ZURICH

Understanding your Risk/Reward profile

Calculating your risk profile

Over the course of your long-term investment, one of your aims should be to see value of your funds go up over time, and to get back more than you put in. Of course, along this journey, the value of your investment will go up and down – depending on the types of assets you're investing in and how they react to different investment market events. How much these assets go up and down can be called volatility, and this is one of the ways we can think about investment risk. The more risk you take, the more likely you'll see greater returns for your investment in the long term, but also the more likely your investment may drop in value. It is important to understand your own attitude to risk and how you'll feel along the way.

Zurich's 1-7 Risk Scale

To help you work out your attitude to risk, Zurich has a risk profiler that utilises a 1-7 risk scale, with 1 being the least risky and 7 being the riskiest.

It is always worth remembering that there are many important aspects of your personal financial situation and your risk profile is there to help you and your Financial Advisor formulate a plan. It is important that you review your overall situation and investment needs with a Financial Advisor. You'll see the below 1-7 scale across our investment marketing collateral, including on fund factsheets and on your own client centre, indicating the level of risk of a particular fund or your overall investment portfolio:



What has changed?

Zurich calculates the volatility of each of its funds and maps them to our 1-7 scale, and in early 2025 Zurich changed the underlying inputs into our risk rating methodology. We now take account of the past twelve years of market movements and our fund risk ratings are now described relative to the risk of global equity markets. This is designed to give you and your advisor a clearer understanding of the risk associated with our funds and to improve the ease of selecting fund(s) that are appropriate for you.

You might have seen your risk rating on the client centre change when this happened. However, it is important to note that this change only affects the way we illustrate fund risk in our risk rating figures. There is no change to how Zurich funds are managed and the risk associated with any fund is unchanged. Your fund will still invest in the same asset classes, maintaining the same asset ranges as before.

Want to know more?

To find out your personal risk profile you can use our Risk Profiler tool with your Financial Broker. Whether you are a risk taker or a more cautious investor, we have a range of funds to suit your personal financial needs and objectives.

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Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

GR: 9163 Print Ref: ZL ISA 9163 0125

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