

Steady Course?

Balancing risk and
opportunity ahead

Investment Outlook 2026



Contents

| | |
|-----------------------------|----|
| World review of 2025 | 1 |
| Key Highlights | 2 |
| CIO Letter | 3 |
| 2025 Review | 4 |
| 2026 Outlook | 6 |
| Corporate Pension Solutions | 11 |
| 2025 Performance | 12 |
| Historic Performance | 13 |

2025

Key Market Events



Source: Zurich International Equity Fund inclusive of 0.4% AMC. Returns are based on offer/offer performance and do not represent the return achieved by individual policies linked to the fund. Performance to January 2026.

Warning: The value of your investment may go down as well as up.
Warning: Past performance is not a reliable guide to future performance.
Warning: This product may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.

2025 Key Asset Allocation Decisions

January

Added to our already overweight gold position twice and also moved to overweight equities, funded by cash and short-term bonds.

March

Increased our allocation to equities and long-term bonds, with both moves funded by short-term bonds. Also removed our existing USD hedge.

April

Neutralised our equity exposure by reducing US allocation, with the proceeds invested in shorter dated bonds.

May

Reduced our equity and gold position, and decreased the duration of our bond holdings, allocating to short-term credit and government bonds.

August

Added more to gold, funded by trimming our short- and medium-term bond positions.

December

Reduced Gold allocations on a tactical basis.

2025



Key Market themes

Trade Tariff Tensions

2025 will likely be best remembered by the market as the year of the tariff. Tensions between the US and its largest trading partners created a fog of uncertainty early in the year. This all culminated on 2nd April as US President Trump imposed reciprocal tariffs on around 90 countries, kickstarting one of the most volatile weeks in stock market history. What followed in the subsequent months was a series of tit-for-tat tariff battles, before a swathe of trade agreements reinstated the market's optimism.

AI Optimism

Growth sectors such as Communication Services and Information Technology had a strong year, driven by the Artificial Intelligence (AI) trade. This was despite five of the Magnificent Seven (Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA, and Tesla) underperforming the S&P 500. Companies ramped up capital expenditure in AI, leading to some market scepticism at the tail end of the year. However, stellar earnings growth continued to justify high valuations, and the AI thematic pushed markets to record highs amid broader economic and geopolitical uncertainty.

Government Debt Levels

Long-term government bond yields across many of the major economies crept up during the year as plans for fiscal expansion were met with concerns about widening deficits. In Germany, the new government voted to reform the 'debt brake', leading the wider Euro area in its plans to boost infrastructure and defence spending. In Japan, the 30-year government bond yield rose to a multi-year high in expectation of debt-funded stimulus packages.

The US Dollar

The dollar weakened considerably in the first half of the year, accentuated by the fact that the greenback started 2025 from a position of relative strength. The EUR/USD exchange rate began the year near parity and rose as high as 1.19 in September. The dollar fell in value as the market lost confidence in the US economy due to policy and trade uncertainty. This had a considerably negative impact on European investors' euro-denominated returns in US assets throughout the year.

Precious Metal Returns

Geopolitical and policy uncertainty in 2025 made gold more attractive as a safe haven asset. Gold rose above the \$4,500/oz mark for the first time due to elevated uncertainty, rate cuts, and strong central bank demand. Central banks, particularly of developing nations, have continued to aggressively acquire gold in order to diversify their reserves away from the weakening dollar, and away from foreign currencies in general following the freezing of Russian assets in Europe. Silver also enjoyed a strong rally in 2025, partly due to high industrial demand amid a supply deficit.





Lenin apparently said that there are decades where nothing happens and then there are weeks when decades happen. 2025 felt a little like that: US tariff policies sent shockwaves through the financial markets leaving them alternately stunned, bemused and relieved at different stages. The volume of Artificial Intelligence (AI) related capital expenditure surpassed even the most optimistic expectations. And precious metals strengthened way beyond what the traditional yardsticks would imply.

In the short-term, with equity markets at highs and sentiment measures pretty elevated, it feels right to be more neutral from an asset allocation point of view and to seek opportunities in volatility to add to risk exposures.

When we said in our 2025 Outlook that it had been an extraordinary five years which had seen 'bad' events but good outcomes, we noted that what mattered for us was not just the so-called fundamentals but, just as importantly, policy and context. In 2025, policy was a mixed factor: US tariff policy – and the reaction it engendered – was generally regarded as a negative with interest rate policy in most economies providing some positive offset in the form of lower short-term interest rates. Crucially for the way we see the world, medium to long-term inflation expectations remained anchored (as they had during the post-Covid inflation surge) throughout the tariff policy evolution, and that provides a benign underpinning to risk assets.

The context that made 2025 a strong year for equity markets was the structural force of AI. In the current 'supply' phase of the AI revolution, where the AI infrastructure is being developed, the focus is more on who's making the infrastructure and less on who's going to sell the consumer or corporate products that will ultimately pay for the infrastructure. That day of reckoning will surely come, but – like the question as to how AI will shape societies, economies and financial markets – no one really knows the answer, except it all feels very profound, with consequences far into the future.

In the meantime, this structural force is helping to extend an already mature equity bull market. It feels that investors are adopting a 'glass half full' approach to the markets as opposed to a Panglossian (let alone irrational) one. Yes, valuations are high relative to history and market concentration in the US is extreme. But there are a few factors that are worth considering in the context of 'bubble' concerns that this concentration seems to automatically produce: if this is a new epoch in which AI technology drives profit margins (even) higher, and earnings for the winners are sustained at elevated levels, then valuations may also remain elevated. Lack of discrimination is often cited as a bubble signal (people buy anything regardless of merit) but that's not what's happening at the moment. Indeed, when you look at the largest US stocks in 2025 their price improvements have been driven, in the main, by earnings growth more than valuation expansion (Tesla is the exception) and again, this is not what you'd expect in a bubble. Many non-US markets and many lower valued stocks outperformed the US market in 2025, contrary to what many headlines would suggest; for example, there was very little difference between the return of global equities with or without the Mag7. Yes, there are some areas of the financial markets, mainly cryptocurrency related, which are showing exuberant characteristics, and amongst retail investors especially in the US there does appear to be a certain exuberance at play, but this doesn't equate to a generalised financial market bubble.

A more recent development is that the credit market vigilantes will likely scrutinise the next phase of AI infrastructure capital expenditure since even highly cash-generative technology stocks will need to diversify their funding sources. We'll have to see how this develops but it could be a restraining factor on any bubble-like tendencies. We're not dismissing the determination of certain technology CEOs to be the winners in the new landscape – and the risks that could stem from that behaviour – but we are saying that doesn't automatically equate to bubble conditions.

However, it doesn't have to be a market top or bubble conditions before we can be a bit more cautious in the short-term – as we have just become. Regular excesses of sentiment combined with strong gains can be enough to merit that caution. In general, we'll continue to be as objective as possible amid the siren voices and the cheerleaders and to try to reduce the emotion from our decision making.

In the same spirit of objectivity, it's noteworthy that amid the talk of US exceptionalism that was prevalent in 2024, European equities had a strong year – returning the same as US equities in local currency terms and, given the fall in the USD in 2025, were far ahead of US equities in euro terms. That doesn't match the attention that US equities and US technology stocks have received; perhaps it's just a preference from non-US investors to cap their exposure to 'everything US' after three decades of material (even if not linear) US market outperformance, a fully (or richly in some eyes) valued US market, and a more modestly valued European market – which may be due a cyclical bounce.

On the other hand, it's too easy to flip US exceptionalism into US fatalism, some of which we've seen in commentaries in recent times. The US has government debt problems, but so do many major developed economies, some of which lack the other characteristics that allow the US to continue to borrow from foreigners in its own currency – a benefit which the US is unlikely to lose quickly. The path of bond yields globally in 2025 does indeed reflect a generalised concern about government debt levels, but the degree of concern reflected is still modest. The market developments we are seeing are broadly consistent with a normalising of long-term interest rates – including some element of risk premium into longer-dated bonds – after a prolonged bull market in many bond markets that was extended by extraordinary policy actions post the Global Financial Crisis (GFC) and the Covid crises.

Finally, a comment on Gold which has been a material part of some of our multi-asset portfolios (where allowable) again in 2025. The thesis here was straightforward, namely that China and other countries would diversify from the US dollar in an attempt to reduce the power associated with the dollar's dominance of the global financial system and foreign exchange trading. Just to note that it's not predicated on a surge in inflation or a collapse of the government bond markets. Investors in the gold market such as governments or central banks, who operate without the constraints of conventional return objectives, can be a powerful and prolonged force, and we expect to see this factor continue. It's unlikely this will be linear however and other actors with shorter horizons or even a speculative approach can also be market impactful. In the short-term we have reduced our large Gold exposure to allow for excess sentiment to cool and we will re-evaluate in the period ahead. We expect to have large Gold holdings again, however, in 2026.

David Warren,
Chief Investment Officer, Zurich Life
January 2026.

2025

Review

2025 proved to be a remarkable year for risk assets, most notably equities. The seminal market moment proved to be the 2nd April tariff announcements from US President Donald Trump. Markets had started the year with a continuation of the positive momentum post the US election. Buoyed by the prospects of tax cuts and deregulation, markets moved to a series of record highs across the first six weeks of the year, with the announcement of China's AI 'DeepSeek' developments causing a brief sell-off in late January.

However, by late February and into March, equity markets experienced bouts of volatility and weakness as the US administration began to implement their 'America First' trade policy, with Canada, Mexico, and China the primary targets. The initial impact saw the US dollar weaken against key currencies such as the Euro with Gold benefiting as a result, hitting \$3,000 per troy ounce for the first time ever. February also saw the Conservatives return to power in Germany, and indications for a reduction in the German budget 'debt brake' mechanism saw Eurozone equities respond positively in mid-March.

Eurozone equities further outpaced US peers following the announcement of increased infrastructure and defence spending, not only in Germany, but across Europe in a reaction to the shift in US policy to a less supportive stance in relation to Ukraine. However, the expectation of increased spending and therefore debt levels led longer dated German government bonds to experience a sharp price decline. Concerns on government deficits and debt levels across developed markets was a persistent theme of bond market price action in 2025.

The 'Liberation Day' tariff announcements led to one of the most volatile three-day periods in market history, as equities in particular endured wild price swings on almost hourly policy announcements from the US. Bonds and Gold rallied, benefitting from their safe haven status whilst the US dollar declined further - exacerbating US equity losses for euro-based investors. A 90-day pause provided a temporary reprieve, but the trade tariff tensions proved to be the dominant market theme as we headed into the summer months as policy amongst major trading partners flipped from reprieve to retaliatory tariffs.

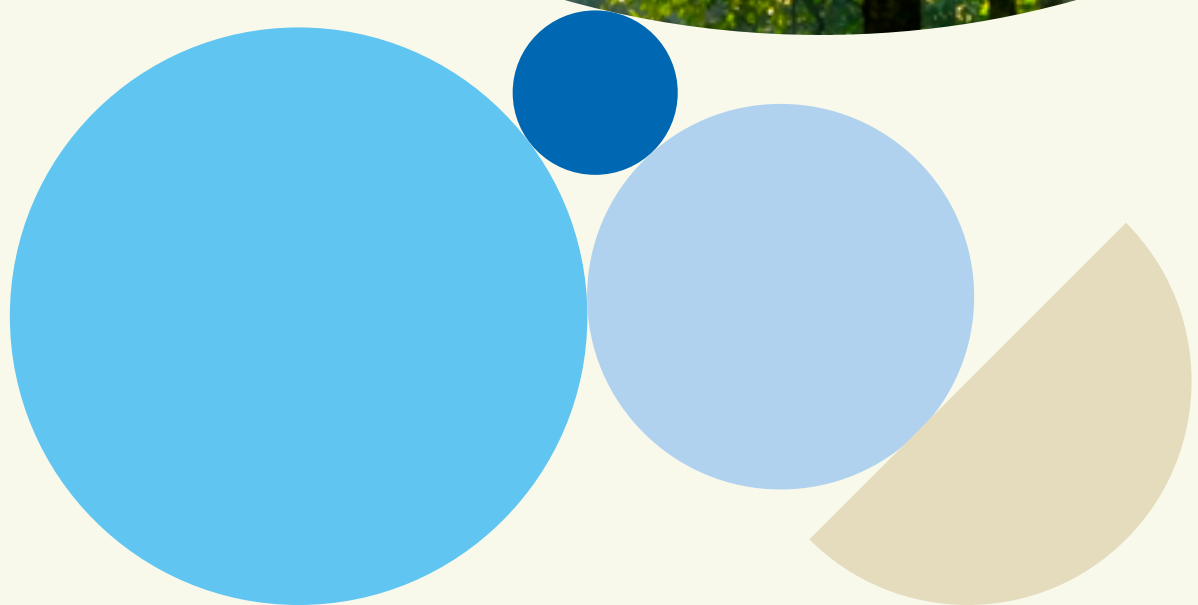
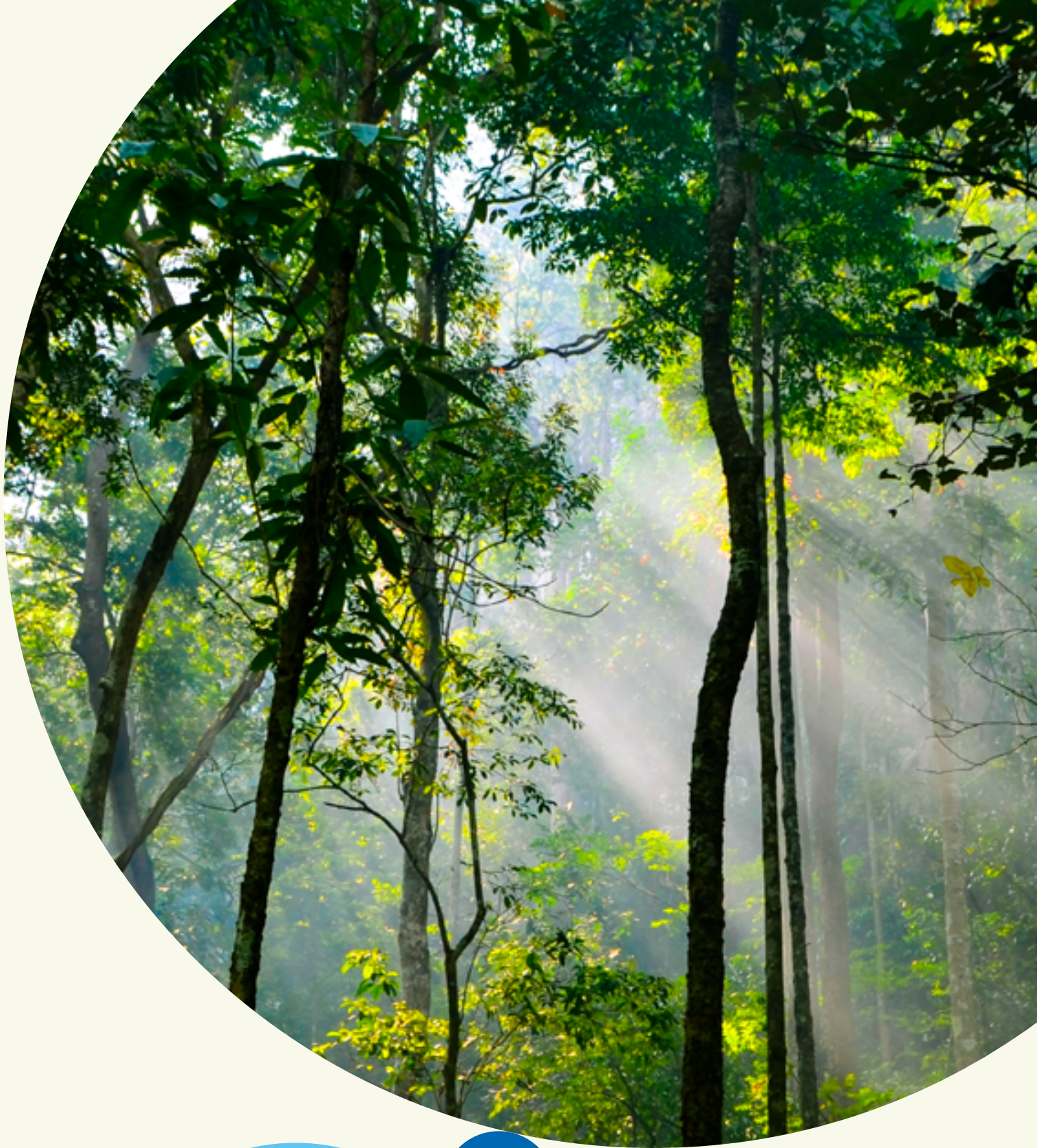
In May, markets continued to recover and Q1 earnings for equities proved to be robust as the AI narrative once again began to take hold. Moody's downgraded the US government as the administration announced plans for an unfunded increase in spending as details of the 'One, Big, Beautiful Bill' emerged. Within commodities, Oil fell below \$60 a barrel and reached 4-year lows due to the announcement of output hikes by OPEC+.

The European Central Bank (ECB) delivered a fourth cut of 0.25% in 2025 at their June meeting, bringing the main deposit rate from 3% to 2%. Markets were further supported by a flurry of trade deals and, despite a peak in Israel-Iran tensions, the US market hit a fresh record high (in US Dollar terms) just before the midpoint of the calendar year. July also proved to be positive as Q2 earnings further fuelled AI led optimism, with the announcements of individual companies, most notably Nvidia, garnering as much market reaction as significant economic releases have done in the past.

Following comments from Fed Chair Powell at the Jackson Hole Symposium, the Federal Reserve cut rates for the first time in 2025 at their September meeting, which saw the US Dollar move to 1.19 against the Euro, which proved to be the weakest level of 2025. The US Government shutdown began on 1st October and proved to be the longest in history, lasting 43 days, whilst the French Government also collapsed early in the month. These developments, coupled with enduring US-China trade tensions, saw Gold surge further to over \$4,000 per troy ounce, with Silver also starting to garner investor attention.

The new Japanese Prime Minister, Sanae Takaichi, vowed to implement an expansionary fiscal policy which, as per elsewhere in 2025, saw a positive reaction from equities and a negative one from bonds. Eurozone Government bond yields moved higher during the second half of the year, with longer dated Eurozone bonds suffering negative returns in 2025.

The Federal Reserve cut rates for a third and final time in 2025 at their December meeting and Equities and precious metals finished out the year close to record highs. However, the final weeks of the year saw investors grappling with a confluence of events, including a potential Ukraine-Russia peace deal, equity sector rotation amid some concerns over AI related valuations, and the record highs seen in Gold and Silver. These topics all look set to feature in 2026.



2026

Outlook

Across multi-asset funds, we are positioned broadly neutral within respective equity ranges. We favour credit over sovereign bonds within our fixed income allocations. From a Eurozone sovereign bond perspective, we prefer periphery issuers over core and are moderately short from a duration perspective versus the wider market. A material overweight position in Gold was reduced the week before Christmas. However, we continue to see the structural supports in Gold in place. Overall, we are marginally overweight across Alternatives as a whole.

There are several positive structural trends that remain intact within the global economy. They include more accommodative monetary policy, broadly positive fiscal policy (notwithstanding risks), a stable US consumer, robust equity earnings, and an encouraging Artificial Intelligence (AI) backdrop. Despite an uncertain environment, there are liable to be opportunities to add to our equity allocations throughout 2026, which is our current bias.

Risks are, as ever, present within the global economy and the investment markets. Whilst market focus has shifted away from tariff tensions, there is the possibility that they emerge once more. In the US, economic data has been patchy as a consequence of the recent government shutdown. However, there have been some amber warning signs in the employment market which are matched by consumer unrest in relation to the cost of the living.

Economic Indicators

Even as trade tariff tensions have dissipated consensus Gross Domestic Product (GDP) growth forecasts are muted, with 2.0% in the USA and 1.0% in the Eurozone expected for 2026. Whilst not stellar, this does provide a reasonable backdrop for risk assets. Financial conditions and fiscal policy remain accommodative across major economies. The US consumer remains an integral driver of economic growth and spending has continued. However, price levels remain a source of worry and the final University of Michigan survey of 2025 shows consumer sentiment 30% lower than end 2024 levels.

Inflation has moderated in 2025 but has remained stubbornly above the 2% level targeted by most Central Banks. After several months of deflation, Chinese inflation moved higher again in Q4 2025. In the US employment market, the backdrop has become slightly more challenging in recent months, with the government shutdown accentuating the murky picture. In the December jobs report, unemployment ticked up to 4.6%; a four-year high. Eurozone unemployment has been at 6.4% for most of 2025.

Risks

There has been a wider focus within markets on the mechanisms being utilised to fund AI related spending, whether it be equity, public debt, or private debt. Pockets of risk related to this topic have emerged and we continue to monitor it closely. There are some concerns regarding the level of funding towards AI initiatives and how much this can be monetised in the future. It is also worth considering potential bottlenecks to achieving current AI capital expenditure plans, with electricity availability a key requirement/constraint for data centres. This will require considerable investment and execution risk as supply chains are tight, which might slow the pace of data centres coming online.

Investor concerns over inflation have dissipated versus previous years. However, most notably in the US, inflation remains 'sticky' with the Federal Reserve struggling to get the figure down to the 2% target. The dual mandate of the Fed (both price and employment levels) presents a challenge in the current environment. This is accentuated by the change in Fed Chair due in May 2026, and the US government's preference for lower rates. Medium term inflation expectations remain anchored, but any reduction in the Fed's credibility could endanger this.

The above risks are somewhat acknowledged by the market, and therefore there is the theory that the market has already discounted any potential negative implications. In relation to the US, there are also risks that are not priced in. For example, the US mid-year elections could have a material impact on policy both before and after. There is also the potential for further developments in US trade policy, particularly with a decision expected early in 2026 from the Supreme Court. Furthermore, growing US inequality, evident in the concept of a 'K-shaped' economy has the potential to cause political noise.

Conclusion

As ever, there are a confluence of variables for investors to digest. There is not a consensus view on several of these, including the path to be taken by the Federal Reserve in 2026, the condition of the US employment market, and the strength of the US consumer.

Markets are also unresolved on topics including the true impact of AI, its associated impact on equity valuations, and the possibility of a re-emergence of trade tariff tensions and their associated impact on economic activity. US dollar

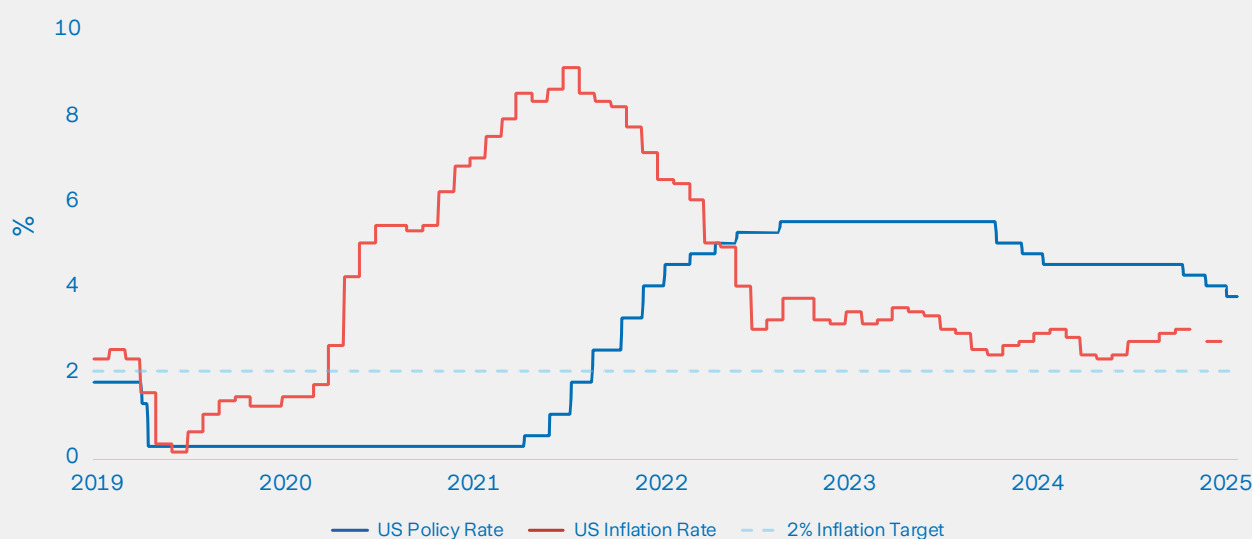
movements and its associated impact on returns for euro-based investors.

Overall, a careful, considered approach whilst maintaining perspective will be key throughout 2026. There is a plethora of structural forces vying for investor attention, which could result into both positive and negative developments across risk assets. Opportunities will inevitably present themselves to investors.



In general, we'll continue to be as objective as possible amid the siren voices and the cheerleaders and to try to reduce the emotion from our decision making.

US inflation remains 'sticky' above the 2% target rate



Source: Federal Reserve Bank of St. Louis, January 2026

*The missing value in the US Inflation Rate line is due to a lack of October CPI reporting during the US government shutdown.

For the Equity Bulls



1. AI monetisation quells market scepticism and supports equity prices
2. US inflation falls and stabilises at lower levels, while consumer confidence rebounds
3. Trade tariff tensions to dissipate as further more trade deals are signed
4. Increased infrastructure spending spurs Eurozone growth higher

For the Equity Bears



1. A new, politically aligned chair erodes the Fed's independence and credibility
2. Overexuberance in AI leads to overspending
3. Trade tensions re-emerge, destabilising the global economic outlook
4. Germany's fiscal stimulus plan fails to deliver on high expectations
5. Geopolitical tensions persist, while the US-Venezuela situation becomes more problematic



Equities experienced a remarkable year with tariff tensions, AI optimism, and material currency movements all heavily influencing returns. The impact of these factors could persist throughout 2026. We currently have a broadly neutral allocation to equities within respective multi-asset funds.

Equities remain close to all-time highs but have been underpinned by robust earnings, which have been supported by impressive profitability figures from US corporates. The Technology sector has been a key contributor to the outperformance of US equities in recent years, which has seen its weight in the market double since 2010.

However, so far, this greater sector concentration risk has been mostly justified by a corresponding share of earnings. It is worth noting that for all the talk of AI ‘hyperscalers’ and large capital expenditure, only two of the Magnificent 7 outperformed the wider market in 2025 whilst the rest experienced a contraction in key multiples such as price-earnings ratios. This dichotomy in returns presents a clear opportunity for active managers.

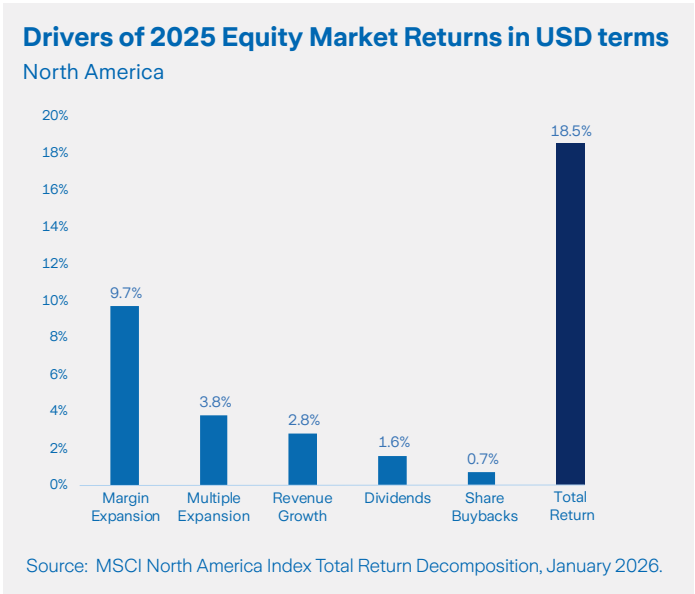
From a geographical perspective, we have a preference for the Asia Pacific region, are neutral in respect to Japan and Europe, and have a slightly underweight allocation to North America – whilst continuing to note the absolute exposure (75%~) of this region to equities overall. The potential for further material US dollar movements is also an important consideration. From a sectoral perspective, we have a preference for sectors such as Technology and Industrials and are more cautious towards sectors such as Consumer Staples and Energy.

Equity valuations on a global basis are not cheap versus long-term averages. The forward price-earnings (P/E) for the global stock market is approximately 19x which is a premium to historical valuations. It has been evident for some time now that investors are willing to pay a higher multiple for US Equities (22.7x P/E) versus other regions. This narrative is supported by heavier weights in Technology and AI related companies coupled with the concept of ‘American exceptionalism’ and more productive ‘animal spirits’.

Even though large capital expenditure projects are expected, corporate balance sheets (generally speaking) continue to be in a healthy position. So far, most AI-related spending has been driven from free cash flow, and this can trickle into different sectors and sub-sectors such as Technology Hardware, Industrials and Utilities. However, recently there has been an increase in debt issuance which is a trend we will watch closely. There are risks that have been associated with capital expenditure booms historically and the fortunes of the US equity market are increasingly intertwined with the success and ultimate monetisation of these AI investments. The

key is: can the momentum that we have witnessed in AI capital expenditure be maintained, and what returns will be delivered for shareholders on this spend?

In conclusion, from a top-down perspective, fiscal and monetary policy plus the earnings outlook remain broadly supportive of equity markets whilst the AI narrative is a powerful one with impacts beyond the large US technology stocks and the US equity market. 2025 showed that non-US markets can make progress and even outperform the US equity market even if the US remains the centre of investors’ attention. We continue to digest these market developments and our bias is to look for opportunities to deploy cash and short-term bond holdings into equities if volatility emerges and as opportunities present themselves.



The year ahead 2026

World Economic
Forum Annual
Meeting in Davos



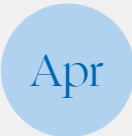
AI Impact Summit
in India



Nvidia Graphics
Processing Unit
(GPU) Technology
Conference



LEAP 2026 Tech
Conference in
Riyadh



Brussels Economic
Forum



International
Energy Agency
(IEA) World
Congress in
Belgrade



Fixed Income Outlook



Longer dated Eurozone government debt holders experienced negative returns in 2025 as investors focused on high levels of government spending and correspondingly higher debt levels. This narrative was most notable in Germany with the relaxation of the 'debt brake' and in France, where the failure to agree a budget saw multiple governments collapse. Some of these structural trends look set to impact bonds into 2026. Within sovereign debt allocations we are cautiously positioned towards medium and longer-term bonds and maintain a slight preference for 'periphery' issuers within the Eurozone versus core names.

Rate Expectations

With inflation broadly stable within the Eurozone the market is forecasting no interest rate moves from the European Central Bank in 2026. Following four 0.25% rate cuts in the last year, the main deposit rate currently stands at 2.0%. In the US, the outlook is less clear given the Federal Reserve's dual mandate of both price and employment levels. The Fed did cut rates by 25bps in December but the 9-3 vote represented the most dissent since 2019. Unemployment is creeping up, but inflation still remains above the target level. The Federal Reserve will also see a new Chair in May when Jerome Powell's term ends and already the political rhetoric, regarding interest rates and how the future Chair should manage the Federal Reserve, has increased materially. However, crucially, US real yields and inflation break-even expectations have stayed broadly stable thus far.

Outlook

As mentioned above, increased debt issuance and muted economic growth remain headwinds for Eurozone government bonds. We are unlikely to see substantial capital gains in the year ahead, albeit yields are now firmly in positive territory in stark contrast to the negative rate environment of several years ago. In the US, concerns in relation to the overall level of government debt, the annual budget deficit, and the sheer amount of interest payments remain present. These concerns were accentuated by the passing of the 'One, Big, Beautiful Bill Act' in July 2025. Overall, on both sides of the Atlantic, shorter duration government bond issuances look more attractive than medium to longer-term offerings.

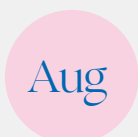
Corporate Bonds

As we enter 2026, we continue to favour shorter-dated credit within our fixed income allocations. Eurozone Corporate bond returns were positive in 2025 - helped by a backdrop of reasonable economic growth and the European Central Bank (ECB) rate cutting cycle. As previously mentioned, AI-related debt issuance is a credible market risk and has been evident in the Credit Default Swap (CDS) levels of some individual companies such as Oracle. Concerns have also been raised in relation to the sheer quantity of credit ratings being issued by certain agencies. In that context, some market observers are worried about a reduction in due diligence in certain cases. Overall, spreads versus risk-free rates remain tight versus historical averages, but these are supported by corporate balance sheets, which generally speaking, are in good health. Within Investment Grade paper, default rates remain contained. We continue to maintain discipline within our security selection process and, within the historically tight spread environment, maintain core allocations to high quality names rather than chasing higher returns in lower credit quality pockets of the market. There are likely to be opportunities within Europe in the form of short duration carry trades.

UN High-Level
Political Forum on
Sustainable
Development



Jackson Hole
Economic
Symposium



United Nations
General Assembly
in New York



Elections in Brazil
and Israel



US Mid-term
Elections



G20 Leader's
Summit in Miami



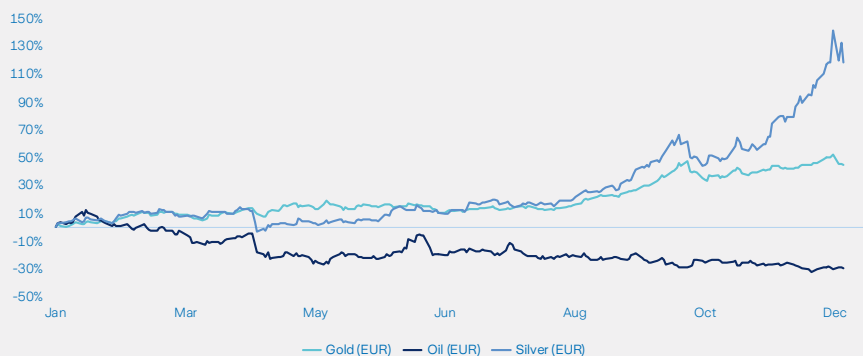
Commodities & Currencies



We reduced our allocations to Gold within applicable multi-asset funds in December 2025. However, the long-term supportive structural factors for Gold remain (e.g. central banks' desire to diversify their reserves and the geopolitical considerations in relation to US dollar dominance). There is some opacity in relation to the disclosure of central bank purchases, but there has been a clear move higher since 2022. Increased purchases by stablecoins such as Tether represent an interesting connection between Gold and cryptocurrencies which we will continue to monitor. We are likely to reinstate a more material allocation to Gold as market conditions dictate during 2026. Within other commodities, Copper delivered strongly positive returns in 2025 as infrastructure spending, including on data centres and clean energy, helped to move the price of the industrial metal higher. The outlook for Oil remains unclear, particularly with recent US actions in Venezuela.

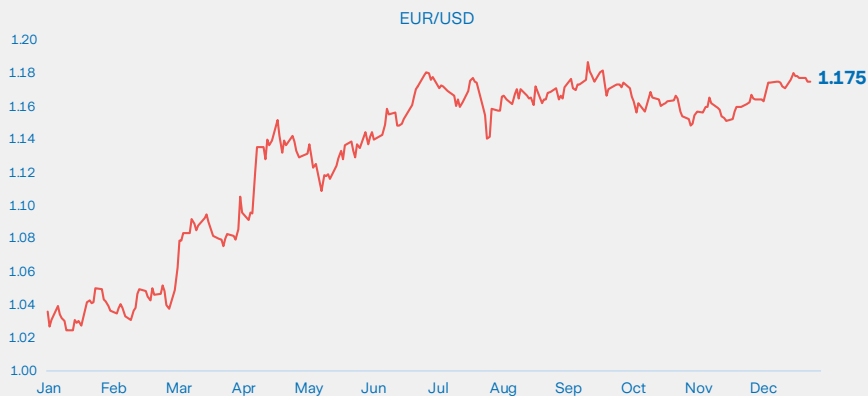
Within currency markets, the EUR/USD exchange experienced reduced volatility in the second half of 2025 and is broadly operating in the 1.15-1.18 range. Given the ECB is closer to concluding its rate cutting cycle than the Federal Reserve, a gradual dollar weakening is the general consensus forecast but market participants have discounted that to some extent already. We currently do not have any currency hedge in place. However, as an active manager we may look to partially hedge some of our US dollar exposure throughout the year ahead.

Precious metals shine in 2025



Source: Bloomberg, 01.01.2025 – 31.12.2025

Currency risk in focus in 2025



Source: Bloomberg, 01.01.2025 – 31.12.2025

Plan with confidence

Why Zurich's **Personalised GuidePath** Strategy is right for your Company Pension



This year, our Investment Outlook highlighted an investment landscape shaped by rapid change – AI innovation, evolving trade policies, and new opportunities across markets. In uncertain times, investment strategies need to be responsive, not rigid.

That's why we've developed our Personalised GuidePath strategy – a modern, flexible approach to managing company pension schemes. Whether you're just starting out or planning for retirement, Personalised GuidePath makes your journey simple, transparent, and focused on long-term growth.

Zurich's Corporate Pension Solution

- **Personalisation at its core:** Every employee's investment path is matched to their needs, helping them to make the most of their savings.
- **Innovation:** Personalised GuidePath is an innovative investment strategy that provides greater flexibility, catering for different risk profiles and retirement benefit plans.
- **Experienced team:** Zurich have been helping employers and trustees make the right decisions about their employees' futures for over 40 years.
- **Active investment:** Financial markets can change fast and be volatile. This can provide opportunities to investment managers who take a 'hands-on' active approach to making the right decision at the right time.
- **Market leading performance:** Zurich has a track record of consistently out-performing our peers in the marketplace.* It is this out-performance that drives real value to members' funds and has a material impact on the adequacy of the member's pension pot.
- **Investing responsibly:** As an investment manager, Zurich is committed to responsible investment and is conscious of the need to ensure that we invest policyholder and shareholder funds responsibly.

Why choose Zurich for your Company Pension?

You deserve more than a standard company pension – you deserve a plan that's as dynamic as the world around you.

Whether choosing the Zurich Master Trust or another pension arrangement, our expertise across scheme governance, investments, member engagement and administration is why companies trust us with their employees' needs.

1

Personalised risk preference

By answering some simple questions you can understand your preferred level of risk from Low to High.

Once you have your risk profile, you can then adjust your investment strategy to match. This can be done online in a few easy steps.

2

Personalised retirement planning stage

It is likely that many customers will want to use their accumulated pension fund in different ways depending on their personal preferences.

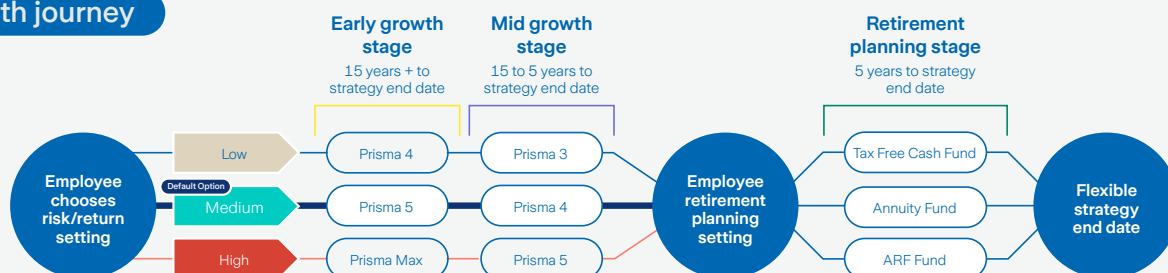
There is no formula to predict what benefit mix an individual will choose at retirement – but with the right education and tools at your disposal, Personalised GuidePath makes the decision easy for you.

3

Personalised strategy end date

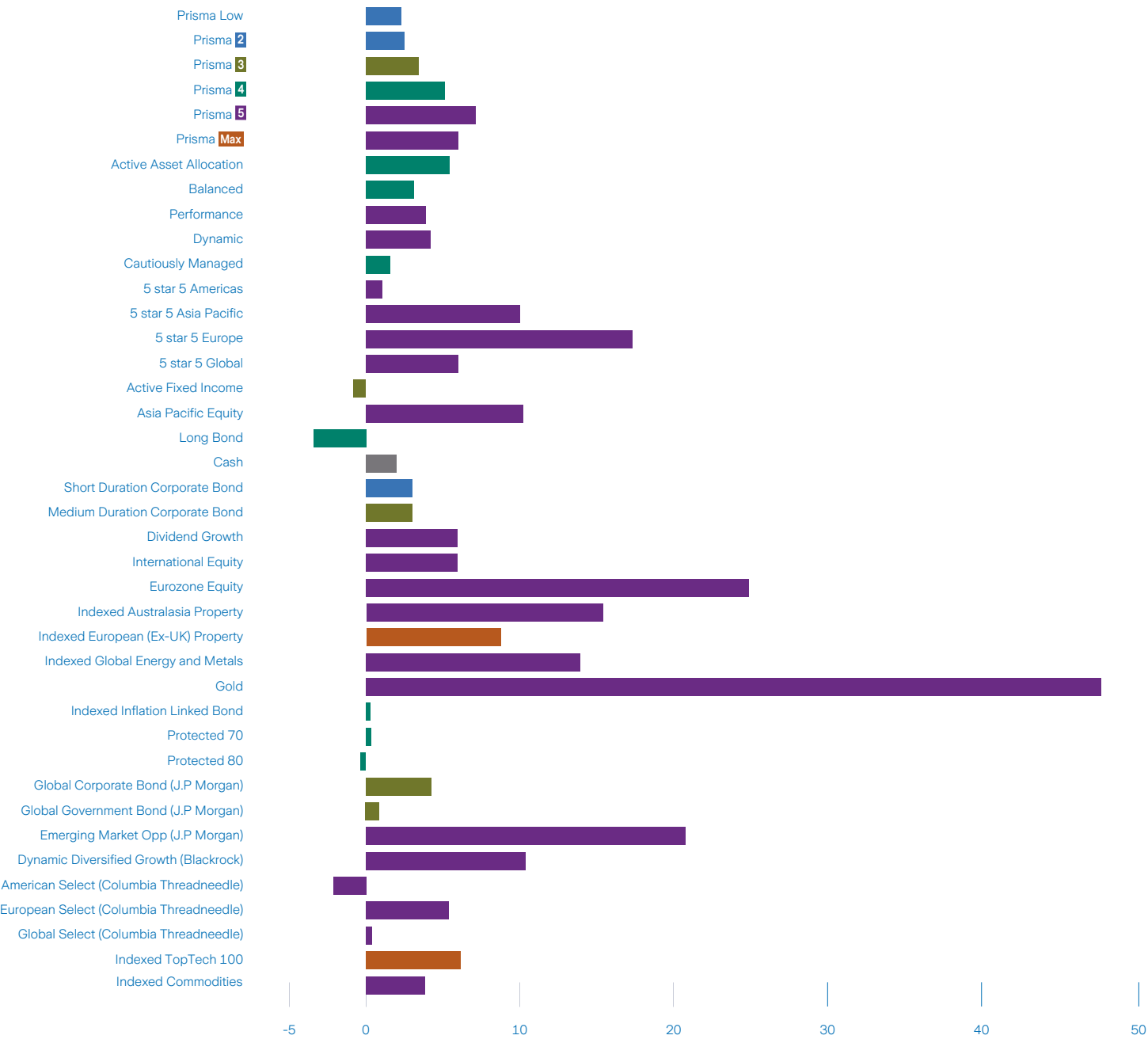
If you are planning on retiring early or late, Personalised GuidePath gives you the flexibility to adjust your 'strategy end date' at any stage over the course of your working life. This means your pension will de-risk to the date you are actually planning to take your benefits, regardless of whether it's earlier or later than your normal retirement date.

The GuidePath journey



For more information on Zurich's corporate solutions visit zurich.ie/corporate

2025 Performance



Notes: Annual management charges (AMC) apply. The fund performance shown is before the full AMC is applied on your policy. Returns are based on offer/offer performance and do not represent the return achieved by individual policies linked to the fund. Risk Ratings as at 30/09/25.

Source: Zurich Life as at 02/01/26.

Warning: The value of your investment may go down as well as up.
Warning: Past performance is not a reliable guide to future performance.
Warning: This product may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.

Calendar Year Historic Performance



| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|------|------|-------|-------|------|-------|------|-------|------|------|-------|-------|
| Prisma Low | 2.0 | 4.3 | 5.4 | -5.8 | | | | | | | | |
| Prisma 2 | 2.0 | 4.9 | 5.6 | -5.6 | 2.6 | 1.7 | 3.1 | -1.3 | 0.3 | 1.6 | 1.0 | 3.3 |
| Prisma 3 | 3.4 | 8.7 | 8.6 | -8.6 | 7.6 | 3.4 | 8.3 | -2.4 | 2.2 | 4.1 | 2.6 | 7.1 |
| Prisma 4 | 5.0 | 14.6 | 13.5 | -13.3 | 16.8 | 6.9 | 17.8 | -4.6 | 5.7 | 8.5 | 4.9 | 14.2 |
| Prisma 5 | 7.4 | 22.4 | 18.3 | -16.7 | 23.9 | 10.9 | 26.5 | -6.2 | 7.7 | 11.3 | 6.2 | 16.0 |
| Prisma Max | 6.2 | 25.4 | 21.3 | -19.1 | 25.3 | 13.7 | 28.1 | -5.4 | 8.7 | 9.8 | 7.9 | 7.4 |
| Active Asset Allocation | 5.6 | 14.3 | 12.9 | -12.2 | 18.6 | 7.4 | 19.0 | -4.9 | 5.9 | 8.1 | 4.9 | 14.6 |
| Balanced | 3.6 | 17.7 | 16.8 | -17.0 | 18.0 | 12.3 | 19.8 | -3.6 | 6.3 | 6.7 | 10.0 | 15.3 |
| Performance | 4.3 | 21.9 | 19.4 | -17.9 | 23.0 | 13.9 | 24.1 | -4.3 | 8.3 | 6.9 | 10.9 | 16.1 |
| Dynamic | 4.5 | 24.5 | 21.0 | -18.5 | 24.6 | 14.4 | 26.9 | -4.9 | 8.8 | 7.4 | 11.8 | 15.8 |
| Cautiously Managed | 1.9 | 10.9 | 13.0 | -12.3 | 11.5 | 7.1 | 11.8 | -2.6 | 3.9 | 5.1 | 6.3 | 18.6 |
| 5★5 Americas | 1.8 | 37.0 | 28.0 | -24.9 | 35.5 | 23.3 | 33.6 | 1.5 | 2.1 | 14.1 | 11.8 | 28.8 |
| 5★5 Asia Pacific | 10.1 | 14.3 | 10.2 | -2.7 | 9.6 | 8.9 | 21.8 | -10.8 | 23.8 | 10.4 | 5.7 | 9.2 |
| 5★5 Europe | 17.5 | 10.9 | 18.9 | -10.3 | 24.2 | 3.1 | 31.5 | -12.2 | 16.4 | 4.8 | 17.5 | 8.6 |
| 5★5 Global | 6.5 | 32.3 | 22.3 | -19.0 | 29.1 | 18.4 | 28.7 | -6.3 | 11.6 | 4.5 | 13.3 | 13.3 |
| Active Fixed Income | -1.9 | 0.2 | 7.1 | -15.0 | -3.8 | 3.2 | 5.4 | 0.4 | -1.1 | 4.7 | 1.0 | 20.3 |
| Asia Pacific Equity | 9.6 | 12.6 | 7.7 | -1.5 | 10.3 | 5.8 | 20.5 | -8.7 | 21.8 | 11.4 | 0.8 | 10.5 |
| Long Bond | -4.0 | -1.0 | 8.7 | -27.2 | -6.6 | 8.5 | 11.5 | 1.3 | -1.7 | 6.3 | 1.8 | 28.2 |
| Cash | 1.8 | 3.2 | 2.7 | -1.0 | -0.9 | -1.0 | -0.8 | -0.9 | -0.8 | -0.8 | -0.5 | -0.3 |
| Short Duration Corporate Bond | 2.9 | 4.2 | 4.4 | | | | | | | | | |
| Medium Duration Corporate Bond | 2.9 | 4.4 | 8.9 | | | | | | | | | |
| Dividend Growth | 5.9 | 15.3 | 12.3 | -4.6 | 35.1 | -16.1 | 28.5 | -10.8 | 3.1 | 17.3 | 6.0 | 18.0 |
| International Equity | 5.9 | 27.9 | 22.8 | -19.7 | 26.1 | 15.4 | 28.9 | -5.5 | 9.3 | 10.0 | 10.7 | 17.7 |
| Eurozone Equity | 24.7 | 11.0 | 20.6 | -13.1 | 23.4 | 5.0 | 26.0 | -12.1 | 14.3 | 5.0 | 11.7 | 4.3 |
| Indexed Australasia Property | 15.4 | -4.7 | -5.9 | -7.9 | 13.4 | -16.7 | 17.3 | 2.7 | 3.5 | 11.0 | 2.4 | 26.1 |
| Indexed European (Ex-UK) Property | 8.1 | -1.2 | 17.4 | -37.6 | 8.6 | -9.3 | 23.8 | -6.6 | 14.4 | 3.9 | 16.6 | 20.6 |
| Indexed Global Energy and Metals | 13.3 | 14.4 | -13.3 | 19.9 | 38.7 | -11.4 | 12.4 | -4.1 | -5.7 | 21.5 | -20.2 | -12.4 |
| Gold | 47.6 | 33.2 | 9.4 | 5.7 | 3.6 | 13.0 | 19.7 | 3.0 | -2.6 | 12.3 | -2.3 | 12.8 |
| Indexed Inflation Linked Bond | 0.3 | -0.3 | 5.1 | -10.4 | 6.0 | 2.3 | 6.0 | -2.2 | 0.6 | 3.4 | 0.1 | 4.6 |
| Protected 70 | 0.3 | 17.2 | 10.3 | -15.8 | 17.9 | 4.1 | 17.7 | -6.1 | 4.7 | 1.4 | 6.4 | 10.4 |
| Protected 80 | -0.2 | 12.7 | 6.8 | -12.1 | 12.4 | 1.3 | 10.4 | -5.1 | 2.2 | -0.3 | 4.2 | 7.1 |
| Global Corporate Bond (J.P Morgan) | 4.1 | 2.2 | 6.0 | -16.3 | -2.8 | 6.8 | 9.4 | -5.2 | 3.5 | 3.2 | -0.7 | 7.2 |
| Global Government Bond (J.P Morgan) | 1.5 | -0.5 | 3.1 | -14.0 | -4.1 | 4.9 | 3.9 | -1.0 | 0.1 | 1.3 | 0.6 | 8.1 |
| Emerging Market Opp (J.P Morgan) | 21.8 | 11.1 | 2.3 | -21.3 | 0.8 | 8.7 | 27.6 | -9.7 | 28.6 | 17.1 | -11.5 | 12.5 |
| Dynamic Diversified Growth (Blackrock) | 10.7 | 6.0 | 4.6 | -11.2 | 3.6 | 7.4 | 9.2 | -4.4 | 6.8 | -2.5 | -1.7 | 5.1 |
| American Select (Columbia Threadneedle) | -2.7 | 27.3 | 19.0 | -18.5 | 30.9 | 14.9 | 36.2 | -1.3 | 6.3 | 17.5 | 9.9 | 21.3 |
| European Select (Columbia Threadneedle) | 5.1 | 6.8 | 22.0 | -21.8 | 26.2 | 9.3 | 33.7 | -11.0 | 13.9 | 0.1 | 13.9 | 12.9 |
| Global Select (Columbia Threadneedle) | 0.3 | 26.2 | 23.7 | -20.3 | 22.3 | 11.1 | 38.9 | -7.5 | 14.1 | 9.0 | 12.1 | 17.1 |
| Indexed TopTech 100 | 6.5 | 34.6 | 49.8 | -30.5 | 39.5 | 34.6 | 41.0 | 3.9 | 15.9 | 9.8 | 21.4 | 34.7 |
| Indexed Commodities | 3.6 | 10.7 | -11.1 | | | | | | | | | |

Notes: Annual management charges (AMC) apply. The fund performance shown is before the full AMC is applied on your policy. Returns are based on offer/offer performance and do not represent the return achieved by individual policies linked to the fund.

Source: Zurich Life as at 02/01/26.

Warning: The value of your investment may go down as well as up.
Warning: Past performance is not a reliable guide to future performance.
Warning: This product may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.

You can view all the details of your Pension, Investment or Savings online, including the current value.



To register just visit **zurich.ie**

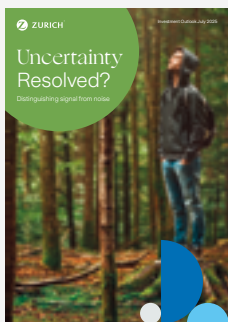


The Zurich Investment Outlook is produced twice yearly by the team at Zurich Investments, based in Dublin, Ireland. This publication provides an in-depth insight into our current thinking and positioning, and expands on the reasons behind our economic views to our clients and customers.

For more information

- Talk** to your Financial Broker or Advisor
- Call** our Financial Planning Team on 0818 202 102

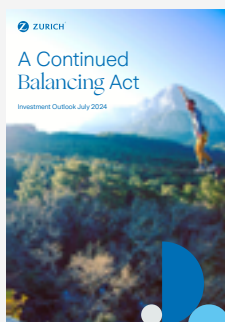
- Email** us at customerservices@zurich.com
- Visit** our website at zurich.ie



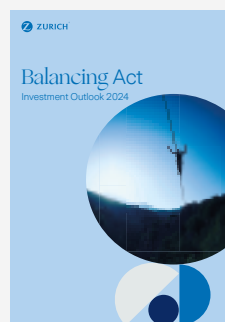
H2 2025



H1 2025



H2 2024



H1 2024



H2 2023



H1 2023

Source: All market data contained within is from Zurich and Bloomberg, January 2026.

Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, A94 X9Y3, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie
Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

GR: 10006 Print Ref: ZL IB 182 0126

