

Pension

IRIS
Quarterly Report
Q3 2023



Bank of
Ireland
Life

IRIS Q3 2023 Commentary

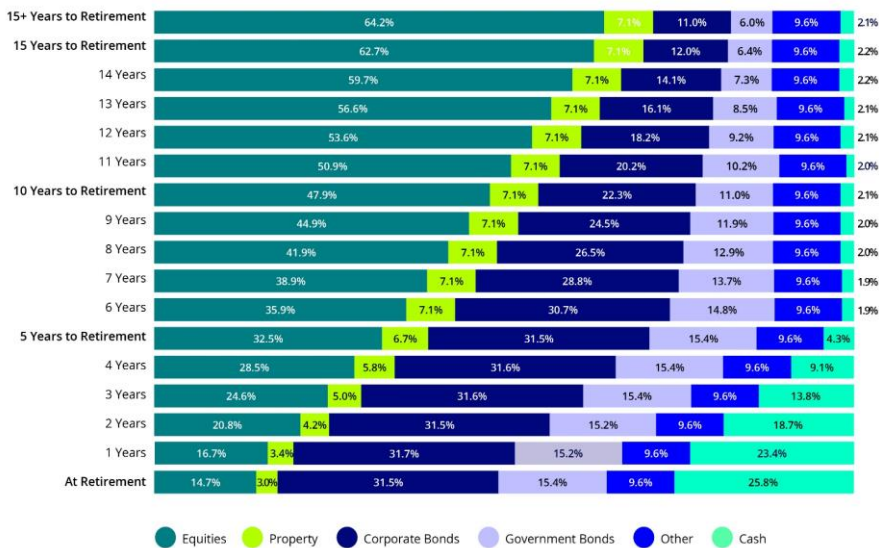
Bank of Ireland Life's lifestyling investment strategy IRIS (Individual Retirement Investment Strategy) invests based on your projected retirement year. There are two versions available – IRIS, which is actively managed, and Passive IRIS, which is passively managed (the default option in Investment Choice).

Kevin Quinn, Chief Investment Strategist, Bank of Ireland Investment Markets, provides an update on how our IRIS funds has performed over the quarter:

IRIS has exposure to two investment managers to manage your money - State Street Global Advisors (SSGA) and Legal & General Investment Management (LGIM). Both are ranked amongst the biggest investment managers in the world.

The chart below illustrates how the asset mix of IRIS automatically changes over the 15 years leading to retirement (as at December 2022).

Figure 1: IRIS Indicative Glide Path

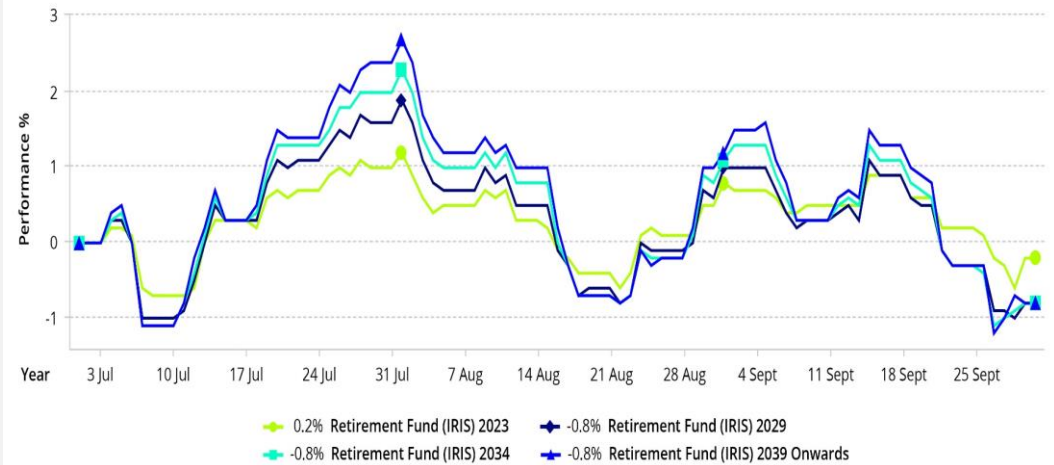


Note: Other includes Alternatives, commodities, high yield bonds and infrastructure.

Warning: Past performance is not a reliable guide to future performance.

IRIS aims to maximise growth when you are younger by investing predominantly in shares and then de-risks into more cautious approaches as you get older. As you near retirement, your money moves to lower risk funds.

Figure 2: IRIS Performance 01.07.2023 – 01.10.2023



Source: Longboat Analytics. Performance as at 01.10.23 is quoted gross of tax and charges.

IRIS Q3 2023 Performance Review

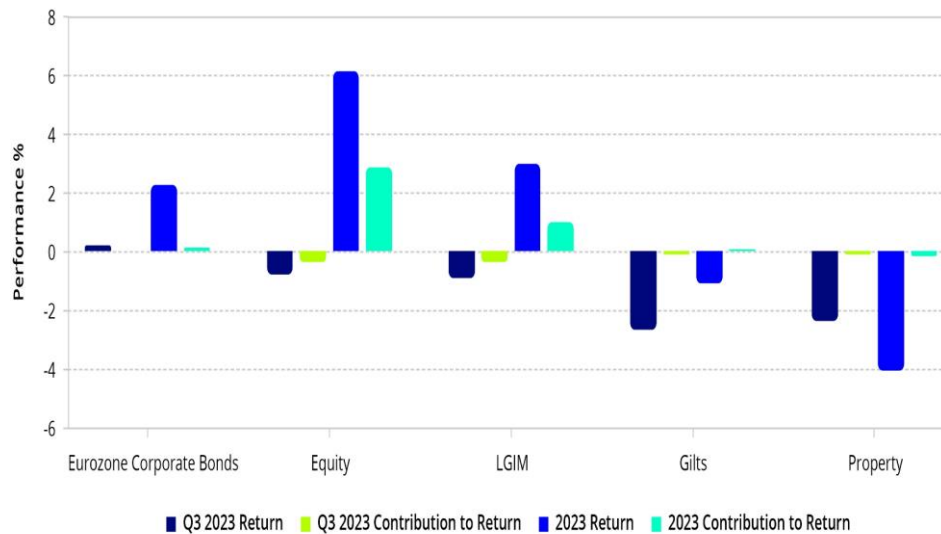
2023 started off very well for investors, but gave up gains in quarter 3. As the US economy appeared to have avoided recession and inflation remained stubbornly high, central bankers indicated that interest rates were likely to stay higher for longer. This led to a modest sell-off in shares and bonds, but each IRIS fund retained year-to-date gains. Higher interest rates and lower demand led to a drop in property fund values.

As you can see in Figure 3 overleaf, IRIS' corporate bond exposure delivered a very small gain in Q3, while government bonds and property exposures were the biggest detractors of performance. Longer dated government bonds fell most as interest rates remained high and we are unlikely to see cuts for the immediate future. So far in 2023, the stock market content managed by SSGA has been the best performing of the underlying investments as global markets rebounded. SSGA's focus on better quality, more conservative stocks was well-rewarded.

IRIS Q3 2023 Performance Review (Cont'd)


Within the LGIM portfolio, the most significant asset class contributors to fund returns during the quarter were commodities, private equity, and forestry. On the other side, US corporate bonds, listed infrastructure and European equities were the largest detractors from fund performance.

Figure 3: IRIS Component Parts' Performance as at 01.10.2023



Source: Bank of Ireland Investment Markets. Performance as at 01.10.23 is quoted gross of tax and charges.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.
 Warning: Past performance is not a reliable guide to future performance.

For the most up to date fund performance and fund information, please click [Fund Centre](#) 

IRIS Q3 2023 Performance Update

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.

Gross Performance to 01 October 2023

IRIS Funds Performance Update	1Mth	3Mth	1Yr	3Yrs p.a.	5Yrs p.a.	10Yrs p.a.
Retirement Fund 2038 onwards	-2.0%	-0.8%	10.5%	7.7%	4.5%	5.5%


Shorter dated Passive IRIS funds

Retirement Fund 2025	-1.3%	-0.4%	4.7%	1.6%	1.8%	3.6%
Retirement Fund 2023	-1.0%	-0.2%	3.8%	0.6%	1.3%	3.2%

Source: Longboat Analytics. Performance as at 01.10.23 is quoted gross of tax and charges.

**With effect from 5th August 2020 the fund will access the investment through the MGI UCIT platform rather than the SSGA UCIT platform. State Street Global Advisors (SSGA) will continue to manage the underlying investments on behalf of Bank of Ireland Life and there will be no change to your investment. This is for operational and business efficiencies.

Warning: Past performance is not a reliable guide to future performance.
 Warning: The value of your investment may go down as well as up.

For the most up to date fund performance and fund information, please click [Fund Centre](#) 

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Fund Centre



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: Past performance is not a reliable guide to future performance.
Warning: If you invest in this product you will not have access to your money until your retirement date..

Performance figures in this document are quoted gross of tax and charges. Exit tax (up to 41% currently) applies to gains on life assurance investment policies. A Government levy (currently 1% of the premium amount) applies to all premiums paid to a life assurance policy.

Any references to an investment manager may refer to the investment manager of an underlying collective investment vehicle.

Terms and conditions apply. Bank of Ireland Life reserves the right to review the risk categorisation of its funds at any time. While great care has been taken in its preparation, this document is of a general nature and should not be relied on in relation to specific issues without appropriate financial, insurance, investment or other professional advice. The content of this document 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. While the information has been taken from sources we believe to be reliable, we do not guarantee its accuracy or completeness and any such information may be incomplete or condensed. All opinions and estimates constitute best judgement at the time of publication and are subject to change without notice. Please note that mention of specific stocks/shares or investments is not a recommendation to trade in those stocks/shares or investments. The details shown in this document relating to funds and their composition are as at the date of this document unless otherwise stated and may change over time. If there is any conflict between this document and the policy conditions, the policy conditions will apply.

The risk categories in this document have been determined by Bank of Ireland Life. Separately European Union (EU) law requires that a risk indicator be applied to the fund if certain products are held (excludes pensions), and it may differ from the Bank of Ireland Life risk category. The EU indicator is stated in the Fund Information Sheet and can be found at fundcentre.bankofireland.com/#KIDS. Please see the Smart Funds or Target Saver brochure for further details.

The manager of the LGIM fund is LGIM Managers (Europe) Limited. LGIM Managers (Europe) Limited is authorised and regulated by the Central Bank of Ireland. LGIM is authorised and regulated by the Financial Conduct Authority in the UK. Legal & General Investment Management Ltd., One Coleman Street, London, EC2R 5AA.

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