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

Annual Report

Year Ended 31st December, 2023

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Trustees and Other Information

Secretary to the Scheme	Mr. Kevin Derrig, Córas Iompair Éireann, Bridgewater Business Centre, Conyngham Road, Dublin 8.
Actuaries and Consultants	Aon Solutions Ireland Limited Iveagh Court, 6 Harcourt Road, Dublin 2.
Registered Auditors	Forvis 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, Netherlands. CBRE Global Investment Partners Limited, Third Floor, One New Change, London EC4M 9AF, United Kingdom.

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, D08 T9NH .
Registered Administrator	Córas Iompair Éireann Pensions Section, Heuston Station, Dublin 8, D08 E2CV.

Trustees and Other Information (continued)

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

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. 343 of 2022 (Rule 35.2) 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. There were no changes made to the SIPP in 2023.

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 Allocation
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 periods	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 fees	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 fees	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
Paul Neary (Sep 24, 2024 09:06 GMT+1)

Date: **24th September 2024**

Trustees' Report Year Ended 31st December, 2023

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 seven Trustee meetings throughout 2023.

Pension Increases
A review by CIÉ of pensions in payment (excluding vested pensions which have come into payment) took place in July 2023, 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%. The Actuary recommended an employer contribution rate of 2.35 times the employees' contributions for 2021, increasing to a rate of 2.45 times the employees' contributions from 2022 onwards.

The employers have been contributing at the recommended rates. The employers' contribution rate is being reviewed as part of the triennial actuarial valuation at 31st December 2023, which is currently being finalised.

Funding Standard and Funding Standard Reserve
The most recent actuarial funding certificates for the scheme were prepared by the Actuary as at 31st July 2023. These certificates showed that the Scheme met both of the statutory funding tests (the *funding standard* and the *funding standard reserve*) at that date. A copy of these certificates is included in this report. This report also includes a statement from the Actuary which confirms that the Scheme would also have met both of these tests at the year-end, i.e., at 31st December 2023.

Investment Management
The investment policy of the Scheme is to invest the assets 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. 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, 2023 *(continued)*

Financial Developments of the Scheme

The total value of the Scheme's net assets as at 31st December, 2023 amounted to €931.6m compared to a value of €855.9m at the end of the preceding year.

Performance

The overall return on the Fund for the year was a 8.8% compared to a negative return of 15% for the previous year.

Financial Statements

Total contributions and transfers in for the year amounted to €38.2m (2022 – €35m). 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 provides that:

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 €35.2m (2022 - €32m). Investment income for the year amounted to €8.8m (2022 – €7.5m). Change in Market Value of Investments amounted to €65m in 2022 (2022 — negative €149.9m) while Investment Managers' fees, and Custodian fees totalled €1.1m (2022 - €1.1m).

The net increase in the Fund for the year was €75.7m thus increasing the Fund at the end of the year to €931.6m (2022 - €855.9m)

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 appointed to oversee the Scheme are listed on page 3. Some of the Trustees receive a fee for their services in accordance with the Scheme's remuneration policy.

Scheme Changes

There were no scheme changes by means of Statutory Instruments in 2023. The last changes were effected on the 18th July in 2022.

Employer Related Investments

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

Subsequent Events

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

Membership Statistics

The following table shows the membership of the Scheme as at 31st December 2023

	Actives	Deferred	Pensioners	Total
Membership as at 31st December 2022	**6,846**	**2,009**	**3,982**	**12,837**
New Members	806	156	306	1,268
Leavers etc.	387	188	162	737
Membership as at 31st December 2023	**7,265**	**1,977**	**4,126**	**13,368**

Trustees:

M. Madden Michael J. Madden

P. Neary Paul Neary
Paul Neary (Sep 24, 2024 09:06 GMT+1)

Date: 24th September 2024

Statement of Trustees' 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
Paul Neary (Sep 24, 2024 09:06 GMT+1)

Date: 24th September 2024

Actuary's Statement

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

Actuary's Statement pursuant to Section 55(3) 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 July 2023 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 July 2023 and submitted to the Pensions Authority – a copy of that FSRC is included in this report. The FSRC confirmed that the Scheme did hold sufficient additional resources to satisfy the funding standard reserve as provided for in section 44(2) of the Act.

In accordance with the requirements of Section 55(3) of the Act and on the basis of the membership data and asset details advised to me as at 31 December 2023, I am reasonably satisfied that, if I were to prepare an actuarial funding certificate and funding standard reserve certificate as at 31 December 2023, I would have been able to certify that the Scheme satisfied the funding standard provided for in Section 44(1) and funding standard reserve provided for in Section 44(2) of the Pensions Act 1990 as at that date.

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.

An updated triennial valuation, with an effective date of 31 December 2023, is in the course of preparation at the time of signing this statement.

Signature: Aidan Kennedy

Name: Aidan Kennedy

Date: 10 June 2024

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.

forvis mazars

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 the above pension scheme for the year ended 31 December 2023, 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 2023, 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, may 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; and
- the contributions have been paid in accordance with the scheme rules and the recommendation of the actuary.

**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 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.

Forvis Mazars

Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Road
Dublin 2

24 September 2024

Fund Account

	Note	2023	2023	2022	2022
		Year Ended 31st December			
		€000	€000	€000	€000
Contributions and Benefits					
Employer Contributions	5	27,090		24,795	
Employee Contributions	5	11,106		10,158	
Transferred in	5	-		3	
Contributions receivable			38,196		34,956
Benefits paid or payable	6	(31,867)		(29,767)	
Payments to and on account of leavers	7	(1,450)		(983)	
Administrative expenses	8	(1,873)	(35,190)	(1,254)	(32,004)
Net additions from dealings with members			**3,006**		**2,952**
Return on investments					
Investment income	9	8,795		7,454	
Change in market value of investments	10	64,971		(149,877)	
Investment management expenses	11	(1,062)		(1,054)	
Net return on investments			**72,704**		**(143,477)**
Net increase/(decrease) in the fund during the year			**75,710**		**(140,525)**
Net assets of the scheme					
At 1st January			**855,879**		**996,404**
At 31st December			**931,589**		**855,879**

There were no recognised gains or losses other than those included in the fund account for the years 2022 and 2023.

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

Trustees:

M. Madden Michael J. Madden

P. Neary Paul Neary

Paul Neary (Sep 24, 2024 09:06 GMT+1)

Date: 24th September 2024

Statement of Net Assets (Available for Benefits)

	Note	As at 31st December 2023 €000	2022 €000
Investment Assets			
Equities	10	75,376	75,636
Bonds	10	422,481	334,017
Pooled Investment Vehicles	13	336,964	353,007
Property Pooled Investment Vehicles	13	19,279	22,891
Infrastructure	12	67,778	52,625
Derivatives	14	36,695	57,062
Cash and other net investments	15	2,443	3,959
Total Investment Assets		961,016	899,197
Investment Liabilities			
Derivatives	23	(45,871)	(51,734)
Total Net Investment		915,145	847,463
Current Assets	16	19,063	11,280
Current Liabilities	16	(2,619)	(2,864)
Net assets available for benefits		931,589	855,879

* 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
Paul Neary (Sep 24, 2024 09:06 GMT+1)

Date: **24th September 2024**

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.

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

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	
	2023	2022
	€000	€000
Employers		
Normal	26,961	24,767
Additional	129	28
	27,090	24,795
Employees	11,106	10,158
Transferred In	-	3
Total	38,196	34,956

6. Benefits paid or payable	Year Ended 31st December	
	2023	2022
	€000	€000
Pensions	19,086	18,296
Commutation of pensions and lump sum retirement benefits	12,057	10,981
Benefits payable to representatives of deceased members	552	423
Preserved pension deaths	172	67
Total	31,867	29,767

7. Payments to and on account of leavers	Year Ended 31st December	
	2023	2022
	€000	€000
Refunds to members leaving Scheme	140	137
Transfer of service	1,310	846
Total	1,450	983

Notes to the Financial Statements (continued)

8. Administrative expenses	Year Ended 31st December	
	2023	2022
	€000	€000
Administration and processing	677	587
Insurance policy premiums	41	45
Actuarial fees	217	91
Audit fees	18	18
Professional fees	423	282
Registration fees	40	40
Exchange Difference	4	-2
Collateral Interest	453	92
Interest	0	101
Total	1,873	1,254

9. Investment income	Year Ended 31st December	
	2023	2022
	€000	€000
Income from bonds	6,716	5,503
Dividends from equities	1,070	917
Income from Pooled Investment Vehicles—Property	990	1,033
Infrastructure Income	2	-
Miscellaneous Income	17	1
Total	8,795	7,454

Notes to the Financial Statements (continued)

10. Reconciliation of Net Investments

	Value at 01/01/23	Purchases At Cost	Sales Proceeds	Change in Market Value	Value at 31/12/23
	€000	€000	€000	€000	€000
Equities	75,636	7,413	(21,006)	13,333	**75,376**
Bonds	334,017	100,885	(36,320)	23,899	**422,481**
Pooled Investment Vehicles	353,007		(52,696)	36,653	**336,964**
Property Pooled Investment Vehicles	22,891		(9)	(3,603)	**19,279**
Infrastructure	52,625	16,979	(4,121)	2,295	**67,778**
Derivatives	5,328		(6,898)	(7,606)	**(9,176)**
Equities and Fixed Income	**843,504**	**125,277**	**(121,050)**	**64,971**	**912,702**
Cash	**3,959**				**2,443**
Total	**847,463**				**915,145**

At 31st December 2023 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.

Irish Life Investment Managers (ILIM), Irish Property Unit Trust (IPUT), Delta Partners and ACT Venture Capital Ltd. are registered in Dublin. Blackrock and Robeco 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	
	2023	2022
	€000	€000
Investment management fees	941	905
Custodian fees	121	149
Total	1,062	1,054

12. Infrastructure

	Year Ended 31st December	
	2023	2022
	€000	€000
Infrastructure Investments	66,233	52,175
Cash	1,545	450
Total	67,778	52,625

13. Pooled Investment Vehicles (including property)

	Year Ended 31st December	
	2023	2022
	€000	€000
Equity	231,645	228,426
Bonds	52,236	48,897
Derivatives	(174)	(327)
Hedge Funds	52,247	49,734
Property	19,279	22,891
Cash	1,010	26,277
Total	356,243	375,898

14. Derivatives

	Year Ended 31st December			
	2023		2022	
	Assets	Liabilities	Assets	Liabilities
	€000	€000	€000	€000
Options	52	(1,501)	6,470	(3,113)
Swaps	36,643	(44,370)	50,592	(48,621)
Total	36,695	(45,871)	57,062	(51,734)

Notes to the Financial Statements (continued)

14 A. Options	Fair Value 2023		Fair Value 2022	
	Assets	Liabilities	Assets	Liabilities
Expires Within	€000	€000	€000	€000
1—10 Years	52	(1,501)	6,470	(3,113)
Total	52	(1,501)	6,470	(3,113)

14 B.	Swaps	Expires	Fair Value 2023		Fair Value 2022	
	Type	Within	Assets	Liabilities	Assets	Liabilities
	Govrn Interest Rate	1-10 years	22,354	(25,074)	30,195	(26,167)
	Govrn Interest Rate	10-20 years	8,708	(6,679)	13,866	(6,886)
	Govrn Interest Rate	20-30 years	5,581	(12,617)	6,531	(15,568)
	Govrn Interest Rate	30 years +	-	-	-	-
Total			36,643	(44,370)	50,592	(48,621)

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	
	2023	2022
	€000	€000
Cash Euro	2,443	3,959
Total	2,443	3,959

Notes to the Financial Statements (continued)

16. Current assets and liabilities

	Year Ended 31st December			
	2023	2023	2022	2022
	€000	€000	€000	€000
Assets				
Cash	11,571		3,596	
Contributions due from Employer	2,140		2,039	
Contributions due from Employee	873		796	
Due to Scheme re administration charges	-		539	
Prepayments	-		-	
Taxation recoverable	63		70	
Interest receivable	4,416		4,240	
		19,063		11,280
Liabilities				
Investment managers' fees payable	(354)		(310)	
Due to CIÉ re pension payments	(2,174)		(2,554)	
Due to CIÉ re administration charges	(91)		-	
Misc. Expense Accrual	-	(2,619)	-	(2,864)
Total		16,444		8,416

Contributions due:
At the end of 2023 an amount of €3.0m was due to the Scheme from the employers which was in respect of December 2023 contributions, which were received in January 2024.

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 Iompair 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.

Participating Employers
Córas Iompair Éireann
Irish Rail
Dublin Bus
Bus Éireann

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 Iompair 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.

Notes to the Financial Statements (continued)

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 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.

Notes to the Financial Statements (continued)

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.

Notes to the Financial Statements (continued)

22. Investments Exposed to Credit Risk

	Year Ended 31st December 2023 €000	2022 €000
Bonds	**422,481**	**334,017**
Pooled Investment Vehicles:		
- Bond Funds (Direct and Indirect Risk)	**333,394**	**352,995**
- Other Funds (Direct Risk Only)	**19,290**	**22,903**
Infrastructure	**17,732**	**450**
Derivatives—Assets	**36,695**	**57,062**
Derivatives—Liabilities	**(45,871)**	**(51,734)**
Cash and other Net Investment Assets	**6,859**	**8,200**
Total	**790,580**	**723,893**

22 A. Investments Exposed to Interest Rate Risk

	Year Ended 31st December 2023 €000	2022 €000
Bonds	**422,481**	**334,017**
Pooled Investment Vehicles:		
- Bond Funds	**101,618**	**124,593**
Derivatives—Assets	**36,695**	**57,062**
Derivatives—Liabilities	**(45,871)**	**(51,734)**
Cash and other Net Investment Assets	**6,859**	**8,200**
Total	**521,782**	**472,138**

Notes to the Financial Statements (continued)

22 B. Investments Exposed to Other Price Risk

	Year Ended 31st December	
	2023	2022
	€000	€000
Equity	75,376	75,636
Bonds	78,153	14,937
Pooled Investment Vehicles:		
- Bond Funds	231,783	228,418
- Other Funds (Direct risk only)	19,283	22,900
Infrastructure	17,732	450
Total	422,327	342,341

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 2023 €'000's	Value 2022 €'000's
Equities	o	p	o	x	75,376	75,636
Bonds	x	p	x	o	422,481	334,017
Pooled Investment Vehicles	x	p	p	p	336,964	353,007
Property Pooled Investment Direct	p	p	p	x	19,279	22,891
Infrastructure	p	p	p	p	67,778	52,625
Derivatives	p	p	p	p	(9,176)	5,328
Cash and cash equivalents	p	p	p	o	2,443	3,959
Total					915,145	847,463

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	2023
Investment Assets	**€'000's**	**€'000's**	**€'000's**	**€'000's**
Equities	75,376	-	-	75,376
Bonds	-	422,481	-	422,481
Pooled Investment Vehicles	1,135	336,003	(174)	336,964
Property Pooled Investment Vehicles	-	-	19,279	19,279
Derivatives	-	-	36,695	36,695
Infrastructure	1,545	14,162	52,071	67,778
Cash/ Cash Equivalent's	2,443	-	-	2,443
Total	80,499	772,646	107,871	961,016
Investment Liabilities				
Derivatives	-	-	(45,871)	(45,871)
Total Net Investments	80,499	772,646	62,000	915,145

	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

Compliance Statement

Changes to Scheme Rules

There were no changes to the Scheme Rules in 2023.

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 2023, the Actuary certified that the Scheme met the Funding Standard and Funding Standard Reserve 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 2023.

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 2023.

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

Antin Infrastructure Partners

CIÉ—2023 report

Market Overview - As Antin continues to review attractive opportunities for Fund V, NextGen I and Mid Cap I in Europe and North America, we remain disciplined and focused on building resilient portfolios with robust downside protection that are well placed to thrive in a changing economic environment. In November 2023 the final closing for NextGen I was held at its €1.2 billion target, an important chapter in Antin's history of pioneering new infrastructure segments. As of Q4, Fund V had closed on over 90% of its €10 billion target.

Portfolio Performance since inception, with particular emphasis on 2023 - 2023 was a productive year with the announcement of four new investments across our fund strategies, with 75% of these completed on a proprietary basis. Antin also executed on over 180 add-on acquisitions during the year across all strategies. Fund III's Gross IRR and Gross Multiple for the quarter also remain unchanged at 15% and 1.8x.

Kisimul key events • Both occupancy rates and fees ahead of plan and contributing to both revenue and EBITDA being ahead of budget for Q4 2023 • The new children transformation programme is progressing well with a focus on quality-of-care improvements • Continued progress on quality with re-affirmed or improved ratings as part of formal or mock inspections • Reductions in job vacancies following the introduction of new recruitment initiatives, despite continually challenging UK staffing environment • Final tests have been concluded by the police in relation to the two deaths that occurred at a young adult facility in Nottinghamshire in August 2023 (one resident and one care staff worker). No environmental factors or link between the two deaths were identified and the site has been returned to Kisimul.

Hesley key events • Antin announced the sale of Hesley Group to Blandford Capital, a UK-based investment firm focusing on complex situations involving high-quality, asset-backed businesses in November 2023 • Blandford has previous experience in UK social care and one of its founding partners has been the long-time Chair and Trustee of a regulated care provider similar to Hesley. Antin discussed with Blandford for several months and they have outlined their post-acquisition intentions, which include continuing to own and operate the Hesley services, as well as provide further capital to support business needs and growth • Antin wrote down Hesley materially in Q4 2021 and then further substantially in Q1 2023. Hesley's exit valuation is consistent with this valuation and Antin did not receive proceeds from the sale. As such, the sale did not change Fund III's overall performance following the exit. Given the strength of the other portfolio companies and due to the fact that Hesley was the fund's smallest investment, Fund III remains on plan • While this is clearly not Antin's desired financial result, we believe this is a good outcome for Hesley and the communities it serves, and much better than might have been expected in the difficult circumstances Hesley has been operating in. Blandford bought the business on a going concern basis, meaning that there will be no interruption to the services, something that would have been detrimental for its residents and their families.

FirstLight Fiber key events • Full year revenue came in above prior year but just below budget reflecting slight delays in bookings to year-end • EBITDA for the year was comfortably above prior year levels (+13%) and on budget, showing the positive results of FirstLight's margin improvement plan • A new Chief Information Officer was hired to oversee improvements to FirstLight's IT systems to support scaling and future margin improvements • Creation of a dedicated Customer Success Management team focused on managing churn and renewals enabling the sales team to concentrate on pursuing new customer bookings as part of the densification strategy • Completion of a bottoms-up market study defining the addressable market in each region of the network to help more precise direct sales staffing decisions towards under-penetrated regions.

CityFibre key events • Full year revenue reached c.£100 million however came in slightly below budget primarily driven by slower consumer connection pace • EBITDA was in line with budget thanks to cost efficiencies and headcount reductions. EBITDA continues on a trajectory to turn positive by 1H 2024 • Cumulative homes passed stands at 3.6 million, of which 3.2 million are ready for service (RFS). Construction is ongoing in 85 cities, of which 78 cities have homes RFS • CityFibre has secured four Building Digital UK contract awards to date, totalling £387 million in government subsidies, to reach 262,000 rural homes • Connections across the footprint have doubled since 2022 with 337,000 live customers on the network at the end of Q4 2023 • Management continue to focus on optimising the size of the organisation as well as the densification of the footprint.

Lyntia key events • Both revenue and EBITDA were above prior year though below budget due to Avatel customer churn in connection with the final stages of network integration • Roll-up of regional operator FTTH networks and selected greenfield deployments has driven an increase in FTTH footprint with c.2.3 million homes passed (vs. 148,000 at acquisition) • Ongoing discussions with national Spanish internet service providers as potential tenants to further drive organic growth • As an additional step following the sale of Lyntia Networks, post the end of the year, Lyntia Access launched a new brand to enable most related functions to be fully insourced. Going forward Lyntia Access will be called Elantra.

IDEX key events • Revenue and reported EBITDA respectively c.6% above and 0.5% below budget during the quarter • Strong reported performance overall with EBITDA 33% above prior year, which had been impacted by an equipment breakdown 3 • Continued growth trajectory further supported by strong business development activity including the confirmation of two new district heating projects and a dense pipeline of tenders for district heating, energy-from-waste and industrial utilities • IDEX's buildings energy infrastructure division also continues to develop new infra solutions

Investment Managers Reports (Continued)

Antin Infrastructure Partners (Continued)

Global refinancing finalised in Q4 with a €1.7 billion portable, ESG-linked debt package that includes a €500 million capex facility Sølvtrans key events • On a full year basis, both revenue and EBITDA were broadly in line with budget • Revenue and EBITDA for the quarter were c.25% and c.33% above prior year, respectively • Revenue for the quarter was also above budget vs. the prior year, whilst EBITDA was slightly below • During the quarter, Sølvtrans took delivery of a new wellboat, Ronja Borøy, with the vessel already starting operations for a Norway-based fish farmer • The latest delivery brings the current fleet to 44 wellboats and one harvest vessel, with a further four vessels under construction.

3. Outlook for 2024 Looking onwards to 2024, for Fund III Antin will continue to evaluate value creation progress and potential exit options across the portfolio. Fund V will hold a final close by the end of 2024. Additional information shall be available from the Investor Relations team.

Valuation of fund as at 31.12.2023	€14,260,385

Investment Managers Reports (Continued)

BlackRock

Market Review

Global markets largely pushed higher in 2023 despite economic headwinds and the emergence of financial cracks. At the beginning of the year, investors broadly expected risk assets to be weighed down by elevated rates and the specter of recessions. Yet, equity indices finished Q4 near record highs, propelled for much of the year by the enthusiasm over artificial intelligence (“AI”), and bond markets normalized more recently, in anticipation of rate cuts and a soft landing in 2024.

Investors encountered multiple regime shifts in 2023 and structural changes surfaced, reshaping markets. Soaring interest rates triggered a bank run during Q1 and led to the collapse of select financial institutions. Few expected that mania around AI would push stocks to new levels. The excitement drove meaningful gains for some mega cap tech names and masked weakness in other areas of the market. Stronger-than-expected economic data over the summer and concerns around US debt sustainability drove a historic bond rout, pushing long term Treasury yields to their highest level in 16 years. Yields eventually drifted lower during Q4 as price pressures eased materially and investors placed bets on an imminent end to the current tightening cycle. Major central banks largely held interest rates steady during the final months of 2023 and the faster-than-expected decline in inflation led to a rapid rethink by monetary authorities who had forecasted a longer period of elevated rates. Euphoria in markets also set in during the final weeks of Q4 when the Federal Reserve indicated it would likely shift to rate cuts, rather than rate hikes in 2024.

Escalating geopolitical tensions and political gridlocks brought fragility to world security and uncertainty to markets. Global risks edged higher in 2023 with war erupting in the Middle East, the ongoing invasion of Ukraine, and continued strategic posturing between major powers. Partisan disagreements in the US over the debt ceiling led to the prospect of a default over the summer while tumult in Congress hampered the government’s ability to provide critical aid as conflicts unfolded globally. In Q4, the US updated its export control measures, further restricting China’s access to advanced semiconductors and chip making tools. Still, in the midst of greater global and political risks, markets were largely steady, with moves remaining relatively muted in select sectors such as commodities

Market Outlook

At the outset of each calendar year, we offer our outlook on broad market themes that have the potential to drive opportunities in the hedge fund space. These forward-looking views are comprised of longer-term, multi-year developments that are generally derived from secular trends and shifting market dynamics. This approach may differ from a more conventional checklist of market forecasts or economic projections but is reflective of the way we approach identifying and investing in inefficient areas of capital markets. As we have noted in prior years, it is possible that many of these themes overlap, evolve, merge, and even repeat themselves over time.

In last year’s market outlook, we highlighted the possibility of a new market regime with greater and more persistent macro and market volatility, as well as the likelihood it may take years to fully understand the impacts of how a long stretch of low inflation, low interest rates, and low volatility might unwind. In retrospect, 2023 turned out to be an eventful year. We saw a banking crisis, concurrent wars, and China’s economic reopening run out of steam; all against a backdrop of aggressive rate hikes, heightened geopolitical risks, and ongoing fears of recession. In many ways, the market absorbed these events with little volatility. Equity markets were propelled higher by a handful of mega cap tech stocks (i.e., the “Magnificent Seven”) that accounted for roughly 30% of the S&P 500’s market value and 75% of its return. While this concentrated, low volatility rally limited the opportunity set for some alpha seeking strategies, many of the structural forces at play, like greater macro uncertainty and meaningful secular shifts, led to more return dispersion beneath the surface, upon which hedge funds were able to capitalize.

Looking forward, we believe the global economy and geopolitical dynamics will remain in a state of transition, which should continue to drive heightened uncertainty ahead. Yet even with the economic instability and global frictions we are already witnessing, markets remain eerily calm. While some investors are finding reasons to be optimistic about the market’s path forward, others will point to a growing list of concerns. For example, bullish participants are calling out the progress central banks have made to tame inflation (without significantly impairing growth), the prospects for more accommodative monetary policy, and the potential impact of artificial intelligence on corporate earnings. On the other side, skeptics point to rich valuations, tighter financial conditions, and pockets of credit distress, as well as the potential for both a re-emergence of inflationary pressures and central bank missteps. For now, markets are seemingly priced near perfection and the risks appear lopsided. Against this backdrop, we believe hedge funds continue to play a critical role in portfolios. Hedge funds are well-positioned to adapt to shifting market regimes, with the flexibility to trade tactically and deliver uncorrelated returns relative to traditional asset classes. With the potential of diminished correlation benefits between fixed income and equities, hedge funds offer a path to participate in an environment where assets may continue to push higher in the near term, while also mitigating downside risks.

While there are several themes we have discussed in prior years, which are structural in nature and still apply today, we focus on four key themes below with the potential to drive opportunities in the hedge fund space in 2024 and beyond.

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

Valuation 31.12.2023.	€52,247,017

Investment Managers Reports (Continued)

The CBRE—Global Alpha Platform

The CBRE – Global Alpha Platform ("Global Alpha" of "the Fund") consists of CBRE Global Alpha Fund FCP-SIF, CBRE Global Alpha QFPF Parallel Fund FCP-SIF, and CBRE Global Alpha QFPF II Parallel Fund FCP-SIF. The Fund is open-ended.

The Investment Objective of Global Alpha is to achieve a total return over a rolling three-year period of between 9% and 11% in local currency per annum net of all fees and expenses for both Global Alpha and the underlying investments.

Global Alpha weathered continued volatility in Q4 2023, generating a total return of 2.6%. The changing interest rate environment continues to negatively impact valuations across the real estate sector. However, operating fundamentals generally remain healthy in the preferred sector exposures within the Fund. Global Alpha fell short of its investment objective as the difficult capital markets environment persisted. The 3-year annualised return was 4.7% and the 1-year was -5.5%.

Although not meeting its absolute investment objective, Global Alpha generated robust relative performance versus global real estate benchmarks. The Fund exceeded the MSCI Global Property Funds Index (MSCI GPFI) over 1, 3, 5-year and since inception time periods through Q3 2023 (latest available index data). Notably, amidst the trailing 1-year downturn, Global Alpha outperformed MSCI by 450bps, demonstrating resilience.

The funds top contributors to performance this quarter underscore its strong positioning and the value of listed REITs, private credit, and niche exposures within Global Alpha. For the second consecutive quarter, two of the top three return contributors were new investments made in the past couple years, highlighting the positive impact of our recent investment decision-making.

The Fund's net asset value (NAV) declined from USD 7.7 billion to USD 7.6 billion. The Fund made no new commitments, maintaining a cautious approach in a volatile market environment. There were modest drawdowns from existing investments amounting to USD 28.8 million.

We continued to actively manage exposures, notably selling USD 45.9 million of units in the Prologis European Logistics Fund at an attractive premium to Q3 NAV. The Fund also received USD 44.2 million in returns of capital, largely from sales of assets.

With ample liquidity including a cash balance of 8.9% of NAV, Global Alpha remains well-positioned to handle liquidity requirements and source opportunities. We received USD 15.9 million of new investor commitments in Q4 2023 and USD 424.5 million year to date, with additional commitments in late stages of due diligence.

	Q4 2023	1 year	3 year (p.a)	5 year (p.a)	Since Inception (p.a) *	Performance objective (3 year p.a)
Portfolio	-2.6%	-5.5%	4.7%	4.7%	8.9%	9-11%

Valuation of funds 31.12.2023	€16,186,599

Investment Managers Reports (Continued)

Delta Equity Fund LP

Valuation of funds 31.12.2023	€7,390

Investment Report 2023

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 2023 was 16.6%.

Transactions during 2023

In June 2023, we received an escrow payment of €55k arising from the sale of Tango Telecom in May 2021. This brings to €758k the total proceeds arising from the sale of Tango. Under the terms of the sale, DEF is due to receive a further escrow of ~€0.2m in 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.

2024 outlook

We expect minimal activity in 2024. The next Tango escrow is due to be collected in Q2 2025.

Derivatives

The fund does not use derivative instruments.

Investment Managers Reports (Continued)

I.F.M. Investors – Infrastructure

Fund performance[1]

The IFM Global Infrastructure Fund ("GIF" or "the Fund") delivered a gross return of 2.9% (in local currency terms) for the quarter. The Fund returned 5.3% in USD terms on a gross, unhedged basis, reflecting a net USD depreciation against portfolio currencies. Over the past 12 months, the portfolio has achieved a gross local currency return of 10.2%.

The return for the December quarter reflects outperformance in a number of assets including Baltic Hub Container Terminal (+12.6%), Atlas Arteria (+8.1%), Naturgy (+7.3%), Vienna Airport (+6.6%), and Switch (+6.3%), partially offset by a broader increase in risk free rates and financing assumptions reflecting movements in interest rates. Arqiva (-5.3%) and GCT Global Container Terminals (-1.3%) experienced the largest declines during the quarter. The Fund received distributions totalling US$106.3 million during the quarter, primarily from Sydney Airport, Manchester Airports Group and Colonial Pipeline Company.

Sub-sector highlights

Despite headwinds from high energy prices, slowing macroeconomic and trade conditions, and geopolitical uncertainty, global aviation traffic remains on a steady recovery trend supported by continued pent up demand for short-haul and leisure air travel. For the month of November 2023, the International Air Transport Association ("IATA") reported that global aviation passenger kilometres reached 99% of 2019 levels (compared to 77.9% of 2019 levels at the same time last year). A number of the Fund's airport assets have experienced a similar trend with the November 2023 traffic figures reaching above 90% pre-pandemic levels, supported by both the introduction of new airlines and resumption of previous airline services. The global aviation outlook is expected to remain positive, supported by the continued recovery of tourism, the reopening of the Chinese market and the gradual ramp-up of airline services.

Toll Road assets continue to demonstrate steady performance, underpinned by increasing levels of work-related automobile commutes, and higher congestion levels and works on competing roads. Financial outperformance has been supported by a number of concession agreements that allow the escalation of toll prices in line with inflation.

The Seaports sub-sector continued to experience a period of softening in global trade volumes, reflecting existing challenges from macroeconomic and geopolitical headwinds. We are closely monitoring the impact of the effective closure of the Red Sea shipping lanes following Houthi attacks on civilian shipping vessels and the re-routing of this trade via the Cape of Good Hope. To date, GIF's ports have not been materially affected and the impact to volumes has been negligible.

The Midstream sub-sector experienced mixed results, with ongoing recovery in throughput volumes for fuel transportation, reflecting strong jet fuel and gasoline demand and lower diesel demand. There has also been some recovery in demand for fuel storage as fuel markets move away from deep backwardation. The Fund's midstream assets continue to actively invest in the energy transition to meet increasing market demand and align with supportive governmental policies.

Fund activity

Effective on 1 January 2024, the Fund issued a capital call of c.US$1.2 billion to finance acquisitions, repay the Fund facility and support working capital needs.

In late November 2023, Buckeye entered into a definitive agreement alongside its JV partners BASF and TotalEnergies to opportunistically divest the idled gulf coast Sabina Pipeline for a total sale price of $180 million, resulting in an approximate $118 million of net proceeds corresponding to Buckeye's equity share.

The GIF 2023 Annual General Meeting was held in Madrid, Spain on 17-18 October. The AGM showcased IFM's investments in Spain (in particular with a site tour of GIF's investment in Naturgy), and provided an overview of the past year for GIF, and key themes for the Fund going forward. Materials can be made available on request and a link to the recording of the key sessions is provided here.

Value of fund as at 31.12.2023	€37,331,029

Investment Managers Reports (Continued)

Insight

1 Market Commentary

In 2023, it became apparent that the inflation surge, which took off in 2022, had peaked and begun to reverse course. The world's major central banks continued to tighten monetary policy, fearful of allowing inflation to return, or become ingrained in expectations and sentiment. Interest rates were taken to levels not imposed since before the 2008 global financial crisis and government bond yields followed suit. However, as it became clear that the battle against inflation was being won, markets began to anticipate, potentially prematurely, a forthcoming easing cycle starting in 2024, leading bond yields substantially lower in the fourth quarter. That trend has been supported by the softness of economic growth and expectations for sub-trend levels of activity ahead.

European government bond yields experienced plenty of volatility throughout 2023, with the benchmark 10-year German bond yield first falling back below 2%, before it trended unsteadily higher, peaking just below 3% in late-September. Yields fell precipitously in November and December, again dipping below 2%, before closing 2023 at 2.02%, a decline of 54 basis points (bp) overall. Some other eurozone countries saw yields decline even further. Italy's 10-year government bond yield fell be just over 1%, to 3.69%.

Risk assets had notably strong performance in the main across 2023. There were some periodic bouts of volatility throughout, but both equity and credit markets generated strong performance overall as stock prices increased and credit spreads tightened, notably so in the final two months of the year. The Bloomberg US Aggregate Corporate Index spread tightened by 31bp over the year as a whole, while the Bloomberg Euro Aggregate Corporate Index and the Bloomberg Sterling Agg Corporate Index were 29bp and 55bp tighter respectively.

Equity markets generally enjoyed a positive year in 2023, with most major indices generating strong returns, particularly in the final quarter. Technology stocks were notably strong as investors interest was strong in those companies leading the way in the field of artificial intelligence. The Nasdaq Composite Index gained 43.4%, while the broader S&P 500 Index gained 24.2%. Outside the US, Japan's Nikkei 225 Index rose by 28.2%, while Europe, the Eurostoxx 50 Index gained 19.2%. However, the more diverse Stoxx Europe 600 Index was only 12.7% higher. The UK's FTSE 100 Index lagged behind, gaining only 3.8% during the year. However, the FTSE 100 Index had held up well in 2022 as other markets declined significantly.

2 Performance

LDI

During 2023, the portfolio increased in value by €15.5m or 6.72%, underperforming the liability benchmark by €0.4m or -0.33%. The positive absolute performance was driven by the fall in interest rates over the year.

Since inception, the portfolio has decreased in value by €29.3m or -1.89% pa, underperforming the liability benchmark by €2.8m or -0.29% pa. The negative absolute performance was driven by the 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

During 2023, the portfolio increased in value by 11.04%. The positive performance was driven by a tightening in credit spreads and a decrease in interest rates.

Since inception in March 2021, the portfolio fell in value by 5.47%.

Equity Protection

Regular Wages

During 2023, the portfolio fell in value by €4.5m. Since inception, the portfolio decreased in value by €33.3m. The negative performance was driven by a rise in the underlying equity markets. Equities rising increases the market-implied likelihood of the equity indices being above short call strikes at the maturity date.

3 Market Outlook

Our wider outlook is for a continuation of slowly rising growth and falling inflation in 2024. However, in contrast to 2023, the global economy is expected to be moving from an environment of rising real rates to one where real rates decline. We believe that backdrop will be positive for risk assets. However, the decline in inflation is more likely to experience periodic setbacks than continue smoothly downward, and each new setback could mean central banks act more cautiously when it comes to easing policy than markets would wish. Recession is not our base case, but cannot be ruled out, and we would expect any serious reversal to be met with swift action from respective central banks. As 2024 passes, the US presidential and congressional election and their potential consequences may become increasingly important talking points, and particularly how they affect the outlook for the US economy, foreign policy and the various global conflicts.

Investment Managers Reports (Continued)

Insight

The eurozone still faces the genuine risk of recession, and it may already be the case within some individual countries. We expect growth in 2024 to be well below the trend rate and similar to 2023, around 0.5%. Inflation is expected to moderate further and is likely to approach the 2% target level during 2024. The European Central Bank, though retaining a hawkish tone in its rhetoric, is likely to have reached the peak level of interest rates and be in position to begin loosening policy during 2024, particularly if the Fed begins to cut rates, or if a broader recession materialises across the eurozone. As with the US, the extent to which bond yields have declined in the last two months, makes it difficult to expect substantial and lasting further declines. Our central 12-month forecasts are close to current levels.

Within investment grade credit, valuations remain reasonably attractive in the eurozone and momentum for risk assets has been quite strong in markets in recent months. Valuations in the US currently appear more neutral. High levels of interest rates that have undermined the attraction of longer-dated credit, are expected to begin declining in coming months. If, as we expect, the global economic backdrop remains modestly positive and recessions can be avoided, the backdrop could be supportive for credit to perform well overall. We expect to be in a position look more favourably on credit early in 2024. We retain an active approach to credit selection, aiming to benefit from the ability to exploit the distortions within credit markets and single-name dispersion at a security selection level.

Valuation as at 31.03.2016 (Inception)	€266,843,152
Valuation of fund as at 31.12.2023	€330,173,128

Investment Managers Reports (Continued)

Irish Life Investment Review

Irish Life Investment Managers (ILIM)

Market Overview

The global economy entered 2023 with market expectations of recessionary conditions due to the sharpest rate hiking cycle in 40 years and still-elevated inflation. However, as the year progressed, the global economy, especially the US, proved resilient and inflation fell. Meanwhile, policy responses to banking crises led to limited contagion. Elsewhere, the Russia-Ukraine conflict continued and there was an escalation of tensions in the Middle East in Q4.

Economic activity data broadly surprised positively in 2023, especially in the US, while it was more mixed in China and the Eurozone. Overall, global growth forecasts for 2023 were raised from 1.8% at the start of the year to 2.7% with most of this driven by the US where forecasts were raised from 0.3% to 2.5% by year end..

In 2023, global developed market equities rallied strongly, rising by 21.2% in euro terms. Equities were buoyed by resilient economic activity as well as falling inflation and, towards the end of the year, expectations that central banks would ease policy in 2024. The development and implementation of artificial intelligence (AI) was also supportive as it led investors to believe the technology has the potential to boost productivity and company profit margins significantly in the medium term.

Portfolio Performance

Fund Name	QTD	YTD	3 Years p.a.	5 Years p.a.	10 Year p.a.
Alpha Cash Fund Series 4	1.0%	3.0%	0.7%	0.3%	0.0%
Hedged Indexed World Equity Fund	9.4%	21.2%	6.8%	11.1%	10.2%
RAFI Multi Factor Develop Index Hedged Fund	7.2%	12.4%	-	-	-
RAFI Multi Factor Developed Index Fund	5.2%	10.7%	11.2%	-	-

Market Outlook

Equities Outlook

Global equities were resilient in 2023 as recession fears receded and a peak in central bank policy rates has likely been reached. While global earnings are forecast to be only modestly higher in 2023 by approximately 0.3%, they have held up better than feared at the start of the year as sales have surprised to the upside in the better economic backdrop and the margin squeeze for corporates has been less than anticipated. Earnings are expected to grow by over 10.3% in 2024.

Global equities valuations are slightly above long-term averages, trading on a 12-month forward P/E multiple of 16.8x against a long-term average of 16.0x. The 12-month forward P/E for the MSCI USA is 20.1x against a long-term average of 17.2x. Equities outside the US offer more attractive valuations. For example, Europe ex-UK equities trade at a multiple of 13.1x, in line with the long-term average and Japanese equities trade at 14.8x versus a long-term average of 15.8x.

The outlook for equities on a 12-month view is positive. Central banks are likely to pivot towards looser policy in 2024 as inflation continues to fall. An increasing probability of a soft landing with a rebound in both growth and earnings in 2024 should also provide support. Over the medium term, the rollout of AI should boost efficiencies and earnings across the whole market and allow equities trade at higher valuation levels. The ongoing green related capex cycle could also boost earnings over the medium term. Any short-term volatility in markets is likely to be offset by the above factors resulting in positive returns on a 12-month time frame.

Valuation of Fund as at 31.03.2016 (Inception date)	€209,181,293
Valuation of fund as at 31.12.2023	€231,576,219

Investment Managers Reports (Continued)

Irish Property Unit Trust (IPUT)

In a challenging year, our long-term focus yet again proved its worth 2023 was a challenging year for global economies and the commercial real estate sector generally. However, it is precisely at times of uncertainty that IPUT's multi-cycle experience becomes a key differentiator for us. We look beyond short-term cyclical influences and focus on income which is resilient and underpins a strong and growing dividend stream. Our proven record of delivering consistent returns was sustained thanks to our prime portfolio, our robust rent collection, and our prudent capital management. We have a well-defined strategy which is underpinned by our responsible investment approach, and this continued to deliver results in 2023.

Income and dividend resilience were the key to our performance Despite the macroeconomic backdrop and the interest rate-fuelled capital value movements in our sector during 2023, we achieved 100% rent collection, secured €6.5 million in new rental income, and paid a dividend of €107 million, all while maintaining one of the lowest loan-to-value rates in the industry. We made a number of strategic disposals in order to recycle capital. We agreed 17 new lettings and 16 rent reviews. And we achieved rents that were at, or ahead of, baseline assumptions. Like all real estate funds, we were not immune from capital value declines, but the resilience of our income and dividend differentiated us from a performance perspective.

We benefitted from our sustainability credentials and calibre of our occupiers Our market-leading portfolio, which comprises the top performing tier of real estate in each of the sectors in which we are invested, is notable both for its best-in class sustainability and for the stature of the domestic and international occupiers in our buildings. These occupiers support thousands of jobs and play a significant role in driving Ireland's economic performance. The calibre of our domestic and international investor base is also a reflection of the quality of our buildings and occupiers.

Our team's holistic approach and agility was recognised and rewarded IPUT's success in 2023 was yet again a testament to the hard work of our people and their focus on consistently enhancing our portfolio through recycling capital, redevelopment, and reinvestment. We own, develop, and manage the real estate within our portfolio. We have in-house expertise to assist with acquisitions and disposals, planning, valuations, marketing, research and sustainability. This creates an agility and dynamism that sets us apart. We were delighted to have this recognised at the KPMG Irish Independent Property Industry Excellence awards in November where we were awarded 'Property Fund Manager of the Year' for the second year running.

We stuck with our plan - and that plan continued to deliver At IPUT, we have remained focused on repositioning towards sectors and locations that offer the best long-term return prospects for our investors, who include the pension funds of many large public and private sector companies. That strategy continued to work for us in 2023. • We met and in many cases exceeded our goals for the year. • We continued repositioning our portfolio towards defensive sectors like Central Business District Offices, Logistics and Out-Of-Town Retail Parks. • We repositioned several assets to improve their sustainability credentials. • We continued our ambitious development programme. • We enhanced our flex offering, which secured new lettings for the business. • We supported cultural and charitable initiatives in the neighbourhoods where we have a footprint. • We reinforced our market leading positions in sustainability and thought leadership.

We listened to our occupiers and kept abreast of market trends Over the course of the last year, we actively increased engagement with our occupiers in order to better understand and deliver on their expectations. This regular engagement ensures that we can tailor our offering to meet our occupiers' current needs while our in-house research capabilities help keep us abreast of emerging trends globally.

We positioned ourselves well for 2024 Transaction volumes globally were below par in both the occupational and investment markets in 2023. Our own capital value movements during the year reflected the market uncertainty fuelled by successive interest rate hikes. However, value corrections also highlighted the transparency of the valuation process in Ireland and vindicated IPUT's approach to proactive and prudent asset management. Our plan for 2024 is to continue to deliver on our long-term strategic goals. The Irish economy has proven remarkably resilient, which is supportive of continued employment growth, which in turn feeds into demand for real estate in the sectors in which we are concentrated. I would like to take this opportunity to thank the entire IPUT team and the Board for their steadfast dedication to continuing to deliver for our shareholders and stakeholders in 2023. As interest rates and real estate yields normalise during 2024, we are well placed to take advantage of the opportunities that will invariably arise in the Dublin market.

Valuation 31.12.2023	€19,278,867

Investment Managers Reports (Continued)

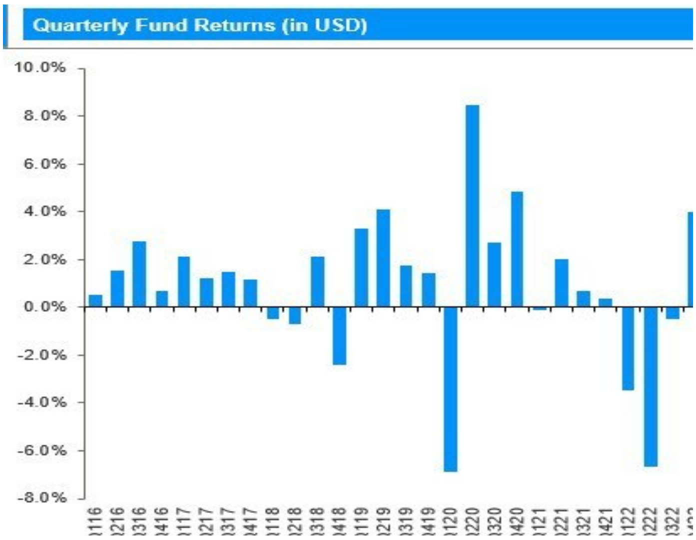
JP Morgan Asset Management

Multi Sector Credit Fund – 2023

Market review

Fixed income markets were positive in 2023 across the board. Expectations of early central bank cuts, tightening spreads and a weakening dollar supported with strong positive returns in 2nd half of the year. Spreads on high yield and emerging market debt fell as the funding risk posed by higher for longer US rates for emerging market economies and riskier companies faded. Emerging market corporate debt returned 5.52% and leveraged loans returned 2.85%. Global indices enjoyed a further tailwind as a weakening dollar boosted USD returns for global investment grade credit. Market sentiment was even more mercurial than normal over 2023, bouncing from recession worries at the start of the year, to resilient growth over the summer, to higher for longer in the autumn, and ending the year focused on future rate cuts.

Portfolio positioning and performance



The fund produced a total return of 9.90% over 2023 (gross of fees). Total returns experienced in each respective quarter were 2.16%, 0.90%, -0.27% and 6.91%.

In the first quarter of the year, we decreased our allocation to Europe's relative proximity to Russia, and its heavy energy dependence. The asset classes significantly underperformed in the first few months of the year and due to the challenging geopolitical backdrop and the Fed's fastest pace of raising rates had higher cash n the portfolio.

As we moved into the second quarter, we increased our allocation in Investment grade credit and Europe High Yield given the favorable fundamental and technical backdrop, where we believed high yield continued to provide attractive carry. Higher funding costs had started impacting interest coverage ratios for US industrials and issuers took advantage of low interest rates in recent years to increase the maturity of their debt profiles and effectively lock in lower rates.

Over the third and fourth quarter, we continued to increased our high yield exposure, finishing the year at 41.4% in HY allocations. The allocations to the US loans too increased over the quarter from a 0.3% as of March end to 3.20% in December. Leveraged Loans (CSLL) performed very well among its other fixed income asset class peers for the year 2023 despite changing market dynamics. Our increase to high yield and loans were funded by a moderate decreased in allocation to investment grade (IG) credit and bank capital, with IG exposure at 18.6%, down from 26.1% at the end of March 2023.

Multi-Sector Credit Fund Key Positions and Rationale

	Allocation	Q123	Q223	Q323	Q423	Comment
Traditional Sector Allocation	US Loans	0.3%	0.2%	0.1%	3.2%	We increased our loan exposure consistent with our view toward risks and valuations.
	US High Yield	22.7%	22.3%	24.5%	27.3%	Increase to high yield exposure consistent with moderating our recession view.
	EUR High Yield	9.9%	11.2%	12.7%	14.1%	We increased our allocation in anticipation of a Fed pivot on interest rate hikes
	EMD	5.8%	5.7%	3.7%	3.5%	We reduced our allocation to EM corporates; EM corporate credit fundamentals remain strong, however, global economic headwinds will affect all sectors albeit with regional variation.
	Global Investment Grade	26.1%	27.4%	23.5%	18.6%	We reduced exposure to IG as funding source for HY allocation. Fundamentals for IG corporate credit in the US and Europe continue to normalise but remained robust through the quarter.
Extended Allocations	Bank Capital	19.4%	21.3%	23.8%	20.6%	We decreased our allocation to bank capital at the margin. Due to a challenging macroeconomic outlook and turmoil in the banking sector, we have reduced the position cautiously.
	Corporate Hybrids	5.2%	5.3%	6.7%	8.1%	We increased our allocation over the quarter to hybrids as part of a broader re-risking pivot.
	Convertibles	3.2%	3.3%	3.4%	3.2%	We maintained our exposure to convertibles.
Credit Hedge	Portfolio Hedges*	-5.5%	-3.2%	0.0%	0.02%	We closed portfolio hedges through Q3 2023.
Cash	Cash	7.4%	3.2%	1.4%	1.4%	Our cash exposure decreased.

Source: J.P. Morgan Asset Management. The fund is an actively managed portfolio. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice. *Credit derivatives are shown in terms of notional MV%. Holdings include single name CDS, index CDS and options on CDS indices. Notional option and curve positions are delta adjusted based on a given reference price in the index CDS at time of publication. A further adjustment is applied for investment grade sensitivity where applicable to determine the investment grade equivalent of all the credit derivative exposures.

Outlook

From a macro perspective, our GFICC team has increased the probability of above-zero global growth to 65%, while the probability of recession (including a crisis scenario) has dropped to 35%. The U.S. labor market has cooled off, more importantly, inflation has fallen surprisingly close to the Fed's 2% target. While the slowdown was evident, recession is now looking increasingly remote. In both our Sub Trend Growth and Recession scenarios, the Treasury-risk asset correlation should return to its normal negative relationship and work as a hedge to riskier assets. The primary risk remains a return to higher inflation and a central bank policy response of further tightening.

From a portfolio standpoint, we have increased our headline duration to ~3.86 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 ~53% (in terms of quality allocation, using middle of S&P, Fitch and Moodys). For credit markets, the combination of moderate growth, continued disinflation and central bank bias toward easing created a very different macro backdrop from what we had seen in recent years – and, in our view, a powerful tailwind to the bond markets.

Investment Managers Reports (Continued)

JP Morgan Asset Management (continued)

Valuation at Inception 31.03.2016	€81,129,047
Valuation of fund as at 31.12.2023	€53,128,888

Investment Managers Reports (Continued)

Robeco

Market Overview

The market is now pricing in a best-case scenario. Spreads have moved significantly, and parts of the US credit markets are in or shifting towards the bottom decile in valuations. We normally see this at the end of long bull markets and not in an environment like this. Market technicals have improved in the last quarter on more stable rates markets. However, sentiment remains tenuous as we have witnessed throughout this year. Markets are priced on very high expectations and that means there is plenty of room for disappointment. It will take a more serious slowdown or recession to move markets more materially.

Portfolio Performance

Since end of January 2023 until end of 2023 the total return of the portfolio amounted to +10.8%, driven mainly by a positive contribution of rates return as Euro rates fell in the last quarter in 2023, accompanied by a positive contribution in spread performance. In terms of sector communications and natural gas performed relatively better than other sectors. The highest contributors to the performance are banking and consumer non-cyclical.

Outlook 2024

When we look at corporate fundamentals, we are seeing margin compression in certain sectors. As inflation is coming down, pricing power seems to be on the decline as well. As wages lag, we think margin pressure could intensify going forward. Last year, sectors such as technology and heavy industrials struggled with declining margins. So far, few companies have been willing to let go of employees. Scarred by the difficulty to find staff and bolstered by the healthy buffers accumulated during Covid, companies have been willing to let margins slide over shedding labour costs.

As more companies in the bond market need to refinance in 2024, these effects will soon become more visible. For high-leveraged companies, higher rates will have a material impact on a company's financials. For investment grade companies the effects will, in most cases, be small.

The banking sector globally remains relatively cheap. In particular, senior bank bonds have generally lagged the market and can still be considered on the cheap side. With many companies experiencing margin pressure or debt burdens too high for the current rate environment, we expect to see companies migrate in rating, or in the case of high yield, even default.

Investment grade credit is still at attractive levels and with good return prospects, the asset class can compete with many other more risky classes. On the negative side we will continue to see quant tightening from central banks. The Fed, ECB and BoE have all indicated they will continue to reduce their balance sheets. The ECB, in particular, holds a considerable position in corporate bonds that ultimately needs to be unwound over the medium term.

We have reached the end of one of the sharpest hiking cycles in modern history. Economies in Europe and the US have so far moved through it without being derailed. Markets have declared victory and fully embraced a soft landing. However, we remain cautious, as it is likely we have not fully seen the impact of the tightening cycle. Central banks are gradually pivoting, but rate cuts are still a few months away it seems.

Valuation 31.12.2023.	€88,901,140

Investment Managers Reports (Continued)

Walter Scott

Annual Commentary Year Ending 31 December 2023

PERFORMANCE

In 2023, global equity markets navigated heightened volatility amid increased geopolitical tension and inflationary pressures. Despite this, global equity markets, dominated by the 'Magnificent Seven', recorded an unexpectedly strong year. This performance was less driven by corporate earnings growth and more by investor focus on the long-term potential of AI and the changing narrative concerning interest rate policies. Against this backdrop, the portfolio returned 18.7%, compared to MSCI ACWI (ndr) which grew by 18.1%.

Every sector within the portfolio, except for financials, posted positive absolute returns over the year. The materials and communication services sectors were notably strong. Technology holdings were key contributors on an absolute basis, however, they lagged their sector index and detracted the most from relative return. Whilst the holding in **Cognex** was a key detractor, the main relative performance drag came from not holding two of the 'Magnificent Seven', NVIDIA and Apple. Consumer staples stocks, particularly **Costco** and **Alimentation Couche-Tard**, led their sector benchmark peers and contributed the most to relative performance. Materials holdings outperformed and were key relative contributors. An absence from the relatively weak energy and utilities sectors contributed further to relative return.

From a regional viewpoint, sole emerging markets stock, **Taiwan Semiconductor**, and Japanese holdings, particularly **Shin-Etsu Chemical**, were the strongest performers in absolute terms and contributed the most to relative return. US and Pacific ex-Japan stocks underperformed and detracted the most from relative performance.

COMMENTARY

Most global equity markets enjoyed a buoyant year, despite a variety of macroeconomic and global political headwinds. Fears of imminent recession and of the impact of tight monetary policy that were common currency at the start of the year, were confounded by economies that performed better than expected, while investor attention turned to the prospect of lower interest rates given the gradual easing of inflationary pressures. Nonetheless, the demise of Silicon Valley Bank in March acted as a stark reminder of the damage that higher interest rates can inflict on vulnerable business models and highlighted the merits of financial strength and robust long-term growth runways.

US equities enjoyed a strong year, although one which was marked by market concentration and a rise in valuations, particularly in the Magnificent Seven. For much of 2023, the Federal Reserve maintained its tight monetary stance, and although still wary about lingering core inflation, September marked the peak in the Feds Funds Rate. Investors gradually priced in the prospects of multiple interest rate cuts in 2024 - by December, inflation had fallen to 3.4%, which stood in marked contrast to the June 2022 peak of 9.1%. The relatively strong performance of the US economy also helped sentiment, with the consumer proving more resilient than expected, despite the headwinds of elevated inflation and high interest rates, thanks to a tight labour market.

Europe flirted with recession for most of the year, although the various measures to support the consumer in the face of the spike in energy prices and a tight labour market were helpful in bolstering private consumption to a degree. As with the US, the euro zone gradually witnessed an easing of inflationary pressures as energy prices eased, and as supply chain constraints improved. The December 2.9% rise in inflation represented a significant fall in the pace of inflation from the 8.6% recorded at the start of the year, although the European Central Bank showed little appetite for a *volte face* in monetary policy given a 'still sticky' view of core inflation. Nonetheless, expectations rose that the bank will eventually change course in 2024.

In Japan, the prospect of a breakout from the economy's longstanding deflationary straitjacket, improvements in competitiveness thanks to yen weakness, moves to promote better corporate governance, and the relative cheapness of Japanese companies (many of which are stuffed with cash), were behind the market's resurgence. Despite inflation remaining above target, the Bank of Japan largely kept to its ultra-loose monetary policy in view of its belief that inflationary pressures will ease, and indeed, recent data backed this view.

In contrast to the broadly optimistic tone of global markets, Hong Kong and Chinese equities languished in the doldrums. Despite some tentative measures aimed at stimulating activity, the government did not wheel out a larger bazooka to foster faster growth. Post-Covid economic recovery continued to be lacklustre, at least relatively, with attention focused on the travails of the real estate market with concerns compounded by deflationary fears and tepid consumer spending. China is undergoing a growth reset, partly fostered by a regime that is following a very *dirigiste* agenda, but the country remains an important cog in world trade.

Investors have bought into the narrative of monetary easing and a global soft landing. This may continue to underpin investor sentiment, but there are risks to this rosy scenario. The lagged effects of inflation and costlier money may further impinge on consumers and businesses, and test some of the more sanguine views on global growth. Core inflation may remain sticky, and expectations of imminent monetary relaxation may be premature. Elevated valuations in certain areas of the market leave little room for disappointment, either in terms of growth or monetary policy direction. Despite the current optimism over an easing of policy, a return to the days of ultra-low interest rates is unlikely and unwarranted. The cost of capital has risen and will increasingly be a differentiating factor between financially strong companies and those with weak, highly levered business models. So far, rising global political tensions have been set aside by stock markets, but they remain a potential source of volatility. But rather than guess macro events that are beyond our control, we will continue our focus on businesses that enjoy market leadership, sturdy balance sheets, and have an ability to lever on long-term trends that will drive their growth for years to come, irrespective of any near-term challenges.

Investment Managers Reports (Continued)

Walter Scott (continued)

Performance	CIE Pension RWS (gross) %	CIE Pension RWS (net) %	MSCI ACWI (ndr) %
Q4 2023	6.9	6.7	6.4
Q3 2023	-3.1	-3.3	-0.5
Q2 2023	5.8	5.7	5.7
Q1 2023	8.3	8.1	5.4
Last 12 months	18.7	18.0	18.1
Annualised Returns			
Three years	9.9	9.2	9.4
Five years	14.7	14.0	12.5
Ten years	13.3	12.6	10.3
Inception 08-September-2010	13.3	12.6	10.4
Annual Returns			
2023	18.7	18.0	18.1
2022	-13.8	-14.3	-13.0
2021	29.6	28.8	27.5

Value of Investment as at 31.03.2016 (Inception date—Current Mandate)	€61,863,218
Value of fund as at 31.12.2023	€76,466,133