

SEI

Reasons Why Letter

The SEI Strategic Portfolios

We have prepared the following suggested 'reasons why' statements to help you in compiling suitability letters where an SEI product has been recommended. It should be noted that it remains the responsibility of advisers to demonstrate the link between an individual investor's needs, objectives, attitude to risk and the recommendation made, and also to ensure your letter is compliant with the regulator's rules. This document should not be relied on as a substitute for a firm's regulatory obligations. Nothing in this document shall constitute advice or opinion regarding a firm's regulatory obligations. Applications for shares in any SEI Fund should be made solely on the basis of the information contained in the Prospectus.

This document is not intended to constitute investment advice.

About The SEI Strategic Portfolios

SEI's Strategic Portfolios are a range of seven funds designed to meet a wide range of financial goals and appetites for risk.

The SEI Strategic Portfolios may invest in a combination of SEI and Third-Party Funds as well as in additional manager pools depending on the asset class. These pools of assets are separately managed by SEI's chosen investment managers.

Extending across the spectrum of risk profiles and ranging from Defensive to Aggressive, the ISA-eligible portfolios are designed to help maximise returns, limit volatility and manage investment risk.

The asset allocation within each Strategic Portfolio is reviewed by SEI's Investment Management Unit on a continuous basis which helps to ensure that the Strategic Portfolios do not stray away from their objectives.

As each portfolio is structured as a single net asset value ('NAV') fund, gains made on the sale of any underlying funds within a Strategic Portfolio are not subject to capital gains tax. This position contrasts favourably with model portfolios which may incur capital gains tax liability upon the sale of underlying funds.

SEI Investment Philosophy and Process

SEI takes an innovative and disciplined investment approach that offers investors a high level of diversification across multiple asset classes. SEI believes that the best way to help investors meet their financial goals is through active management. They pursue this objective through a five-tiered investment process:

1. Asset Allocation

Asset allocation is the precise division of a portfolio between multiple asset classes, such as equities, fixed interest, liquidity, inflation-sensitive, income, and absolute return. SEI considers this to be the most crucial step in the investment process. SEI's asset allocation process is designed to build well-diversified portfolios that are aligned with a range of investor goals and attitudes to risk.

2. Portfolio Design

The division of assets is only the beginning of the asset allocation story. To access the return potential of the financial markets and potentially reduce risk, a portfolio should also be diversified within asset classes and across alpha sources. An alpha source is the investment approach taken by an active manager in an effort to generate excess returns. SEI looks for sources of excess return that have demonstrated consistent long-term results across multiple markets in a given geographic region.

Equity and fixed income alpha sources are classified into five categories, which allow SEI to create portfolios that are not simply diversified between equity and fixed-income strategies, but are also diversified across the underlying drivers of alpha.

3. Investment Manager Selection

SEI seeks to identify managers that can deliver consistent results and differentiate manager "skill" from "luck". The managers they select each specialise in a particular area of the market and focus on a specific investment style. SEI believes this enables them to offer greater potential for consistent performance, to better manage risk and to help enhance returns.

SEI's selection process begins by them investigating the whole universe of investment managers including institutional and boutique managers in addition to retail. This is then filtered down to a handful that meets all of their demanding criteria.

SEI aims to have only the best managers in the portfolios at all times.

4. Portfolio Construction and Management

SEI uses a 'manager of managers' approach to construct portfolios, which we believe will result in better risk management and more cost-effective implementation.

SEI is one of the world's largest manager of managers with a specialised team of over 115 investment professionals. With decades of experience, and supported by cutting-edge technology and research, their responsibilities include manager selection, performance monitoring and risk management.

SEI analysts rigorously monitor each investment manager's philosophy, process, people, and performance to help ensure their investment styles remain consistent with their assigned objectives.

In addition, sophisticated technology enables SEI to monitor fund holdings and trades, ensuring that the portfolios remain aligned with overall investment objectives.

5. Risk Management

SEI's Risk Management Group focuses on common risks across and within asset classes, monitoring portfolio tolerances and deviations in an active risk mitigation programme. The group operates separately to SEI's portfolio managers, which helps to ensure that their risk management process maintains objectivity at all times, and that the risk objectives of the portfolios are being met.

Benefits of Manager of Managers

A manager of managers process is one in which a single asset management firm is responsible for the portfolio structure, manager selection and the evaluation and replacement of managers within a fund.

A manager of managers selects investment managers and gives them a portion of a portfolio to invest according to set specifications. A number of managers are then combined into one fund. The SEI approach is designed to provide:

- **Diversification and Risk Management**
The reality is no single fund manager can perform well all the time, in all market conditions. By blending managers with differing styles, SEI's process is designed to manage risk and to help deliver consistent returns.
- **Access to the World's Best Managers**
SEI's global investment team is tasked with finding some of the world's best managers including institutional and boutique fund managers not typically available to the retail market.
- **Continuous Monitoring**
SEI aims to ensure that the performance and investment styles of each manager remain consistent with the objectives of the respective portfolios. SEI also constantly evaluates alternative managers should a need for a change arise or a more attractive investment opportunity be identified.
- **Transparency and Control**
The manager mandates within the SEI funds that make up part of the portfolios enable a significant level of transparency into the underlying holdings and levels of risk across the funds on an ongoing basis. This level of control allows SEI to have an insight into the risk and performance of the Strategic Portfolio at all times.

The Importance of Active Asset Allocation

It is critical that your investment remains in line with your financial goals and attitude to risk. The asset allocation and funds within each Strategic Portfolio are reviewed by SEI's Investment Management Unit on a continuous basis which helps to ensure that the Strategic Portfolios do not stray away from their objectives.

Why invest in the SEI Defensive Fund?

The objective of the SEI Defensive Fund is to protect against a significant loss of capital and provide the opportunity for income and capital growth. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund invests across different asset classes to balance the risk of capital loss and growth. This diversification can help to mitigate the effects of a falling market in any single asset class. The Fund mainly invests in Sterling priced short term (397 days) bonds and global short duration bonds (which are those less sensitive to interest rate movements). The Fund may also invest in longer term government bonds, corporate bonds, low volatility companies and commodity-linked investments in the U.K. and globally.

Strategic Asset Allocation*

SEI Global Managed Volatility (Unhedged)	8.00%
SEI Global Short Duration Bond	19.00%
SEI Global Fixed Income	4.00%
SEI Global Credit	4.00%
SEI UK Core Fixed Interest	5.00%
SEI Global Short Term Bond	19.00%
SEI Emerging Markets Debt (half Hedged)	2.00%
SEI UK Index-Linked	1.50%
Threadneedle (Lux) Enhanced Commodities	2.00%
SEI Multi-Asset Income	5.00%
Cash	0.25%
BlackRock Institutional Sterling Liquidity	19.00%
BlackRock Instl Sterling Government Liquidity	10.25%
SEI Liquid Alternatives	1.00%

*As at 31st December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Defensive Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Why invest in the SEI Conservative Fund?

The objective of the SEI Conservative Fund is to protect against the loss of capital and provide the opportunity for capital growth and income. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund invests across different asset classes to balance the risk of capital loss and growth. This diversification can help to mitigate the effects of a falling market in any single asset class. The Fund mainly invests in Sterling priced short term (397 days) bonds, global short duration bonds (which are those less sensitive to interest rate movements) and low volatility companies (which are those less sensitive to equity market movements). The Fund may also invest in government and corporate bonds, companies in developed market countries and commodity-linked investments in the U.K. and globally.

Strategic Asset Allocation*

SEI U.K. Equity	2.00%
SEI Global Managed Volatility (Unhedged)	17.74%
SEI Global Short Duration Bond	13.88%
SEI Global Fixed Income	5.50%
SEI Global Opportunistic	5.50%
SEI UK Core Fixed Interest	8.50%
SEI High Yield Fixed Income (Hedged)	1.00%
SEI Global Short Term Bond	13.88%
SEI Emerging Markets Debt (half Hedged)	5.00%
SEI Multi-Asset Income	7.00%
SEI UK Index-Linked	2.50%
Threadneedle (Lux) Enhanced Commodities	3.00%
Cash	0.25%
BlackRock Institutional Sterling Liquidity	11.25%
SEI Liquid Alternatives	3.00%

* As at 31th December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Conservative Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Why invest in the SEI Moderate Fund?

The objective of the SEI Moderate Fund is to provide a moderate level of capital growth and income. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund provides exposure to a range of geographies and asset classes including bonds, equities, inflation sensitive, absolute return, income and liquidity holdings. This diversification is designed to limit the vulnerability to fluctuations of any one particular asset class and to help ensure the portfolio remains in line with its investment objective.

Strategic Asset Allocation*

SEI U.K. Equity	7.00%
SEI Global Managed Volatility (Unhedged)	27.34%
SEI Global Short Duration Bond	12.43%
SEI Global Fixed Income	6.50%
SEI Global Opportunistic	6.50%
SEI UK Core Fixed Interest	10.00%
SEI High Yield Fixed Income (Hedged)	1.50%
SEI Emerging Markets Debt (half Hedged)	4.50%
SEI Global Short Term Bond	4.68%
SEI UK Index-Linked	2.50%
Threadneedle (Lux) Enhanced Commodities	4.00%
SEI Multi-Asset Income	5.50%
Cash	0.25%
SEI Liquid Alternatives	4.30%

* As at 31th December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Moderate Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Why invest in the SEI Core Fund?

The objective of the SEI Core Fund is to provide capital growth and income in line with global markets. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund provides exposure to a range of geographies and asset classes including bonds, equities, inflation sensitive, absolute return, income and liquidity holdings. This diversification is designed to limit the vulnerability to fluctuations of any one particular asset class and to help ensure the portfolio remains in line with its investment objective.

Strategic Asset Allocation*

SEI European ex-U.K. Equity	1.21%
SEI Global Managed Volatility (Unhedged)	8.00%
SEI Global Equity	6.10%
SEI U.S. Large Cap	1.27%
SEI U.S. Small Cap	2.43%
SEI U.K. Equity	13.44%
SEI Pan European Small Cap	1.26%
SEI Japan Equity	1.10%
SEI Pacific Basin ex-Japan	0.63%
SEI Emerging Markets Equity	3.86%
SEI Factor Allocation US Equity	3.70%
SEI Global DAA	5.00%
SEI Global Short Duration Bond	1.75%
SEI Global Fixed Income	7.00%
SEI Global Opportunistic	7.00%
SEI UK Core Fixed Interest	11.50%
SEI High Yield Fixed Income (Hedged)	5.50%
SEI Emerging Markets Debt (half Hedged)	5.50%
SEI Global Short Term Bond	2.00%
SEI Multi-Asset Income	3.00%
SEI UK Index-Linked	3.00%
Threadneedle (Lux) Enhanced Commodities	3.50%
Cash	0.25%
SEI Liquid Alternatives	2.00%

* As at 31th December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Core Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Why invest in the SEI Balanced Fund?

The objective of the SEI Balanced Fund is to provide capital growth and income in line with global markets. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund provides exposure to a range of geographies and asset classes including bonds, equities, inflation sensitive, absolute return, income and liquidity holdings. This diversification is designed to limit the vulnerability to fluctuations of any one particular asset class and to help ensure the portfolio remains in line with its investment objective.

Strategic Asset Allocation*

SEI European ex-U.K. Equity	2.51%
SEI Global Managed Volatility (Unhedged)	5.00%
SEI Global Equity	7.94%
SEI U.S. Large Cap	4.07%
SEI U.S. Small Cap	2.63%
SEI U.K. Equity	17.37%
SEI Pan European Small Cap	1.88%
SEI Japan Equity	2.00%
SEI Pacific Basin ex-Japan	1.31%
SEI Emerging Markets Equity	4.59%
SEI Factor Allocation US Equity	6.70%
SEI Global DAA	6.00%
SEI Global Fixed Income	5.25%
SEI Global Opportunistic	5.50%
SEI UK Core Fixed Interest	6.00%
SEI High Yield Fixed Income (Hedged)	5.50%
SEI Emerging Markets Debt (half Hedged)	5.50%
SEI Multi-Asset Income	2.00%
SEI UK Index-Linked	3.00%
Threadneedle (Lux) Enhanced Commodities	3.00%
Cash	0.25%
SEI Liquid Alternatives	2.00%

* As at 31st December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Balanced Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Why invest in the SEI Growth Fund?

The objective of the SEI Growth Fund is to provide capital growth and risk exposure in line with global equity markets. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund provides exposure to a range of geographies and asset classes including bonds, equities, inflation sensitive, absolute return, income and cash holdings. This diversification is designed to limit the vulnerability to fluctuations of any one particular asset class and to help ensure the portfolio remains in line with its investment objective.

Strategic Asset Allocation*

SEI European ex-U.K. Equity	3.52%
SEI Global Managed Volatility (Unhedged)	3.00%
SEI Global Equity	10.05%
SEI U.S. Large Cap	6.29%
SEI U.S. Small Cap	3.07%
SEI U.K. Equity	21.84%
SEI Pan European Small Cap	2.52%
SEI Japan Equity	2.80%
SEI Pacific Basin ex-Japan	1.84%
SEI Emerging Markets Equity	5.72%
SEI Factor Allocation US Equity	9.35%
SEI Global DAA	8.00%
SEI Global Fixed Income	3.25%
SEI Global Opportunistic	3.50%
SEI High Yield Fixed Income (Hedged)	5.50%
SEI Emerging Markets Debt (half Hedged)	5.50%
SEI UK Index-Linked	3.00%
Threadneedle (Lux) Enhanced Commodities	1.00%
Cash	0.25%

* As at 31th December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Growth Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Why invest in the SEI Aggressive Fund?

The objective of the SEI Aggressive Fund is to provide capital growth and risk exposure in line with global equity markets. This is facilitated through the following:

Exposure to a diversification of asset classes

The Fund mainly invests in a diversified portfolio of companies in developed and emerging market countries including large and small companies. This diversification can help to mitigate the effects of a falling market in any single asset class.

Strategic Asset Allocation*

SEI Global Equity	13.73%
SEI U.S. Large Cap	9.13%
SEI U.S. Small Cap	3.63%
SEI U.K. Equity	28.99%
SEI European ex-U.K. Equity	4.87%
SEI Pan European Small Cap	3.00%
SEI Japan Equity	3.80%
SEI Pacific Basin ex-Japan	2.55%
SEI Emerging Markets Equity	7.30%
SEI Factor Allocation US Equity	12.75%
SEI Global DAA	10.00%
Cash	0.25%

* As at 31th December 2019. SEI's strategic allocations are based on our long-term market expectations and are derived from our capital market assumptions (which are reconsidered every 3 years). In the short-term, we may over or underweight these views as part of our tactical allocation to try to take advantage of short-term opportunities. Past performance is not a reliable indicator of future results.

Currency exposure

Certain non-Sterling currency exposures within the underlying holdings of the SEI Aggressive Fund are hedged back to Sterling in an effort to minimise volatility that can arise from currency fluctuations.

Active asset allocation

SEI continually monitors the portfolio to help ensure it maintains alignment with its investment objective. Therefore the asset allocation and funds within the portfolio may change over time in response to market conditions. As the portfolio is structured as a single NAV fund, gains made on the sale of underlying funds within the portfolio are not subject to capital gains tax.

Recommended general wording

We would also recommend using the following general wording as part of your 'Reasons Why' letter:

Please remember that the value of your investment may fluctuate and it is therefore not guaranteed. The SEI Strategic Portfolios may invest substantially in other funds. The investment risks described below are not exhaustive and potential investors should carefully review the Prospectus prior to investing. The following risks may apply to the underlying assets of such funds:

- Investment in equity securities in general are subject to market risks that may cause their prices to fluctuate over time.
- Fixed income securities are subject to credit risk and may also be subject to price volatility and may be sensitive to interest rate fluctuations.
- Bond or money market instruments are sensitive to inflation rate trends.
- Absolute return investments utilise aggressive investment techniques which may increase the volatility of returns. If the correlation between absolute return investments and other asset classes within the fund increases, absolute return investments' expected diversification benefits may be decreased.
- International investments may involve risk of capital loss from unfavourable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations.
- The Funds are denominated in one currency but may hold assets which are priced in other currencies. The performance of the Fund may therefore rise and fall as a result of exchange rate fluctuations.
- The Fund or some of its underlying assets may hold derivatives or borrow to invest. This can make the Fund more volatile and investors should expect above-average price increases or decreases.

Important Information

The SEI Global Assets Fund Plc, SEI Global Investments Fund Plc, and SEI Global Master Fund Plc (the “SEI Funds”) are structured as open-ended collective investment schemes and are authorised in Ireland by the Central Bank as a UCITS pursuant to the UCITS Regulations. The SEI Funds are managed by SEI Investments, Global Ltd (“SIGL”). SIGL has appointed SEI Investments (Europe) Ltd (“SIEL”), an affiliate of SIGL, (together “SEI”) to provide general distribution services in relation to the SEI Funds either directly or through the appointment of other sub-distributors. The SEI Funds may not be marketed to the general public except in jurisdictions where the funds have been registered by the relevant regulator. The matrix of the SEI fund registrations can be found here seic.com/GlobalFundRegistrations.

The SEI Strategic Portfolios are a series of the SEI Funds and may invest in a combination of other SEI and Third-Party Funds as well as in additional manager pools based on asset classes. These manager pools are pools of assets from the respective Strategic Portfolio separately managed by Portfolio Managers, which are monitored by SEI. One cannot directly invest in these manager pools.

Past performance is not a reliable indicator of future results. Investments in SEI Funds are generally medium to long-term investments. The value of an investment and any income from it can go down as well as up. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors may get back less than the original amount invested. SEI Funds may use derivative instruments which may be used for hedging purposes and/or investment purposes. Additionally, this investment may not be suitable for everyone. If you should have any doubt whether it is suitable for you, you should obtain expert advice.

No offer of any security is made hereby. Recipients of this information who intend to apply for shares in any SEI Fund are reminded that any such application may be made solely on the basis of the information contained in the Prospectus. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding the Funds or any stock in particular, nor should it be construed as a recommendation to purchase or sell a security, including futures contracts.

The investment risks described below are not exhaustive and potential investors should carefully review the Prospectus prior to investing. The risks described below may apply to the underlying assets of the products into which the Strategic Portfolios invest.

Investment in equity securities in general are subject to market risks that may cause their prices to fluctuate over time.

Fixed Income securities are subject to credit risk and may also be subject to price volatility and may be sensitive to interest rate fluctuations.

Absolute return investments utilise aggressive investment techniques which may increase the volatility of returns. If the correlation between absolute return investments and other asset classes within the fund increases, absolute return investments' expected diversification benefits may be decreased.

In addition to the normal risks associated with investing, international investments may involve risk of capital loss from differences in generally accepted accounting principles or from economic or political instability in other nations. The Funds are denominated in one currency but may hold assets which are priced in other currencies. The performance of the Fund may therefore rise and fall as a result of exchange rate fluctuations. The Fund or some of its underlying assets may hold derivatives or borrow to invest. This can make the Fund more volatile and investors should expect above-average price increases or decreases

This information is approved, issued and distributed by SEI Investments (Europe) Limited, 1st Floor, Alphabeta 14-18 Finsbury Square, London EC2A 1BR which is authorised and regulated by the Financial Conduct Authority. Please refer to our latest Full Prospectus (which includes information in relation to the use of derivatives and the risks associated with the use of derivative instruments), Simplified Prospectus and latest Annual or Interim Short Reports for more information on our funds. This information can be obtained by contacting your Financial Adviser

or using the contact details shown.

Allocations shown are SEI's target strategic asset allocations, which are based on our long-term expectations for the global markets and are derived from our capital market assumptions. In the short-term, we may over- or underweight these positions as part of our active asset allocation, which aims to take advantage of short-term market opportunities. Please refer to the most current fact sheets for the funds' target active allocations, which more closely reflect the funds' current allocations.