

Pension

Passive IRIS  
Quarterly Report  
Q3 2023



Bank of  
Ireland  
Life

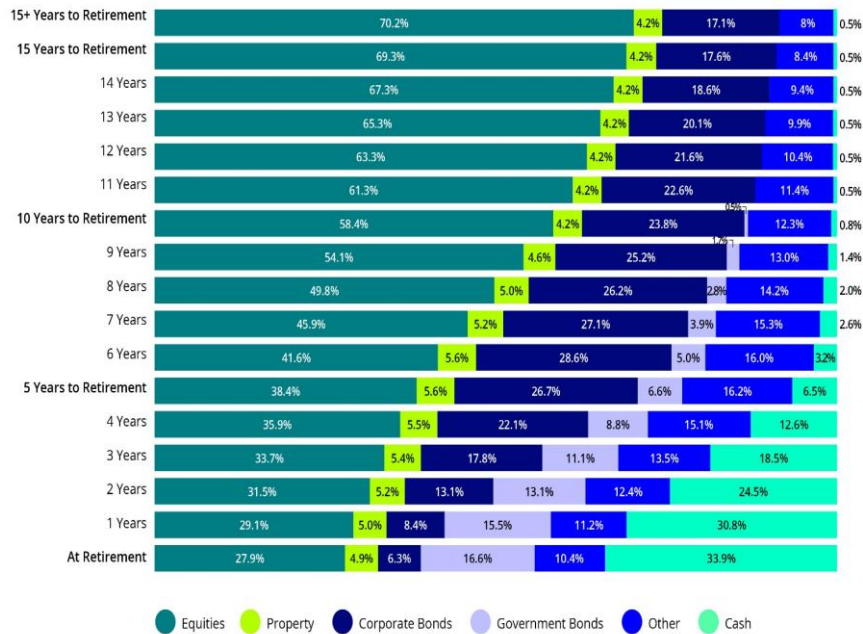
# Passive IRIS Q3 2023 Commentary

Passive 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 strategies. In periods when stock markets do better, those with more invested in shares tend to outperform the more cautiously positioned approaches.

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

Figure 1 below illustrates how the asset mix of Passive IRIS automatically changes over the 15 years leading to retirement (as at December 2022).

**Figure 1: Passive IRIS Indicative Glide Path**



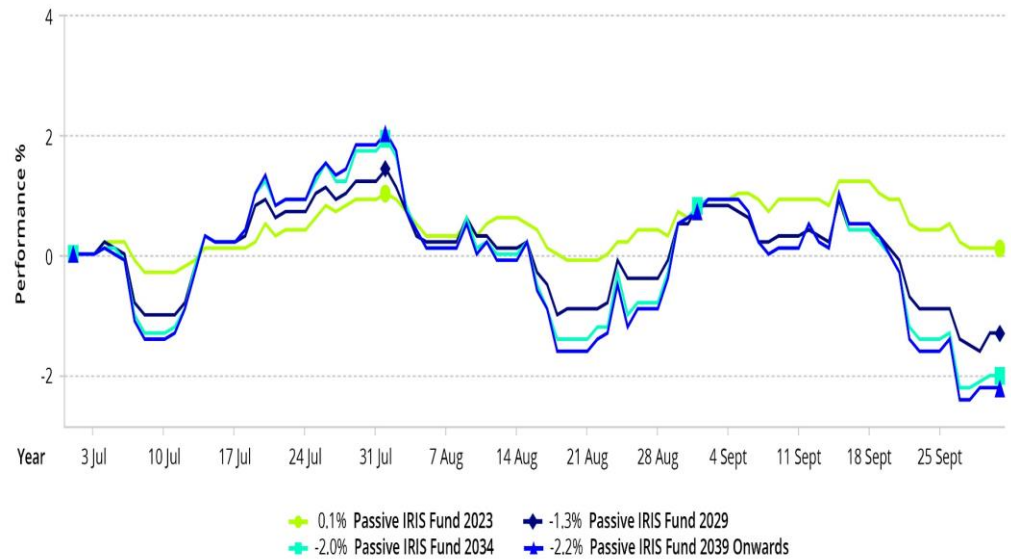
Note: Other includes Alternatives, commodities, high yield bonds and infrastructure.

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

# Passive IRIS Q3 2023 Performance Review

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

**Figure 2: Passive IRIS Performance 01.07.2023 – 01.10.2023**



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

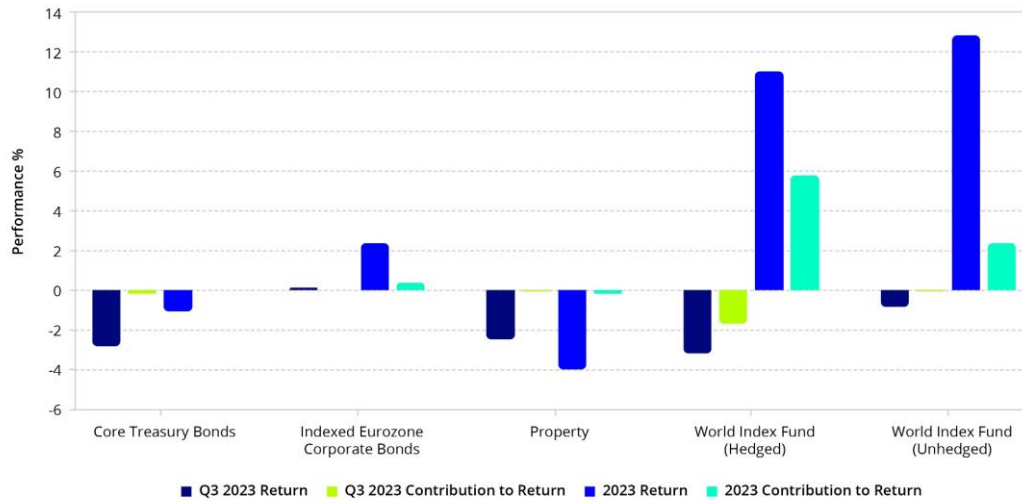
Passive IRIS funds for those closer to retirement would hold more in bonds than those with longer to their retirement date. In Figure 3 overleaf, you can see negative returns from all asset classes in the quarter, with the exception of the Indexed Corporate Bond Fund, which delivered a small gain.

## Passive IRIS Q3 2023 Performance Review (Cont'd)

### Performance review (cont'd)

Those with longer to retirement saw higher losses in Q3 from greater exposure to stock markets. As a passive equity investment, Passive IRIS' exposures to equities is in line with an index of world stock markets. As technology-related shares make up a greater portion of the index, their strong performance helped in the first half of the year but underperformed in Quarter 3. For those investors nearer retirement, their Passive IRIS funds also experienced losses but these were limited by greater bond exposures.

**Figure 3: Passive 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.

## Passive IRIS Q3 2023 Performance Update

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 – Passive IRIS, which is passively managed (the default option in Investment Choice) and IRIS, which is actively managed.

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)\*\*.


### Gross Performance to 01 October 2023

Passive IRIS Funds Performance Update	1Mth	3Mth	1Yr	3Yrs p.a.	5Yrs p.a.	10Yrs p.a.
Passive IRIS 2038 onwards	-2.9%	-2.2%	11.7%	4.9%	4.8%	6.8%
<b>Shorter dated Passive IRIS funds</b>						
Passive IRIS 2025	-1.2%	-0.5%	4.6%	1.6%	2.3%	4.9%
Passive IRIS 2023	-0.7%	0.1%	3.5%	1.8%	2.1%	4.4%

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](#) 

# Talk to us today

## 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](http://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.

State Street Global Advisors Europe Limited is regulated by the Central Bank of Ireland. Registered office address 78 Sir John Rogerson's Quay, Dublin 2. Registered Number: 49934.

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