

# Investment Choice Member's Guide



**Bank of Ireland**   
Life



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# Investing your pension contributions

As a member of your Company Pension Plan (the plan), the contributions paid by you and your employer are invested in a pension fund until you retire. When you retire, the accumulated value of these contributions can be used (within Revenue rules) to provide you with a range of benefits including a retirement lump sum, an income in retirement, or an Approved Retirement Fund (ARF).

Your plan offers you a choice of 13 different pension funds to invest in. This guide has been designed to provide you with information about each fund and is intended to help you reach a decision in relation to your investment choice. It outlines the main features of each fund and provides an indication of the level of risk involved.

# Introduction to Investment Choice

Investment Choice refers to a suite of funds chosen for your plan by your Trustee in conjunction with your Plan Advisor. There are currently 13 funds available for you to choose from covering a range of risk categories.

If you don't choose a fund to invest in, your contributions will be invested in the default investment strategy which has been specifically designed for pension investors.

## Investment Choice

- ▶ **Aim:** To provide a wide range of investment options to members
- ▶ **Funds:** 13
- ▶ **Fund Managers:** Bank of Ireland Investment Markets, State Street Global Advisors (SSGA), BNY Mellon Asset Management and Legal and General Investment Management (LGIM).
- ▶ **Risk:** Very low to high risk depending on the fund choice

The following pension funds, which are described later in this guide, are available to you. Please note that these funds may be amended from time to time.

### Bank of Ireland Life Risk Rating Scale



#### Lifestyling Funds:

- ▶ IRIS\*
- ▶ Passive IRIS\*
- ▶ Pension Indexed Eurozone Long Bond Fund

#### Very Low Risk Funds

- ▶ Pension Cash Fund

#### Low to Medium Risk Funds

- ▶ iFunds 3
- ▶ PRIME 3

#### Medium Risk Funds

- ▶ BNY Mellon Global Real Return Fund
- ▶ iFunds 4
- ▶ PRIME 4

#### Medium to High Risk Funds

- ▶ iFunds 5
- ▶ PRIME 5

#### High Risk Funds

- ▶ iFunds Equities
- ▶ PRIME Equities

\*Additional IRIS and Passive IRIS options aimed at individuals who want to purchase an annuity or take a cash lump sum are also available. See pages 12 and 15 for further information.

**Note:** If you joined your pension scheme before July 1, 2017 you may be invested in a fund not listed above. If this is the case, you can remain invested in that fund. If you decide to switch funds, you will only be able to switch into one (or more) of the funds listed above.

**Warning:** The value of your investment may go down as well as up.

**Warning:** These funds may be affected by changes in currency exchange rates.

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

**Warning:** If you invest in this product you will not have any access to your money until your retirement date.

## The default investment strategy

If you do not select or do not wish to select a pension fund, your contributions will be invested in the default pension fund selected for your plan. Details of the default pension fund are available from your Plan Advisor.

**The Trustees of your plan have no liability in respect of the pension funds in which the contributions are invested or the performance of those pension funds.**

## Fund switches\*

At any point you can decide that:

- ▶ your future contributions should be invested in a different pension fund
- ▶ part or all of your existing fund should be switched to one or more of the other funds available
- ▶ part or all of your existing fund as well as future contributions should be invested into one or more of the other funds available

There is currently no charge for switching.

\* In exceptional circumstances, Bank of Ireland Life may decide to defer switches or encashments from a particular fund. Further information is available in the policy conditions which are available from the Trustees of your plan.

## Who to contact

If you wish to make changes to your pension fund(s), or if you have any queries on the pension funds available to you, please contact your Plan Advisor or the individual named on your:

- ▶ **Notification of Membership and Benefits; or**
- ▶ **Annual Benefit Statement.**

If you have not yet received these documents please contact your Plan Advisor.

The pension funds are unit linked funds. This means that contributions or amounts invested (after the deduction of charges) are used to purchase units in the pension funds. The Plan value at any time depends on the value of the units purchased.

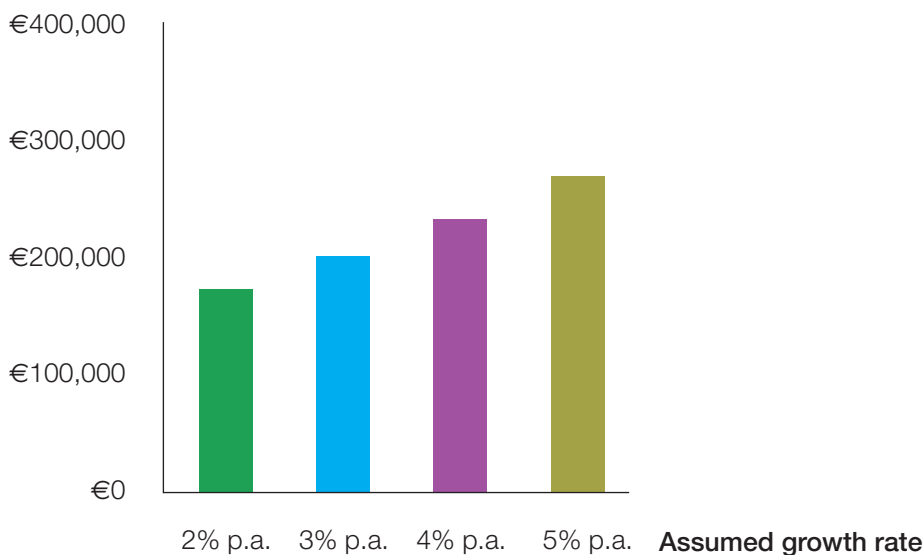
# Why fund choice is important

One of the most important factors that will affect the value of your Plan is the investment return that is earned. Contributions are invested in order to build up a retirement fund that you can use to provide benefits when you retire.

The rate of return earned (if any) on your contributions directly affects the size of your retirement fund – even an extra 1% p.a. investment growth can make a significant difference over the long-term. That's why choosing the right pension fund to invest in is so important (see illustration below).

## Projected value of a pension fund

### Fund at retirement



Source: Bank of Ireland Life

Assumptions: The projected values assume gross contributions of €300 per month (increasing at a rate of 2.5% per annum) are made from age 34 to retirement at age 65. The returns are not forecasts as unit prices can fall as well as rise and could grow at a slower or faster value than assumed. The assumed investment returns are set out in the graph and are in line with Society of Actuaries guidance notes. The projected values are gross of taxes and charges.

**Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.**

**Warning: The value of your investment may go down as well as up..**

# Asset classes and investment styles

## Asset classes

Most pension funds invest in the following asset classes or asset types:

- i. **Equities:** Equities are company stocks or shares usually quoted on a stock exchange. Equities can offer the potential for higher returns than other asset classes (such as cash or bonds) but investing in equities can involve stock market volatility risk.
- ii. **Bonds:** These include government or corporate bonds which are essentially long-term loans to a government or company. Traditionally bond returns are less volatile than equity returns but may be lower than equity returns over long periods. Fixed income (as opposed to index-linked) bonds are particularly vulnerable to inflation. Risks involved in investing in bonds include interest rate risk and credit risk.
- iii. **Property:** Pension funds can invest in commercial property such as offices, retail outlets, industrial premises or in property related shares. Property investments can be volatile and can be subject to significant liquidity risk.
- iv. **Cash:** Investing in cash involves investing in deposits and money market funds. While cash is the least volatile form of asset class the returns tend to be lower over the longer term than other asset classes. There is also a significant risk that returns will not exceed inflation.
- v. **Alternatives:** Alternative assets are assets that don't fall within the above "traditional" asset classes. Alternatives can include commodities, infrastructure, unquoted equities and foreign currency.

**Note:** If Where an investment involves investing in an asset denominated in a foreign currency, investing also involves a currency risk.

**Warning: The value of your investment may go down as well as up.**



## Investment styles

### Active management

Active management means that the fund manager uses their expertise and experience to select what they consider to be the most suitable assets within agreed limits. For example, a fund manager will select certain equities to invest in, manage the fund's investments in commercial property and decide which government bonds to invest in depending on the prescribed asset allocation of the fund. These investment decisions are based on analytical research and forecasting as well as the fund manager's skill, experience and expertise.

### Passive management

Passive management is a financial strategy in which a fund manager invests in accordance with a pre-determined strategy that doesn't entail any forecasting. The most popular method is to track an externally specified index. By tracking an index, an investment portfolio typically gets good diversification and low transaction costs. Tracking an index also removes the perceived risk of choosing a single fund manager.

## Which pension fund?

In order to help you determine the right pension fund or funds for your retirement savings you should consider:

1. **The level of risk you are comfortable with**

For example, pension funds that offer higher growth potential typically carry more risk.

2. **The aim of your pension fund**

For example, is it to beat inflation, to achieve a steady growth or aim for the maximum growth possible?

3. **Your investment term**

Typically investors with a longer investment term have the time to see out short term fluctuations.

However a pension investor with a short time-frame may be looking to invest in a less volatile fund.

4. **The benefits you intend to take at retirement**

For example, do you intend to take a retirement lump sum and invest in an Approved Retirement Fund (an ARF) or purchase an income for life (an annuity)?

Unfortunately there is no such thing as a risk-free investment. However, there are many steps that you can take to effectively manage risk, the most important of which is timing. Pension investing can often be for 20 years or more and such time usually allows investment funds the opportunity to average out the highs and lows that markets experience.

**Warning: The value of your investment may go down as well as up.**

**Warning: These funds may be affected by changes in currency exchange rates.**

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

# Lifestyle funds

A Lifestyle Investment Strategy is an investment strategy that is specifically designed for pension investors. This strategy recognises that your investment needs will be different depending on your term to retirement. It is designed to match your changing investment needs by automatically selecting an appropriate level of risk depending on your retirement year - a higher level of risk when you are far from retirement and want your fund to potentially grow, and a lower level of risk as you near retirement and want to safeguard your fund against strong short term market fluctuations.

## Individual Retirement Investment Strategy

Bank of Ireland Life's lifestyling investment strategy invests based on your projected retirement year. Two versions are available – IRIS which is actively managed and Passive IRIS which is passively managed.

### IRIS

**Suitable for:** All pension investors.

**Risk level:** Lifestyle

**Style:** Actively managed

**Managed by:** State Street Global Advisors Ireland Limited (SSGA) and Legal and General Investment Management (LGIM)

**Objective of the fund:** To grow and safeguard a pension investor's savings based on their expected year of retirement.

#### Key features

IRIS can initially invest in a mix of equities (75% currency hedging), property, bonds, a diversified fund (managed by LGIM) and cash depending on your term to retirement. In the early years the investment strategy of IRIS is tailored towards investing in higher risk assets such as equities, bonds and property which have the potential for higher growth. When retirement is 15 years or less away, the asset allocation changes with the aim of reducing exposure to market fluctuations as you approach retirement.

IRIS is actively managed which means that the investment managers select what they consider to be the most suitable assets for the fund (within the limits of the investment strategy). These investment decisions are based on analytical research and forecasting as well as the fund manager's skill, experience and expertise. The fund manager will exercise their discretion within the limits of the IRIS investment strategy.

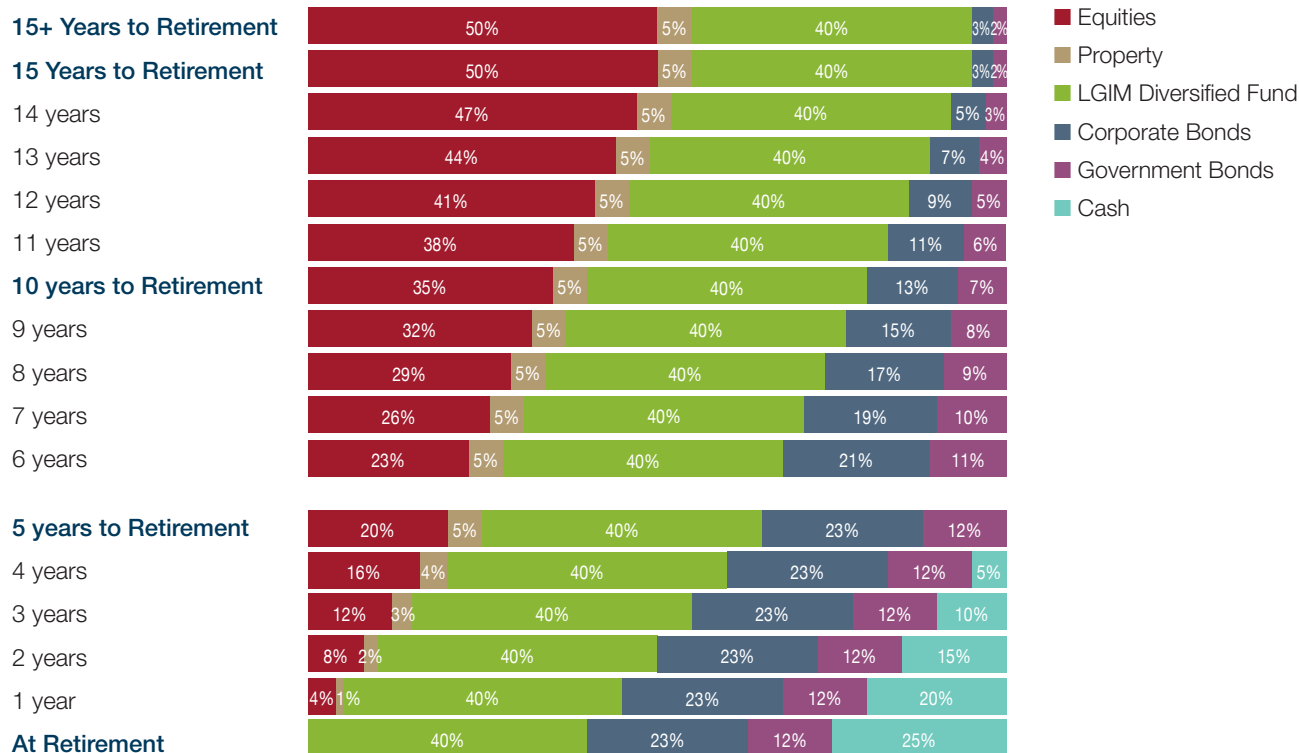
The standard fund related charge applies to this fund.

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

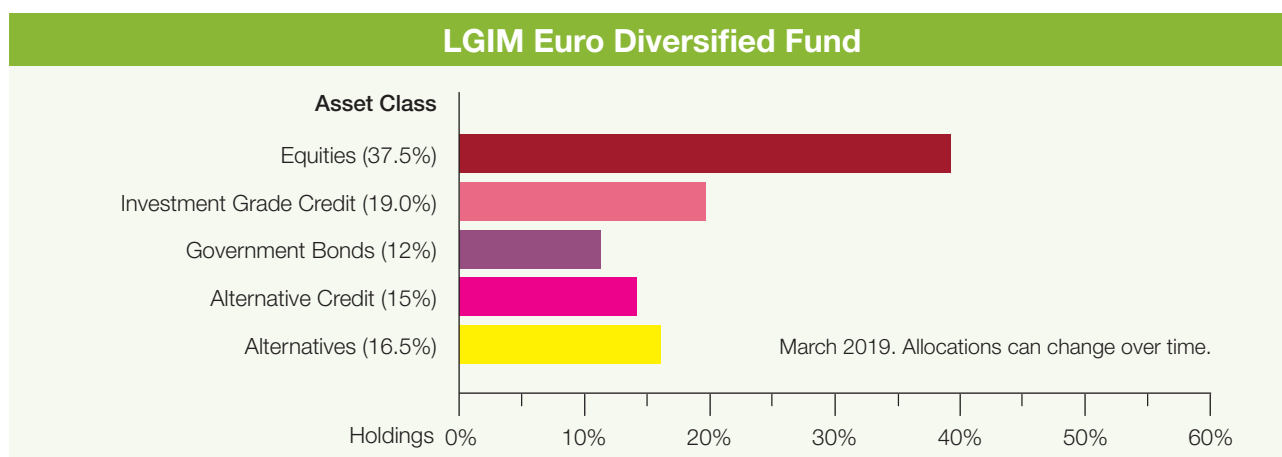
**Warning: If you invest in this fund you may lose some or all of the money you invest.**

The chart below illustrates how the asset mix of IRIS automatically changes over the 15 years leading to retirement.



### A closer look at the asset mix of the LGIM Diversified Fund

40% of the IRIS asset mix is made up of the LGIM Diversified Fund which is designed for long-term pension investors seeking pure market exposure. The LGIM Diversified Fund combines significant equity investment with exposure to a number of other asset classes and provides enhanced risk management characteristics when compared to an equity only strategy.



**Warning: The value of your investment may go down as well as up.**  
**Warning: This fund may be affected by changes in currency exchange rates.**  
**Warning: If you invest in this fund you may lose some or all of the money you invest.**

While IRIS is aimed primarily at pension investors who want to take a retirement lump sum and invest in an Approved Retirement Fund (ARF) at retirement, additional IRIS options aimed at individuals who want to purchase an annuity or take a cash lump sum at retirement are also available. The asset mix of these options will differ to the asset mix of the IRIS default option **only in the five years before your retirement year**. Information on these options is included below.

## IRIS Annuity Option

The IRIS Annuity Option is aimed at pension investors who plan to use their retirement fund to purchase an annuity at retirement. Five years from your retirement year the asset mix starts to be tailored to specifically suit pension investors who plan to purchase an annuity at retirement.



ANNUITY OPTION

### 5 Years to Retirement

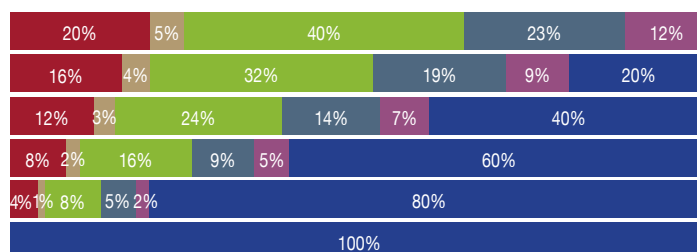
4 years

3 years

2 years

1 year

At Retirement



- Equities
- Property
- LGIM Diversified Fund
- Corporate Bonds
- Government Bonds
- Cash

## IRIS Lump Sum Option

The IRIS Lump Sum Option is aimed at pension investors who plan to use their retirement fund to take a cash lump sum at retirement. Five years from your retirement year the asset mix starts to be tailored to specifically suit pension investors who plan to take a cash lump sum.



LUMP SUM OPTION

### 5 Years to Retirement

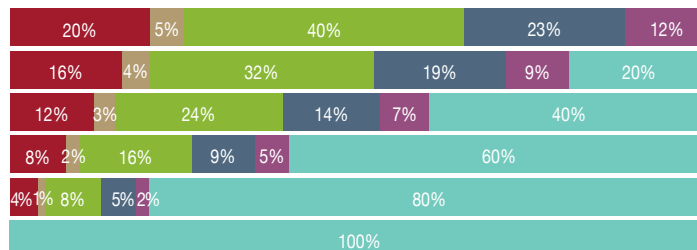
4 years

3 years

2 years

1 year

At Retirement



- Equities
- Property
- LGIM Diversified Fund
- Corporate Bonds
- Government Bonds
- Cash

While the asset mix of the options above will differ to the IRIS default option only in the last five years, you can switch to the IRIS Annuity Option or the IRIS Lump Sum Option at any time by sending a completed fund switch form or written instruction to Bank of Ireland Life. Please contact your Plan Advisor for more information.

## Passive IRIS

**Suitable for:** All pension investors

**Risk level:** Lifestyle

**Style:** Passively managed

**Managed by:** State Street Global Advisors Ireland Limited (SSGA)

**Objective of the fund:** To grow and safeguard a pension investor's savings based on their expected year of retirement.

### Key features

Passive IRIS recognises that your investment needs will be different depending on your term to retirement. It is designed to match your changing investment needs by automatically selecting an appropriate level of risk depending on your retirement year - a higher level of risk when you are far from retirement and want your fund to potentially grow, and a lower level of risk as you near retirement and want to safeguard your fund against strong short term market fluctuations.

Passive IRIS is passively managed (except for the direct property element and cash, which are actively managed). The equity element tracks the performance of a leading global index (with 75% currency hedging).

Passive IRIS is ideal for pension savers who want to take the ARF and retirement lump sum option at retirement. If you decide that you want to purchase an annuity or take your fund as a cash lump sum, you can easily move to our Passive IRIS Annuity Option or Passive IRIS Lump Sum Option (see page 15 for more information).

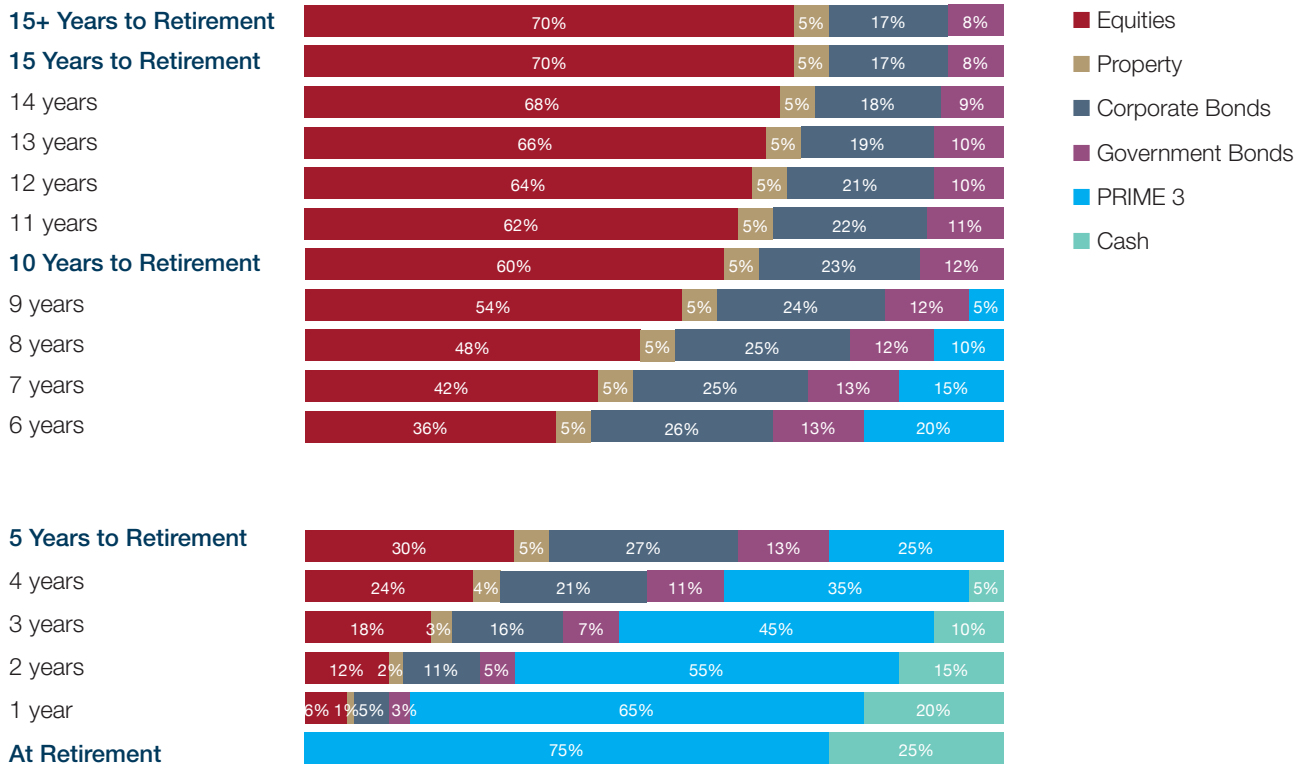
A fund related charge of 0.1% lower than the standard charge applies to this fund.

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

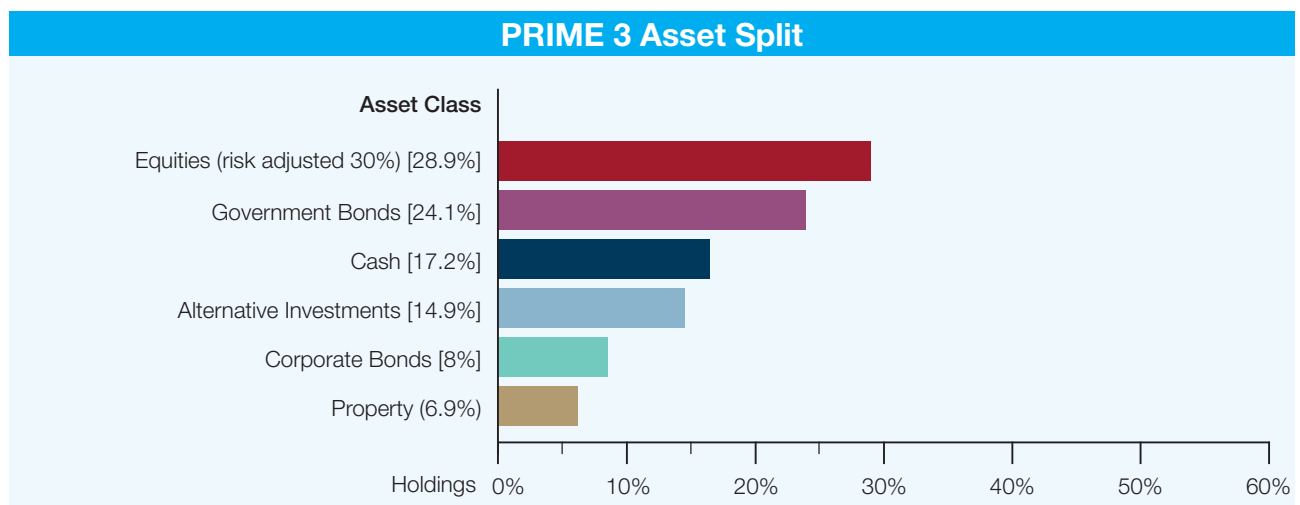
**Warning: If you invest in this fund you may lose some or all of the money you invest.**

The chart below illustrates how the asset mix of Passive IRIS automatically changes over the 15 years leading to retirement.



### A closer look at the asset mix of the Bank of Ireland Life PRIME 3 Fund

Passive IRIS increases its allocation to the PRIME 3 fund as retirement approaches. PRIME 3 is a diversified fund that invests in a range of passively managed funds with exposure to the returns of equities, bonds, property and a range of alternative assets. The fund has been designed to reduce the potential impact of equity market volatility on investment returns – smoothing fluctuations and aiming to enhance the potential return to pension investors.



May 2019. Allocations can change over time.

**Warning: The value of your investment may go down as well as up.**  
**Warning: This fund may be affected by changes in currency exchange rates.**  
**Warning: If you invest in this fund you may lose some or all of the money you invest.**

While Passive IRIS is aimed primarily at pension investors who want to take a retirement lump sum and invest in an Approved Retirement Fund (ARF) at retirement, additional Passive IRIS options aimed at individuals who want to purchase an annuity or take a cash lump sum at retirement are also available. The asset mix of these options will differ to the asset mix of the Passive IRIS default option **only in the five years before your retirement year**. Information on these options is included below.

## Passive IRIS Annuity Option

The Passive IRIS Annuity Option is aimed at pension investors who plan to use their retirement fund to purchase an annuity at retirement. Five years from your retirement year the asset mix starts to be tailored specifically to suit pension investors who plan to purchase an annuity at retirement.



### 5 Years to Retirement

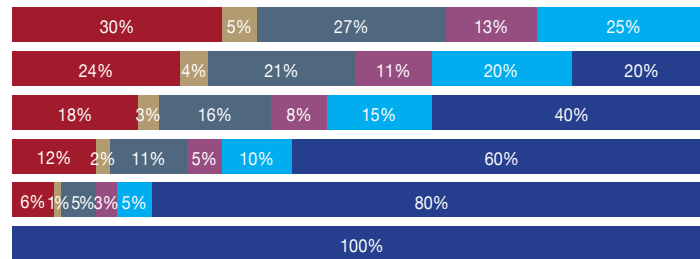
4 years

3 years

2 years

1 year

At Retirement



- Equities
- Property
- Corporate Bonds
- Government Bonds
- PRIME 3
- Long Bonds

## Passive IRIS Lump Sum Option

The Passive IRIS Lump Sum Option is aimed at pension investors who plan to use their retirement fund to take a cash lump sum at retirement. Five years from your retirement year the asset mix starts to be tailored specifically to suit pension investors who plan to take a cash lump sum.



### 5 Years to Retirement

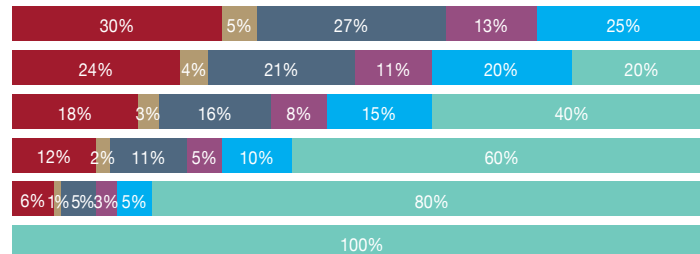
4 years

3 years

2 years

1 year

At Retirement



- Equities
- Property
- Corporate Bonds
- Government Bonds
- PRIME 3
- Cash

While the asset mix of the options above will differ to the Passive IRIS default option only in the last five years, you can switch to the Passive IRIS Annuity Option or the Passive IRIS Lump Sum Option at any time by sending a completed fund switch form or written instruction to Bank of Ireland Life. Please contact your Plan Advisor for more information.

## Pension Indexed Eurozone Long Bond Fund

**Suitable for:** Investors looking to match annuity rates

**Risk level:** Lifestyle

**Style:** Passively managed

**Managed by:** State Street Global Advisors Ireland Limited (SSGA)

**Objective of the fund:** To approximately match the cost of buying a pension annuity by investing in Eurozone Government long-dated bonds.

### Key features

Where you are using your fund (or part of your fund) to buy an annuity (income for life) at retirement, the cost of buying that annuity can fluctuate substantially, even in the short-term. The aim of this fund is to provide a return that moves broadly in line with annuity rates, helping to protect you from sudden changes in the cost of buying an annuity as retirement approaches.

A fund related charge 0.1% lower than the standard charge applies to this fund.

**Warning:** The value of your investment may go down as well as up.

**Warning:** This fund may be affected by changes in currency exchange rates.

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



# Very low risk funds

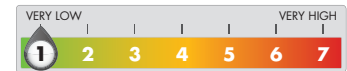
Funds categorised as very low risk have the following characteristics:

- ▶ They focus on preservation of capital above all else.
- ▶ They involve very little risk to your capital.
- ▶ They are only designed as short-term holdings.
- ▶ Over the medium to long term, the return on these funds may be less than inflation.

Investments rated 1 out of 7 on Bank of Ireland Life's 7 point scale are considered Very Low Risk.

**Please note:** The growth on very low risk funds may not always be sufficient to cover plan charges.

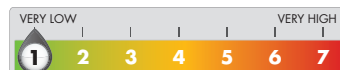
## Low to Medium Risk



## Pension Cash Fund

**Recommended investment term:** Short-term

**Risk level:** Very low risk



**Style:** Actively managed

**Managed by:** State Street Global Advisors Ireland Limited (SSGA)

**Objective of the Fund:** To help maintain the value of your capital while generating a return (before charges) in line with short term deposit rates.

### Key features

The fund invests in cash deposits and is most suitable if you are investing over the short-term, and/or you do not wish to unduly risk your capital.

This fund is not suitable as a long-term investment.

A fund related charge 0.1% lower than the standard charge applies to this fund.

### Other Cash Funds

From time to time other cash funds may be made available which provide a fixed return over a fixed term. You should check with your Plan Advisor to see if this type of fund is currently available to you.



Visit [fundcentre.bankofireland.com](https://fundcentre.bankofireland.com) for up to date fund information.

**Warning: The value of your investment may go down as well as up.**  
**Warning: This fund may be affected by changes in currency exchange rates.**  
**Warning: If you invest in this fund you may lose some or all of the money you invest.**

# Low to medium risk funds

## Low to Medium Risk



Funds categorised as low to medium risk have the following characteristics:

- ▶ They offer the potential for returns in excess of deposits but do not promise a minimum return at any time.
  - ▶ They tend to invest in a range of assets, normally focusing on lower risk assets such as government bonds and investment grade corporate bonds.
  - ▶ However they also typically invest in higher risk assets such as equities, property and alternatives (e.g. commodities). At times these investments may be a significant proportion of the fund.
  - ▶ Your capital is less exposed to market fluctuations than higher risk investments but you may get back less than you originally invested.
- Investments rated 3 out of 7 on Bank of Ireland Life's 7 point scale are considered low to medium risk.



**Recommended investment term:** Medium to long-term

**Risk level:** Low to medium risk



**Style:** Actively managed

**Managed by:** Bank of Ireland Investment Markets.

**Objective of the Fund:** Offers investors the opportunity to benefit from a diversified portfolio of funds designed and managed for customers looking for a low to medium risk investment.

**Key Features:** Risk within **iFunds 3** is managed in a number of different ways:

- ▶ By providing exposure to leading investment managers
- ▶ By providing exposure to a diverse range of asset classes
- ▶ By ensuring the mix and type of assets are suitable for the targeted risk level.

Each fund within the portfolio has been carefully selected for its contribution to the aim of **iFunds 3**. This could be the fund's individual features such as how it manages risk or seeks to generate returns. It could be how it complements other funds in the portfolio or provides exposure to an asset class not held by other funds in the portfolio.

A fund related charge 0.1% higher than the standard charge applies to this fund.

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

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

## PRIME 3

**Recommended investment term:** Medium to long-term

**Risk level:** Low to medium risk



**Style:** Passively managed

**Managed by:** State Street Global Advisors Ireland (SSGA)

**Objective of the Fund:** To generate returns reflective of the risk profile of the fund by investing in a range of passive funds.

**Key Features:** How **PRIME 3** aims to achieve returns:

- ▶ **PRIME 3** adopts a multi-asset approach – offering access to the return potential that can come from exposure to equities, bonds, cash, property and a range of alternative assets.
- ▶ Passive investment approach – **PRIME 3** invests in a range of funds which adopt a passive investment strategy and has exposure to an actively managed property fund. This is one that tracks market weighted indices or portfolios rather than relying on a fund manager to make investment decisions.

### A Risk Conscious Solution:

- ▶ Asset class exposure is reflective of the risk profile of the fund.
- ▶ An adjustment process is in place to reduce risk during times of high market volatility. Through a dynamic risk adjustment mechanism, exposure to equities is reduced in order to deliver a smoother, more stable investment journey.

The standard fund related charge applies to this fund.



Visit [fundcentre.bankofireland.com](https://fundcentre.bankofireland.com) for up to date fund information.

**Warning: The value of your investment may go down as well as up.**  
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**Warning: If you invest in this fund you may lose some or all of the money you invest.**

# Medium risk funds

## Medium Risk



Funds categorised as medium risk have the following characteristics:

- ▶ They offer the potential for returns in excess of deposits but do not promise a minimum return at any time.
- ▶ They tend to invest in a range of assets, including lower risk assets such as government bonds and investment grade corporate bonds, but are more focused on higher risk assets such as equities, property and alternatives (e.g. commodities).
- ▶ Your capital is less exposed to market fluctuations than higher risk investments but you may get back less than you originally invested.

Investments rated 4 out of 7 on Bank of Ireland Life's 7 point scale are considered medium risk.

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

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

## BNY Mellon Global Real Return Fund

**Recommended investment term:** Medium to long-term

**Risk level:** Medium risk



**Style:** Actively managed

**Managed by:** Newton Investment Management, one of BNY Mellon Asset Management's specialist asset managers.

**Objective of the fund:** The BNY Mellon Global Real Return Fund aims to return 4% per annum over cash (1 month EURIBOR) over a rolling five year period (gross of tax and charges). It is important to understand that the value of your investment may still fall as well as rise and that you may receive back less than you originally invested.

### Key features

The fund invests in a mixture of equities, bonds, cash and alternative assets to generate a positive long-term return. The fund is more focused on managing short-term risk than many other managed funds but a substantial portion of the fund can still be invested in equities. Please note that due to the type of active management involved in the fund, the asset split of the BNY Mellon Global Real Return Fund tends to move more quickly (and in larger amounts) than traditional managed funds.

Newton Investment Management, are a multi-award winning fund manager and have a proven track record in Absolute Real Return strategies, managing the Sterling version of the Real Return Fund since 2004.

A fund related charge 0.35% higher than the standard charge applies to this fund.



Visit [fundcentre.bankofireland.com](https://fundcentre.bankofireland.com) for up to date fund information.

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

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



**Recommended investment term:** Medium to long-term

**Risk level:** Medium risk



**Style:** Actively managed

**Managed by:** Bank of Ireland Investment Markets.

**Objective of the Fund:** Offers the opportunity to benefit from a diversified portfolio of funds designed and managed for customers looking for a medium risk investment.

**Key Features:** Risk within **iFunds 4** is managed in a number of different ways:

- ▶ By providing exposure to leading investment managers
- ▶ By providing exposure to a diverse range of asset classes
- ▶ By ensuring the mix and type of assets are suitable for the targeted risk level.

Each fund within the portfolio has been carefully selected for its contribution to the aim of **iFunds 4**. This could be the fund's individual features such as how it manages risk or seeks to generate returns. It could be how it complements other funds in the portfolio or provides exposure to an asset class not held by other funds in the portfolio.

A fund related charge 0.15% higher than the standard charge applies to this fund.



Visit [fundcentre.bankofireland.com](https://fundcentre.bankofireland.com) for up to date fund information.

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

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

## PRIME 4

**Recommended investment term:** Medium to long-term

**Risk level:** Medium risk



**Style:** Passively managed

**Managed by:** State Street Global Advisors Ireland (SSGA)

**Objective of the Fund:** To generate returns reflective of the risk profile of the fund by investing in a range of passive funds.

**Key Features:** How **PRIME 4** aims to achieve returns:

- ▶ **PRIME 4** adopts a multi-asset approach – offering access to the return potential that can come from exposure to equities, bonds and a range of alternative assets.
- ▶ Passive investment approach – **PRIME 4** invests in a range of funds which adopt a passive investment strategy. This is one that tracks market weighted indices or portfolios rather than relying on a fund manager to make investment decisions.

### A Risk Conscious Solution:

- ▶ Asset class exposure is reflective of the risk profile of the fund
- ▶ An adjustment process is in place to reduce risk during times of high market volatility. Through a dynamic risk adjustment mechanism, exposure to equities is reduced in order to deliver a smoother, more stable investment journey.

The standard fund related charge applies to this fund.



Visit [fundcentre.bankofireland.com](https://fundcentre.bankofireland.com) for up to date fund information.

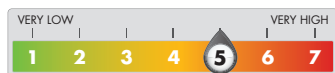
**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

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

# Medium to high risk funds

## Medium to High Risk



Funds categorised as medium to high risk have the following characteristics:

- ▶ They aim to generate a return higher than deposits and inflation.
- ▶ They typically invest significant proportions in assets such as equities, property and alternatives (e.g. commodities). They usually hold smaller amounts in lower risk assets such as government bonds and investment grade corporate bonds.
- ▶ Within these asset classes risk can be reduced by investing across sectors and geographic regions.
- ▶ Your capital is not secure and can fluctuate, sometimes significantly, and you may get back less than you originally invested.

Investments rated 5 out of 7 on Bank of Ireland Life's 7 point scale are considered medium to high risk.



**Recommended investment term:** Medium to long-term

**Risk level:** Medium to high risk



**Style:** Actively managed

**Managed by:** Bank of Ireland Investment Markets.

**Objective of the Fund:** Offers the opportunity to benefit from a diversified portfolio of funds designed and managed for customers looking for a medium to high risk investment.

**Key Features:** Risk within **iFunds 5** is managed in a number of different ways:

- ▶ By providing exposure to leading investment managers
- ▶ By providing exposure to a diverse range of asset classes
- ▶ By ensuring the mix and type of assets are suitable for the targeted risk level.

Each fund within the portfolio has been carefully selected for its contribution to the aim of **iFunds 5**. This could be the fund's individual features such as how it manages risk or seeks to generate returns. It could be how it complements other funds in the portfolio or provides exposure to an asset class not held by other funds in the portfolio.

A fund related charge 0.15% higher than the standard charge applies to this fund.

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



## PRIME 5

**Recommended investment term:** Medium to long-term

**Risk level:** Medium to high risk



**Style:** Passively managed

**Managed by:** State Street Global Advisors Ireland (SSGA)

**Objective of the Fund:** To generate returns reflective of the risk profile of the fund by investing in a range of passive funds.

**Key Features:** How **PRIME 5** aims to achieve returns:

- ▶ **PRIME 5** adopts a multi-asset approach – offering access to the return potential that can come from exposure to equities
- ▶ Passive investment approach – **PRIME 5** invests in a range of funds which adopt a passive investment strategy. This is one that tracks market weighted indices or portfolios rather than relying on a fund manager to make investment decisions.

### A Risk Conscious Solution:

- ▶ Asset class exposure is reflective of the risk profile of the fund
- ▶ An adjustment process is in place to reduce risk during times of high market volatility. Through a dynamic risk adjustment mechanism, exposure to developed world and emerging market equities is reduced in order to deliver a smoother, more stable investment journey.

The standard fund related charge applies to this fund.



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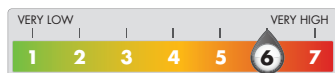
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# High risk funds

## High Risk



- ▶ The potential return from high risk investments is much higher than deposits or inflation.
- ▶ The focus is on maximising the potential return, rather than minimising risks.
- ▶ Some high risk funds may consist almost entirely of one asset class or be concentrated in one geographic region or sector.
- ▶ Your capital is not secure and may fluctuate significantly. You may get back substantially less than you originally invested.

Investments rated 6 out of 7 on Bank of Ireland Life's 7 point scale are considered high risk.



**Recommended investment term:** Long-term

**Risk level:** High risk



**Style:** Actively managed

**Managed by:** Bank of Ireland Investment Markets.

**Objective of the Fund:** Offers the opportunity to benefit from a diversified portfolio of funds designed and managed for customers looking for a high risk investment.

**Key Features:** iFunds Equities provides exposure to:

- ▶ Global equities
- ▶ A variety of different investment managers
- ▶ A variety of different investment styles.

The fund mix will typically include both developed and Emerging Markets.

Each fund within the portfolio has been carefully selected for its contribution to the aim of the **iFunds Equities**. This could be the fund's individual features, such as its ability to generate returns, or its ability to complement other components in the portfolio, such as providing exposure to alternative sources of investment return.

A fund related charge 0.20% higher than the standard charge applies to this fund.

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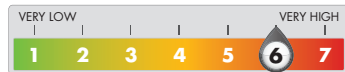
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**Warning: If you invest in this fund you may lose some or all of the money you invest.**

## PRIME Equities

**Recommended investment term:** Long-term

**Risk level:** High risk



**Style:** Passively managed

**Managed by:** State Street Global Advisors Ireland (SSGA)

**Objective of the Fund:** To generate returns reflective of the risk profile of the fund by investing in a range of passive funds.

**Key Features:** How **PRIME Equities** aims to achieve returns:

- ▶ **PRIME Equities** offers access to the return potential that can come from exposure to equities.
- ▶ Passive investment approach – **PRIME Equities** invests in a range of funds which adopt a passive investment strategy. This is one that tracks market weighted indices or portfolios rather than relying on a fund manager to make investment decisions.

### PRIME Equities Summary:

- ▶ **PRIME Equities** has exposure to developed world, emerging market and small cap global equities and cash.
- ▶ All asset class exposures will move over time in line with market movements. This may cause the exposure levels to deviate above the levels originally set for a period of time. A rebalancing process will occur to bring asset class exposure levels back into line.

The standard fund related charge applies to this fund.



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# Our investment managers

In today's investment market, pension investors have many different needs and these needs change over time. To ensure that we can meet the wide array of needs, we have chosen a range of investment managers, combining their different strengths to present a robust pension investment proposition, offering a choice of investment styles, from active to passive, and investing across a broad range of asset classes, geographic regions and market sectors.



## State Street Global Advisors (SSGA)

- ▶ SSGA is the investment management business of State Street Corporation and one of the world's largest investment managers.
- ▶ SSGA has over over 400 dedicated investment professionals.
- ▶ SSGA Ireland has over 50 years' experience managing investments. Dublin is one of SSGA's investment centres.



## Newton Investment Management

- ▶ Newton Investment Management is part of the BNY Mellon company
- ▶ Over 30 years industry experience
- ▶ Demonstrable track record in delivering strong risk adjusted returns to meet clients' investment objectives
- ▶ An award winning research and investment process.



## Legal & General Investment Management (LGIM)

- ▶ Founded in 1836, Legal & General Group (L&G) has been operating for over 180 years with the investment arm - Legal & General Investment Management Limited (LGIM) managing €1 trillion in total assets under management
- ▶ LGIM have approximately 3,000 institutional clients, managing money across a wide range of asset classes.



## iFunds Manager

Bank of Ireland Investment Markets is the investment manager of the iFunds range. The investment manager's team has:

- ▶ 400+ years combined investment experience
- ▶ Extensive experience in managing multi asset funds
- ▶ Strong working relationships with over 25 global fund managers many of whom which are available to you through the iFunds range.

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# Charges

## Charges

The standard fund management charge and any other charges relating to your Plan are available from the Trustees of your Plan. Where the fund management charge varies for a particular fund, the difference from the standard charges is set out in the booklet.

**Warning: The value of your investment may go down as well as up.**

**Warning: These funds may be affected by changes in currency exchange rates.**

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

**Warning: If you invest in this product you will not have any access to your money until your retirement date.**

This guide is based on our understanding of current legislation and Revenue practice as at July 2019. Terms and conditions apply.

While great care has been taken in its preparation, this guide is of a general nature and should not be relied on in relation to a specific issue without taking financial, insurance or other professional advice. The content of this guide is for information purposes only and does not constitute an offer or recommendation to buy or sell any investment or to subscribe to any investment management or advisory service. If any conflict arises between this guide and the Policy Conditions, the Policy Conditions will apply.

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Bank of Ireland Life is a trading name of New Ireland Assurance Company plc. New Ireland Assurance Company plc. trading as Bank of Ireland Life is regulated by the Central Bank of Ireland. A member of Bank of Ireland Group. The Company may hold units in the funds mentioned on its own account.





