

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

The National Farmers Union Mutual Insurance Society Limited – **Flexibond International Series 3**, GB00B7NK9649, [nfumutual.co.uk](https://www.nfumutual.co.uk), ☎ 0800 622323 for more information. Regulated by the Financial Conduct Authority and Prudential Regulation Authority. Information in document correct at 01/03/2025.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type – The Flexibond product is an investment that doesn't have a fixed investment term. We set it up as an insurance policy. Because it's an insurance policy it has to provide some life cover. But the life cover is only small, as its main purpose is as an investment.

Objectives – The investment objective of the NFU Mutual International Fund is to achieve capital growth which results in a total return, net of fees, greater than that of the FTSE All-World ex UK net Index over a rolling 5-year period, by investing internationally in equities.

Intended retail investor – The Flexibond is an investment designed for people with savings in a bank or building society who are considering an alternative investment with more risk but with the potential for better returns. Investors should be prepared to leave their money invested for at least five years.

Insurance benefits – 1% of the investment value of the Flexibond upon day of death.

What are the risks and what could I get in return?

Risk Indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products (for a recommended holding period of 5 years). It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 4 out of 7, which is a medium risk class. If you hold for less than 5 years the risks may be significantly higher.

This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity of NFU Mutual to pay you.

This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. However you may benefit from a consumer protection scheme (see section 'What happens if NFU Mutual is unable to pay out?'). The indicator shown does not consider this protection.

Fund Specific Risks

- **Foreign exchange** – Fluctuations in currency value may alter the value of the funds' investments.
- **Emerging market** – Investments in emerging markets tend to be more volatile.
- **Smaller companies** – May be difficult to trade and to value.

For more information on the risks that may affect this fund please refer to 'Your Guide to Our Funds' available at [nfumutual.co.uk](https://www.nfumutual.co.uk).

What could affect the amount I get back?

What you get back will depend on how the market performs and how long you keep the investment.

The fund invests in a range of global equities (shares in overseas companies) across multiple regions including both developed and emerging markets. Equities have the potential to deliver good returns over the longer term but can exhibit high volatility (variation in price over time), so the value of your investment can go up and down and you may lose money. Emerging markets tend to be less regulated and developing, providing potentially good investment opportunities but greater risk so can move sharply up or down. Investing in a range of geographies can reduce overall volatility as shares in different countries do not change in value by the same amount at the same time.

Changes in foreign currency exchange rates can materially impact the performance of overseas equities in UK sterling terms.

Inflation can also have a material impact on performance, affecting equity market values as companies are impacted by rising costs impacting profitability and the value of future earnings. Increasing inflation may reduce the value of your investment in the short term but equity values have the potential to keep pace with inflation over the longer-term.

How can I compare this product?

Many funds sold in the UK are grouped into sectors by the Association of British Insurers (ABI), to help investors to compare funds with broadly similar characteristics. This product is classified in the ABI Global Equities sector.

Funds within the same sector will contain different regional mixes and investments and may perform differently over time. Over the longer-term we expect the sector average to be a reasonable comparator for the fund.

The NFU Mutual International Fund has selected the FTSE All-World ex UK net Index (the benchmark) as its performance objective. Investors can compare the product performance against this index.

The fund is actively managed, with the mix of regions managed and regularly monitored by our investment team. Individual asset holdings are also actively managed across a portion of the fund, balanced by more passive approaches which track or are closely linked to the asset mix of a market index.

What could affect my return positively?

Factors likely to lead to higher returns would be:

- Strong long-term capital growth in global equity values
- Reducing or lower than expected levels of inflation/interest rates
- Positive market conditions supporting growing share dividends
- Increasing values of foreign currencies such as the dollar relative to the pound

What could affect my return negatively?

Factors likely to lead to lower returns or potential losses would be:

- Poorly performing global equities due to specific events or adverse longer-term market conditions
- Increasing or higher than expected levels of inflation/interest rates
- Volatile or adverse market conditions leading to widely cancelled or reduced share dividends or the ultimate failure of previously strong companies.
- Decreasing values of foreign currencies such as the dollar relative to the pound

If cashing-in under severely adverse market conditions you could lose a significant proportion of your money up to a maximum of your total investment. The assets the fund is exposed to are largely very liquid so can be sold at short notice without any significant impact, however under extreme circumstances there may be additional costs.

What happens if NFU Mutual is unable to pay out?

If NFU Mutual is unable to pay claims because of financial difficulties, you may qualify for compensation from the Financial Services Compensation Scheme (100% protection of the market value of this product). You can contact the Financial Services Compensation Scheme for further details on ☎ 0800 678 1100 or 020 7741 4100 or [fscs.org.uk](https://www.fscs.org.uk).

What are the costs?

Costs over time

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest a lump sum of £10,000 or £1,000 per year. The figures are estimates and may change in the future.

Investment scenarios (£10,000)	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£128.25	£439.79	£844.04
Impact on return per year (RIY)	1.28%	1.27%	1.27%

Investment scenarios (£1,000 per year)	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£12.83	£84.21	£231.51
Impact on return per year (RIY)	1.28%	1.28%	1.27%

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of costs

The table below shows the impact each year of different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of different cost categories.

One-off costs		
Entry costs	The impact of the costs you pay when entering your investment. (This is the most you will pay and you could pay less).	5%
Exit costs	The impact of the costs of exiting your investment.	0%
Ongoing costs		
Transaction costs	The impact of the costs of us buying and selling underlying investments for the product.	0.03%
Insurance costs	The impact of insurance costs.	0%
Other ongoing costs	The impact of the costs that we take each year for managing your investments.	1.17%
Incidental costs – We do not charge for carried interests or fees for performance		

How long should I hold it and can I take money out early?

- We recommend you invest for at least 5 years as the fund is designed to deliver longer term performance which we deem to be 5 years or more.
- You can cancel within 30 days. You may get back less than invested if the value of your investment has fallen.
- There's no fixed investment term, so you can cash in your Flexibond whenever you wish.
- If you take money out it could eat into your original capital. This will happen if the growth on your investment isn't enough to make up for the amounts you're taking out.

How can I complain?

- If you need to make a complaint, please write to us at NFU Mutual – Customer Service (Financial Services), Avon House, Ryon Hill Park, Warwick Road, Stratford-upon-Avon, Warwickshire CV37 0UY or visit our website [nfumutual.co.uk](https://www.nfumutual.co.uk). Alternatively, call us on ☎ 0800 622323, and we will do all we can to resolve the complaint to your satisfaction.
- If you're not satisfied with our response to a complaint, you can contact: The Financial Ombudsman Service (FOS), Exchange Tower, London E14 9SR ☎ 0800 023 4567 [financial-ombudsman.org.uk](https://www.financial-ombudsman.org.uk)
- Making a complaint won't affect your legal rights.

Other relevant information

Additional information can be found in the Key Features Document (on request), Policy Document (legal requirement) or at [nfumutual.co.uk](https://www.nfumutual.co.uk)
A detailed policy valuation is provided to the policyholder once every year.
Other funds are available in the Flexibond product.