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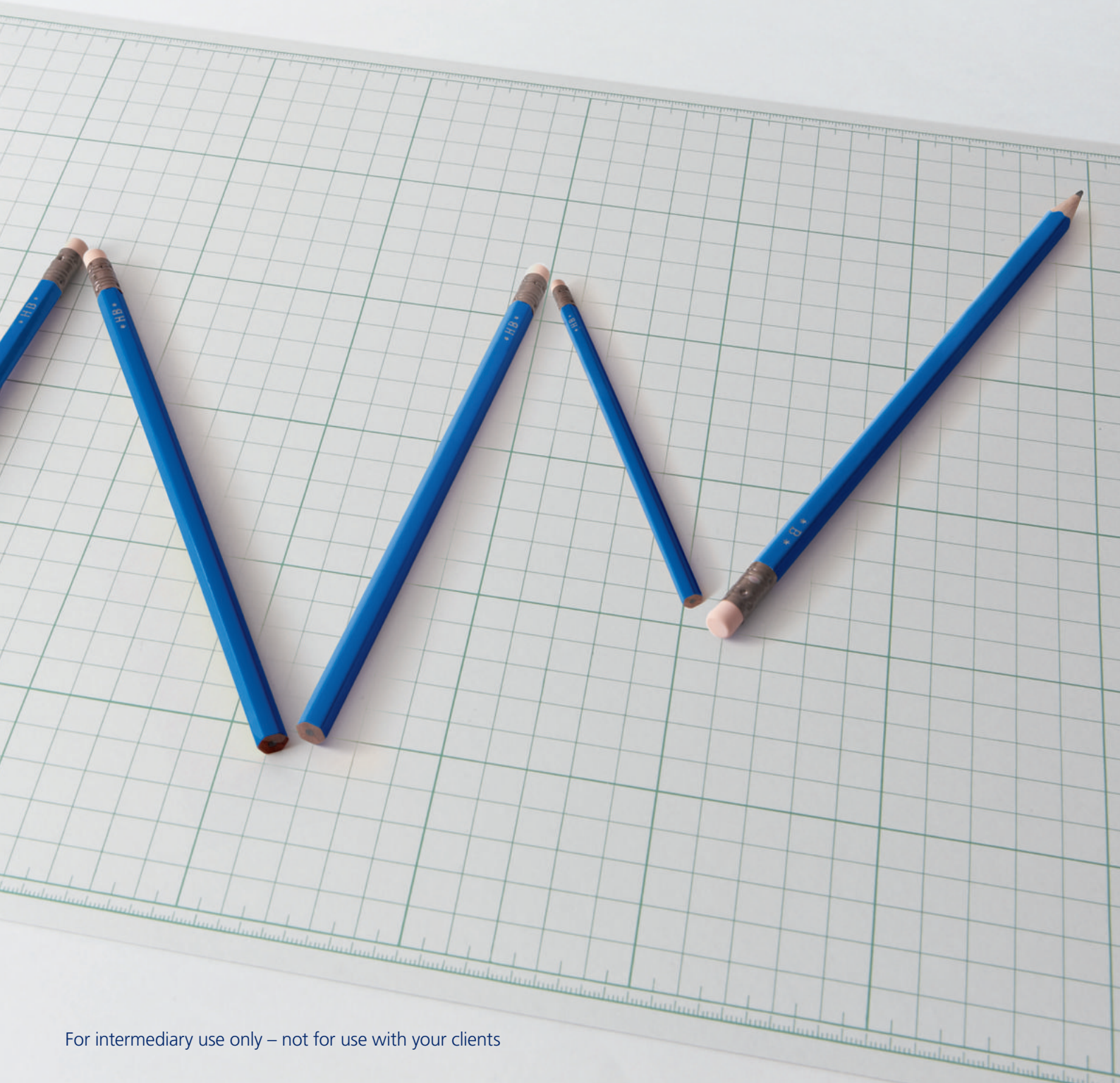
ZURICH

Zurich Horizon Multi-Asset Fund IV

Quarterly Fund Report Q1 2020



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Contents

About the Horizon range	3
About the fund	4
Our view on markets this quarter	4
Fund performance this quarter	5
EValue's strategic asset allocation	6
Active management by Columbia Threadneedle	8
A closer look at the portfolio	9
Definitions	11

Please note that the information contained in this Quarterly Fund Report Q1 2020 is correct as at 31 March 2020.

On 1 May 2020 Zurich Investment Services (UK) Limited, the entity responsible for the operation of the Horizon fund range as at 31 March 2020, was acquired by the Embark Group and subsequently renamed Embark Investments Limited. The Zurich Horizon Multi-Asset Fund IV was renamed the Embark Horizon Multi-asset Fund IV. For the most up to date information on this fund, please contact Embark Investments Limited, 7th Floor, 100 Cannon Street, London EC4N 6EU.

About the Horizon range

Five globally diversified multi-asset funds designed to meet your client's risk profile.

Targeting a combination of income and capital growth over the medium to long term.

Rebalanced by experts on a regular basis in response to changing market conditions.

Straightforward, easy-to-understand investment solutions.

Four layers of expertise

Our approach means your clients can access a wealth of industry expertise, on top of your own advice and oversight.

1

Zurich Experience

In the UK, Zurich provides customers with investment, pension and protection products. Our strategy is to build a competitive and sustainable business, delivering value to customers, distributors and shareholders through award-winning propositions. We've been offering quality products and services to our UK customers since 1917. As of September 2019 our UK Life business, which is part of the Zurich Group, had more than £37bn of assets under management. The Zurich Horizon Multi-Asset Funds are operated by Zurich Investment Services (UK) Limited, which is part of the Zurich Group.

We have enlisted the complementary skills of two of the leading names in UK financial services and we provide constant oversight across **EValue** and **Columbia Threadneedle Investments (CTI),** to ensure they are delivering the high standards we demand and our customers deserve.

We want customers to understand and be clear on the assets in which they are invested. For that reason, traditional, mainstream asset classes make up the vast majority of the Zurich Horizon Multi-Asset Funds' asset allocation. You can learn more about the makeup of this fund on the **closer look at the portfolio** page in this report.

2

EValue – risk-profiled asset allocation

EValue is a risk profiling service provider with more than 20 years' experience in UK financial services. They run a range of economic scenarios using forward-looking (stochastic) modelling, taking into account current market conditions. This approach allows EValue to produce realistic, independent and objective forecasts, from which they determine the appropriate asset mix for the risk profiles underlying each of the five Zurich Horizon Multi-Asset Funds.

These risk-profiled asset allocations range from **1 – lowest risk** in the range to **5 – highest risk** in the range. For example, Fund I will likely have a greater exposure to lower risk assets, such as fixed income securities, than Fund V. The asset allocation mix varies through the funds to match their risk requirements. EValue update these allocations on a quarterly basis and the funds are actively managed by the investment manager, in line with these **strategic asset allocations**.

3

Columbia Threadneedle Investments – Investment manager

We have appointed Columbia Threadneedle Investments (CTI) as investment manager for the Zurich Horizon Multi-Asset Fund range. CTI manages the funds in line with the strategic asset allocations provided by EValue. CTI is required to maintain the asset allocation within limits above and below those strategic asset allocations. CTI also actively manage the fund's liquidity on a daily basis – EValue's strategic asset allocation specifies a minimum of 2% in cash, although CTI has the flexibility to have a greater or lower level than this.

Each quarter, once EValue's revised strategic asset allocations have been approved, CTI adjusts the portfolio if necessary, to keep the asset allocations within the limits. Then, on a daily basis, the team calls on its own market knowledge to implement **tactical asset allocation** tilts.

4

Your advice

The blend of these three elements is what we believe delivers real value for our customers. This is reinforced further by the advice and support you give to your clients, creating a fourth layer of expertise that they can rely on.

About the fund

Fund objective
The aim of the fund is to grow the amount invested over the medium to long term (5 or more years) and to keep the fund within a designated risk profile.

Investment policy
The fund invests at least two-thirds of its value in other funds (underlying funds) actively managed by Columbia Threadneedle and its group of companies.

Through the underlying funds, at least 50% of the value of the fund will be exposed to the shares of companies constituted or operating within developed markets (for example UK, US, Europe and Japan). There will also be exposure to fixed income securities (such as government bonds and corporate bonds) and UK property. There may be some exposure to emerging market equities. The fund may also gain exposure to money market instruments, cash and near cash.

Save in exceptional circumstances, the actual asset class exposures will be in the following ranges: developed market equities 65-95%; fixed income 0-30%; UK property 0-15%; emerging market equities 0-15%; and money market instruments, cash and near cash 0-10%.

The sub-fund is permitted to use derivatives for efficient portfolio management. In practice this would be for the purpose of reducing risk or gaining a market exposure as a substitute for an actual investment in an underlying fund. However the sub-fund does not currently use derivatives even though the underlying funds in which it invests may do.

The Zurich Horizon Multi-Asset range of funds aims to cater for investors with different risk appetites. The funds carry staggered risk profiles starting from Zurich Horizon Multi-Asset Fund I and becoming progressively higher in risk, through to Zurich Horizon Multi-Asset Fund V.

EValue, an independent risk profile service provider, using the output from its investment research tools, produces a strategic weighting of asset classes aligned to the risk profile of the fund based on a long term time horizon.

EValue updates these weightings on a quarterly basis and Columbia Threadneedle will consider the weightings when taking active management decisions to decide on the composition of the investments of the fund.

Investor profile
The fund may be suitable for an investor seeking income and capital growth without a capital guarantee. The fund uses EValue's strategic asset allocation model which looks ahead over a long term time horizon of 18 years. Providing the asset allocations are deemed suitable for the investor's desired outcomes and in line with his or her risk tolerance the fund may be suited for investors looking to hold investments for 5 or more years. Investors should regularly review and discuss their risk appetite and investment horizon with their advisers to ensure that the fund remains suitable in the event of any change of personal circumstances.

Risk profile 4
This fund is aligned to risk profile 4, the second highest risk profile in this range. This means that it aims to deliver growth through assets that may demonstrate moderate to large price fluctuations, with greater exposure to equity and some fixed income securities and property.

The fund's risk profile according to alternative risk rating agencies is shown below.

	EValue*	Distribution Technology	FinaMetrica**		Defaqto Risk Rating***
			Growth Assets	Best fit risk comfort zone	
Zurich Horizon Multi-Asset Fund IV	4	6	84%	69-82	7

Providers update ratings at different times. Ratings for EValue, Distribution Technology and Defaqto are accurate as at 31 March 2020. Ratings for FinaMetrica are updated annually**

*EValue's 5 point scale.

**© PlanPlus Global Inc. Risk tolerance scores were mapped to the funds' strategic asset allocations as at 30/09/2019. The mappings are only for use by financial advisers licensed to use FinaMetrica Risk Profiling ToolkitTM, are for guidance purposes only and do not constitute financial or investment advice. Financial advisers must satisfy themselves that the funds' current asset allocations reflect the risk/return expectations of the funds when mapped. Zurich does pay FinaMetrica for the mappings in the table however these mappings are calculated independently by FinaMetrica. Financial advisers must satisfy themselves that the funds' current asset allocations reflect the risk/return expectations of the funds when mapped. Zurich pays FinaMetrica for the mappings in the table. However these mappings are calculated independently by FinaMetrica.

***Defaqto is a financial information business, helping financial institutions and consumers make better informed decisions.

Our view on markets this quarter

COVID-19 continues to spread at an exponential pace. Authorities have responded by imposing lockdowns and bringing public life to a standstill. The impact is visible in the March Services PMIs, tumbling in the Eurozone, for example, from 52.6 to a record low of 28.4. Economic activity had dropped even earlier in China, with fixed asset investment and retail sales plunging. Meanwhile, US initial jobless claims spiked more than tenfold to nearly 3.3 million within a week.

We are expecting a sharp and painful, but relatively short global recession, taking global growth to around zero on an annual basis this year. A dramatic contraction in the first half of the year will be followed by a recovery in the second half, assuming the lockdown in major economies will not last longer than two months. In our risk scenario the economic downturn would be even more severe should the lockdown be extended. However, simply extrapolating the weak data is dangerous. While governments and central banks had first responded in a tepid manner, they have now acted decisively. The US Fed has cut its policy rate by a total of 150bps to the zero bound, while announcing unlimited Treasury and MBS purchases and, for the first time, a facility to buy corporate bonds in the secondary market.

Meanwhile, the ECB increased QE asset purchases to more than EUR 100 billion per month while widening its eligible asset spectrum to include commercial paper. On the fiscal front the US will implement a package worth nearly ten percent of GDP, paying cheques to families, adding funds to the unemployment insurance and lending to SMEs and distressed industries. Other nations have also initiated strong fiscal support in the range of 4-5% of GDP including Germany, Australia, Malaysia and Chile, while Japan and China have just announced major support packages. Germany has even suspended its seemingly untouchable debt brake, giving up its 'black zero' policy. Bold monetary and fiscal measures show signs of 'helicopter money', though policy makers reject this as there is no explicit link between monetary and fiscal policy.

Global equities tumbled 35% from their record high marked in mid-February, before rallying nearly 20%, applauding the scale of monetary and fiscal measures implemented. We still need to see signs that new coronavirus infections are starting to slow on a more sustainable basis. Once that happens, market participants may look through the significant drop in economic activity and corporate earnings. In the current environment, valuation measures like price-to- earnings are not helpful, while price-to-book valuations appear reasonable, but are still above prior crisis levels.

Fund performance this quarter

Zurich Horizon Multi-Asset Fund IV (Z Acc share class (GBP)) returned -17.63% in the three months to 31 March 2020.

The fund's performance was negatively impacted by its overall strategic asset allocation; additionally, Columbia Threadneedle made further negative contributions from both stock selection and tactical asset allocation positioning.

The greatest negative overall contribution from asset class exposures came from equities, particularly UK equities, followed by US equities. The risk-off environment triggered by the spread of Covid-19 led investors to favour perceived safe-haven assets over equities.

Columbia Threadneedle's tactical asset allocation positioning made a small negative contribution to the overall return relative to the strategic asset allocation. The biggest negative contributions coming from the underweight positions in Cash, Property, and UK Corporate bonds and the overweight position in UK Equity. The biggest positive contribution came from the overweight position in Japanese equities.

Columbia Threadneedle's stock selection decisions (which includes the selection of underlying funds as well as stock selection within those funds) also detracted from the overall return. Stock selection within UK equities produced the biggest negative contribution, impacted by three major sources, as follows:

Firstly, holdings in stocks with exposure to global travel and events such as ITV and Carnival detracted.

Secondly, selected stocks within financials such as Intermediate Capital fared poorly, owing to heightened volatility and the pressure in credit markets.

Lastly, returns were hampered by the outperformance of AstraZeneca, which the fund does not have an exposure to.

Stock selection within UK Corporate Bonds also hindered performance, but Columbia Threadneedle added value elsewhere, particularly in Europe ex UK equities, boosted by successful stock selection. Key relative contributors included Ubisoft Entertainment; the shares benefited from the popularity of online gaming during lockdown. Stock selection was also positive in US, Japanese and European equities..

Cumulative performance against Investment Association (IA) Sector (as at 31 March 2020)

Fund IV	Since 12/12/13	5 years	3 years	1 year	6 months	3 months
Zurich Horizon Multi-Asset IV	47.22%	24.92%	1.20%	-7.07%	-14.49%	-17.63%
IA Mixed 40-85% Shares	25.47%	10.75%	-2.57%	-8.01%	-13.44%	-15.42%
IA Sector Fund Ranking	10/115	14/124	45/146	80/164	108/170	122/174

Fund and strategy performance

The above table and chart use data provided by FE as at 31 March 2020; bid to bid net of all charges, with net income reinvested, based on sterling class Z acc shares. Zurich Horizon Multi-Asset Fund IV was launched on the 27 March 2015; performance before then is based on the Threadneedle Multi-Asset Zurich Fund IV since 12/12/2013.

Please note that figures refer to simulated performance and past performance is not a reliable guide to future performance. The value of the funds can fall, meaning you may get back less than you originally invested. Changes in exchange rates will affect the value of investments made overseas. Investments in newer markets, smaller companies or single sectors offer the possibility of higher returns but may also involve a higher degree of risk. Assets invested in property can sometimes take a longer period to release than bonds or equities.

EValue
Powering financial insight

A risk profile service provider with more than 20 years' experience in the UK financial services market. They determine the appropriate mix of asset classes for the risk profiles underlying each of the five Zurich Horizon Multi-Asset Funds.

EValue's strategic asset allocation

EValue

- Provides the investment framework with forward-looking asset allocations
- Weightings are aligned to five risk profiles
- Asset allocations are updated on a quarterly basis

EValue updates its strategic asset allocations on a quarterly basis and the changes will be adopted by the investment manager during the quarter, where appropriate. The table below shows the strategic asset allocation weightings at the end of Q4 2019 and Q1 2020, as well as the changes over the period.

Changes to the strategic asset allocation of Fund IV

Asset class	Strategic asset allocation (%) 31 December 2019	Strategic asset allocation (%) 31 March 2020	Change (%)
Cash	2%	2%	–
Corporate Bonds	14%	14%	–
UK Equities	36%	32%	-4%
Overseas Equities	34%	38%	4%
Specialist Equity	9%	9%	–
Property	5%	5%	–

Cash includes money market investments
Source: EValue as at 31 March 2020

Rationale behind EValue's strategic asset allocation changes this quarter

Rising yields across markets heralded a similarly broad rise in expected returns from the EValue model. This was mostly a "rising tide" although the most notable exception was in expected UK equity returns. There the market appeared to have got ahead of the outlook based on fundamentals; an imminent rate cut may have been supporting prices that were not reflecting the possibility of significant disruption to trading conditions in the short term. The effect on allocations was mostly modest and dominated by shifts out of UK equities.

**Please note that this update was given in January 2020, before the potential scale and effects of the Covid-19 pandemic became apparent.*

EValue risk profile 4 – Potential returns profile

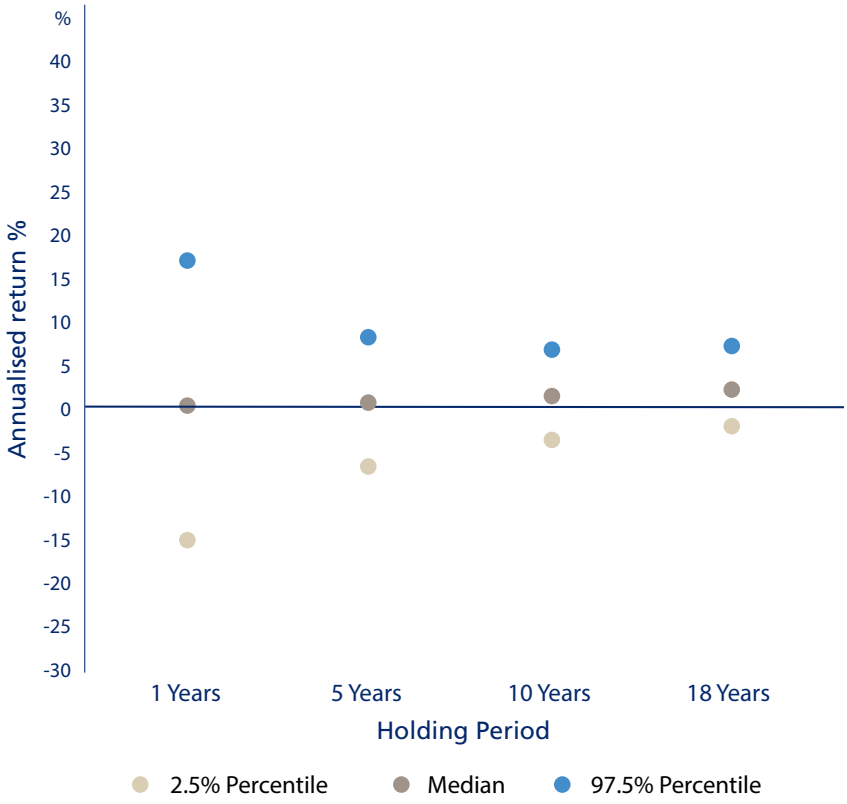
The graph illustrates the distribution of potential annualised returns over different time periods, according to EValue's model.

The graph is based on the results of simulations performed by EValue using a computer model and relying on assumptions made by EValue, as at January 2020; the assumptions and the results of the simulations will change over time.

How the profile was calculated

EValue performed 10,000 simulations of potential returns from a typical strategic asset allocation, and created a distribution of 10,000 simulated outcomes at the end of each investment period shown on the graph. The outcomes were then converted into annualised returns. For each investment period the graph shows the median outcome, the 2.5% percentile (where 2.5% or 250 of the outcomes may be below this level, perhaps significantly) and the 97.5% percentile (where 2.5% or 250 of the outcomes may be above this level). As such the graph does not illustrate the full range of outcomes of the simulation.

The graph in this document is intended for illustrative purposes only. It does not represent the actual fund offered, and should not be relied upon as an indicator or guarantee of future performance, which could be very different; you may get back less than you invested. The simulations do not include the effect of tax, investment management fees, or any other charges specific to the Zurich Horizon Multi-Asset Funds; if they did, the simulated returns would be lower.



This graph shows distributions of potential returns produced by EValue's stochastic model.

COLUMBIA THREADNEEDLE INVESTMENTS

A global asset management group that provides a broad range of actively managed investment strategies for clients.

Active management by Columbia Threadneedle

Columbia Threadneedle Investments

- Overlays its own views on asset allocation on those produced by EValue
- Selects the right mix of underlying funds for each risk profile
- Actively manages the underlying funds to reflect where they believe the best opportunities lie

Market background and outlook
The following commentary summarises Columbia Threadneedle's view of the markets.

We entered 2020 with the expectation that the global industrial cycle was turning, after a downturn in industrial and profits across major regions in 2019. Economic data appeared to be bottoming and this cyclical upturn at the start of the year, alongside low inflation and easy monetary policy, looked to be a supportive backdrop for equities and fixed income. Indeed, the year started broadly in line with our expectations. Progress towards a US-China trade deal and better-than-expected corporate results helped push global equities to a series of record highs, the most recent being in mid-February. But a lot has changed since then and with unanticipated speed.

In the last week of February, risk assets sold off on mounting concern about the Covid-19 outbreak, which had spread beyond China and was taking hold in Italy. In March, the sell-off intensified as the outbreak approached pandemic levels and governments around the world took drastic steps to contain it.

With much of the global population suddenly under some form of lockdown, markets struggled to gauge the likely extent and duration of the recession that would surely follow. Equities endured some of their steepest-ever one-day falls and credit spreads ballooned, while core government bonds and the dollar strengthened. Industrial commodities also weakened; a collapse in oil prices was exacerbated by a price war between Saudi Arabia and Russia.

Central banks and governments responded to the crisis by unleashing a flood of stimulus. The Federal Reserve cut interest rates close to zero and pledged unlimited bond purchases – now including corporate credit. The Bank of England (BoE) and European Central Bank (ECB) respectively re-launched and scaled up their own asset-buying programmes. The BoE also cut rates, as did a slew of other central banks, though with eurozone rates already in negative territory, the ECB declined to do so.

In contrast to risk assets, gilts fared well over the review period, owing to risk aversion. That said, even these perceived 'safe havens' were caught up in the market turbulence, as investors sold their holdings in exchange for cash to meet redemptions. UK gilts were also pressured by the aforementioned fiscal stimulus. Nevertheless, the 10-year gilt yield still fell 47 bps over the quarter.

Fund activity
In line with the updated strategic asset allocations from EValue, there was a decrease in the UK equity exposure but an increase in the equity allocations to the US, Japan and Europe ex-UK.

The fund is overweight US Equities. While all equity markets suffered extreme moves in the first quarter, over the medium term, the US tends to be a comparatively defensive market and our position helps to decrease the overall cyclicality of our equity exposure. Moreover, having significantly raised rates in 2019, the Fed had more scope to ease policy than other central banks, something which has since come through.

In other activity, we slightly trimmed the allocation to property. The underlying property fund subsequently suspended redemptions as the independent property valuer, CBRE, deployed a 'market uncertainty clause' which means that they are unable to provide an accurate valuation of the Property funds assets in the current exceptional market environment. This is consistent with the approach being taken across the broader industry. We had already underweighted the property fund investment as a precaution against Brexit related liquidity issues, not expecting at the time that in fact it would be a pandemic that would ultimately lead to property funds suspending.

Tactical asset allocation
The table below shows the asset allocations in the fund's portfolio and EValue's strategic asset allocation as at 31 December 2019 and 31 March 2020. It also shows the difference between the two as at 31 March 2020.

Towards the end of the quarter, our Asset Allocation Strategy Group moved investment grade credit from 'neutral' to 'favour' as valuations have moved sharply across asset classes, but the move in investment grade credit appears notably extreme, compensating investors for a significant level of default rates. In our view, credit offers attractive risk adjusted returns on a 12- to 18-month view.

On 31 March, Japanese equities were downgraded to 'neutral' as Japanese equities have rallied ahead of other regions, four factors favour taking some profit: Japan is a strongly cyclical and operationally leveraged market that is highly exposed to 'sudden stops' in global activity; the room for stimulus is more constrained than elsewhere; there are savage falls in earnings expectations to come, with the consensus still pointing to near 6% EPS growth in 2020; and a prospective pause in the positive trend for shareholder returns as companies seek to preserve cash.

Overall, Columbia Threadneedle prefers equities compared to fixed income but as we navigate through the crisis we are increasingly expressing that view through high quality, non-cyclical areas such as the US, which our Asset Allocation Strategy Group recently moved to 'favour'. We have been adding to US equities on the back of this increasingly favourable view.

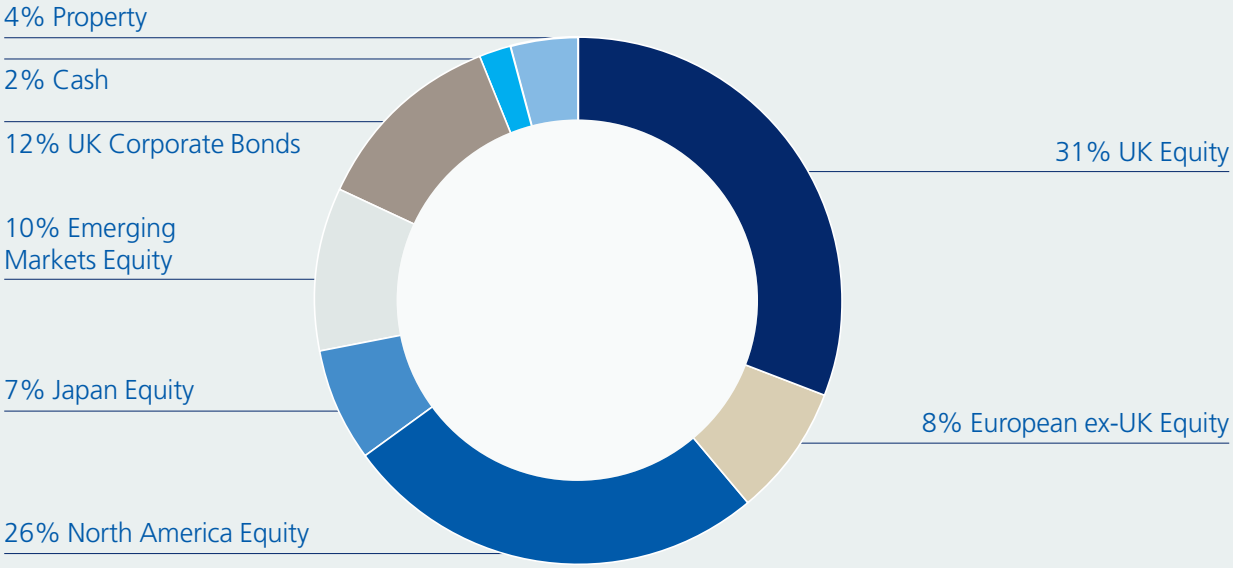
Date:	31 December 2019		31 March 2020		31 March 2020
Asset class	**Fund IV**	**Strategic asset allocation**	**Fund IV**	**Strategic asset allocation**	**Difference between Fund IV and Strategic asset allocation**
UK Equity	37.31	36.00	31.20	32.00	-0.80
Europe ex-UK Equity	6.79	6.80	8.01	7.60	0.41
North America Equity	22.02	22.10	25.93	24.70	1.23
Japan Equity	5.71	5.10	7.26	5.70	1.56
Emerging Markets Equity	9.77	9.00	10.04	9.00	1.04
UK Corporate Bonds	12.74	14.00	12.31	14.00	-1.69
Property	3.88	5.00	3.60	5.00	-1.40
Cash & Money Markets	1.78	2.00	1.65	2.00	-0.35
Total	**100%**	**100%**	**100%**	**100%**	**0.00**

Figures are % of net asset value.
Cash includes money market investments.
Source: Zurich Investment Services (UK) Limited. Cash includes investments in a money market fund as well as adjustments to cash such as accruals. Figures may not add up to 100% due to rounding.

A closer look at the portfolio

All data provided as at 31 March 2020 unless otherwise stated.

Fund size:	**£87.1 million**
Number of assets held by underlying funds:	**858**



Figures are in % of net asset value.
Source: Zurich Investment Services (UK) Limited, with the exception of Number of assets held by underlying funds, which is provided by Columbia Threadneedle.
Cash includes investments in a money market fund as well as adjustments to cash such as accruals. Figures may not add up to 100% due to rounding.

Asset allocation:

Fund holdings at 31 March 2020

Underlying fund	% of Fund Net Asset Value
Threadneedle UK Equity Income Fund	**0.15%**
Threadneedle European Smaller Companies Fund	**0.24%**
Threadneedle UK Smaller Companies Fund	**0.43%**
Threadneedle Sterling Short-Term Money Market Fund	**0.50%**
Cash	**1.15%**
Threadneedle European Select Fund	**1.32%**
Threadneedle UK Property Authorised Investment Fund	**3.60%**
Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund	**3.89%**
Threadneedle UK Select Fund	**4.12%**
Threadneedle European Fund	**6.45%**
Threadneedle Japan Fund	**7.26%**
Threadneedle American Select Fund	**8.40%**
Threadneedle UK Corporate Bond Fund	**8.42%**
Threadneedle Global Emerging Market Equities Fund	**10.04%**
Threadneedle American Fund	**17.53%**
Threadneedle UK Fund	**26.50%**
Total	**100%**

Source: Zurich Investment Services (UK) Limited as at 31 March 2020.

Top 10 exposures to investments held by the underlying Columbia Threadneedle funds at 31 March 2020.

Asset	Exposure (%)
Microsoft Corporation	2.12%
GlaxoSmithKline plc	1.59%
Alphabet Inc. Class A	1.58%
Amazon.com, Inc.	1.54%
British American Tobacco plc	1.33%
Diageo plc	1.23%
Reckitt Benckiser Group plc	1.23%
Rio Tinto plc	1.20%
RELX PLC	1.16%
Prudential plc	1.10%
Total of top 10 exposures	**14.08%**

Source: Columbia Threadneedle Investments as at 31 March 2020. The data is based on the position sizes within the underlying funds, divided by the value of the Fund's portfolio of investments.

Definitions

Bonds
These are like loans to governments/ companies in return for a fixed rate of interest.

Capital growth
The increase in value of your original investment.

Columbia Threadneedle Investments (CTI)
Appointed Investment Manager of the Zurich Horizon Multi-Asset Fund range.

Corporate Bond
A debt security issued by a company and sold to investors, in order to raise financing for a variety of reasons such as ongoing operations, M&A, or to expand the business.

Equities
Another name for company shares.

Emerging markets
Countries with less developed financial markets and generally considered riskier than investing in developed markets.

EValue
A risk profiling service provider, who provide the strategic asset allocations against which the Zurich Horizon Multi-Asset Fund range is managed.

Gilts
A bond issued by the UK government.

High yield bonds
A corporate bond that provides a higher income, (or yield) but is rated below investment grade bonds as it has a higher risk of default.

Investment Association (IA)
The IA is the trade association that represents the UK investment management industry.

IA sectors
To help with comparisons between the thousands of funds available, they are categorised into different groups, or sectors, which are organised and reviewed by the Investment Association (IA).

IA Flexible Investment sector
Funds in this sector are expected to have a range of different investments. However, the fund manager has significant flexibility over what to invest in. There is no minimum or maximum requirement for investment in company shares (equities) and there is scope for funds to have a high proportion of shares.

IA Mixed investment 20-60% sector
Funds in this sector are required to have a range of different investments. The fund must have between 20% and 60% invested in company shares (equities). At least 30% of the fund must be in fixed income investments (for example, corporate and government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit.

IA Mixed Investment 40-85% sector
Funds in this sector are required to have a range of different investments. However, there is scope for funds to have a high proportion in company shares (equities). The fund must have between 40% and 85% invested in company shares.

Investment grade bond
A bond which is considered relatively safe and unlikely to default on its debt repayment obligations, and has therefore been assigned a high credit rating.

Investment Manager
Zurich has appointed Columbia Threadneedle Investments (CTI) to be the Investment Manager of the Zurich Horizon Multi-Asset Fund range.

Overweight
When a fund holds a greater percentage of a particular asset compared to the asset's percentage of, or weight in, the fund's strategic asset allocation.

Strategic asset allocations
The strategic asset allocation of the Zurich Horizon Multi-Asset Fund range is provided by EValue. This is a risk-profiled asset allocation, which is then implemented by the investment manager.

Tactical Asset Allocation
As opposed to the 'strategic asset allocation' supplied by EValue, the tactical asset allocation refers to overweight and underweight positions relative to the strategic asset allocation. These decisions are made by the investment manager, Columbia Threadneedle Investments (CTI).

Tilt
Another word to describe a tactical asset allocation overweight or underweight.

Underweight
Conversely to 'overweight', underweight refers to a situation where a fund holds a smaller percentage of a particular asset than the asset's percentage of, or weight in, the fund's strategic asset allocation.

Important legal information

This document is for use by professional financial advisers only and is not to be distributed to retail clients.

Nothing contained within this document should be construed as the giving of investment advice or a recommendation to invest or an offer to buy or sell shares.

Please note that past performance is not necessarily a guide to future performance and the value of investments (and any income from them) can go down, so an investor may get back less than the amount invested. No guarantee is given for the performance of the fund.

The tax position of the fund will depend on the personal circumstances of the investor and tax rules may change in the future.

On 1 May 2020 Zurich Investment Services (UK) Limited and its fund range were acquired by the Embark Group. Zurich Investment Services (UK) Limited was subsequently renamed Embark Investments Limited and the name of the Zurich Horizon Investment Funds ICVC changed to Embark Investment Funds ICVC. For the most up to date information on the Embark Investments Limited range of funds, please refer to the relevant fund and share class Key Investor Information Document (KIID), the Supplementary Information Document, the Annual or Interim Short Reports and the Prospectus.

The information in this document is not directed at any US Person. The fund has not been registered under the United States' Securities Act of 1933, and is not offered and may not be sold in the United States or to US citizens and residents.

As at 31 March 2020, the Authorised Corporate Director of the Zurich Horizon Investment Funds ICVC was known as Zurich Investment Services (UK) Limited, authorised and regulated by the Financial Conduct Authority. Registered in England and Wales under registered number 3383730. Registered Office: The Grange, Bishops Cleeve, Cheltenham, GL52 8XX.

On 1 May 2020, the name of the Authorised Corporate Director was changed to Embark Investments Limited with registered office: 7th Floor, 100 Cannon Street, London EC4N 6EU. This document is issued by Zurich Intermediary Group Limited. Zurich Intermediary Group Limited, authorised and regulated by the Financial Conduct Authority. Registered in England and Wales under company number 01909111. Registered Office: The Grange, Bishops Cleeve, Cheltenham, GL52 8XX.

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