

A light gray world map is centered in the upper half of the page, showing the outlines of continents and countries. The map is positioned behind a green horizontal bar that spans the width of the page.

# Fund Guide

A world of opportunities

## About this Guide

SEB Life International offers a range of unit-linked life assurance policies that can be linked to a wide range of investments. This guide is designed to help you understand the different types of funds offered by the Company and the strategies you can implement to create a portfolio that meets your specific investment needs. It also explains the benefits and some of the risks inherent in investing.

Please note that this guide is not intended as an offer to invest and that we strongly recommend you seek independent financial advice before making any investment decisions. This document should be read in conjunction with individual fund factsheets and the relevant product literature, available from SEB Life International, via our website ([www.seb.ie](http://www.seb.ie)) or from your Intermediary.

## About SEB Life International

SEB Life International Assurance Company Designated Activity Company, trading as SEB Life International is a life insurance company incorporated and regulated in Ireland which engages in the cross border distribution of insurance based investment products under the EU Third Life Directive on a Freedom of Services basis. SEB Life International specialises in the provision of tailored EU insurance policies and offers bespoke propositions to suit complex investment needs.

SEB Life International (formerly known as Irish Life International Limited, founded in 1994 in Dublin, Ireland) was established with the specific intention of servicing the differing needs and ambitions of international investors. In September 2011, Irish Life International was acquired by SEB Trygg Liv Holding AB, which is part of the SEB Group, one of the largest Banking and Life Assurance Groups in northern Europe. Further details about SEB Life International are available on [www.seb.ie](http://www.seb.ie).

SEB Group has been providing financial services to its clients for more than 150 years. Its heritage of entrepreneurship, long term relations and an international view are some of the many attributes that make SEB so successful. The international nature of SEB's business is reflected in its presence in some 20 countries worldwide.

Read more about SEB at [www.sebgroup.com](http://www.sebgroup.com).

## Formulate Your Own Investment Strategy

At SEB Life International we understand that each investor's circumstances, needs and attitude to risk are different and that investment objectives vary considerably from one individual to the next. Accordingly, we have constructed our range of funds to give you access to a wide selection of asset classes, fund types and strategies from a number of world renowned investment fund houses.

The actual range of funds available to you will depend on the product you have selected, your country of residence and other factors that may vary over time.

# A Wide Choice & Diversity of Asset Classes

Through our range of unit-linked insurance policies, you may select assets to link to your Policy from five key asset classes and blend them to suit your unique requirements. Please consult your Intermediary for further information on the suitability of the individual asset classes relevant to your investment needs.

The asset classes represented are:

## 1. Equities

Equities offer investors the opportunity to link their Policy to the fortunes of both established and growing companies worldwide and the chance to participate in the capital appreciation and/or income potential offered by them. Since earnings growth is their primary driver, equities tend to be highly volatile.

A comprehensive range of specialist equity funds are available to you across multiple sectors and geographical regions.

## 2. Fixed Income

Fixed income investments refer to a wide range of opportunities linked to company and government borrowings. They have historically been a good store of wealth, generating a stream of income for investors often much higher in comparison to dividends from equities. Consequently, fixed income investments have been significantly less volatile than equities, although they expose investors to a different set of inherent investment risks. Given their differing performance profile to equities, fixed income investments are often a good source of diversification within investment portfolios.

SEB Life International offers you access to a wide array of corporate and government fixed income funds across multiple sectors and geographical regions using differing investment styles.

## 3. Property

Property, as an asset class, is a further potential source of investment diversification. It is possible to access property linked funds that can be as diverse as commercial and retail property to ground rent and student accommodation funds. You can choose from a number of funds offering relatively stable returns with relatively low long term volatility.

## 4. Money Market

Possible cash management solutions include accessing a range of money market funds from a variety of investment fund companies. The underlying funds generally invest in high-quality, short-term fixed income instruments, including savings and deposit accounts, negotiable certificates of deposit, treasury bills, commercial paper to name but a few.

The key advantages of money market funds are their liquidity and relative stability. Money market funds are often used when seeking a safe haven from the volatility of equity markets.

## 5. Specialist Investments

Specialist investments include a broad range of alternative investments, including funds that offer exposure to less traditional investment assets. Some are well known asset classes while others are more complex and require detailed analysis before selecting them to form part of your portfolio. Examples of these specialist investments are:

- Commodities
- Currencies
- Structured products
- Absolute & total return funds
- Hedge fund strategies
- Professional investor funds

# SEB Life International's Three Tier Investment Option

The range of funds available to SEB Life International's products fall into three categories:

SEB Life International's Internal Funds (Portfolio products & Internal Fund products)

Select List (Portfolio products only)

External Universe (Portfolio products only)

## SEB Life International's Internal Funds

The first tier within our range of investment options is SEB Life International's internal insurance funds. These unit-linked funds have been developed and issued by SEB Life International.

SEB Life International offers a comprehensive panel of internal funds which link to a wide range of single and multi-manager funds spanning 5 asset classes, many industrial sectors, multiple investment styles and geographical regions. A range of managed funds is also available in a choice of currencies.

The funds have been developed by the Company to allow Policyholders to gain exposure to the management expertise of leading international investment management groups. SEB Life International is able to alter the mix of these managers in line with the fund's investment mandate so as to optimise its potential.

At the heart of our internal fund offering is the principle of risk management through diversification. This is implemented through our complementary concepts of multi-managers (where appropriate), asset classes, industrial sectors and geographical regions. The multi-manager process also exploits the unique skills and expertise of individual managers to both enhance performance and reduce overall volatility while building you a more balanced portfolio.

SEB Life International categorises its range of internal funds as follows:

- Equity
- Fixed Income
- Property
- Money Market
- Allocation
- Alternative

Details of the internal funds are available from our website [www.seb.ie](http://www.seb.ie).

This panel, which is unique to SEB Life International, is available to all product types although please note that certain regional restrictions apply so that not all funds may be available in your country of residence.

## The Select List

The Select List is an additional range of SEB Life International unit-linked insurance funds, also developed and issued by the Company that are available to Portfolio products only. They are linked to funds offered by world renowned investment houses covering all of the major asset classes.

The details of the funds included in the Select List and current entry and dealing charges are available from your Intermediary and may be subject to change. The actual range of funds available to you will depend on the product you have selected, your country of residence and other factors that may vary over time.

Details of the Select List funds are available from our website [www.seb.ie](http://www.seb.ie).

## The External Universe

SEB Life International can access a vast range of external assets identified by you or your Intermediary to form part of your overall Portfolio Policy. All assets must meet certain regulatory and asset admissibility rules as well as meet with SEB Life International's liquidity and acceptability requirements.

Please note that care must be taken when selecting assets to ensure that the choice is appropriate to your personal needs, risk profile and rules specific to your country of residence that may affect the taxation of the Policy. Acceptance of any particular asset is subject to the Company's absolute discretion. Please see your product literature for the categories of assets available to you.

# SEB Life International's Three Tier Investment Option

Fund Options	Portfolio Products	Other Products
SEB Life International Internal Funds	✓	✓
Select List	✓	
External Universe	✓	

The actual range of funds available to you will depend on the product you have selected, your country of residence and other factors that may vary over time.

Whether you want your Policy to link to a managed fund or build a complex portfolio of diverse assets is up to you and your Intermediary. SEB Life International offers a broad spectrum of assets to choose from that gives significant investment freedom and the opportunity to select funds that suit your particular needs and risk profile. In general the Company does not permit the use of derivative instruments within Portfolio policies.

## Summary of Benefits

- Extensive choice of diversified internal & external funds
- Access to funds from premier fund houses
- Easy access to a wide range of asset classes
- Flexibility - ability to self-select and tailor your own investment strategy
- Dynamic range of funds

## Volatility as a measure of risk

Volatility is a well accepted measure of investment risk and indicates variability of returns over time. Cash and other low risk assets tend to have a predictable return and are said to be of low volatility. Assets which display uncertain returns are said to be volatile and thus riskier. Investors with a higher tolerance for risk may select volatile assets as the potential return may be higher.

While most investors welcome upside volatility, they generally dislike downside volatility as this can rapidly erode both investment return and initial invested capital. The key to reducing overall portfolio risk is selecting assets whose performance patterns are different i.e. blending. A blend of asset classes can help optimize your portfolio, i.e. increase return for a given level of risk or reduce risk for a given level of return.

Our range of unit-linked funds is divided into 7 volatility bands as per the table. 1 denotes the lowest level of volatility and 7 the highest. Please remember that an asset that historically has had low volatility can still lose money. Taking on higher volatility may lead to higher returns over time but more significant losses are also possible.

## How Do We Measure the Volatility of SEB Life International Unit-Linked Funds?

For each of the Company's unit-linked funds, we calculate the annualised volatility over a 5-year period using monthly data. Cash funds tend to be stable and more predictable and have lower volatility than an equity fund that may have significant price variations over the short, medium or long term. Our funds are classified into 7 volatility ranks as follows:

Rank	Volatility Range (%)
7	+24.00
6	20.00 - 23.99
5	16.00 - 19.99
4	12.00 - 15.99
3	8.00 - 11.99
2	4.00 - 7.99
1	0 - 3.99

Please note that these bands may be reviewed from time to time and are subject to change. Correct as at January 2012. If the underlying fund is less than 5 years old, volatility is calculated over 3 years or a period corresponding to its launch date.

While volatility is a reasonable measure of relative risk, it is based on historic price movements and should not be used to predict future volatility or performance.

Where you position your portfolio along this spectrum of volatility depends very much on your personal risk tolerance, investment objective(s) and time horizon. Your Intermediary can assist in determining the best combination of assets for you.

Please remember that currency movements can have a significant impact on investment returns.

The volatility ratings will be recalculated at least annually. Please refer to the latest available fund factsheet for the most recently published volatility rating for each fund.

## Important Notes

Each Fund, all assets relating thereto and the Units shall remain in the absolute beneficial ownership of the Company and shall form part of the Company's Life Assurance Fund.

SEB Life International is not authorised to provide investment or tax advice and it is imperative that you seek professional independent advice in relation to funds linked to your Policy as well as to their suitability.

## Investment Advice

This document is for information purposes only and does not constitute any recommendations and should not be relied upon to make any investment decisions. The information is general and is not specific to your needs or circumstances and takes no account of your specific or general requirements. You should always seek independent financial advice before making any investment decision. It is not SEB Life International's intention to state, indicate or imply in any manner that current or past results are indicative of future profitability or expectations.

Any discussion of or reference to internal or external funds in this guide is for information purposes only and is not intended as a solicitation for investment. Past performance data, factsheets and commentaries where provided are for reference purposes only and are not suggestive of future potential or risk nor are they indicative of suitability.

## Charges Applying to SEB Life International Unit-Linked Funds

Please refer to the individual fund factsheet for details of the charges that apply to each individual SEB Life International fund.

All fund managers levy some charges within their funds. These charges are reflected in their quoted price and there is no explicit charge to the Policy. Any marketing allowances or rebates received by the Company may be retained for the Company's benefit.

The following deductions will be made from the Fund. Any external expenses, taxes, duties and other charges incurred by the Company in acquiring, managing, maintaining, valuing and disposing of Fund assets. This will include any custodial expenses incurred on behalf of the assets of the Fund. For purchases and sales of assets carried out by the Company for the Fund a Dealing Charge shall be levied. However, the charge will be waived in respect of purchases and sales of Units in the Company's unit-linked funds excluding the Select List. A Dealing Charge will apply to all purchases and sales of Units in the Select List funds.

For information in relation to the charges that apply to the operation of individual Portfolio products and Internal Fund products, please refer to the relevant Policy Conditions and Policy Schedule.

## Fund Availability

From time to time it may be necessary to make changes to the range of unit-linked funds that SEB Life International is able to offer and therefore SEB Life International may elect to close or merge funds or alter the availability or mandate of any fund. Affected Policyholders will be advised in writing of any such change.

## Further Information

SEB Life International does not give advice and only transacts insurance business via independent Intermediaries.

If you require additional information please contact your Intermediary or visit our website [www.seb.ie](http://www.seb.ie).

Please refer to the fund factsheets for further details.



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*Registered office:* SEB Life International, Bloodstone Building, Riverside IV, Sir Rogerson's Quay, Dublin 2, Ireland. Registration number 218391. *This document is not an advertisement. Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. All information is correct as at April 2016 but is subject to change.*

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