



# Introducing the Zurich Managed Funds



# The Zurich Managed Funds are a multi-asset managed investment solution where the focus is on achieving a total return generated from both income and capital appreciation.

Based on proven investment mandates, the Zurich Managed Funds are global funds, with a higher bias towards the base currency assets. Whilst the main asset classes are equities and fixed income, an active approach to asset allocation allows the Fund Manager to dynamically adjust these allocations within the controlled framework of agreed investment mandates.

**The funds are managed by Columbia Threadneedle Asset Management.**

## About Columbia Threadneedle Investments

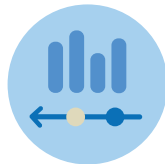
Columbia Threadneedle Investments (CTI) has a long and successful track record in managing asset allocation mandates and currently manage some GBP490bn assets (as at 30 September 2022), with a presence in 19 countries.

CTI have an active, research driven approach that aims to blend an optimal mix of investments to deliver targeted returns, while drawing on the scale and diversity of their wider investment platform and sophisticated risk management framework to enable a complete look-through risk analysis on positions held within funds.

The CTI Multi Asset Team is responsible for the overall portfolio construction, being guided by the Asset Allocation Strategy Group.

## About the Fund

The Zurich Managed Funds are based on five key principles:



### Choice

The funds offer five levels of risk which can be used in various combinations to suit the investors risk profile.



### Active management

The funds are actively managed with a disciplined approach at both asset allocation and security level.



### Diversified sources of return

The funds look to take advantage of three sources of return; asset allocation, investment themes and stock selection.



### Risk awareness

The CTI Asset Allocation Strategy Group utilises three research groups to formulate its global economic and thematic views. These views are then combined with a valuation framework to determine the preferred asset-allocation and risk preferences for the funds.



### Heritage

A proven track record, with more than ten years experience of managing asset allocation mandates.

**It is these key principles that have been refined over many years that help to define the underlying structure and asset allocation.**

# About the funds

There are five Managed funds available in three different currencies US Dollar (USD), Sterling (GBP) and Euro (EUR). Each fund has a different mix of equities and fixed interest securities, which gives them different levels of risk

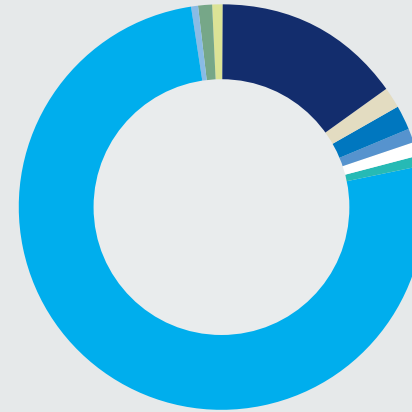
## Defensive Fund

This lower risk fund invests in international government and corporate debt, with a proportion invested in international equities, the majority of the fund is made up of assets matching the underlying fund currency.

The Defensive fund has the lowest risk profile of the Managed funds and the aim is to provide a lower risk environment with some potential for medium to long-term growth.

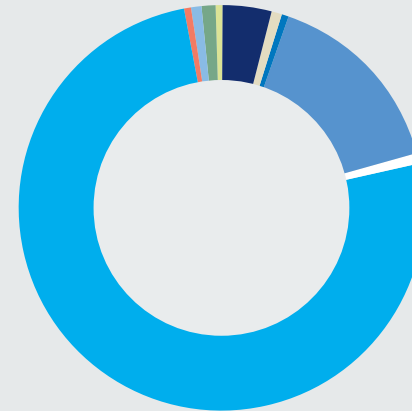


**ZIL US Dollar Defensive (IPP)  
in US**



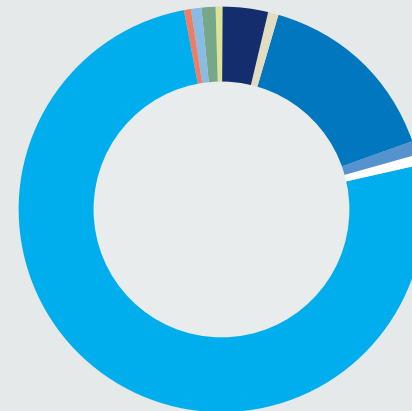
North America equities	15.3%
Japan equities	1.6%
Europe ex UK equities	2.0%
UK equities	0.9%
Global equities	1.2%
Far East ex Japan equities	0.9%
Dollar Bonds	75.8%
Emerging Markets Bond	0.8%
Cash	1.1%
Other	0.6%

**ZIL Sterling Defensive (IPP)  
in GB**



North America equities	3.9%
Japan equities	0.9%
Europe ex UK equities	0.7%
UK equities	15.2%
Global equities	0.7%
Sterling Bonds	75.7%
Global Bonds	0.5%
Emerging Markets Bond	0.8%
Cash	1.1%
Other Equities	0.5%

**ZIL Euro Defensive (IPP)  
in EU**

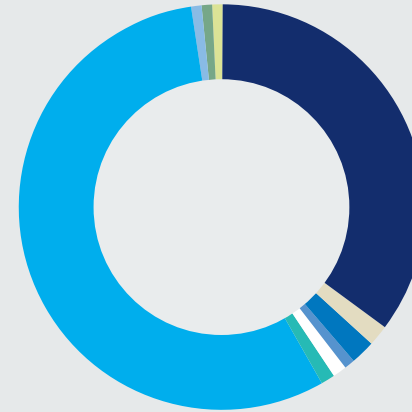


North America equities	3.7%
Japan equities	1.0%
Europe ex UK equities	15.0%
UK equities	1.0%
Global equities	1.0%
European Bonds	75.5%
Global Bonds	0.5%
Emerging Markets Bond	0.8%
Cash	1.2%
Other Equities	0.4%

**Cautious Fund**

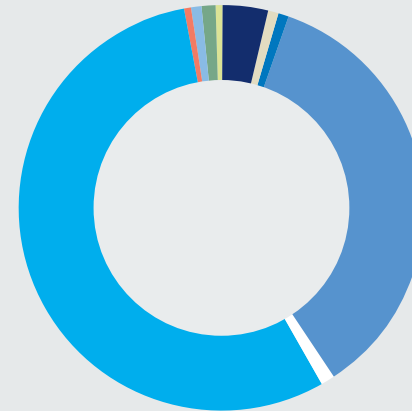
This fund invests primarily in fixed-interest securities but carries a higher portion of equities than the Defensive funds. The majority of the fund will invest in assets matching the underlying fund currency and aims to provide a lower risk environment with some potential for medium to long-term growth.

**ZIL US Dollar Cautious (IPP)  
in US**



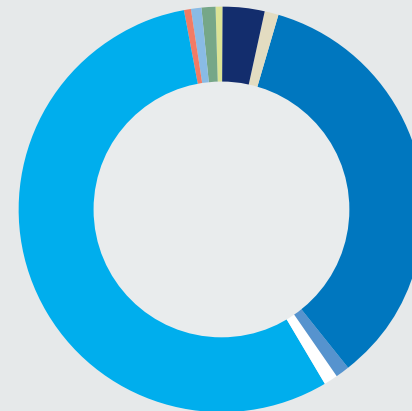
North America equities	35.1%
Japan equities	1.6%
Europe ex UK equities	2.1%
UK equities	0.8%
Global equities	1.2%
Far East ex Japan equities	0.9%
Dollar Bonds	56.0%
Emerging Markets Bond	0.7%
Cash	1.0%
Other	0.6%

**ZIL Sterling Cautious (IPP)  
in GB**



North America equities	3.8%
Japan equities	0.9%
Europe ex UK equities	0.6%
UK equities	35.3%
Global equities	1.1%
Sterling Bonds	55.5%
Global Bonds	0.5%
Emerging Markets Bond	0.8%
Cash	1.0%
Other Equities	0.5%

**ZIL Euro Cautious (IPP)  
in EU**



North America equities	3.6%
Japan equities	1.0%
Europe ex UK equities	34.8%
UK equities	1.0%
Global equities	1.1%
European Bonds	55.6%
Global Bonds	0.5%
Emerging Markets Bond	0.8%
Cash	1.2%
Other Equities	0.4%



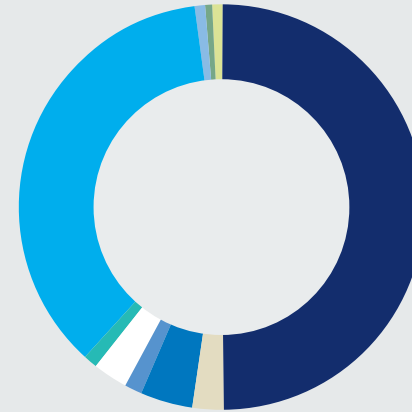
### Blue Chip funds

This fund invests in companies which are well-established, and nationally recognised in their country of listing. The fund invests in equities and a proportion of fixed-interest securities with the majority of the funds normally invested in assets matching the underlying fund currency.

In terms of risk, the Blue Chip fund sits in the middle of the Managed funds range with a more balanced split between bonds and equities than the other funds.

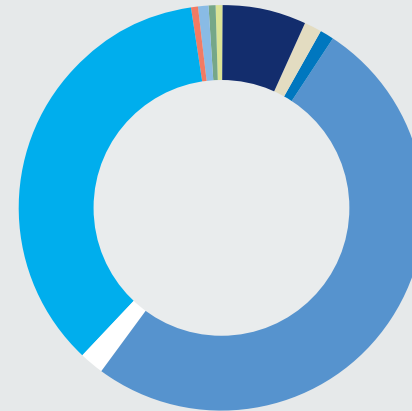
The aim is to accept a moderate degree of risk with the potential for medium to long-term growth.

### ZIL US Dollar Blue Chip (IPP) in US



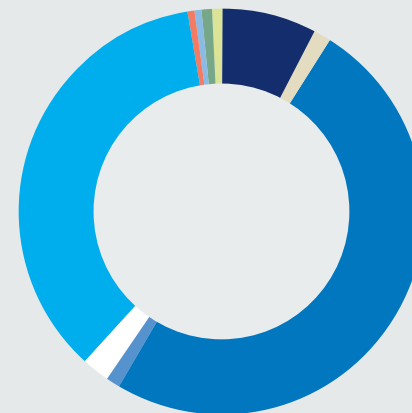
North America equities	49.9%
Japan equities	2.5%
Europe ex UK equities	4.0%
UK equities	1.6%
Global equities	2.6%
Far East ex Japan equities	1.3%
Dollar Bonds	36.1%
Emerging Markets Bond	0.8%
Cash	0.6%
Other	0.6%

### ZIL Sterling Blue Chip (IPP) in GB



North America equities	6.9%
Japan equities	1.2%
Europe ex UK equities	1.2%
UK equities	50.7%
Global equities	2.0%
Sterling Bonds	35.6%
Global Bonds	0.5%
Emerging Markets Bond	0.8%
Cash	0.7%
Other Equities	0.4%

### ZIL Euro Blue Chip (IPP) in EU



North America equities	7.6%
Japan equities	1.3%
Europe ex UK equities	49.6%
UK equities	1.1%
Global equities	2.1%
European Bonds	35.6%
Global Bonds	0.5%
Emerging Markets Bond	0.8%
Cash	0.8%
Other Equities	0.6%



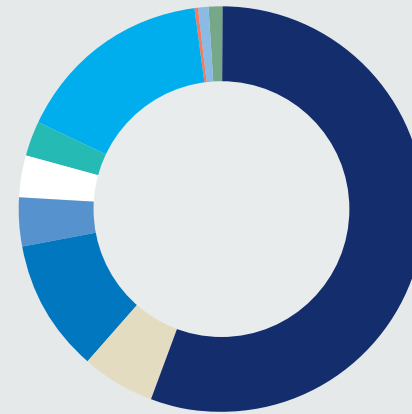
**Performance funds**

This fund invests in equities and a proportion of fixed interest securities.

The majority of the holdings in this fund are normally invested in assets matching the currency of the fund, with the remainder invested in global equities and fixed-interest markets.

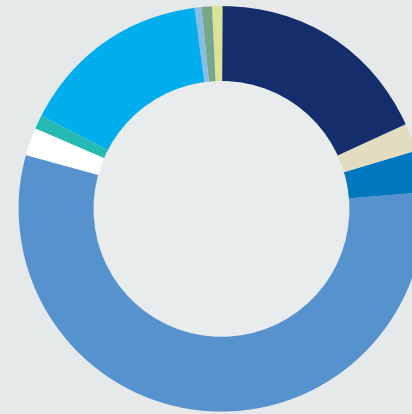
The aim is to accept a higher degree of risk with the potential for long-term growth.

**ZIL US Dollar Performance (IPP) in US**



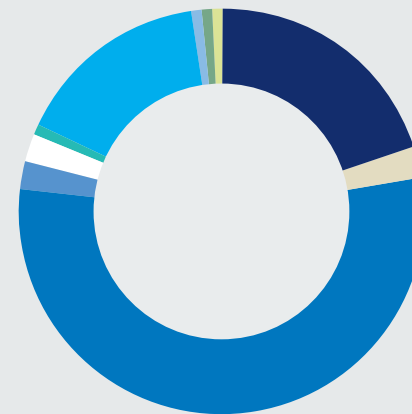
North America equities	55.9%
Japan equities	5.8%
Europe ex UK equities	10.6%
UK equities	3.8%
Global equities	3.5%
Far East ex Japan equities	2.7%
Dollar Bonds	15.7%
Global Bond	0.5%
Emerging Markets Bond	0.8%
Other	0.9%

**ZIL Sterling Performance (IPP) in GB**



North America equities	18.2%
Japan equities	2.2%
Europe ex UK equities	3.3%
UK equities	55.6%
Global equities	2.3%
Far East ex Japan equities	0.9%
Sterling Bonds	15.3%
Emerging Markets Bond	0.8%
Cash	0.7%
Other	0.7%

**ZIL Euro Performance (IPP) in EU**



North America equities	19.9%
Japan equities	2.6%
Europe ex UK equities	54.8%
UK equities	2.0%
Global equities	2.3%
Far East ex Japan equities	1.0%
European Bonds	15.5%
Emerging Markets Bond	0.7%
Cash	0.7%
Other	0.7%

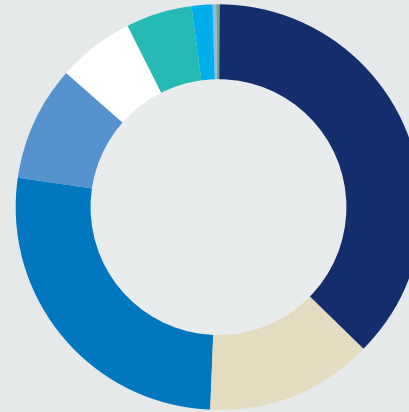


### Adventurous funds

This fund invests primarily in equities with a lower exposure to fixed-interest securities. The risk profile of this fund is the highest of the five portfolios and the fund can invest in opportunities worldwide without any restrictions on the currency of the underlying investment.

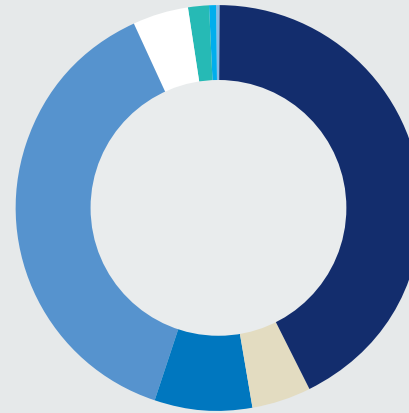
The aim is to accept a higher degree of risk with the potential for long-term growth.

### ZIL US Dollar Adventurous (IPP) in US



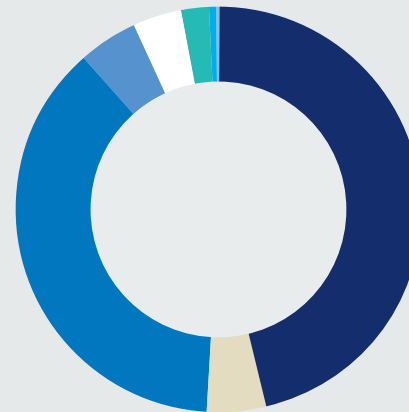
North America equities	37.4%
Japan equities	13.5%
Europe ex UK equities	26.7%
UK equities	9.0%
Global equities	6.1%
Far East ex Japan equities	5.4%
Emerging Market equities	1.7%
Latin America equities	0.1%
Cash	0.1%

### ZIL Sterling Adventurous (IPP) in GB



North America equities	42.8%
Japan equities	4.5%
Europe ex UK equities	8.0%
UK equities	38.0%
Global equities	4.5%
Far East ex Japan equities	1.6%
Emerging Market equities	0.6%
Latin America equities	0.1%
Cash	0.0%

### ZIL Euro Adventurous (IPP) in EU



North America equities	46.2%
Japan equities	4.9%
Europe ex UK equities	37.5%
UK equities	4.7%
Global equities	3.9%
Far East ex Japan equities	2.2%
Emerging Market equities	0.5%
Latin America equities	0.1%
Cash	0.0%



# Things you should be aware of

All funds carry some risk and you should consider these before making any investment decision.

Investment returns are not guaranteed and the value can fluctuate.

The main factors which may increase the risk of this fund include:

- the amount held in overseas assets,
- any concentration in specific areas or sectors,
- the amount invested in smaller company shares,
- the amount invested in property or property shares,
- the use of derivatives and other instruments to generate outperformance.

## Historical Performance

Name	2022*	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
ZIL Euro Defensive (IPP) in EU	-15.80	3.26	7.49	12.81	-1.88	2.61	1.37	5.87	12.57	5.43	13.58
ZIL Euro Cautious (IPP) in EU	-14.20	8.87	7.56	18.12	-4.02	5.22	-0.14	9.55	11.56	9.28	16.46
ZIL Euro Blue Chip (IPP) in EU	-13.17	15.00	7.76	23.52	-5.86	8.03	-0.93	13.15	11.23	13.26	18.96
ZIL Euro Performance (IPP) in EU	-11.65	22.19	7.87	29.23	-7.14	10.87	-0.60	16.37	12.09	17.78	19.59
ZIL Euro Adventurous (IPP) in EU	-13.27	27.74	12.02	35.54	-7.53	13.64	4.65	16.36	16.12	21.97	17.48
ZIL Sterling Defensive(IPP) in GB	-18.37	-1.07	6.96	10.38	-2.09	4.39	11.63	2.27	11.32	2.54	6.45
ZIL Sterling Cautious (IPP) in GB	-15.30	2.13	3.80	13.99	-4.41	6.36	12.30	3.53	9.69	8.78	9.29
ZIL Sterling Blue Chip (IPP) in GB	-12.16	6.02	1.45	17.77	-6.40	8.61	13.78	4.94	7.91	14.87	11.61
ZIL Sterling Performance (IPP) in GB	-9.64	11.60	1.51	22.10	-7.81	12.01	15.88	7.01	7.33	21.29	13.74
ZIL Sterling Adventurous (IPP) in GB	-7.76	17.22	9.89	25.74	-7.78	15.53	18.32	10.27	8.67	26.88	11.98
ZIL US Dollar Defensive (IPP) in US	-14.76	2.22	11.52	12.54	-1.88	7.57	0.09	0.99	6.96	3.14	5.36
ZIL US Dollar Cautious (IPP) in US	-15.03	8.18	14.94	17.59	-2.88	12.30	0.38	2.36	10.13	10.80	7.56
ZIL US Dollar Blue Chip (IPP) in US	-15.60	13.37	17.87	22.56	-4.68	17.49	2.07	2.71	9.21	18.39	10.08
ZIL US Dollar Performance (IPP) in US	-17.01	17.02	19.66	27.35	-7.58	23.01	2.17	3.09	7.56	24.75	13.30
ZIL US Dollar Adventurous (IPP) in US	-21.24	14.18	23.04	31.60	-12.53	29.24	1.01	3.97	1.97	26.08	17.72

Performance Period: Discrete Annual Calendar (Annualised %).

\*2022 performance covering the period from 01/01/2022 to 31/10/2022

Source: Columbia Threadneedle Investments



# Automatic Investment Strategy

Manage risk and maximise your returns using the Zurich Managed Funds as part of a lifestyling investment option.

Sit back and let Zurich do all the work. This automated solution means you don't need to remember to set a date to move your investments – we'll do it for you. We will switch your investments at the appropriate time reducing your exposure to risk assets as you approach retirement.

## Automatic Investment Strategy

The Automatic Investment Strategy (AIS) is a 'lifestyling' investment option that allows plan members to invest in growth assets such as equities during the early years of their plan, and moves them into more secure assets such as fixed interest securities at fixed points during the latter years. The level of risk investors are prepared to take, along with investment growth and their income needs are likely to change throughout their different stages of life – with each stage potentially requiring a different balance within the plan.

## What does the AIS invest in?

AIS invests in the Zurich Managed Funds previously covered in this document, together with the Money Market fund which invests in short-term deposits, and international short-term interest earning securities, such as certificates of deposit. The objective of the Money Market fund is to provide a low risk environment that offers stability and a high degree of liquidity.

## Features of Zurich's AIS

- Can be switched into or out of at any time.
- Potential for growth in the early years.
- Offers a long-term strategy which can help to smooth the effect of short-term volatility associated with equity investment.
- Portfolios with a reducing exposure to equities closer to retirement date, which can help to maintain policy value in later years.
- Peace of mind – automatic switching through to plan members' retirement date. Adapts investments to changing needs

Switches take place at the policy anniversary date prior to the individual's birthday. For example:

- A plan member has eleven years until their retirement date of 10 December 2033.
- The member has an annual policy anniversary date of 1 July which means that their assets will automatically switch into a new asset mix on 1 July 2023 (the policy anniversary prior to them entering ten years to retirement).



# Automatic Investment Strategy

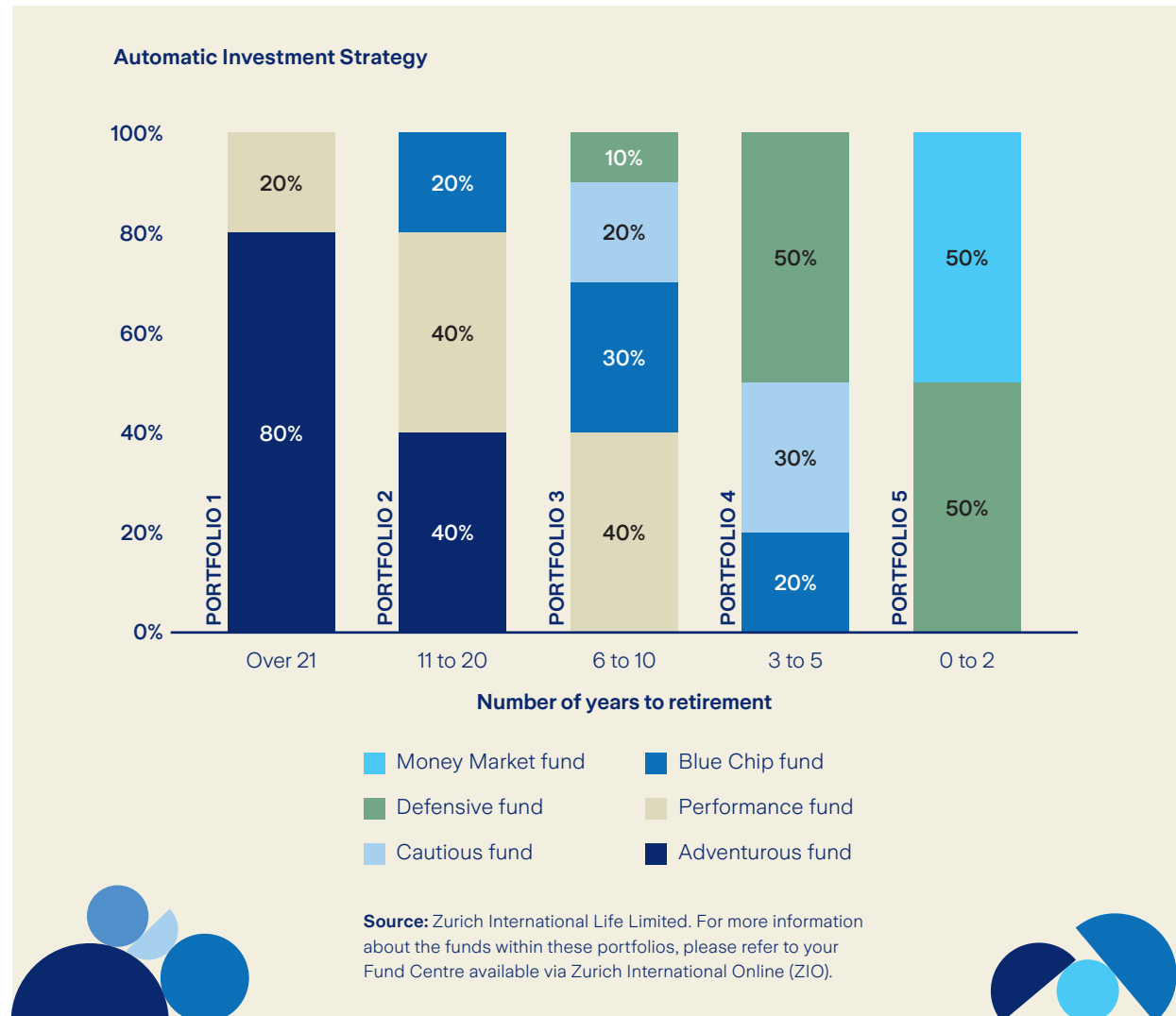
Manage risk and maximise your returns using the Zurich Managed Funds as part of a lifestyling investment option.

## Adapts investments to changing needs

By choosing to invest in AIS, plan members' contributions are automatically switched from equity based funds to funds investing in fixed interest securities and money markets as they move closer to retirement. This reduces their exposure to investment risk over time and helps to protect any gains made during the early years of the policy. The chart illustrates how this works. The AIS reduces investment risk by automatically switching contributions through up to five investment portfolios, depending on how long is left until a plan member's retirement date, with each portfolio offering less exposure to risk than the previous portfolio. Automatic switching takes place in line with the policy anniversary date.

For example, if a plan member has ten years until their retirement and they select the AIS, contributions will initially be invested in Portfolio 3 which contains the Performance, Blue Chip, Cautious and Defensive funds in the proportions shown. After five years, at the policy anniversary date, their investment will be adjusted by switching into Portfolio 4 which contains the Blue Chip, Cautious and Defensive funds, eventually ending up in Portfolio 5 which contains the Defensive and Money Market funds for the two years prior to their retirement.

**Please note that the value of any investment and income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. It is recommended that you always seek advice from a relevant financial professional prior to making any decisions.**



## Important information

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