

Press Release

Exclusive new Russell Horizon fund suite launched by Zurich Corporate Pensions

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Swindon, 4 July 2006. Zurich Corporate Pensions announces the launch of three new multi-manager funds, to be managed by Russell Investment Group, available exclusively as part of Zurich's Defined Contribution proposition.

As traditional and alternative markets converge, Zurich is launching the Horizon Funds range to provide DC schemes access to the same diverse base of investment opportunities and management talent that large DB plans have enjoyed for some years. In a market still dominated by the traditional asset classes of equities and fixed income, the Horizon Funds include active currency management and global real estate securities, delivering the diversification and active management that has been proven to add value. When carefully managed, this diversification of investment styles and techniques can provide a consistently superior risk return ratio.

In a flexible post A-Day retirement environment, the funds will be dynamically managed to take advantage of new investment opportunities in the alternative asset space, as changing regulations allow.

With three different asset allocations, the Horizon Funds have been designed to cater for individual scheme member's time horizons to retirement and attitudes to risk.

The three funds are:

- High Equity Multi-Managed Fund
- Medium Equity Multi-Managed Fund
- Low Equity Multi-Managed Fund

The announcement follows the launch earlier this year of five new Zurich-wrapped Russell funds. This new launch is another step in an ongoing strategic alliance between the two companies, combining their considerable expertise to provide attractive and practical solutions in the bundled DC market place.

Dave Hodges, Distribution Director for Zurich UK Corporate Pensions, said: “We have been working with Russell to address the three main investment issues facing Defined Contribution trustees and plan sponsors - fund governance, value creation and default investing in a post simplified world. We are delighted to be making the most of our strategic alliance with Russell that enables us to anticipate and respond to the needs of scheme trustees, plan sponsors and members.”

Pascal Duval, Managing Director, Institutional Investment Services at Russell, said: “We are delighted to be working with Zurich to offer DC clients a family of leading-edge investment products, combining simple choices for members with easy administration for trustees.

“The three Horizon multi-manager funds provide access to world class investment managers across a range of exciting asset classes. Alongside ‘traditional’ equity and fixed income components, the new funds provide exposure to alternative investments like active currency and global real estate securities, both innovations in the multi-manager DC environment. The Horizon Fund programme is especially designed to create tangible after fees value for investors and to provide Trustees and Finance Directors with peace of mind through the reassurance of Russell's manager research, fund management and governance package.”

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For more information, please contact:

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Notes to Editors

1. **Zurich Financial Services Group (Zurich)** is an insurance-based financial services provider with a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 55,000 people serving customers in more than 120 countries.
2. **Russell Investment Group**, global leaders in multi-manager investment services, provides investment products and services in more than 44 countries. Russell manages more than \$167 billion in assets, of which \$58 billion is managed from Europe, and advises clients worldwide representing more than \$2.4 trillion. Founded in 1936, Russell is a subsidiary of Northwestern Mutual and is headquartered in Tacoma, Washington, with additional offices in New York, Toronto, London, Paris, Singapore, Sydney, Auckland and Tokyo.