

Fund Factsheet Guide

Key information explained step-by-step

[Click to open](#)



We understand that our fund factsheets can be complicated so we've designed this guide to help you understand key points page by page.



Exploring Page 1

Fund objective

The objective sets out how the fund intends to grow in value.

Fund information

Bid/offer price:

The offer is the price you will pay when you buy a unit in a fund. The bid price is how much you will get per unit that you sell. Some funds will just have a single price which will be the price at which units are bought and sold.

Sector:

A sector is a group of funds which are similar. Sectors are used to compare funds. We use ABI sectors, you can read more about the sector definitions [here](#).

Total Fund Charges:

This figure covers the day to day cost and expenses of running the fund, and may also include a charge towards the cost of running your plan. In addition to the Total Fund Charges figure, fund managers incur transaction costs when buying and selling investments. All of these are reflected in the unit price for the fund. For full details about the overall charges that apply to your plan, please refer to your annual statement or get in touch with us.

These costs can impact the performance and returns you receive.

Sedol code/ Mex ID/ ISIN /CitiCode

How to identify the fund you are invested in.

The SEDOL is displayed on your policy statement which you can use to look up a fund factsheet on our website.

Crown ratings:

FE fundinfo ratings help you see how well a fund is doing compared to its benchmark. Funds in the lowest tier get one crown, while the top 10% receive five crowns.

Cumulative performance

This shows the total amount the fund has gained or lost over a period of time.

Discrete performance

How the fund has performed during specific annual time periods.

Quartile Ranking

How the fund is performing against similar funds in its sector. A ranking of 1 means it is top quartile, 4 is bottom.

A fund may not have a quartile ranking if it is grouped within a sector which does not have comparable funds e.g. unclassified sector.

Annualised performance

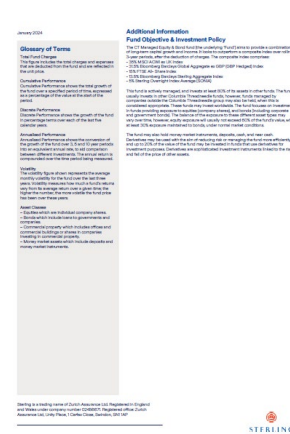
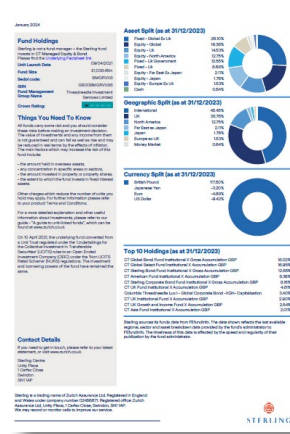
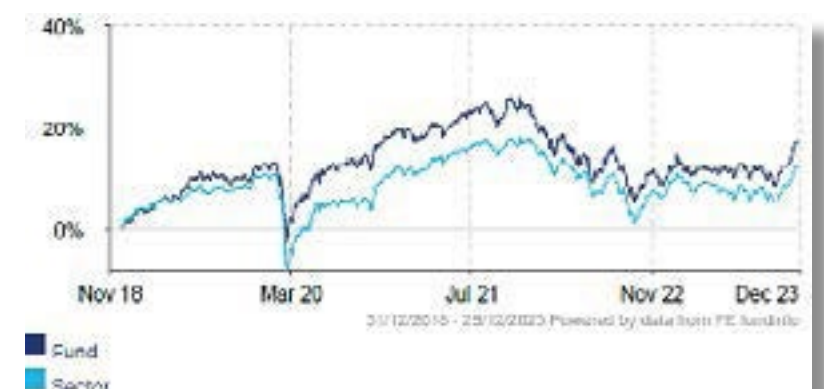
The average annual performance return of the fund over time.

Volatility Volatility is a measure of how much a fund's price goes up and down, and is an indication of how risky a fund is. If a fund's price is constantly changing over time, that means it has a higher volatility. If a fund's price is pretty steady, that means it has a lower volatility. Usually, fixed income funds tend to have lower volatility and equity funds tend to have higher volatility. A volatility range of 0-5 is considered low, 15 and over is considered high.

Discrete performance of ABI primary fund

As a member of the ABI (Association of British Insurers), ZAL displays performance based on the version of the fund with the largest number of policy holders or funds with the largest representative charge, known as the primary fund. Keep in mind, this may not be the version of the fund you are invested in. We have different versions of a fund because of different plan charges, the funds themselves will have the same objectives.

Performance of ABI primary fund



Above pages are an example of one of our fund factsheets and contents may differ. Sterling is a ZAL brand.

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Large print, braille and audio.

Please let us know if you'd like a copy of this in large print, braille or audio.

If you're a telephone user, we can answer any questions you have through a Typetalk Operator. Call us on 18001 01793 514514. Or, if you'd prefer, we can introduce your adviser to a sign language interpreter.

Fund Holdings

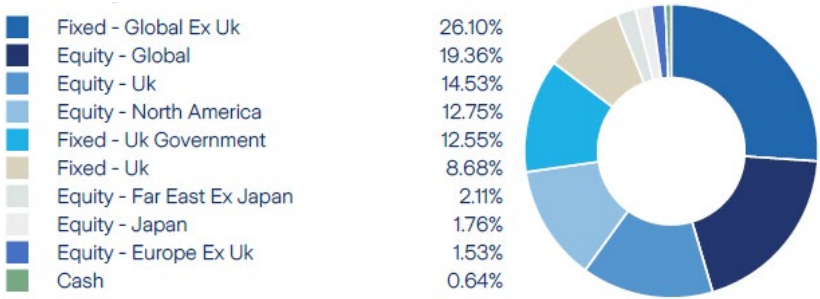
This section provides key information about where the fund is invested. In some instances, where the fund invests directly into another fund, there will be a link to a separate factsheet and may contain more data/information that you may find helpful.

Things you need to know

This is where we will list things you need to be aware of such as risks and where to find more information.

Asset split

The funds you invest in are made up of different types of assets. These assets vary depending on the objective and policy of the fund. Some funds may only invest in equities, some may invest in a number of different assets (multi-asset funds).



An asset class is a group of similar investments.

Equities: shares in companies. When a fund buys shares, it effectively owns part of a company and is entitled to a share of the company's profits, paid as a dividend.

Bonds: debt issued by companies or governments. Bonds issued by the UK Government are known as Gilts. Funds purchase bonds in return for fixed interest payments.

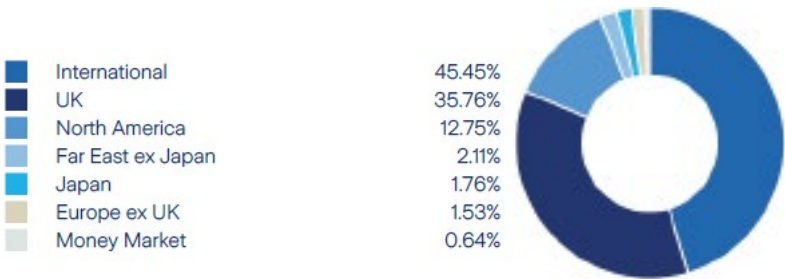
Property: properties can be purchased by funds, including offices and commercial buildings or shares in companies investing in commercial property.

Cash / money market: including cash deposits at banks and other money products, can easily be sold and may include investing in different currencies.

These are just some examples of the asset classes available. Other funds may hold things like Infrastructure, Private Equity, or Alternative investments.

Geographic split

This shows you which regions or markets your money is invested in. Some funds may be restricted to a particular market, for example a UK equity fund would primarily invest in the UK. Some funds however can invest in lots of different markets, known as global funds. This means that they avoid a high concentration to one particular market.



Top 10 Holdings

CT Global Bond Fund Institutional X Gross Accumulation GBP	18.02%
CT Global Select Fund Institutional X Accumulation GBP	16.95%
CT Sterling Bond Fund Institutional X Gross Accumulation GBP	12.55%
CT American Fund Institutional X Accumulation GBP	8.36%
CT Sterling Corporate Bond Fund Institutional X Gross Accumulation GBP	8.16%
CT UK Fund Institutional X Accumulation GBP	4.81%
Columbia Threadneedle Lux 1 - Global Corporate Bond - XGH - Capitalisation	3.40%
CT UK Institutional Fund X Accumulation GBP	2.90%
CT UK Growth and Income Fund X Accumulation GBP	2.54%
CT Asia Fund Institutional X Accumulation GBP	2.01%

Holdings are the individual assets that the fund is invested in at the date shown, this could be in companies such as Shell, or bonds such as UK Government bonds or even individual funds (as in this example).

Zurich sources its funds data e.g. asset split data from FEfundinfo. Some factsheets may not provide all of this information as it depends on the availability of data supplied from the underlying external asset manager to FEfundinfo.

Fund Objective & Investment

A re-cap of the fund objective and where you can find out a little more detail about how the fund is invested and what restrictions the fund may have.

For example, a mixed asset fund may not be allowed to hold any more than 60% in equities.

Additional information

For other useful information about investments, please refer to our 'Introduction to Investing' section [here](#).

We also have our guide to unit-linked investments which you can download from our Pension and Investments section [here](#).

Glossary of Terms

Guidance is provided on some terms within the factsheets. Here are some other common terms listed below which may help.

Alternative investments	Asset classes that fall outside the traditional assets of equities/shares, bonds, and cash such as real estate, commodities, private equity, and hedge funds. These offer typically higher risk and investment returns.
Asset backed securities	A financial product which investors can buy providing them with regular payments generated by a pool of assets such as loans, leases that make up the product.
Authorised Corporate Director (ACD)	A firm that is authorised by the UK Financial Conduct Authority (FCA) to manage Open-Ended Investment Companies (OEICs). Lots of our funds invest in these OEICs. Responsibilities of the ACD include managing day-to-day operations, ensure regulatory compliance, manage investor communications and promoting funds.
Cash flow yield	The measure of how much potential cash flow can be generated relative to the initial cost of an investment or the current market price of the investment.
Close-ended investment companies	A fund which sells a fixed number of shares to raise a fixed amount of money. It then invests the money raised. Real Estate Investment Trusts are one example of this.
Collective Investment Schemes	Where an external asset manager has day-to-day control over the investment decision making relating to investments made by a wide pool of people. Any profits and losses are shared proportionately by that pool of people. You could lose all of your investment, but the fund can't ask you for further money.
Composite index	A combination of individual indices, or components of indices, used to provide a more accurate benchmark that reflects the assets held within a fund.
Convertible bonds	A type of bond that gives the investor the option to convert their bond into a specified number of shares of the issuing company.
Credit rating	A score (grade) given to a bond that shows how likely a company or government (the bond issuer) is to repay its debt. A higher rating means lower risk for investors and vice versa.

Glossary of Terms (continued)

Derivatives	External asset managers may use derivatives as a financial tool to hedge (protect) against risk and/or generate investment returns. They can take many forms such as futures and options and their price is based on the underlying asset.
Dividend income	When a company makes a profit, it may give some of that money to its shareholders and it does this through paying a dividend to investors.
Efficient Portfolio Management	Aims to generate the highest possible return for a portfolio whilst controlling or diversifying a level of risk.
Exchange traded funds	Type of investment fund traded on stock exchanges. Investors can buy and sell them throughout the trading day, they can offer diversification and low fees.
Forward transactions	A type of derivative. An agreement between two parties to buy/sell an asset at a future date based on a price agreed today. There is a risk that one party doesn't have the money or the assets to settle the agreement.
Futures contracts	A type of derivative. An agreement between two parties to buy or sell an asset such as oil, gold, shares at a set price on a future date (or dates). They are used to protect against price changes or to try to make a profit from those changes. They are traded on a regulated exchange and are settled daily, meaning there is less counterparty risk (the risk the other party doesn't deliver) than with a forward contract.
Hedge funds	The main aim is to generate high returns regardless of market conditions whilst using a variety of tools to achieve this. They have more flexibility in terms of how and what they invest in but typically involves higher risk.
Investment grade	Bonds rated by credit-rating agencies as having a low risk of default (less chance the borrower won't be able to make the payments) meaning they are considered a safe and reliable investment.
Investment trusts	A company which takes money from different investors to buy a portfolio of shares and bonds (or other types of assets). Investors own shares in the trust but the trust does not create or sell shares based on investor demand.
Liabilities	Something that is owed or has been borrowed.
NURS (Non-UCITS Retail Scheme)	A more flexible EU regulation when compared to that of UCITS (see UCITS definition), that allows funds to invest in a wider range of assets, or hold a higher proportion of some assets, including property and unlisted securities.
Open-ended Investment companies (OEIC)	A fund that can issue and sell shares at any time based on investor demand. The OEIC then invests the money it has from selling the shares. The price will vary meaning the price an investor can buy or sell shares for can go up or down.
Parent index	A broad market index that measures performance of a large and diverse set of assets, e.g. the S&P500 index which includes 500 of the largest publicly traded companies in the U.S.

Glossary of Terms (continued)

Preference bonds	Investors receive a higher interest payment than regular bonds and if a company needs to liquidate assets, preference bondholders will receive their investment back before regular bondholders.
Preference shares	Shares in a company that give shareholders advantages over common shares. If a company makes a profit and distributes dividends, preference shareholders will receive their fixed dividends first. Similarly, if a company faces financial difficulty and must liquidate assets, preference shareholders will be paid back their investment before common shareholders.
Private equity	Investment made to buy and improve private companies or to take public companies private with the aim of selling them at a later date for a profit.
Reinsurance	Insurance purchased by insurance companies to help protect them from financial losses, sharing the risk of large claims with other insurers.
Structured products	An investment which combines different assets/investment strategies to create a custom investment solution designed to meet specific goals.
Swaps	A type of derivative. A swap is an agreement between two parties to exchange cash flows or returns from different investments. For example, one party may agree to pay the returns from an equity investment, while receiving regular interest payments based on a fixed or variable rate from the other party.
Transaction costs	Costs generated when an external asset manager buys/sells assets they hold within the fund. These can vary over time depending on how much trading the manager does. These costs are included within the fund performance and are not an additional cost charged to the policy.
Transferable securities	A type of investment (shares in a company and bonds) that can be easily bought, sold, and transferred between people.
UCITS (Undertakings for Collective Investments in Transferable Securities)	<p>There are 2 types of UCITS:</p> <p>UK UCITS: A UK regulation that allows an investment fund (such as an OEIC) to be sold in the UK.</p> <p>EU UCITS: An EU regulation that allows an investment fund (such as an OEIC) to be sold across the EU without the fund needing to be authorised by the regulator of each country (it can be authorised once).</p> <p>Not all funds are UCITS funds; some can be NURS which is a Non-UCITS fund. They all must follow strict regulation to protect investors. EU UCITS regulation continues to be adopted by the UK post Brexit, although overseas funds now need to be accepted by the UK regulator.</p>

Unit trusts

Investors money is pooled together to buy a variety of assets in the form of units. More units can be created or sold based on investor demand.

Warrants

A financial tool that allows an investor to buy a company stock/share at a fixed price within a specific time period.

How to contact us



Email us at

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Visit us at

www.zurich.co.uk



Call us at

If you have a Sterling Bond, please call us on 0370 909 6010.

For all other plans please call us on 0370 241 6945.

Monday to Friday 8:30am to 5:30pm (except bank holidays).

We may record or monitor calls to improve our service.