

**Invesco Investment Management  
Limited DB Scheme**

PB 49188

# Trustee Annual Report

For the year ended 31<sup>st</sup> December 2022

The Invesco logo features the word "invesco" in a lowercase, sans-serif font. A green curved line arches over the letters "e" and "s".

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## Trustee, Scheme advisers and other information

### Trustee

ILP Pension Trustees DAC  
4a Sandyford Business Centre  
Burtonhall Road  
Sandyford  
Dublin 18

#### Directors:

Desmond McGarry (retired 24/02/2023)  
Finian O'Driscoll  
Frank Downey  
Hilary McCowen  
Ciaran Martin

### Investment Managers

Irish Life Investment Managers Limited  
Beresford Court  
Beresford Place  
Dublin 1

Invesco Management S.A. (from 13/10/2022)  
37a Avenue John F. Kennedy  
1855 Luxembourg

New Ireland Assurance Company plc  
9/12 Dawson Street  
Dublin 2

The Equitable Life Assurance Society  
Walston Street  
Aylesbury  
Bucks  
HP21 7QW  
United Kingdom

### Key Function Holder – Risk Management

Fred Gilmore  
Unio Financial Services Limited  
(formerly known as Invesco Limited)  
2 Sandyford Business Centre  
Burtonhall Road  
Sandyford  
Dublin 18

### Key Function Holder – Internal Audit

Courne Mouton Mazars Governance  
Risk & Internal Control  
Block 3 Harcourt Centre  
Harcourt Road  
Dublin 2

## Trustee, Scheme advisers and other information (continued)

<b>Registered Administrator and Consultants</b>	Unio Financial Services Limited (formerly known as Invesco Limited) 2 Sandyford Business Centre Burtonhall Road Sandyford Dublin 18
<b>Independent Auditors</b>	PricewaterhouseCoopers Chartered Accountants & Statutory Auditors One Albert Quay Cork
<b>Actuary</b>	Colm Erett, FSAI Unio Financial Services Limited (formerly known as Invesco Limited) 2 Sandyford Business Centre Burtonhall Road Dublin 18
<b>Principal Employer</b>	Invesco Investment Management Limited Ground Floor 2 Cumberland Place Fenian Street Dublin
<b>Pensions Authority Number</b>	PB 49188
<b>Revenue Reference Number</b>	SF 32732

## Statement of Trustee's Responsibilities

The financial statements are the responsibility of the Trustee. Irish pension legislation requires the Trustee to make available for each Scheme year the annual report of the Scheme, including the audited financial statements and the report of the auditor. The financial statements are required to:

- show a true and fair view, in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS 102'), of the financial transactions for the Scheme year and of the amount and disposition at the end of the year of its assets and liabilities. For this purpose, liabilities do not include liabilities to pay pensions and benefits after the end of the Scheme year.
- contain the information specified in the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended), including a statement as to whether the financial statements have been prepared in accordance with the Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and with the guidance set out in the Statement of Recommended Practice Financial Reports of Pension Schemes (revised June 2018) (SORP).

The Trustee supervises the preparation of the financial statements and ensures that:

- suitable accounting policies are selected and then applied consistently;
- reasonable and prudent judgements and estimates are made;
- the Trustee has assessed the Scheme's ability to continue as a going concern, disclosing as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so; and
- the SORP is followed, or particulars of any material departures have been disclosed and explained.

The Trustee is required by law to have appropriate procedures in place throughout the year under review, to ensure that:

- Contributions payable during the Scheme year are received by the Trustee in accordance with the timetable set out in Section 58A of the Pensions Act, 1990 where applicable to the contributions and otherwise within 30 days of the end of the Scheme year; and
- Contributions payable are paid in accordance with the rules of the Scheme and the recommendation of the Actuary.

The Trustee is responsible for ensuring that proper membership and financial records are kept and contributions are made to the Scheme in accordance with the Scheme rules and the requirements of legislation and for safeguarding the assets of the pension Scheme and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, including the maintenance of appropriate internal controls.

## Statement of Trustee's Responsibilities (continued)

Signed for and on behalf of the Trustee:

DocuSigned by:  
*Finian O'Driscoll*  
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**Director**  
**ILP Pension Trustees DAC**  
**Date:** 28.09.2023

DocuSigned by:  
*Hilary McLowen*  
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**Director**  
**ILP Pension Trustees DAC**

## Introduction

The Trustee presents the annual report on the operation of the Invesco Investment Management Limited DB Scheme for the year ended 31 December 2022. The content of this report conforms to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended), prescribed by the Minister for Social Protection under the Pensions Act, 1990. The report outlines the constitution of the Scheme together with details of financial developments for the year, investment matters and membership movements.

## Description of the Scheme

The Scheme, which operates on a defined benefit basis for the purposes of the Pensions Act, 1990 was established with effect from 1 January 1994 to provide retirement and life assurance benefits for its members. It is a distinct legal entity, separate in every respect from the principal employer, Invesco Investment Management Limited, and is governed by a Trust Deed and Rules. The detailed provisions of the Scheme are set out in these documents which members are entitled to inspect on request.

By way of a deed dated 3 November 2021, the Scheme was closed to future accrual with effect from 1 September 2021.

Details of member benefits are also provided in the explanatory booklet, which is available to all members and individual details appear on each member's annual benefit statement.

The Scheme has been approved by the Revenue Commissioners as an "exempt approved scheme" under Section 774 of the Taxes Consolidation Act 1997 and as such its assets are generally allowed to accumulate free of income and capital gains taxes. In addition, tax relief is given on employer and member contributions to the Scheme and certain lump sum payments to members can be paid free of tax. The Scheme is registered with the Pensions Authority and its registration number is PB 49188.

## The Trustee

The Trustee and administrator have access to guidelines, guidance notes and codes of practice issued by the Pensions Authority in accordance with Section 10 of the Pensions Act, 1990. The Trustee has access to appropriate training on its duties and responsibilities, however, no costs or expenses associated with trustee training were met out of the resources of the Scheme during the year.

Section 59AA of the Pensions Act 1990, which requires trustees of pension schemes to undergo training, was brought into force on 1 February 2010 by virtue of the Social Welfare and Pensions Act 2008 (Section 28) (Commencement) Order 2009. The Trustee confirms that the following Directors of ILP Pension Trustees DAC; Desmond McGarry (retired on 24/02/2023), Finian O'Driscoll, Frank Downey, Hilary McCowen and Ciaran Martin have received appropriate training as required by the Pensions Act within the time limits set out therein.

Stewardship of the assets of the Scheme is the responsibility of the Trustee. The right of the members to select or approve the selection of trustees to the Scheme is set out in the Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) (No.3) Regulations, 1996. The power of appointment of new or additional trustees and of increasing or reducing the number of trustees is vested in the Principal Employer.

## Management of the Scheme

The Trustee which served during the year is set out on page 3. Unless otherwise indicated the Trustee served for the entire year and is still serving at the date of approval of the Annual Report.

## Condition of the Scheme

The financial condition of the Scheme is dealt with in the Financial Developments, Contributions, Actuarial Position and Investments sections of this report.

## Scheme Changes

The rules governing the Scheme are set out in the Trust Deed and Rules, which are available to members on request. No changes took place during the year to the Scheme information as specified in Schedule C of the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended).

## Financial Development of the Scheme

The Scheme net assets at 31 December 2022 were €32,761,608. The net additions from dealings with members for the year ended 31 December 2022 were €58,784 and there was a negative net return on investments of €8,256,228.

The Financial Statements of the Scheme are detailed on pages 16 to 26.

## Contributions

Contributions for the year amounted to €175,000. Contributions were paid in accordance with the rules of the Scheme and actuarial recommendations and were received in full within 30 days of the year end.

The Trustee is satisfied that appropriate procedures have been put in place to ensure that contributions payable are received in accordance with the legislative requirements as set out under Section 58A of the Pensions Act. This legislation sets out the following requirements:

- Member contributions must be received within 21 days from the end of the month in which they were deducted from pay.
- Employer contributions must be received in accordance with the timings noted by the Actuary or stated in the trust deed and rules or otherwise within 30 days of the Scheme year end.



## Actuarial Position

The development of the Scheme is monitored by the Scheme Actuary by means of an actuarial valuation which is required to be carried out at least every three years. The latest actuarial valuation was carried out as at 1 January 2021.

An Actuarial Funding Certificate and Funding Standard Reserve Certificate were prepared for the Scheme under Section 42 of the Pensions Act, 1990 with an effective date of 31 December 2020 and showed that, at that date, the Scheme satisfied the funding standard and the funding standard reserve provided for in Section 44 of the Act.

The Actuary carried out a further review of the Scheme as at 31 December 2022 and confirmed that in his opinion the Scheme would have satisfied the funding standard and the funding standard reserve as at 31 December 2022. A copy of the statement from the Actuary and the certificates are included in the appendices to this report.

There is currently a restriction on members retiring early (before age 60), except in circumstances where the employer intends to pay, within the stipulated timeframe, additional funding as advised by the Scheme actuary to be sufficient to cause no worsening of the solvency position of the Scheme calculated in accordance with the funding standard.

## Pensions

There were pension increases of 4.1% during the year.

The statutory element of deferred pensions is revalued annually in accordance with the Pensions Act 1990 at the lower of 4% and the rate of increase in the Consumer Price Index (CPI). The rate of revaluation of preserved benefits was 4% for 2022.

## Membership Statistics

The following table shows the membership of the Scheme as at 31 December 2022:

	<b>Deferred Members</b>	<b>Pensioners</b>	<b>Total</b>
<b>Membership at 1 January 2022</b>	191	13	204
New Entrants	-	1	1
Leavers	(1)	-	(1)
<b>Membership at 31 December 2022</b>	<b>190</b>	<b>14</b>	<b>204</b>

There are no members who were covered for risk only benefits at the year end.

## Investments

The investment objective of the Trustee is to maximise the level of investment return at an acceptable level of risk, given the projected liabilities for benefits that are expected to be provided to beneficiaries of the Scheme. A prudent and carefully planned investment policy will be designed with the ultimate objective of maximising the security and level of benefits provided to members.

The long term investment objective is to move toward an investment strategy that more closely matches the value of the pension assets with the projected value of the liabilities.

Having had regard to the nature and duration of the expected future pension payments and the expected evolution of the Scheme, the Trustee has established its long term strategic asset allocation mix as set out in the table below and believe it prudently positions the portfolio so as to achieve the Trustee's current investment objectives.

The Trustee carried out an investment review during the year and in line with the de-risking framework a rebalancing exercise was carried out to align to strategic weightings. A total of €3,120,000 was invested in the Invesco Global Total Return Bond Fund held with Invesco Management S.A.

Fund	Current Strategic Asset Allocation	Long-term Strategic Asset Allocation
Indexed Global Equity Fund	21%	
Indexed Minimum Volatility Equity Fund	8%	
Indexed Emerging Market Equity Fund	4%	
Indexed Small Cap Fund	5%	
Indexed ESG Fundamental Equity Fund	7%	
Blackrock Dynamic Diversified Growth Fund	16%	
<b>Growth Assets Sub-total</b>	<b>61%</b>	<b>50%</b>
Invesco Global Total Return Bond Fund	10%	
<b>Credit Assets Sub-total</b>	<b>10%</b>	<b>20%</b>
2055 Nominal Bucket Fund S1	12%	
German Inflation Linked 2046 Fund S2	9%	
French 2047 Linker	8%	
<b>Matching Assets Sub-total</b>	<b>29%</b>	<b>30%</b>
<b>Total Assets</b>	<b>100%</b>	<b>100%</b>

"Growth" assets refer to investments with moderate-to-high volatility in pursuit of higher returns. The Scheme's Growth Assets are invested in the Diversified Growth Assets Fund with Irish Life Investment Managers Limited.

"Matching" assets refer to investments whose values are expected to move in line with the pension liability calculation or assets with cash flows that match the future pension liabilities.

## Investments (continued)

The Trustee recognises that even though the Scheme's investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. The Trustee intends to avoid revisions to its philosophy and policies in reaction to either speculation or short-term market fluctuations.

The objective of the allocation to Growth Assets is to deliver relatively high positive returns over the long term. Investment performance for Growth Assets will be measured relative to a relevant benchmark index. Funds following a passive (indexed) strategy are expected to deliver performance in line with a market index, less any fees and transaction costs. Funds following an active strategy are expected to outperform their target market index and/or absolute return target.

The objective of the allocation to Matching Assets is to deliver performance in line with a blended market index, less any fees and transaction costs.

The currency of the Scheme, and thus of the benchmark, is the Euro. The performance benchmark is to be calculated on a quarterly basis, net of manager fees.

The below table sets out the Returns for the year ended 31 December 2022 compared to the benchmarks. The objective of the Trustee is to perform in line with the benchmarks, before fees.

Investment Strategy	Performance 2022	Benchmark Performance	Benchmark
<b>Growth Assets</b>			
Indexed Global Equity Fund	-12.8%	-12.8%	Mandate benchmark
Indexed Minimum Volatility Equity Fund	-4.8%	-4.7%	MSCI World Minimum Volatility
Indexed Emerging Market Equity Fund	-15.2%	-14.5%	MSCI Emerging Market (Gross)
Indexed Small Cap Fund	-13.4%	-13.0%	MSCI World Small Cap Index
Indexed ESG Fundamental Equity Fund*	-5.6%	-5.6%	RAFI ESG Dev EUR UnHedged Index
Blackrock Dynamic Diversified Growth Fund	-10.9%	4.0%	Cash +4% p.a.
<b>Matching Assets</b>			
French 2047 Linker	-31.5%	N/A	Underlying bond
German Inflation Linked 2046 Fund	-32.2%	N/A	Underlying bond
2055 Nominal Bucket Fund	-51.8%	N/A	Underlying bond
Invesco Global Total Return Bond Fund	-5.5%	N/A	Underlying bond

\*Performance is for period from initial investment to 31 December 2022.

### Investments (continued)

The performance of the Funds in the above table are on a net basis and take account of all operational costs, while the performances of the benchmarks or indices are shown on a gross basis and would have no deductions such as dividend withholding taxes or custodian fees. For this reason, indexed funds typically slightly trail their gross benchmarks.

The funds with a composite benchmark are made up of different assets classes (i.e. a mix of equities, bonds, cash or equity alternatives) where each asset class has its own benchmark. These are then combined into a composite benchmark to compare to overall fund performance for a given period.

The Trustee has an agreement in place with the investment managers that sets out guidelines for the underlying investments held by the funds. The day to day management of the underlying investments of the funds is the responsibility of the investment managers, including the direct management of credit and market risks.

The Trustee monitors the underlying risks by quarterly investment reviews with the investment managers.

The investment managers are remunerated on a fee basis, calculated largely as a percentage of the assets under their management and the cost of the fees is borne by the Scheme.

There was no single investment greater than 5% of Net Assets other than investments in unitised funds held by the Scheme at 31 December 2022. All of the investments held are invested in pooled investments.

Reports by the investment managers on the performance of the funds during the year are set out in the Appendices.

The Trustee has not appointed a custodian to the Scheme, however all of the investment managers have appointed custodians and each of these have systems of internal control in place to ensure the safe keeping of the assets under their management.

### Sustainable Finance Disclosure Regulations (SFDR) Disclosures

Under SFDR, the Trustee is viewed as a financial market participant, whilst the Scheme is considered to be the financial product offered by the Trustee. Products under SFDR can be classified as those that have sustainable investment as its investment objective (Article 9) or those products that promote social or environmental characteristics, among other characteristics (Article 8). As the Scheme has not been classified under Article 8 or Article 9 of Regulation (EU) 2019/2088 (SFDR), the Trustee must therefore make the following disclosure:

- The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The Trustee continues to review the Scheme's approach to sustainability risk considerations and its current approach is documented in the Statement of Investment Policy Principles.

## Scheme Enquiries

All enquiries in relation to the Scheme or regarding members' entitlement to benefits should be made to Ger Brosnan, Unio Financial Services Limited, 2 Sandyford Business Centre, Burtonhall Road, Sandyford, Dublin 18.

## Internal Resolution of Disputes

An Internal Dispute Resolution Procedure has been adopted by the Trustee which complies with the requirements of any regulations made under Section 55 of the Financial Services and Pensions Ombudsman Act 2017 (No. 22 of 2017). This procedure has been communicated to the members, including the facility to appeal a dispute to the Financial Services and Pensions Ombudsman should it fail to be resolved by the determination of the Trustee. The Internal Dispute Resolution Procedures are set out in the members' handbook.

## IORP II Directive

The provisions of Directive (EU) 2016/2341 ("The IORP II Directive") were transposed into Irish Law on 22 April 2021 through the European Union (Occupational Pension Schemes) Regulations, 2021. The Regulations introduced new requirements and changes to the Pensions Act, 1990, as amended. The Pensions Authority, in November 2021, published a code of practice setting out what the Pensions Authority expects of trustees to meet their obligations under the Regulations. In accordance with the Regulations and the Code, the Trustee has made an assessment as to whether the Trustee board is fit and the Trustee is proper in each case as defined in the Code, and concluded that the board is fit, and the Trustee is proper. The Trustee has also appointed the Risk Management and Internal Audit key function holders and will issue annual pension statements to all members of the Scheme from 2023.

## Impact of External Events on the Scheme

On 24 February 2022, Russia began a military invasion of Ukraine. In addition to causing intense human suffering, the conflict in Ukraine continues to be a key driver of global markets with commodity markets remaining extremely volatile. The Trustee will continue to monitor the position in conjunction with their investment advisers.


## Subsequent events

There were no events post period end that would require amendments to or disclosure in this report.


## Conclusion

We trust that the members find this report both interesting and informative and we are pleased to acknowledge the assistance received from the employer company and its staff during the year as well as from our professional advisers.

Signed for and on behalf of the Trustee:

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**Director**  
**ILP Pension Trustees DAC**

DocuSigned by:  
  
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**Director**  
**ILP Pension Trustees DAC**

**Date:** 28.09.2023

## ***Independent auditors' report to the trustee of Invesco Investment Management Limited DB Scheme***

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Invesco Investment Management Limited DB Scheme's financial statements:

- give a true and fair view of the financial transactions of the scheme during the year ended 31 December 2022 and of the amount and disposition of the assets and liabilities (other than liabilities to pay pensions and other benefits in the future) at that date; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law).

We have audited the financial statements, included within the Trustee Annual Report, which comprise:

- the statement of net assets available for benefits as at 31 December 2022;
- the fund account for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Independence***

We remained independent of the scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the scheme's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the scheme's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

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#### **Reporting on other information**

The other information comprises all of the information in the Trustee Annual Report other than the financial statements and our auditors' report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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## Responsibilities for the financial statements and the audit

### *Responsibilities of the trustee for the financial statements*

As explained more fully in the statement of trustee's responsibilities set out on page 5, the trustee is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The trustee is also responsible for ensuring that contributions are made to the scheme in accordance with the scheme's rules and the recommendation of the actuary.

In preparing the financial statements, the trustee is responsible for assessing the scheme's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to wind up the scheme or has no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority website at: [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the trustee as a body in accordance with section 56 of the Pensions Act 1990, as amended and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## Other required reporting

### **Occupational Pension Schemes (Disclosure of Information) Regulations, 2006**

In our opinion:

- The financial statements include the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 which is applicable and material to the scheme;
- the contributions payable to the scheme during the year ended 31 December 2022 have been received by the trustee within thirty days of the end of the scheme year; and
- such contributions have been paid in accordance with the rules of the scheme and the recommendations of the actuary.

*PricewaterhouseCoopers*

PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Cork  
28 September 2023

## Fund Account

### For the year ended 31 December 2022

	Notes	2022 €	2021 €
<b>Contributions and benefits</b>			
<u>Contributions receivable:</u>	4		
Employer		175,000	414,861
Employee		-	97,600
		175,000	512,461
Benefits payable	5	(102,817)	(201,887)
Payments to and on account of leavers	6	-	(591,003)
Administrative expenses	7	(13,399)	-
Other payments	8	-	(19,704)
		(116,216)	(812,594)
<b>Net additions/(withdrawals) from dealings with members</b>		<b>58,784</b>	<b>(300,133)</b>
<b>Returns on investments</b>			
Investment management expenses	9	(1,670)	(1,624)
Change in market value of investments	11	(8,254,558)	3,918,026
<b>Net returns on investments</b>		<b>(8,256,228)</b>	<b>3,916,402</b>
<b>Net (decrease)/increase in the fund during the year</b>		<b>(8,197,444)</b>	<b>3,616,269</b>
<b>Net assets of the Scheme at 1 January</b>		<b>40,959,052</b>	<b>37,342,783</b>
<b>Net assets of the Scheme at 31 December</b>		<b>32,761,608</b>	<b>40,959,052</b>

The notes on pages 18 to 26 form part of these financial statements.



## Statement of Net Assets (available for benefits)

As at 31 December 2022

	Notes	2022	2021
		€	€
Investment assets:	11		
Pooled investment vehicles		31,418,752	39,445,773
AVC investments		1,308,430	1,456,838
<b>Total investments</b>		<b>32,727,182</b>	<b>40,902,611</b>
Current assets	18	38,315	60,330
Current liabilities	19	(3,889)	(3,889)
<b>Total net assets of the Scheme at 31 December</b>		<b>32,761,608</b>	<b>40,959,052</b>

The notes on pages 18 to 26 form part of these financial statements.

The Financial Statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities, the Actuarial Funding Certificate, the Actuarial Funding Standard Reserve Certificate and the Actuary's Statement and these Financial Statements should be read in conjunction with them.

Signed for and on behalf of the Trustee:

DocuSigned by:

*Finian O'Driscoll*

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**Director**  
**ILP Pension Trustees DAC**

DocuSigned by:

*Hilary McLowen*

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**Director**  
**ILP Pension Trustees DAC**

**Date:** 28.09.2023

## Notes (forming part of the Financial Statements)

### 1. Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended), Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and with the guidance set out in the Statement of Recommended Practice (SORP) Financial Reports of Pension Schemes (revised June 2018).

The financial statements have been prepared on the going concern basis. In making this assessment, the Trustee have assessed the ability of the Scheme to meet its future obligations to pay member benefits as they fall due and the ability of the Employer to continue to meet its obligations to the Scheme. The Trustee believes that the Scheme remains well positioned to manage its risks successfully and expects that the Scheme will continue in operational existence for the foreseeable future.

### 2. Identification of the Financial Statements

The Scheme is established as a trust under Irish Law and has been registered with the Pensions Authority. The address for enquiries to the Scheme is included in the Trustee's Report.

### 3. Accounting policies

The principal accounting policies of the Scheme are as follows:

#### a) Investments

- i. Investments are included at fair value.
- ii. Pooled investment vehicles are stated at bid prices for funds with bid/offer spreads, or at single prices where there are no bid/offer spreads as provided by the investment manager.

#### b) Investment income

- i. Investment income arising from the underlying investments of the pooled investment vehicles is rolled up and reinvested within the pooled investment vehicles. This is reflected in the unit prices and reported within 'Change in Market Value'.

- c) The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

#### d) Contributions

- i. Employee normal contributions, including AVCs, are accounted for when deducted from pay. Employer normal contributions which are expressed as a rate of salary are accounted for on the same basis as employees' contributions, otherwise they are accounted for in the period they fall due.
- ii. Employer augmentation contributions are accounted for in accordance with the agreement under which they are being paid, or in the absence of an agreement on a receipt's basis.
- iii. Employer deficit funding contributions are accounted for on the due dates on which they are payable in accordance with the Funding Proposal under which they are being paid.

**3. Accounting policies (continued)**

## e) Payments to members

- i. Benefits are accounted for in the period in which they fall due for payment. Where there is a choice, benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.
- ii. Pensions in payment are accounted for in the period in which they relate.
- iii. Individual transfers in or out are accounted for when received or paid which is normally when member liability is accepted or discharged.
- iv. Group transfers are accounted for in accordance with the terms of the transfer agreement.

## f) Additional voluntary contributions

Members may make additional voluntary contributions to acquire further benefits on a money purchase basis. Such contributions are invested in a separate AVC investment policy.

## g) Expenses

Expenses are accounted for on an accruals basis.

## h) Foreign exchange

The financial statements are presented in euro, the functional and presentation currency of the Scheme. Assets, including investments of the Scheme denominated in foreign currencies, are translated into euro at the rate of exchange ruling at the end of the accounting year. Transactions during the year are translated into euro at the rate of exchange on the date of the transactions. Gains and losses on translation are included in the Fund Account for the year.

**4. Contributions receivable**

	2022	2021
	€	€
<u>Employer contributions:</u>		
Normal	-	336,824
Deficit funding	175,000	58,333
Other - risk	-	19,704
	<u>175,000</u>	<u>414,861</u>
<u>Employee contributions:</u>		
Additional voluntary contributions	-	97,600
	<u>175,000</u>	<u>512,461</u>

**5. Benefits payable**

	2022	2021
	€	€
Pensions	102,817	79,792
Commutations and lump sum retirement benefits	-	52,531
Transfer to Approved Retirement Fund	-	69,564
	<b>102,817</b>	<b>201,887</b>

**6. Payments to and on account of leavers**

	2022	2021
	€	€
Individual transfers out to other Schemes	-	591,003
	<b>-</b>	<b>591,003</b>

**7. Administrative expenses**

	2022	2021
	€	€
Legal fees	12,916	-
Bank fees	483	-
	<b>13,399</b>	<b>-</b>

**8. Other payments**

	2022	2021
	€	€
Premium on term insurance policy	-	19,704
	<b>-</b>	<b>19,704</b>

**9. Investment management expenses**

	2022	2021
	€	€
Management fees	1,670	1,624
	<b>1,670</b>	<b>1,624</b>

**10. Tax**

The Scheme has been approved by the Revenue Commissioners as an “exempt approved scheme” under Section 774 of the Taxes Consolidation Act 1997 and as such its assets are generally allowed to accumulate free of income and capital gains taxes. In addition, tax relief is given on employer and member contributions to the Scheme and certain lump sum payments to members can be paid free of tax.

**11. Reconciliation of investments**

	Value at 1 January 2022	Purchases at cost	Sales proceeds	Change in market value	Value at 31 December 2022
	€	€	€	€	€
Pooled investment vehicles	39,445,773	12,005,599	(11,924,800)	(8,107,820)	31,418,752
AVC investments	1,456,838	-	(1,670)	(146,738)	1,308,430
	<b>40,902,611</b>	<b>12,005,599</b>	<b>(11,926,470)</b>	<b>(8,254,558)</b>	<b>32,727,182</b>

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

**12. Transaction costs**

Transaction costs are borne by the Scheme in relation to transactions in pooled investment vehicles. Such costs are taken into account in calculating the bid/offer spread of these investments and are not separately reported.

**13. Pooled Investment Vehicles (PIVs)**

The Scheme holdings of PIVs are analysed below:

	2022	% of Net Assets	2021	% of Net Assets
	€		€	
<b>Bond Fund</b>				
ILIM French 2047 Linker	2,543,523	7.76%	2,748,434	6.71%
ILIM German Inflation Linked 2046 Fund	2,763,927	8.44%	3,023,824	7.38%
ILIM 2055 Nominal Bucket Fund	3,735,239	11.40%	5,729,117	13.99%
Invesco Global Total Return Bond Fund	3,237,134	9.88%	-	-
<b>Multi Asset Fund</b>				
ILIM Indeed Global Equity Fund	6,486,306	19.80%	12,772,883	31.18%
ILIM Indexed Minimum Volatility Equity Fund	2,582,944	7.88%	3,512,574	8.58%
ILIM Indexed Emerging Market Equity Fund	1,226,866	3.74%	1,875,947	4.58%
ILIM Indexed Small Cap Fund	1,521,255	4.64%	2,268,625	5.54%
Blackrock Dynamic Diversified Growth Fund	5,139,264	15.69%	7,514,369	18.35%
ILIM Indexed ESG Fundamental Equity Fund	2,182,294	6.66%	-	-
	<b>31,418,752</b>	<b>95.89%</b>	<b>39,445,773</b>	<b>96.31%</b>

**14. AVC Investments**

The Trustee holds assets invested separately from the main Scheme to secure additional benefits on a money purchase basis for those members electing to pay AVCs. Members participating in this arrangement each receive an annual benefit statement confirming the amounts held in their account and the movements in the year. The aggregate amounts of AVC investments are as follows:

	2022	2021
	€	€
<b>Bond Fund</b>		
ILIM Annuity Bond Fund	1,992	2,919
<b>Mixed Fund</b>		
ILIM Diversified Cautious Fund	197,002	213,674
ILIM Diversified Moderate Fund	28,876	33,041
ILIM Diversified Growth Fund	441,080	505,858
ILIM Diversified High Growth Fund	42,756	49,010
ILIM Pension & Cash Match Fund	1	1
New Ireland Mixed Fund	191,455	203,122
Equitable unit linked Fund	224,816	268,394
<b>Cash Fund</b>		
ILIM Cash Fund	180,452	180,819
	<b>1,308,430</b>	<b>1,456,838</b>

**15. Investment Fair Value Hierarchy**

The fair value of financial instruments has been determined using the following fair value hierarchy:

Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date
Level 2	Inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly
Level 3	Inputs are unobservable (ie for which market data is unavailable) for the asset or liability

The Scheme's investment assets have been fair valued using the above hierarchy categories as follows:

	Level 1	Level 2	Level 3	Total
	€	€	€	€
At 31 December 2022				
Pooled investment vehicles	-	31,418,752	-	31,418,752
AVC investments	-	1,308,430	-	1,308,430
	-	<b>32,727,182</b>	-	<b>32,727,182</b>

**15. Investment Fair Value Hierarchy (continued)**

	Level 1	Level 2	Level 3	Total
	€	€	€	€
At 31 December 2021				
Pooled investment vehicles	- 39,445,773		-	39,445,773
AVC investments	- 1,456,838		-	1,456,838
	- <b>40,902,611</b>		-	<b>40,902,611</b>

**16. Investment risk disclosures****Investment risk**

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

**Credit risk:** this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

**Market risk:** this comprises currency risk, interest rate risk and other price risk.

- **Currency risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- **Interest rate risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- **Other price risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme has exposure to these risks because of the investments it makes to implement its investment strategy as described in the Trustee's Report. The Trustee manages investment risks, including credit risk and market risk, within agreed risk limits which are taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment managers and monitored by the Trustee by regular reviews of the investment portfolios.

Further information on the Trustee's approach to risk management and the Scheme's exposures to credit and market risks are set out below. This does not include the annuity insurance policies or AVC investments as these are not considered significant in relation to the overall investments of the Scheme.

**(i) Credit Risk**

The Scheme is subject to credit risk as the Scheme invests in bonds and has cash balances. The Scheme also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

**16. Investment risk disclosures (continued)****(i) Credit Risk (continued)**

Cash is held within financial institutions which are at least investment grade credit rated.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustee carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitors any changes to the regulatory and operating environment of the pooled manager.

A summary of pooled investment vehicles by type of arrangement is as follows:

	2022	2021
	€	€
Unit linked insurance contracts	31,418,752	39,445,773
	<b>31,418,752</b>	<b>39,445,773</b>

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

**(ii) Currency Risk**

The Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets, either as segregated investments or via pooled investment vehicles.

**(iii) Interest Rate Risk**

The Scheme is subject to interest rate risk on bond pooled investment vehicles. At the year end the portfolios comprised:

	2022	2021
	€	€
<b>Indirect</b>		
Bond PIV	12,279,824	11,501,375
	<b>12,279,824</b>	<b>11,501,375</b>

**(iv) Other Price Risk**

Other price risk arises principally in relation to the Scheme's return seeking portfolio which includes equities held in pooled investment vehicles.

The Scheme manages this exposure to other prices risk by constructing a diverse portfolio of investments across various markets.

At the year end, the Scheme's exposure to investments subject to other price risk was:

	2022	2021
	€	€
<b>Indirect</b>		
Equity PIV	13,999,665	23,142,716
	<b>13,999,665</b>	<b>23,142,716</b>



**17. AVC Investment Policy****(i) Direct Credit Risk**

The AVC investments are subject to direct credit risk through holdings in unit linked insurance funds provided by the investment managers. Irish Life Investment Managers Limited and New Ireland Assurance Company plc are regulated by the Central Bank of Ireland. Equitable Life Assurance Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Equitable Life Assurance Society is regulated by the Central Bank of Ireland for conduct of business rules and they maintain separate funds for their policy holders.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and the diversification of investments amongst a number of pooled arrangements. The Trustee monitors any changes to the operating environment of the pooled manager by meeting with the managers during the year. Pooled investment arrangements used by the Scheme comprise unit linked insurance contracts.

**(ii) Indirect Credit and Market Risks**

The AVC investments are also subject to indirect credit and market risk arising from the underlying investments held in the pooled investment vehicles. Member level risk exposures will depend on the funds invested in by members.

**18. Current assets**

	2022	2021
	€	€
Contributions due from employer in respect of:		
Employer	14,583	14,583
Cash balances	10,985	32,365
Pension prepaid	8,858	9,493
Risk premium receivable	3,889	3,889
	<b>38,315</b>	<b>60,330</b>

**19. Current liabilities**

	2022	2021
	€	€
Risk premium payable	3,889	3,889
	<b>3,889</b>	<b>3,889</b>

**20. Related party transactions**

The Trustee did not receive and is not due any remuneration from the Scheme in connection with the management of the Scheme. The corporate Trustee fee is met directly by the principal employer and is not recharged to the Scheme.

The cash held by ILP Pension Trustees DAC at the year end on behalf of the Scheme was €10,985 (2021: €32,365).

**20. Related party transactions (continued)**

Unio Financial Services Limited acts as registered administrator and consultant to the Scheme. Unio Investment Services Limited is a member of the same group of companies as the Corporate Trustee ILP Pension Trustees DAC and the investment manager Irish Life Investment Managers Limited. The costs in relation to the administration of the Scheme are borne directly by the principal employer and not recharged to the Scheme.

**21. Employer related investment**

There were no employer related investments at any time during the year.

**22. Changes to Scheme rules**

There have been no changes since last year in the information specified in Schedule C to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended).

**23. Contingent liabilities and contractual commitments**

As stated on page 17 of these financial statements, liabilities to pay pension and other benefits in the future have not been taken into account. On that basis, in the opinion of the Trustee, the Scheme had no contingent liabilities at the year end.

**24. Subsequent events**

There were no events post period end that would require amendments to or disclosure in this report.

**25. Approval of financial statements**

The financial statements were approved by the Trustee on 28.09.2023

# APPENDICES

## Statement of Risks

The Trustee is obliged by the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended) to make a statement describing the condition of the Scheme, and in particular the financial, technical and other risks associated with the Scheme and the nature and distribution of those risks.

The Scheme operates on a defined benefit basis for the purposes of the Pensions Act, 1990. Defined benefit schemes are not guaranteed, as benefits are ultimately dependent on continuing contributions and Scheme solvency.

Some of the risks identified are set out below;

- Actual experience of salary growth, interest rates, mortality and the investment returns achieved by the Scheme's assets may vary to a significant extent from the actuarial assumptions made about the Scheme. As such conditions may occur that could lead to a shortfall in the Scheme's assets i.e. the Scheme may not be solvent.
- The Scheme is funded by contributions paid by the employer. Actuarial advice will have been obtained when setting those contributions. However, there is no guarantee that the Scheme will have sufficient funds to pay the benefits promised. It is therefore possible that the benefits payable under the Scheme may have to be reduced. If the Scheme is wound up and there is a deficit, the employer may not be under an obligation to fund the deficit or, even if the employer is under such an obligation, they may not be in a position to fund the deficit. Further information in relation to the above statement may be obtained from the Trustee.
- The administration of the Scheme may fail to meet acceptable standards.
- There may be regulatory or legislative changes that will restrict the level or type of benefits members may receive and how they are taxed. This risk is outside the control of the Trustee.

The Trustee is satisfied that it is taking all reasonable steps to protect the members from the effects of these risks, including:

- Appointing professional investment managers to manage the Scheme's investments, the Scheme holds a range of diversified assets and there is regular monitoring of how these investments are performing.
- Appointing experienced professional advisers and administrators to assist with the proper running of the Scheme.

## Statement of Risks (continued)

- Appointing a fellow of the Society of Actuaries in Ireland who holds appropriate certificates to act as a Scheme Actuary of an occupational pension scheme. Furthermore the Trustee will commission an actuarial valuation of the Scheme every three years. The Actuarial valuation assesses the financial condition of the Scheme and determines the rate of contributions likely to be required to meet the future liabilities of the Scheme. In addition, an annual review of the solvency position is carried out on the Scheme on the assumption that it is wound up. If the Scheme is found to be insolvent, the Trustee and the employer are required to complete a funding proposal for submission to the Pensions Authority with the objective of returning the Scheme to solvency.
- Having access to appropriate training in relation to its duties and responsibilities as Trustee and having access at all times to guidelines, guidance notes and codes of practice issued by the Pensions Authority in accordance with Section 10 of the Pensions Act, 1990.

It is not possible to list all possible risks or for that matter to guard against every eventuality.

## Report on Actuarial Liabilities

Under Section 56 of the Pensions Act, 1990, and associated regulations, the Trustees of defined benefit pension schemes are required to have a valuation<sup>1</sup> of the scheme prepared on a triennial basis. The most recent formal actuarial valuation of the Scheme was carried out as at **1 January 2021**. A copy of the report is available to Scheme members on request.

One of the purposes of the valuation is to set out the Scheme's ongoing funding level. It does this by comparing the value of the Scheme's accumulated assets with the value of its accrued liability. The assets and liabilities emerging from the last valuation were as follows:

	€' 000s
Value of Accumulated Assets	35,959
Value of Accrued Liability	38,416

### Valuation Method & Assumptions

The value of the accrued liability was calculated by firstly projecting the accrued benefits payable in the future, making assumptions in relation to financial matters such as salary and pension increase rates and demographic matters such as mortality rates. The resultant projected benefit cashflows were then discounted to the valuation date to arrive at a single capitalised value.

A summary of the most significant actuarial assumptions used to determine the accrued liability is set out below (full details are provided in the Scheme's triennial actuarial report):

Financial assumptions	
Discount rate	
- Pre-retirement	3.10% pa
- Post-retirement	1.00% pa (0.10% p.a. current pensioners)
Inflation	1.30% pa
Salary increases	n/a
Pension increases	0.65% pa
Demographic assumptions	
Post-retirement Mortality	88% ILT15 for males 91% ILT15 for females (plus CSO improvements from 2013)

The next valuation is due to be completed with an effective date not later than 1 January 2024.

<sup>1</sup> It should be borne in mind that a valuation is only a snapshot of a scheme's estimated financial condition at a particular point in time; it does not provide any guarantee of future financial soundness of a scheme. Over time, a scheme's total cost will depend on a number of factors, including the amount of benefits paid and the return earned on any assets invested to pay benefits.

## **Invesco Investment Management Limited DB Scheme – PB49188**

### **Actuary's Statement for the year ended 31 December 2022**

The last Actuarial Funding Certificate and Funding Standard Reserve Certificate prepared for the Invesco Investment Management Limited DB Scheme ("the Scheme") under Section 42 of the Pensions Act 1990 ("the Act") have an effective date of 31 December 2020 and show that, at that date, the Scheme satisfied the funding standard and funding standard reserve provided for in Section 44 of the Act.

I can confirm that I am reasonably satisfied that, if I had prepared an Actuarial Funding Certificate and a Funding Standard Reserve Certificate with an effective date of 31 December 2022, I would also have been able to certify that the Scheme satisfied the funding standard and funding standard reserve as at that date.

This Actuary's Statement was prepared in accordance with the requirements of Section 55 of the Act and actuarial guidance Actuarial Standard of Practice ASP-PEN 3.

It should be noted that the funding position of the Scheme relative to the funding standard is very sensitive to the investment return earned, the yield available on long dated bonds, salary and price inflation, mortality and changes to insurance company annuity rates as well as other financial and demographic variables. Experience in these areas will be critical in determining whether the Scheme will be in a position to satisfy the funding standard in the future. In addition, satisfying the funding standard should not be interpreted as the Scheme being in a position to purchase identical benefits with an insurance company in the event of wind up.



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**Colm Erett**  
**Fellow of the Society of Actuaries in Ireland**

Invesco Limited  
2 Sandyford Business Centre  
Burtonhall Road  
Dublin 18

28 February 2023





An tÚdarás Pinsean  
The Pensions Authority

**SCHEDULE BD**

Article 4

**ACTUARIAL FUNDING CERTIFICATE**

*THIS CERTIFICATE HAS BEEN PREPARED UNDER THE PROVISIONS OF SECTION 42(1) OF THE PENSIONS ACT 1990 (the ACT) FOR SUBMISSION TO THE PENSIONS AUTHORITY BY THE TRUSTEES OF THE SCHEME*

**SCHEME NAME:** Invesco Investment Management Limited DB Scheme

**SCHEME COMMENCEMENT DATE:** 01/01/1994

**SCHEME REFERENCE NO.:** PB49188

**EFFECTIVE DATE:** 31/12/2020

**EFFECTIVE DATE OF PREVIOUS CERTIFICATE (IF ANY):** 31/12/2017

On the basis of information supplied to me, having complied with any guidance prescribed under section 42(4)(b) of the Act and, subject thereto, having regard to such financial and other assumptions as I consider to be appropriate, I am of the opinion that at the effective date of this certificate:-

(1) the resources of the scheme, which are calculated for the purposes of section 44(1) of the Act to be €37,242,000.00, would have been sufficient if the scheme had been wound up at that date to provide for the liabilities of the scheme determined in accordance with section 44(1) of the Act which, including the estimated expenses of administering the winding up of the scheme, amount to €24,425,000.00, and

(2) €0.00 of the resources of the scheme referred to in paragraph (1) comprise contingent assets, in accordance with and within the meaning of the guidance issued by the Authority and prescribed under section 47 of the Act.

I, therefore, certify that as at the effective date of this certificate the scheme satisfies the funding standard provided for in section 44(1) of the Act.

I further certify that I am qualified for appointment as actuary to the scheme for the purposes of section 51 of the Act.

**Signature:**  **Date:** 14/09/2021

**Name:** Colm Erett **Qualification:** FSAI

**Name of Actuary's Employer/Firm:** Invesco limited **Scheme Actuary Certificate No.:** P155

**Submission Details**

**Submission Number:** SR2679160 **Submitted Electronically on:** 14/09/2021

**Submitted by:** Colm Erett - QA - Invesco





An tÚdarás Pinsean  
The Pensions Authority

## SCHEDULE BE

Article 4

### FUNDING STANDARD RESERVE CERTIFICATE

*THIS CERTIFICATE HAS BEEN PREPARED PURSUANT TO SECTION 42(1A) OF THE PENSIONS ACT 1990 (the ACT) FOR SUBMISSION TO THE PENSIONS AUTHORITY BY THE TRUSTEES OF THE SCHEME*

**SCHEME NAME:** Invesco Investment Management Limited DB Scheme

**SCHEME COMMENCEMENT DATE:** 01/01/1994

**SCHEME REFERENCE NO.:** PB49188

**EFFECTIVE DATE:** 31/12/2020

**EFFECTIVE DATE OF PREVIOUS CERTIFICATE (IF ANY):** 31/12/2017

On the basis of information supplied to me, having complied with any guidance prescribed under section 42(4)(b) of the Act and, subject thereto, having regard to such financial and other assumptions as I consider to be appropriate, I am of the opinion that at the effective date of this certificate:-

- (1) the funding standard liabilities (as defined in the Act) of the scheme amount to €23,142,000.00,
- (2) the resources of the scheme (other than resources which relate to contributions or a transfer of rights to the extent that the benefits provided are directly related to the value of those contributions or amount transferred (DC resources)), calculated for the purposes of section 44(1) of the Act amount to €35,959,000.00,
- (3) €12,265,000.00, of the amount referred to in paragraph (2) (subject to a maximum of an amount equal to the funding standard liabilities) is invested in securities issued under section 54(1) of the Finance Act 1970 (and known as bonds), securities issued under the laws of a Member State (other than the State) that correspond to securities issued under section 54(1) of the Finance Act 1970, cash deposits with one or more credit institutions and such other assets (if any) as are prescribed under section 44(2)(a)(iv) of the Act,
- (4) the amount provided for in section 44(2)(a) of the Act (Applicable Percentage x ((1) minus (3))) is €1,088,000.00,
- (5) the amount provided for in section 44(2)(b) of the Act, being the amount by which the funding standard liabilities of the scheme would increase if the interest rate or interest rates assumed for the purposes of determining the funding standard liabilities were one half of one per cent less than the interest rate or interest rates (as appropriate) assumed for the purposes of determining the funding standard liabilities less the amount by which the resources of the scheme (other than DC resources) would increase as a result of the same change in interest rate or interest rates is -€1,416,000.00,
- (6) the aggregate of (4) and (5) above amounts to €0.00, and
- (7) the additional resources (as defined in the Act) of the scheme amount to €12,817,000.00, of which, in accordance with and within the meaning of the guidance issued by the Authority and prescribed under section 47 of the Act, €0.00 comprises contingent assets and €0.00 of such contingent assets comprise an unsecured undertaking.

I therefore certify that as at the effective date of the funding standard reserve certificate, the scheme does hold sufficient additional resources to satisfy the funding standard reserve as provided in section 44(2) of the Act.

I further certify that I am qualified for appointment as actuary to the scheme for the purposes of section 51 of the Act.

**Signature:** Colm Erett **Date:** 14/09/2021  
**Name:** Colm Erett **Qualification:** FSAI  
**Name of Actuary's Employer/Firm:** Invesco limited **Scheme Actuary Certificate No.:** P155

### Submission Details

**Submission Number:** SR2679161 **Submitted Electronically on:** 14/09/2021

**Submitted by:** Colm Erett - QA - Invesco



# Investment Manager's Report

## INVESCO INVESTMENT MANAGEMENT LIMITED DB SCHEME

### Investment Report for Year Ended 31 December 2022

#### Investment Policy

The long term investment objectives of your pension fund are to achieve a return on fund assets which is sufficient, over the long-term, to meet your funding objectives and to earn a rate of return on assets that will exceed inflation and the risk free rate (cash).

In general, this will require a long-term investment return of at least price inflation plus 4% per annum. Examination of the long term return characteristics of asset types indicates that these objectives are most likely to be achieved by allocating a higher proportion of the fund to risk assets, such as equities and property with lower allocations to monetary assets such as bonds and cash. Each scheme however is unique and as such will have its own unique characteristics that determine the appropriate asset allocations between risk & monetary assets. Risk assets as outlined above whilst providing superior longer term returns, tend to be more volatile when compared with monetary assets which historically have provided lower returns but with less volatility.

#### Investment Performance

Global equities are down over the last twelve months, falling -15.6% in local currency terms although are down less in Euro terms, -12.6%, as the weaker euro boosted returns for euro based investors. Equities have fallen on concerns over tighter central bank policies, higher bond yields, slower growth and uncertainty over the potential fallout on growth and inflation following the invasion of Ukraine by Russia.

Eurozone bonds fell as yields rose through the year with the Eurozone 5yr+ sovereign bond benchmark down -24.4%. Bond yields rose given increasing concerns around inflation which resulted in an expectation of reduced policy accommodation from the ECB and other central banks. There has been a dramatic shift in monetary policy over the last year, from a low interest rate environment to one where official interest rates are rising and are expected to rise further.

Irish commercial property is slightly higher over the last twelve months, with the property fund rising 0.3%. Despite the disruption and uncertainty posed by the Covid-19 pandemic, inward investment into Irish property remained relatively high during the last year. Rental values in the modern office space have held up well despite the pandemic, while the industrial/logistics sector has experienced strong growth over the last twelve months.

Commodities rose 26.0% over the last twelve months and are up 34.2% in Euro terms due to tight supplies. Concerns over possible supply disruptions and sanctions following Russia's invasion of Ukraine have helped push commodity prices higher.

# SCHEME SUMMARY INFORMATION

Fund Code	Fund Name	Opening Value	Contributions / Withdrawals	Gain / Loss	Closing Value
ES70	2055 Nominal Bucket Fund S1	€5,729,117.30	€1,192,120.01	€(3,185,997.77)	€3,735,239.54
ES58	BlackRock Dynamic Diversified	€7,514,369.29	€(1,543,032.00)	€(832,073.65)	€5,139,263.64
ES71	French 2047 Linker	€2,748,433.78	€716,060.01	€(920,971.10)	€2,543,522.69
ES72	German Inflation Linked 2046 Fund	€3,023,823.43	€796,060.01	€(1,055,956.30)	€2,763,927.14
ES56	Indexed Emerging Market Equity	€1,875,947.16	€(375,556.01)	€(273,525.16)	€1,226,865.99
ES87	Indexed ESG Fundamental Equity	-	€2,340,000.00	€(157,705.81)	€2,182,294.19
ES12	Indexed Global Equity Fund (DB)	€12,772,882.80	€(4,936,164.00)	€(1,350,413.18)	€6,486,305.62
ES60	Indexed Minimum Volatility Equity	€3,512,573.84	€(773,132.00)	€(156,497.34)	€2,582,944.50
ES61	Indexed Small Cap Fund S8	€2,268,624.99	€(455,556.00)	€(291,814.48)	€1,521,254.51
<b>Total</b>		<b>€39,445,772.59</b>			<b>€28,181,617.82</b>

Fund Code	Fund Name	Opening Units	Price	Opening Value	Closing Units	Price	Closing Value
ES70	2055 Nominal Bucket Fund S1	3,989,636	€1.436	€5,729,117.30	5,397,745	€0.692	€3,735,239.54
ES58	BlackRock Dynamic Diversified	5,875,191	€1.279	€7,514,369.29	4,508,126	€1.140	€5,139,263.64
ES71	French 2047 Linker	1,975,869	€1.391	€2,748,433.78	2,668,964	€0.953	€2,543,522.69
ES72	German Inflation Linked 2046	1,980,238	€1.527	€3,023,823.43	2,670,461	€1.035	€2,763,927.14
ES56	Indexed Emerging Market	1,261,565	€1.487	€1,875,947.16	972,931	€1.261	€1,226,865.99
ES87	Indexed ESG Fundamental	-	-	-	1,638,359	€1.332	€2,182,294.19
ES12	Indexed Global Equity Fund	3,690,518	€3.461	€12,772,882.80	2,149,919	€3.017	€6,486,305.62
ES60	Indexed Minimum Volatility	2,355,851	€1.491	€3,512,573.84	1,818,975	€1.420	€2,582,944.50
ES61	Indexed Small Cap Fund S8	1,385,843	€1.637	€2,268,624.99	1,072,817	€1.418	€1,521,254.51
<b>Total</b>				<b>€39,445,772.59</b>			<b>€28,181,617.82</b>

## PERFORMANCE AS AT 31 DECEMBER 2022

Fund Name	QTD	YTD	1 Year	3 Years p.a.	5 Years p.a.	10 Years p.a.	Since Launch p.a.
2055 Nominal Bucket Fund S1	-9.9%	-51.8%	-51.8%	-20.6%	-	-	-7.1%
BlackRock Dynamic Diversified Growth Fund	2.3%	-10.9%	-10.9%	0.1%	1.0%	-	2.2%
French 2047 Linker	1.8%	-31.5%	-31.5%	-6.0%	-	-	-1.0%
German Inflation Linked 2046 Fund S2	-0.8%	-32.2%	-32.2%	-5.0%	-	-	0.7%
Indexed Emerging Market Equity Fund	0.6%	-15.2%	-15.2%	-1.2%	0.7%	-	3.7%
Indexed ESG Fundamental Equity Fund	4.3%	-5.7%	-5.7%	6.3%	-	-	8.7%
Indexed Global Equity Fund (DB)	0.7%	-12.8%	-12.8%	6.2%	8.1%	10.6%	9.9%
Indexed Minimum Volatility Equity Fund (S2)	1.4%	-4.8%	-4.8%	3.4%	7.0%	-	6.3%
Indexed Small Cap Fund S8	1.6%	-13.4%	-13.4%	4.6%	5.9%	-	6.5%

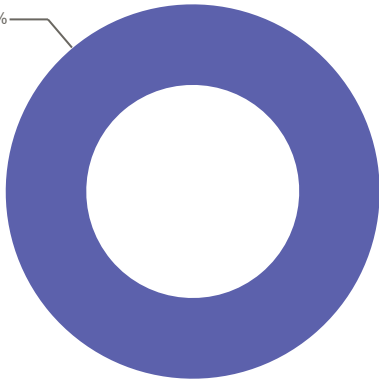
# INDEXED GLOBAL EQUITY FUND (DB)

The fund is fully invested in global equities of companies domiciled in the developed and advanced emerging market countries. It is managed on a passive basis and seeks to invest in the same underlying equities and in the same proportion as they are accounted for within its benchmark Index. The ultimate goal of the fund is to produce a return in line with that produced by the index on an ongoing basis.

Irish Life's strong indexation (passive investment) capabilities consistently lead to a tight performance tracking error from the fund relative to the underlying index.

## ASSET ALLOCATION

Shares 100.0%



## ASSET ALLOCATION

SHARES	100.0%
Global Shares	100.0%

## PERFORMANCE AS AT 31/12/2022

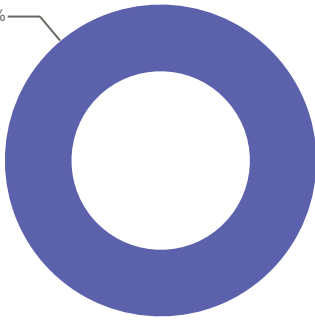
	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-7.62%	0.74%	-12.83%	6.15%	8.06%	10.57%	9.87%
Benchmark	-7.62%	0.76%	-12.78%	6.57%	8.57%	11.14%	10.45%

# BLACKROCK DYNAMIC DIVERSIFIED GROWTH FUND

The Fund actively invests in a diversified portfolio of global equities, government and non-government bonds, alternative assets and cash to provide growth, diversification and protection strategies. The alternative assets may include commodities, hedge funds, volatility strategies, high yield bonds and investment grade corporate bonds.

## ASSET ALLOCATION

Alternatives 100.0%



## ASSET ALLOCATION

ALTERNATIVES	100.0%
BlackRock Euro Dynamic Diversified Growth Fund	100.0%

External asset managers may change over time.

## PERFORMANCE AS AT 31/12/2022

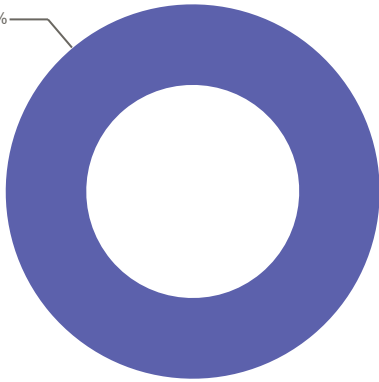
	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-0.87%	2.33%	-10.87%	0.06%	1.03%	2.16%

# INDEXED MINIMUM VOLATILITY EQUITY FUND (S2)

The Indexed Minimum Volatility Equity Fund is an indexed fund investing in world equities that are selected on the basis of trying to have lower risk than traditional equities. Its objective is to track the performance of MSCI Minimum Volatility Index by investing in a basket of equities in the same proportion as they are represented in the MSCI Minimum Volatility Index. The Index selects an optimised portfolio of equities from the MSCI World Index based on a range of factors that is trying to achieve lower volatility than traditional global equities.

## ASSET ALLOCATION

Shares 100.0%



## ASSET ALLOCATION

SHARES	100.0%
Minimum Volatility Shares	100.0%

## PERFORMANCE AS AT 31/12/2022

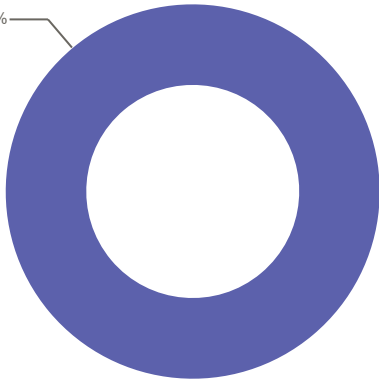
	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-5.08%	1.43%	-4.76%	3.41%	7.03%	6.25%
Benchmark	-5.10%	1.42%	-4.74%	3.37%	7.00%	6.23%

# INDEXED ESG FUNDAMENTAL EQUITY FUND

The fund follows the RAFI ESG Index (currency hedge adjusted). 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.

## ASSET ALLOCATION

Shares 100.0%



## ASSET ALLOCATION

SHARES	100.0%
Global Shares	100.0%

## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	Since Launch p.a.
Fund	-6.26%	4.31%	-5.73%	6.29%	8.68%
Benchmark	-6.28%	4.34%	-5.91%	6.43%	8.94%

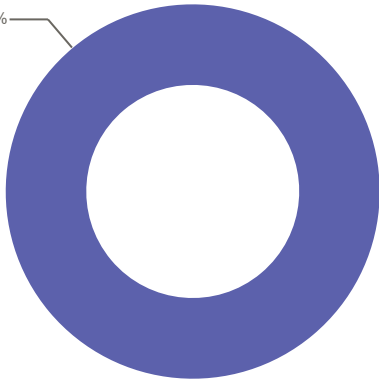


# INDEXED SMALL CAP FUND S8

The fund is an indexed fund which invests 100% in Global Small Cap Equities. The fund is managed on an optimised basis and aims to perform in line with the MSCI World Small Cap Equity Index. The fund largely captures the characteristics of the underlying MSCI World Small Cap Index in terms of country and industry exposure.

## ASSET ALLOCATION

Shares 100.0%



## ASSET ALLOCATION

SHARES	100.0%
Small Cap Shares	100.0%

## PERFORMANCE AS AT 31/12/2022

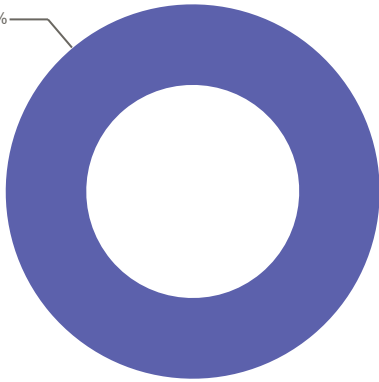
	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-6.83%	1.58%	-13.38%	4.60%	5.89%	6.53%
Benchmark	-6.79%	1.77%	-13.02%	5.12%	6.39%	6.98%

# INDEXED EMERGING MARKET EQUITY FUND

The Indexed Emerging Market Equity Fund is managed on an indexed basis against the MSCI Emerging Markets Index. The fund captures the characteristics of the underlying index in terms of country and industry exposure. Emerging markets involve higher risk than investments in developed markets.

## ASSET ALLOCATION

Shares 100.0%



## ASSET ALLOCATION

SHARES	100.0%
Emerging Market Shares	100.0%

## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-4.83%	0.56%	-15.20%	-1.24%	0.68%	3.71%
Benchmark	-4.83%	0.78%	-14.48%	-0.68%	1.33%	4.41%



17 JAN 2023

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 Luxembourg Branch  
 BP 648  
 L-2016 Luxembourg

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 Facsimile +352 24 52 4312  
 Email SICAVinstitutions@invesco.com  
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0000/01/0000/00000000/4944407  
 12642201/004808/001/002

Invesco Investment Management Limited DB  
 Scheme  
 Invesco Limited  
 2 Sandyford Business Centre  
 Burtonhall Road, Sandyford  
 Dublin 18  
 Ireland

02 January 2023

**Account holder:** Invesco Investment Management Limited DB Scheme  
**Account number:** 10101769

#### Your Investments as at 31 December 2022

Product	Joint holder / Designation	Value (EUR)
SICAV		3,237,134.37
<b>Total value as at 31 December 2022</b>		<b>3,237,134.37</b>



000001000000000004944407  
126422010048368002002

Invesco Investment Management Limited DB  
Scheme  
Invesco Limited  
2 Sandyford Business Centre  
Burtonhall Road, Sandyford  
Dublin 18  
Ireland

2 January 2023

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**Agent name**  
House Broker

---

**Agent number**  
00013

## Shareholder copy

### Your statement as at 31 December 2022

**Account number:** 10101769  
**Account holder(s):** Invesco Investment Management Limited DB Scheme

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### Your valuation as at 31 December 2022

Fund / ISIN	Number of shares	Price (EUR)	Value in fund currency (EUR)	Exchange rate	Value in reporting currency (EUR)
Invesco Global Total Return (EUR) Bond Fund I (Accumulation) EUR / LU2469448737	331,154.478	9.7753	3,237,134.37	1	3,237,134.37
<b>Total</b>					3,237,134.37

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### Important information

- This valuation is based on the prices and prevailing exchange rates, where applicable, as at the valuation date. It provides a summary of the total value of your holdings.
- This valuation reflects all transactions, including reinvestment of dividends where appropriate and transactions where payment or related documentation is outstanding.
- This is an important document, please review and verify that all transaction details are correct. If you believe an error has been made, please notify us in writing within 30 days from the date of this document quoting your Account number.





# Investment Manager's Report

## INVESCO INVESTMENT MANAGEMENT LIMITED AVC SCHEME

### Investment Report for Year Ended 31 December 2022

#### Investment Policy

The long term investment objectives of your pension fund are to achieve a return on fund assets which is sufficient, over the long-term, to meet your funding objectives and to earn a rate of return on assets that will exceed inflation and the risk free rate (cash).

In general, this will require a long-term investment return of at least price inflation plus 4% per annum. Examination of the long term return characteristics of asset types indicates that these objectives are most likely to be achieved by allocating a higher proportion of the fund to risk assets, such as equities and property with lower allocations to monetary assets such as bonds and cash. Each scheme however is unique and as such will have its own unique characteristics that determine the appropriate asset allocations between risk & monetary assets. Risk assets as outlined above whilst providing superior longer term returns, tend to be more volatile when compared with monetary assets which historically have provided lower returns but with less volatility.

#### Investment Performance

Global equities are down over the last twelve months, falling -15.6% in local currency terms although are down less in Euro terms, -12.6%, as the weaker euro boosted returns for euro based investors. Equities have fallen on concerns over tighter central bank policies, higher bond yields, slower growth and uncertainty over the potential fallout on growth and inflation following the invasion of Ukraine by Russia.

Eurozone bonds fell as yields rose through the year with the Eurozone 5yr+ sovereign bond benchmark down -24.4%. Bond yields rose given increasing concerns around inflation which resulted in an expectation of reduced policy accommodation from the ECB and other central banks. There has been a dramatic shift in monetary policy over the last year, from a low interest rate environment to one where official interest rates are rising and are expected to rise further.

Irish commercial property is slightly higher over the last twelve months, with the property fund rising 0.3%. Despite the disruption and uncertainty posed by the Covid-19 pandemic, inward investment into Irish property remained relatively high during the last year. Rental values in the modern office space have held up well despite the pandemic, while the industrial/logistics sector has experienced strong growth over the last twelve months.

Commodities rose 26.0% over the last twelve months and are up 34.2% in Euro terms due to tight supplies. Concerns over possible supply disruptions and sanctions following Russia's invasion of Ukraine have helped push commodity prices higher.

# SCHEME SUMMARY INFORMATION

Fund Code	Fund Name	Opening Value	Contributions / Withdrawals	Gain / Loss	Closing Value
ES2	Annuity Bond Fund	€2,919.42	-	€(927.57)	€1,991.85
ES8	Cash Fund	€180,817.88	-	€(365.66)	€180,452.22
ES4	Diversified Cautious Fund	€213,674.37	-	€(16,672.24)	€197,002.13
ES29	Diversified Growth Fund	€505,858.23	-	€(64,778.12)	€441,080.11
ES30	Diversified High Growth Fund	€49,009.63	-	€(6,253.38)	€42,756.25
ES28	Diversified Moderate Fund	€33,040.79	-	€(4,164.98)	€28,875.81
ES3	Pension & Cash Match Fund	€1.48	-	€(0.21)	€1.27
<b>Total</b>		<b>€985,321.80</b>			<b>€892,159.64</b>

Fund Code	Fund Name	Opening Units	Price	Opening Value	Closing Units	Price	Closing Value
ES2	Annuity Bond Fund	1,470	€1.986	€2,919.42	1,470	€1.355	€1,991.85
ES8	Cash Fund	182,829	€0.989	€180,817.88	182,829	€0.987	€180,452.22
ES4	Diversified Cautious Fund	122,590	€1.743	€213,674.37	122,590	€1.607	€197,002.13
ES29	Diversified Growth Fund	294,446	€1.718	€505,858.23	294,446	€1.498	€441,080.11
ES30	Diversified High Growth Fund	24,815	€1.975	€49,009.63	24,815	€1.723	€42,756.25
ES28	Diversified Moderate Fund	21,469	€1.539	€33,040.79	21,469	€1.345	€28,875.81
ES3	Pension & Cash Match Fund	1	€1.475	€1.48	1	€1.270	€1.27
<b>Total</b>				<b>€985,321.80</b>			<b>€892,159.64</b>

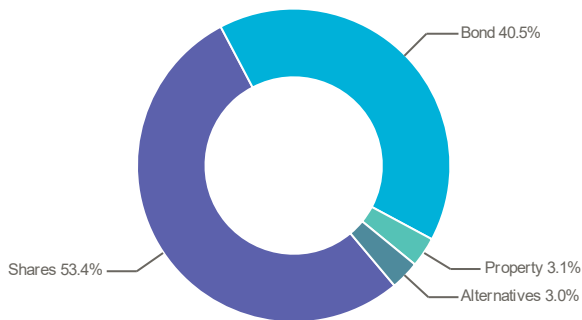
## PERFORMANCE AS AT 31 DECEMBER 2022

Fund Name	QTD	YTD	1 Year	3 Years p.a.	5 Years p.a.	10 Years p.a.	Since Launch p.a.
Annuity Bond Fund	-1.6%	-31.8%	-31.8%	-11.6%	-4.4%	0.5%	2.3%
Cash Fund	0.2%	-0.2%	-0.2%	-0.5%	-0.5%	-0.4%	-0.1%
Diversified Cautious Fund	1.1%	-7.8%	-7.8%	-0.6%	1.1%	2.4%	3.8%
Diversified Growth Fund	1.1%	-12.8%	-12.8%	1.4%	3.9%	-	4.9%
Diversified High Growth Fund	1.2%	-12.8%	-12.8%	3.2%	5.8%	-	6.7%
Diversified Moderate Fund	0.9%	-12.6%	-12.6%	0.0%	2.5%	-	3.6%
Pension & Cash Match Fund	-0.5%	-13.9%	-13.9%	-4.9%	-1.8%	0.7%	1.9%

# DIVERSIFIED GROWTH FUND

The Diversified Growth Fund is a high risk fund suitable for investors who have a long-term investment time horizon and want to earn high investment returns over the long term and are prepared to take on a higher level of risk in order to achieve this return.

## ASSET ALLOCATION



## ASSET ALLOCATION

<b>SHARES</b>	<b>53.4%</b>
Global Shares	41.0%
Minimum Volatility Shares	7.3%
Small Cap Shares	5.1%
<b>BOND</b>	<b>40.5%</b>
Inflation-Linked Bonds	14.6%
Corporate Bonds	10.2%
Government Bonds	7.8%
Emerging Market Bonds	4.3%
High Yield Bonds	3.6%
<b>PROPERTY</b>	<b>3.1%</b>
Global REIT	3.1%
<b>ALTERNATIVES</b>	<b>3.0%</b>
Alternatives	3.0%

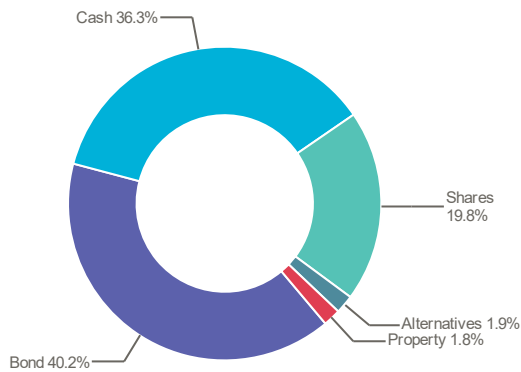
## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-5.49%	1.08%	-12.81%	1.39%	3.88%	4.94%
Benchmark	-5.38%	1.21%	-12.72%	1.64%	4.19%	5.26%

# DIVERSIFIED CAUTIOUS FUND

The Diversified Cautious Fund is a low\medium risk fund suitable for investors who have a short to mid-term investment period and want to earn a return that keeps pace with the rate of inflation and limit their investment risk over this period.

## ASSET ALLOCATION



## ASSET ALLOCATION

<b>BOND</b>	<b>40.2%</b>
Corporate Bonds	29.4%
Inflation-Linked Bonds	6.8%
Emerging Market Bonds	2.0%
High Yield Bonds	2.0%
<b>CASH</b>	<b>36.3%</b>
<b>SHARES</b>	<b>19.8%</b>
Global Shares	12.7%
Minimum Volatility Shares	7.1%
<b>ALTERNATIVES</b>	<b>1.9%</b>
Alternatives	1.9%
<b>PROPERTY</b>	<b>1.8%</b>
Global REIT	1.8%

## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-2.37%	1.07%	-7.80%	-0.57%	1.08%	2.40%	3.78%
Benchmark	-2.32%	1.22%	-7.60%	-0.35%	1.31%	2.66%	4.05%

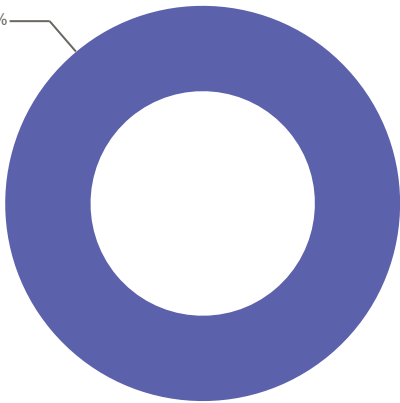


# CASH FUND

The Cash Fund is a low risk fund suitable for investors who have a short investment period and want to limit their investment risk over this period by investing 100% in Cash.

## ASSET ALLOCATION

Cash 100.0%



## ASSET ALLOCATION

CASH	100.0%
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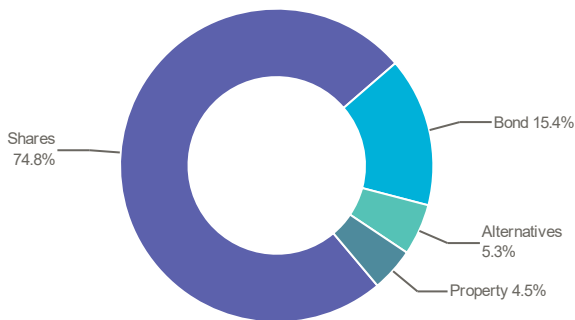
## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	0.10%	0.20%	-0.20%	-0.50%	-0.52%	-0.39%	-0.11%
Benchmark	0.16%	0.41%	0.20%	-0.34%	-0.40%	-0.28%	-0.03%

# DIVERSIFIED HIGH GROWTH FUND

The Diversified High Growth Fund is a very high risk fund suitable for investors who want to earn a higher-than average return on their investment and have a long-term investment time horizon.

## ASSET ALLOCATION



## ASSET ALLOCATION

<b>SHARES</b>	<b>74.9%</b>
Global Shares	58.3%
Minimum Volatility Shares	8.6%
Small Cap Shares	8.0%
<b>BOND</b>	<b>15.3%</b>
Emerging Market Bonds	5.3%
High Yield Bonds	5.1%
Inflation-Linked Bonds	4.9%
<b>ALTERNATIVES</b>	<b>5.3%</b>
Alternatives	5.3%
<b>PROPERTY</b>	<b>4.5%</b>
Global REIT	4.5%

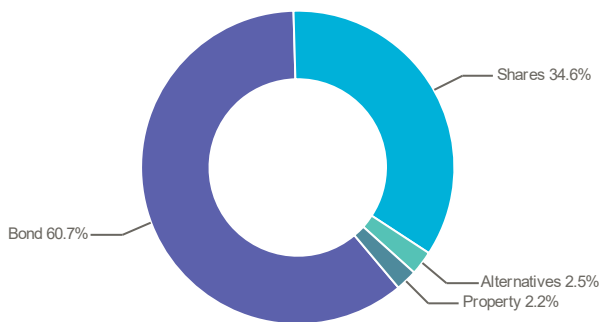
## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-6.31%	1.17%	-12.76%	3.21%	5.81%	6.71%
Benchmark	-6.27%	1.24%	-12.74%	3.41%	6.12%	7.04%

# DIVERSIFIED MODERATE FUND

The Diversified Moderate Fund is a medium risk fund suitable for investors who have a mid to long term investment time horizon and want to earn an investment return that is modestly higher than inflation and can withstand the additional risk required to achieve this level of return.

## ASSET ALLOCATION



## ASSET ALLOCATION

<b>BOND</b>	<b>60.7%</b>
Inflation-Linked Bonds	20.0%
Corporate Bonds	17.8%
Government Bonds	17.1%
Emerging Market Bonds	3.2%
High Yield Bonds	2.6%
<b>SHARES</b>	<b>34.6%</b>
Global Shares	25.3%
Minimum Volatility Shares	6.8%
Small Cap Shares	2.5%
<b>ALTERNATIVES</b>	<b>2.5%</b>
Alternatives	2.5%
<b>PROPERTY</b>	<b>2.2%</b>
Global REIT	2.2%

## PERFORMANCE AS AT 31/12/2022

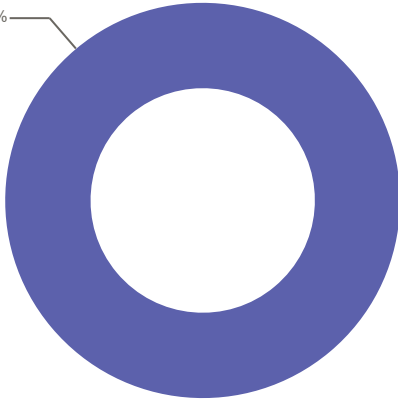
	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	Since Launch p.a.
Fund	-4.68%	0.90%	-12.61%	-0.05%	2.48%	3.59%
Benchmark	-4.59%	1.08%	-12.51%	0.19%	2.77%	3.91%

# ANNUITY BOND FUND

The Annuity Bond Fund is a passively managed fund that invests in Eurozone government and euro investment grade corporate bonds. The fund aims to perform in line with the underlying indices by replicating the securities and proportions held in the indices.

## ASSET ALLOCATION

Bond 100.0%



## ASSET ALLOCATION

<b>BOND</b>	<b>100.0%</b>
Government Bonds	57.2%
Corporate Bonds	42.8%

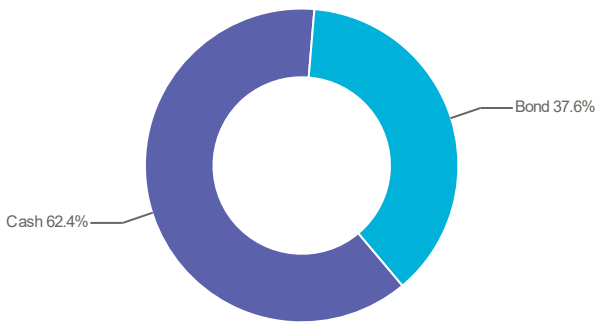
## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-8.20%	-1.60%	-31.77%	-11.58%	-4.40%	0.45%	2.35%
Benchmark	-8.21%	-1.67%	-31.64%	-11.41%	-4.18%	0.71%	2.48%

# PENSION & CASH MATCH FUND

The Pension & Cash Match Fund is a low risk fund suitable for investors who have a short investment time horizon and want to avoid earning a negative return on their investment.

## ASSET ALLOCATION



## ASSET ALLOCATION

<b>CASH</b>	<b>62.4%</b>
<b>BOND</b>	<b>37.6%</b>
Government Bonds	21.6%
Corporate Bonds	16.0%

## PERFORMANCE AS AT 31/12/2022

	1 Month	3 Month	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.	Since Launch p.a.
Fund	-3.20%	-0.55%	-13.90%	-4.90%	-1.85%	0.70%	1.87%
Benchmark	-3.16%	-0.38%	-13.63%	-4.72%	-1.65%	0.90%	2.03%

30 JAN 2023

Equitable Life

**Private and confidential**

Mr M Reilly  
Invesco Limited  
2 Sandyford Business Centre  
Burtonhall Road  
Sandyford  
Dublin 18  
Ireland

25 January 2023

Our ref: TR

Dear Mr Reilly

Scheme Name: INVESCO GLOBAL ASSET MANAGEMENT LIMITED DB SCHEME  
Policy Number: E3016

I enclose this year's scheme totals and Investment benefits. There has been no financial movement during the scheme year.

It is for the scheme auditors to decide on the classification and level of the portfolio valuation for the assets in our unit-linked funds. Full information regarding our unit-linked funds can be found on our website at [www.equitable.co.uk](http://www.equitable.co.uk).

If you have any questions please email [gpi\\_unit@equitable.co.uk](mailto:gpi_unit@equitable.co.uk).

Yours sincerely

Theresa Randall  
Customer Service 2

Enclosure:  
Scheme totals  
Investment Benefits

Walton Street, Aylesbury, Bucks, HP21 7QW, United Kingdom  
Telephone +44 1296 386242 Facsimile +44 1296 386243 ; [www.equitable.co.uk](http://www.equitable.co.uk)

For security and training purposes, telephone calls may be recorded.  
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.  
Regulated by the Central Bank of Ireland for conduct of business rules.

The Equitable Life Assurance Society is registered in England No. 37038 and is a member of Insurance Ireland.  
Registered Office: Walton Street, Aylesbury, Buckinghamshire, HP21 7QW, United Kingdom.

## Scheme totals

This is a summary of benefit statement information as at 30 December 2022.

Scheme name	INVESCO GLOBAL ASSET MANAGEMENT LIMITED DB SCHEME
Scheme number	E3016
Statement date	30 December 2022

### Number of members as at 30 December 2022

Number of active members	1
Number of members with preserved benefits	7
Number of members investing in	
Unit-linked	8

### Investments in unit-linked funds

Value of investments if full value terms applied on 30 December 2022	€224,815.62
--	-------------

### Contributions received

Contributions received from the outset to 31 December 2021	€71,806.20
--	------------

Further details are shown on subsequent pages.



## Investment benefits

This is a summary of benefit statement information as at 30 December 2022.

Scheme name INVESCO GLOBAL ASSET MANAGEMENT LIMITED DB SCHEME  
 Scheme number E3016  
 Site name INVESTMENT FUND ADMI  
 Statement date 30 December 2022

Member name	Member number	Contributions received (€)		Unit-linked value if full terms apply on 30/12/2022 (€)
		From the outset to 31/12/2021	From 01/01/2022 to 29/12/2022	
BREADEN D	003	1,320.56		5,331.63
BURKE K T	004	14,602.01		52,120.77
CARROLL P	010	2,222.06		5,132.58
CURRAN S P	005	43,059.38		133,994.47
O'CONNOR K	007	2,031.52		5,929.27
O'DONNELL C J	011	380.94		856.17
TREW G A	009	6,856.51		17,477.34
<b>Site totals</b>		<b>€70,472.98</b>	<b>€0.00</b>	<b>€220,842.23</b>

Walton Street, Aylesbury, Bucks, HP21 7QW, UK Tel: +44 1296 386242 Fax: +44 1296 386243 : [www.equitable.co.uk](http://www.equitable.co.uk)  
 For security and training purposes, telephone calls may be recorded. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.  
 Regulated by the Central Bank of Ireland for conduct of business rules. The Equitable Life Assurance Society is registered in England No. 37038 and is a member of Insurance Ireland.  
 Registered Office: Walton Street, Aylesbury, Buckinghamshire, HP21 7QW, United Kingdom.

BS-SSS/E3016.0000/GPISRP/I/22:12:59/30.12.2022





## Investment benefits

This is a summary of benefit statement information as at 30 December 2022.

Scheme name INVESCO GLOBAL ASSET MANAGEMENT LIMITED DB SCHEME  
 Scheme number E3016  
 Site name LGT FINANCE  
 Statement date 30 December 2022

<i>Member name</i>	<i>Member number</i>	<i>Contributions received (€)</i>		<i>Unit-linked value if full terms apply on 30/12/2022 (€)</i>
		<i>From the outset to 31/12/2021</i>	<i>From 01/01/2022 to 29/12/2022</i>	
MATHEWS K	008	1,333.22		3,973.39
<b>Site totals</b>		<b>€1,333.22</b>	<b>€0.00</b>	<b>€3,973.39</b>

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BS-SSS/E3016.0000/GPISRP/22:12:59/30.12.2022

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

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### 1. Introduction

The purpose of this Statement of Investment Policy Principles (the “Statement”) is to document the policies and parameters that govern the management of the assets of the Invesco Investment Management Limited DB Scheme (“the Scheme”). This Statement has been reviewed and adopted by the Trustees.

This Statement outlines the responsibilities, objectives, policies and risk management processes in order that:

1. Trustees, relevant Company staff, consultants, investment managers and other stakeholders understand the investment decisions that have been agreed;
2. There are clear principles governing the guidelines and restrictions to be presented to the investment managers;
3. The trustees have a meaningful basis for the evaluation of the investment performance of the investment manager(s), the Scheme as a whole and the success of overall investment strategy; and
4. The Trustees fulfil the requirements of the Occupational Pension Scheme (Investment) Regulations 2006, which stipulate that such a Statement is put in place.

In preparing this Statement, the Trustees have consulted investment managers, investment consultants and Invesco Investment Management Limited (“the Sponsoring Employer”) to ensure that the information provided is realistic and appropriate. The intention of this Statement is to outline the objectives, risk management strategies and strategic allocations that will shape Trustees’ investment strategy decisions.

This Statement will be reviewed at least every three years, and also following any change in investment policy which impacts on the content of the Statement. The Trustees will consult the Sponsoring Employer on any significant changes to the Scheme’s investment arrangements; however, the Trustees retain ultimate responsibility for investment decisions.

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

*This Statement does not cover the investment options that are available to members making additional voluntary contributions (AVCs). Given that different objectives and risks need to be considered for these individual investments, a separate Statement has been prepared.*

### 2. Scheme Details

The Scheme operates for the purpose of providing a Defined Benefit pension arrangement for eligible members at retirement.

### 3. Identification of Investment Responsibilities

Due to the number of parties involved in the management of the Scheme, it is useful to clearly identify each entity's role with regard to investment in order to ensure operational efficiency, accountability and clear lines of communication.

- a) **Company** - The Company is the Scheme sponsor, but is generally not responsible for the Scheme's investment decisions. However, the Trustees recognise that it is in the best interest of members to secure the continued financial support of the Company. It is for this reason that the Trustees will often consult with the Company when making investment decisions for the Scheme's assets.
- b) **Trustees** - The Trustees have fiduciary responsibility for selecting and monitoring Scheme investments. The Trustees' responsibilities include:
  - Identifying the Scheme's risk tolerance level and formulating an appropriate investment policy which best serves the interests of the members;
  - Delegating the management of Scheme investments to investment manager(s). The Trustees recognise that their role is supervisory – not investment advisory;
  - Monitoring and evaluating performance to ensure that guidelines are adhered to and objectives are being met;
  - Making any necessary changes in the investments and the investment manager(s), custodians, consultants, and others that provide services to the Scheme relating to the investment of assets; and
  - Regularly reviewing this Statement, which they may amend or restate at any time at their sole discretion.
- c) **Investment Consultant** - The Investment Consultant will assist the Trustees with the development and implementation of this Statement and will also provide information and research relating to investment managers and performance.
- d) **Investment Manager** - One or more investment managers will be appointed to act on behalf of the Trustees. Subject to any agreed guidelines or restrictions, the investment manager will be responsible for making all investment decisions and will be evaluated on their ability to achieve the performance objectives set for them by the Trustees.

Other parties with specific duties with regard to investment include the Scheme's custodian and Scheme administrator. These duties are separately documented within contractual agreements with those parties, where appropriate.

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

### 4. Investment Objectives

The investment objective of the Trustees is to maximise the level of investment return at an acceptable level of risk, given the projected liabilities for benefits that are expected to be provided to beneficiaries of the scheme. A prudent and carefully planned investment policy will be designed with the ultimate objective of maximising the security and level of benefits provided to members.

The long-term investment objective is to move towards an investment strategy that more closely matches the value of the pension assets with the projected value of the liabilities.

### 5. Strategic Asset Allocation

Having had regard to the nature and duration of the expected future pension payments and the expected evolution of the Scheme, the Trustees have established their long-term strategic asset allocation mix as set out in the table below and believe it prudently positions the portfolio so as to achieve the Trustees' current investment objectives.

Fund Name	Current Strategic Asset Allocation*	Long-Term Strategic Asset Allocation
Indexed Global Equity Fund	21%	
Indexed Minimum Volatility Equity Fund	8%	
Indexed ESG Fundamental Equity Fund	7%	
Indexed Emerging Market Equity Fund	4%	
Indexed Small Cap Fund	5%	
BlackRock Dynamic Diversified Growth Fund	16%	
<b>Growth Assets Sub-Total</b>	<b>61%</b>	<b>50%</b>
Invesco Global Total Return Bond Fund	10%	
<b>Credit Assets Sub-Total</b>	<b>10%</b>	<b>20%</b>
French 2047 Linked Bond Fund	8%	
German Inflation Linked 2046 Fund	9%	
2055 Nominal Bucket Fund	12%	
<b>Matching Assets Sub-Total</b>	<b>29%</b>	<b>30%</b>
<b>Total Assets</b>	<b>100%</b>	<b>100%</b>

*\*Actual allocations may vary from time to time, reflecting market movements and other related factors.*

The Trustees recognise that even though the Scheme's investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. The Trustees intend to avoid revisions to their philosophy and policies in reaction to either speculation or short-term market fluctuations.

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

### 6. Performance Objectives

The objective of the allocation to Growth Assets is to deliver relatively high positive returns over the long term. Investment performance for Growth Assets will be measured relative to a relevant benchmark index. Funds following a passive (indexed) strategy are expected to deliver performance in line with a market index, less any fees and transaction costs. Funds following an active strategy are expected to outperform their target market index and/or absolute return target.

The objective of the allocation to Matching Assets is to deliver performance in line with a blended market index, less any fees and transaction costs.

The currency of the Scheme, and thus of the benchmark, is the Euro. The performance benchmark is to be calculated on a quarterly basis.

Details of specific funds and performance benchmarks are detailed in Appendix A.

### 7. Risk Measurement Methods

In determining the level of risk appropriate to the Scheme at any point in time, the Trustees recognise the importance of the nature and duration of the liabilities, and measure the risk of the chosen investment policy by reference to these liabilities.

In particular, the Trustees consider the following risks:

- a) Shortfall Risk** - The risk of achieving an insufficient level of investment return relative to the rate required to match the growth in liabilities and/or deficit recovery over time.

The required rate will depend on the funding policy adopted for the Scheme. Therefore, the Trustees acknowledge the critical need for interaction and co-operation between the Trustees and the Company when formulating the investment policy.

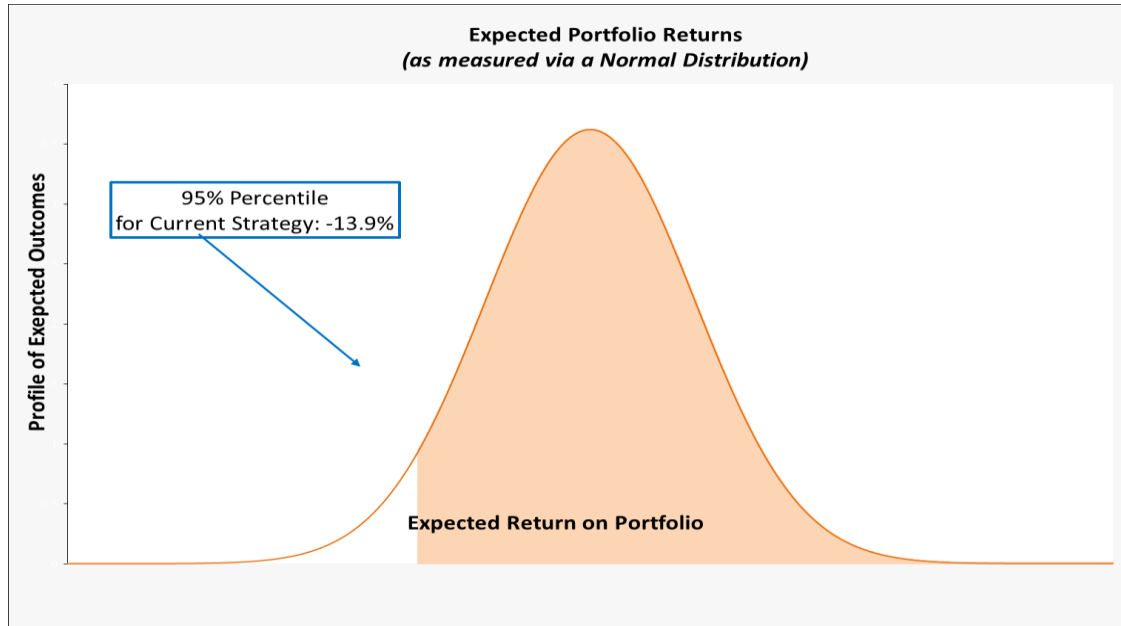
- b) Market Risk for Scheme's Growth Assets** - The risk that the value of an investment decreases due to movements in market factors

When analysing the inherent market risk in a pension scheme's asset portfolio, one measure commonly referenced is that of Value at Risk (VaR). VaR is a statistical technique designed to measure the maximum expected loss that a portfolio of assets could suffer over a period of time with a specified level of confidence.

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021



Based on the model and assumptions used, for a 95% confidence interval it is estimated the Scheme's Growth Assets would return at worst -13.9% over a 1-year period. To give this figure some context, the same VaR for a global equity portfolio over a 1-year period is -19.4%.

The above VaR calculations are absolute measures based on the inherent market risk of the portfolio assets. While there is a meaningful reduction in market risk for the current Growth Asset portfolio versus a global equity portfolio, a key factor to be borne in mind is the matching characteristics of the portfolio, which is aligned to the Plan's long term investment objective as per Section 4. For the purposes of the above VaR calculation, we have omitted the Matching Portfolio.

The calculation of VaR is based on an investment model and assumptions adopted by the Investment Consultant and these assumptions are reviewed on a regular basis. The model and the underlying assumptions have been explained to the Trustees and the Trustees understand the limitations of the model.

- c) **Manager Risk** – The risk associated with appointing an investment manager to achieve their stated performance objective.

The Trustees acknowledge that all managers will be given some discretion to make investment decisions and that this could lead to underperformance relative to the pre-determined benchmark.

With this in mind, the Trustees will be mindful of the level of discretion given to the investment managers as well as the level of risk that will need to be taken by the manager in order to achieve the performance objective.

Managing these risks in isolation may lead to conflicting investment policies. Therefore, in formulating an appropriate investment policy, the Trustees seek to arrive at an acceptable balance between these risks in order to best meet their investment objectives. Furthermore, the Trustees will manage a range of other investment risks using the risk management

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

processes outlined in the next section in order to create a prudent, diversified and efficient portfolio.

### **8. Risk Management Processes**

The Trustees will ensure, either through direct guidance or through ascertaining the suitability of any unithised vehicles that are used, that policies and guidelines are in place for the appointed investment manager(s) and other providers such that:

- investments are, for the most part, limited to marketable securities traded on recognised/regulated markets;
- investment in derivative instruments may be made only in so far as they either contribute to a reduction of investment risks or facilitate efficient portfolio management. Any such derivative investment must avoid excessive risk exposure to a single counterparty and to other derivative operations;
- the portfolio is properly diversified in such a way as to avoid excessive reliance on any particular asset, issuer or group of undertakings and so as to avoid accumulations of risk in the portfolio as a whole. Investments in assets issued by the same issuer or by issuers belonging to the same group must not expose the Scheme to excessive risk concentration; and
- the security, quality and liquidity of the portfolio as a whole is ensured, with due regard paid to the level of non-Euro currency exposure.

### **9. Manager Selection and Implementation**

The investment objectives and strategic asset allocation will be implemented through products managed by professional investment managers. Investment managers are assessed and selected based on the following quantitative analysis and the qualitative criteria:

- Historical volatility and downside risk
- Management style and discipline
- Correlation among securities and asset classes
- Current market conditions
- Opportunity costs and annual management fees

The Trustees recognise that past performance is not usually indicative of future returns, but will be considered to demonstrate that the manager has the ability to deliver on the target objective.

The manager selection process is initiated by a professional investment consultant and then presented to the Trustees for final decision and appointment of the investment manager(s) and funds. Appendix A contains a current list of the investment managers and funds that have been selected. All investment managers employed by the Trustees are subject to termination at any time.

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

### 10. Ongoing Monitoring & Reporting

The ongoing monitoring of performance will be a regular and disciplined process. While frequent change is neither expected nor desired, the process of monitoring investment performance relative to the guidelines that are detailed in this Statement is necessary to ensure that the investments are on track to meeting the objectives.

An investment manager may be added or removed based on factors such as performance, market conditions, firm structure, or access to new investment products.

Although investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. In general, single quarter results are not immediately considered indicative of a longer-term concern. Investments that consistently under perform in terms of risk and return will be carefully reviewed to determine if any action is warranted.

It is the intention of the Trustees to review this document at least every three years or sooner following any change in investment policy which is inconsistent with this statement.

### 11. Environmental, Social and Governance Policy Statement

This Environmental Social and Governance (“ESG”) Policy Statement (“the Policy”) has been prepared by the Trustees to set out their views on ESG factors. Environmental factors include but are not limited to carbon emissions, use of natural resources, energy efficiency, pollution and waste management and biodiversity. Social factors include but are not limited to employee satisfaction, human rights and supply chain, global health policy, stakeholder commitments and product responsibility. Governance factors include board diversity and independence, sustainability policy and reporting, bribery and anti-corruption, lobby group policy and management of subsidiaries.

As part of the Trustees’ duties, which includes a comprehensive approach to risk management and a focus on best member outcomes, the Trustees recognise the need for the Scheme to be a long-term, responsible investor.

#### ESG Beliefs

The Trustees have considered and discussed ESG factors to establish their beliefs to help underpin the Trustees’ decision making. The following represent a consensus of the beliefs to be incorporated:

- The Trustees believe that ESG factors are potentially financially material for the value of the Scheme’s investments and consequently members’ retirement benefits.
- The Trustees believe that the process for incorporating ESG issues should be consistent with, and proportionate to, the rest of the investment process.
- ESG issues, including climate change are a source of investment opportunities and are important in managing risks.
- It follows that ESG factors should be taken into account to the extent that they can reasonably be expected to impact on investment returns.



# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

### **Implementation**

The Trustees understand that the method of incorporating ESG in the investment strategy and process will differ between asset classes and should be considered alongside implementation factors. The process for incorporating ESG should be consistent with, and proportionate to, the rest of the investment process.

The Trustees believe that ESG issues may be of more importance where the Scheme invests predominantly in Growth assets as the materiality of such issues will have a greater impact over the longer term.

Subject to any agreed guidelines or restrictions, the Trustees delegate the consideration of all financially material factors in relation to determining the underlying holdings within the investment funds, including ESG factors, to the Scheme's investment managers as part of their day-to-day management. The Investment Manager(s) will be evaluated by the Trustees, along with other considerations on their ability to employ ESG policies within their decision-making process.

The Trustees will also review aspects such as, but not limited to, longer term performance, manager incentivisation and portfolio turnover in order to ensure alignment with the Scheme's investment policy.

The Scheme invests in unit linked investment vehicles and collective investment vehicles (e.g. UCITS) and the Trustees note that the Scheme's investment managers, BlackRock, Invesco Global Asset Management and Irish Life Investment Managers (ILIM), are signatories to the United Nations Principles for Responsible Investment ("UNPRI").

### **The EU Sustainable Finance Disclosure Regulation**

The Trustees are conscious that the EU Sustainable Finance Disclosure Regulation (SFDR) will apply from 10 March 2021 and with the assistance of its advisors have engaged with the relevant investment managers to ensure appropriate disclosures are made available detailing the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics, and sustainable investment for the funds available within the Scheme. The Trustees understand this process is evolving and will review their position as further disclosures are required or changes in regulation arise.

### **Shareholders' Rights Directive II 2020**

#### *Exercise of Voting Rights and Shareholder Engagement Activity*

The Trustees have delegated voting and engagement on their behalf to the investment managers of the funds range. The Trustees expect that the investment managers document their policies and disclose these publicly on a regular basis.

The Trustees engage regularly with their investment managers and investment consultant and consider how ESG issues are taken into account.

# Invesco Investment Management Limited DB Scheme

## Statement of Investment Policy Principles

as of 31<sup>st</sup> December 2021

### *Investment Strategy*

The Scheme's growth assets may contain equity investments as a key driver of returns over the medium to longer term. The transition of the Scheme's investment strategy towards more bonds/matching assets as opportunities arise will move the Scheme towards a long-term portfolio which seeks to match the duration of the Scheme's liabilities.

### *Remuneration*

The investment managers employed by the Trustees are remunerated for their management services, based on the market value of the underlying funds. As such, the investment managers are incentivised to maximise the value of assets under management, which supports the alignment of interests of the Trustees to maximise the long-term growth in the underlying investment funds.

## **12. Acknowledgement**

Signed on behalf of the Trustees:

\_\_\_\_\_

Date:

\_\_\_\_\_

Date:

# Invesco Investment Management Limited DB Scheme

## Appendix

### Appendix A: Details of Investment Manager(s) and Funds

The Trustees have appointed Irish Life Investment Managers (ILIM), Invesco Global Asset Management and BlackRock to manage the assets of the Scheme. The following table summarises the characteristics of each investment fund along with their corresponding performance benchmarks.

Asset Class	Sub Class	Fund Name	Manager	Management Style	Benchmark	Performance Objective
<b>Growth Assets</b>	Equities	Global Equity Fund	ILIM	Passive	MSCI World Index	Perform in line with the Benchmark
		Emerging Market Equity Fund	ILIM	Passive	MSCI EM Index Net	Perform in line with the Benchmark
		Minimum Volatility Equity Fund	ILIM	Passive	MSCI World Minimum Volatility Index Net	Perform in line with the Benchmark
		Indexed ESG Fundamental Equity Fund	ILIM	Passive	RAFI ESG Fundamental Index	Perform in line with the Benchmark
		Small Cap Fund	ILIM	Passive	MSCI World Small Cap Net	Perform in line with the Benchmark
	Alternatives	Dynamic Diversified Growth (DDG) Fund	BlackRock	Active	Cash	Outperform the Benchmark by 4% p.a. over a rolling 3-year basis (gross of fees)
<b>Credit Assets</b>	Credit	Invesco Global Total Return Bond Fund	Invesco Global Asset Management	Active	Bloomberg Barclays Global Aggregate Bond Index	Outperform benchmark
<b>Matching Assets</b>	Fixed Income	French 2047 Linked Bond Fund	ILIM	Passive	French Inflation-Linked 2047 Bond	Perform in line with the benchmark
		German Inflation Linked 2046 Fund	ILIM	Passive	German Inflation-Linked 2046 Bond	Perform in line with the benchmark
		2055 Nominal Bucket Fund	ILIM	Passive	2055 Nominal Bucket Fund	Perform in line with the benchmark

Effective Date: 31<sup>st</sup> December 2022

# Invesco Investment Management Limited DB Scheme AVCs

## Statement of Investment Policy Principles

as of 31<sup>st</sup> March 2021

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### 1. Introduction

The purpose of this Statement of Investment Policy Principles (the “Statement”) is to document the policies and parameters that govern the management of the AVC assets under the Invesco Investment Management Limited DB Scheme (“the Scheme”). This Statement has been reviewed and adopted by the Trustees.

In preparing this Statement, the Trustees have consulted investment managers and consultants to ensure that the information provided is realistic and appropriate. It is intended that this Statement be sufficiently specific to be meaningful but adequately flexible as to be practical.

This Statement will be reviewed at least every three years, or following any change in investment policy which impacts the content of the Statement.

### 2. Scheme Details

The Scheme operates for the purpose of providing retirement benefits to eligible participants. The benefits at retirement are determined by the accumulated assets invested on behalf of the individual members.

Scheme members will be presented with a default investment strategy (specified in Section 6) but can elect to direct their investment to a limited selection of other funds. Members choosing a fund other than the default investment are accepting a level of risk and return that may be different from the default strategy. Both the default investment strategy and the alternative investment strategies have been selected in accordance with this Statement.

### 3. Investment Objectives

The investment objectives of the Trustees are:

- a) To provide a range of investment strategies and fund options that meet the broad objectives of members, having regard to the potential structures and duration of their needs at retirement.

## **Invesco Investment Management Limited DB Scheme AVCs**

### **Statement of Investment Policy Principles**

as of 31<sup>st</sup> March 2021

- b) To provide sufficient information such that members understand their investment choices and can select an appropriate strategy to meet their personal investment objectives.

#### **4. Risk Measurement Methods**

Given the nature of the Scheme, the Trustees will identify a range of fund options that meets the needs and objectives of various categories of members. Members are often distinguished by their time to retirement or their ability and willingness to accept investment risk (their personal risk tolerance). It is the policy of the Trustees to seek a range of investment strategies that take into account the following risks:

- The risk that members with a low tolerance for investment risk do not have an investment option designed to protect their invested capital.
- The risk that members approaching retirement do not have an investment option designed to preserve their pension purchasing power and their account moves significantly out of line with the movement in the value of annuity rates.
- The risk that members with a relatively higher tolerance for investment risk and/or who are further away from retirement do not have the choice of investment options that have the potential for a significant level of capital growth over time, to keep pace with inflation and/or produce an acceptable level of retirement benefits.
- The risk that the members will not possess sufficient understanding of the options to make an informed decision, due either to an excessively wide or complex range of options or the provision of insufficient information on those options.

#### **5. Risk Management Processes**

In order to address and manage the risks listed above, the Trustees will ensure that:

- Members have a choice of funds with higher risk/higher expected return and lower risk/lower expected return characteristics. These fund characteristics will be detailed to members in the communications that are provided to support the fund choice.
- Members have the option to complete a risk profiling questionnaire which may help them to understand their personal ability and willingness to accept investment risk.
- Members are provided with information that is accurate, clear and easy to access.
- Members have the choice to reduce their investment risk in the years leading up to retirement by selecting a strategy that moves out of higher risk investments like equities and into lower risk investments such as bonds and cash. This is commonly referred to as a “lifestyle” strategy. The lifestyle strategy that will be available to members of this Scheme is detailed in Appendix B.

The Trustees intend to monitor these risks and processes by reviewing trends in member decisions, discussing best practices, member feedback and emerging issues on a regular basis.

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as of 31<sup>st</sup> March 2021

#### 6. Strategic Asset Allocation

In consideration of the range of possible needs and objectives of various categories of members, the Trustees have established a range of “risk profiles” which are defined by a level of expected risk and average/target allocation to higher risk investments. It is expected that members will use these risk profiles as the basis for selecting their investment fund(s).

Risk Profile	Potential Allocation to Higher Risk Investments*
1	0%
2	30%
3	50%
4	70%
5	100%

\*“Higher Risk Investments” will often include investments in asset classes with higher relative volatility such as equities, property and equity alternatives.

These funds may be diversified across various asset classes or may be concentrated in a single asset class (i.e. cash, fixed interest, equities), depending on the level of risk and expected return. Specific details of the funds that will be made available under each risk profile are provided in Appendix A.

As members approach retirement, their risk profile is likely to change. Members might want to switch their pension into lower risk funds in the years leading up to retirement in order to preserve the value of their pension. A “lifestyle strategy” that systematically reduces the risk within a member’s investment holdings will be made available to members that choose a particular “Moderate”, “Growth”, or “High Growth” investment fund.

The default investment strategy that will be presented to members is the Diversified Moderate Fund with a Risk Profile of 3 that follows the Pension & Cash Match Strategy. This investment strategy has been chosen to balance the risk of not achieving a sufficient level of capital growth with the objective of preserving the value of the fund as members approach retirement.

#### 7. Manager Selection and Implementation

The investment funds that are selected will be managed by professional investment managers. Investment managers are assessed and selected based on the following quantitative and qualitative criteria:

- Historical volatility and downside risk
- Management style and discipline
- Correlation among securities and asset classes
- Opportunity costs and annual management fees

The Trustees recognise that past performance is not usually indicative of future returns, but will be considered to demonstrate that the manager has the ability to deliver on the target objective.

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The manager selection process is initiated by a professional investment consultant and then presented to the Trustees for final decision and appointment of the investment manager(s) and funds. Appendix A contains a current list of the investment managers and funds that have been selected. All investment managers employed by the Trustees are subject to termination at any time.

#### **8. Ongoing Monitoring & Reporting**

The ongoing monitoring of fund performance will be a regular and disciplined process. An investment manager may be added or removed based on factors such as performance, market conditions, firm structure, or access to new investment products.

Although investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. In general, single quarter results are not immediately considered indicative of a longer-term concern. Investment options that consistently underperform in terms of risk and return will be carefully reviewed to determine if any action is warranted.

#### **9. Communication**

Information on the investment strategies and performance is provided in several ways, including but not limited to fund descriptions in the Scheme booklet, presentations to members on choice of funds, and online tools and resources.

#### **10. Environmental, Social & Governance Policy Statement**

This Environmental Social and Governance (“ESG”) Policy Statement (“the Policy”) has been prepared by the Trustees to set out their views on ESG factors. Environmental factors include but are not limited to carbon emissions, use of natural resources, energy efficiency, pollution and waste management and biodiversity. Social factors include but are not limited to employee satisfaction, human rights and supply chain, global health policy, stakeholder commitments and product responsibility. Governance factors include board diversity and independence, sustainability policy and reporting, bribery and anti-corruption, lobby group policy and management of subsidiaries.

As part of the Trustees’ duties, which includes a comprehensive approach to risk management and a focus on best member outcomes, the Trustees recognise the need for the Scheme to be a long-term, responsible investor.

#### **ESG Beliefs**

The Trustees have considered and discussed ESG factors to establish their beliefs to help underpin the Trustees’ decision making. The following represent a consensus of the beliefs to be incorporated:

- The Trustees believe that ESG factors are potentially financially material for the value of the Scheme’s investments and consequently members’ retirement benefits.
- The Trustees believe that the process for incorporating ESG issues should be consistent with, and proportionate to, the rest of the investment process.
- ESG issues, including climate change are a source of investment opportunities and are important in managing risks.
- It follows that ESG factors should be considered to the extent that they can reasonably be expected to impact on investment returns.

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#### **Implementation**

The Trustees understand that the method of incorporating ESG in the investment strategy and process will differ between asset classes and should be considered alongside implementation factors. The process for incorporating ESG should be consistent with, and proportionate to, the rest of the investment process.

The Trustees are also conscious of the different investment time horizons that members will have. The Trustees believe that ESG issues may be of more importance to younger members as the financial materiality of such issues will have a greater impact over the longer term.

Subject to any agreed guidelines or restrictions, the Trustees delegate the consideration of all financially material factors in relation to determining the underlying holdings within the investment funds, including ESG factors, to the Scheme's investment managers as part of their day-to-day management. The Investment Manager(s) will be evaluated by the Trustees, along with other considerations on their ability to employ ESG policies within their decision-making process.

The Trustees will also review aspects such as, but not limited to, longer term performance, manager incentivisation and portfolio turnover to ensure alignment with the Scheme's investment policy.

The Scheme invests in unit linked investment vehicles and collective investment vehicles (e.g. UCITS) and the Trustees note that the Scheme's investment manager, Irish Life Investment Managers (ILIM), is a signatory to the United Nations Principles for Responsible Investment ("UNPRI").

#### **The EU Sustainable Finance Disclosure Regulation**

The Trustees are particularly minded that the EU Sustainable Finance Disclosure Regulation (SFDR) will apply from 10 March 2021 and with the assistance of its advisors have engaged with the relevant investment managers to ensure appropriate disclosures are made available detailing the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics, and sustainable investment for the funds available within the Scheme. The Trustees understand this process is evolving and will review their position as further disclosures are required or changes in regulation arise.

#### **Shareholders' Rights Directive II 2020**

##### *Exercise of Voting Rights and Shareholder Engagement Activity*

The Trustees have delegated voting and engagement on their behalf to the investment managers of the fund range. The Trustees expect that the investment managers document their policies and disclose these publicly on a regular basis.

The Trustees meet regularly with their investment managers and consider how ESG issues are considered.

##### *Investment Strategy*

The investment strategy of the Scheme is designed to give members a range of investment options to cater for the range of risk and return appetites across the membership of the Scheme. Lifestyle strategies have been made available to align members' investments with how they are likely to take their benefits at retirement. By providing a range of risk-profiled funds with lifestyle strategies ensures that the Trustees have provided adequate options for Scheme members. Each member will



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have their own liability within the Scheme equal to their individual assets built up dependent on the contributions and investment returns made during their time investing in the Scheme. The profile and duration of the liabilities will be dependent on each member's preference of risk and period to retirement.

#### *Remuneration*

The investment managers employed by the Trustees are remunerated for their management services, based on the market value of the underlying funds. As such, the investment managers are incentivised to maximise the value of assets under management, which supports the alignment of interests of the Trustees to maximise the long-term growth in the underlying investment funds. Further details of the Annual Management Charges charged by the managers for the underlying funds are outlined in the Scheme's investment materials e.g. fund factsheets.

### **11. Acknowledgement**

Signed on behalf of the Trustees:

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Date: 15 September 2021

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Date: 15 September 2021

## Invesco Investment Management Limited DB Scheme AVCs - Statement of Investment Policy Principles (Appendices)

### Appendix A: Manager and Fund Selection

The Trustees have appointed Irish Life Investment Managers (ILIM) to manage the assets of the Scheme. The following table summarises the characteristics of each investment fund along with their corresponding asset class benchmarks.

Risk Profile	Style	Manager	Fund Name	Asset Class Benchmarks			
				Cash	Bonds	Equities	Equity Alternatives
1	Passive	ILIM	Cash Fund	100%	-	-	-
2	Passive	ILIM	Diversified Cautious Fund	35%	41%	20%	4%
3	Passive	ILIM	Diversified Moderate Fund	-	61%	34%	5%
4	Passive	ILIM	Indexed AAA/AA >10yr Government Bond Fund	-	100%	-	-
	Passive	ILIM	Diversified Growth Fund	-	40.5%	50%	9.5%
5	Passive	ILIM	Diversified High Growth Fund	-	15%	70%	15%
Lifestyle Funds	Passive	ILIM	Pension & Cash Match Fund	60%	40%	-	-

*\*The Pension & Cash Match is only available as part of a lifestyle strategy.*

#### Performance Objectives:

Performance will be evaluated relative to the following benchmarks:

- (a) The Diversified Fund range are blended funds designed in line with the specific member risk profile. The passive allocations are expected to deliver performance in line with the underlying indices, less fees and transaction costs.
- (b) The Diversified Cautious, Moderate, Growth and High Growth are invested in a wide range of asset classes to increase diversification – the allocations to the asset classes above could be further broken down to allocations in:
  1. Bonds: Government Bonds (conventional and inflation-linked), Euro Corporate Bonds, Global High Yield Bonds and Emerging Market Debt.
  2. Equity: Global Equities, Minimum Volatility Equities, Emerging Market Equities and Small Cap Equities.
  3. Alternatives: Infrastructure, Global Real Estate Funds and Private Equities.

## **Invesco Global Asset Management Limited DB Scheme AVCs - Statement of Investment Policy Principles (Appendices)**

### **Appendix B: Details of Lifestyle Strategy**

As members approach retirement, their risk profile is likely to change. Members might choose to automatically switch their retirement account into lower risk funds in the years leading up to retirement in order to preserve their investment assets and reduce the risk of earning negative returns. This is commonly referred to as a “lifestyle” strategy. The lifestyle strategy available to members of this Scheme is detailed below.

**This strategy is only available where a member’s entire retirement account is fully invested in one of the Moderate, Growth or High Growth funds.**

#### **Pension & Cash Match Strategy**

- This strategy is suitable for someone who wants to take some of their retirement savings as tax free cash and use the remainder to buy a pension.
- 12 years before retirement, all future contributions will be directed to the Pension & Cash Match Fund. This fund is invested 60% Cash and 40% annuity matching bonds.
- 9 years before retirement, existing investments will be systematically reallocated to the Pension & Cash Match Fund. This transition will be completed over 7 years.
  - The reallocation between the existing fund and the Pension & Cash Match Fund will take place in 6-month intervals.
  - There will be a total of 15 periods during which a portion of the existing units will be sold.
- In the last 2 years before retirement, the investor will only hold assets in the Pension & Cash Match Fund.

**Effective Date: 31 March 2021**

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