

CIÉ Pension Scheme for Regular Wages Staff



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

Annual Report

Year End 31st December 2025



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Trustees and Other Information

Trustees

Pillar 2 Pension Trustees Limited (Mr Michael Madden—Chair)

Mr Gary Blake

Mr Ultan Courtney

Mr James Doran

Mr Ronan Gill

Mr Alan Hanlon

Mr. Stephen McKelvey

Mr Paul Neary

Secretary to the Scheme

Mr. Kevin Derrig,

Córas Iompair Éireann,

Bridgewater Business Centre,

Conyngham Road,

Dublin 8.

Actuaries and Consultants

Aon Solutions Ireland Limited,

Fifteen George's Quay,

Dublin 2,

D02 VR98.

Registered Auditors

Forvis Mazars,

Block 3 Harcourt Centre,

Harcourt Road,

Dublin 2.

Investment Advisors

Aon Solutions Ireland Limited,

Fifteen George's Quay,

Dublin 2,

D02 VR98.

Investment Managers

Blackrock,

Amstelplein 1,

P.O. Box 94292,

Amsterdam 1090 CG,

Netherlands.

CBRE Global Investment Partners Limited,

Third Floor, One New Change,

London EC4M 9AF,

United Kingdom.

CIÉ Pension Scheme for Regular Wages Staff

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

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

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

*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

*HarbourVest Partners,
9, Rue de Bitbourg,
L-1273, Luxembourg,
Grand Duchy of Luxembourg*

Infrastructure

*Antin Infrastructure Partners,
14 St. Georges Street,
London W1S 1FE.*

*I.F.M. Investors (Infrastructure),
3rd Floor,
60 Gresham Street,
London EC2V 8BB.*

CIÉ Pension Scheme for Regular Wages Staff

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

*CIÉ Group Solicitor,
Córas Iompair Éireann,
Bridgewater House,
Dublin 8,
D08 T9NH .*

Registered Administrator

*Córas Iompair Éireann,
Pensions Office,
Heuston Station,
Dublin 8,
D08 E2CV.*

Principal and Participating Employers

Córas Iompair Éireann (CIE)
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

CIÉ Pension Scheme for Regular Wages Staff

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 3). 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 the Main Provisions 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.

CIÉ Pension Scheme for Regular Wages Staff

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:

Actual pensionable service completed
Possible Pensionable Service at NRA

 X

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.

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 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 Pension Scheme for Regular Wages Staff

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. For staff appointed on or after 18th July 2022, the normal age of retirement is the State Pension Age (currently 66). 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.

CIÉ Pension Scheme for Regular Wages Staff

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. This SIPP has been agreed by the Trustees of the Córas Iompair Éireann Pension Scheme for Regular Wages Staff on the 4th June 2025.

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, having consulted with and given due consideration to the views of CIÉ, have overall responsibility for the investment of the Scheme's assets, including setting the investment strategy and appointing 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 September 2022.

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 2022.

Strategic Asset Allocation

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

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Strategic Asset Allocation

Asset Type	Asset Class	Target Asset Allocation
Growth (45%)	Equities	30%
	Hedge Funds	5%
	Property	5%
	Infrastructure	5%
Matching (55%)	LDI (Liability Driven Investment)	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.

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

CIÉ Pension Scheme for Regular Wages Staff

the investment objectives, where due regard is paid to the interests of CIÉ in relation to the ability to continue paying employer contributions.

9. 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.

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	

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Environmental, Social & Governance (“ESG”) Risks

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. Before appointment of a new asset manager, the Trustees will consider the extent to which the new investment aligns with the Trustees' policies. The Trustees 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 believe 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 Trustees' 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 Trustees' 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

CIE Pension Scheme for Regular Wages Staff

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

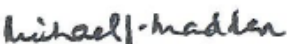
The Trustees do not consider the principal adverse impacts of investment decisions on sustainability factors, as per Article 4 of the SFDR, due to the size, nature and scale of activities undertaken by the Scheme. The Trustees will keep this under review, and may consider such impacts in the future.

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.

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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	6.25%
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	6.25%
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	6.25%
Equity	Irish Life Investment Managers	ILIM RAFI Multi Factor	RAFI Multi Factor Developed Index	To perform in line with the benchmark before fees	6.25%
Equity	HarbourVest	HarbourVest 2024 Global Feeder AIF SCSp	MSCI AC World Index NDR	To outperform the benchmark by 3% p.a. net of fees over rolling 3 year periods	5.0%
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	Robeco	Robeco Credit Fund	Bespoke Liability Benchmark	To hedge a percentage of the liability benchmark	11.0%
Credit	J.P. Morgan	J.P. 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 

P. Neary 
Paul Neary (Sep 22, 2026 17:20:12 GMT+1)

Date: 22nd September 2026

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Trustees' Report

Introduction

In accordance with the requirements of the Pensions Act, 1990, and the Occupational Pensions Schemes (Disclosure of Information) Regulations, 2006 (as amended) 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.

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 be paid for by the Scheme.

There were 8 Trustee meetings throughout 2025.

Pension Increases

A review by CIÉ of pensions in payment (excluding vested pensions which have come into payment) took place in July 2025, 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 of 31st December 2023. In the Report on this valuation, the Actuary commented that there is a past service deficit of €132.601m, equivalent to a past service funding level of 87.5%.

The Actuary calculated that an employer contribution rate of 4.05 times the employees' contributions is required to fund future service accrual and address the past service deficit (equivalent to 14.8% of pensionable pay per annum).

The threshold of 2.7 times members' contributions as set out in the governing statutory instrument (SI 343 of 2022) is breached and therefore triggers a review of contributions payable by the Board and the Members.

Currently, there is ongoing engagement between employee representatives and the Employers. In that context, the Actuary believes it is reasonable for the Employers to maintain the existing multiple of 2.45 while this Review Process remains ongoing.

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Funding Standard and Funding Standard Reserve

The Scheme satisfied the Statutory Funding Standard, including the Funding Standard Reserve, at the 31st December 2023. The statutory funding level was 106.7% while the overall funding level (i.e. inclusive of the funding standard reserve), was 101.0%. A positive actuarial statement as at 31 December 2025 has been provided for inclusion in the Trustee Annual Report while actuarial certificates, prepared with effective dates of 31 December 2023, have been submitted to the Pensions Authority.

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 48 to 66. A Statement of Investment Policy Principles adopted by the Trustees is included in this report on pages 9 to 14.

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 entitlement.

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:-

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Risks	Steps being taken to minimise risks
The assets may not achieve the expected return	See Statement of Investment Policy Principles at page 9.
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.

Financial Developments of the Scheme

The total value of the Scheme's net assets as at 31st December 2025 amounted to €1,045.9m compared to a value of €999.4m at the end of the preceding year.

Performance

The overall return on the Fund for the year was 4.6% compared to a return of 7.3% for the previous year.

Financial Statements

Total contributions and transfers in for the year amounted to €50.9m (2024 - €44.6m). 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:

CIÉ Pension Scheme for Regular Wages Staff

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 €40.4m (2024 - €39.5m). Investment income for the year amounted to €8.0m (2024 €7.5m). Change in Market Value of Investments amounted to €29.0m in 2025 (2024 €56.4m) while Investment Managers' fees, and Custodian fees totalled €1.1m (2024 €1.2m).

The net increase in the Fund for the year was €46.4m thus increasing the Fund at the end of the year to €1,045.9m (2024 - €999.4m).

Management of the Scheme

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

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

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

The Trustees 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 2025. The last changes were affected on the 18th July in 2022.

Contributions Over Payment by Dublin Bus

During the year, a historical overpayment of employer contributions by Bus Átha Cliath (Dublin Bus) of €0.78m was identified. The overpayment was fully recovered through a contribution holiday applied during the final two contribution periods of the year following approval by the Trustees.

Employer Related Investments

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

Subsequent Events - CIÉ Pension Proposal 2025

In 2025, CIÉ made proposals to the Trade Union Group to change some of the Scheme's rules in order to improve the long-term sustainability of the Scheme. These proposals were voted on and approved in a postal ballot of active members in August 2025. A draft Statutory Instrument to give effect to the proposals was published by the Minister for Transport on the 12th of June 2026 as part of the standard consultation process. If the Statutory Instrument is implemented, the Scheme will be closed to new entrants, with new employees joining a defined contribution plan. In addition, there will be an increase in the lump sum payable at retirement for active members of the Scheme and a proposed company-funded pension increase for pensioners. At the date of approval of this report, the signing of the Statutory Instrument was awaited.

CIÉ Pension Scheme for Regular Wages Staff

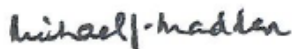
Membership Statistics

The following table shows the membership of the Scheme as at 31st December 2025.

	Actives	Deferred	Pensioners	Total
Membership as at 31st December 2024	7,897	1,943	4,262	14,102
New Members	1,024	110	281	1,415
Leavers etc.	445	88	142	675
Membership as at 31st December 2025	8,476	1,965	4,401	14,842

Trustees:

M. Madden



P. Neary


Paul Neary (Sep 22, 2026 17:20:12 GMT+1)

Date: 22nd September 2026

CIÉ Pension Scheme for Regular Wages Staff

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 (as amended) 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:

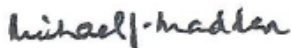
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Ensure that the financial statements have been prepared in accordance with the Statement of Recommended Practice, Financial Reports of Pension Schemes (revised 2018),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



P. Neary


Paul Neary (Sep 22, 2026 17:20:12 GMT+1)

Date: 22nd September 2026

Report of the Actuary (including report on Actuarial Liabilities)

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 December 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 December 2023 and submitted to the Pensions Authority – a copy of that FSRC is included in this report. The FSRC confirmed that the Scheme held 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 2025, I am reasonably satisfied that, if I were to prepare an Actuarial Funding Certificate and Funding Standard Reserve Certificate as at 31 December 2025, I would have been able to certify that the Scheme satisfied the Funding Standard provided for in Section 44(1) and the 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 2023.

The valuation result, which incorporates an allowance for discretionary post-retirement pension increases, disclosed an employer contribution multiple of 4.05 times members' contributions, which exceeds the threshold of 2.7 times members' contributions as set out in the relevant governing statutory instrument (SI 343 of 2022), and therefore triggered a review of contributions payable by the Board and the Members.

The valuation report noted that initial engagement with employee representatives had commenced and concluded that it was reasonable for the Employers to maintain the existing multiple of 2.45 (on the basis that the existing multiple exceeded the rate projected to be necessary to maintain the funding standard position until 31 December 2026) while the Review Process remained ongoing, subject to a re-assessment of the appropriate multiple upon the conclusion of discussions.

The Review Process resulted in a set of proposals agreed between CIÉ and the Trade Union Group (TUG) in May 2025, which were subsequently backed by union members in a ballot in August 2025. The changes include the closure of the Scheme to new entrants and the establishment of a defined contribution arrangement for new employees, an enhancement to the retirement gratuity and improvements to the death-in-service lump sum, and provisions in respect of pension increases. The changes have received Ministerial approval and, at the time of signing this statement, statutory instruments to formalise the changes had been published and were within the formal 28-day observation period.

Signature:



Aidan Kennedy

Name:

Date:

1 July 2026

Scheme Actuary Certificate Number: P084

Qualification: Fellow of the Society of Actuaries in Ireland

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



CIE Pension Scheme for Regular Wages Staff

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 valuation¹ of the scheme prepared on a triennial basis. The most recent formal actuarial valuation of the Scheme was carried out as at **31st December 2023**. 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	931,589
Value of Accrued Liability	1,064,190
Surplus/(Deficit)	(132,601)
Funding Level	87.5%

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	3.75% pa
Inflation	2.25% pa
Wage increases	2.75% pa upon the expiry of existing pay agreements <i>plus</i> a promotional pay scale)
Pension increases	2.25% pa from 2025 [0% in 2024]
Demographic assumptions	
Post-retirement Mortality	100% of S3 PMA (Middle) / PFA (Middle) (with CMI (2021) improvements from 2013, $S_k=7.0$, $A=0.5$, LTR 1.5% pa) (year of use = 2024)
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 2026 although, having regard to the valuation result that disclosed an employer contribution multiple in excess of the threshold of 2.7 set out in the governing statutory instrument that triggers a review of the contributions payable by the Board and Members, the valuation report recommends an earlier re-assessment of the contribution multiple upon conclusion of discussions with member representatives.

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.



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE 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 2025, which comprise the Fund Account, the Net Assets Statement and notes to the accounts, including the summary of material accounting policies. The financial reporting framework that has been applied in their preparation is Irish pension law, FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council (FRS 102), the Statement of Recommended Practice – Financial Reports of Pension Schemes (SORP) and the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended).

In our opinion the accompanying financial statements:

- give a true and fair view of the financial transactions of the scheme during the year ended 31 December 2025, 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;
- have been properly prepared in accordance with FRS 102.

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 OF
C.I.É. PENSION SCHEME FOR REGULAR WAGES STAFF (Continued)**

Other information

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

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 course of 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 in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management 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 (as amended).

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 OF
C.I.É. PENSION SCHEME FOR REGULAR WAGES STAFF (Continued)

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. 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 of the pension scheme as a body. Our audit work has been undertaken so that we might state to the pension scheme's trustees 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 of the pension scheme, as a body, for our audit work, for this report, or for the opinions we have formed.

Other required reporting - Occupational Pension Schemes (Disclosure of Information) Regulations 2006

In our opinion:

- the financial statements include the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 which is applicable and material to the scheme.
- 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 recommendation of the actuary.

A handwritten signature in dark ink that reads "Forvis Mazars".

Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

Date: 24 September 2026

CIÉ Pension Scheme for Regular Wages Staff

Fund Account

	Note	Year Ended 31st December			
		2025	2025	2024	2024
		€000	€000	€000	€000
Contributions and Benefits					
Employer Contributions	5	35,924		31,647	
Employee Contributions	5	14,966		12,946	
Transferred in	6	9		11	
Contributions receivable			50,899		44,604
Benefits paid or payable	8	(36,897)		(36,170)	
Payments to and on account of leavers	7	(1,819)		(1,558)	
Administrative expenses	9	(1,638)	(40,354)	(1,773)	(39,501)
Net additions from dealings with members			10,545		5,103
Return on investments					
Investment income	10	8,012		7,490	
Change in market value of investments	11	29,022		56,430	
Investment management expenses	12	(1,146)		(1,174)	
Net return on investments			35,888		62,746
Net increase in the fund during the year			46,433		67,849
Net assets of the scheme					
At 1st January			999,438		931,589
At 31st December			1,045,871		999,438

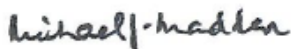
CIÉ Pension Scheme for Regular Wages Staff

There were no recognised gains or losses other than those included in the fund account for the years 2024 and 2025.

The notes on pages 30 to 43 form part of the financial statements.

Trustees:

M. Madden



P. Neary



Paul Neary (Sep 22, 2026 17:20:12 GMT+1)

Date: 22nd September 2026

CIÉ Pension Scheme for Regular Wages Staff

Statement of Net Assets (Available for Benefits)

		As at 31st December	
	Note	2025	2024
		€000	€000
Investment Assets			
Equities		76,840	88,151
Bonds		489,600	451,787
Pooled Investment Vehicles	13	386,780	369,479
Property Pooled Investment Vehicles	13	18,450	18,136
Infrastructure	12	80,008	73,611
Derivatives	14	44,180	45,855
Cash and other net investments	15	2,219	3,054
Total Investment Assets		1,098,077	1,050,073
Investment Liabilities			
Derivatives	14	(69,893)	(64,874)
Total Net Investment		1,028,184	985,199
Current Assets	16	21,423	17,634
Current Liabilities	16	(3,736)	(3,395)
Net assets available for benefits		1,045,871	999,438

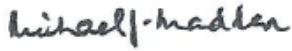
The notes on pages 30 to 43 form part of the financial statements.

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.

CIÉ Pension Scheme for Regular Wages Staff

Trustees:

M. Madden



P. Neary


Paul Neary (Sep 22, 2026 17:20:12 GMT+1)

Date: 22nd September 2026

CIÉ Pension Scheme for Regular Wages Staff

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

CIÉ Pension Scheme for Regular Wages Staff

(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
(xlili)	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 (as amended) 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 supported by Chartered Accountants 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 21 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

CIÉ Pension Scheme for Regular Wages Staff

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 is 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

CIÉ Pension Scheme for Regular Wages Staff

the Scheme such as fees, commissions, stamp duty and other fees. Other investment management expenses are accounted for on an accruals basis and shown separately within investment returns.

g) Valuation and classification of investments

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

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

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

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

5. Contributions

Employer contributions recognised during the year are net of a contribution holiday of €0.78 million relating to the recovery of historical employer contributions overpaid by Dublin Bus.

	Year Ended 31st December	
	2025	2024
	€000	€000
Employers		
Normal	35,792	31,275
Additional	132	372
Total	35,924	31,647
Employees	14,966	12,946
Total	50,890	44,593

CIÉ Pension Scheme for Regular Wages Staff

6. Transfers into the Scheme

	Year Ended 31st December	
	2025	2024
	€000	€000
Transfers In	9	11
Total	9	11

7. Payments to and on account of leavers

	Year Ended 31st December	
	2025	2024
	€000	€000
Refunds to members leaving scheme	256	249
Individual transfers to other schemes	1,563	1,309
	1,819	1,558

8. Benefits paid or payable

	Year Ended 31st December	
	2025	2024
	€000	€000
Pensions	21,003	20,153
Commutation of pensions and lump sum retirement benefits	15,468	15,083
Benefits payable to representatives of deceased members	426	900
Preserved pension deaths	-	34
Total	36,897	36,170

CIÉ Pension Scheme for Regular Wages Staff

9. Administrative expenses	Year Ended 31st December	
	2025	2024
	€000	€000
Administration and processing	791	882
Insurance policy premiums	42	44
Actuarial fees	233	245
Audit fees	18	18
Professional fees	464	326
Registration fees	44	41
Exchange Difference	-	2
Collateral Interest	46	208
Interest	-	5
Misc Fees & Exceptional Items	-	2
Total	1,638	1,773

10. Investment income	Year Ended 31st December	
	2025	2024
	€000	€000
Income from bonds	5,927	5,456
Dividends from equities	949	980
Income from Pooled Investment Vehicles—Property	1,048	1,029
Infrastructure Income	76	8
Miscellaneous Income	12	17
Total	8,012	7,490

CIÉ Pension Scheme for Regular Wages Staff

11. Reconciliation of Net Investments

	Value at 01/01/25	Purchases At Cost	Sales Proceeds	Change in Market Value	Value at 31/12/25
	€000	€000	€000	€000	€000
Equities	88,151	14,366	(22,969)	(2,708)	76,840
Bonds	451,787	105,923	(59,857)	(8,253)	489,600
Pooled Investment Vehicles	369,479	6,000	(33,994)	45,295	386,780
Property Pooled Investment Vehicles	18,136	-	-	314	18,450
Infrastructure	73,611	5,987	(658)	1,068	80,008
Derivatives	(19,019)	-	-	(6,694)	(25,713)
Equities and Fixed Income	982,145	132,276	(117,478)	29,022	1,025,965
Cash	3,054				2,219
	985,199				1,028,184

At 31st December 2025 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.

12. Investment Management Expenses

	2025	2024
	€000	€000
Investment management fees	1,023	1,046
Custodian fees	123	128
Total	1,146	1,174

CIE Pension Scheme for Regular Wages Staff

13. Infrastructure	2025 €000	2024 €000
Infrastructure	76,856	71,853
Cash	3,152	1,758
Total	80,008	73,611

14. Pooled Investment Vehicles (including property)	2025 €000	2024 €000
Equity	250,165	247,576
Bonds	58,993	53,890
Hedge Funds	61,577	57,101
Property	18,450	18,136
Cash	16,045	10,912
Total	405,230	387,615

15. Derivatives	2025		2024	
	Assets €000	Liabilities €000	Assets €000	Liabilities €000
Swaps	42,545	(51,356)	41,748	(51,870)
Options	1,635	(18,537)	4,107	(13,004)
Total	44,180	(69,893)	45,855	(64,874)

15.A Swaps

Type	Expires Within	Fair Value 2025		Fair Value 2024	
		Assets €000	Liabilities €000	Assets €000	Liabilities €000
Government Interest Rate	1-10 years	24,183	(24,929)	25,627	(29,644)
Government Interest Rate	10-20 years	11,600	(10,325)	10,697	(10,512)
Government Interest Rate	20-30 years	6,762	(16,102)	5,424	(11,714)
Total		42,545	(51,356)	41,748	(51,870)

CIÉ Pension Scheme for Regular Wages Staff

15.B Options

	Fair Value 2025		Fair Value 2024	
	Assets €000	Liabilities €000	Assets €000	Liabilities €000
Expires Within				
1-10 years	1,635	(18,537)	4,107	(13,004)
Total	1,635	(18,537)	4,107	(13,004)

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.

16. Cash and other net investment balances

	2025 €000	2024 €000
Cash Euro	2,219	3,054
Total	2,219	3,054

17. Current assets and liabilities

	Year Ended 31st December			
	2025 €000	2025 €000	2024 €000	2024 €000
Assets				
Cash	11,682		9,335	
Contributions due from Employer	1,395		1,060	
Contributions due from Employee	3,412		2,597	
Prepayments	164			
Taxation recoverable	42		49	
Interest receivable	4,728		4,593	
		21,423		17,634
Liabilities				
Investment managers' fees payable	(388)		(426)	
Due to CIÉ re pension payments	(2,839)		(2,268)	
Due to CIÉ re administration charges	(509)		(599)	
Misc. Expense Accrual		(3,736)	(102)	(3,395)
Total		17,687		14,239

CIÉ Pension Scheme for Regular Wages Staff

Contributions due:

At the end of 2025 an amount of €4.8m was due to the Scheme from the employers which was in respect of December 2025 contributions, which were received in January 2026.

18. Related party transactions

Transactions in relation to the employer and other members are disclosed on the face of the fund account on page 26.

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

Investment Managers

The Investment Managers are as outlined in pages 3 - 5. 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 12.

Registered Administrator

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

19. 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.

20. Self investment

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

21. Subsequent Events - CIÉ Pension Proposal 2025

In 2025, CIÉ made proposals to the Trade Union Group to change some of the Scheme's rules in order to improve the long-term sustainability of the Scheme. These proposals were voted on and approved in a postal ballot of active members in August 2025. A draft Statutory Instrument to give effect to the proposals was published by the Minister for Transport on the 12th of June 2026 as part of the standard consultation process. If the Statutory Instrument is implemented, the Scheme will be closed to new entrants, with new employees joining a defined contribution plan. In addition, there will be an increase in the lump sum payable at retirement for active members of the Scheme and a proposed company-funded pension increase for pensioners. At the date of approval of this report, the signing of the Statutory Instrument was awaited.

22. 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.

CIÉ Pension Scheme for Regular Wages Staff

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 9 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 33%, government bonds and corporate bonds (including non-Euro) including multi asset credit 22%, 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 ringfenced 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.

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.

CIÉ Pension Scheme for Regular Wages Staff

23. Investments Exposed to Credit Risk	Year Ended 31st December	
	2025	2024
	€000	€000
Bonds	489,600	451,787
Pooled Investment Vehicles:		
- Bond Funds (Direct and Indirect Risk)	372,185	361,166
- Other Funds (Direct Risk Only)	18,450	18,136
Infrastructure	24,845	19,788
Derivatives—Assets	44,180	45,855
Derivatives—Liabilities	(69,893)	(64,874)
Cash and other Net Investment Assets	6,946	7,654
Total	886,313	839,512

23 A. Investments Exposed to Interest Rate Risk	Year Ended 31st December	
	2025	2024
	€000	€000
Bonds	489,600	451,787
Pooled Investment Vehicles:		
- Bond Funds	135,164	119,297
Derivatives—Assets	44,180	45,855
Derivatives—Liabilities	(69,893)	(64,874)
Cash and other Net Investment Assets	6,946	7,654
Total	605,997	559,719

23 B. Investments Exposed to Other Price Risk	Year Ended 31st December	
	2025	2024
	€000	€000
Equity	76,866	88,151
Bonds	268,433	125,843
Pooled Investment Vehicles:		
- Bond Funds	266,211	250,175
- Other Funds (Direct risk only)	18,450	18,136
Infrastructure	78,240	71,853
Cash and other Net Investments	1,327	-
Total	709,527	554,158

CIÉ Pension Scheme for Regular Wages Staff

23 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 2025 €'000's	Value 2024 €'000's
Equities	o	p	o	x	76,840	88,151
Bonds	x	p	x	o	489,600	451,787
Pooled Investment Vehicles	x	p	p	p	386,780	369,479
Property Pooled Investment Direct	p	p	p	x	18,450	18,136
Infrastructure	p	p	p	p	80,008	73,611
Derivatives	p	p	p	p	(25,713)	(19,019)
Cash and cash equivalents	p	p	p	o	2,219	3,054
Total					1,028,184	985,199

24. 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)

CIÉ Pension Scheme for Regular Wages Staff

	Level 1	Level 2	Level 3	<u>2025</u>
	€'000's	€'000's	€'000's	€'000's
Investment Assets				
Equities	76,840	-	-	76,840
Bonds	-	489,600	-	489,600
Pooled Investment Vehicles	16,045	370,735		386,780
Property Pooled Investment Vehicles	-	-	18,450	18,450
Derivatives	-	-	44,180	44,180
Infrastructure	5,537	-	74,471	80,008
Cash/Cash Equivalent's	2,219	-	-	2,219
Total	100,641	860,335	137,101	1,098,077
Investment Liabilities				
Derivatives	-	-	(69,893)	(69,893)
Total Net Investments	100,641	860,335	67,208	1,028,184
	Level 1	Level 2	Level 3	<u>2024</u>
	€'000's	€'000's	€'000's	€'000's
Investment Assets				
Equities	88,151	-	-	88,151
Bonds	-	451,787	-	451,787
Pooled Investment Vehicles	10,912	358,567	-	369,479
Property Pooled Investment Vehicles	-	-	18,136	18,136
Derivatives	-	-	45,855	45,855
Infrastructure	6,432	-	67,179	73,611
Cash/ Cash Equivalent's	3,054	-	-	3,054
Total	108,549	810,354	131,170	1,050,073
Investment Liabilities				
Derivatives	-	-	(64,874)	(64,874)
Total Net Investments	108,549	810,354	66,296	985,199

The 2024 comparative figures for presentational purposes have been reclassified to ensure consistency with the basis of presentation applied in the current year. This reclassification has no impact on total investments or the net assets of the Scheme.

CIÉ Pension Scheme for Regular Wages Staff

Compliance Statement

Changes to Scheme Rules

There were no changes to the Scheme Rules in 2025.

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

The Scheme satisfied the Statutory Funding Standard, including the Funding Standard Reserve, at the valuation date. The statutory funding level was 106.7% while the overall funding level (i.e. inclusive of the funding standard reserve), was 101.0%. A positive actuarial statement as at 31 December 2025 has been provided for inclusion in the Trustee Annual Report while actuarial certificates, prepared with effective dates of 31 December 2023, have been submitted to the Pensions Authority.

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 2025.

A revaluation took place in 2025 in respect of vested benefits. This revaluation resulted in an increase of 2.2% for vested benefits which had not come into payment as at 31st December 2025.

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.

CIÉ Pension Scheme for Regular Wages Staff
Funding Certificates



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: 31/12/2023

EFFECTIVE DATE OF PREVIOUS
CERTIFICATE (IF ANY): 31/07/2023

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 €931,589,000.00, 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 €872,710,000.00, 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:  Date: 30/09/2024

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: SR3609222 Submitted Electronically on: 30/09/2024

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: 31/12/2023

**EFFECTIVE DATE OF PREVIOUS
CERTIFICATE (IF ANY):** 31/07/2023

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 €872,710,000.00,

(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 €931,589,000.00,

(3) €436,274,000.00, 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 €43,644,000.00,

(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 €5,579,000.00,

(6) the aggregate of (4) and (5) above amounts to €49,223,000.00, and

(7) the additional resources (as defined in the Act) of the scheme amount to €58,879,000.00, 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 hold sufficient additional resources to satisfy the funding standard reserve as provided in section 44(2) of the Act.

CIÉ Pension Scheme for Regular Wages Staff

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:	<u>30/09/2024</u>
Name:	<u>Mr Aidan Kennedy</u>	Qualification:	<u>FSAI</u>
Name of Actuary's Employer/Firm:	<u>Aon Solutions (Ireland) Limited</u>	Scheme Actuary Certificate No.:	<u>P084</u>

Submission Details

Submission Number:	SR3609223	Submitted Electronically on:	30/09/2024
Submitted by:	Aidan Kennedy		

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers' Reports

Antin

Overview

Antin Infrastructure Partners III is a €3.6bn brownfield infrastructure fund focused on digital, energy & environment, transport and social infrastructure across Europe and North America. As at 31 December 2025, the fund is fully invested and has entered its value realisation phase.

Performance to 31 December 2025

At fund level, Gross IRR stands at 13% with a Gross Multiple of 1.9x. From an investor perspective, Total Value to Paid-In Capital (TVPI) is 1.6x, with Net IRR of 9%. Cumulative capital called amounts to €3.47bn, while cumulative distributions total €1.85bn, representing 51% of committed capital. Net Asset Value at year end was €4.24bn.

Portfolio Highlights

Operational performance across the portfolio remained robust. CityFibre delivered record quarterly customer connections and increased penetration, supporting longer-term value creation. FirstLight Fiber achieved solid revenue and EBITDA growth driven by enterprise demand and expanded product offerings. IDEX continued its strong growth trajectory supported by international energy infrastructure contracts. Elanta's mature and largely integrated fibre network generated high cashflows, enabling a €47m distribution during Q4. Kisimul showed meaningful recovery with significant improvements in occupancy, staffing and EBITDA, while Sølvrans delivered stable performance underpinned by contracted revenues and fleet expansion.

Liquidity and Capital Position

The fund maintains a strong liquidity profile with €330m of unfunded commitments available for capital call and an undrawn €200m revolving credit facility. There have been no covenant breaches, and leverage across portfolio companies remains within acceptable parameters.

Outlook for 2026

The outlook for 2026 is positive, with Antin expecting increased realisation activity as several mature assets approach planned exit windows, including Elanta, FirstLight Fiber, IDEX and Sølvrans. The focus will remain on cash generation, disciplined capital investment and operational optimisation. While macroeconomic conditions remain uncertain, the portfolio benefits from contracted revenues, inflation-linked pricing mechanisms and defensive infrastructure characteristics, supporting continued value crystallisation and progressive distributions to investors.

Valuation of fund as at 31.12.2025	€15,926,247
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CIE Pension Scheme for Regular Wages Staff Investment Managers Reports (Continued)

BlackRock

Review & Outlook: BlackRock Appreciation Strategy

February 2026

Market Review

Markets rallied with surprising resilience in 2025, moving past early turbulence to deliver broad-based gains across asset classes. Durable economic growth, continued AI momentum, and an accommodative policy backdrop aided the market rally, marking a third straight year of double-digit gains for major equity indices. A new trend also emerged in 2025 as regional stimulus and a weaker US dollar drove the outperformance of global vs US equities, with emerging market equities in Asia outpacing the S&P 500 for the first time in nearly a decade. Major central banks diverged as the Federal Reserve and ECB alternated rate cutting cycles, while the BOJ hiked rates to its highest level in 30 years.

Performance Review

The BlackRock Appreciation Strategy, ICAV ("BASICAV") has generated positive, absolute returns since CIE's inception in March 2021 and has continued to execute on its objectives to deliver stable, uncorrelated returns irrespective of the direction of equity and fixed income markets. BASICAV continued to do what it was designed to do in 2025, recording positive absolute returns. Of the major strategies the portfolio invests in, Relative Value ("RV") strategies led the way with gains over 2025, while both Event Driven ("EV") and Fundamental Long/Short ("LS") strategies added to performance. Within RV, rates managers benefitted from Dutch pension reform-linked trades over H2, while statistical arbitrage performance stabilized after a difficult Q3, and turned positive in Q4. EV managers finished 2025 on a strong note, as hard catalyst situations contributed to EV equity returns, and distressed programs were rewarded by idiosyncratic opportunities. LS strategies ended 2025 with positive performance as equity managers capitalized on strong security selection while credit funds profited from catalyst trades. DT funds extended Q3 gains into Q4 but ended the year largely flat.

Market Outlook: 2026 and Beyond

At the start of each year, we offer clients our perspective on longer-term, structural developments that have the potential to drive opportunities for hedge funds ("HF"). While several themes discussed in prior years continue to apply today, we focus below on those we believe are especially relevant for 2026 and beyond.

- **Artificial Intelligence:** We believe AI creates a compelling opportunity for HFs to capitalize on dispersion, whilst we also reinforce the importance of engaging with AI thoughtfully, both as an investment theme and as a tool supporting the investment process. AI has evolved from a discrete investment theme into a pervasive force shaping capital allocation, market structure, and investor behavior across asset classes. As the cycle matures, the opportunity set is likely to become more fragmented, with outcomes increasingly driven by execution, timing, and fundamentals rather than narrative alone. HFs are integrating AI into their workflows to address longstanding bottlenecks in research and data processing. Against this backdrop, success will depend less on broad exposure and more on selectivity and adaptability.
- **Asset Valuations:** Major equity indices continue to set new records and credit spreads remain moored near historically low levels. We believe rich valuations and abundant liquidity can obscure growing vulnerabilities. Given how easily credit was extended over recent years, we believe it would be unsurprising to see a larger number of defaults as the cycle matures. Against this backdrop, our focus remains firmly on process rather than short-term performance. We use a granular understanding of our HF exposures to probe downstream risks, challenge assumptions, and forecast how portfolios might behave under stress. This framework shifts the emphasis away from views predicated on historical returns to proactive risk management, positioning us to navigate a variety of market scenarios with confidence and enhance overall portfolio resilience.
- **Portfolio Construction:** Recent market dynamics have widened the range of potential outcomes and increased the risk of corrections in select areas of equity and credit markets. As a result, we believe effective portfolio construction today requires moving beyond simplistic notions of diversification and towards more intentional ownership of risk. This means building portfolios across multiple dimensions, including strategy, style, geography, and asset classes, while retaining the flexibility to act with confidence and speed as conditions evolve. In selecting HF managers, we continue to prioritize those operating in less efficient areas of capital markets, with durable competitive advantages and disciplined risk management. Our experience suggests that consistent outperformance is driven less by timing markets and more by backing managers with these attributes through cycles.

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

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

BlackRock Appreciation Strategy ICAV (“BASICAV”) – Strategic Class 2 (Hedged) EUR - Performance

For the period 01 March 2021 - 31 December 2025	Q4 2025	2025	2024	ITD (Ann.)	Std. Dev.	Sharpe ¹	Beta to Index
BASICAV - Strategic Class 2 (Hedged) EUR	2.35%	7.84%	9.29%	5.41%	1.98%	1.62	-
HFRI FoF Conservative Index (EUR)	1.87%	5.82%	4.72%	2.79%	1.83%	0.32	-
MSCI World Index (Euro Hedged) (EUR)	2.76%	15.20%	18.20%	7.20%	14.04%	0.36	0.01
BBG Euro Credit Index (EUR)	0.26%	2.30%	7.81%	-0.76%	5.96%	<0	0.03

Euro Short-Term Rate Index (EUR)	0.49%	2.24%	3.77%	2.20%	0.47%	-	-
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Source: BlackRock as of 1 January 2026. Returns are net of fees. Past results are not necessarily indicative of future results.

¹ Instances of negative Sharpe ratios occur when fund performance is less than the risk-free rate. Unlike a positive Sharpe ratio the magnitude of negative Sharpe ratios can be misleading. A fund with lower volatility will have a lower (i.e., more negative) Sharpe ratio than a fund with similar negative excess returns that has higher volatility. As a result, negative Sharpe ratios are not displayed in this report.

Valuation of fund as at 31.12.2025	€61,576,611
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CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

The CBRE

Market Overview

We believe markets have now entered the early stages of a new real estate cycle, though the pace of recovery remains uneven across regions and sectors. As the time of writing, that recovery is being tested by a more complex macro environment than we anticipated; U.S. tariff escalation, renewed trade tensions, and persistent geopolitical uncertainty are creating near-term headwinds for global capital markets. Our Macro House View have been revised to reflect energy price volatility throughout Q2 and Q3 of 2026. The result suggests an inflation shock in Europe, the U.S. and China, but more enduring consequences for economic growth in Australia and Japan. The differing degrees of macroeconomic impacts reflect each market's dependence on energy flows from the Middle East, their level of energy stockpiles and policymakers' propensity to offset the impacts with price subsidies or monetary policy tightening.

These dynamics reinforce the importance of the disciplined, diversified and income-focused approach that has characterised Global Alpha's positioning throughout this period.

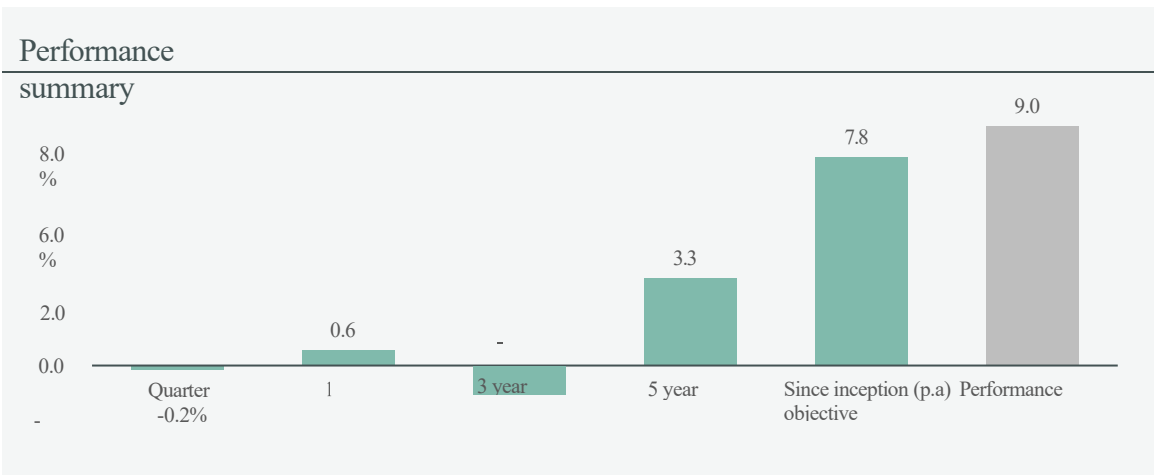
Despite these headwinds, the Fund capitalized on its strong liquidity position, pivoting meaningfully to secure new investment opportunities throughout 2025 and Q1 2026 at attractive pricing in a liquidity-constrained market. We saw Europe offering the most compelling relative value, accounting for almost two thirds of new investments, and strategically shifted focus to sectors tied to essential daily needs such as housing, non-discretionary open-air retail formats, and urban infill "last mile" logistics.

CBRE IM Insight & Intelligence's website provides detailed research for investors. Recent reports are accessible here: [Insights | CBRE Investment Management](#)

Portfolio Performance – 2025 and Since Inception

In a year of market volatility and selective recovery, Global Alpha delivered a positive +0.6% total return with stable income through diverse sector and regional exposures. Overall portfolio performance reflected the benefits of Global Alpha's diversified exposure, disciplined portfolio rotation and emphasis on income-oriented strategies that are well-positioned for a market recovery led by NOI growth.

Income remained the primary driver of performance in 2025, supported by resilient operations across industrial, residential and essential retail strategies. Capital returns were mixed, with pockets of weakness concentrated in a small number of legacy or watchlist holdings, including Chinese logistics, German development debt and U.S. life science office.



CIE Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Global Alpha has outperformed MSCI GPFI Re-Weighted by 92 bps per annum over the last 3 years and by 155 bps per annum since inception in December 2010, demonstrating a long track record of strong relative performance.

Performance in 2025 lagged the MSCI GPFI Re-Weighted, this was the direct result of negative performance in a few isolated holdings, as discussed above. We continue to believe the Fund is well positioned for strong positive performance, on an absolute and relative basis, in 2026 and beyond.

The Fund returned -1.1% on a rolling three-year basis, falling short of our 9.0% objective. This reflects a concentrated set of legacy positions that underperformed during a period of significant valuation reset across global real estate markets, rather than a systemic issue with portfolio construction or strategy. The correction of these positions through active management, pricing adjustments, and selective dispositions is now substantially complete.

Outlook for 2026

As we enter 2026, the Fund is well positioned for the recovery cycle with a disciplined strategy focused on resilient income and long-term value creation. Although capital markets remain selective, fundamentals across our preferred sectors continue to strengthen. 2025 proved to be a pivotal year for the Global Alpha Fund, defined by disciplined capital deployment (USD 939m of new commitments and top-ups) and meaningful portfolio repositioning. The dislocation of 2025 generated compelling opportunities, many of which have been carried into this year and the pipeline is robust. Looking forward, we see a credible and well-defined path toward our return target and believe the next three years will look materially different from the last. Three factors underpin this view:

The 2025 vintage investments, now representing 12.2% of NAV contributed 131 basis points to performance and are performing ahead of expectations. They will represent a growing share of the portfolio as capital is drawn.

The income profile of the Fund has stabilised and is growing, with distribution yield maintained at 4.0% and occupancy levels strong across core residential, logistics and essential retail holdings.

Over USD 650 million has been committed in Q1 and Q2 2026 into new ventures including a Dublin recovery strategy, a European urban infill industrial platform, and a U.S. senior housing portfolio. Each investment underwritten at attractive entry points with strong day-one income characteristics.

Our continued investment activity across Q1 2026 and strong capital raise demonstrate investor confidence in Global Alpha. The steps taken in 2025, both in capital raising and portfolio repositioning, position the Fund for improved performance and greater resilience ahead.

Valuation of fund as at 31.12.2025	€15,718,922
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CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

HarbourVest 2024 Global Fund Program – 2025 Annual Report Summary

Overview & Strategy

The HarbourVest 2024 Global Fund Program is a diversified global private markets investment solution combining **primary funds (51%)**, **secondary investments (33%)**, and **direct co-investments (17%)**. The strategy targets long-term value creation while accelerating deployment and mitigating the J-curve effect. The portfolio focuses primarily on **buyouts**, with significant exposure to **North America and Europe**, and includes venture/growth investments across sectors and geographies.

Portfolio Composition

- **Fund size:** \$1.39bn; currently in investing phase
- **Investments:** 24 primary funds, 26 secondary deals, 22 co-investments
- **Underlying companies:** ~1,239
- **Stage:** Buyout (84%), Venture/Growth (13%), Other (3%)
- **Geography:** North America (68%), Europe (27%), Rest of World (5%)
- Strong diversification across sectors, led by **Technology (37%)**, Industrials, and Healthcare

Performance (as of 31 Dec 2025)

- **Gross performance:** 1.2x TVPI; **31.8% IRR**
- **Net to investors:** 1.15x TVPI; **34.4% IRR**
- **Capital called:** ~25%; NAV ~\$398m
- **Distributions:** None yet (early-stage portfolio)
- Outperforming public markets benchmark (PME ~27.4%)

Investment Activity & Portfolio Development

- **\$396.7m deployed in 2025** across primary, secondary, and co-investments
- Major investments included secondary deals such as **Project Galaxy, Saber, and Lotus**
- Significant commitments to leading managers (e.g., Advent, Permira, Khosla, Ridgmont) and secondary transactions (e.g., Branford, Trove, Albion)
- Direct co-investments expanded exposure to sectors such as healthcare, insurance, education, and technology

Valuation & Performance Drivers

- **Net portfolio gain:** ~\$71.2m in 2025
- Top contributors:
 - Project Rhythm (+\$7.1m)
 - Project Trove (+\$6.2m)
 - Project Branford (+\$5.9m)
- Losses were limited and concentrated in a few primary fund investments

CIÉ Pension Scheme for Regular Wages Staff

Portfolio Characteristics

- Broad sector exposure with emphasis on resilient, growth-oriented industries
- Largest underlying holdings include **Ardonagh, Squarespace, Soleo Health, and Nord Anglia**
- Strong diversification across **1,200+ companies**, vintages, and managers

Market Environment & Outlook

- 2025 saw improved conditions with stronger deal activity, falling rates, and recovery in private markets
- Outlook for 2026 is **constructive**, driven by:
 - Growth in secondaries and liquidity solutions
 - Expansion in credit and middle-market opportunities
 - Increasing role of **AI-driven innovation**
- The diversified strategy positions the portfolio for **long-term resilience and return generation**

Firm Highlights (HarbourVest)

- **\$161bn AUM**, global presence with 15 offices
- Extensive network: 950+ advisory board roles, 225+ investment professionals
- Continued expansion, including new office openings and senior hires
- Strong focus on client engagement, innovation, and ESG initiatives

Conclusion

The 2024 Global Fund Program is progressing well in its early investment phase, demonstrating **strong initial returns, broad diversification, and disciplined capital deployment**. With no distributions yet but solid NAV growth and high IRR, the fund is positioned to benefit from improving market conditions and its balanced strategy across primary, secondary, and co-investments.

Valuation of fund as at 31.12.2025	€7,357,555
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CIE Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

I.F.M. Investors – Infrastructure

Portfolio Performance

Performance: Córas Iompair Éireann - Pension Scheme for Regular Wages Staff / IFM Global Infrastructure (UK), L.P. Class C

- In March 2016, **CIE - Pension Scheme for Regular Wages Staff** made an initial commitment of **\$21.2 million** to IFM's Global Infrastructure Fund (GIF) which was drawn in September 2017.
- Since then, there have been 3 further commitments of **\$9.1 million** in total. This brings the total committed amount to **\$30.3 million**
- The NAV at 31 December 2025 is **\$48.2 million**

	1-Year	2-Year	3-Year	4-Year	5-Year	7-Year	Since Inception*
Córas Iompair Éireann - Pension Scheme for Regular Wages Staff / IFM Global Infrastructure (UK), L.P. Class C Inception date: September 2017*	16.80%	8.91%	9.85%	8.93%	10.12%	9.80%	10.95%

Performance: Córas Iompair Éireann - Superannuation Scheme 1951 / IFM Global Infrastructure (UK), L.P. Class C

- In March 2016, **CIE - Pension Scheme for Regular Wages Staff** made an initial commitment of **\$38.2 million** to IFM's Global Infrastructure Fund (GIF) which was drawn in September 2017.
- Since then, there have been 3 further commitments of **\$15.7 million** in total. This brings the total committed amount to **\$53.9 million**
- The NAV at 31 December 2025 is **\$85.7 million**

	1-Year	2-Year	3-Year	4-Year	5-Year	7-Year	Since Inception*
Córas Iompair Éireann - Superannuation Scheme 1951 / IFM Global Infrastructure (UK), L.P. Class C Inception: September 2017*	16.80%	8.91%	9.85%	8.93%	10.12%	9.80%	10.95%

Performance commentary

As of 31 December 2025, GIF's AUM is US\$68bn. The fund comprises of 23 investments with 150+ underlying assets across transportation, energy, utilities and digital. The fund's target net return is 8 - 12% in local currency which it seeks to achieve by acquiring, managing and growing essential infrastructure businesses that deliver critical services with limited or no-competition. Since inception 21 years ago, GIF has delivered positive annualised returns with low correlation to other private market or listed market segments, in line with its objective.

In 2025, GIF returned 9.79% in Local Currency terms. Transport, Utilities, Digital and Energy sectors all contributed positively to GIF's performance. In 2025, GIF continued its programme of active management across the portfolio, with significant enhancements across Baltic Hub Container Terminal, Vienna International Airport, Switch and Veolia Energia Polska. Further, Colonial Pipeline, a midstream energy business GIF owned for well over a decade, was exited profitably, whilst GIF acquired Green Group, a leading data centre business in Switzerland. Looking ahead, the team continue to progress key asset management initiatives comprising US\$12.5bn of growth capex opportunities on a weighted ownership basis. This is in parallel to an active pipeline of new deals of US\$23bn in aggregate.

Investment Managers Reports (Continued)

CIÉ Pension Scheme for Regular Wages Staff

Market Overview and Outlook for 2026

Structural Capex Supercycle:

IFM expects infrastructure equity to benefit from a sustained capex supercycle driven by decades of underinvestment across developed markets and the need to maintain, modernise and expand core assets. Ageing transport, energy, utility and communications infrastructure must be upgraded to support economic growth and societal needs, creating a long runway for private capital deployment across both greenfield and brownfield assets.

Power Demand from AI, Digitisation and Electrification:

A central driver of opportunity is the sharp increase in electricity demand linked to AI, data centres, digitisation and broader electrification. Data centre growth is placing material strain on power systems, supporting investment across generation, grid expansion and energy storage. IFM highlights a growing mismatch between renewable generation build-out and insufficient grid and storage capacity, positioning these areas as priority targets for private investment.

Energy Transition with Continued Role for Conventional Assets:

While decarbonisation remains a long-term objective, IFM expects capital to continue flowing into both renewable and traditional energy assets. Energy security considerations and rising demand imply fossil fuels will remain part of the mix longer than previously anticipated, even as investment in cleaner power and storage accelerates. Renewable energy storage is identified as a particularly attractive growth area as grids decarbonise and seek flexibility.

Transport and Mobility Infrastructure:

In transport, increasing electric vehicle penetration is driving the need for upgrades to toll roads, charging infrastructure and roadside systems. Aviation infrastructure is also expected to benefit from sustained demand and profitability, reinforcing the case for private investment in airports, terminals and runway capacity where public funding is constrained.

In summary, we believe GIF is positioned to benefit from a multi-year capex supercycle driven by underinvestment, rising power demand from AI and electrification, and the need to modernise energy, transport and digital assets, with private capital playing an increasingly critical role.

Valuation of fund as at 31.12.2025	€41,005,695
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CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Insight

LDI Sub-Fund

The LDI Sub-Fund aims to provide a return equal to the change in value of the Scheme's liabilities due to changes in interest rates. Over the year to 31 December 2025, interest rates rose leading to a negative performance from the LDI Sub-Fund and from the Scheme's liabilities. The LDI Sub-Fund returned -3.76% compared with -7.08% for the benchmark, delivering relative outperformance of 3.32%. In monetary terms, the portfolio declined by €7.8m versus a €14.9m fall in the benchmark, resulting in relative gains of approximately €7.1m. Outperformance was driven by the government bonds in the portfolio, which outperformed the swaps-based benchmark.

Collateral levels within the LDI portfolio remained robust. Stress testing indicated that the available collateral of €307m could comfortably support large upward shocks to interest rates.

Buy and Maintain Sub-Fund

The Buy and Maintain Sub-Fund aims to provide a series of quarterly cashflows to matching the Scheme's liabilities, by investing in high quality euro-denominated corporate bonds.

As at 31 December 2025, the total value of the Sub-Fund was €47.1m. Performance over the year was 2.32%. Returns were mainly driven by carry and credit spreads, partially offset by negative impacts from a rise in yields.

Synthetic Equity Sub-Fund

The Synthetic Equity Sub-Fund aims to provide protection against falls in the Scheme's equity holdings (held externally). This is achieved through options on baskets of global equity indices (both currency hedged and currency unhedged), with notional equity exposure of around €186m.

Over the year, the Sub-Fund delivered a monetary return of - €8.6m, driven by rising equity markets. The negative returns in the Sub-Fund are expected to be offset by positive returns on the Scheme's external equity holdings.

Valuation as at 31.03.2016 (Inception)	€266,843,152
Valuation of fund as at 31.12.2025	€355,321,094

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Irish Life

Market Overview

Investment markets generally performed well in 2025, despite volatility associated with the US policy agenda, particularly around tariffs. Equity markets rose over 20% in local currency terms although were up only high single digits in euro terms given the weakness in the US dollar. Markets experienced bouts of volatility, especially around 'Liberation Day' in early April when initial US tariffs were announced at levels which gave rise to fears of recession. Equities however recovered from the April lows as the tariff threat eased and the threatened recession was avoided. A robust earnings backdrop and the artificial intelligence (AI) theme also supported the rally in equities.

The global economy in 2025 proved to be very resilient, despite the uncertainties and headwinds posed by increased US tariffs. With tariffs settling at lower levels than initially threatened, the growth outlook improved as fiscal and monetary stimulus provided support, as did improving corporate sentiment and strong consumer balance sheets which buoyed consumer spending, even in the US where the labour market experienced some softness.

Inflation trended lower in most regions except for the US as tariffs contributed to a rise in Inflation although this was more moderate than expected. This lower inflation backdrop allowed central banks to implement interest rate cuts. Even in the US, the weakness in the labour market enabled the Fed to resume rate cuts in September as an insurance to avoid any risk of a slowdown in growth. While the Fed is still guiding to further cuts, the ECB has signalled a possible end of its easing cycle as the growth outlook has improved given the planned infrastructure and defence spending in Germany with higher defence spending also evident across the rest of Europe.

Global equities had another strong year in 2025, rallying by 20.2% in local currency terms (8.3% in €) and reached new all-time highs towards year end. At the height of the tariff related uncertainty in April, equity markets fell approx. 16% from their earlier highs but recovered quickly as trade tensions began to ease. Stocks were supported by a resilient and stronger than expected economic backdrop, robust earnings, fiscal and monetary loosening as evidenced by the resumption of Fed rate cuts and the AI theme. US equities rose by 17.7% in US dollar terms (3.8% in euro terms), underpinned by strong earnings from AI-related tech companies. MSCI Europe Ex-UK index posted gains of 20.1% (20.4% in €). Emerging market stocks rose by 32.1% (18.5% in €) throughout the year, with Korea and Taiwan leading gains due to the AI theme. China was also supported by ongoing stimulus measures and the AI theme as highlighted by the announcement from DeepSeek of the development of a cheap and capable open AI model.

Portfolio Performance – 31 December 2025

Fund Name	QTD	YTD	3 Years p.a.	5 Years p.a.	10 Year p.a.	Since Inception
Indexed ESG Equity Screened Hedged Fund	3.2%	16.6%	-	-	-	18.7%
RAFI Multi Factor Developed Index Fund	3.0%	9.7%	13.5%	12.7%	-	13.7%
RAFI Multi Factor Developed Index Hedged Fund	3.2%	18.9%	15.7%	-	-	10.9%
Alpha Cash Fund	0.5%	2.3%	3.0%	1.6%	0.6%	0.6%

Market Outlook

The fundamental backdrop for global equities on a 12-month view remains positive despite uncertain US policy. The agreement of trade deals provides clarity and helps remove uncertainty. While tariffs are higher than at the start of 2025, they are at levels which should not lead to a recession. Earnings forecasts have stabilised and show positive growth, consumer balance sheets are strong, ongoing disinflation is expected through 2026 while expected Fed rate cuts and a corporate-friendly stance from the US government all should mean a favourable environment for the asset class. Divergence within regional equity performance, however, is likely to remain a feature as policies in the US and the rest of the world are set to remain in flux.

Global equities valuations are above long-term averages, trading on a 12-month forward P/E multiple of 18.9x against a long-term average of 16.3x. However, with a positive growth and earnings backdrop, multiples can remain close to current levels.

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

The 12-month forward P/E for the MSCI USA is 22.3x against a long-term average of 16.6x. Equities outside the US offer better relative value in absolute terms and are trading closer to their long-term average P/E levels. Equities remain expensive against both bonds and cash given the high yields currently available on these assets.

Despite equities appearing fully valued, the outlook on a 12-month view is constructive. With growth expected to remain positive and US corporates eventually set to benefit from growth-friendly policies from the new administration through 2026, earnings are forecast to rise by double digits over the next 1-2 years, which should be supportive. Additional rate cuts amidst a positive fundamental backdrop can also contribute to further gains. 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. 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 31.12.2025	€264,759,774

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Irish Property Unit Trust

Principal activities

The Property Fund is a long-term investment vehicle with a 60-year track record in the Irish market. We invest in commercial property in Dublin, with a particular focus on office, logistics and retail sectors. We own, develop and manage the real estate in our prime portfolio and strive to deliver excellence in each of the core strands of our business. We create exceptional workplaces that enhance occupier experience, deliver long-term shareholder value, and contribute positively to our city's economy. The calibre of our local and international investor base is testament to the quality of our buildings, occupiers, team and our strategic approach to the development, operation, and management of our quality portfolio.

Objective

The objective of the Property Fund is to generate resilient income and dividends for our shareholders over the long-term. We aim to deliver best-in-class buildings which offer a superior experience for the occupiers of those workspaces and the local neighbourhoods in which we are invested. We are passionate about placemaking and improving the public realm. Sustainability is also fundamental to what we do with responsible investment a core part of our strategy for many years. In addition to developing our own sustainable buildings, we strategically reposition assets within our portfolio to improve their sustainability credentials. A key focus over recent years has been to reposition our portfolio towards defensive sectors including CBD offices. Since 2024, our entire office portfolio is now concentrated in the city centre. Another focus has been to increase our exposure to the Irish logistics sector, which is benefitting from unique structural and cyclical influences.

Performance

Like all real estate funds globally, IPUT has not been immune from capital value declines over the last three-year period. As a result of rising interest rates and funding costs, real estate yields softened during 2023 and 2024, which had a direct impact on property returns. As monetary policy eased during 2025, values began to stabilise and there has been a discernible improvement in investor sentiment and liquidity, particularly in the second half of the year. Having delivered a total shareholder return (TSR) of -0.56% in 2024, the Fund delivered a positive total return of 7.50% in 2025. This turnaround in performance is indicative of the beginning of the next real estate cycle. Despite short-term cyclical fluctuations, our Fund has remained an outperformer over a medium and long-term horizon with the resilience of our income and consistency of our uninterrupted dividend continuing to set us apart from a performance perspective. We believe that the value adjustment in our portfolio is now complete. The sectors in which we are invested are poised for significant growth over the coming years, predominantly in the form of rental outperformance in a European context. With a supply crunch of Grade A workplaces in both the office and logistics sectors in Dublin, our Fund will benefit from generating higher rents from new developments in addition to benefitting from reversionary potential in our existing portfolio as rent reviews come due. Our net asset value (NAV) on 31 December 2025 was €1.8 billion, with the Fund's portfolio value ending the year at €2.6 billion. The annual dividend yield was 5.75% (2024: 5.62%) and the total expense ratio (TER) amounted to 0.82% of NAV (2024: 0.83%).

Throughout 2025, our team focused on preserving and growing income for our shareholders. We achieved 100% rent collection and 98% occupancy during the year, securing €10 million in additional income from developments during the year. Our total contracted rent for 2025 was €147 million. Meanwhile, our WAULT at year-end was 7.2 years. We paid a total dividend of €103 million in 2025, reflecting €47 per share. We completed the development of 25 North Wall Quay during 2025 - the first net zero office building in our portfolio. We also commenced several refurbishment and upgrade works on buildings in our portfolio during the year. Building on the success of our prime flexible office offering, Studio, we were delighted to acquire 2 strategic buildings on St. Stephen's Green during the year. These acquisitions will enable us to further expand our Studio offering in due course. During 2025, we recycled capital through strategic disposals of assets that were no longer core to our portfolio, generating pricing in excess of the guide in many instances. In total, we generated proceeds of more than €168 million in disposals during the year.

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Disposals included the North Gate logistics portfolio of industrial assets, which we sold for more than €61 million in December 2025. The portfolio weightings as at 31 December 2025 were as follows: Office 75%, Logistics 13%, Retail 9% and Other 3%.

2025 REVIEW

2 IPUT plc 2025 Financial Statements Financial capacity and liquidity.

While the Property Fund is primarily a core income fund, a key point of difference is that we own, develop and manage the real estate within our portfolio. In addition to astute asset management, we carry out development and reposition assets in order to grow income, improve the sustainability credentials of our buildings and enhance the quality of our portfolio. This aligns with our responsible investment strategy and net zero carbon 2030 ambitions. We have a self-imposed cap on development of 20% of our gross asset value (GAV). As of 31 December 2025, 2% of the portfolio was in development. Our current development pipeline is fully funded. At year-end, the interest rates on 72% of our drawn debt were fixed. We benefit from a low blended all-in interest cost which in 2025 was 2.8%. Our debt levels remain conservative and our loan-to-value ratio at the end of 2025 was 28% with undrawn available facilities of €77 million.

Future developments

The Fund is well positioned to capitalise on a recovery in the Irish real estate sector over the coming years. Our prime portfolio is set to benefit from strong rental growth, with additional return achievable if prime yields harden. Our focus will continue to be on generating income and retaining a long-term perspective while remaining agile and in a position to react to changing market dynamics. Our strategic disposal programme will mitigate risk and satisfy funding requirements. We will continue to build out our development pipeline and focus on planning the next phases of development in our various schemes, aligned to visibility on market shortages and occupier requirements. Having full planning in place for 195,000 sq ft of offices at Earlsfort Terrace and 153,000 sq ft at Harcourt Centre puts us in a very advantageous position considering the severe mismatch between supply and demand for city-centre Grade A workplaces, that will become even more acute in 2026 and 2027. During 2026, we will focus on continuing to deliver strong income for our shareholders whilst strategically repositioning the fund into sectors with potential to deliver superior long-term returns. In addition to improving our office holdings, as a fund, we will continue to strategically realign towards logistics in an effort to reweight our portfolio and differentiate sources of return.

Valuation of fund as at 31.12.2025	€18,450,011
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CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

JP Morgan Asset Management

Market Overview

Global credit markets demonstrated notable resilience throughout 2025. The Federal Reserve's additional rate cut, combined with moderating inflation and ongoing fiscal stimulus, provided a supportive backdrop for risk assets. In the US, consumer fundamentals remained stable, and the policy environment continued to favour growth and investment. The One Big Beautiful Bill Act, signed in July, began to filter through the economy and is expected to further underpin business and consumer sentiment.

Throughout 2025 we have seen investors focus on carry-oriented strategies and income generation. Technicals remained supportive, with robust inflows into credit funds and a continued search for yield. However, idiosyncratic risks and geopolitical developments, including trade policy uncertainty and regional elections, contributed to periodic volatility.

Portfolio Performance and Positioning

The Multi Credit Fund has delivered a robust and consistent total return of 4.89% annualised since inception (USD, gross of fees). 2025 was a strong year with the fund returning 9.53% (USD, gross of fees). These 2025 returns were underpinned by disciplined sector allocation, active risk management, and a focus on carry. The fund's positioning reflected a balanced approach, seeking to maximise income while managing downside risks in a late-cycle environment.

Portfolio hedges were progressively increased to -18.5% during periods of lower volatility, providing protection against potential spread widening and future market volatility. This defensive positioning was a key element of the fund's risk management strategy, ensuring resilience in the face of potential macro shocks.

Duration was managed in the mid-range ending the year at 3.38 years, reflecting ongoing uncertainty around the path of Federal Reserve policy and the potential for further rate cuts in 2026. The fund maintained a neutral stance on duration, with a slight steepening bias and a preference for regional divergence in rates. Cash was increased to ~6.5 - 7.0%, ensuring liquidity and flexibility to respond to market developments and deploy capital opportunistically for the anticipated January new issuance.

2026 Outlook

Looking ahead to 2026, the Multi Sector Credit Fund maintains a constructive stance on credit, with carry strategies expected to drive returns amid tight valuations and limited scope for further spread compression. The macro backdrop is supportive, with the Federal Reserve likely to deliver one to two additional rate cuts in the first half of the year, keeping US 10-year yields in a 3.75%–4.50% range. Investment-grade credit faces a record M&A and capex cycle, with curve steepening expected as new issuance concentrates at the long end. The banking sector remains a core overweight, supported by strong profitability, stable credit metrics, and robust net interest income.

The portfolio remains well-diversified across sectors and geographies, with a balanced risk profile and flexibility to capture opportunities as market conditions evolve.

Valuation at Inception 31.03.2016	€81,129,047
Valuation of fund as at 31.12.2025	€60,443,160

CIE Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Robeco

Market Overview

Credit markets proved resilient throughout 2025, navigating periods of elevated volatility driven by shifting trade policy, fiscal uncertainty and evolving monetary expectations. Despite several risk-off episodes during the year strong technical demand and broadly supportive fundamentals allowed spreads to finish close to post-Global Financial Crisis tights. The year began constructively, with European credit spreads tightening meaningfully in early 2025 on the back of strong demand and favorable technicals. However, sentiment deteriorated toward the end of the first quarter as trade tensions escalated and macro data softened. The most pronounced volatility occurred in April following the announcement of sweeping U.S. tariffs, which triggered a sharp but short-lived widening across risk assets. Markets recovered quickly after a temporary tariff pause and improving macro data restored confidence. Through the middle of the year credit markets stabilized and gradually retraced earlier widening. Robust corporate earnings, resilient economic data and continued central bank support underpinned spreads, although underlying government bond yields moved higher amid rising fiscal concerns. In the second half of the year, markets were supported by a dovish pivot from the Federal Reserve and expectations of further policy easing, even as labor market data softened. By year-end, credit spreads remained historically tight, with both EUR and USD investment grade markets trading near cycle lows. Overall, carry remained the primary driver of returns, while episodic volatility highlighted the market's sensitivity to policy shifts and supply dynamics.

Portfolio Performance

Since inception, the portfolio has delivered an annualized return of -2.20%. In 2025, the portfolio achieved a total return of 2.14%, driven primarily by a positive contribution from credit spreads (+2.18%). Duration was a modest detractor, reducing performance by 4 basis points, which is explained by the movement in euro rates: yields declined at the short end of the curve (<2 years) while rising at the longer end. From a sector perspective, the Other Financials and Transportation sectors outperformed relative to the broader universe. The strongest contributors to overall performance were the Banking and Consumer Non-Cyclical sectors.

Outlook

Credit markets have remained resilient into 2025 supported by robust global growth, easing monetary policy and strong demand for fixed income. However, with spreads still close to historical tights, the balance of risks is becoming more asymmetric as we move into 2026. Technical conditions, which have been exceptionally supportive in recent years, may represent the key inflection point for credit. Strong demand from pensions, insurers and fixed-maturity products has underpinned spreads, but a material increase in bond supply (particularly linked to AI-related capex, utilities investment and a pickup in M&A) is likely to test market absorption capacity. Against this backdrop, we expect spreads to adjust modestly wider over time, even if carry remains supportive.

Our highest conviction top-down view remains that EUR credit is relatively more attractive than USD, supported by structural demand and typically more conservative corporate behavior in Europe. We maintain a positive view on the banking sector given strong fundamentals, positive rating momentum and limited supply risk. At the same time, we remain more cautious on parts of the technology sector where valuations appear tight relative to the evolving fundamental and supply outlook.

Valuation of fund as at 31.12.2025	€114,693,936
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CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Walter Scott

Performance commentary

Global equity markets posted solid gains in 2025, despite renewed trade tensions and tariff measures, with markets buoyed by solid earnings growth, resilient economies, lower interest rates, and the surge in AI-driven investment. Quality stocks, with strong long-term fundamentals, were out of favour and lagged broader market performance. Against this backdrop, the portfolio delivered a return of -2.1%, trailing ACWI (ndr) which returned 7.9%.

The relative shortfall can be explained by a handful of sectors.

The industrials sector was a notable relative detractor over the year. Relative return was hindered by an absence from the aerospace & defence industry, a sub-sector which saw significant gains over the year. This was compounded by weakness in held names, notably salvage car auction company **Copart**, due to lower insurance-related volumes, and payrolls business Paychex. Investors grew concerned about the economic sensitivity of the latter company, given its focus on small-to-medium size businesses, and this holding has now been sold. The portfolio also had greater than benchmark exposure to the professional services industry. This has been particularly weak, with advances in AI posing a potential threat to companies in the space.

Healthcare names, such as **Novo Nordisk** and blood plasma product company **CSL**, lagged their benchmark counterparts, detracting notably on a relative basis. Disappointing drug trials, increased competition, and pricing pressures in the US impacted the Novo share price. Uncertainty over CSL's restructuring programme and weaker-than-expected guidance for 2026 dampened investor sentiment.

The communication services sector was strong within the benchmark, making the portfolio's underweight position a relative headwind. Additionally, prior to its sale in May, Alphabet had endured a weak period, reflecting concerns over AI-based competition, high expenditure on AI investment, and the US Department of Justice antitrust investigations. Post our sale, the share price rebounded following a benign DoJ judgement, and signs that its 'search' business was proving more resilient than initially feared.

Non-owned major technology and AI related names, NVIDIA and Broadcom, have experienced significant share price gains and weighed on relative return.

On a positive note, several individual holdings have delivered strong returns over the year. Electronic connector business **Amphenol**, **Taiwan Semiconductor** and **ASML** were of note. Their AI exposure attracted significant investor attention.

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Performance

Period	CIÉ Pension RWS (Gross) %	CIÉ Pension RWS (Net) %	MSCI ACWI (ndr) %
Q4 2025	1.2	1.0	3.3
Q3 2025	2.4	2.3	7.5
Q2 2025	1.6	1.4	2.6
Q1 2025	-7.0	-7.1	-5.4
Last 12 months	-2.1	-2.7	7.9
Annualised Returns			
Three years	10.9	10.2	16.9
Five years	8.8	8.1	12.1
Ten years	11.6	10.9	10.9
Fifteen years	12.1	11.4	10.8
Inception 08-September-2010	12.5	11.8	11.1
Annual Returns			
2025	-2.1	-2.7	7.9
2024	17.3	16.6	25.3
2023	18.7	18.0	18.1
2022	-13.8	-14.3	-13.0
2021	29.6	28.8	27.5
2020	11.4	10.7	6.7
2019	34.6	33.7	28.9
2018	4.3	3.6	-4.8
2017	13.5	12.8	8.9
2016	10.7	10.1	11.1
2015	13.9	13.3	8.8
2014	17.8	17.1	18.6
2013	17.7	17.0	17.5
2012	17.0	16.3	14.3
2011	0.5	-0.1	-4.2

Source: Walter Scott. Base Currency: EUR

CIÉ Pension Scheme for Regular Wages Staff

Investment Managers Reports (Continued)

Commentary and Outlook

Global equities posted gains in 2025, with several markets reaching new highs. The shockwaves resulting from the 'Liberation Day' tariffs of April receded, and economies and corporate earnings proved more resilient than expected. The easing of interest rates by the Federal Reserve and the European Central Bank also bolstered investor sentiment.

However, there continued to be disparities in global growth, with the US outperforming Europe and Japan. The American consumer, in the higher income bracket at least, has continued to spend, albeit massive AI infrastructure-related capital expenditure has also bolstered US growth.

A common feature across most economies has been the ongoing contraction in manufacturing activity. This has been the case in Europe, and Germany in particular, where tariff uncertainty, tepid demand, and increasing competition from China has dampened industrial activity. In France, the ongoing fracas over the huge budget deficit continued to be a feature throughout the year.

Similar fiscal pressures have been evident in the UK, although the passing of the recent budget went without notice by markets, as it neither moved the needle regarding growth prospects nor prompted a bout of bond market vigilantism.

None of this dampened market spirits in Europe. The prospect of higher defence spending, fiscal stimulus in Germany, respectable earnings growth amongst the region's leading, and often global-facing companies, and a degree of investor diversification away from the US, saw the region outperform US equities.

Japan also saw good gains, with signs of an escape from deflation, improving corporate governance, and latterly, new prime minister Sanae Takaichi's pro-growth agenda underpinning the market's bullish tone. However, a number of companies in the technology, material, and industrials sectors continue to experience some cyclical headwinds.

As we enter 2026, the prospect of solid economic growth, resilient corporate earnings, and lower interest rates may continue to be supportive of equities. There are a few caveats that could muddy this benign view. The effect of US tariffs may still have a lagged effect on prices and consequently consumption trends. Government budget pressures have largely been ignored but may become a greater focus of attention and impact bond yields.

Notwithstanding loose monetary policy, any rise in the cost of credit might imperil the weaker borrowers in the burgeoning private credit market. After such strong gains, investors will be increasingly vigilant regarding valuations. Indeed, markets are likely to continue in 'show me' mode with regard to AI, awaiting further signs of how the technology is being monetised and looking for more evidence that the huge investment in AI infrastructure is justified.

But while the market has chased AI and other themes, it has left behind some great businesses that have delivered solid earnings growth but have seen valuations shrink. There are legion opportunities for the active investor. We are very positive on the outlook for portfolio returns, with investors, in our view, rewarding fundamentally strong, cash-generative businesses with sustainable earnings profiles and durable competitive advantages – key attributes of the companies we hold.

Valuation of fund as at 31.12.2025	€77,657,923
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