

Zurich investment foundation

Infrastructure II

Innovative and customized investment solution for Swiss pension funds

Zurich investment foundation (ZIF) Infrastructure offers attractive returns through investments in defensive brownfield infrastructure projects that are characterized by durable assets and contractual tariffs that are linked to the inflation.

Your advantages at a glance

- **Zurich investment foundation Infrastructure II invests in stable brownfield infrastructure assets**
These are operating and have limited revenue and financing risks
- **ZIF Infrastructure II targets stable returns with a current yield and long term inflation protection**
- **The investment approach is based on co-investments and thus combines the diversification advantage of a fund of funds with the cost advantage of direct investments**
- **Managed by an experienced, successful and industry leading investment manager with access to the most recognized infrastructure managers**
- **Independent selection and monitoring of the investment manager by Zurich Invest Ltd**
- **Modest management fee, based on cost of capital invested and not on capital committed**

Investment universe

ZIF Infrastructure mainly invests in infrastructure co-investments. Investors therefore benefit from manager diversification while keeping a single level of management fees. The program targets 10-15 infrastructure assets across various sectors and regions. The co-investments (60-100% of portfolio) are complemented with secondaries (0-30%). A commitment to a primary fund (0-20%) will only be considered to access further regions or sectors that are not covered by co-investments or secondary investments.

Investment process

GCM Grosvenor is responsible for selection and the due diligence of the co-investments as well for the secondary and primary fund investments. A proactive sourcing and a comprehensive due diligence process ensure that investors are well compensated for the risks.

Co-Investments	Secondaries	Primaries
<ul style="list-style-type: none"> • Market leader in infrastructure leading to wide sourcing capabilities • 60-80 co-investment opportunities reviewed annually 	<ul style="list-style-type: none"> • 60 opportunities analyzed over past 3 years 	<ul style="list-style-type: none"> • Cover entire infrastructure market globally • Over 125 managers reviewed over past 3 years
<h3>Solid Fundament</h3> <ul style="list-style-type: none"> • Dedicated team (6 team members supported by 5 associates and analysts) with operational and financial background • Experienced across all sectors • Proven infrastructure track record as of March 31, 2013 (8.9% IRR in aggregate infrastructure) • Benefit from private equity network, built over ten years • In-house manager database with more than 150 infrastructure managers • State-of-the-art systems to analyze and monitor private market investments 		

Manager

GCM Grosvenor

GCM Grosvenor is specialized in customized mandates for large institutions in private markets and real assets. It has spanned investments across infrastructure sectors on a global basis since 2003. It has over USD 2bn in infrastructure commitments under management, making the group one of the world's largest infrastructure investors.

Infrastructure II

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As of 30.09.2017

Infrastructure II TVPI



Key characteristics

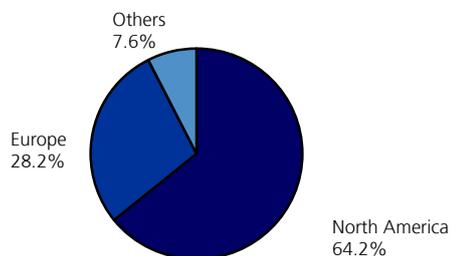
Manager	GCM Grosvenor
ISIN	CH0283968714
Bloomberg Ticker	ZAINFII SW
Benchmark	No benchmark
Currency	USD
Risk currency	Diverse
Net asset value	1,086.29
Management Fee	1.25%
Performance Fee	7.00%
Hurdle	5.00%
TER (KGAST)	-%
First Closing	19.01.2017

For further information please visit: www.zurichinvest.ch

Currency exposure (in %)

	in % of invested capital
USD	55.44
GBP	27.90
EUR	16.12
Others	0.54

Regional allocation (in %)



Returns and ratios

	30.09.17	30.06.17
Total Commitments ³	267.00	267.00
Capital Contributed ³	46.20	24.17
Capital Distributed ³	0.00	0.00
Assets of the fund	47.86	11.26
TVPI ¹	1.04x	1.03x
DPI ²	0.00x	0.00x
IRR since inception	13.00%	13.39%
Number of investments	7	4
Annual volatility (in %)	-	-
Max. Drawdown (in %)	0.79	0.45
Recovery Period*	1	1

*) in months

1) TVPI: Total value over paid-in

2) DPI: Distributed over paid-in

3) in mio. USD

Sectors (in %)

Sectors	Invested (in %)
Energy	4.60
Energy	47.91
Social Infrastructure	3.23
Communication	34.49
Transportation	9.77

Investments

	in % of total commitments
2017	16

¹ TER according to KGAST: The figure corresponds to the Total Expense Ratio (TER) from the last year and is no guarantee for a similar TER in the future.

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