C.I.É. Pension Scheme for Regular Wages Staff

Annual Report

Year Ended 31st December, 2022

Contents

Trustees and Other Information

Secretary to the Scheme

Mr. Kevin Derrig,
Córas Iompair Éireann,
Bridgewater Business Centre,
Conyngham Road,
Dublin 8.
(Appointed 14th February 2022)

Actuaries and Consultants

Aon Solutions Ireland Limited
Iveagh Court,
6 Harcourt Road,
Dublin 2.

Registered Auditors

Mazars,
Block 3 Harcourt Centre,
Harcourt Road,
Dublin 2.

Investment Advisors

Aon Solutions Ireland Limited
Iveagh Court,
6 Harcourt Road,
Dublin 2.

Investment Managers

Walter Scott & Partners Ltd.,
One Charlotte Square,
Edinburgh EH2 4DR.

Irish Life Investment Managers,
Beresford Court,
Beresford Place,
Dublin 1.

Blackrock,
Amstelplein 1,
P.O. Box 94292,
Amsterdam 1090 CG,
Netherlands.

Robeco Institutional Asset Management B.V.,
Weena 850,
NL 3014 DA,
Rotterdam.

Kleinwort Benson Investors,
3rd Floor,
2 Harbourmaster Place,
IFSC,
Dublin 1.

Trustees and Other Information (continued)

Investment Managers (continued)	Irish Property Unit Trust, 47 - 49 St. Stephen's Green, Dublin 2, D02 W634.
	Insight Investment, 160 Queen Victoria Street, London, EC4V 4LA.
	J.P.Morgan, Asset Management, Institutional Client Account Management, 60 Victoria Embankment, London, EC4Y OJP.
Venture Capital	ACT Venture Capital Ltd., 6 Richview Office Park, Clonskeagh, Dublin 14.
	Delta Partners, Media House, South County Business Park, Leopardstown, Dublin 18.
Infrastructure	I.F.M. Investors (Infrastructure) 3rd Floor, 60 Gresham Street, London EC2V 8BB.
	Antin Infrastructure Partners, 14 St.Georges Street, London W1S 1FE.
Custodians to Investment Managers	J.P. Morgan, Worldwide Securities Services, Treasury & Securities Services, J.P. Morgan Bank (Ireland) Ltd., J.P. Morgan House, IFSC, Dublin 1.
Bankers to the Scheme	Bank of Ireland, 2 College Green, Dublin 2.
Solicitors	Mr C. Costello, Legal Department, Córas Iompair Éireann, Bridgewater House, Dublin 8.
Registered Administrator	Córas Iompair Éireann Pensions Section, Heuston Station, Dublin 8.

Trustees and Other Information (continued)

Regular Wages Scheme Committee *** Employer Representatives	Mr. Ciaran Masterson (Chairman—December 2020) Ms. Helen Byrne Mr. Greg O'Sullivan (Appointed March 2020) Ms. Carol Grennan (Appointed December 2020)
Trade Union Representatives	Mr. Pierce Cullinan Mr. Cormac Hyland Mr. David Keating Mr. Colm Meagher
Principal and Participating Employers	Córas Iompair Éireann (CIÉ) Iarnród Éireann (Irish Rail) Bus Átha Cliath (Dublin Bus) Bus Éireann
Enquiries about the Scheme	Any enquiries about the Scheme or about members' entitlement to benefit should be sent to the Secretary to the Scheme by post or by email to pensions@cie.ie.
Revenue Reference Number	SF 2199555
Pensions Authority Number	PB 43658

*** **Note** - This committee was no longer operative from the 18th July 2022.

Constitution and Summary of Main Provisions of the Schemes

Constitution

The Córas Iompair Éireann (CIÉ) Pension Scheme for Regular Wages Staff was established by Statutory Instrument No. 242 of 1945 and subsequent amending statutory instruments and approved by the Revenue Commissioners on the 6th April, 1980.

The Scheme is now managed and administered by eight Trustees, of whom four are appointed by the CIÉ Board and four are member elected Trustees (see the section on Trustees on the top of page three). Trustees of the Scheme are appointed by the CIÉ Board with the consent of the Minister for Transport.

Every permanent employee holding a position on the Regular Wages staff of the CIÉ Board and its subsidiaries, who is entitled to become a member of the Scheme, must do so. The Scheme is designed to provide defined benefits for members, a summary of which is set out below.

Summary of Main Provisions of the Scheme

CIÉ Pension Scheme for Regular Wages Staff

Membership

Members

Permanent wages staff over 20 on joining the CIÉ Group. There is now no upper age limit for entry to the scheme.

Member Contributions

Members pay a contribution of €2.63 per week on a basic wage not exceeding €107.93 and this contribution increases by €0.19 per week in respect of each €6.35 by which basic weekly wage exceeds €107.93.

CIÉ Board Contributions

Each year the CIÉ Board contributes an amount necessary to support and maintain the solvency of the Fund.

Benefits

Retirement Gratuity

The retirement gratuity ranges from 164 to 325 times weekly pension, depending on scheme membership completed at date of retirement.

Pension at Normal Retirement Age (NRA)

A minimum of €20.95 per week increasing by €1.27 per week for each €6.35 per week of basic pay above €107.93 per week.

From 18th of July 2022, the benefits due to New Entrants on retirement at State Pension Age (normal retirement) are calculated as 1/150th of Pensionable Salary for each year of Scheme Membership to a maximum of 30 years.

Commutation

At time of retirement a member may apply to the CIÉ Board to commute up to 1/4 of weekly pension for a lump sum.

Ill-health Retirement

A pension payable after 10 years qualifying service is calculated as:

$$\frac{\text{Actual pensionable service completed}}{\text{Possible Pensionable Service at NRA}} \times \text{Expected pension at NRA}$$

Death in Service Benefit

Lump sum equal to 3/80ths of annual basic pay for each year of membership (maximum 120/80ths and minimum one year's basic pay).

Where a pension is payable under the separate Spouses' and Children's Pension Scheme the lump sum mentioned above applies, but any arrears of contributions (periodic and non-periodic) will be deducted from the lump sum payable.

Constitution and Summary of Main Provisions of the Schemes *(continued)*

Death after Retirement Benefit

Where no benefit is payable from the CIÉ Spouses' and Children's Pension Scheme for Regular Wages Staff the amount payable to the Personal Representative is the difference (if any) between 260 times the appropriate weekly pension for life and the actual amount of pension paid to date of death.

Vested Benefit (Leaving Service)

If a member's service ceases and the member has completed at least 2 years qualifying service then the member is entitled to a vested benefit. No refund of the members contributions is payable in this case.

Where the member has less than 2 years qualifying service the member's contributions are refunded less tax at the appropriate rate.

Review of Pensions in Payment

A review is undertaken by the CIÉ Board to establish the level of increase in pensions which is to be applied on 1st July each year. The review does not apply to vested pensions which have come into payment.

Dispute Procedures

Statutory Instrument No. 263 of 2004 and provides for the handling of complaints and disputes concerning this Scheme. Queries should be addressed to the Head of Group Human Resources, CIÉ, Heuston Station, Dublin 8.

CIÉ Spouses' and Children's Scheme for Regular Wages Staff

Membership

Members

All appointed members of the CIÉ Pension Scheme for Regular Wages Staff at 4th June, 2003 were given the option of joining the Scheme. Membership of the Scheme is compulsory for all those becoming members of the CIÉ Pension Scheme for Regular Wages Staff after 4th June, 2003.

Members' Contributions

Members pay contributions of 1.00% of pensionable pay.

CIÉ Board's Contributions

As for the CIÉ Pension Scheme for Regular Wages Staff.

Benefits

Spouse's Pension

In the case of deceased members with at least 5 years membership of the CIÉ Pension Scheme for Regular Wages Staff, 1/80th of the pension which the deceased would qualify for at age 65 for each year of membership of this Scheme (maximum 40/80ths) based on pensionable pay at date of death is payable to spouse. In the case of deceased pensioners, 1/80th of the deceased's pension multiplied by the number of completed years in membership of this Scheme (maximum 40/80ths) is payable to the spouse. Amounts are increased where there are qualifying children.

Vested Benefit (Leaving Service)

If a member's service ceases after 4th June, 2003 and the member has completed at least 2 years qualifying service in this Scheme, then such a member is entitled to a vested benefit in respect of all membership in this Scheme provided the member was married at date of cessation of service.

Where the member has less than 2 years qualifying service in this Scheme or was unmarried throughout their membership of the Scheme a refund of member's contributions with no interest, less tax at the appropriate rate is payable.

Review of Pensions in Payment

A review is undertaken by the CIÉ Board to establish the level of increase in pensions which each year is applied on 1st July. The review does not apply to vested pensions which have come into payment.

Dispute Procedures

Statutory Instrument No. 264 of 2004 provides for the handling of complaints and disputes concerning this Scheme. Queries should be addressed to the Head of Group Human Resources, CIÉ, Heuston Station, Dublin 8.

Statement of Investment Policy Principles (SIPP)

Background

This document contains the Statement of Investment Policy Principles (the "SIPP") of the Córas Iompair Éireann Pension Scheme for Regular Wages Staff.

The recently appointed trustees have taken up the work commenced by the previous trustees of updating and finalising the SIPP. This SIPP has been agreed by the Trustees of the Córas Iompair Éireann Pension Scheme for Regular Wages Staff on the 16th September 2022.

Scheme Structure

The Córas Iompair Éireann Pension Scheme for Regular Wages Staff (the "Scheme") is a defined benefit scheme. The Scheme was established by Statutory Instrument No. 242 of 1945 and approved by the Revenue Commissioners on the 6th April 1980. Statutory Instrument No. 343 of 2022 confirmed the amendment of existing schemes relating to the Scheme and provided, inter alia, for the continuance in being of the Fund.

The Scheme has eight Trustees. Four Trustees are appointed by Córas Iompair Éireann ("CIÉ") with the approval of the Minister for Transport. Four Trustees are elected by the members of the Scheme. The Trustees are responsible for setting the investment strategy, having consulted with and given due consideration to the views of CIÉ. The Trustees, having consulted with and given due consideration to the views of CIÉ, have overall responsibility for the investment of the Scheme's assets. The Trustees, following prior consultation with and having had due regard to the views of CIÉ, appoint external investment managers to manage the Scheme's assets.

The Trustees have taken expert advice from their investment consultants, Aon, in preparing this SIPP.

Review of this SIPP

This SIPP may be revised by the Trustees at any time and will be formally reviewed at least every three years. The previous SIPP was reviewed and agreed by the previous Trustees in July 2016.

Investment Objective

The responsibility for setting investment policy lies with the Trustees, having consulted with and given due consideration to the views of CIÉ.

The Trustees' primary objective is to ensure that the Scheme should be able to meet benefit payments as they fall due. The overall investment objective is to invest the assets of the Scheme prudently and to seek long-term asset growth, sufficient to meet Scheme liabilities over a prolonged period, taking account of the nature and duration of the liabilities.

In addition to the primary objective, the Trustee has additional objectives, as follows;

–To maximise the return on assets subject to an acceptable level of risk; including de-risking of the plan where appropriate; and

- That the Scheme meets its funding obligations under the Pensions Act.

Investment Strategy

The investment strategy of the Scheme is to be reviewed every three years, or after any significant change in the liability profile. The last comprehensive review of the investment strategy was in 2019. An interim investment strategy review was carried out in 2020.

Strategic Asset Allocation

The following is the current strategic asset allocation of the Scheme:

Strategic Asset Allocation

Asset Type	Asset Class	Target Asset Allocation
Growth (45%)	Equities	30%
	Hedge Funds	5%
	Property	5%
	Infrastructure	5%
Matching (55%)	LDI	33
	Euro Credit Buy and Maintain	16.5%
	Multi Asset Credit	5.5%

Actual allocations vary from the above from time to time, reflecting market movements and related factors. The Trustees monitor the asset allocation and make appropriate adjustments taking account of the target long-term allocations.

When setting the investment strategy, the Trustees considered a wide range of asset classes for investment, taking account of the expected returns and key individual risks associated with those asset classes.

The Scheme also currently has an equity protection strategy in place to provide some mitigation against a significant fall in equity markets.

(SIPP—continued)

Risk Measurement and Management

The Trustees consider that there are several different types of investment risk that are important to manage and monitor. These include, but are not limited to:

1. **Market Risk:** *The risk that the return from the assets held is not in-line with the changes in liabilities.* This risk is addressed by carrying out an investment strategy review to determine the appropriate asset mix relative to the liabilities, by ongoing monitoring of the strategy and the funding position and by holding a diversified portfolio of assets.

2. **Longevity Risk:** The risk that trends of improvement in mortality lead to higher than expected pension costs. This risk is addressed as part of the regular actuarial valuation, where improvements in mortality are considered in determining the liabilities of the Scheme and the required contribution rate.

3. **Manager Risk:** The risk that the chosen investment managers do not meet their investment objectives or deviate from their intended risk profile. An associated risk is active risk, where the Scheme is exposed to the actions or decisions of one manager. This risk has been addressed by investing the assets of the Scheme with multiple investment managers, thus diversifying the exposure of the Scheme assets to the fortunes of one manager. This risk is also addressed as managers are monitored on an ongoing basis, relative to investment objectives.

4. **Interest Rate Risk:** The risk that changes in interest rates result in a change in the liabilities that is not reflected in the change in assets. This risk is addressed by the Scheme holding a Liability Driven Investment ("LDI") portfolio with Insight, as a tool for managing interest rate risk within the Scheme. The LDI mandate creates and manages a pool of assets with the aim of matching the movement in the Scheme's liabilities.

5. **Cashflow Risk:** The risk that the cashflow needs of the Scheme require a disinvestment of assets at an inopportune time. This risk is addressed by investing in a diversified portfolio of assets and by keeping illiquid asset classes within an acceptable range given the Scheme's cash flow requirements. The cashflow position is monitored formally on a quarterly basis.

6. **Inflation Risk:** The risk that the inflation linked liabilities of the Scheme increase at a faster rate than the assets held. This risk is addressed by investing in an appropriate proportion of assets with returns that are expected to exceed inflation.

7. **Operational Risk:** The risk of fraud or poor advice. This risk is addressed by regular monitoring and review of investment managers and advisers.

8. **Covenant Risk:** The risk that CIÉ is unable to provide sufficient funding when required. This risk is addressed as part of the investment objectives, where due regard is paid to the interests of CIÉ in relation to the ability to continue paying employer contributions.

Due to the complex and interrelated nature of some of the above risks, they are considered in a qualitative, rather than quantitative manner as part of each formal investment strategy review (normally triennially). Some aspects of these risks may be modelled explicitly. In addition, investment risk is considered as part of the actuarial valuation.

(SIPP—continued)

Governance

With effect from 18th July 2022, following the coming onto operation of Statutory Instrument No. 344/343 of 2022, the Trustees of the Scheme, in consultation with CIÉ, are responsible for the investment of the Scheme's assets. The Trustees in consultation with CIÉ take professional advice, and on the basis of this advice, make decisions on the asset allocation to be adopted and investment managers to be appointed.

CIÉ	Trustees
Sets structures and processes for carrying out its role	Set structures and processes for carrying out their role
Consulted on Scheme asset allocation strategy	Set and monitor Scheme asset allocation strategy, having consulted with and given due consideration to the views of CIÉ
Consulted on appointment of investment advisers and fund managers	Appoint and monitor fund managers, following prior consultation with and having had due consideration to the views of CIÉ
	Continue to ensure that the Trustees have sufficient training to enable appropriate decision taking with the help of the investment consultants
Notes the performance of the Scheme's Investment advisers and consultants and is consulted on any matters arising	Monitor investment advisers and investment consultants

The following decision-making structure is in place for the Scheme:

Investment Consultants	Fund Managers
Advise on all aspects of the investment of the Scheme assets, including implementation	Operate within the terms of their written contracts
Advise on this SIPP	Select individual investments with regard to their suitability and diversification
Monitor investment managers and investment risk	
Provide required training	

Responsible Investment

Environmental, Social & Governance ("ESG") Factors

The Trustees recognise that their appointed investment managers are best suited to incorporate ESG factors within their specified mandates. Accordingly, the Trustees have not placed any direct constraints, ESG or otherwise, on their managers but monitor their asset managers over time and review ratings of their managers ESG credentials from their investment consultant.

The Trustees employ a range of strategies, many of which rate highly on their investment consultant's ESG rating system. The Trustees approach ESG through their arrangement and engagement with their asset managers through the policies set out below.

The Trustees will continually review and re-evaluate their approach to managing ESG factors over time as the issues and industry best practice evolves.

Arrangements with asset managers

The European Union (Shareholders' Rights) Regulations 2020 (the "2020 Regulations") transposed the Second EU Shareholders' Rights Directive ("SRD II") into Irish law in 2020. The 2020 Regulations require Trustees to disclose their arrangements with their asset managers.

The Trustees regularly monitor the Scheme's investments to consider the extent to which the investment strategy and decisions of the asset managers are aligned with the Trustees' policies, including those on ESG factors. This includes monitoring the extent to which asset managers:

make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity; and

engage with issuers of debt or equity in order to improve their performance in the medium to long-term.

The Trustees are supported in this monitoring activity by their appointed investment consultants.

The Trustees receive regular reports and verbal updates from their investment consultants on various items including the investment strategy, performance, and longer-term positioning of the portfolio. The Trustees focus on longer-term performance when considering the ongoing suitability of the investment strategy in relation to the Scheme's objectives and assess the asset managers over 3-year periods.

(SIPP—continued)

Before appointment of a new asset manager, the Trustees will consider the extent to which the new investment aligns with the Trustee's policies. The Trustee will seek to express their expectations to the asset managers to try to achieve greater alignment and consider ESG as an important part of their evaluation of an asset manager. The Trustees believes that this, together with regular monitoring of asset managers' performance and investment strategy, is in most cases sufficient to incentivise the asset managers to make decisions that align with the Trustee's policies and are based on assessments of medium and long-term financial and non-financial performance.

Where asset managers are considered to make decisions that are not in line with the Trustee's policies, expectations, or the other considerations set out above, the Trustees will typically first engage with the manager but could ultimately replace the asset manager where this is deemed necessary.

There is typically no set duration for arrangements with asset managers, although the continued appointment of all asset managers will be reviewed periodically, and at least every three years in conjunction with the triennial investment strategy review. The Trustees will review portfolio turnover costs on a periodic basis.

Engagement Policy

SRD II also requires Trustees to develop an engagement policy.

The purpose of the engagement policy is to set out the Trustees' approach to engaging with companies they invest in in terms of sustainability and ESG factors.

The Trustees recognise the importance of their role as stewards of capital and the need to ensure the highest standards of governance and promotion of corporate responsibility in the underlying companies and assets in which the Scheme invests, as this ultimately creates long-term financial value for the Scheme and its beneficiaries.

As the Trustees largely invest in pooled funds, the Trustees will appoint investment managers who engage with companies where ESG issues are a concern and provide proxy voting on ESG issues. The Trustees will require their investment managers to regularly report on their engagement activities.

Where the investment manager invests, on behalf of the Trustees, in a company that does not appear to be pursuing sound ethical business practices and/or displaying appropriate environmental responsibility, the investment managers would be expected to encourage that company to operate in a more socially and environmentally responsible manner by, among other possible forms of engagement:

- raising issues relating to ethical business practices and environmental responsibility at annual general meetings
- exercising its shareholder's right to vote on such issues

The Trustees will periodically review the suitability of the Scheme's appointed asset managers and take advice from their investment consultants with regard to any changes. This advice includes consideration of broader stewardship matters and the exercise of voting rights by the appointed managers.

If an incumbent manager is found to be falling short of the standards the Trustees have set out in their policy, the Trustees will engage with the manager and seek a more sustainable position but may look to replace the manager.

The Trustees will engage with their investment managers as necessary for more information, to ensure that robust active ownership behaviours, reflective of their active ownership policies, are being actioned.

Sustainability Risks

Under Article 5(1) of the Sustainable Financial Disclosures Regulation (the "SFDR"), the Scheme is required to include in its remuneration policy, information on how the policy is consistent with the integration of sustainability risks. A 'sustainability risk' is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of Scheme investments.

The Trustees' Remuneration Policy applies to the Trustees, persons who carry out key functions in respect of the Scheme, other categories of staff employed by the trustees whose professional activities have a material impact on the risk profile of the Scheme and service providers to whom the Trustees have outsourced activities within the scope of Section 64AM(1) of the Pensions Act, other than those service providers that fall outside the scope of Section 64AG(4)(e) of the Pensions Act.

In some cases, those persons or others who provide services to the Scheme may be required under legislation to include in their own remuneration policy information on how their policy is consistent with the integration of sustainability risks. The Trustees rely on the statements made by such persons in their own remuneration policies in considering whether Trustees' Remuneration Policy is consistent with remuneration provided to those persons. For other persons to whom the Trustees' Remuneration Policy applies, remuneration is not dependent upon the performance of Scheme investments and the Trustees' Remuneration Policy does not encourage excessive risk-taking, including in respect of sustainability risks.

The Trustees consider that, given the nature, scale, size and complexity of the Scheme, as well as the Scheme's system of governance and Conflicts of Interest Policy, the Trustees' Remuneration Policy is consistent with the integration of sustainability risks.

Principal Adverse Impact Statement

The Trustees do not consider the principal adverse impacts of investment decisions on sustainability factors, as per Article 4 of the SFDR, due to the size, nature and scale of activities undertaken by the Scheme. The Trustees will keep this under review, and may consider such impacts in the future.

Notwithstanding the above, the Trustees expect the asset manager (s) they employ to consider such impacts and will assess their policies in this area periodically.

(SIPP—continued)

Asset Class	Manager	Fund Name	Benchmark	Objective	Strategic Asset
Equity	Walter Scott	Walter Scott Global Equity	MSCI AC World Index NDR	To outperform the benchmark by 3% p.a. net of fees over rolling 3 year	7.5%
Equity	Irish Life Investment Managers	ILIM Indexed World Equity Hedged Fund	FTSE World Equity Index Euro Hedged	To perform in line with the benchmark before	7.5%
Equity	Irish Life Investment Managers	ILIM RAFI Multi Factor (EUR Hedged)	RAFI Multi Factor Developed Index (EUR) Hedged index	To perform in line with the benchmark before fees	7.5%
Equity	Irish Life Investment Managers	ILIM RAFI Multi Factor	RAFI Multi Factor Developed Index	To perform in line with the benchmark before	7.5%
Hedge Fund	BlackRock	BlackRock Appreciation Strategy Fund	HFRI Fund of Funds Conservative Index	To outperform the index over the long term	5.0%
Property	CBRE	Global Alpha Fund	9% - 11% p.a. return, net of fees	To achieve the stated target return	2.5%
Property	Irish Property Unit Trust	Irish Property Unit Trust	IPD Irish Property Index	To outperform the benchmark	2.5%
Infrastructure	IFM	IFM Global Infrastructure Fund	N/A	Target return of 10% p.a. net of fees	3.0%
Infrastructure	Antin Infrastructure Partners	Antin Infrastructure Fund III	Burgiss iQ European Infrastructure (EUR)	15% Gross IRR with a gross yield target of 5% p.a.	2.0%
Credit	Insight	Insight Buy and Maintain	Bespoke Liability Benchmark	To hedge a percentage of the liability benchmark	5.5%
Credit	Robecco	Robecco Credit Fund	Bespoke Liability Benchmark	To hedge a percentage of the liability benchmark	11.0%
Credit	JP Morgan	JP Morgan Multi Sector Credit	N/A	Total Return of 3-7% p.a. over rolling three year periods	5.5%
Fixed Income/LDI	Insight	Insight LDI	Bespoke Liability Benchmark	To hedge a percentage of the liability benchmark	33.0%

Trustees:

M. Madden Michael J. Madden

P. Neary Paul Neary

Date: 22 September 2023

Trustees' Report Year Ended 31st December, 2022

Introduction
In accordance with the requirements of the Pensions Act, 1990, and the Occupational Pensions Schemes (Disclosure of Information) Regulations, 2006-2021 provided hereunder is a review of the events of the past year as they apply to the benefit provision, financial development, management and administration of the Scheme.

The Scheme has been approved by the Revenue Commissioners as an "Exempt Approved Scheme" under Section 774 of the Taxes Consolidation Act, 1977 and as such its assets are allowed to accumulate free of income and capital gains taxes. In addition tax relief is given on employer and member contributions to the Scheme and certain lump sum payments to members can be paid free of tax.

Arising from an agreement between the CIE Group and the Trade Union Group facilitated by the Workplace Relations Commission (WRC), Statutory Instruments came into operation on 18th July 2022. The Statutory instruments included changes to the Scheme's governance structure which had consisted of Trustees and a monitoring committee. There is now a board of Trustees who assumed all of the powers and responsibilities of Trustees for the purposes of the Pensions Act and IORP II regulations. The board of Trustees will have four members appointed by CIE and four members elected by the Scheme members.

Pensions Authority Registration
The Scheme is registered with the Pensions Authority - Registration number 43658.

Trustees
The Trustees of the Scheme are appointed by the Minister for Transport on the recommendation of the Board of Córas Iompair Éireann. Stewardship of the Scheme assets is the responsibility of the Trustees.

The Trustees and the Secretary have access to the Trustee Handbook and Guidance Notes produced by the Pensions Authority, from time to time in accordance with Section 10 of the Pensions Act, 1990. Section 59AA of the Pensions Act 1990, requires Trustees of pension schemes to undergo training. All Trustees have confirmed that they have adhered to their training obligations as required by the Pensions Act within the time limits set out therein.

Trustee training will be undertaken by the new Trustees of the scheme, as per the Pension Act. Such training will paid for by the Scheme.

There were ten Trustee meetings throughout 2022.

Pension Increases
A review by CIÉ of pensions in payment (excluding vested pensions which have come into payment) took place in July 2022, and it was agreed that no increase would be granted. There are no pensions or pension increases being paid by or at the request of the Trustees for which the Scheme would not have a liability in the event of winding up.

Actuarial Valuation
The most recent Actuarial Valuation of the Scheme's assets and liabilities was carried out as at 31st December, 2020. In the Report on this valuation, the Actuary commented that there is a past service surplus of €50.4m, equivalent to a past service funding level of 105.6%.

Were the Scheme to have wound up at the Valuation Date, the Scheme would not have satisfied the Funding Standard. An Actuarial Funding Certificate (AFC) confirming this result was submitted to the Pensions Authority. The results disclosed a recommended employer contribution rate of 2.35 times the members' contributions to be maintained for 2020 and that the employer multiple would increase to 2.45 times the employee contributions from 2022 onwards. This contribution would be maintained until either (i) a Revised Funding proposal was agreed, which may indicate a different rate, or (ii) until the next Triannual valuation.

Funding Standard and Funding Standard Reserve
A funding proposal was in place in mid 2013, which targeted 31 December 2023 as the date by which the Scheme would satisfy the funding standard and funding standard reserve.

This proposal was certified as "off track" as at 31 December 2016, which triggered a requirement to prepare a revised funding proposal. The Statutory Instruments which arose from the agreement between the CIE Group and the Trade Union Group facilitated by the Workplace Relations Commission (WRC), changed some Scheme benefits and amended the minimum retirement age. In conjunction with a Section 50 application, this was anticipated to place the Scheme in a position whereby it satisfies the funding standard and funding standard reserve, therefore no funding proposal would be required. At this point in time the Section 50 application has not been approved, but there is ongoing engagement with the Pensions Authority.

Investment Management
The investment policy of the Scheme is designed to achieve, over the life of the Scheme, the highest possible return within an acceptable degree of risk. This policy is implemented by the construction of a balanced portfolio which is diversified over asset types and currencies. The Scheme is thus protected against problems which may emerge in any one asset type or in any single investment within an asset type. Investment mandates are agreed with each of the Investment Managers. Further details on investment policy together with a more detailed comment on investment performance are contained in the Investment Managers' Reports on pages 44 to 61. A Statement of Investment Policy Principles adopted by the Trustees is included in this report (page 8).

The Investment Managers have, within specified mandates, total discretion in the investment of Scheme assets and provide detailed reports to the Trustees on the strategies adopted and on the performance of the monies invested.

Statements of Risk

The Trustees' primary objective is to ensure that the Scheme should be able to meet benefit payments as they fall due. In order to provide for these future benefit payments the assets of the Scheme are invested in a range of investments. Each year CIÉ contributes to the fund such sum as CIÉ after consulting the Actuary determines to be necessary to support and maintain the solvency of the Fund. In any year if CIÉ's contribution exceeds 2.7 times the members' contributions then CIÉ and the members' contributions will be reviewed.

In a defined benefit scheme the main risk is that there will be a shortfall in the assets (for whatever reason) and the employer will not be willing or able to pay the necessary contributions to make up the shortfall. If that occurs a member may not get their anticipated benefit entitlements.

The main types of risks which may lead to a shortfall and the steps being taken by the Trustees to minimise these risks are as follows:-

Risks	**Steps being taken to minimise risks**
The assets may not achieve the expected return	See Statement of Investment Policy Principles at page 8.
Some of the assets may be misappropriated	A custodial agreement is in place with J.P. Morgan. Reconciliations are performed to monitor and ensure that all assets are correctly accounted for.
The value placed on the future liabilities may prove to be an underestimate	The Trustees discuss with the actuary the assumptions used for triennial valuations. The Trustees are required by law to obtain an annual statement concerning the ability of the Scheme to meet the funding standard.
The employer may not pay contributions as they fall due	The Trustees monitor the receipt of contributions and pursue any shortfall. If this is not successful, the Trustees would report the matter to the Pensions Authority.
The employer may decide to dissolve the Scheme	If CIÉ determines with the consent of the Minister for Transport to dissolve the Scheme, the Trustees are required to wind up the Scheme and provide benefits for members in accordance with the Rules and the Pensions Act. The Trustees endeavour to ensure that sufficient assets are available at all times to meet the liabilities on wind up, by means of the annual statement mentioned above. If, however, the Scheme has insufficient assets to meet the liabilities, those already in receipt of pension at the wind-up date are a priority class, to a maximum pension of €12,000, and their pensions must be secured before assets are applied to other members. These other members i.e. active members and deferred pensioners are therefore more at risk of not receiving their full benefits on wind-up. Future benefit accrual will also cease in these circumstances.

Trustees' Report Year Ended 31st December, 2022 *(continued)*

Financial Developments of the Scheme

The total value of the Scheme's net assets as at 31st December, 2022 amounted to €855.9m compared to a value of €996.4m at the end of the preceding year.

Performance

The overall return on the Fund for the year was a negative return of 15% compared to a positive return of 4.4% for the previous year.

Financial Statements

Total contributions and transfers in for the year amounted to €35m (2021 – €32.9m). The Trustees are satisfied that appropriate procedures have been put in place to ensure that contributions payable were received in accordance with the legislative requirements as set out under Section 58 (a) of the Pensions Act, 1990 which states:

Members contributions must be received within 21 days from the end of the month they were deducted from pay. Employers contributions must be received within 30 days of the end of the scheme year.

Contributions were paid in accordance with the rules of the Scheme and the recommendation of the Actuary and were received in full within 30 days of the year end.

Benefits payable and expenses amounted to €32m (2021 - €25.1m). Investment income for the year amounted to €7.5m (2021 – €10.9m). Change in Market Value of Investments amounted to— €149.9m in 2022 (2021 €21.7m) while Investment Managers' fees, and Custodian fees totalled €1.1m (2021 - €1.4m).

The net decrease in the Fund for the year was €140.5m thus decreasing the Fund at the end of the year to €855.9m (2021 - €996.4m)

Management of the Scheme

In accordance with the rules of the Scheme all monies in the hands of the Trustees belonging to the Fund and not required for the immediate purposes of the Scheme may be lent to CIÉ, repayable on demand at an agreed rate of interest, or may be invested as the Trustees shall think proper having consulted with and given due consideration to the views of CIÉ, in any investments for the time being authorised by law as investments for trust money, or in any other investments as the Trustees in consultation with the Scheme's investment advisers may decide.

The cost of administering the Scheme has been borne by the Fund.

The Investment Managers fees are calculated as an agreed percentage of the market value of the portfolio; the fees do not include any commissions paid on the purchase and sale of investments which are included within the change in market value of investments.

The Trustees have been recently appointed (see page 3) and are still serving at the date of approval of the annual report. Some of the Trustees receives a fee for preparation and attendance at each Trustee meetings in accordance with the remuneration policy.

Scheme Changes

There were changes effected on the 18th July in 2022 by means of Statutory Instruments, as referred to earlier in this report.

Employer Related Investments

There were no employer related investments at any time during the year.

Subsequent Events

As per the introduction to this report, Statutory Instruments that became effective on the 18th of July 2022 gave rise to some benefit and structural changes for the scheme.

There was no other significant event post year end that would require amendment to or disclosure in this Annual Report.

IORP II Directive

The Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) – "IORP II" – was transposed into Irish law on 22 April 2021 by way of the European Union (Occupational Pension Schemes) Regulations 2021 (Statutory Instrument No. 128/2021). This is the most significant regulation to impact occupational pension schemes since the Pensions Act 1990. The primary purpose of the IORP II Directive and transposing Regulations is to raise governance standards with a view to improving member outcomes. The administrative deadline for full compliance, with a few exceptions, is 31 December 2022. The Trustees have met all deadlines set to date and are working with its professional advisors to achieve full compliance ahead of time.

Membership Statistics

The following table shows the membership of the Scheme as at 31st December 2022

	Actives	Deferred	Pensioners	Total
Membership as at 31st December 2021	**6,747**	**1,865**	**3,962**	**12,574**
New Members	449	262	209	920
Leavers etc.	350	118	189	657
Membership as at 31st December 2022	**6,846**	**2,009**	**3,982**	**12,837**

Trustees:

M. Madden Michael J. Madden

P. Neary Paul Neary

Date: **22 September 2023**

Statement of Trustees' and Committee's Responsibilities

The rules of the Scheme require the Trustees to cause full and true financial statements to be kept of the Scheme and of all dealings with the Scheme.

The financial statements are to be audited annually by the auditors of the Scheme. The financial statements are required to include a statement as to whether the financial statements have been prepared in accordance with the Statement of Recommended Practice, Financial Reports of Pension Schemes (Revised 2018) ("SORP") subject to any departures being disclosed and explained in the financial statements. They must contain the information specified in the Occupational Pensions Schemes (Disclosure of Information) Regulations, 2006-2021 including a statement as to whether the financial statements have been prepared in accordance with the Financial Reporting Standard 102—the financial reporting standard applicable in the UK and the Republic of Ireland issued by the Financial Reporting Council. The financial statements are prepared in accordance with Financial Reporting Standard 102 to give a true and fair view of the financial transactions of the Scheme and of its assets and liabilities, other than liability to pay pensions and benefits in the future. The Trustees must ensure that they have supervised the preparation of the Scheme Financial Statements, and in the preparation:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Ensure that the financial statements have been prepared in accordance with the Statement of Recommended Practice, Financial Reports of Pension Schemes (revised 2018), or that particulars of any material departures have been disclosed and explained;

The Trustees are responsible for safe-keeping the assets of the Scheme and ensuring that reasonable steps are taken for the prevention and detection of fraud and other irregularities including the maintenance of an appropriate system of internal control.

The Trustees are responsible for ensuring that proper membership and financial records are kept and contributions are made to the Scheme in accordance with the Scheme rules and the requirements of legislation.

Trustees:

M. Madden Michael J. Madden

P. Neary Paul Neary

Date: 22 September 2023

The CIÉ Pension Scheme for Regular Wages Staff Committee was charged with monitoring the administration of the Scheme. The Committee consisted of 4 employer representatives and 4 trade union representatives (representing the members). This Committee ceased to exist from the 18th July 2022.

Actuary's Statement

CIÉ Pension Scheme for Regular Wages Staff ("the Scheme")

**Actuary's Statement pursuant to
Section 55(4) of the Pensions Act 1990 (as amended) ("the Act")**

Funding Standard

The most recent Actuarial Funding Certificate (AFC) was prepared with an effective date of 31 December 2022 and submitted to the Pensions Authority. A copy of that AFC is included in this report and confirmed that the Scheme satisfied the funding standard provided for in section 44(1) of the Act.

In addition, a Funding Standard Reserve Certificate (FSRC) was prepared with an effective date of 31 December 2022 and submitted to the Pensions Authority – a copy of that FSRC is included in this report. The FSRC confirmed that the Scheme did not hold sufficient additional resources to satisfy the funding standard reserve as provided for in section 44(2) of the Act.

A consequence of the Scheme's failure to satisfy the Funding Standard (when allowance is made for the Funding Standard Reserve) is the requirement for a Funding Proposal to be prepared and submitted to the Pensions Authority and/or a section 50 application to be submitted seeking a direction to amend benefits.

Statutory instruments, which amended the rules of the Scheme to implement changes negotiated at the Workplace Relations Commission (WRC) in December 2019, were duly signed by the Minister on 6 July 2022 with an Operative Date of 18 July 2022 (9 June 2020 for certain rule changes). The Trustees are in correspondence with the Pensions Authority around progression of a section 50 application and the process required to formalise the practical implementation of an increase in the minimum retirement age, which, if applied, would place the Scheme in a position whereby it satisfies the funding standard and funding standard reserve without requiring a funding proposal.

Triennial valuation

The most recent triennial valuation of the Scheme, as required under Section 56 of the Act, was carried out with an Effective Date of 31 December 2020.

The valuation recommended an increase in the employers' long term contribution multiple to 2.45 times members' contributions effective from 1 January 2022.

The next triennial valuation is due no later than 31 December 2023.

Signature: Aidan Kennedy

Name: Aidan Kennedy

Date: 10 July 2023

Scheme Actuary Certificate Number: P084

Qualification: Fellow of the Society of Actuaries in Ireland

Name of Actuary's Employer/Firm: Aon Solutions Ireland Limited

AON

Report on Actuarial Liabilities

The CIE Pension Scheme for Regular Wages Staff ("the Scheme")
Report on Actuarial Liabilities

Under Section 56 of the Pensions Act 1990 (as amended), and associated regulations, the Trustees of defined benefit pension schemes are required to have a valuation[1] of the scheme prepared on a triennial basis. The most recent formal actuarial valuation of the Scheme was carried out as at **31st December 2020.** A copy of the report is available to Scheme members on request.

One of the purposes of the valuation is to set out the Scheme's ongoing funding level. It does this by comparing the value of the Scheme's accumulated assets with the value of its accrued liability. The assets and liabilities emerging from the last valuation were as follows:

	€ 000s
Value of Accumulated Assets	957,348
Value of Accrued Liability	(906,948)
Surplus/(Deficit)	50,400
Funding Level	105.6%

Valuation Method & Assumptions

The valuation method used to calculate the cost of future service benefits and the accrued liability was the projected unit credit method. The value of the accrued liability was calculated by firstly projecting the accrued benefits payable in the future, making assumptions in relation to financial matters such as wages and pension increase rates and demographic matters such as mortality, withdrawal and retirement rates. The resultant projected benefit cashflows were then discounted to the valuation date to arrive at a single capitalised value.

A summary of the most significant actuarial assumptions used to determine the accrued liability is set out below (full details are provided in the Scheme's actuarial report):

Financial assumptions	
Discount rate	2.90% pa tapering down to 2.50% pa from 2029
Inflation	1.25% pa
Wage increases	1.25% pa from 2022 *plus* a promotional pay scale)
Pension increases	1.25% pa from 2024 [0% 2021-2023]
Demographic assumptions	
Post-retirement Mortality	100% of S3 PMA (Middle) / PFA (Middle) (with CMI (2018) improvements from 2013, S_k=7.0, A=0.5, LtR 1.5% pa) (year of use = 2021)
Retirement age	Varies by individual member between ages 60 and 66 in accordance with revised benefit scale ('WRC changes'). Assumed average retirement age varies between ages 63.9 and 65.5 – see valuation report for detail.
Commutation (active members only)	15% of pension commuted @ €624 per €1 of weekly pension

The next valuation is due to be completed with an effective date not later than 31st December 2023.

[1] It should be borne in mind that a valuation is only a snapshot of a scheme's estimated financial condition at a particular point in time; it does not provide any guarantee of future financial soundness of a scheme. Over time, a scheme's total cost will depend on a number of factors, including the amount of benefits paid and the return earned on any assets invested to pay benefits.

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REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES AND MEMBERS OF C.I.É. PENSION SCHEME FOR REGULAR WAGES STAFF

Opinion

We have audited the financial statements of above pension scheme for the year ended 31 December 2022, which comprise the Fund Account, the Net Assets Statement and notes to the accounts, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish pension law, the Statement of Recommended Practice – Financial Reports of Pension Schemes (SORP) and the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 - 2013.

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the scheme during the year ended 31 December 2022, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the year end ;
- contain the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006

In our opinion:

- the contributions payable to the scheme during the period have been received within 30 days of the end of the scheme year; and
- the contributions have been paid in accordance with the scheme rules and the recommendation of the actuary.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the scheme in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, cast significant doubt on the scheme's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES AND MEMBERS OF
C.I.É. PENSION SCHEME FOR REGULAR WAGES STAFF (Continued)**

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Respective responsibilities

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- ensuring the financial statements contain the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006

In preparing the financial statements, the trustees are responsible for assessing the scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to wind up the scheme or to cease operations, or has no realistic alternative but to do so.

The trustees are also responsible for ensuring that

- the contributions payable to the scheme during the period have been received by the trustees within thirty days of the end of the scheme year end, and
- the contributions have been paid in accordance with the scheme rules and the recommendation of the actuary.

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REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES AND MEMBERS OF
C.I.É. PENSION SCHEME FOR REGULAR WAGES STAFF (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f- 8202dc9c3a/Description of auditors responsibilities for audit.pdf . This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the trustees and members of the pension scheme as a body. Our audit work has been undertaken so that we might state to the pension scheme's trustees and members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the pension scheme and the trustees and members of the pension scheme, as a body, for our audit work, for this report, or for the opinions we have formed.

Mazars

Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Road
Dublin 2

22 September 2023

C.I.É. Pension Scheme for Regular Wages Staff

Fund Account

	Note	2022	2022	2021	2021
		Year Ended 31st December			
		€000	€000	€000	€000
Contributions and Benefits					
Employer Contributions	5	24,795		23,049	
Employee Contributions	5	10,158		9,823	
Transferred in	5	3		27	
Contributions receivable			34,956		32,899
Benefits paid or payable	6	(29,767)		(22,751)	
Payments to and on account of leavers	7	(983)		(1,014)	
Administrative expenses	8	(1,254)	(32,004)	(1,332)	(25,097)
Net additions from dealings with members			2,952		7,802
Return on investments					
Investment income	9	7,454		10,934	
Change in market value of investments	10	(149,877)		21,733	
Investment management expenses	11	(1,054)		(1,413)	
Net return on investments			(143,477)		31,254
Net increase in the fund during the year			(140,525)		39,056
Net assets of the scheme					
At 1st January			996,404		957,348
At 31st December			855,879		996,404

There were no recognised gains or losses other than those included in the fund account for the years 2021 and 2022.

The notes on pages 25 to 39 form part of the financial statements.

Trustees:

M. Madden Micheál Madden

P. Neary Paul Neary

Date: 22 September 2023

Statement of Net Assets (Available for Benefits)

	Note	As at 31st December 2022 €000	2021 €000
Investment Assets			
Equities	10	75,636	87,551
Bonds	10	334,017	424,991
Pooled Investment Vehicles including property *	10	353,007	398,257
Pooled Investment Vehicles—Property only *	10	22,891	24,651
Infrastructure	12	52,625	50,076
Derivatives	14	57,062	16,707
Cash and other net investments	15	3,959	3,144
Total Investment Assets		899,197	1,005,377
Investment Liabilities			
Derivatives	14 A+B	(51,734)	(29,737)
Total Net Investment		847,463	975,640
Current Assets	16	11,280	22,941
Current Liabilities	16	(2,864)	(2,177)
Net assets available for benefits		855,879	996,404

* Please see Note.13 page 31.

The notes on pages 25 to 39 form part of the financial statements.

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and other benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which does take account of such obligations, is dealt with in the Report of the Actuary (including report on Actuarial Liabilities) and Funding Certificates, and these annual financial statements should be read in connection with those reports.

Trustees:

M. Madden Michael J. Madden

P. Neary Paul Neary

Date: **22 September 2023**

Notes to the Financial Statements

1. General Information

The Córas Iompair Éireann Pension Scheme for Regular Wages Staff ("the Fund") provides pension benefits to certain employees of Córas Iompair Éireann (the Principal Employer) and other participating employers.

The establishment and operation of the Fund is governed by the Córas Iompair Éireann Pension Fund for Regular Wages Staff (Statutory Instrument No. 242 of 1945), as amended by the following Statutory Instruments:

(i)	115 of 1949
(ii)	34 of 1955
(iii)	226 of 1957
(iv)	56 of 1961
(v)	48 of 1965
(vi)	7 of 1967
(vii)	58 of 1969
(viii)	77 of 1971
(ix)	252 of 1974
(x)	288 of 1977
(xi)	74 of 1980
(xii)	181 of 1982
(xiii)	132 of 1985
(xiv)	288 of 1985
(xv)	319 of 1985
(xvi)	55 of 1987
(xvii)	117 of 1988
(xviii)	258 of 1988
(xix)	31 of 1989
(xx)	233 of 1991
(xxi)	120 of 1992
(xxii)	420 of 1992
(xxiii)	115 of 1996
(xxiv)	428 of 2000
(xxv)	93 of 2001
(xxvi)	123 of 2002
(xxvii)	230 of 2003
(xxviii)	209 of 2004
(xxix)	263 of 2004
(xxx)	264 of 2004
(xxxi)	9 of 2006
(xxxii)	671 of 2007
(xxxiii)	49 of 2010
(xxxiv)	204 of 2010
(xxxv)	205 of 2010
(xxxvi)	90 of 2015
(xxxvii)	91 of 2015
(xxxviii)	476 of 2015
(xxxix)	63 of 2016
(xl)	64 of 2016
(xli)	373 of 2017
(xlii)	378 of 2017
(xliii)	536 of 2018
(xliv)	645 of 2018
(xlv)	343 of 2022
(xlvi)	344 of 2022
(xlvii)	345 of 2022

2. Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pensions Schemes (Disclosure of Information) Regulations, 2006-2021 and Financial Reporting Standard 102—the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) issued by the Financial Reporting Council (and promulgated by the Institute of Chartered Accountants in Ireland) and in line with the guidelines set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (Revised 2018), published by the Pensions Research Accountants Group.

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which does take account of such obligations, is dealt with in the report by the actuary including the actuarial liabilities report on page 18 and these financial statements should be read in conjunction with it.

3. Taxation

The Scheme has been approved as an "exempt approved Scheme" for the purpose of Section 774 of the Taxes Consolidation Act 1997 and this Scheme income and gains are generally exempt from taxation. A levy was introduced by Section 4 of the Finance (No. 2) Act, 2011 which introduced a new section (125b) to the Stamp Duties Consolidation Act 1999.

Notes to the Financial Statements (continued)

4. Accounting policies

The principal accounting policies adopted by the Scheme are as follows:

a) Currency
The Scheme's functional currency and presentational currency is Euro.

Assets and liabilities in foreign currencies are expressed in Euro at the rates of exchange ruling at the year end. Foreign currency transactions are translated into Euro at the spot exchange rate at the date of the transaction.

Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

b) Contributions

Normally, both contributions from members and employers, are generally accounted for on an accruals basis in the payroll period to which they relate. In the case of member contributions, this is when deducted from pay.

Employers' augmentation contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of such an agreement, when received.

Employers' deficit funding contributions are accounted for on the due dates set out in the schedule of contributions, or on receipt if earlier, with the agreement of the employer and the Trustees.

c) Transfers from and to other plans

Transfer values represent the capital sums either receivable in respect of members from other pension plans of previous employers or payable to the pension plans of new employers for members who have left the Scheme. They are accounted for on an accruals basis on the date the Trustees of the receiving plan accept the liability. In the case of individual transfers, this is normally when the payment of the transfer value is made.

d) Benefits and payments to and on account of leavers.

Pensions in payment are accounted for in the period to which they relate.

Where members can choose whether to take their benefits as a full pension or as a lump sum with reduced pension, retirement benefits are accounted for on an accruals basis on the later of the date of retirement and the date the option is exercised.

Other benefits are accounted for on an accruals basis on the date of retirement or death as appropriate. Refunds are accounted for when the Trustees are notified of the member's decision to leave the Scheme.

e) Administrative and other expenses

Administrative expenses are accounted for on an accruals basis.

f) Investment Income and expenditure.

Income from equities and any pooled investment vehicles which distribute income, is accounted for on an accruals basis on the date stocks are quoted ex-dividend, or in the case of unquoted instruments, when the dividend is declared.

Income from bonds is accounted for on an accruals basis and includes income bought and sold on purchases and sales of bonds. Other interest on cash and short term deposits and income from other investments are accounted for on an accruals basis.

Investment income includes withholding taxes. Withholding tax is accrued on the same basis as investment income. Where withholding tax is not recoverable, this is shown as a separate expense within investment returns.

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments and unrealised changes in market value. In the case of pooled investment vehicles which are accumulation funds, where income if reinvested within the fund without issue of further units, change in market value also includes such income.

Transaction costs are included in the cost of purchases and sale proceeds. Transaction costs include costs charged directly to the Scheme such as fees, commissions, stamp duty and other fees. Other investment management expenses are accounted for on an accruals basis and shown separately within investment returns.

g) Valuation and classification of investments

Investment assets and liabilities are included in the financial statements at fair value. Where separate bid and offer prices are available, the bid price is used for investment assets and the offer price for investment liabilities. Otherwise, the closing single price, single dealing price or most recent transaction price is used.

Where quoted or other unit prices are not available, the Trustees adopt valuation techniques appropriate to the class of investment. Details of the valuation techniques and principal assumptions are given in the notes to the financial statements where used.

The methods of determining fair value for the principal classes of investments are:

- Equities, bonds and certain pooled investment vehicles which are traded on an active market are included at the quoted price, which is normally the bid price.

Notes to the Financial Statements (continued)

- Unitised pooled investment vehicles which are not traded on an active market but where the manager is able to demonstrate that they are priced daily, weekly or at each month end, and are actually traded on substantially all pricing days are included at the last price provided by the manager at or before the year end.
- The value of other equities, bonds and pooled investment vehicles which are unquoted or not actively traded on a quoted market is estimated by the Trustees. Where the value of a pooled investment vehicle is primarily driven by the fair value of its underlying assets, the net asset value advised by the fund manager is normally considered a suitable approximation to fair value unless there are restrictions or other factors which prevent realisation at that value, in which case adjustment is made.
- Exchange traded futures are valued at the difference between exchange settlement prices and inception prices.
- Forward exchange contracts are valued at the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date.
- Unitised insurance policies are valued on the same basis as pooled investment vehicles with similar characteristics.

Notes to the Financial Statements (continued)

5. Contributions

	Year Ended 31st December 2022 €000	2021 €000
Employers		
Normal	24,767	22,868
Additional	28	181
	24,795	23,049
Employees	10,158	9,823
Transferred In	3	27
Total	34,956	32,899

6. Benefits paid or payable

	Year Ended 31st December 2022 €000	2021 €000
Pensions	18,296	17,325
Commutation of pensions and lump sum retirement benefits	10,981	5,023
Benefits payable to representatives of deceased members	423	403
Preserved pension deaths	67	-
Total	29,767	22,751

7. Payments to and on account of leavers

	Year Ended 31st December 2022 €000	2021 €000
Refunds to members leaving Scheme	137	73
Transfer of service	846	941
Total	983	1,014

Notes to the Financial Statements (continued)

8. Administrative expenses	Year Ended 31st December	
	2022	2021
	€000	€000
Administration and processing	587	424
Insurance policy premiums	45	28
Actuarial fees	91	171
Audit fees	18	23
Professional fees	282	556
Registration fees	40	26
Miscellaneous	191	104
Total	1,254	1,332

9. Investment income	Year Ended 31st December	
	2022	2021
	€000	€000
Income from bonds	5,503	7,873
Dividends from equities	917	893
Income from Pooled Investment Vehicles—Property	1,033	1,252
Infrastructure income	-	916
Misc Income	1	-
Total	7,454	10,934

10. Reconciliation of Net Investments

	Value at 01/01/22	Purchases At Cost	Sales Proceeds	Change in Market Value	Value at 31/12/22
	€000	€000	€000	€000	€000
Equities	87,551	4,334	(3,030)	(13,219)	**75,636**
Bonds	424,991	105,956	(71,287)	(125,643)	**334,017**
Pooled Investment Vehicles	398,257	155,552	(166,751)	(34,051)	**353,007**
Property Pooled Investment Vehicles	24,651	-	(21)	(1,739)	**22,891**
Infrastructure	50,076	352	(2,562)	4,786	**52,625**
Derivatives	(13,030)	19,343	(20,974)	19,989	**5,328**
Equities and Fixed Income	**972,496**	**285,510**	**(264,625)**	**(149,877)**	**843,504**
Cash	**3,144**	-	-	-	**3,959**
Total	**975,640**				**847,463**

At 31st December 2022 there were no investments in excess of 5% of the net assets of the Scheme.

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Transaction costs are included in the cost of purchases and sales proceeds. Transaction costs include costs charged directly to the scheme such as fees, commissions, stamp duty and other fees. In addition to the transaction costs, indirect transactions costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amount of indirect transaction costs are not separately provided to the scheme.

With the exception of Irish Life Investment Managers (ILIM), Irish Property Unit Trust (IPUT), Delta, Partners ACT Venture Capital Ltd. and Kleinwort Benson Investors who are registered in Dublin, and Blackrock and Robeco who are registered in the Netherlands, all other investment managers are registered in the United Kingdom.

Notes to the Financial Statements (continued)

11. Investment Management Expenses

	Year Ended 31st December	
	2022	2021
	€000	€000
Investment management fees	905	1,282
Custodian fees	149	131
Total	1,054	1,413

12. Infrastructure

	Year Ended 31st December	
	2022	2021
	€000	€000
Infrastructure Investments	52,175	46,029
Cash	450	4,047
Total	52,625	50,076

13. Pooled Investment Vehicles (including property)

	Year Ended 31st December	
	2022	2021
	€000	€000
Equity	228,426	287,628
Bonds	48,897	52,434
Derivatives	(327)	(80)
Hedge Funds	49,734	49,360
Property	22,891	24,651
Cash	26,277	8,915
Total	357,898	422,908

14. Derivatives

	Year Ended 31st December			
	2022		2021	
	Assets	Liabilities	Assets	Liabilities
	€000	€000	€000	€000
Options	6,470	(3,113)	626	(21,079)
Swaps	50,592	(48,621)	16,081	(8,658)
Total	57,062	(51,734)	16,707	(29,737)

Notes to the Financial Statements (continued)

14 A. Options	Fair Value 2022		Fair Value 2021	
	Assets	Liabilities	Assets	Liabilities
Expires Within	€000	€000	€000	€000
1—10 Years	6,470	(3,113)	626	(21,079)
Total	6,470	(3,113)	626	(21,079)

14 B.	Swaps	Expires	Fair Value 2022		Fair Value 2021	
	Type	Within	Assets	Liabilities	Assets	Liabilities
	Govrn Interest Rate	1-10 years	30,195	(26,167)	4,399	(990)
	Govrn Interest Rate	10-20 years	13,866	(6,886)	4,137	(2,830)
	Govrn Interest Rate	20-30 years	6,531	(15,568)	7,362	(4,579)
	Govrn Interest Rate	30 years +	-	-	183	(259)
Total			50,592	(48,621)	16,081	(8,658)

The Trustees have authorised the use of derivative financial instruments by their investment managers as part of their investment strategy as follows:

- Futures: Where cash is held for short-term liquidity, the Trustees have entered into index-based contracts of equivalent economic value to avoid being "out-of-the market".
- Forward foreign currency: The Trustees invest in overseas markets and assets denominated in foreign currency in order to construct a suitably diversified investment portfolio. Bearing in mind the Trustees' obligation to settle benefits in Euro, the Trustees have agreed a maximum net exposure to equities in foreign currencies of 15% of net Defined Benefit investments, and have entered into hedged share classes to achieve this.

15. Cash and other net investments	Year Ended 31st December	
	2022	2021
	€000	€000
Cash Euro	3,959	3,144
Total	3,959	3,144

Notes to the Financial Statements (continued)

16. Current assets and liabilities

	Year Ended 31st December			
	2022	2022	2021	2021
	€000	€000	€000	€000
Assets				
Cash	3,596		6,477	
Contributions due from Employer	2,039		1,769	
Contributions due from Employee	796		753	
Due to Scheme re administration charges	539		407	
Prepayments	-		9,200	
Taxation recoverable	70		67	
Interest receivable	4,240		4,268	
		11,280		22,941
Liabilities				
Investment managers' fees payable	(310)		(431)	
Due to CIÉ re pension payments	(2,554)		(1,742)	
Due to CIÉ re administration charges	-		-	
Misc Expense Accrual	-	(2,864)	(4)	(2,177)
Total		8,416		20,764

Contributions due:
At the end of 2022 an amount of €2.04m was due to the Scheme from the employers which was in respect of December 2022 contributions, which were received in January 2023.

Participating Employers
Córas lompair Éireann
Irish Rail
Dublin Bus
Bus Éireann

17. Related party transactions

Transactions in relation to the employer and other members are disclosed on the face of the fund account on page 15.

The Trustees

The Trustees of the Scheme are detailed on page 3.

Some of the Trustees received a fee for their time spent on preparation and attendance at meetings in accordance with the Remuneration Policy.

Some of the Trustees are members of this Scheme.

Principal Employer:
Córas lompair Éireann is the principal employer. The employer contributions to the Scheme are made in accordance with the various Statutory Instruments, and the recommendation of the actuary.

Other than the provision of administration services by the principal employer, there were no further material related transactions during the Scheme year.

Investments Managers
The Investment Managers are as outlined in pages 3 and 4. Investment managers fees are borne by the Scheme. The Investment managers are appointed by the Trustees to manage the Scheme's assets. The investment management expenses are outlined in note 11.

Registered Administrator
Córas lompair Éireann is the registered administrator. The registered administrator receives fees for administrative services which are paid from the Fund.

18. Contingent liabilities and contractual commitments

As stated in Note 2 of these financial statements, liabilities to pay pensions and other benefits have not been taken into account. On that basis, in the opinion of the Trustees, there were no contingent liabilities or contractual commitments at the year end.

19. Self investment

There was no employer related investment, as described by the Occupational Pensions Schemes (Disclosure of Information) Regulations, 2006-2021 at any time during the year.

20. Subsequent Events

There was no other significant event post year end that would require amendment to or disclosure in this Annual Report.

21. Risk Measurement and Management

The following sources of risk were considered when setting the investment strategy for the Scheme:

Credit Risk: the risk that one party to financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market Risk: this risk comprises currency risk, interest rate risk and other price risk.

Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustees determine their investment strategy after taking advice from their professional investment adviser. The Scheme has exposure to the above risks because of the investments it makes in following the investment strategy set out below. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment managers and monitored by the Trustees by regular reviews of the investment portfolio.

Investment Strategy

Further information on the Trustees' approach to risk management, credit and market risk is set out below.

The investment objective is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits are payable under the rules of the Scheme.

The Trustees set the investment strategy taking into account considerations such as the plans of sponsoring employers, the long term liabilities of the Scheme and the funding agreed. The investment strategy is set out in its Statement of Investment Policy Principles on page 8 of this report ("SIPP").

The current strategy is to hold:

- 45% in growth assets. The target allocation for the growth assets are 30% global equities, 5% diversified alternatives and 10% property and infrastructure.
- 55% in matching assets that moves in line with the liabilities of the Scheme. The matching assets comprise a portfolio liability-driven investments, government bonds and corporate bonds (including non-Euro) the purpose of which is to hedge against the impact of interest rate movement on long term liabilities.

Credit Risk

The Scheme is subject to credit risk if the Scheme invests directly or indirectly in bonds, over-the-counter ("OTC") derivatives, and has cash balances.

Credit risk arising on bonds held directly is mitigated by investing in government bonds where the credit risk is minimal or corporate bonds where each manager is subject to a written investment management agreement which contain prudent credit rating restrictions on investments.

Credit risk arising on other investments is mitigated by investment mandates requiring all counterparties to be at least investment grade credit rated.

The Trustees consider financial instruments or counterparties to be of investment grade if they are rated at BBB- or higher by Standard & Poor's or Fitch, or rated at Baa3 or higher by Moody's.

Credit risk arising on derivatives depends on whether the derivative is exchange traded or OTC. OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Scheme is subject to risk of failure of the counterparty. Credit risk arises on forward foreign currency contracts. Counterparties are required to be at least investment grade.

Cash is held within financial institutions which are at least investment grade credit rated.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager and the regulatory environments in which the pooled managers operate. For example investments in contracts of assurance are with entities which are well capitalised and satisfy regulatory solvency requirements along

Notes to the Financial Statements (continued)

with requiring the entity to be investment grade rated. Pooled Investment arrangements used by the Scheme comprise unit linked insurance contracts and authorised unit trusts. See note 22 for Summary of Investments exposed to Credit Risk.

Currency Risk

The Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets, either as segregated investments (direct exposure) or via pooled investment vehicles (indirect exposure). This is monitored by the Trustees and the Investment Advisors as part of the ongoing monitoring of the Scheme assets.

Interest Rate Risk

The Scheme is subject to interest rate risk due to the Scheme's investments in fixed income securities and cash. Under the Scheme's investment strategy, if interest rates fall, the value of their fixed income investments will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the fixed income investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate.

Other Price Risk

Other price risk arises principally in relation to the Scheme's return seeking portfolio which includes growth assets including equities, equity funds and property funds. This is managed by investing in a diversified portfolio of growth assets to reduce the reliance on any single asset class, sector or region.

22. Investments Exposed to Credit Risk

	Year Ended 31st December	
	2022	2021
	€000	€000
Bonds	334,017	424,991
Pooled Investment Vehicles:		
- Bond Funds (Direct and Indirect Risk)	352,995	398,246
- Other Funds (Direct Risk Only)	22,903	24,662
Infrastructure	450	4,047
Derivatives—Assets	57,062	16,707
Derivatives—Liabilities	(51,734)	(29,737)
Cash and other Net Investment Assets	8,200	7,412
Total	723,893	846,328

22 A. Investments Exposed to Interest Rate Risk

	Year Ended 31st December	
	2022	2021
	€000	€000
Bonds	334,017	424,991
Pooled Investment Vehicles:		
- Bond Funds	124,593	110,658
Derivatives—Assets	57,062	16,707
Derivatives—Liabilities	(51,734)	(29,737)
Cash and other Net Investment Assets	8,200	7,412
Total	472,138	530,031

22 B. Investments Exposed to Other Price Risk

	Year Ended 31st December 2022 €000	2021 €000
Equity	75,636	87,550
Bonds	14,937	2,405
Pooled Investment Vehicles:		
- Bond Funds	228,418	287,382
- Other Funds (Direct risk only)	22,900	24,897
Infrastructure	450	4,047
Total	**342,341**	**406,281**

22 C. Investments Exposed to Financial Risk

The following table summarises the extent to which the various classes of investments are affected by financial risks:
(x) significant, p (partially), (o) hardly (not at all).

	Credit Risk	Currency	Interest Rate	Other Price	Value 2022 €'000's	Value 2021 €'000's
Equities	o	p	o	x	75,636	87,551
Bonds	x	p	x	o	334,017	424,991
Pooled Investment Vehicles	x	p	p	p	353,007	398,257
Property Pooled Investment Direct	p	p	p	x	22,891	24,651
Infrastructure	p	p	p	p	52,625	50,076
Derivatives	p	p	p	p	5,328	(13,030)
Cash and cash equivalents	p	p	p	o	3,959	3,144
Total					**847,463**	**975,640**

Notes to the Financial Statements (continued)

23. Fair Value of Investments

The fair value of investments has been determined using the following hierarchy:

Level 1 - (The unadjusted quoted price in an active market for identical assets or liabilities that the entry can access at the measurable date).

Level 2 - (Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the assets or liability, either directly or indirectly)

Level 3 - (inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability) .

	Level 1	Level 2	Level 3	2022
Investment Assets	**€'000's**	**€'000's**	**€'000's**	**€'000's**
Equities	75,636	-	-	75,636
Bonds	-	334,017	-	334,017
Pooled Investment Vehicles	26,544	326,790	(327)	353,007
Property Pooled Investment Vehicles	-	13	22,878	22,891
Derivatives	-	-	57,062	57,062
Infrastructure	450	17,571	34,604	52,625
Cash/ Cash Equivalent's	3,959	-	-	3,959
Total	**106,589**	**678,391**	**114,217**	**899,197**
Investment Liabilities				
Derivatives	-	-	(51,734)	(51,734)
Total Net Investments	**106,589**	**678,391**	**62,483**	**847,463**

	Level 1	Level 2	Level 3	2021
Investment Assets	**€'000's**	**€'000's**	**€'000's**	**€'000's**
Equities	87,551	-	-	87,551
Bonds	-	424,991	-	424,991
Pooled Investment Vehicles	9,152	389,185	(80)	398,257
Property Pooled Investment Vehicles	-	29	24,622	24,651
Derivatives	-	-	16,707	16,707
Infrastructure	4,047	18,761	27,268	50,076
Cash/Cash Equivalent's	3,144	-	-	3,144
Total	103,894	832,966	68,517	1,005,377
Investment Liabilities				
Derivatives	-	-	(29,737)	(29,737)
Total Net Investments	103,894	832,966	38,780	975,640

Compliance Statement

Changes to Scheme Rules
Changes were made to the Scheme rules in 2022 by means of Statutory Instruments referred to earlier in this report.

Tax Status of the Scheme
No provision has been made for taxation on income or chargeable gains as the Fund is an exempt approved Scheme under the Finance Act, 1972.

Funding Standard
A Funding Proposal in accordance with Section 49 of the Pensions Act was submitted to the Pensions Authority on 25th June 2013. This proposal was certified as "off track" as at 31 December 2016, which triggered a requirement to prepare a revised funding proposal.

The Statutory Instruments which arose from the agreement between the CIE Group and the Trade Union Group facilitated by the Workplace Relations Commission (WRC), changed some Scheme benefits and amended the minimum retirement age. In conjunction with a Section 50 application, this was anticipated to place the Scheme in a position whereby it satisfies the funding standard and funding standard reserve, therefore no funding proposal would be required. At this point in time the Section 50 application has not been approved, but there is ongoing engagement with the Pensions Authority.

As at 31 December 2022, the Actuary was reasonably satisfied that the Scheme met the Funding Standard and Funding Standard Reserve at that date on the basis of existing 'Pre WRC' benefits but not if certain benefit improvements such as changes to pensionable pay had applied however he was reasonably satisfied that the Scheme would have met the Funding Standard and Funding Standard Reserve had the 'Post WRC' benefit changes in full applied at that date.

Pension Increases
Under the amended Scheme Rules CIÉ, in consultation with the Actuary, reviews the pensions in payment prior to 1st July, each year. Following its review, CIÉ advises the Trustees of the amount of any increase which is to be made to each pension in payment. Unless the Trustees, having consulted the Actuary, decide that the increase should not be paid or should be reduced, the increase, as advised by CIÉ, will be paid from the next 1st July. The review does not apply to vested pensions which have come into payment.

There were no increases applied to pensions in 2022.

A revaluation took place in 2023 in respect of vested benefits. This revaluation resulted in an increase of 4% for vested benefits which had not come into payment as at 31st December 2022.

There are no pensions being paid from the Scheme which are not a liability of the Scheme.

Calculation of Transfer Values
Transfer values are calculated in accordance with schedules prepared by the Actuary.

An tÚdarás Pinsean
The Pensions Authority

SCHEDULE BD

Article 4

ACTUARIAL FUNDING CERTIFICATE

THIS CERTIFICATE HAS BEEN PREPARED UNDER THE PROVISIONS OF SECTION 42(1) OF THE PENSIONS ACT 1990 (the ACT) FOR SUBMISSION TO THE PENSIONS AUTHORITY BY THE TRUSTEES OF THE SCHEME

SCHEME NAME: C.I.E. Pension Scheme for Regular Wages Staff

SCHEME COMMENCEMENT DATE: 01/01/1991

SCHEME REFERENCE NO.: PB43658

EFFECTIVE DATE: 31/12/2022

EFFECTIVE DATE OF PREVIOUS CERTIFICATE (IF ANY): 31/12/2019

On the basis of information supplied to me, having complied with any guidance prescribed under section 42(4)(b) of the Act and, subject thereto, having regard to such financial and other assumptions as I consider to be appropriate, I am of the opinion that at the effective date of this certificate:-

(1) the resources of the scheme, which are calculated for the purposes of section 44(1) of the Act to be €855,879,000.00, would have been sufficient if the scheme had been wound up at that date to provide for the liabilities of the scheme determined in accordance with section 44(1) of the Act which, including the estimated expenses of administering the winding up of the scheme, amount to €816,900,000.00, and

(2) €0.00 of the resources of the scheme referred to in paragraph (1) comprise contingent assets, in accordance with and within the meaning of the guidance issued by the Authority and prescribed under section 47 of the Act.

I, therefore, certify that as at the effective date of this certificate the scheme satisfies the funding standard provided for in section 44(1) of the Act.

I further certify that I am qualified for appointment as actuary to the scheme for the purposes of section 51 of the Act.

Signature:	Aidan Kennedy	**Date:**	16/06/2023
Name:	Mr Aidan Kennedy	**Qualification:**	FSAI
Name of Actuary's: Employer/Firm	Aon Solutions (Ireland) Limited	**Scheme Actuary Certificate No.**	P084

Submission Details

Submission Number:	SR3254952	**Submitted Electronically on:**	16/06/2023
Submitted by:	Aidan Kennedy		

An tÚdarás Pinsean
The Pensions Authority

SCHEDULE BE

Article 4

FUNDING STANDARD RESERVE CERTIFICATE

THIS CERTIFICATE HAS BEEN PREPARED PURSUANT TO SECTION 42(1A) OF THE PENSIONS ACT 1990 (the ACT) FOR SUBMISSION TO THE PENSIONS AUTHORITY BY THE TRUSTEES OF THE SCHEME

SCHEME NAME: C.I.E. Pension Scheme for Regular Wages Staff

SCHEME COMMENCEMENT DATE: 01/01/1991

SCHEME REFERENCE NO.: PB43658

EFFECTIVE DATE: 31/12/2022

EFFECTIVE DATE OF PREVIOUS CERTIFICATE (IF ANY): 31/12/2019

On the basis of information supplied to me, having complied with any guidance prescribed under section 42(4)(b) of the Act and, subject thereto, having regard to such financial and other assumptions as I consider to be appropriate, I am of the opinion that at the effective date of this certificate:-

(1) the funding standard liabilities (as defined in the Act) of the scheme amount to €816,900,000.00,

(2) the resources of the scheme (other than resources which relate to contributions or a transfer of rights to the extent that the benefits provided are directly related to the value of those contributions or amount transferred (DC resources)), calculated for the purposes of section 44(1) of the Act amount to €855,879,000.00,

(3) €373,500,000.00 , of the amount referred to in paragraph (2) (subject to a maximum of an amount equal to the funding standard liabilities) is invested in securities issued under section 54(1) of the Finance Act 1970 (and known as bonds), securities issued under the laws of a Member State (other than the State) that correspond to securities issued under section 54(1) of the Finance Act 1970, cash deposits with one or more credit institutions and such other assets (if any) as are prescribed under section 44(2)(a)(iv) of the Act,

(4) the amount provided for in section 44(2)(a) of the Act (Applicable Percentage x ((1) minus (3)) is €44,340,000.00,

(5) the amount provided for in section 44(2)(b) of the Act, being the amount by which the funding standard liabilities of the scheme would increase if the interest rate or interest rates assumed for the purposes of determining the funding standard liabilities were one half of one per cent less than the interest rate or interest rates (as appropriate) assumed for the purposes of determining the funding standard liabilities less the amount by which the resources of the scheme (other than DC resources) would increase as a result of the same change in interest rate or interest rates is €4,640,000.00,

(6) the aggregate of (4) and (5) above amounts to €48,980,000.00, and

(7) the additional resources (as defined in the Act) of the scheme amount to €38,979,000.00, of which, in accordance with and within the meaning of the guidance issued by the Authority and prescribed under section 47 of the Act, €0.00 comprises contingent assets and €0.00 of such contingent assets comprise an unsecured undertaking.

I therefore certify that as at the effective date of the funding standard reserve certificate, the scheme does not hold sufficient additional resources to satisfy the funding standard reserve as provided in section 44(2) of the Act.

I further certify that I am qualified for appointment as actuary to the scheme for the purposes of section 51 of the Act.

Signature:		**Date:**	16/06/2023
Name:	Mr Aidan Kennedy	**Qualification:**	FSAI
Name of Actuary's: Employer/Firm	Aon Solutions (Ireland) Limited	**Scheme Actuary Certificate No.**	P084

Submission Details

Submission Number:	SR3255000	**Submitted Electronically on:**	16/06/2023
Submitted by:	Aidan Kennedy		

Investment Managers Reports

Delta Equity Fund LP

Delta Equity Fund LP

Delta Equity Fund LP (DEF) was established in 1994. It is a venture capital fund which made investments in technology and life sciences companies.
The committed capital of the fund is €28.7 million, and it is fully drawn.

Market/Fund overview

Over the life of the fund to date we have invested €28.1 million in 26 projects. We have now exited from all of the investments made by the Partnership. On average, across both profitable and unprofitable exits, we have received 2.8 times capital invested by way of return. During 2021, the fund exited from Tango. The remaining assets primarily comprise escrows receivable arising from the sale of Tango and the fund's investment in the Bank of Ireland Entrepreneurs Fund (BIEF). BIEF's only remaining asset is Tango escrows.

Portfolio performance

The fund has returned €72.5 million to Limited Partners to date, or 253% of capital. The Net IRR to Limited Partners (the return after deducting all fees, carried interest and expenses) at 31 December 2022 was 16.6%.

Transactions during 2022

In November 2022, we received an escrow payment of €73k arising from the sale of Tango Telecom in May 2021. This brings to €703k the total proceeds arising from the sale of Tango. Under the terms of the sale, DEF is due to receive further escrows of ~€0.2m in May 2023 and May 2025, subject to certain conditions being met. The cost of DEF's investment in Tango was €425k, implying a multiple of 2.1x on proceeds receivable under the sale, assuming the collection of all escrows.

2023 outlook

We expect minimal activity in 2023. The next Tango escrow is due to be collected in Q2 2023.

Derivatives

The fund does not use derivative instruments.

Valuation of funds 31.12.2022	€7,034

Investment Managers Reports

Irish Life Investment Review

Irish Life Investment Managers (ILIM)

Market Overview

Inflation was 'front and centre' for markets in 2022, being the key driver for central bank policy settings, pushing bond yields higher, undermining the relative valuation case for equities and squeezing consumer real incomes and spending power which negatively impacted growth.

Higher inflation, weaker growth, tighter policy settings, geopolitical uncertainties and reduced visibility on the overall outlook weighed on investment markets in 2022. Global equities fell into a bear market, down over 21% at their lows while bond markets experienced one of their worst years on record as yields rose across the globe to the highest levels in almost 15 years.

Global bond markets were negatively impacted during the year by the dramatic shift in monetary policy in response to persistently high inflation. Eurozone inflation rose to a high of 10.6% y/y before ending the year at 10.1% y/y, still well ahead of the ECB's target of 2.0%. In the US, inflation rose to a high of 9.1% y/y before declining to 7.1% y/y at year end. Due to this unexpectedly high inflation, interest rates were raised significantly with the US Fed raising interest rates by 4.25% while the ECB hiked rates by 2.50%.

Market Outlook

Equities – The outlook for equity markets over the next twelve months is dependent on several factors including central bank policy, growth, inflation and geopolitical issues including the Russia/Ukraine crisis. While the scale of monetary tightening and sharp rise in bond yields now seem discounted by equity markets, the lingering growth and earnings uncertainty may not yet be fully discounted.

A potential offset to the risk of another leg down in equities would be evidence that the Fed and other central banks are achieving a soft landing whereby they successfully lower inflation and manage to avoid a recession. If consensus economic and earnings forecasts prove to be correct and we are just in a mid-cycle slowdown, there is double digit upside in equity markets on a one year view. Navigating equity markets is difficult even in a benign environment but it has become more arduous in the current backdrop with heightened uncertainty on many issues. As a result, the increased volatility evident in 2022 is likely to continue.

Bonds – the European Central Bank and Fed both indicated at their most recent press conferences in December that they would continue to hike interest rates to tame inflation, we believe this path is largely priced into markets. We believe longer dated bond yields, like the German 10-year, are close to the cyclical peak. We believe that deteriorating economic data will make long dated core-Eurozone government bonds an attractive investment in 2023. Investors may have to be prepared for more volatility, but history has shown that the yields that are now available are typically consistent with attractive returns.

Portfolio Performance

Fund Name	QTD	YTD	3 Years p.a.	5 Years p.a.	10 Year p.a.
Alpha Cash Fund Series 4	0.2%	-0.1%	-0.4%	-0.4%	-0.3%
Hedged Indexed World Equity Fund	6.8%	-17.8%	4.0%	4.8%	10.0%
RAFI Multi Factor Develop Index Hedged Fund *	10.1%	-3.9%	-	-	-
RAFI Multi Factor Developed Index Fund	4.9%	-3.8%	-	-	-

*YTD Performance from 28/02/2022—31/12/2022

Valuation of Fund as at 31.03.2016 (Inception date)	€209,181,293
Valuation of fund as at 31.12.2022	€253,689,990

Investment Managers Reports

Walter Scott

Annual Commentary Year Ending 31 December 2022

PERFORMANCE

In 2022, global equities have faced the challenges of an economic downturn, rising inflation and concomitantly, monetary tightening. Over the course of the year, the rotation from 'growth' to 'value' has been a key aspect of the performance of the portfolio. Against this backdrop, the portfolio declined 13.8% compared to MSCI ACWI (ndr) which fell 13.0%.

The portfolio's communication services stocks, The Walt Disney Company and Alphabet, were the weakest absolute performers in aggregate. While growth fears impacted the performance of the consumer discretionary sector, the portfolio's holdings in this sector significantly outperformed their sector peers and were the largest contributors to relative performance; TJX Companies and Compass Group were particularly strong. Technology stocks also outperformed and added notably to relative return, although a greater exposure to this poorly performing sector offset a portion of this relative gain. Absence from the strongly performing energy sector and a lower exposure to the relatively resilient financials sector detracted in relative terms. Underperformance from industrials and healthcare holdings, most notably Experian and Edwards Lifesciences, detracted further from relative performance.

From a geographic perspective, Emerging Markets and Japanese holdings were the weakest absolute performers and also detracted notably from relative return, with Taiwan Semiconductor and Keyence significant drags on relative performance. US stocks underperformed and also dragged on relative return. Canadian, Pacific ex-Japan and Europe ex-UK companies led their respective indices and contributed the most to relative return, with Alimentation Couche-Tard, AIA Group and Novo Nordisk particularly strong.

COMMENTARY

Global equities endured a turbulent 2022, as rising inflation, exacerbated by Russia's invasion of Ukraine, and the concomitant tightening of monetary policy, fuelled concerns that the post-Covid recovery would be undermined. Over the course of the year, this prompted a change in market dynamics, with investor focus switching from growth to value stocks.

At the start of the year, although economies continued to recover from the pandemic downturn and corporate profits rebounded strongly, supply chain issues continued to fuel cost-push inflation. The invasion of Ukraine in February induced a surge in oil, gas, and other key commodity prices, exacerbating inflationary pressures in Europe in particular. Investors consequently focused on the extent to which the conflict would derail recovery in the face of a potential decline in real incomes in many major economies. The Federal Reserve, having abandoned the idea of 'transitory' inflation in 2021, hiked interest rates as expected, as the US consumer price index hit over 8%. Matters were compounded by the anti-Covid lockdowns in China, which clouded the country's near-term growth outlook, as well as adding to concerns about global supply chains.

The downbeat performance of the first quarter continued into the second. The challenging backdrop of fading growth and higher interest rates represented a near-perfect storm for equity market sentiment. In a number of markets, the strong 'greenback', exacerbated falls in US dollar terms. This was particularly the case in Japan, with the Bank of Japan continuing to show benign neglect towards the yen as it pursued its ultra-loose monetary policy.

Equity markets were unable to shake off their bearish hue in the third quarter. While the US economy had been showing relative resilience given the indefatigable US consumer, Europe sat at the apex of the worry pyramid, as its post-Covid economic recovery was chiselled away by rising inflation amidst a backdrop of elevated energy prices. Mitigating an energy 'doomsday' scenario, various support packages were initiated to help insulate the consumer from the spiralling energy bills, as European governments tried to kick the recession can down the road. In the UK, the former Chancellor of the Exchequer had an arguably inappropriate Laffer moment of fiscal generosity with proposed tax cuts, (now revoked) which were seen to favour higher-income earners.

However, global equities enjoyed a positive fourth quarter, although the bullish tone of the first two months gave way to a downbeat December. Investor sentiment was buoyed by premature hopes that given a moderation in the rate of inflation in the US and to a lesser extent Europe, the Federal Reserve and the European Central Bank would temper the pace of monetary tightening. There were signs too that in the US and Europe, despite the pressure on incomes, consumer spending was holding up better than expected. Global sentiment was also bolstered by the easing of the lockdowns that have impinged on the Chinese economy.

But while the macroeconomic headwinds gathered force over the year, many leading, quality companies, showed operational resilience, as the merits of market leadership, a healthy balance sheet, good management, pricing power and robust cost control came to the fore. Given the growth-to-value rotation, this resilience was not always reflected in the share price of many such businesses.

OUTLOOK

Concerns remain regarding economic growth over the coming year in view of still-elevated levels of inflation, with further interest rate hikes on the horizon. However, some of the bleak predictions regarding a severe downturn may be overblown. While post-Covid growth momentum is ebbing and some regions are knocking on the door of recession, consumer spending has not collapsed despite the decline in real incomes, with labour markets remaining tight. Business confidence has slipped, but some commodity and energy prices are well off their highs and supply chain problems have improved. Granted some of this is due to slower growth. In China, the partial liberation of the economy from the shackles of lockdowns may invigorate growth and it is a positive for companies around the world, although it remains to be seen if the surge in Covid cases hinders recovery. Geopolitical issues are ever-present in the background in the form of the war in Ukraine and tensions between China and the West, and these may continue to be sources of volatility throughout 2023.

However, our investment approach is not founded on making economic or market calls, but maintaining our focus on analysing,

Investment Managers Reports

Walter Scott (continued)

testing, and debating investment theses and new ideas. We continue to be encouraged by the operational resilience shown by our companies as they navigate strong macroeconomic headwinds, and by the longer-term growth prospects of these leading businesses.

Value of Investment as at 31.03.2016 (Inception date—Current Mandate)	€61,863,218
Value of fund as at 31.12.2022	€76,947,217

Investment Managers Reports (Continued)

JP Morgan Asset Management

Multi Sector Credit Fund – 2022

Market review

Geopolitical risks, inflation and central banking remained at the forefront of investors' minds over the year. However, there were some reasons for optimism. Global supply chain constraints continued to ease, and European governments took further steps to dampen the impact of the energy crisis and mitigate the risks of a harsh recession. Flash Purchasing Managers' Indices (PMIs) for October confirmed an economic slowdown in many developed markets. While recession risks were clearly rising, we continued to see factors that may help to mitigate the depth of any downturn. In the US, labour markets remained strong and the housing market appears to pose far fewer systemic risks compared to the problems that led to the global financial crisis. Europe announced new plans to tackle the energy crisis that included a price cap and a common purchases system. These measures, together with new fiscal stimulus support of €40bn, is expected to help both households and businesses. With storage tanks full and the weather proving unseasonably warm, gas prices continued to move lower. In the UK, Rishi Sunak was appointed as the new prime minister, while the new chancellor Jeremy Hunt reversed many of the previous chancellor's tax cuts and vowed to deliver a much more restrained budget.

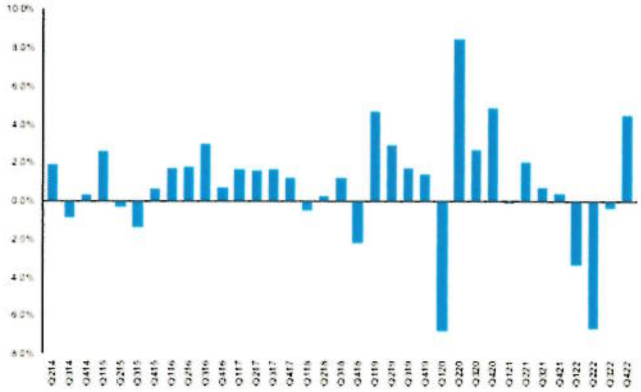
In December inflation concerns remained, though it seemed the approach of central banks was softening, and a slower pace of rate hikes could be expected in early 2023. US Inflation came in below expectations for the second consecutive month and reinforced the turning tide on inflation as nearly every major category showed easing price pressures. In Europe, inflation data continues to show signs of softening, however the ECB remain clear that whilst the pace of rate hikes could slow, their intention is to continue tightening to quash inflation. In the UK, a combination of high inflation and solid labour markets continued to support hawkish action from the central bank.

In terms of central bank actions, the European Central Bank (ECB) announced rate hikes of 75 basis points (bps) each in October and November, while the Federal Reserve (Fed) hiked rates by 75bps in November and 50bps in December. The statement language released by the Fed was almost identical to the November statement, suggesting the committee continues to lean hawkish. A surprising move from the Bank of Japan had impacted markets globally as they decided to raise the 10-year government bond yield cap from 0.25% to 0.50% to control the yield curve.

Portfolio positioning and performance

The fund produced a total return of -6.11% over 2022 (USD, gross of fees). Total returns experienced in each respective quarter were -3.36%, -6.68%, -0.35% and 4.48%.

GIM Multi Sector Credit Fund: Quarterly Returns – USD (%)



In the first quarter of the year, we decreased our allocation to Europe high yield given Europe's relative proximity to Russia, and its heavy energy dependence. The asset classes significantly underperformed in the first few months of the year. We maintained our allocations to Loans, as they offer an attractive opportunity to invest without taking on interest rate risk. We also decreased our emerging market corporate position. The war in Ukraine has seen a broad-based sell-off across EM as contagion risks spread through the asset class. Our convertibles allocation also moderately decreased over the quarter. This asset class tends to trade with a high correlation to equities which experienced a very volatile period. Within bank capital, our allocation has decreased. While recent stress test results by the Fed and EBA were encouraging, this higher beta sector suffer amid investor concerns surrounding direct and indirect exposure to Russia.

As we moved into the second quarter, we continued to decrease our allocation to Euro high yield bonds over the quarter. Further rate hikes began to expose the deterioration in credit quality and we reduced our exposure in Loans. We increased our allocation to investment grade credit. Valuations look more attractive, despite the challenging technicals. Fundamentals look solid, with median leverage metrics suggesting that IG companies remained well prepared for any deterioration in the growth backdrop. Elsewhere, we further reduced our emerging market corporate position.

In the third quarter, we continued the de-risking trend. We decreased our allocation to European high yield and Loans over the quarter. While loans outperformed high yield bonds as rates have risen, we are concerned about higher sponsor representation in the sector and the performance of some highly levered companies into a downturn. Our high yield allocation was a contributor to performance over the period, with the main contribution coming from our US Loans allocation. We maintained our investment grade credit allocation over the quarter. While credit spreads have widened more in Europe, which is pricing a higher probability of recession than in the US, we have increased our allocation to USIG. Although corporate fundamentals remain strong, we prefer to remain up in quality as we moderately decreased our emerging market corporates position. A continuation of China's zero-COVID policy and the ongoing conflict in Ukraine continue to disrupt food and energy prices. EM corporates are heading into a downcycle as

Investment Managers Reports (Continued)

JP Morgan Asset Management (continued)

margin pressures mount and spreads are not offering enough compensation for the increasing risks of high inflation and overall lower growth expectations. Within bank capital, our allocation has increased. Fundamentally our views on the banking sector have not changed materially at this stage: Q2 results so far have been strong, with higher rates driving improved net interest income higher for most banks. We prefer to take our exposure in higher quality (both in terms of cap structure and higher quality issuers) as well as select new AT1 issues that are priced to perpetuity.

Finally, in the fourth quarter of the year, We prefer the US high yield market given Europe's relative proximity to Russia, and its heavy energy dependence. We have reduced our allocation to US loans over the quarter from ~10% to ~0.2%. While loans have performed well as rates have risen, we are concerned about higher sponsor representation in the sector and the performance of some highly levered companies into a downturn. Our high yield allocation was a contributor to performance over the period, with the main contribution coming from our US HY allocation. We increased our allocation to investment grade credit. While credit spreads have widened more in Europe, which is pricing a higher probability of recession than in the US, we have increased our allocation to USIG. Although corporate fundamentals remain strong, we prefer to remain up in quality as we believe improvements in credit fundamentals are behind us. Our allocation to investment grade credit was one of the largest contributors to performance over the quarter. If we turn to some of the portfolio's smaller allocations, we moderately increased our emerging market corporates position. EM corporate fundamentals are in a very strong position, though the challenges presented by tighter financial conditions are beginning to be felt more meaningfully. Looking ahead, we think EM corporate issuers will see some differentiation around refinancing in 2023, in that stronger balance sheets should be able to continue to access capital while weaker issuers may struggle. That said, valuation in EM Corporates continues to support the opportunity, as we see spreads currently wide of the long run median. Within bank capital, our allocation has increased. Fundamentally our views on the banking sector have not changed materially at this stage: we prefer the more senior capital structures, given the uncertain outlook. We believe banks are well positioned, supported by strong balance sheets and improved capital positions compared to previous crises, as well as improved asset quality and strong liquidity.

Contribution Analysis

GIM Specialist Investment Funds – GIM Multi Sector Credit Fund as of 31 December 2022

	2016	2017	2018	2019	2020	2021	2022
US Loans	105	60	-8	163	33	78	-63
US High Yield	226	166	-35	227	84	85	-103
Euro High Yield	100	63	-60	111	30	44	-128
EM Corporates	-2	19	-13	36	26	-2	-33
Investment Grade	63	102	-50	225	205	1	-238
Extended Allocations	10	157	-63	232	297	95	-291
Credit Hedging	0	2	21	-47	15	-7	-27
Net Impact of Duration Hedges	114	-9	10	90	78	-18	141
Net Impact of FX Rolls	31	43	71	58	34	24	41
Total	7.27%	6.19%	-1.20%	11.04%	8.82%	3.01%	-6.11%

Past performance is not a reliable indicator of current and future results.
Source: J.P. Morgan Asset Management. Inception date: 31 March 2014. Returns are for the Multi Sector Credit Strategy Representative Account and are calculated gross of fees. Attribution calculated using an in-house analytics tool: PRISM. PRISM attribution may not match official returns.

Outlook

Recession (probability raised to 60% from 50%) remains our base case for the direction of market sentiment over the next three to six months, given central banks' hawkish attitude toward controlling inflation. Sub Trend Growth was unchanged at 30%. This soft landing scenario needs the Fed to pause at around current levels, inflation to fall to its target and the labor market to remain firm. We reduced the tail risks of Above Trend Growth (lowered from 5% to 0%) and Crisis (lowered from 15% to 10%) to fund our higher conviction in Recession. Peace across Europe and a widespread opening in China seem to be the minimum needed for a growth re-acceleration, while the risks of a disorderly, hard landing should be mitigated by the approaching end to central bank rate hikes.
From a portfolio standpoint, we have increased our headline duration to ~3.68 years. We continue to like the high quality nature of investment grade credit and have increased our allocation throughout the quarter. Our high yield exposure currently accounts for ~42.6% (in terms of quality allocation, using middle of S&P, Fitch and Moodys). We view the current investment environment as being less supportive for risk assets, depending on further broad market volatility.

Valuation at Inception 31.03.2016	€81,129,047
Valuation of fund as at 31.12.2022	€49,571,071

Investment Managers Reports (Continued)

BlackRock

Market Review

A long stretch of muted market volatility with episodic spikes came to an end in 2022. Surging inflation, aggressive rate hikes, and geopolitical frictions all converged to drive heightened macro uncertainty and elevated volatility, leading to declines across risk assets. Monetary authorities rapidly raised rates for much of the year to temper price pressures before fine tuning their approach towards the end of 2022. Geopolitical tensions also became a dominant risk in markets during 2022, as Russia's invasion of Ukraine amplified supply-driven inflation and escalating US-China competition caused further momentum behind deglobalization trends. As a result, global stocks and bonds sold off, ending the year in double digit territory, and correlations observed in the past broke down.

Performance Review

The BlackRock Appreciation Strategy, LTD ("BASLTD') has generated positive, absolute returns since CIE's inception in March 2021 and continued to execute on its objectives to deliver stable, uncorrelated returns irrespective of the direction of equity and fixed income markets. BASLTD continued to do what it was designed to do in 2022, recording positive returns in what was a challenging environment for many investors. Of the major strategies the portfolio invests in, Relative Value ("RV") strategies lead the way with gains over 2022, while both Event Driven ("EV") and Fundamental Long/Short ("LS") strategies experienced mixed results. Within RV, multi-strategy managers showcased their ability to be nimble and tactical, finding profitable trades in sub-strategies such as RV rates, statistical arbitrage, and commodity-related programs. EV managers finished 2022 on a strong note, as select managers benefitted from the completion of several large, complex merger arbitrage deals, partly offsetting modest mark-to-market losses from EV distressed debt managers. Finally, LS managers experienced varied results with LS equity-oriented programs ending slightly positive, and significantly outperforming the broader LS equity universe over 2022, while LS credit-focused managers produced slight losses over the year.

Market Outlook: 2023 and beyond

At the start of each year, we offer clients our perspective on longer -term, structural developments that have the potential to drive opportunities for hedge funds ("HF"). While several themes discussed in prior years still apply, we focused on the three key themes below.

- Shifting Market Regime:We expect a new regime of greater macro uncertainty to continue to drive market moves but the HFs we invest in do not need to speculate on macro forces. Instead, they can capitalize on distortions derived from that uncertainty. We look to build portfolios of HFs that are resilient through various market backdrops and have durable edges in inefficient areas of capital markets. In this new regime, portfolio construction and implementation will be critical. Those that understand how opportunities will manifest and have the flexibility to adjust their portfolios accordingly, will be well-positioned.
- Impact of Rising Rates: We believe the impacts from higher rates bode well for HFs. After years of quantitative easing suppressing volatility, challenging HFs seeking to provide liquidity and opportunistically price risk, we are now seeing quantitative tightening improve those opportunities. We also believe a number of HF strategies will benefit from the natural transmission mechanisms of rising rates, resulting in higher baseline returns. We expect the combination of a more conducive environment and the natural pass-through mechanisms of higher rates to support higher return targets for HFs (of risk-free plus an alpha spread) in the years to come.
- A New World Order: Themes around geopolitical cooperation and globalization have been put in reverse and should continue to reinforce the new regime shift. While these conditions can present challenges for traditional investing, they often create opportunities for more agile, tactical, and diversified approaches. Again, it's important to note the HF strategies we invest in do not need to speculate on these macro forces; however, those that can understand their implications should be able to capitalize on the distortions and market inefficiencies that will likely be derived from the uncertainty around them.

Top-down themes are key inputs into how we analyze opportunities, yet our focus remains set on a bottom-up approach to sourcing the most skilled and resourceful HFs. We focus on HFs who can capitalize on observable, repeatable, and tradeable distortions resulting from market inefficiencies. It's these HFs that we expect to persistently generate alpha, irrespective of how markets evolve.

BlackRock Appreciation Strategy, LTD ("BASLTD") Performance

	Q4 2022	YTD 2022	ITD (Ann.)
BASLTD—Standard	1.44%	1.50%	3.75%

Valuation 31.12.2022.	€49,734,191

Investment Managers Reports (Continued)

Robeco

Market Overview

The average spread on the Euro Corporate Index widened from 95 basis points from the start of the year to a level of 167 basis points at the end of the year 2022. Next to that, 10 year German bond yield increased from -0.18% to 2.57% over the course of the year. The first quarter was eventful for financial markets, given Russia's invasion of Ukraine, inflation numbers reaching decade highs and central banks taking a more hawkish position as a result. On top of already elevated inflation levels came a jump in commodity prices and supply chain disruptions due to the war in Ukraine. These inflationary factors had a much stronger impact on bond markets than the initial flight-to-safety bid when the war started. The second quarter continued to be dominated by high inflation numbers and central banks taking more hawkish positions. On top of that, markets started to worry about a recession. The ECB took a hawkish step by announcing the end of the bond purchase programs per 1 July and an upcoming rate hike for July. As a result, rates markets were very volatile. The third quarter high natural gas prices drove up Eurozone inflation to record levels. In September, the ECB increased its monetary policy rates again, this time by 75 basis points, after implementing a 50 bps hike in July. This brought the deposit facility rate at 0.75%, the highest level since mid-2011. In the December meeting, the ECB hiked less than before, but also made clear that the phase of increasing interest rates could last longer than expected. Next to that, quantitative tightening was announced.

Portfolio Performance

Since end of March 2021 (inception) until end of 2022 the annualized return of the portfolio amounted to -13.77%. For the year 2022, the return of the portfolio was -22.56%, driven mainly by a sharp increase in both interest rates and credit spreads. The B&M portfolio experienced 7 upgrades and 1 downgrades. None of the issuers migrated to high yield during 2022.

Outlook 2023

In a central bank hiking cycle that ultimately ends in a recession, rates typically peak before credit spreads do. In particular, rates usually peak around the second-to-last Fed hike. We believe we are now in the valley between the two peaks. Rates have started to come down and may have peaked in some markets, while inflation is now easing. Credit spreads have also rallied a lot since mid-October, but could re-widen if a recession hits corporate health.

For investment grade we like the current valuations with average spreads well above long-term medians. Also, investment grade companies are well positioned to deal with any slowdown in economic growth. Hence we are comfortable with a small overweight beta in investment grade credit portfolios. Our base case is that the US as well as Europe will experience a recession in 2023. Although we expect the recessions to play out in the same year and to be mutually reinforcing, the root cause will be different. The US is likely to experience a classic boom-bust cycle, whereas the European recession will be driven largely by an energy supply shock. Once a recession is fully priced in and spreads reach their own peak, that would be the time to go long credit, even in high yield. Typically, that point is reached well before default rates have peaked.

Within euro investment grade, financials and especially senior bank paper screen as cheap. In past cycles, financials were often seen as high beta since they are a leveraged bet on the economy. This time around we see banks as less vulnerable since capital buffers have improved. There will always be a few exceptions, but by and large, we do not expect banks to be a source of systemic risk in this cycle.

Valuation 31.12.2022.	€80,218,734

Investment Managers Reports (Continued)

Irish Property Unit Trust (IPUT)

IPUT—Extract from the Q4 Investor Update

The Property Market

The impact of increasing interest rates has affected investor sentiment, market liquidity, transaction volumes and pricing in real estate markets worldwide. Property yields in Ireland didn't compress to the same extent as other European markets over the past number of years, which may better insulate us as interest rates rise. However, market pricing has softened and is likely to weaken further before stabilising.

While real estate investment remains compelling on a long-term horizon, the arbitrage that has existed between real estate yields and Government bonds in recent years has been eroded significantly.

The early part of 2022 saw record investment activity but many buyers have now paused their investment decisions. Transaction volumes are expected to remain more subdued in the early part of 2023, as many investors hold off making investment decisions until the economic backdrop and market conditions settle.

In periods of uncertainty such as these, stability and resilience of income becomes increasingly important, with astute asset management being a key differentiator from a performance perspective. Quality buildings with the best sustainability credentials will remain the most in-demand asset type, achieving premiums over secondary assets.

Despite the uncertain backdrop, occupational markets continue to perform relatively well with healthy levels of activity recorded in the Dublin office market during 2022, while the logistics sector continues to demonstrate resilience and rental growth.

The recent announcements from LinkedIn and Meta that they will seek sub-tenants or assignments of buildings they have committed to take, will impact the amount of grey space on the market in 2023. However, we expect that most new developments are now likely to be put on hold in the short-term, resulting in continued supply imbalances over the medium term at the prime end of the market.

Meanwhile, there is as yet no evidence of a marked deterioration in discretionary spending in the Irish economy, which bodes well for prime retail schemes.

Outlook

The global economic backdrop continued to weaken during the fourth quarter of 2022, primarily due to inflationary pressures and rising debt costs. While the Irish economy is not immune from these headwinds, it is currently performing better than many other European economies, and this has been supported by the continued strong labour market conditions, strong corporate tax receipts and healthy Government finances.

Job creation continued in recent months, albeit at a slightly slower pace than earlier in 2022 and impacted to some degree by widely reported rationalisation in the technology sector globally. Nevertheless, numbers in employment in the Irish economy reached a new record high during Q3 2022 with 2.67 million people now employed. This represents a remarkable 650,000 additional people at work in the economy in the last decade alone.

Meanwhile, the rate of unemployment fell to a 20 year low of 4.4% during November. Encouragingly, the IDA recently informed Government of visibility of a healthy pipeline of further job creation throughout the first half of 2023, with many multinational companies still looking to hire staff across a range of sectors.

Valuation 31.12.2022	€22,878,441

Investment Managers Reports (Continued)

Insight

1 Market Commentary

2022 was a tumultuous year for markets for many reasons. Inflation rose sharply, as underlying pressures were stoked by the effects of the Russian invasion of Ukraine and the war that remains ongoing war. Most major central banks raised interest rates, sharply in many cases, in a bid to choke those inflationary impulses. Consequently, government bond yields rose significantly in many cases.
Interest rate swap rates and swap inflation expectations rose across all maturities, with the largest increases at shorter maturities. The year was challenging for central banks as they sought to control rising inflation, partly driven by the impact of the war in Ukraine on food and energy prices, without pushing economies into recession. In the eurozone, Eurostat reported that the Harmonised Index of Consumer Prices (HICP) climbed to an all-time high of 10.6% in October. In response, the European Central Bank (ECB) announced four increases to its deposit rate to take it from -0.5% at the start of the year to 2% at the end of the year. The ECB is expected to further raise interest rates over the coming months to control inflation.

Risk assets also experienced a volatile year, with credit markets and many major equity indices generating substantially negative returns. US, Pan-European and Sterling investment grade (IG) credit markets all saw spread levels widen over the period, compounding the negative returns arising from weaker underlying government bonds. Despite credit spreads narrowing generally in the fourth quarter, the Bloomberg US Aggregate Corporate Index spread expanded by 38bp over the year as a whole, while the Bloomberg Euro Aggregate Corporate Index and the Bloomberg Sterling Agg Corporate Index were 78bp and 80bp wider respectively. High yield (HY) markets were also weaker as riskier assets typically suffered more extensive setbacks. The Bloomberg US Agg HY Index widened by 186bp and Pan-European HY Index was wider by 182bp and 131bp respectively over the period. The emerging markets also struggled during the year, as the yield of the JP Morgan Emerging Market Index increase 114bp to 6.86%.
Equity markets were mostly weaker as interest rates rose substantially and the economic outlook deteriorated. One notable exception was the FTSE 100 Index in the UK, which gained 0.9%. The US S&P 500 Index ended the year 19.4% lower, at 3840, more than 900 points below where it ended 2021. The Eurostoxx 50 Index declined by 11.7%, while Japan's Nikkei 225 Index was 9.4% lower.

2 Performance

Regular Wages

During 2022, the portfolio decreased in value by €86.4m or -26.47%, underperforming the liability benchmark by €7.6m or -2.32%. The negative absolute performance was driven by increases in interest rates over the year.

Since inception, the portfolio decreased in value by €44.8m or -3.14% pa, underperforming the liability benchmark by €2.4m or -0.28% pa. The negative absolute performance was driven by rise in interest rates since inception.

The negative performance relative to the benchmark was driven by the government bonds in the portfolio which underperformed the swaps-based benchmark over the year.

Buy & Maintain

Regular Wages

During 2022, the portfolio fell in value by 22.54%.
Since inception in March 2021, the portfolio fell in value by 13.64%. The negative performance was driven by a widening in credit spreads and an increase in interest rates.

Equity Protection

Regular Wages

During 2022, the portfolio rose in value by €9.7m. Since inception, the portfolio decreased in value by €28.8m. The positive performance was driven by a fall in the underlying equity markets. Equities falling decreases the market-implied likelihood of the equity indices being above short call strikes at the maturity date.

3 Market Outlook

We see a general environment of slowing global growth in the year ahead. While headline inflation should fall, largely due to supply chains improving and the working through of base effects in energy prices, there is uncertainty over how far it will drop. The failure of econometric models, including those of central banks, to predict the high and persistent inflation of the past 18 months is a key cause of such uncertainty. We envisage a peak in interest rates in 2023, however we expect the subsequent reduction in rates will be slower than the market is currently pricing. This is because we believe central banks will be reluctant to repeat the errors made in the 1970s, when they cut rates as their economies slowed, only to see a sharp rebound in inflation. As 2022 has shown, unexpected turns of events have the ability to create economic and market turmoil, Close attention will be required on situations such as increased Chinese sabre-rattling over Taiwan, as it will on the seemingly entrenched conflict between Russia and Ukraine.

In the eurozone, we see a hawkish European Central Bank (ECB) making two more 0.5% rate rises into the first half of 2023 and expect ECB rates to be close to those levels at the end of 2023, with 10-year bund yields in the region of 2.50% at that time. The single currency bloc still faces energy price headwinds which will maintain inf lationary pressure but also dampen the growth outlook. We believe the region will experience a recession in 2023, with GDP declining slightly over the year before recovering in 2024. Inf lation may have seen its peak in October at 10.6% and is currently expected to begin declining throughout 2023, averaging around 6.3% for the year, still well above the ECB target. Further moderation is then expected in 2024 and 2025.

Within investment grade credit, both absolute yields and spreads remain at levels which suggest a s ignificant amount of bad news is priced into markets. Although we expect further monetary tightening ahead, the peak in interest rates is likely to occur by mid-2023 and, at

Investment Managers Reports (Continued)

Insight

at least in the US, the pace of tightening is slowing, and headline inflationary pressures appear to be moderating. The outlook for growth has softened but, unlike the global financial crisis, banks are well capitalised, and unemployment remains low. Many corporates have also insulated themselves from the rise in rates by extending their debt maturity profiles when rates were low. In aggregate, these factors should limit downgrade risks and allow the asset class to generate meaningful returns from income alone. At some stage in 2023, as investors become more confident about the peak level of interest rates, there is the potential for spreads to rally, further buoying returns.

Valuation as at 31.03.2016 (Inception)	€266,843,152
Valuation of fund as at 31.12.2022	€266,013,901

Investment Managers Reports (Continued)

Antin Infrastructure Partners

CIÉ—2022 report

1. Market Overview

We are pleased to share with you the positive results Antin achieved in 2022. Despite the challenging global macroeconomic climate, our diverse portfolio demonstrated impressive resilience, with many companies delivering strong performance, as discussed below and in the pages that follow.

We also made eight exciting new investments across our strategies, seven of which were done on a proprietary basis. In addition we completed over 135 add-on acquisitions during the year, with nearly all of these (97%) completed on a proprietary basis.

We are proud to have added to our realised track record with the successful sale of Roadchef in Fund II and the attractive partial exit of Lyntia in Fund III. Since inception, we have realised c.50% of our flagship investments, resulting in a realised Gross IRR of 23% and a Gross Multiple of 2.7x.

Finally, we are extremely grateful for your support in our newest funds. Fund V has already closed on €7.4 billion of its €10 billion target (c.75%) and NextGen Fund I has closed on €1.0 billion of its €1.2 billion target (c.80%). Additional closings are expected for both funds in coming months. As detailed below, Fund V and NextGen Fund I's investment programmes are both off to a great start.

Fund II

With only one investment remaining in the portfolio, Fund II is tracking at 19% Gross IRR and 2.6x Gross Multiple. GSR had a very strong quarter with footfall and sales matching pre-pandemic levels and significant commercialisation activity taking place. The positive performance resulted in strong trading for Q4, with revenue and EBITDA outperforming budget and prior year and contributing to full year revenue and EBITDA that were both over 30% higher than last year.

Fund III

The fourth quarter of 2022 was a positive period for Fund III overall, with investment performance exceeding expectations for most investments and Kisimul and Hesley progressing their respective corporate actions plans. In October, a UK government panel issued a report on child safeguarding practices, which discussed the ongoing Hesley investigations. The report, which received media coverage in the UK, relates to issues we have already reported on.

As of the end of the fourth quarter, Fund III has achieved a Gross IRR of 17% and a Gross Multiple of 1.8x. Several portfolio companies made significant contributions to these strong results, including Sølvtrans, which showed an EBITDA increase of 24%.

Fund III's

European fibre businesses also made notable progress, with construction underway in 75 cities and homes ready for service in 71 cities for CityFibre and outperformance driven by organic growth for Lyntia Access. While still a strong performer overall, FirstLight is experiencing the combined effects of supply chain constraints and higher costs, which is reflected in this quarter's valuation. We are focused on addressing these issues as well as prioritising network densification and further value creation.

Fund IV

Fund IV had a successful 2022, completing its final investment with the acquisition of Wildstone, a UK-based outdoor media infrastructure company. The fourth quarter of 2022 was positive from a valuation standpoint, with Fund IV tracking at a Gross IRR of 20% and a Gross Multiple of 1.4x. This strong performance was the result of value creation initiatives that had previously been implemented and translated into solid operating results. Examples include Indaqua's successful acquisition of Plainwater, Hippocrates' infrastructure refinancing with 14 lenders, Eurofiber seeing above prior year revenue for all of its regions, and Wildstone's strong pace of sites acquisitions.

Fund V

Fund V is off to a promising start. Blue Elephant Energy, a European renewable energy platform and the first investment in Fund V, made significant progress by growing its near-term pipeline by approximately 65% and securing strategic agreements for the development of large solar PV projects and the sale of a wind project. The investment team has assembled a diverse near-term investment pipeline for Fund V in both Europe and North America, including several well-advanced opportunities. As mentioned earlier, Fund V had closed on €7.4 billion by the end of the year, representing nearly 75% of its €10 billion target size.

Mid Cap I

Q4 was a positive quarter for Mid Cap I, currently held at 21% Gross IRR and 1.2x Gross Multiple. Pulsant experienced positive growth in its pipeline, supported by new business additions, and successfully closed the Reading bolt-on in December. Meanwhile both ERR and Lake State Railway, the fund's two rail businesses, both achieved record performance, with adjusted EBITDA over 100% and 31% higher, respectively, compared to the previous year. In November, the portfolio was further strengthened with the acquisition of HOFI, a leading Italian funeral infrastructure business. Finally, post-quarter end, we were pleased to announce the closing of Empire, a leading provider of fibre-to-the-home broadband in New York and Pennsylvania. Also post-quarter end, on 8 March 2023, Antin terminated the OpticalTel transaction due to certain closing conditions precedent not satisfied under the terms of the merger agreement.

Investment Managers Reports (Continued)

Antin Infrastructure Partners (Continued)

NextGen I

NextGen Fund I had a busy start in 2022, making three investments that demonstrate a strong commitment to the decarbonisation of transport and energy transition. SNRG, an owner-operator of fully integrated smart grid systems, secured projects across all its business lines and continued to strengthen its pipeline. Power Dot and RAW, the fund's two EV charging businesses, both performed very well. Power Dot signed on more chargers than initially anticipated and RAW secured important contracts across the UK. Furthermore, post-quarter end, we announced the acquisition of PearlX, a leading owneroperator of fully integrated smart grid systems and the fund's first US investment. On the fundraising front, NextGen has raised €1.0 billion of its €1.2 billion target.

Team

During 2022, Antin welcomed 59 new professionals to our team, including 25 additions to the investment team and two new partners – Francisco Cabeza in London and Rakesh Shankar (NextGen) in New York.

In addition, seven Antin professionals were promoted to partner, namely Assia Belkahia, Aurelie Edus, Alex Kesseler, Omar Meziane, and David Vence on the investment team and Matt Nelson and Robert Segessenmann on the investor relations team. Marc Raiser, Joe Thistle, and Douglas Tully were promoted to Principal, while Enrique Garcia, Damien Goutte, Magnus Justad, Alexandre Keller, Astrid Manuelli, Giovanni Vigano, and Stephanie Zou were promoted to Investment Director. In addition to these, there were nine other promotions across the investment, middle office and administrative team. All of these promotions demonstrate the exceptional contributions made by these professionals and show our commitment to developing and recognising our internal talent.

With these additions and promotions, the Antin team now comprises over 200 professionals, including 29 partners and over 100 investment professionals, across six offices. We also wanted to share that Mauricio Bolaña, a partner in our London office, has decided to leave Antin to focus on personal interests. He will be on garden leave from 1 March until 15 August 2023. We are incredibly grateful for Mauricio's many valuable contributions over the last 13 years. We anticipate a smooth transition as Angelika Schoechlin and Stéphane Ifker already share responsibility for Mauricio's portfolio company assignments and Southern Europe is well-covered by Francisco Cabeza and others. We will miss having Mauricio as an Antin colleague, but look forward to our continued friendship.

Valuation of fund as at 31.12.2022	€17,578,659

Investment Managers Reports (Continued)

I.F.M. Investors – Infrastructure

Fund performance

The IFM Global Infrastructure Fund ("GIF" or "the Fund") delivered a gross return of 4.2% (in local currency terms) for the quarter. The Fund returned 8.0% in USD terms on a gross, unhedged basis, reflecting a net USD depreciation against portfolio currencies. This brings the 12-month gross local currency return for the portfolio to 10.9%.

The return for the December quarter reflects outperformance in GCT Global Container Terminals ("GCT") (+45.6%) and M6toll (+43.1%), mainly driven by the incorporation of transaction adjustments made by independent valuers to reflect agreed prices for partial divestments signed during the quarter. Performance was also driven by increases in listed asset share prices, alongside other top performers including IFM Net Zero Infrastructure Fund ("IFM NZIF") (+15.3%), Impala Terminals (+13.3%) and Colonial Pipeline (+7.8%). Five investments (representing c.16% of the GIF portfolio by value) delivered negative returns, with GlasfaserPlus (-5.1%), Vienna Airport (-2.1%) and Freeport Train 2 (-1.6%) posting the largest falls.

The Fund received distributions totalling US$273.8 million during the quarter, primarily from Indiana Toll Road, Colonial Pipeline, GlasfaserPlus and Aqualia.

Sector highlights

Travel recovery remains on track with continued demand for air travel despite high jet fuel prices, operational and supply chain constraints, and other economic headwinds. For the month of November 2022, the International Air Transport Association ("IATA") reported that global aviation passenger kilometres reached 75.3% of 2019 levels (compared with 40.4% of 2019 levels at the same time last year). Recovery momentum continued due to the easing of restrictions and vaccine rollouts in many countries, including the border reopening and quarantine-free travel policy announced by China on 8 January 2023.

Toll Roads continued to demonstrate resilience, where the easing of COVID-19 related restrictions has generally led to a V-shape recovery in heavy and light traffic levels, particularly in weekend leisure travel despite heightened oil prices throughout 2022. Additionally, financial performance has been supported by a number of concession agreements that allow the escalation of toll prices in line with inflation. Further, recent market transactions have indicated continued strong investor demand for high quality toll road investments, supporting the valuation of GIF's investments.

In the Seaports sector, volume growth in the North American market remained resilient, with the movement of goods underpinned by the general strength in consumer demand, despite the European ports exhibiting a slight drop in volumes due to global supply chain disruptions and the Russia-Ukraine conflict. The decrease in trade volumes was in some cases offset by the outperformance of revenues driven by increased port tariffs and demurrage revenue. Though supply chain congestion continues, additional planned fleet capacity and the continued reopening of Chinese trade are expected to support a positive global trade outlook. Port tariff mechanisms, often tied to increases in inflation, also provide a partial mitigant to potential volume pressures that may eventuate if there is a global economic slowdown.

Global fuel supply issues continue to present a challenging environment for the Midstream sector, with a steeply backwardated futures market for fuels putting downward pressure on storage utilisation, whilst pipeline throughput reflects lower than expected gasoline and distillate demand. Our Midstream businesses continue to invest in the energy transition, with GIF investing an additional US$300 million during the quarter to fund Buckeye's energy transition strategy, including ongoing funding of renewables development projects at Swift Current Energy and Buckeye's in-house renewables platform.

Fund activity

During the quarter, the Fund declared a distribution of US$272.5 million to investors for the three months ended 31 December 2022, bringing total annual distributions to US$667.1 million.

In December 2022, the Fund issued a capital call (effective 3 January 2023) of c.US$3.9 billion to finance acquisitions, repay the Fund debt facility and support working capital needs. We have announced and/or completed the following new investments during the quarter:

- October 4, 2022, IFM Investors announced that the Fund intends to undertake a voluntary tender offer through an indirect subsidiary to acquire up to 14.03% of the shares of Aleatica S.A.B. de C.V. ("Aleatica Mexico") that are not already indirectly owned by IFM GIF. Aleatica Mexico is an operator of transportation infrastructure concessions in the metropolitan area of Mexico City with a portfolio of seven toll road and one airport. The potential tender offer is subject to corporate and regulatory approvals, including the approval of the Comisión Nacional Bancaria y de Valores ("CNBV") in Mexico.
- On 2 December 2022, Atlas Arteria completed the acquisition of a 66.67% interest in Chicago Skyway funded via a non-renounceable entitlement offer announced on 14 September 2022. GIF participated in the offer and accepted its pro-rata allocation.
- On 6 December, the Fund completed the acquisition of Switch, Inc. ("Switch") for an enterprise value of c.US$11 billion. The transaction (structured as a take-private of the publicly-listed company) was completed in partnership with funds associated with DigitalBridge Investment Management and key members of Switch's senior management. The

Investment Managers Reports (Continued)

I.F.M. Investors – Infrastructure

transaction was first announced on 12 May 2022. The Fund's equity contribution was c.US$2.2 billion and represents an ap proximate 37% stake in Switch.

In addition to new investments, we have also announced the following two divestments, demonstrating the continued strong appetite from infrastructure investors globally to acquire core infrastructure assets, even under a challenging broader-market environment.

- On 7 December 2022, GCT entered into a definitive agreement to sell a 100% interest in its US subsidiary ("GCT USA") to CMA CGM Group. The sale reflects a material premium to the September 2022 independent valuation, which we believe reflects the transformative and value adding initiatives that have been delivered since IFM's acquisition in 2018, including investments into productivity and capacity enhancing measures, as well as the renewal of existing, and securing of new, key customer contracts. In three years, these initiatives have supported an over 40% increase in throughput volumes while delivering greater earnings visibility, best-in-class safety performance and operational sustainability. The transaction allows GCT to exit its US operations at what we believe to be an attractive price, while providing the opportunity to simplify and streamline its business to enhance value at the GCT Deltaport and GCT Vanterm terminals in Vancouver. The transaction is subject to customary regulatory approvals, including Port Authority consent, which could take up to 9 months.
- On 20 January 2023, the Fund completed the sale of a 25% stake in M6toll (and related shareholder loans) to GLIL Infrastructure at a material premium to the September 2022 independent valuation. GLIL is a UK-based, long-term investor backed by local pension funds, and is well-known to IFM Investors through our mutual investment in Anglian Water.

New Head of Infrastructure – Europe

Effective 1 January 2023, Deepa Bharadwaj has been appointed as the new Head of Infrastructure – Europe, effective 1 January 2023, following the retirement of Christian Seymour. Christian will, however, remain with IFM as a Senior Advisor and retain his seat on the board of Manchester Airports Group. Additionally, he will lead IFM's Peer Review Team during the asset acquisition process.

Responsible Business Report

In November 2022, IFM published its Responsible Business Report. This annual disclosure provides updates on the activities and progress that we have made for the year to 30 June 2022 in developing and implementing the strategies in relation to IFM's responsible business themes which include climate change, workplace leadership, and inclusion and diversity. The key highlights of the ESG and asset management activities undertaken for the Fund can be found on pages 48 and 49 of the Report.

Market outlook

IFM's 2023 Economic Outlook reflects on the dual challenge of high inflation and weakening economic growth. These forces are shaped by tighter monetary policy and high food and energy prices exacerbated by ongoing sanctions related to the Russia/Ukraine conflict. Major global economic factors such as sustained high inflation, geopolitical uncertainties, continuing tight monetary policy and low consumer sentiment suggest downside risks to economic growth in the year ahead.

Value of fund as at 31.12.2022	€35,046,788