup>1</sup>See 'References to international standards' section below for more details on ILIM's advocacy for sustainable disclosures.

## ENGAGEMENT POLICIES

Irish Life considers active ownership as the use of the rights and position of shareholders in investee companies to influence the activities or behaviour of such companies, through engagement and voting activities.

We recognise the crucial role of companies and industries in the global economy and the need for their transformation to enable the creation of a more sustainable economy. We believe that, as an active owner, we have the ability to influence investee corporate behaviour to transition towards a sustainable future and support the longer-term success of such companies and generally, believe this is more effective than excluding companies from investment portfolios.

Having reviewed their approach, and subject to ongoing reporting and monitoring, Irish Life has enabled our primary investment managers to adopt their own approach to exercising voting rights, as well as constructively engaging with investee companies, to promote better sustainable practices and outcomes in investee companies. For each respective manager, these policies include:

- > selection of priorities (and alignment with PAIs)
- > how engagement is conducted.
- > governance of the engagement process; and
- > tracking, escalation and conclusion of the engagement.

The voting and engagement activities undertaken on behalf of Irish Life are monitored through our ongoing reporting and oversight of our primary investment managers. This also includes a review of PAIs.

When there is insufficient progress on prioritised PAIs, we can discuss with our primary investment managers, their approach to the selection of engagement themes, selection of companies for engagement and/or voting, as well as the engagement processes including escalation strategy and objectives setting.

## REFERENCES TO INTERNATIONAL STANDARDS

Irish Life believes that ongoing adherence to and the development of strong responsible investment standards, regulations and frameworks, are fundamental to our commitment to embedding sustainability.

### 1. Alignment with the Paris Agreement (links to PAI 1-6)

Over 2022, ILIM signed up to the Net Zero Asset Managers Initiative with a commitment to support investing aligned with net zero emissions by 2050 or sooner. Interim targets have been set with further detail on the scope and methodologies used available from on the ILIM website.

Over 2023, Irish Life intends to further formalise its own approach to aligning with the Paris Agreement and further detail will be made available through the course of the year.

ILIM and Setanta report in line with the Task Force on Climate-Related Financial Disclosures.

Over 2023, we intend to formalise our approach to assessing and informing our investment decisions around the risk of Climate Change and the way in which we can align our portfolio with the Paris Agreement.

### 2. UN Global Compact, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights (links to PAI 10 and 11)

Companies eligible for investment are expected to operate within internationally accepted norms and standards related to human rights, labour rights, the environment, and business ethics.

For our Article 8 products, Irish Life requires our primary investment managers to use norms-based screening to identify companies that egregiously violate global norms in the areas of human rights, labour rights, the environment, and business ethics.

### 3. Additional International Codes and Standards

In addition, our primary investment managers adhere to the following:

- > ILIM and Setanta are signatories to the UN Principles for Responsible Investment; and
- > CLAM is a 2022 signatory to the UK Stewardship Code.

## HISTORICAL COMPARISON

As 2022 is the first year of reporting, there are no comparative periods to report. A comparison between the 2022 and 2023 PAI indicators will be provided in the 2023 PAI Statement which will be made available in June 2024.

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The author cannot make a personal recommendation for any person and you should seek personal investment advice as to the suitability of any investment decision or strategy to your own needs and circumstances. Any comments on specific stocks are intended as an objective, independent view in relation to that stock generally, and not in relation to its suitability to any specific person.

ILIM may manage investment funds which may have holdings in stocks commented on in this document. Past performance may not be a reliable guide to future performance. Investments may go down as well as up. Funds may be affected by changes in currency exchange rates.

Irish Life Investment Managers (ILIM) is an appointed investment manager to Irish Life Assurance plc

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