



WHY IRELAND

Excellence, Innovation, Reach

irishfunds.ie

WHY IRELAND THE FACTS

SOURCE: Central Bank of Ireland, Monterey Insight Ireland Survey 2017 and Irish Funds (Net assets and number of funds valid as of Dec 2017)

917 Fund Promoters
(504 promoters of Irish Domiciled Funds)

Irish Investment Funds Industry

€4.4

TRILLION TOTAL AUA

€2.4

TRILLION DOMICILED AUA

45

ADMINISTRATION
COMPANIES

DISTRIBUTION TO OVER

70 COUNTRIES

18

DEPOSITARIES

14,117 TOTAL FUNDS

6,812 IRISH DOMICILED

7,305 NONDOMICILED

LAWYERS
ACCOUNTANTS
LISTING BROKERS

OVER
16,000
EMPLOYED

SOURCE: Central Bank of Ireland, Dec, 2017

Irish Domiciled Funds Breakdown by type

24%
ALTERNATIVES

23%
BOND

2%
OTHER

20%
MONEY MARKET

27%
EQUITY

4%
BALANCED



Ireland named by Forbes as one of the best countries in the world to do business

Foreword

Pat Lardner, Chief Executive



Since the establishment of the funds industry in Ireland 30 years ago we have helped investment managers from all over the globe to develop and expand their international distribution footprint. Ireland is at the forefront of the funds industry and offers a full suite of locally domiciled solutions and services as a gateway for your funds to Europe and beyond. Ireland is globally recognised for specialist skills.

- Proven choice: over 900 global managers already use Ireland and 17 of the top 20 global asset managers have Irish domiciled funds.
- Breadth of Capability: our capabilities extend from traditional to alternative, passive to active and liquid to illiquid.
- Global Reach: the client bases we serve represent the full spectrum from retail to institutional and the services we provide impact upon investors that span 70 countries.
- Full Access to the EU: Ireland is a committed member of the European Union and will remain so, providing full market access to the EU.
- A Funds Friendly Environment: the business environment in Ireland has been developed to provide the best

all round environment for funds – this extends to the knowledge and accessibility of the regulator, the legal and tax environment and a wide choice of expert service providers in every aspect of domiciliation and servicing.

- Fast, Flexible and Friendly Service: whether it's a new launch on a time critical path, a responsible and flexible service that meets your business model, or teams of experts who will go the extra mile to help you succeed, you will find the support that you need to grow your funds.

Ireland is regarded as a key strategic location by the world's leading players for a reason – and we are here to assist you. We hope to become your partner of choice for many years ahead.

Did you know that...

- For the 6th year in a row, Ireland ranked as 1st in the world for inward investment by quality and value.
Source: IBM 2017 Global Location Report

- Ranked 1st in Eurozone and 8th globally for doing business Source: Forbes Best Countries for Business Report, 2017

- The IMD World Competitiveness Yearbook 2017 ranks Ireland 6th most competitive globally, as well as:

1st for Investment incentives
1st for Labour productivity
1st for Flexibility and adaptability
1st for National culture
1st for Attracting and retaining talent
1st for Attitudes towards globalisation

- More than 50% of the world's leading financial services firms have a base here. Source: Enterprise Ireland, 2018

- 96% of responding multinational companies rate their investment in Ireland as a success. 9 out of 10 CEOs plan to increase or maintain their investment in Ireland.
Source: The PwC 2017 CEO Pulse Survey
- Ireland is the domicile for 5% of world-wide investment funds assets, making it the 3rd largest global centre and the 2nd largest in Europe.
Source: EFAMA International Statistical Release, Q3 2017
- Ireland is a committed member of the EU and will remain so, providing full market access to the EU. It is the only English speaking common law jurisdiction in the Eurozone.
- Ireland has the largest number of stock exchange listed investment funds. With over 7,000 classes listed, the ISE is recognised worldwide as the leading centre for listing investment funds. Investment managers from over 40 global locations list their funds on the ISE.
Source: Irish Stock Exchange, 2017

- Over 40% of global hedge fund assets are serviced in Ireland, making it the largest hedge fund administration centre in the world and Europe's leading hedge fund domicile.
- Ireland is an internationally recognised, open and tax efficient jurisdiction. At 12.5%, Ireland has the lowest headline corporate tax rate in the OECD and has tax treaties with over 70 countries.
 - Irish domiciled funds are exempt from corporation tax at the fund level and the income is therefore taxed at the level of the investor rather than the fund.
- Ireland is a leading European domicile for exchange traded funds. Irish domiciled ETFs represent approximately 50% of the total European ETF market.
Source: EFAMA 2017, Statistics Report

WHY IRELAND FOR FUNDS

30 YEARS
AND GROWING



Ireland is regarded as a key strategic location by the world's leading players.

Experience & Expertise

For 30 years Ireland has been a leading domicile for internationally distributed investment funds, covering the widest range of fund types. International fund promoters are attracted to Ireland due to its open, transparent and well regulated investment environment, a strong emphasis on investor protection, an efficient tax structure, and its innovative business culture.

With over 16,000 professionals employed exclusively in the servicing of investment funds, the Irish funds industry has developed as a centre of excellence with expertise that spans a wide range of services including fund administration, transfer agency, depositary, legal, tax and audit services, stock exchange listing, compliance and consultancy services.

Innovation

From traditional 'long only' to complex alternative strategies, Ireland offers world class, innovative product solutions catering to the widest spectrum of investment strategies. Ireland was the first regulated jurisdiction to provide a regulatory framework specifically for the alternative investment fund industry.

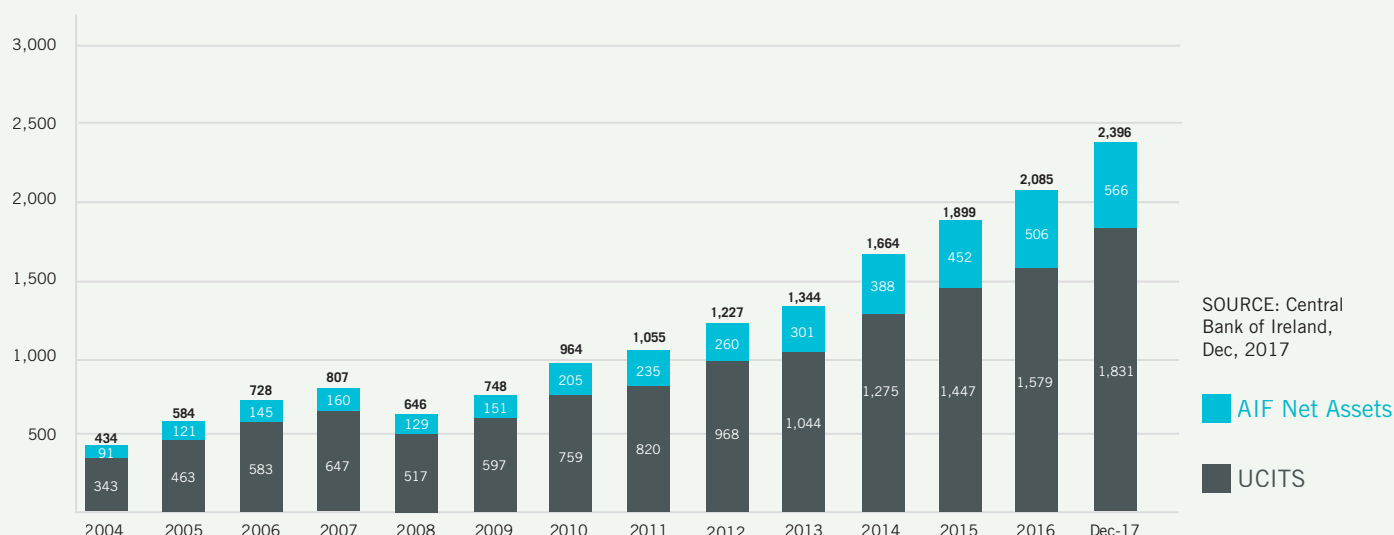
The Irish funds industry is at the forefront in preparing for and reacting to regulatory developments at the EU and national level. Ireland's responsiveness and adaptability enables clients to bring innovative products to market quickly, supported by the most developed regulatory, product and service infrastructure available.

With an unrivalled track record in the alternatives space, the funds industry remains at the forefront of product innovation, providing opportunities and solutions for this complex sector.

The Irish funds industry recognises that technology is key to responding effectively to increasing regulatory, reporting and efficiency demands and with a total automation rate of 90,6%, Ireland is leading the drive for greater efficiencies through fund processing standardisation.

Source: EFAMA SWIFT Fund Processing Standardisation, Q2 2017

Irish Domiciled Funds €BN





The Irish funds industry plays a key role in leading and responding to regulatory developments at EU and national level.

Regulatory Excellence

The Irish regulatory environment for investment funds is founded on the principles of openness, transparency and investor protection. Ireland has an excellent reputation as a location for robust and efficient regulation, which facilitates market and product developments while protecting investor interests. The Central Bank's rules on counterparty risk and prospectus disclosure are considered prudent and the Irish regulatory framework provides for independent, regulated administration and depositary functions.

Thought leadership is the cornerstone on which the industry is built, evidenced by the important contribution Ireland makes to developing international industry practices. The Irish funds industry plays a key role in leading and responding to regulatory developments at EU and national level.

Tax Efficiency

Ireland's tax regime is highly efficient, clear and certain, open, transparent and fully compliant with OECD guidelines and EU law.

Irish regulated funds are exempt from Irish tax on income and gains derived from their investments and are not subject to any Irish tax on their net asset value. There are additionally no net asset, transfer or capital taxes on the issue, transfer or redemption of units owned by non-Irish resident investors.

Other than in respect of certain funds which hold interests in Irish real estate (or particular types of Irish real estate related assets), non-Irish investors are not subject to Irish tax on their investment and do not incur any withholding taxes on payments from the fund.

Depending on the tax status of an investor in their home jurisdiction (for example, a tax exempt pension fund) an Irish fund can also be structured as a tax transparent vehicle resulting in the retention of the tax benefits (e.g. reduced withholding taxes) enjoyed by investors through direct ownership.

Ireland has one of the most developed and favourable tax treaty networks in the world, spanning over 70 countries across the EU, Middle East, Asia and South America.

WHY IRELAND FOR FUNDS

WORLD CLASS
SERVICE PROVIDERS



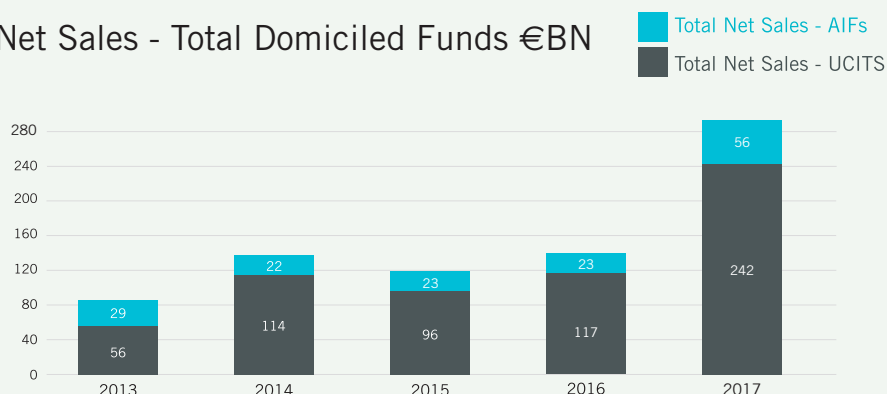
Wherever your fund is domiciled, it can be serviced out of Ireland. 30 languages and 28 currencies are fully supported.

International Reach and Recognition

Ireland is a major hub for cross-border fund distribution and Irish funds are sold in 70 countries across Europe, the Americas, Asia and the Pacific, the Middle East and Africa. A total of 917 fund promoters have chosen Ireland to domicile and/or service their funds. Furthermore, the Irish Stock Exchange is the leading stock exchange globally for the listing of investment funds.

Ireland is an internationally recognised jurisdiction with membership of the EU, Eurozone, OECD, FATF and IOSCO. Ireland does not operate a banking secrecy regime and openness, transparency and regulation are the pillars of the industry. Ireland leads the global industry in compliance with internationally agreed tax standards, further evidenced by volunteering for a peer review by the G20 and OECD countries. Ireland cooperates with all EU states on the basis of the European directives and the Central Bank of Ireland has signed Memoranda of Understanding with 44 countries including China, Dubai, France, Hong Kong, Isle of Man, Germany, Japan, Jersey, Malaysia, South Africa, Switzerland, Taiwan, United Kingdom, and the USA.

Net Sales - Total Domiciled Funds €BN

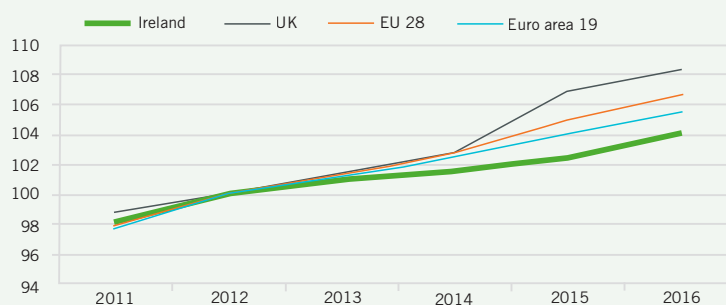


SOURCE: Central Bank of Ireland, Dec 2017

Competitiveness

- Ranked 1st in Eurozone and 8th globally for doing business. Source: Forbes Best Countries for Business Report, 2017
- For the 6th year in a row, Ireland ranked as 1st in the world for inward investment by quality and value. Source: IBM 2017 Global Location Report
- Ireland has favourable demographics and a quality education system. It has a plentiful supply of highly qualified people with excellent technical, language and customer service skills
- Over 600,000 Irish residents speak a foreign language fluently, with 212 languages spoken across the country, making Ireland an ideal base from which to service global markets. Source: Central Statistics Office, Census 2016 data
- Ireland has one of the best educated workforces in the world: 52% of 25-34 year olds have a third level qualification (OECD) – higher than any other country in the EU. Source: Education at a Glance 2017 OECD Indicators – Department of Education and Skills
- The only native English speaking country in the Eurozone providing access to a European market of 500 million consumers, one of the largest markets in the world
- Approximately 5.7 million sq. feet of new and refurbished office space coming to the Dublin office market over the next 18-24 months Source:IFS Ireland, January 2018

Growth in labour costs, Labour Cost Index, 2011-2016



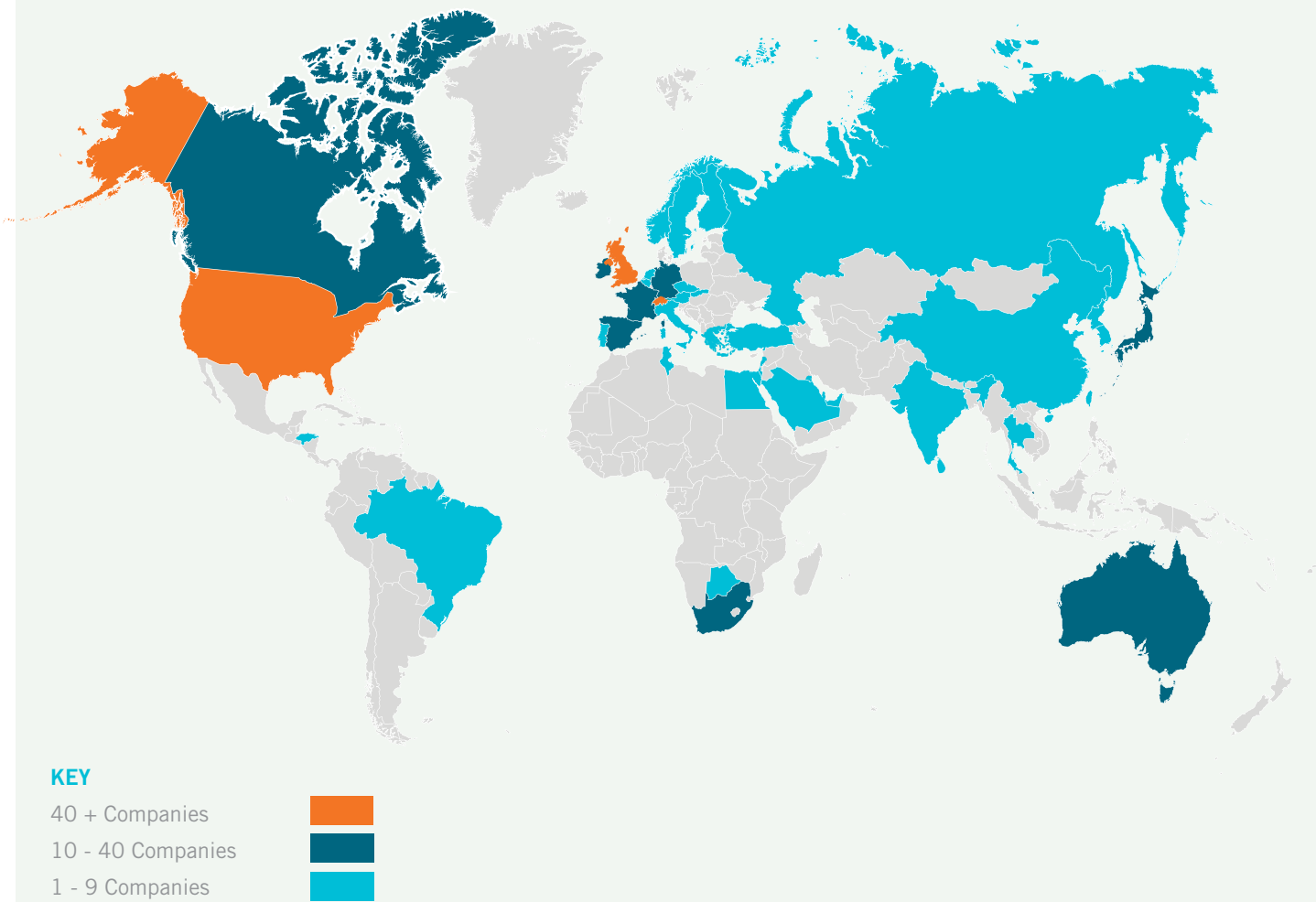
SOURCE: Eurostat

WHY IRELAND

WHO'S ALREADY HERE

917 Fund Managers from 53 Countries

352	233	50	63	219
UK COMPANIES	N.AMERICA COMPANIES	SWISS COMPANIES	ASIAN COMPANIES	OTHER COMPANIES



SOURCE: Monterey Ireland Fund Report 2017

WHY IRELAND FOR UCITS

GROWING
FASTER



Over 75% of the assets of Irish domiciled funds are held in UCITS. Irish UCITS are distributed in over 70 countries worldwide.

The Natural Choice

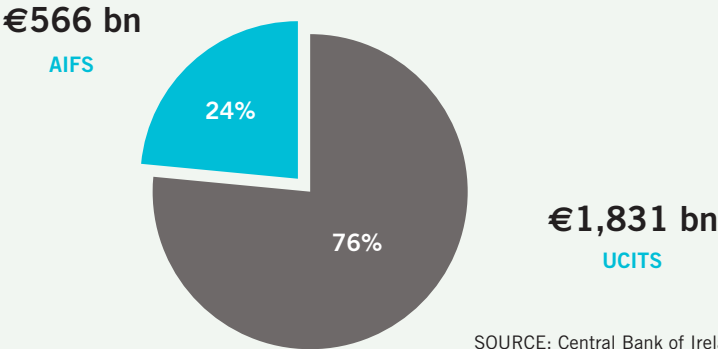
Ireland stands out as the European domicile of choice. Ireland is an established investment fund centre and major UCITS domicile with global reach and an unrivalled UCITS offering in terms of regulatory, tax, depositary and client servicing considerations.

For 30 years Ireland has been used as a UCITS management company domicile and the location from which to domicile and distribute UCITS globally. Ireland continues to lead on UCITS developments. As the next update to the UCITS framework commences, the already established industry UCITS

working group is poised and ready to lead on these considerations.

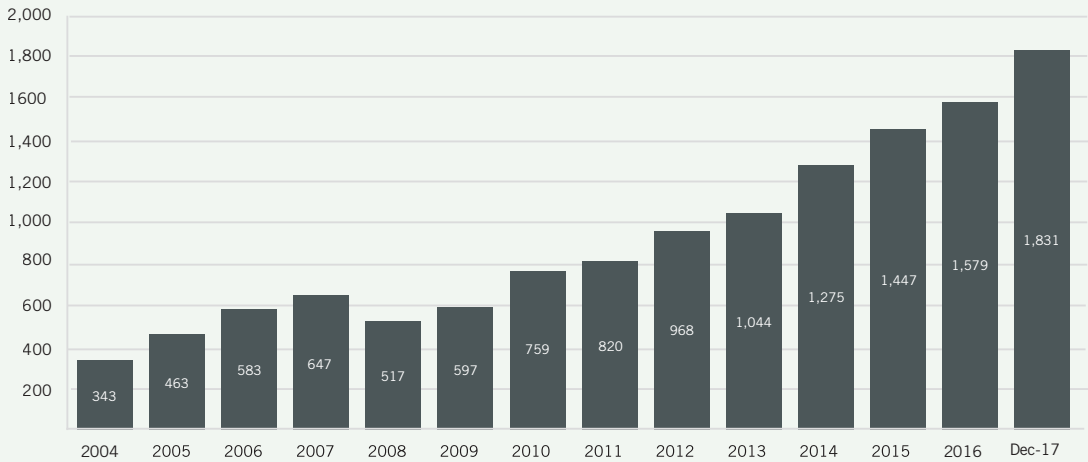
Tax is a key consideration when it comes to UCITS IV consolidation and with a 12.5% corporate tax rate for management companies, Ireland is a compelling location.

Irish Domiciled Funds UCITS V AIFs



SOURCE: Central Bank of Ireland, Dec 2017

Irish Domiciled UCITS Funds € BN



SOURCE: Central
Bank of Ireland,
Dec 2017

WHY IRELAND FOR ALTERNATIVE INVESTMENTS

NO.1 FOR
ALTERNATIVES



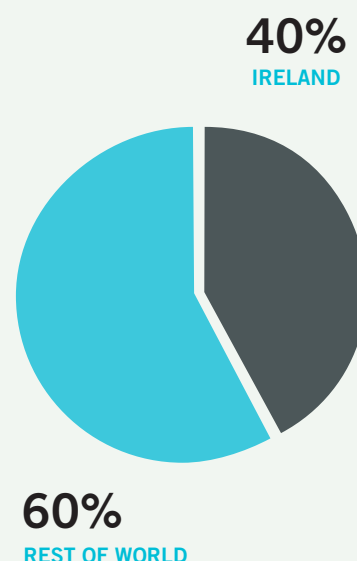
Over 40% of global hedge fund assets
are serviced in Ireland...

The Irish funds industry is synonymous with alternative investments, providing the fund structuring expertise, servicing capabilities and distribution access you need to launch and run your fund. Irish Alternative Investment Funds (AIFs) cater to the widest range of investment strategies within a robustly regulated framework and competitive tax environment, offering a tried and tested model that is responsive to market developments.

Ten reasons to choose an Irish AIF

1. **No. 1** for hedge fund servicing
2. **Expertise.** Servicing the widest range of strategies and leading best practice through industry guidance
3. **Experience.** 30 years of experience as a leading fund centre with over 4,000 professionals dedicated solely to alternative investments
4. **Choice.** 45 fund administrators and 18 depositaries, as well as a range of legal and advisory firms
5. **Distribution.** Access to professional investors via the EU passport, combined with wider international recognition of Irish fund structures
6. **Innovation.** Developing new structures, services, practices and technologies to meet changing market and regulatory requirements
7. **Tax efficiency.** A clear and simple tax framework with generally no charges at fund level and no tax on non resident investors, provided no Irish assets are held by the fund
8. **Regulatory excellence.** A clear and practical regulatory framework with certainty around timeframes
9. **Government support** for the funds industry through strategic planning and targeted initiatives, including IFS 2020
10. **Streamlined** fund re-domiciliation due to a new process introduced in 2009 which enables funds to maintain their track record while changing the seat of incorporation

Irish Administered Alternative Investment Funds



WHY IRELAND FOR TAX

SERVICING
4.4 TRILLION



A Transparent Framework

The Irish Tax Regime

For more than a quarter of a century, Ireland has been a leading regulated domicile for internationally distributed investment funds. The Irish tax regime has been, and continues to be, one of the key growth drivers of the funds industry in Ireland.

Ireland's tax regime, as well as being highly efficient, clear and certain, is open, transparent and fully compliant with OECD guidelines and EU law. The Irish framework is legislation-based and does not rely on rulings.

- Ireland has the highest rating in the OECD Global Forum on Transparency and Exchange of Information for Tax Purposes.
- Ireland was the first international fund domicile to sign an Intergovernmental Agreement (IGA) with the US in respect of the implementation of FATCA.
- Ireland was also one of the early adopter jurisdictions of the OECD's Common Reporting Standard (CRS) regime.

IRELAND'S TAX NEUTRAL REGIME
FOR GLOBALLY DISTRIBUTED
INVESTMENT FUNDS HAS BEEN IN
PLACE FOR 30 YEARS.

Ireland is guiding best practice in international tax developments and this demonstrates Ireland's commitment to international tax transparency and administrative co-operation. This commitment is vital to protecting Ireland's reputation as a responsible, regulated, on-shore jurisdiction and ensuring Ireland's tax neutral regime facilitates tax efficient investments.

Tax efficient

Ireland's tax neutral regime for globally distributed investment funds has been in place for 30 years.

Tax Implications for Funds

Irish regulated funds are exempt from Irish tax on income and gains derived from their investments and are not subject to any Irish tax on their net asset value. There are additionally no net asset, transfer or capital taxes on the issue, transfer or redemption of units owned by non-Irish resident investors.

Tax Implications for Investors

Other than in respect of certain funds which hold interests in Irish real estate (or particular types of Irish real estate related assets), non-Irish investors are not subject to Irish tax on their investment and do not incur any withholding taxes on payments from the fund.

VAT exemption

As provided under EU law, the provision of management, administration and custody services to an Irish regulated fund is exempt from Irish VAT. Other services, such as legal and accounting services, can result in an Irish VAT liability, but may be offset, depending on the fund's VAT recovery position.

Tax treaty network

Spanning over 70 countries across the EU, Middle East, Asia and South America, Ireland has one of the most developed and favorable tax treaty networks in the world. The availability of treaty benefits in a particular case will ultimately depend on the relevant tax treaty and the approach of the tax authorities in the treaty country. Consequently, treaty access needs to be reviewed on a case-by-case basis.

ABOUT IRISH FUNDS



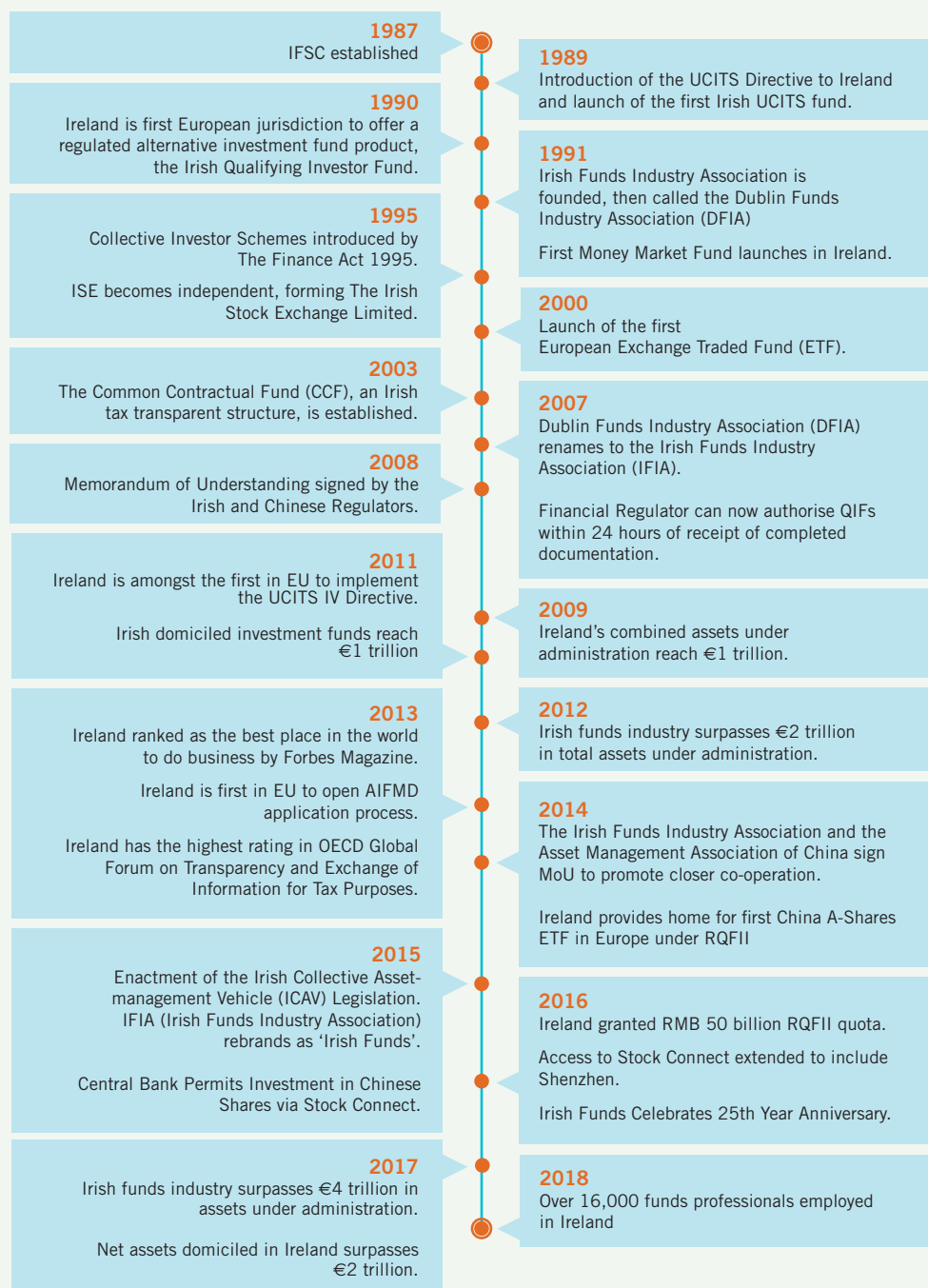
Irish Funds Industry Milestones

Established in 1991 the Irish Funds Industry Association (Irish Funds) is the representative body of the international investment fund community in Ireland.

We represent the fund promoters / managers, administrators, depositaries, transfer agents and professional advisory firms involved in the international funds industry in Ireland, with more than 14,000 funds and net assets of more than €4.4 trillion.

The objective of Irish Funds is to support and complement the development of the international funds industry in Ireland, ensuring it continues to be the location of choice for the domiciling and servicing of investment funds.

Through its work with governmental and industry committees and working groups, Irish Funds contributes to and influences the development of Ireland's regulatory and legislative framework. Irish Funds is also involved in defining market practice through the development of policy and guidance papers and the promotion of industry-specific training.





Irish Funds
Ashford House,
18-22 Tara Street, Dublin 2

t: +353 (0) 1 675 3200

e: info@irishfunds.ie
w: irishfunds.ie

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