

Statement of Investment Policy Principles (SIPP) - May 2026



1. Purpose of Statement

- 1.1 Under the Pensions Act 1990, as amended, the Trustees of the Scheme are required to prepare and maintain a Statement of the Investment Policy Principles (SIPP) applied to the resources of the Scheme.
- 1.2 The SIPP is a written document which covers the following matters:
 - The investment objectives of the Trustees.
 - The investment risk measurement methods.
 - The risk management process to be used.
 - The strategic asset allocation implemented with respect to the nature and duration of pension liabilities.
 - Information on how the investment policy takes into account environmental, social and governance factors.
- 1.3 The Trustees hereby sets out their Statement in relation to the Scheme.
- 1.4 The Scheme is a Defined Contribution Scheme, which means that the benefits available are determined by the amount of contributions paid by or in respect of the member, and the investment return achieved on those contributions.
- 1.5 The Statement is not, nor is it intended to be, a legal document with legally binding terms and conditions. The Trustees may at any time, and subject to due regard to any legal, regulatory or other requirements or guidance that may arise from time to time, depart from this Statement or amend the Statement as it sees fit.
- 1.6 The Statement should be read in conjunction with the Statement of Investment Governance (SIG).

2. Investment Objectives and Investment Choices to be Offered to Members

- 2.1 The main investment objectives of the Trustees are:
 - 2.1.1 To provide for the proper investment of the resources of the Scheme in accordance with relevant legislation and the rules of the Scheme.
 - 2.1.2 To seek to provide Scheme members with an appropriate range of investment options which are positioned to provide reasonable rates of return, subject to acceptable levels of risk; having regard to, amongst other factors; members' varying risk tolerances, age profiles, level of investment knowledge and likely benefits to be drawn from the Scheme by members.
 - 2.1.3 To provide a default investment strategy that automatically evolves as individual members move from the growth-focused phase to the consolidation phase and into the pre-retirement phase of their pension journey.
 - 2.1.4 To seek to provide investment options with reduced investment risk for members approaching retirement.
 - 2.1.5 To seek to ensure that the Investment Manager's policies take adequate consideration of financially material Environmental, Social and Governance (ESG) factors and that these are appropriately incorporated in their investment decision making processes.
 - 2.1.6 To ensure the Scheme gains access to the required fund options via a suitable fund structure.

3. Investment Risk Measurement Methods

3.1 As the Scheme is defined contribution scheme, the investment risks are borne primarily by the members and by the Trustees to a lesser extent. The main investment risks are set out below:

- 3.1.1 Asset mix risk – the extent to which a member's fund is diversified can determine the level of risk exposure. For example, equities are an asset class which offers the potential to outperform inflation over the long term, however over shorter periods can be quite volatile. Cash and fixed interest securities are typically expected to exhibit lower volatility, however their inflation risk is higher. Combining these asset classes allows a member to diversify their risks.
- 3.1.2 Specific risk – excessive reliance on any particular asset or group of undertakings.
- 3.1.3 Market risk – the risk that the value of an investment will decrease due to moves in market factors, such as equity prices, exchange rates, interest rates or other investment factors.
- 3.1.4 Performance risk – the frequency and severity of any relative underperformance of the selected funds and the investment managers compared to similar funds and other investment managers.
- 3.1.5 Inflation risk – inflation can erode the purchasing power or real value of investments. Inflation risk needs to be considered when evaluating investments such as cash and fixed interest securities.
- 3.1.6 Suitability risk – the appropriateness of a member's investment choice, taking into consideration the member's age, proximity to retirement, risk tolerance and personal financial situation.
- 3.1.7 Liquidity risk – is the risk that assets held within funds cannot be converted to cash without a loss of capital. As far as is practicable and necessary, the range of investment funds will be invested in liquid assets that can be quickly realised as required.
- 3.1.8 Regulatory risk – is the risk that the investments held by the Scheme may not comply with the Regulations. The Trustees offer members a range of investment funds which comply with the Regulations.
- 3.1.9 Valuation risk – is the risk that an asset held within funds is overvalued and is worth less than expected when it matures or is sold. The range of investment funds will be invested primarily in liquid, quoted assets in order to manage the valuation risk.

4. The Risk Management Process

4.1 The Trustees monitor and manages the risks identified above as follows:

- 4.1.1 The day-to-day management of the Scheme's underlying investments is delegated to Irish Life Investment Managers (ILIM) and any other appointed investment manager.
- 4.1.2 The Scheme's resources are invested predominantly on regulated markets.
- 4.1.3 Concentration of investment in the underlying unit-linked funds is avoided.
- 4.1.4 Members have access to [My.Irishlife.ie](https://www.myirishlife.ie) an online Member Portal provided by Irish Life which allows members to access information in relation to the fund choices available and the underlying investments within the Scheme.
- 4.1.5 Fund prices are published daily by Irish Life which allows the Trustees and members to monitor performance of the underlying investments.
- 4.1.6 Members have access to monthly and quarterly investment fund performance updates.
- 4.1.7 An annual audited report is made available and reviewed and signed by the Trustees each year, which sets out the performance of the underlying unit-linked funds.

- 4.1.8 Members are provided with information on the investment choices available having regard to their investment characteristics and risk profile and can use the Online Member Portal to make a fund switch at any point.
- 4.1.9 A lifestyle strategy is made available for members, investing in funds that take into consideration the member's age, proximity to retirement and length of service with the employer.
- 4.1.10 The lifestyle strategy applies as the default fund choice under the Scheme for any members who do not make their own investment fund selection.
- 4.1.11 Quarterly Investment reports for the whole Scheme's investments will be provided to the Trustees to help review and provide oversight.

5. Strategic Asset Allocation

- 5.1 The Scheme invests through policies of assurance with Irish Life Assurance plc. The underlying investments consist of a range of unit linked pension funds managed by ILIM and any other appointed investment manager.
- 5.2 The underlying strategy and distribution of assets of the underlying funds, that the particular unit linked pension funds invest in, is determined by ILIM and any other appointed investment manager in order to achieve the objectives of that particular fund.
- 5.3 Members select the fund(s) to invest in based on their particular circumstances and risk tolerance. The funds available to members, and the respective risk profiles of the funds, are set out below.
- 5.4 A review of all funds selected by members is set out in the Scheme's annual report which is available from the Trustees and also available on www.fedvol.ie (click on pensions tab). The review contains details of the objectives of the fund, the strategy pursued by the Investment Manager, the asset allocation of the fund and the performance of the fund.
- 5.5 Members' annual Pension Benefit Statements contain details of the funds in which the individual member is invested.
- 5.6 The Growth Funds have target volatility ranges, which are measured on a three-year annualized basis. The maximum volatility to be experienced by other funds should be in line with that experienced by their respective benchmarks.
- 5.7 The table below sets out the investment choice available to members, and the return objective and risk profile for each investment choice and the default strategy.

Funds Available	Long Term Return Target (Gross of fees)	Risk Profile (High, Medium, Low)	Irish Life Risk Rating (1-7)	Long Term Volatility Range	Sustainable Finance Disclosure Regulation Classification	AMC* % P.A.	TER**% P.A.
EMPOWER Personal Lifestyle Strategy (Default)	Various depending on members' circumstances	Initially Medium/High moving to Medium/ Low	Various depending on fund mix		Varies depending on fund mix	0.29%	0.31%
EMPOWER High Growth Fund	Cash Deposit Rates + 4.5% per annum	High	5	11% - 14.7%	Article 8	0.29%	0.31%
EMPOWER Moderate Growth Fund	Cash Deposit Rates + 4.0% per annum	Medium to High	4	7.6% - 11%	Article 8	0.29%	0.31%

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EMPOWER Cautious Growth / ARF Matching Fund	Cash Deposit Rates + 3.0% per annum	Medium	3	5% - 7.6%	Article 8	0.29%	0.31%
EMPOWER Stability Fund	Cash Deposit Rates + 2.0% per annum	Low	2	1% - 5%	Article 8	0.29%	0.31%
EMPOWER Cash Fund	Cash Deposit Rates	Low	1	In line with the index	Article 6	0.15%	0.15%
EMPOWER Cash Fund (Lifestyle)	Cash Deposit Rates	Low	1	In line with the index	Article 6	0.29%	0.29%
EMPOWER Annuity Objective Fund	To track long term annuity price movements	Medium	4	In line with the composite index made up of bond indices	Article 6	0.29%	0.30%
New World Indx All Country Equity Fund	In line with the Solactive ILIM New World Global Market Equity Index	High	6	In line with the Solactive ILIM New World Global Market Equity Index	Article 8	0.23%	0.24%

*Annual Management Charge (AMC)

**Total Expense Ratio (TER)

The AMC/TER is an all-inclusive charge, taking account of administration, investment and consulting services to members and the Trustees and employers, member communication costs, costs related to the transition at the start and end of the contract (as applicable) and all taxes, duties, and Pensions Authority fees. Pensions Authority fees will be paid by Irish Life to the Pensions Authority.

6. Default Investment Strategy – Personal Lifestyle Strategy

- 6.1 The default fund in the event of a member not specifying an individual choice is the EMPOWER Personal Lifestyle Strategy (PLS), which will invest in a fund or combination of funds taking into consideration the member's age, proximity to retirement and length of service with the employer.
- 6.2 The member's pension account is automatically switched as the member approaches Normal Retirement Age (NRA), from primarily performance seeking assets with potentially volatile capital values to defensive and more stable assets with less volatility capital values and a closer match to how benefits will be drawn at retirement. No single investment fund is used under the strategy.
- 6.3 The six funds currently used within the PLS are as follows:
 - EMPOWER High Growth Fund
 - EMPOWER Moderate Growth Fund
 - EMPOWER Stability Fund
 - EMPOWER Cash Fund
 - EMPOWER ARF Matching Fund
 - EMPOWER Annuity Objective Fund
- 6.4 Up to 20 years from the member's normal retirement age, their pension fund is invested in the EMPOWER High Growth Fund, which targets growth of cash +4.5% per annum over a full market cycle, managed within a volatility range.

- 6.5 Between 20 and 11 years from the member's normal retirement age, their pension fund assets are gradually moved from the EMPOWER High Growth Fund to the EMPOWER Moderate Growth Fund, which targets growth of cash deposit rates +4% per annum over a full market cycle, managed within a volatility range.
- 6.6 From 11 years to retirement, the member's pension fund assets are gradually moved into less volatile assets. At 6 years to retirement, half of the pension fund is invested in the EMPOWER Moderate Growth Fund, with the other half invested in the EMPOWER Stability Fund, which targets growth of cash deposit growth rate +2% p.a. over a full market cycle within a volatility range.
- 6.7 In the final 6 years to retirement, the member's pension fund assets are moved into benefit target funds to align those funds with how Irish Life expect the member to draw down their benefits.
- 6.8 The illustration below outlines the funds at varying stages of the PLS:



7. Environmental, Social and Governance Considerations

- 7.1 The Trustees believes that environmental factors (including carbon emissions, use of natural resources, waste management and biodiversity), social factors (such as human rights, supply chain management, product responsibility and other stakeholder considerations) and corporate governance behaviour (referred to together as "ESG issues") are potentially material to the performance of the Scheme's investment options and consequently the value of members' retirement benefits.
- 7.2 The Scheme's Investment Manager, ILIM, is a signatory to the UN Principles of Responsible Investment. ILIM is also a signatory to the UK Stewardship Code. The Trustees are satisfied that the Scheme's current funds, including the default strategy, are managed in accordance with their views on financially material factors, as set out below.

7.2.1 Financially Material Factors:

- The Trustees understand that the method of incorporating ESG in the investment strategy and the process will differ between asset classes and should be considered alongside other implementation factors. The process for incorporating ESG issues should be consistent with, and proportionate to, the overall investment process.
- The Trustees are also mindful of the different investment time horizons that members will have. The Trustees believes that ESG issues will be more important for younger members as the financial materiality of such issues will evolve and have a greater impact over a longer time horizon.

- The Trustees delegates the consideration of all financially material factors in relation to determining the underlying holdings within all selected funds, including ESG factors, to ILIM and any other appointed investment manager as part of their day-to-day investment management obligations.

7.2.2 Exercise of Voting Rights and Engagement Activity:

- As an investor in the selected funds, the Trustees currently adopt a policy of delegating the exercising of the rights (including voting rights) attached to the Scheme's investment holdings to ILIM and any other appointed investment manager.
- The Trustees also delegate undertaking active engagement activities with the companies in which the funds invest to ILIM and any other appointed investment manager. This includes entering into discussions with underlying companies' management in an attempt to influence positive behaviour within appropriate ESG topics.
- ILIM report regularly on voting rights and engagement activity.

7.2.3 Policy Assessment and Monitoring:

- The Trustees will consider ESG, voting and engagement issues when appointing and reviewing their investment manager(s) (and reviewing the selected investment strategies) to ensure that they are appropriately taken into account given the asset class(es) involved.
- The Trustees will also review aspects such as, but not limited to, longer term performance, achieved performance volatility levels, manager incentivisation and funds' total expense ratios in order to ensure alignment with the Scheme's investment policy.
- The Trustees meet regularly with their investment manager and consider how ESG issues are taken into account.

7.2.4 Impact of Sustainability Risks on Returns:

- The Trustees understand that the impacts following the occurrence of a sustainability risk may be numerous and vary depending on the specific risk and asset class. To the extent that a sustainability risk occurs or occurs in a manner that is not anticipated by the Scheme's investment manager's models, there may be a sudden, material negative impact on the value of an investment, including in extreme circumstances, the potential for the entire loss of value of the relevant investment(s) held within a Fund.
- If a sustainability risk arises this may cause the investment manager (ILIM or any other appointed investment manager) to determine that a particular investment is no longer suitable and to divest of it (or not make an investment in it).
- A description of certain sustainability risks identified by the investment manager (ILIM or any other appointed investment manager) as being potentially relevant to the investments made by the Fund(s) and hence its Net Asset Value is available upon request.
- The Trustee seeks to appoint investment managers who have a Sustainability Risk Policy and who seek to manage these risks on their behalf. The Trustees recognises that the approach taken may differ by and be influenced by the asset class, the investment strategy and the specific mandate given to the Manager.

7.2.5 Investment Manager's Sustainability Obligations:

- The Trustees understand that investment managers have ESG-related obligations imposed on them by various legislation. The investment manager(s) to the Scheme will report to the Trustees on such obligations as they relate to the funds in which the Scheme invests and how the Investment Manager(s) is meeting these obligations.

Approval and Next Review Date of this Policy:

This statement shall be reviewed periodically, but not less than every three years. It shall be revised following any change in investment policy which is inconsistent with the Statement.

This document was approved and came into effect as follows:

Document Control	
Approved By:	Mr. James Skehan, Chairman & Professional Trustee, National Federation of Voluntary Service Providers' Pension & Life Assurance Scheme
Approved by:	Mr. John McHugo, Vice Chairman, National Federation of Voluntary Service Providers' Pension & Life Assurance Scheme
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Signed:

James Skehan,
Chairman & Professional Trustee

Date: 25th May, 2026



Signed:

John McHugo,
Vice Chairman

Date: 25th May, 2026