

# EMPOWER PLS

## The Personal Lifestyle Strategy is Changing



The Personal Lifestyle Strategy (PLS) is an investment solution for your pension savings that automatically moves you into lower risk funds as you approach retirement and then switches your pension savings into funds most suitable to how you will personally take your benefits at retirement.

We regularly review the Personal Lifestyle Strategy (PLS) to ensure that it stays up to date and relevant.

### What is changing?

In the current review of PLS, Irish Life is making a change to the Growth Phase of the strategy aimed at ensuring that PLS remains the best solution for you.

Our Personal Lifestyle Strategy currently moves through three stages: growth, consolidation and matching. **The change we're making applies only to the growth phase (the first phase).** We are adding a higher risk fund to the early part of the Growth Phase. The consolidation and matching phases are not changing.

### What is not changing?

We are not making any changes to the final 11 years of the strategy. So if you are currently 11 years or less from your Normal Retirement Date you will see no change to your strategy.

### When will the changes come in to effect?

We will implement the changes to the Personal Lifestyle Strategy (EMPOWER PLS) during quarter four 2021.

### Do I need to do anything?

You do not need to do anything, Irish Life will take care of implementing the changes.

### We are changing the Growth Phase

The Growth Phase is when your money has time to grow.

Your plan will be invested in the growth phase from when you join your plan, at the start of the savings journey, until there are 11 years left until your Normal Retirement Date.

Phase **1** From policy start date to **11 years** to retirement 

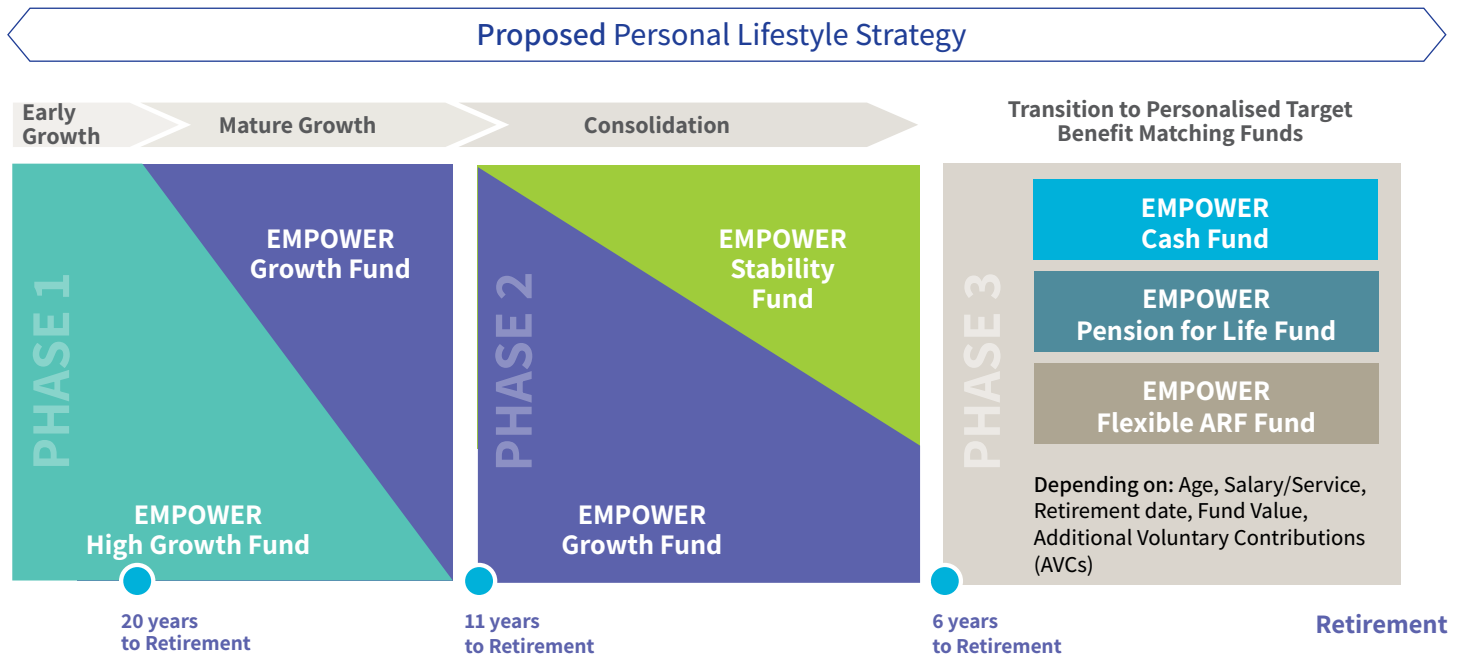
### Increasing growth potential for members

Currently investments in the Growth Phase of the Strategy are invested in the EMPOWER Growth Fund until you have 11 years to retirement, at which time it begins to transition to the EMPOWER Stability Fund (Phase 2: Consolidation Phase).


To offer the potential for higher returns, we plan to move your investments to be invested 100% in the EMPOWER High Growth Fund where you have more than 20 years to retirement. This fund is higher risk, but the potential rewards are higher too.

Put simply, your money will now be a vehicle offering the potential for higher returns during the early stages of your retirement savings journey.

## New growth phase in action



## Why are we making this change?

Risk Return	Volatility
<p>There is strong evidence in favour of higher risk and return characteristics, particularly in the early years of the savings journey.</p> <p>The EMPOWER High Growth Fund increases participation in rising markets, without materially affecting expected retirement values.</p> 	<p>We believe it's better to introduce risk early in a savings journey, when retirement pots are smaller. That's because potential losses have a lower impact on retirement savings. Also, stock-market volatility can provide attractive entry points for future contributions. In other words, when markets fall you are investing at a lower price thus buying more units in the fund.</p> <p>These justifications are backed by both our research and international comparisons. We are confident that taking on more risk in the early years is the best decision to benefit you over the long term.</p> <p>We are committed to using risk-management strategies to help minimise any behavioural risks that could occur over the journey, particularly in the context of investments in the EMPOWER High Growth Fund.</p>

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

**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.**

**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.

## What will I see happen?

If you have more than 20 years to go to your retirement date you will see your retirement savings move from the EMPOWER Growth Fund to the EMPOWER High Growth Fund. (See Case Study 1 below).

If you are between 11 and 20 years from retirement you will currently be invested 100% in the EMPOWER Growth Fund. After the changes to EMPOWER PLS you will see a percentage of your retirement savings move to being invested in the EMPOWER High Growth Fund. (See Case Study 2 below).

Case Study 1		Case Study 2		Case Study 3	
					
<b>Current Fund</b>		<b>Current Fund</b>		<b>Current Funds</b>	
EMPOWER Growth Fund	100%	EMPOWER Growth Fund	100%	EMPOWER Growth Fund	90%
				EMPOWER Stability Fund	10%
<b>New Fund</b>		<b>New Funds</b>		<b>New Funds</b>	
EMPOWER High Growth Fund	100%	EMPOWER High Growth Fund	44%	EMPOWER Growth Fund	90%
		EMPOWER Growth Fund	56%	EMPOWER Stability Fund	10%

Note: There is no change to your existing strategy mix

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

## Next Steps

Implementation is planned for the fourth quarter of 2021. No actions are required by you. After the change has been made you will notice a change to your fund choice. To view your pension investments and more visit your online account: [www.pensionplanetinteractive.ie](http://www.pensionplanetinteractive.ie)

We've created a really helpful video so you can learn more about the EMPOWER Personal Lifestyle Strategy (PLS).

Open your camera on your mobile device and hover over the QR code and you will be prompted to open the video.

Alternatively you can also view it on [Vimeo.com/589417804/baa5ca2ddb](https://vimeo.com/589417804/baa5ca2ddb)



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Information correct as at August 2021.

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