

# Investment risk profiler

This questionnaire helps you determine the investment options that are right for you. To complete this tool, follow these simple steps:

**Step 1** – Choose your investment approach. **Built FOR me** lets you select an investment based on your tolerance for investment risk and when you need your money. With the **built BY me** approach you'll need to actively choose and monitor your investments.

**Step 2** – Follow the path below that corresponds to your preferred investment approach.

**Step 3** – Answer the questions that pertain to your investment approach.

**Step 4** – Add up all your points for your total score and match it to the profiles on the next page.

## Built FOR me

### Built BY me

1. Which statement best describes your comfort level with fluctuations in the value of your investments?

- a. I'd be very upset if my investments dropped in value over any period of time. **1 point**
- b. I'm willing to accept a lower, more predictable rate of return as long as fluctuations in the value of my investments are small. **10 points**
- c. I'm willing to accept some fluctuations in the value of my investments as I'm seeking a higher rate of return. **20 points**
- d. I want the highest rate of return possible, and understand the value of my investments can fluctuate significantly. **30 points**

2. How likely is it that you'll need access to a large portion of this money earlier than expected? (e.g. taking early retirement.)\*

- a. Very likely. **1 point**
- b. Somewhat likely. **10 points**
- c. Unlikely. **20 points**
- d. I won't need access to any of the money in this plan early. **30 points**

*\* Early retirement is defined by pension legislation and can vary by jurisdiction.*

3. Which of the following patterns of returns would you be most comfortable with? Assume an initial amount of \$5,000 invested for 10 years.

- a. Your investment grows without losses to \$8,100. However, in one of the years the value of your portfolio does not increase. **1 point**
- b. Your investment grows to \$10,100 in year 10, but slightly declines in value in two of the years. **10 points**
- c. Your investment grows to \$12,400, but significantly declines in value in three of the years and was worth only \$3,500 after the first year. **20 points**

4. With the four results below, how would you invest \$10,000?

- a. A guaranteed return of \$500. **1 point**
- b. The potential of earning \$800 but the risk of earning only \$300. **10 points**
- c. The potential of earning \$1,200 but the risk of earning nothing. **20 points**
- d. The potential of earning \$2,500 but the risk of losing \$1,000. **30 points**

5. If your investment dropped in value by 20 per cent in one month, how would you react?

- a. I'd cash in my investment immediately. **1 point**
- b. I'd make no changes until the value recovers and then re-evaluate. **10 points**
- c. I'd do nothing. I understand my investments will fluctuate from day to day, but believe they will grow over the long term. **20 points**
- d. I'd invest more while the prices are low. **30 points**

6. How would you describe your investing personality?

- a. I don't like risk and can only tolerate moderate losses. **1 point**
- b. I'm willing to take some risk and can tolerate one year of poor returns. **10 points**
- c. I can tolerate more than one year of poor returns. **20 points**

7. Which of the following statements best describes your investment knowledge?

- a. I'm a novice investor. **1 point**
- b. I have some knowledge. **10 points**
- c. I have good working knowledge. **20 points**
- d. I consider myself an investment pro. **30 points**

If you selected **built BY me**, you will need to answer question #8 to complete the profiler and then total your score before going to the next page.

If you selected **built FOR me**, total your score and go to the next page.

8. How long will you leave this money invested before you'll need a significant portion of it for your stated objective?

- a. Less than five years. **1 point**
- b. Five to 10 years. **10 points**
- c. Eleven to 20 years. **20 points**
- d. More than 20 years. **30 points**

My total score is

# Your risk profile

Match your **built FOR me** or **built BY me** score to one of the risk profiles below.

## Built FOR me

**A score of 0 to 52 points — Conservative**  
 You understand the portfolio's fund mix will automatically adjust over time and provide the lower-risk investment results you are looking for. Combine this portfolio with your planned retirement year to maximize the value of your investments without having to actively manage your funds.

**A score of 53 to 160 points — Moderate**  
 You understand the portfolio's fund mix will automatically adjust over time, and you are willing to accept some volatility for moderate growth. Combine this portfolio with your planned retirement year to maximize the value of your investments without having to actively manage your funds.

**A score of 161 to 190 points — Aggressive**  
 You understand the portfolio's fund mix will automatically adjust over time, and you are willing to accept a higher degree of volatility to achieve higher growth. Combine this portfolio with your planned retirement year to maximize the value of your investments without having to actively manage your funds.

Select your target date closest to, without exceeding, your planned retirement year: 2020, 2030, 2040 and 2050. For example, if you're a conservative investor who plans on retiring in 2034, you would select the **Sun Life Financial Granite 2030 Conservative Fund**.

- Sun Life Financial Granite Conservative Target Date Fund
- Sun Life Financial Granite Moderate Target Date Fund
- Sun Life Financial Granite Aggressive Target Date Fund

## Built BY me

**A score of 35 points or less — Conservative**  
 You have a need for a predictable flow of income or have a relatively short investment horizon. Your tolerance for volatility is low and your primary goal is capital preservation.

**A score of 36 to 85 points — Moderate**  
 You seek a regular flow of income and stability, while generating some capital growth over time. Your tolerance for volatility is moderate and your primary goal is capital preservation with some income.

**A score of 86 to 145 points — Balanced**  
 You're looking for long-term capital growth and a stream of regular income. You're seeking relatively stable returns, but will accept some volatility. You understand that you can't achieve capital growth without some element of risk.

**A score of 146 to 190 points — Growth**  
 You can tolerate relatively high volatility. You realize that, over time, equity markets usually outperform other investments. However, you're not comfortable having all your investments in equities. You're looking for long-term capital growth with some income.

**A score of 191 points or over — Aggressive**  
 You can tolerate volatility and significant fluctuations in the value of your investment because you realize that, historically, equities perform better than other types of investments. You're looking for long-term capital growth and are less concerned with shorter-term volatility.

- Cash equivalents
- Bonds (fixed income)
- Canadian equity
- U.S. equity
- International equity



Once you enrol, you can access the Investment risk profiler on [mysunlife.ca](https://mysunlife.ca). Simply sign in using your sign-in/access ID and password, and from the **Home** page, select **my money tools**. Under **Asset allocation**, click **Continue** to proceed to the profiler.