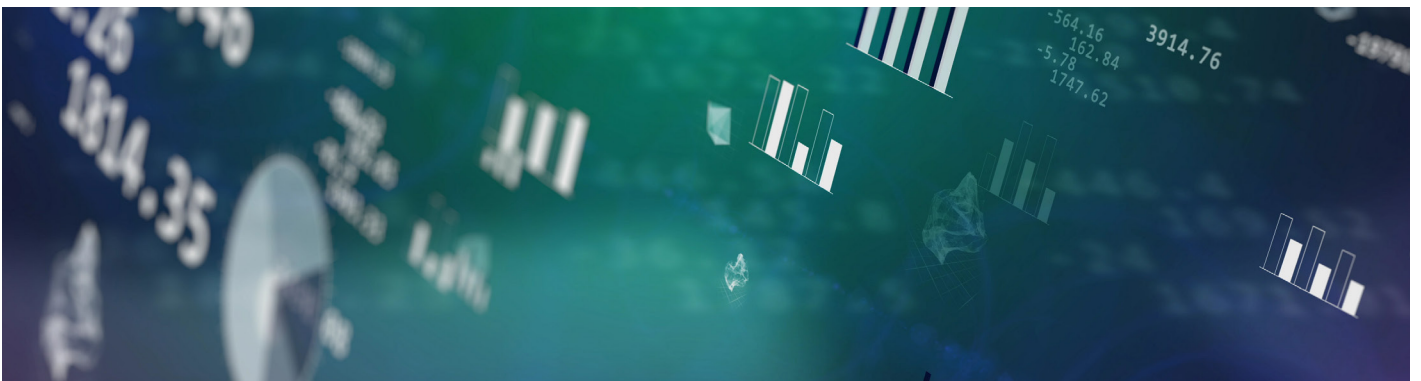
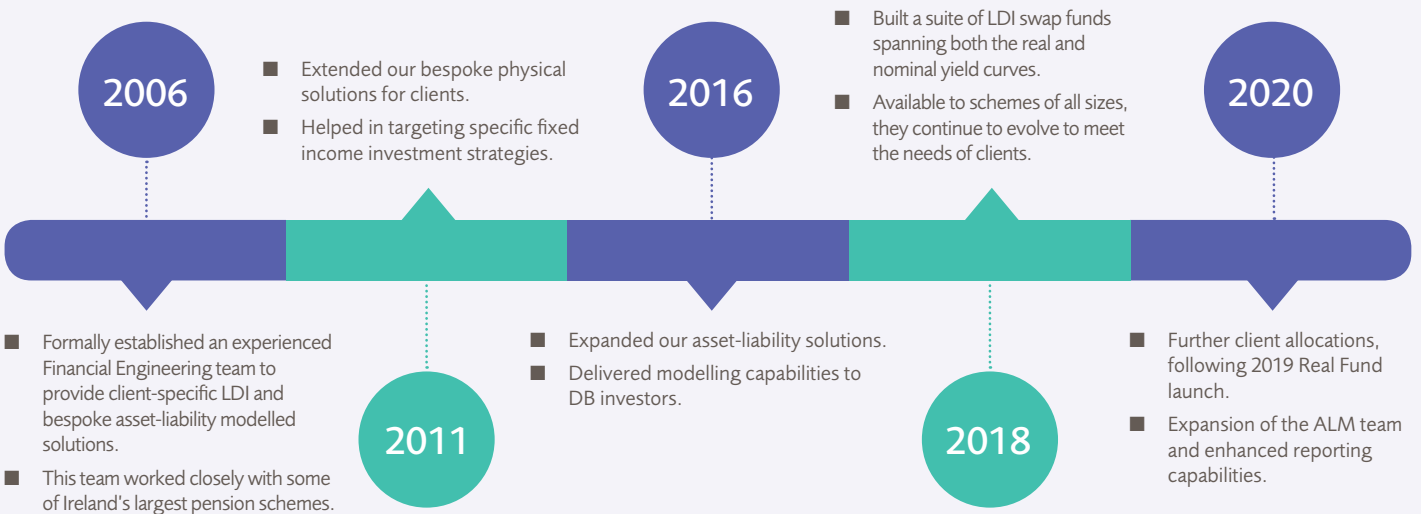


LIABILITY DRIVEN INVESTMENT



Irish Life

Irish Life Investment Managers (ILIM) are proud to have been at the forefront of Liability Driven Investment (LDI) development and innovation in the Irish market.



WHY ILIM?

With many clients working through funding journey plans and with the Pension Authority's focus on risk management, we have seen a high demand for our LDI pooled funds in recent years. Our clients choose us because we believe in keeping it simple. We work with trustees and consultants to tailor our solutions, ensuring their particular risk management needs are met.

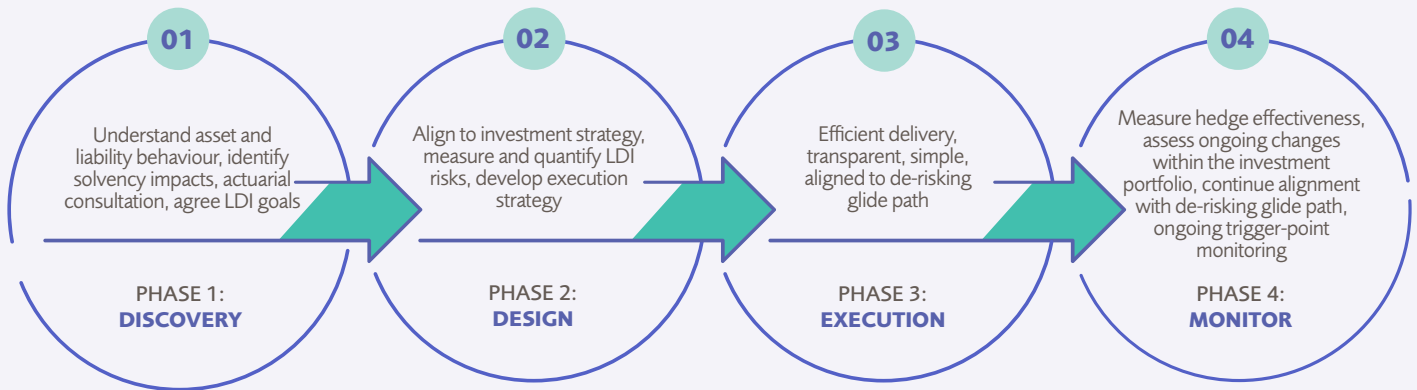
- In addition to being the largest pension provider in Ireland, with the strength and depth of resource that brings, we are also the only Ireland-based LDI provider.
- We understand the challenges which Irish trustees face in balancing the requirements of the long-term funding basis with that of the Minimum Funding Standard – our funds have been designed with that in mind.
- Our pooled funds are priced daily and are fully integrated on the ILIM platform, enabling schemes of all sizes to use LDI as a risk-management tool.

LDI: A KEY RISK-MANAGEMENT TOOL

The ILIM approach

A clear, efficient and transparent LDI strategy brings significant benefits to many Trustee journey plans. We leverage our proprietary stochastic asset-liability modelling capability to design the most suitable LDI solution – one that complements the current investment strategy, for each individual client.

Pinpointing the optimal LDI strategy is an evolving process. We engage interactively, using our experience and knowledge of Ireland's pension sector to help our clients evaluate broader investment challenges and solvency risks. Ultimately, we structure and deliver a solution aligned to their needs.



Irish Life LDI Solutions

To complement our well-established physical LDI bond solutions, we have two asset-liability matching Nominal Funds (L and XL) and a Real (inflation-adjusted) Fund.

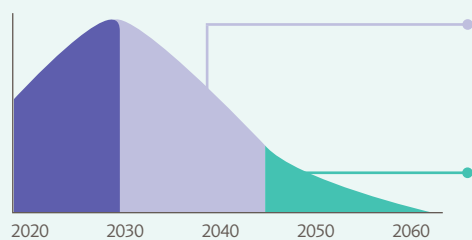
These are all swap-based funds. The longer maturity profile achieved by the funds is more suitable for matching the longer-term cash flows of pension liabilities, further reducing funding ratio risks. By creating additional interest-rate sensitivity using our pooled solutions, pension schemes can increase their allocation to growth or return-seeking assets.

Specifically designed for Irish Defined Benefit Schemes requirements

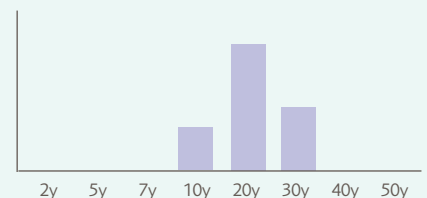
NOMINAL FUNDS: L & XL

Focused on delivering efficient interest rate sensitivity

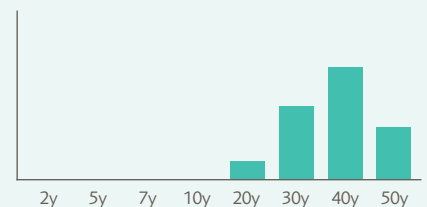
LIABILITIES TO BE HEDGED



ILIM L POOL SOLUTION



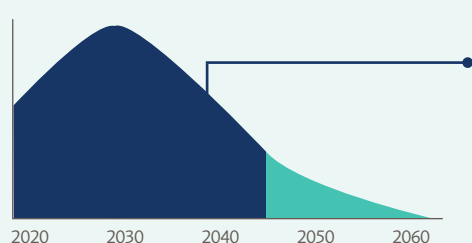
ILIM XL POOL SOLUTION



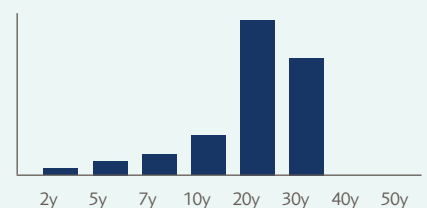
REAL FUND

Focused on those seeking to hedge pre & post retirement inflation risks

REAL LIABILITIES TO BE HEDGED



ILIM REAL FUND



Source: ILIM, August 2020

The funds invest in a combination of interest-rate swaps, interest-rate futures, inflation linked derivatives, government bonds, money-market funds and cash. Using interest-rate derivatives, the desired duration profile of the funds is accurately managed. All derivatives are centrally cleared. A key benefit of the funds is that schemes can invest without the need for a separately managed derivatives portfolio.

ABOUT US

Our history dates back to 1939, when we were established as an asset management centre of excellence within Irish Life Assurance Company. We're entrusted with assets exceeding €82.5 billion (as of 30.06.2020) across a broad range of asset classes and investment solutions. We work for a wide range of institutional clients including insurance companies, wealth managers, pension schemes, fiduciary managers and sovereign wealth funds across Europe and North America.

Assets under management

€82.5 billion

(as of 30.06.2020)

To find out more about Irish Life LDI solutions, please contact your Relationship Manager to arrange a discussion or meeting with our LDI specialists:
www.ilim.com/our-capabilities/liability-driven-investing/



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