Quarterly Board Report

Zurich Target Date Funds

Zurich TDF 2025

Market Commentary

Market Commentary:

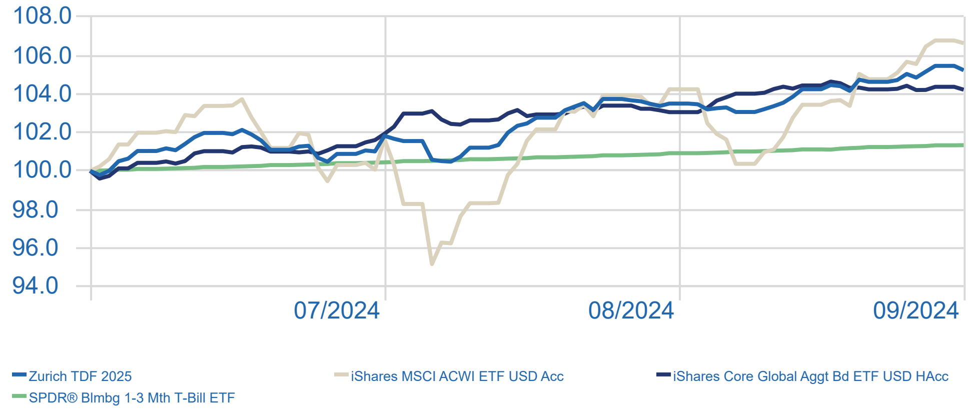
The third quarter of 2024 was a positive one, as both stocks and bonds delivered strong returns, defying the expectations of many investors. Major equity Indexes continued their ascent, while bonds—measured by the Bloomberg US Aggregate Bond Index—had their second-best quarterly return in over two decades.

As a result, multi-asset portfolios are comfortably in positive territory for the year.

Specific to stocks, signs of broader participation are emerging. It's well known that a few stocks have driven most of the returns in recent years, but the third quarter marked a break from that trend. Value stocks outperformed Growth stocks, Small Caps outpaced Large Caps, and non-U.S. stocks outperformed US stocks. From a sector perspective, Utilities, Financials, and Industrials were among the top four performing sectors, while Technology landed in the middle of the pack.

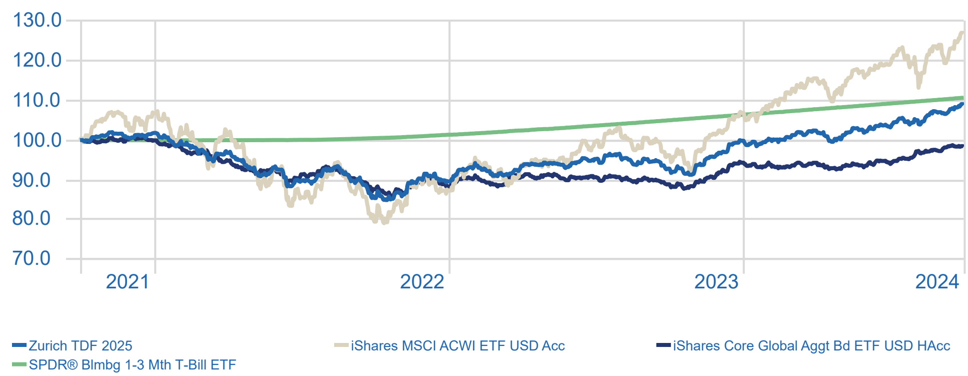
All of this was a welcome change for diversified, valuation-driven investors and will be interesting to monitor going forward.

Market Performance (%): Quarter



Market Performance (%): 3 Year

Time Period: 01/10/2021 to 30/09/2024



Source: Morningstar Direct. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost. The returns shown assume all dividends and capital gains distributions are reinvested and are net of the underlying holdings' fees and expenses. The Zurich TDF products launched on 03/07/2017.

Portfolio & Performance Review

Portfolio & Attribution Commentary

Portfolio Commentary

Within Equities, strength in non-US stocks was a major development this quarter. The broad MSCI EAFE Index gained 7.3%, ahead of the S&P 500's 5.9% return. Emerging Markets performed even better, advancing 8.7% in dollar terms. China, the largest component of the Index, soared by 23.5% during the quarter, with most of this gain occurring in the quarter’s final days following the announcement of stimulus measures by the Chinese government. Chinese Equities represent an intriguing case study, illustrating how owning undervalued asset classes can be advantageous, as it often takes just a single catalyst—like government support—to unlock substantial value.

The Bond market has been a challenging asset class in recent years. Rising rates from low starting yields had been a difficult tandem to overcome. But the good news? It appears the worst may be behind us. Apart from the fourth quarter of last year, when the US Aggregate Bond Index returned 6.8%, this quarter's 5.2% return marks the best quarterly performance since 1995. These strong returns were broadly distributed as Emerging-Market Bonds and US High-Yield Bonds both experienced robust quarters, increasing by 6.1% and 5.3%, respectively.

The most significant story in the bond market has likely been the actions taken by the Federal Reserve. The third quarter saw the first Fed rate cut in more than four years. The cut was widely expected, and markets have reacted positively so far, as all indications suggest further Fed easing through year-end and into 2025. However, it’s important to remember that markets are discounting mechanisms—constantly attempting to price in future events—and we can never be certain about what lies ahead. The event roadmap through year-end is significant: a presidential election, war, and mounting signs of financial strain among lower-income consumers, which could potentially signal a further consumer spending slowdown.

Attribution Commentary

Portfolio returns were pleasing over the quarter, with Bonds being a key contributor to performance.

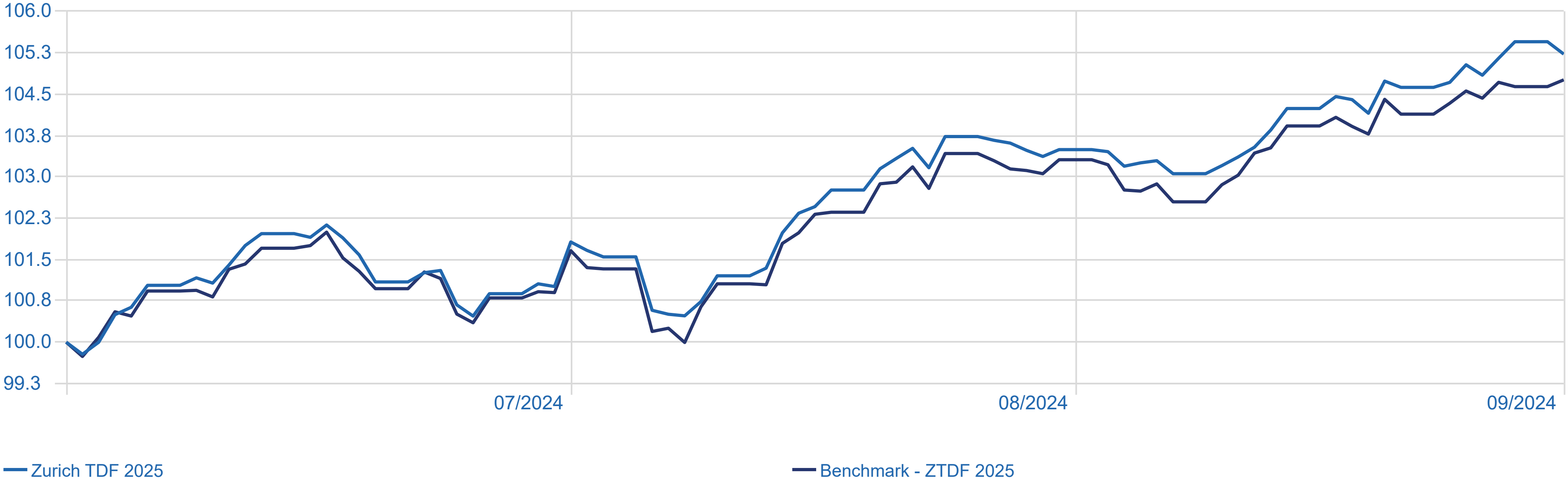
Within Fixed Income, long duration assets continued to outperform, particularly US and Global Treasuries, where the portfolios have and continue to hold modest overweight positions. EM Local Currency Debt also had strong returns over the quarter, a reversal from the underperformance in the previous quarter.

Within Equities, the portfolios meaningfully benefitted from the long-standing overweight position to Emerging Market Equities as the asset class comfortably outperformed the broad US Equity market. Allocations to European, Japanese and UK Equities also added to performance and there were no detractors to performance over the period.

Zurich TDF 2025

Performance Review

Investment Growth (%)



Trailing Returns (%)

Data Point: Return

	Since Inception (03/07/2017)	5 Years	3 Years	Quarter	YTD	01/10/2023 - 30/09/2024	01/10/2022 - 30/09/2023	01/10/2021 - 30/09/2022	01/10/2020 - 30/09/2021	01/10/2019 - 30/09/2020
Zurich TDF 2025	39.30	4.69	8.82	5.22	8.97	17.18	8.67	-14.54	9.30	5.71
Benchmark - ZTDF 2025	43.76	4.83	7.90	4.76	9.06	17.16	8.14	-14.84	9.12	7.52

Source: Morningstar Direct. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost. The returns shown assume all dividends and capital gains distributions are reinvested and are net of the underlying holdings' fees and expenses. The Zurich TDF products launched on 03/07/2017.

Portfolio Positioning & Outlook

Positioning Update and Outlook

It's important to remember that markets are discounting mechanisms—constantly attempting to price in future events—and we can never be certain about what lies ahead. The event roadmap through year-end is significant: a presidential election, war, and mounting signs of financial strain among lower-income consumers, which could potentially signal a further consumer spending slowdown.

Of course, while many risks lie ahead, this is always the case because the future is unknowable. The issues outlined above represent the known factors currently under consideration. There is always the possibility of an unforeseen event—a black swan—that no one predicts in advance.

Regardless, a diversified, valuation-driven approach likely remains the most effective way to navigate looming uncertainties.

We conducted the annual review of the glidepaths and there were no changes to the targets, however, we took the opportunity to also review the asset allocation and investment selection of the portfolios. Whilst there were no changes at the broad asset class level, we reduced the allocations to US Corporate Bonds and exited the positions in UK Corporate Bonds and European High Yield Bonds on the back of strong performance. We also introduced a position to iShares Emerging Markets Government Bond Index Fund to reflect our constructive view on Emerging Markets Hard Currency Bonds.

Zurich TDF 2025

Portfolio Holdings

Zurich TDF 2025 - Holdings

Portfolio Date: 30/09/2024

	Portfolio Weighting %	Morningstar Medalist Rating	3 Mth Rtn to Qtr End (%)	YTD Rtn to Qtr End (%)	1 Yr Rtn to Qtr End (%)
Vanguard U.S. Govt Bd Idx $ Acc	24.50	Silver	4.71	3.87	9.60
PIMCO GIS GlInGd Crdt Instl USD Acc	13.70	Bronze	4.92	5.85	13.79
Stt Strt Glbl Trs Bd Idx I USD Acc Hdg	13.70	Bronze	3.89	3.56	9.13
iShares US Index (IE) Instl Acc USD	9.10	Silver	5.63	20.91	35.33
Vanguard U.S. 500 Stk Idx $ Acc	7.30	Gold	5.76	21.62	35.63
iShares EmergMkts Idx (IE) Instl Acc USD	4.90	Bronze	8.45	16.46	26.39
Vanguard Glb Bd Idx $ H Acc	4.60	Bronze	4.51	4.05	10.78
PIMCO GIS Glb Lw Dur Rl Rt Ins USD Acc	4.50	Bronze	2.59	5.07	8.21
Fundsmith Equity I Acc	3.30	Silver	4.00	12.78	24.27
Colchester Lcl Mkts Bd $ Unhgd Accl	3.00	Bronze	9.40	3.49	13.47
iShares UK Index (IE) Instl Acc GBP	2.50	Silver	7.89	15.41	23.13
Vanguard Jpn Stk Idx $ Acc	2.50	Silver	5.69	12.22	21.37
Vanguard €z Stk Idx € Acc	2.30	Gold	7.33	13.29	27.42
iShares US Corp Bd Idx (IE) Instl AccUSD	1.80	Silver	5.76	5.23	13.56
ILF USD Liquidity 4	1.20		1.31	4.01	5.38
iShares Em Mkts Govt Bd Idx (LU) A2 USD	1.10	Bronze	5.82	8.35	18.41

Source: Morningstar Direct. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost. The returns shown assume all dividends and capital gains distributions are reinvested and are net of the underlying holdings' fees and expenses. The Zurich TDF products launched on 03/07/2017.

The Morningstar Medalist RatingTM is a forward-looking analysis of a fund. The Morningstar Medalist RatingTM does not express a view on a given asset class or peer group; rather, it seeks to evaluate each fund within the context of its objective, an appropriate benchmark, and peer group. Morningstar's manager research analysts are employed by various wholly owned subsidiaries of Morningstar, Inc. including Morningstar UK Ltd

Zurich TDF 2025

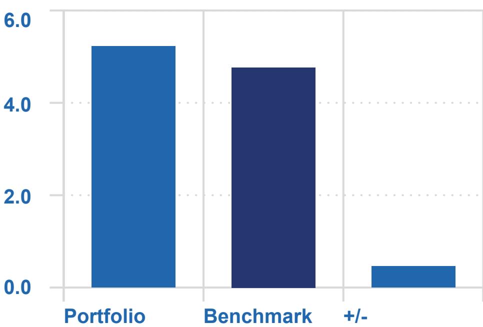
Asset Class Attribution

Source: Morningstar Direct. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost. The returns shown assume all dividends and capital gains distributions are reinvested and are net of the underlying holdings' fees and expenses. The Zurich TDF products launched on 03/07/2017.

Total Portfolio Returns (%): Quarter

Time Period: 01/07/2024 to 30/09/2024

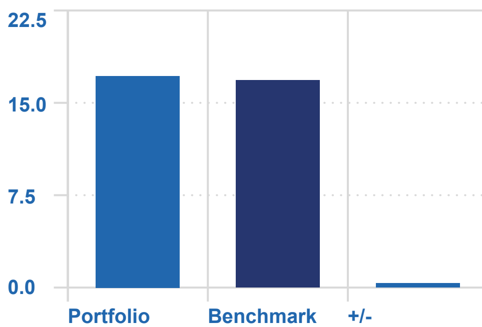
Net Return %



Total Portfolio Returns (%): 1 Year

Time Period: 01/10/2023 to 30/09/2024

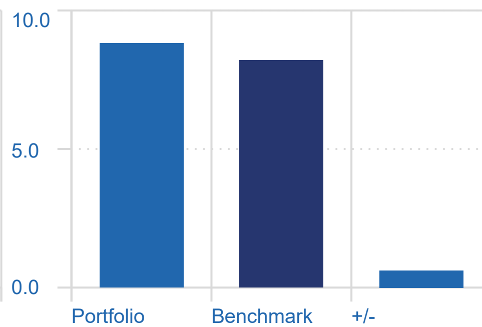
Net Return %



Total Portfolio Returns (%): 3 Year

Time Period: 01/10/2021 to 30/09/2024

Net Return %

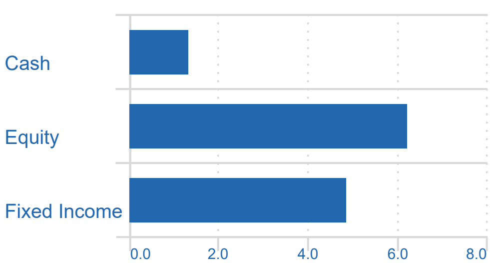


Total Portfolio Returns (%): Since Inception

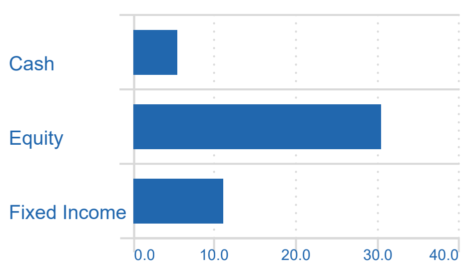
Time Period: 03/07/2017 to 30/09/2024

Net Return %

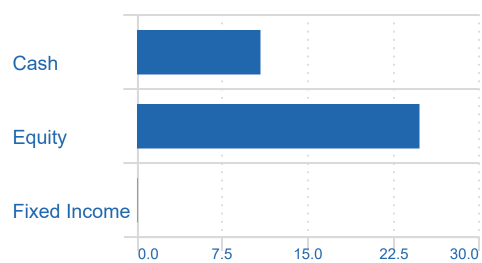
Asset Class Returns (%): Quarter



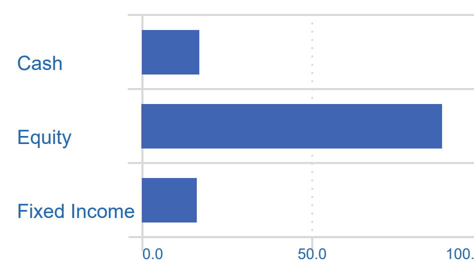
Asset Class Returns (%): 1 Year



Asset Class Returns (%): 3 Year



Asset Class Returns (%): Since Inception



Asset Class Attribution (%): Quarter

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Portfolio Contribution	Active Return
Cash	1.19	6.47	1.31	1.33	0.02	0.18
Equity	33.37	33.65	6.21	6.50	2.05	-0.12
Fixed Income	65.44	59.88	4.84	4.21	3.15	0.37

Asset Class Attribution (%): 1 Year

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Portfolio Contribution	Active Return
Cash	1.20	6.50	5.38	5.38	0.07	0.64
Equity	33.69	34.25	30.34	31.74	9.73	-0.53
Fixed Income	65.11	59.25	11.02	10.61	7.38	-0.12

Asset Class Attribution (%): 3 Year

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Portfolio Contribution	Active Return
Cash	2.84	6.36	10.80	10.63	0.17	0.38
Equity	33.95	34.86	24.75	26.50	7.91	-0.59
Fixed Income	63.21	58.78	0.02	-2.14	0.74	1.02

Asset Class Attribution (%): Since Inception

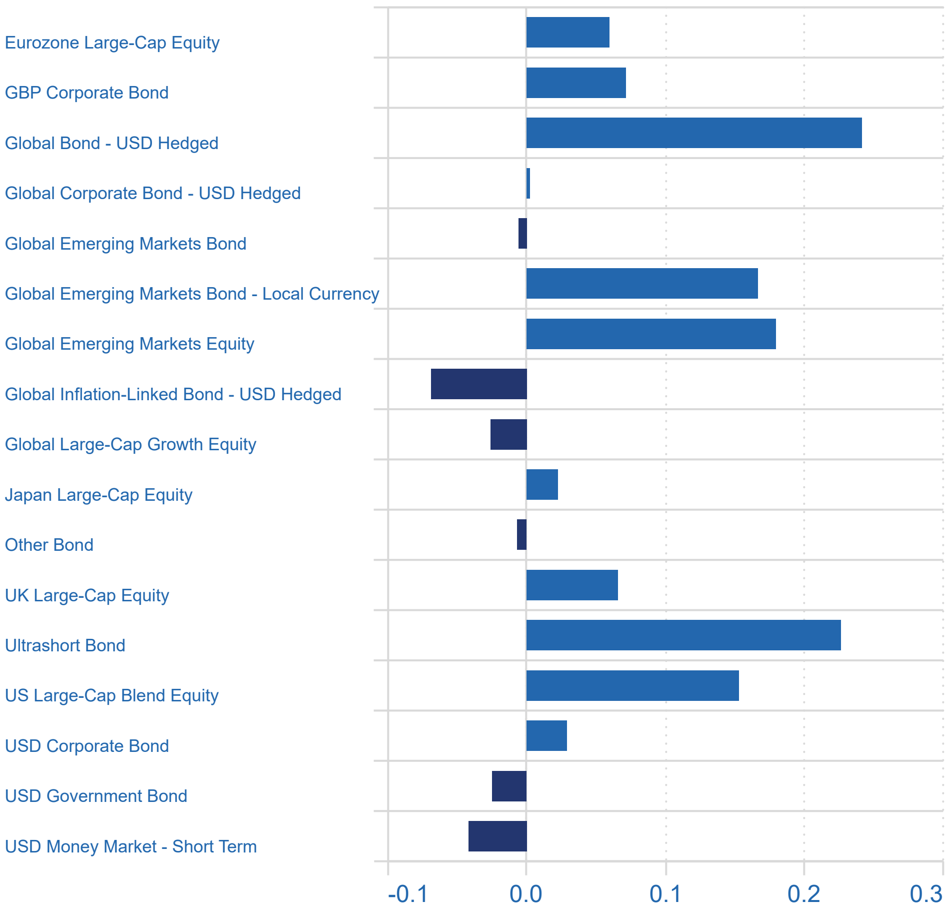
	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Portfolio Contribution	Active Return
Cash	9.06	6.78	16.75	15.70	1.08	-1.36
Equity	35.27	37.52	87.82	108.96	29.17	-6.22
Fixed Income	55.67	55.70	16.05	11.66	9.04	2.77

Zurich TDF 2025

Asset Allocation Attribution

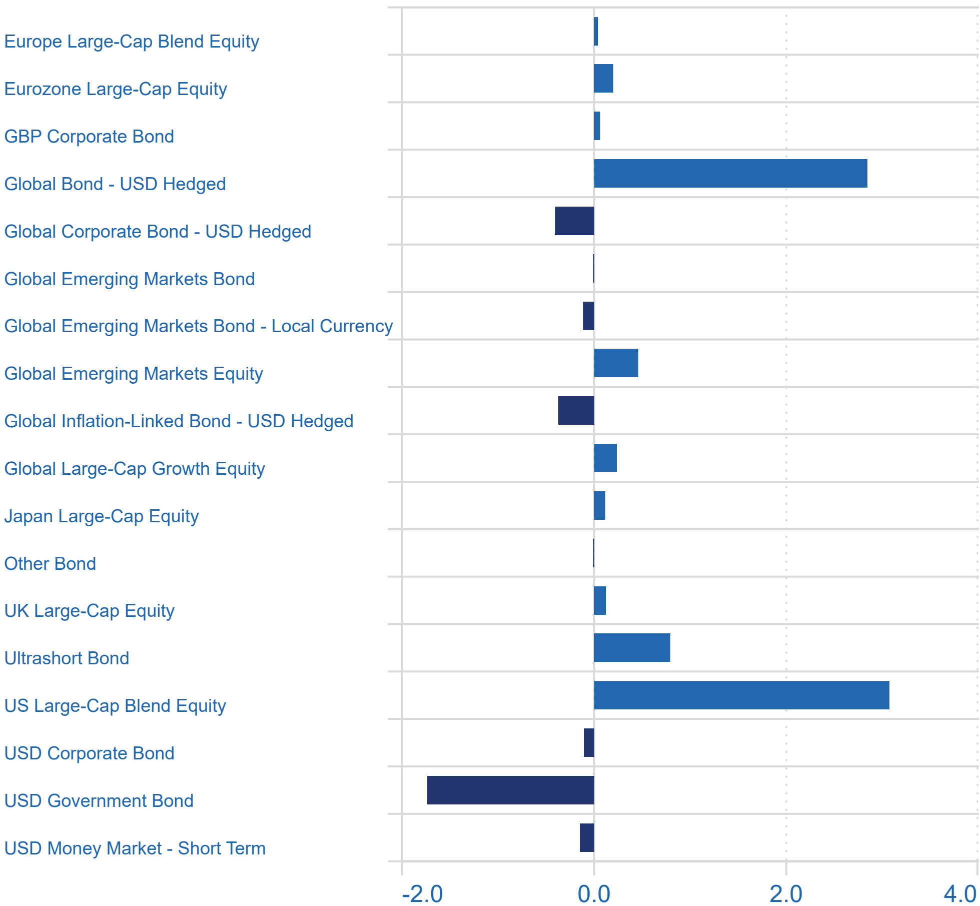
Allocation Effect: (%) : Quarter

Time Period: 01/07/2024 to 30/09/2024



Allocation Effect: (%) : 1 Year

Time Period: 01/10/2023 to 30/09/2024

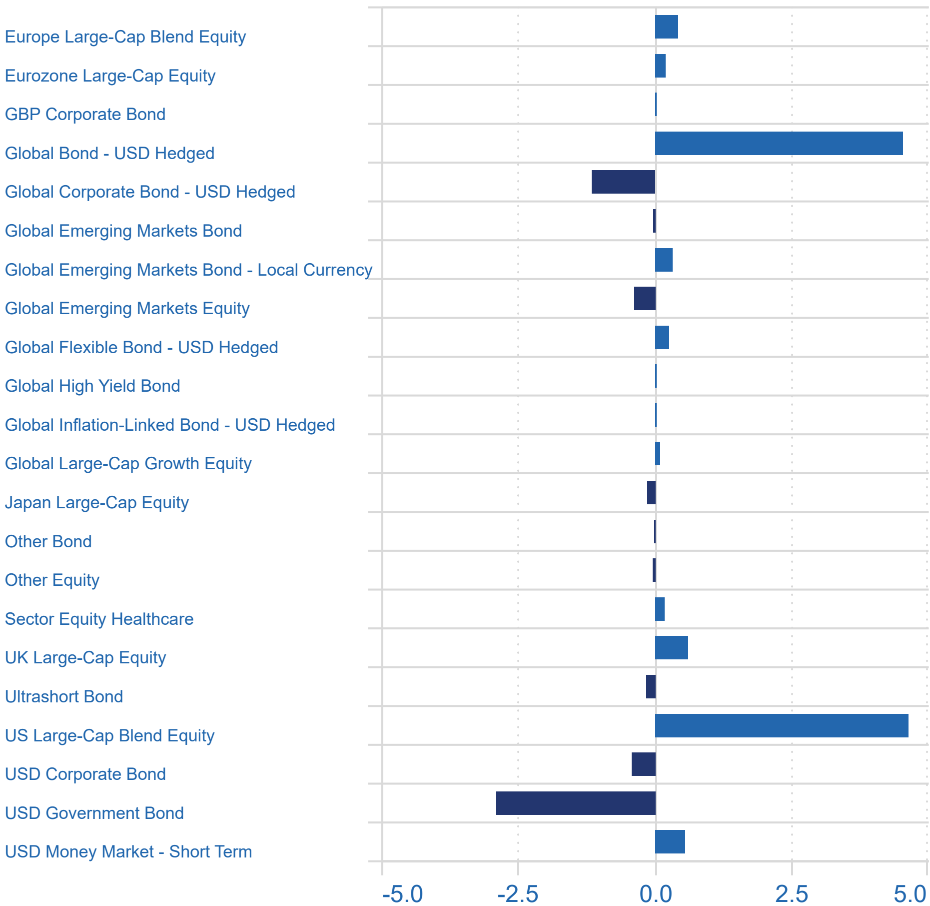


Zurich TDF 2025

Asset Allocation Attribution

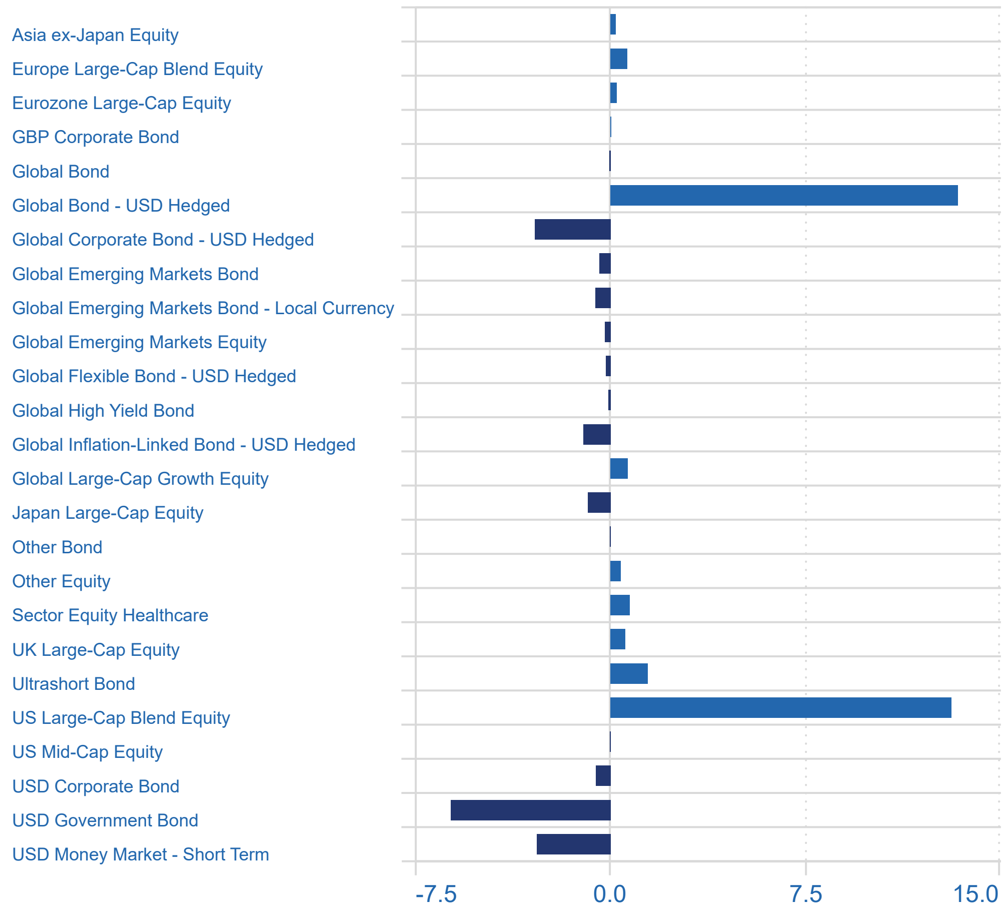
Allocation Effect: (%) : 3 Year

Time Period: 01/10/2021 to 30/09/2024



Allocation Effect: (%) : Since Inception

Time Period: 03/07/2017 to 30/09/2024



Important information

Zurich International Life Limited is fully authorised under the Isle of an Insurance Act 2008 and is regulated by the Isle of Man Financial Services Authority which ensures that the company has sound and professional management and provision has been made to protect planholders.

For life assurance companies authorised in the Isle of Man, the Isle of Man's Life Assurance (Compensation of Policyholders) Regulations 1991, ensure that in the event of a life assurance company being unable to meet its liabilities to its planholders, up to 90% of the liability to the protected planholders will be met.

The protection only applies to the solvency of Zurich International Life Limited and does not extend to protecting the value of the assets held within any unit-linked funds linked to your plan.

Zurich International Life Limited is not authorised to offer insurance products for sale in the United States.

Materials are not intended as an offer to invest and do not constitute an offer or a solicitation of an offer to buy securities in any other country or other jurisdiction in which it is unlawful to make such an offer or solicitation.

Zurich International Life Limited, Bahrain Branch, which is registered in Bahrain under Commercial Registration No. 17444 and is licensed as an Overseas Insurance Firm – Life Insurance by the Central Bank of Bahrain. Branch offices: 27th Floor, Almoayyed Tower, Seef District, Kingdom of Bahrain. Telephone +973 1756 3322.

Zurich International Life Limited, UAE Branch, which is registered (Registration No. 63) under UAE Federal Law Number 6 of 2007, and its activities in the UAE governed by such law. Registered offices at Unit 601, Building 6, Emaar Square, Dubai. (PO Box 50389 Dubai) Telephone: +971 4 425 2300   www.zurich.ae

Zurich International Life Limited, Qatar Branch, which is authorised by the Qatar Financial Centre Regulatory Authority. Branch offices: Office No. 404, 4th Floor, Qatar Financial Centre Tower, West Bay, Doha, Qatar. Telephone: + 974 4428 6322.

Zurich International Life Limited provides life assurance, investment and protection products and is authorised by the Isle of Man Financial Services Authority. Registered in the Isle of Man number 20126C. Registered office: Zurich House, Isle of Man Business Park, Douglas, Isle of Man, IM2 2QZ, British Isles. Telephone +44 1624 662266   Telefax +44 1624 662038 www.zurich.com

Active Managers' Disclaimer:

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost. The returns shown assume all dividends and capital gains distributions are reinvested and are net of the underlying holdings' fees and expenses.

Reference to specific securities is not an indication to buy or sell those securities'

Model Portfolio Performance Disclaimer:

The Models' past performance is provided for informational purposes only and not a guarantee of future results. The returns shown assume all dividends and capital gains distributions are reinvested and are net of the underlying holdings' fees and expenses. The returns do not reflect the deduction of brokerage or other commissions/expenses, do not include any fees charges by Zurich and do not take into account taxes and other charges. Imposition of such fees and charges would cause actual performance to be lower than the performance shown. All indices noted are unmanaged and cannot be directly invested in.