



Annual Sustainability Report MAPS Markets (2) Fund

December 2023

Version 23/1

Helping people build
better futures

Introduction

At Irish Life, we believe in doing right by your money by helping build a better future for all.

Through Irish Life Investment Managers (“ILIM”) we invest your money in a responsible way that benefits you and the planet.

Product Name: MAPS Markets (2) Fund

Legal Entity Identifier: YYV6S3OE6EWZYI2FFW31

Status under the EU Sustainable Finance Disclosure Regulation (SFDR)

There are new rules which require any fund which promotes environmental and/or social characteristics to provide detailed sustainability related disclosures to prospective customers.

As this Fund has been categorised as meeting the provisions set out in Article 8 of the EU SFDR, this report provides further details on what the sustainability related ambitions of the Fund are and how the sustainability related ambitions of the Fund are met.

Investment Objective

This Fund holds a mix of assets such as bonds, shares, property, cash, and alternative assets. It also features underlying risk management strategies seeking to smooth investment returns. Among other characteristics, the Fund aims to promote environmental and social characteristics including enhanced exposure to more sustainable companies and a better alignment to the low carbon transition economy. Irish Life monitors and rebalances the Fund regularly and may change the investment asset mix over time.



Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> It made sustainable investments with an environmental objective: __%</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made sustainable investments with a social objective: __%</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>
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Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

This Fund specifically aims to:



Reduce the impact of the Fund on Climate Change
(relative to the appropriate broad market benchmark)



Increase the Fund's exposure to companies with improved sustainability and lower ESG risk scores
(relative to the appropriate broad market benchmark)

The indicators used to measure the outcomes of this approach are:



Reduce the impact of the Fund on Climate Change

- > Reduction in carbon intensity of the portfolio versus the appropriate broad market benchmark.
- > Reduction in fossil fuel involvement of the portfolio versus the appropriate broad market benchmark.



Increase the Fund's exposure to companies with improved sustainability and lower ESG risk scores

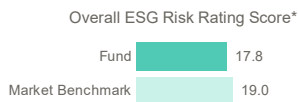
(relative to the appropriate broad market benchmark)

- > Reduction in the overall ESG risk scores versus the appropriate broad market benchmark.

How did the sustainability indicators perform?

Overall ESG Risk Rating

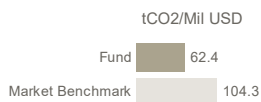
The Environmental, Social & Governance (ESG) Risk Rating measures the degree to which a company's economic value is at risk due to not considering ESG factors using a calculation of the company's unmanaged ESG risks.



*A lower score indicates a lower level of unmanaged ESG risk and potential risk to the economic value.

Carbon Intensity*

Carbon intensity is a metric used to compare company emissions across industries. The absolute emissions is divided by total earnings with the figure expressed in tonnes of carbon dioxide equivalent per million USD of total revenue.

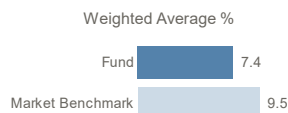


*Carbon intensity equals Scope 1 and 2 emissions only.

Note: ESG risk scores and carbon metrics are currently calculated for equity and corporate bond only which represent 56.4% of the portfolio.

Fossil Fuel

Fossil Fuel Involvement measures the percentage of earnings that companies get from thermal coal extraction, coal-based power generation, oil and gas production, oil and gas based power generation, and oil and gas related products and services.



...and compared to previous periods?

Overall ESG Risk Rating

The Environmental, Social & Governance (ESG) Risk Rating measures the degree to which a company's economic value is at risk due to not considering ESG factors using a calculation of the company's unmanaged ESG risks.

	2023	2022
Fund	17.8	18.7
Market Benchmark	19.0	19.9

Carbon Intensity

Carbon intensity is a metric used to compare company emissions across industries. The absolute emissions is divided by total earnings with the figure expressed in tonnes of carbon dioxide equivalent per million USD of total revenue.

	2023	2022
Fund	62.4	77.5
Market Benchmark	104.3	140.7

Fossil Fuel

Fossil Fuel Involvement measures the percentage of earnings that companies get from thermal coal extraction, coal-based power generation, oil and gas production, oil and gas based power generation, and oil and gas related products and services.

	2023	2022
Fund	7.4	8.8
Market Benchmark	9.5	10.5

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This Fund did not commit to making sustainable investments or investments aligned with the EU Taxonomy.

While this Fund is designed to consider and contribute to the sustainability of our environment and society within the provisions of Article 8 of the SFDR, it is not specifically designed to make “sustainable investments” as defined under SFDR or to make investments which qualify as “environmentally sustainable” under the EU Taxonomy. Notwithstanding this, some of the Fund’s investments were aligned with the EU Taxonomy. The environmental objective of these investments was “climate change mitigation” per Article 9 of the EU Taxonomy.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

N/A - This Fund did not commit to making sustainable investments or investments aligned with the EU Taxonomy.

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A - This Fund did not commit to making sustainable investments or investments aligned with the EU Taxonomy.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A - This Fund did not commit to making sustainable investments or investments aligned with the EU Taxonomy.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund aims to reduce negative impacts to the environment and society. These negative impacts are also called adverse impacts, of which the most significant are referred to as Principal Adverse Impacts (PAI).

Where possible and feasible, and in line with the nature of the investments, a number of adverse impacts are structurally and systematically considered as part of this Fund’s investment decision making. This consideration occurs before making investment decisions and, where an investment is made, as part of our ongoing monitoring and management of that investment.

We consider the following key PAIs in our decision making:



Impact on climate change:

- > Greenhouse gas emissions
- > Carbon footprint
- > Exposure to companies active in the fossil fuel sector



Impact on society:

- > Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- > Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)

Investment decisions result in more capital allocation to companies with improved PAI indicators as a result of the ESG data integration.

Further details on the principle adverse impacts can be found at

<https://www.ilim.com/media/2265/ilim-pai-regulatory-document.pdf>



What were the top investments of this financial product?

Average, 01 January 2023 to 31 December 2023

Largest Investments	Sector	% Assets	Country
FRANCE, REPUBLIC OF	Sovereign	2.0%	France
ITALY, REPUBLIC OF	Sovereign	2.0%	Italy
GERMANY, FEDERAL REPUBLIC OF	Sovereign	1.8%	Germany
SPAIN, KINGDOM OF	Sovereign	1.3%	Spain
BNP PARIBAS SA	Banking	0.8%	France
BANQUE FEDERATIVE DU CREDIT	Banking	0.8%	France
CREDIT AGRICOLE SA	Banking	0.7%	France
UNITED STATES TREASURY	Sovereign	0.7%	United States
BPCE SA	Banking	0.6%	France
ING GROEP NV	Banking	0.5%	Netherlands
SOCIETE GENERALE SA	Banking	0.5%	France
2 GRAND CANAL SQUARE	Property	0.5%	Ireland
UNIBAIL-RODAMCO-WESTFIELD	Real Estate	0.5%	France
JAPAN (GOVERNMENT)	Sovereign	0.5%	Japan
APPLE INC	Information Technology	0.5%	United States

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period.



What was the proportion of sustainability-related investments?

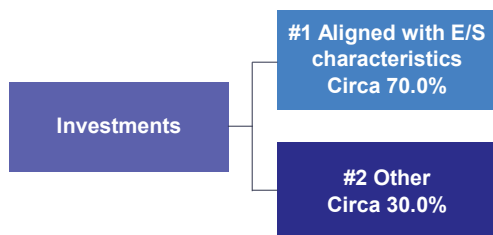
The Fund invests in a mix of assets such as cash, government bonds and corporate bonds, equities, property, alternative strategies, and externally managed specialist funds.

The promotion of environmental or social characteristics were applied across the majority of below assets classes and the majority of the Funds associated with the below listed asset classes are classified as Article 8 under SFDR regulation:

- i. Equity
- ii. Corporate Fixed Income
- iii. Property
- iv. Externally managed investment funds

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

In which economic sectors were the investments made?

The product is a broad market offering and invests in asset classes which can be classified into sectors. The table below illustrates the sector breakdown of the corporate fixed income and equity investments made by the product.

Investments by sector*	
BANKING	17.9%
SOVEREIGN	14.8%
PROPERTY	5.7%
UTILITY	5.3%
FINANCIAL SERVICES	5.2%
REAL ESTATE	4.7%
TELECOMMUNICATIONS	3.5%
ENERGY	3.4%
INFORMATION TECHNOLOGY	3.4%
CONSUMER GOODS	3.3%
AUTOMOTIVE	3.3%
HEALTHCARE	2.9%
FINANCIALS	2.6%
OTHER	24.0%

While the product seeks to achieve a reduction in exposures to the fossil fuel industry through the promotion of environmental characteristics, companies with revenue involvement to the below fossil fuel activities remain:

- > exploration of fossil fuels
- > mining of fossil fuels
- > extraction of fossil fuels
- > production of fossil fuels
- > processing of fossil fuels
- > storage, refining, distribution (including transportation and storage and trade) of fossil fuels

The Fund's corporate fixed income and equity exposure to companies with involvement in the above sectors is estimated to be 7.4%. This compares favourably to the broad market benchmark which has 9.5% exposure.



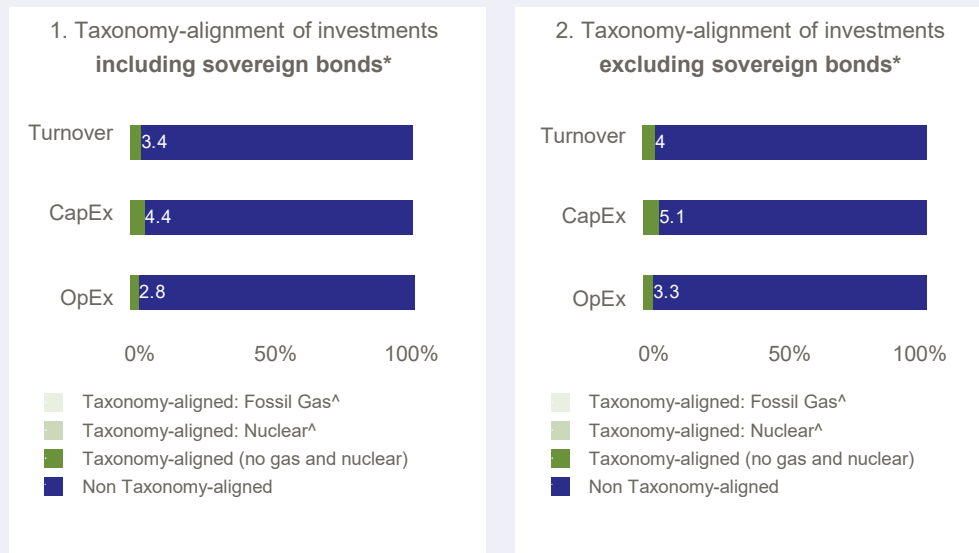
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Although the Fund promoted environmental and social characteristics, the Fund's investment strategy does not explicitly target sustainable investments that are aligned with the EU Taxonomy criteria. Notwithstanding this, some of the Fund's investments were aligned with the EU Taxonomy. The environmental objective of these investments was "climate change mitigation" per Article 9 of the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy? (1)

Yes
 No
 In fossil gas[^] In nuclear energy[^]

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

[^]Data relating to Taxonomy aligned Fossil Gas and Nuclear is not currently available. Data relating to these activities will be populated once the data becomes available.

What was the share of investments made in transitional and enabling activities?

The proportion of investments made by the Fund in transitional and enabling activities was 1.5% during the reference period.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transactional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- > **turnover** reflecting the share of revenue from green activities of investee companies.
- > **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- > **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

(1) Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

1. Taxonomy-alignment of investments including sovereign bonds*

Taxonomy-aligned (no gas and nuclear)	2023	2022
Turnover	3.4	2.7
CapEx	4.4	2.7
OpEx	2.8	0

2. Taxonomy-alignment of investments excluding sovereign bonds*

Taxonomy-aligned (no gas and nuclear)	2023	2022
Turnover	4.0	3.1
CapEx	5.1	3.1
OpEx	3.3	0

*For the purpose of these tables, 'sovereign bonds' consist of all sovereign exposures.

The taxonomy data shown reflects climate change mitigation revenues only. Revenues related to climate change adaptation are not material and will be added in due course.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A - This Fund did not commit to making sustainable investments or investments aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

The Fund did not intend to make any investments in sustainable investments with a social objective.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What investments were included under “Other”, what was their purpose and were there any minimum environmental or social safeguards?

This product may invest in assets such as bonds, equities, property, alternative strategies, and externally managed specialist funds. Investments classified as "Other" include:

- > Cash
- > Developed Sovereign Fixed Income

The investments classified as "Other" form part of the multi-asset portfolio strategy and are vital parts of the risk/return framework of the strategy as well as meeting the liquidity needs of the product, i.e. to service inflows (outflows) to (from) the product.

There are no specific environmental or social safeguards applied to this part of products assets. However, for cash, we apply our exclusion policy which sets the baseline for investments, below which companies are deemed ineligible for the investment due to the company's products, or behaviours causing harm.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund commits to allocating a minimum of 75% of the Fund's Assets (excluding neutral assets*) to strategies which support the Fund attaining the promoted Environmental or social characteristics. This is subject to a further constraint of at least 50% of the Fund's total assets being allocated to strategies which support the Fund attaining the promoted Environmental or social characteristics.

*assets such as cash and government bonds are deemed neutral under SFDR.



How did this financial product perform compared to the reference benchmark?

How did the reference benchmark differ from a broad market index?

N/A - The Fund follows a multi-asset strategy and does not have a reference benchmark.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A - The Fund follows a multi-asset strategy and does not have a reference benchmark.

How did this financial product perform compared with the reference benchmark?

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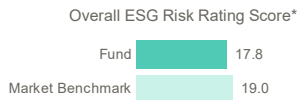
How did this financial product perform compared with the broad market index?

N/A - The fund does not have a broad market benchmark.

The Fund is a multi-asset strategy consisting of allocations to a number of investment funds in specified asset classes. The investment funds which are classified as Article 8 have individual benchmarks and the individual funds show improvements in E/S characteristics versus their individual benchmarks.

Overall ESG Risk Rating

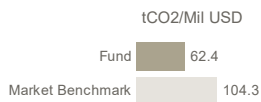
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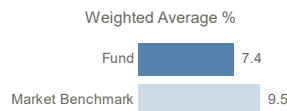
Carbon Intensity*

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Fossil Fuel

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Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This disclosure is being made in accordance with the Sustainable Finance Disclosure Regulation (SFDR). It does not constitute investment advice and has not been prepared based on the financial needs or objectives of any particular person, and does not take account of the specific needs or circumstances of any person. You should seek personal investment advice as to the suitability of any investment decision or strategy to your own needs and circumstances. 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.

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