



Annual Sustainability Report Portfolio 5 (PRSAs)

December 2024

Version 24/1

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.

Product Name: Portfolio 5 (PRSAs)

Legal Entity Identifier: YYV6S3OE6EWZYI2FFW31

Status under the EU Sustainable Finance Disclosure Regulation (SFDR)

The Fund promotes environmental and/or social characteristics within the meaning of Article 8 of the SFDR. This document provides information on the environmental and/or social characteristics promoted by the Fund.

Fund Description

The Pension PRSAs (5) ("Fund") is a multi-asset fund that invests across a range of underlying investment funds that invest in bonds, shares, cash, property and alternatives. It features underlying risk management strategies. Irish Life Investment Managers monitors and rebalances the Fund regularly and may change the investment asset mix over time. The Fund also promotes environmental and/or social characteristics as per Article 8 of the SFDR. Environmental, social and governance ("ESG") factors are integrated into the investment process to enhance the Fund's sustainability characteristics.

Many of the underlying investment funds in which the Fund invests have individual broad market benchmarks. The broad market benchmark used to compare the environmental and/or social characteristics of the Fund is a composite benchmark representing a weighted average of the individual broad market benchmarks of the underlying investment funds managed by ILIM and which invest in corporate fixed income and equities ("Broad Market Benchmark"). Other asset classes such as direct property, investments in funds managed by third party managers and sovereign fixed income are not included in the sustainability indicators calculations for the Fund or the Broad Market Benchmark as they do not have comparable metrics and/or available data.



Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes

☐ It made **sustainable investments with an environmental objective**: __%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**: __%

☒ No

☐ 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

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promoted E/S characteristics, but **did not make any sustainable investments**

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?

The environmental and/or social characteristics promoted by the Fund are as follows:



To reduce the carbon exposure of the Fund's portfolio relative to the appropriate Broad Market Benchmarks



To reduce the Fund's weighted average ESG risk rating score* relative to the appropriate Broad Market Benchmarks

* The weighted average ESG risk rating score of the Fund is calculated using ESG risk rating scores for each corporate issuer in which the Fund invests. These ESG risk rating scores are provided by Morningstar Sustainalytics.

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by the Fund are:

- > ESG Risk Rating
- > Carbon Intensity
- > Fossil Fuel Involvement

The reference period for this report is 1 January 2024 to 31 December 2024.

How did the sustainability indicators perform?

ESG Risk Rating Score*

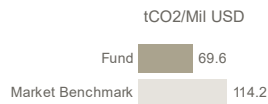
ESG Risk Rating measures the degree to which a company's economic value is at risk due to not considering ESG factors using a calculation of the company's unmanaged ESG risks.



*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.

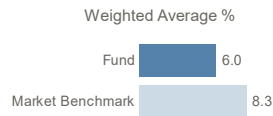


*Carbon intensity equals Scope 1 and 2 emissions only.

Note: ESG risk scores and carbon metrics are currently calculated for equity and corporate bond only which represent 78.0% of the portfolio. Sustainability indicators for other asset classes such as property and sovereign bonds are calculated on a different basis.

Fossil Fuel Involvement

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. It is expressed as the weighted average % of the Fund.



...and compared to previous periods?

As 2024 is the first year of reporting, there are no comparative periods to report. A comparison between the 2024 periodic report sustainable metrics will be provided in the 2025 periodic report

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?

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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.

**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’s”).

Irish Life Investment Managers Limited (“ILIM” or the “Investment Manager”), considered the following key PAI’s when managing the Fund’s portfolio during the reference period:

**Carbon Exposure:**

- > 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)

Further details on the principal adverse impacts can be found at

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

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.



What were the top investments of this financial product?

Average, 01 January 2024 to 31 December 2024

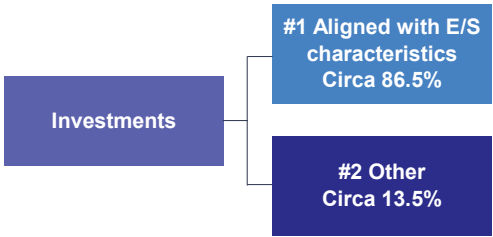
Largest Investments	Sector	% Assets	Country
APPLE INC	Information Technology	2.8%	United States
NVIDIA CORP	Information Technology	2.6%	United States
MICROSOFT CORP	Information Technology	2.6%	United States
ALPHABET INC	Communication Services	1.2%	United States
AMAZON.COM INC	Consumer Discretionary	1.2%	United States
TAIWAN SEMICONDUCTOR	Information Technology	1.0%	Taiwan
TESLA INC	Consumer Discretionary	0.8%	United States
META PLATFORMS INC	Communication Services	0.6%	United States
VISA INC	Financials	0.6%	United States
MASTERCARD INC	Financials	0.6%	United States
ELI LILLY & CO	Health Care	0.5%	United States
BROADCOM INC	Information Technology	0.5%	United States
UNITEDHEALTH GROUP INC	Health Care	0.5%	United States
HOME DEPOT INC (THE)	Consumer Discretionary	0.5%	United States
2 GRAND CANAL SQUARE	Property	0.4%	Ireland

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?

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.

Asset allocation describes the share of investments in specific assets.

In which economic sectors were the investments made?

The Fund is a broad market offering and invested in asset classes which can be classified into sectors. The table below illustrates the sector breakdown of direct corporate fixed income and equity investments made by the Fund during the reference period.

Investments by Sector	% of Assets
INFORMATION TECHNOLOGY	21.8%
FINANCIALS	14.6%
CONSUMER DISCRETIONARY	11.3%
HEALTH CARE	9.2%
INDUSTRIALS	9.0%
COMMUNICATION SERVICES	6.1%
PROPERTY	4.5%
CONSUMER STAPLES	4.4%
ENERGY	4.3%
UTILITIES	3.8%
MATERIALS	3.2%
REAL ESTATE	2.6%
SOVEREIGN	1.6%
OTHER	3.6%

Whilst the Fund seeks to achieve a reduction in exposures to companies that derive revenues from fossil fuels (relative to the Broad Market Benchmark) through the promotion of environmental characteristics, companies that derive revenue from involvement in the following fossil fuel activities remain within the portfolio:

- > 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 exposure to companies with involvement in the above sectors is estimated to be 6.0% of the weight of the Fund. This compares favourably to the Broad Market Benchmark which has 8.3% exposure of the weight of the Broad Market Benchmark.



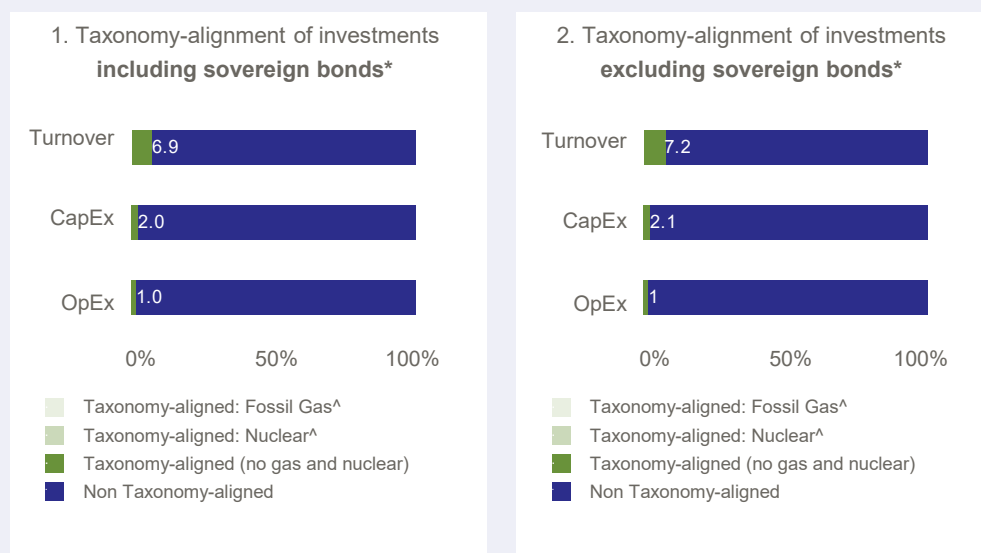
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable

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

- ☐ Yes
☐ In fossil gas[^] ☐ In nuclear energy[^]
☒ No

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 included in future Annual Sustainability Reports if the data becomes available.

The taxonomy data shown reflects climate change mitigation revenues only. Revenues related to the other EU Taxonomy environmental objectives such as "Climate change adaptation" and "Transition to a circular economy" are not material and so are not included in the data.

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

During the reference, the proportion of investments made by the Fund in transitional and enabling activities was 5.8% of the weighted average revenue of the Fund.

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 right 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?

As 2024 is the first year of reporting, there are no comparative periods to report. A comparison between the 2024 periodic report sustainable metrics will be provided in the 2025 periodic report

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

Not applicable

What was the share of socially sustainable investments?

Not applicable



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?

The investments classified as "Other" such as cash, derivatives and developed sovereign fixed income, form part of the Fund's strategy and are a necessary part of the risk/return framework of the investment strategy of the Fund as well as meeting liquidity needs, i.e. to manage the cash flows from subscriptions and redemptions into and out of the Fund. No specific environmental or social safeguards are applied to these assets. However, for cash holdings, no cash is held with banks which are on the Investment Manager's exclusion list including for example where the bank has been involved in violations of the UN Global Compact principles.



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

A minimum of 75% (excluding neutral assets*) and 50% (including neutral assets*) of the Fund's assets will be allocated to underlying investment funds which are designated as Article 8 or Article 9 financial products under SFDR.

*Assets such as cash and government bonds are deemed to be neutral assets.



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

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

Not applicable. 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?

Not applicable. 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?

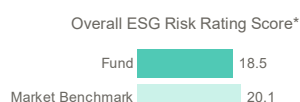
Not applicable. The Fund follows a multi-asset strategy and does not have a reference benchmark.

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

The Fund is a multi-asset strategy consisting of allocations to a number of investment funds in specified asset classes. Many of the underlying investment funds in which the Fund invests have individual broad market benchmarks. The Broad Market Benchmark shown in this document is a composite benchmark and represents a weighted average of the individual broad market benchmarks for the Corporate Fixed Income and Equity funds managed by ILIM in which the Fund invests. Other asset classes such as direct property, investments in funds managed by third party managers and sovereign fixed income are not included in the sustainability indicators calculations for the Fund or the Broad Market Benchmark as they do not have comparable metrics and/or available data.

ESG Risk Rating Score*

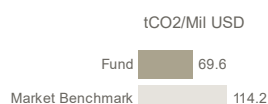
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Carbon Intensity*

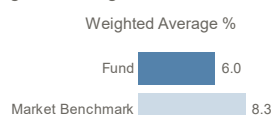
Carbon intensity is a metric used to compare company emissions across industries. The absolute emissions is divided by total earnings with the figure expressed in tonnes of carbon dioxide equivalent per million USD of total revenue.



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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 2019/2088 ("SFDR"). For the purposes of this document "Irish Life" means Irish Life Assurance Plc ("ILA") and Irish Life Investment Managers Limited ("ILIM").

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It is important to note that funds which are taking into account ESG criteria in accordance with their investment guidelines or investment objectives may have a higher or lower performance than funds whose investment guidelines or investment objectives are not subject to such ESG criteria.

Past performance may not be a reliable guide to future performance. Investments may fall as well as rise.

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Irish Life Investment Managers Limited is regulated by the Central Bank of Ireland.

Irish Life Assurance plc is regulated by the Central Bank of Ireland.

Irish Life Assurance plc, trading as Irish Life, is regulated by the Central Bank of Ireland.
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