

# EMPOWER Personal Lifestyle Strategy

## Additional Voluntary Contributions - Tax Free Cash



The EMPOWER Personal Lifestyle Strategy (EMPOWER PLS) is an innovative pension investment solution for members of Irish Life Additional Voluntary Contributions (AVC) schemes.

Investing your Additional Voluntary Contributions into EMPOWER PLS has two main benefits over the years of your pension savings:



### Managing Investment Risk

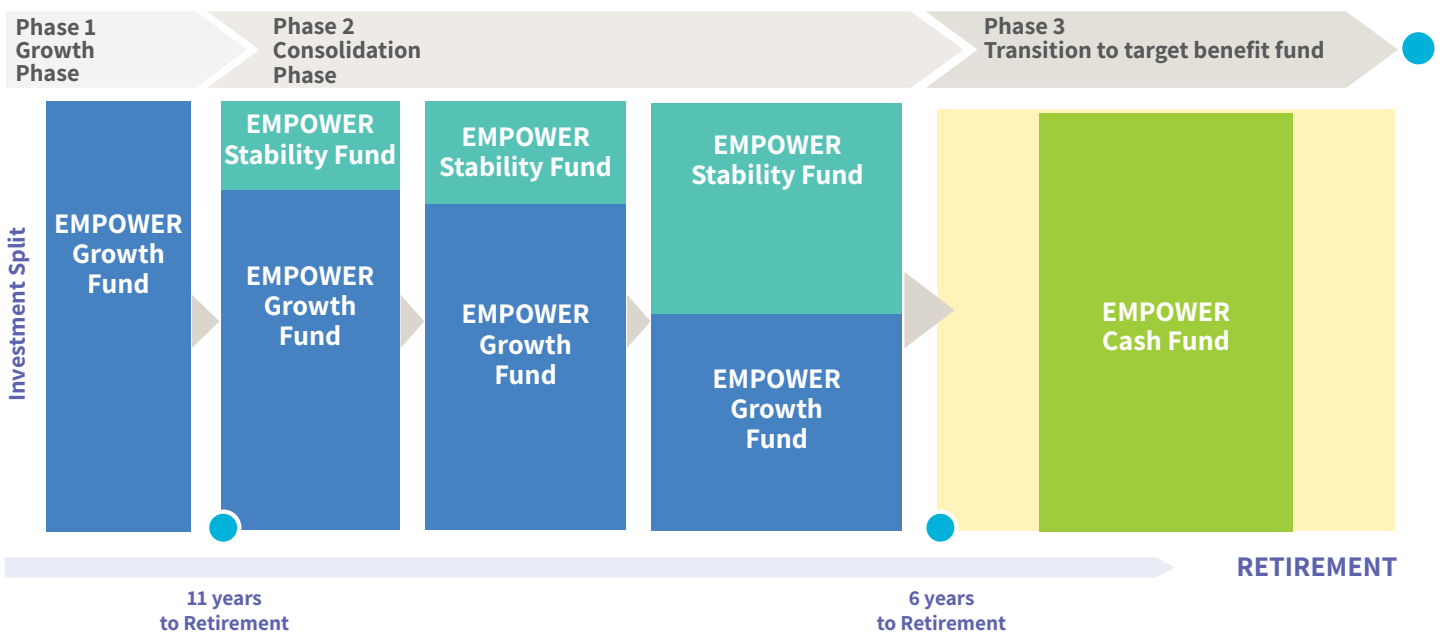
EMPOWER PLS helps protect your pension fund value against market fluctuations by switching you into lower risk funds as you get closer to your retirement date.



### Personalised Fund Switches

EMPOWER PLS directs your investment into appropriate funds that best match the benefits that you are likely to take on your retirement.

EMPOWER PLS consists of three phases which span the years of your pension savings. It starts from the moment you join the strategy up to your retirement date.



Warning: The value of your investment may go down as well as up.

## PHASE 1

### Growth Phase

**Phase 1** puts you in funds suitable to achieve investment growth while at the same time balancing investment risk.

Initially you will be completely invested in the EMPOWER Growth Fund.



## PHASE 2

### Consolidation Phase

**Phase 2** with 11 years to retirement we start to gradually move your fund into the EMPOWER Stability Fund.

This helps to protect your pension fund against volatile markets.



## PHASE 3

### Switches into Target Benefit Funds

**Phase 3** gradually moves your AVC fund into a fund that will gradually move your AVC fund into a fund that will be most suitable for how you will use your AVC savings upon reaching retirement.

For AVCs we expect that you will take as much of your fund as tax free cash as Revenue will allow. Therefore we gradually switch all your savings into the EMPOWER Cash Fund.

With 1 year to retirement you will be 100% invested in the EMPOWER Cash Fund.

If you invest in EMPOWER PLS then all of your pension contributions must be invested in this strategy, you can not select other funds and have the EMPOWER PLS features outlined here.

## Which investment funds are used in EMPOWER PLS?

Risk Rating



The **EMPOWER Cash Fund** is a low risk fund which invests in bank deposits.

It will be used for your likely lump sum benefit.

Risk Rating



The **EMPOWER Stability Fund** is mainly invested in bonds, with some investment in cash, equities and alternative assets.

It aims to help protect your pension funds against market movements.

Risk Rating



The **EMPOWER Growth Fund** is predominantly invested in international equities with some holdings in bonds, cash and property.

This is a medium risk fund for balanced investors, which aims to have a moderate allocation to higher risk assets such as shares and property.

The fund objective is to achieve returns managed within a range of volatility.

The standard annual fund management charge for each fund used in EMPOWER PLS is 0.65% per year.

Irish Life are committed to ensuring EMPOWER PLS remains the optimum strategy for you. We therefore reserve the right to alter the mix of the assets and funds being used to underpin the strategy as required to ensure the strategy objectives are being met.

Details of these funds are available on [www.irishlifecorporatebusiness.ie](http://www.irishlifecorporatebusiness.ie)

**Warning: The value of your investment may go down as well as up.**

**Warning: These funds may be affected by changes in currency exchange rates.**

**Warning: If you invest in this product you will not have any access to your money until you retire.**

**Warning: If you invest in this product you may lose some or all of the money you invest.**

**Securities Lending:** The assets in these funds (except the EMPOWER Cash Fund) may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return.

## How does EMPOWER PLS work in detail for an individual member?

If your retirement age is 65 you will be 100% invested in the EMPOWER Growth Fund until you reach age 54. From age 54 we will switch a small percentage, about 10% each year, of your accumulated fund into the EMPOWER Stability Fund. The switches take place on a monthly basis. When you reach age 59 and you are 6 years away from retirement, 50% of your AVCs will be invested in the EMPOWER Growth Fund and 50% in the EMPOWER Stability Fund. If your pension plan has a different retirement age then the switching will start 11 years from that retirement date.

During the 6 years before your retirement, your fund is then directed into target funds to match your likely retirement benefits. The table on the next page gives an overview of the funds you will be invested in over the years of your AVC savings.

	Years to Retirement	EMPOWER Growth Fund	EMPOWER Stability Fund	EMPOWER CASH FUND
Growth Phase	Up to 11	100%	0%	0%
Consolidation Phase	6	50%	50%	0%
Switches into Target Benefit Funds	5	40%	40%	20%
	4	30%	30%	40%
	3	20%	20%	60%
	2	10%	10%	80%
	1	0%	0%	100%
	0	0%	0%	100%

This graph shows the funds a member may be invested in throughout their time saving for retirement.



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PHASE 1 - Growth Phase		PHASE 1 - Consolidation Phase		Phase 2 - Consolidation Phase		Phase 3 - Switches into Benefit Target Funds	
Investment		Investment		Investment		Investment	
EMPOWER Growth Fund	100%	EMPOWER Growth Fund	90%	EMPOWER Growth Fund	50%	EMPOWER Cash Fund	100%
		EMPOWER Stability Fund	10%	EMPOWER Stability Fund	50%		

All the above examples are for illustration purposes only. Revenue limits will apply to all retirement benefits.

## Keeping PLS up to date

To make sure EMPOWER PLS can work best to suit your personal circumstances we need to know your retirement age. Please inform us of any changes in this as soon as possible.

Irish Life Corporate Business is continuously striving to offer services which are up to date and appropriate. We are committed to ensuring that EMPOWER PLS stays up to date and relevant. We will review the strategy regularly, so that it will automatically change over time to take account of changes in retirement regulations and investment opportunities. When these reviews are carried out, you as a customer using EMPOWER PLS automatically benefit from the changes.

Switches into the EMPOWER PLS are free of charge. Please note that restrictions may apply to some switches out of your existing funds if you join EMPOWER PLS.

For more information and if you wish to use the EMPOWER PLS please contact your Financial Adviser. Details of the funds used in EMPOWER PLS are available on [www.irishlifecorporatebusiness.ie](http://www.irishlifecorporatebusiness.ie)



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Information correct as at February 2022.

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