



 **NABORS**
International Savings Plan

Your Investment Guide



Welcome to the Nabors International Savings Plan (ISP)

This investment guide is designed to explain the basic facts of investments including types, risks and options available to you under the plan. Please read this guide carefully, along with the Member Booklet, to ensure you understand how the ISP works.

Helping you invest in your future

The Nabors International Savings Plan is designed to help you save for your future. The Plan offers you a range of brand name institutional class funds to choose from along with the ISP Strategy Model portfolios. How you invest your savings is up to you. You decide which strategy or fund - or combination of funds - is appropriate for you.

What are the benefits of the ISP?

- **Convenience** – Your contribution is automatically deducted from your pay check each pay period, making it a convenient way to set aside money for your retirement savings.
- **Company Match** – The first 5% of your contribution will be matched at 100% by the company.
- **Investments** – The savings plan offers cost effective institutional investment options that are not readily available on an individual basis.
- **Online Access** - Once enrolled into the plan you will be provided with online access to a dedicated website where you will be able to view the value of your plan, details of your contribution history, make changes as to where you invest as well as many other features.
- **Access to Your Money** – Over the long term it is better to keep your savings invested; however, if you need to access your money for emergencies you may be able to take a hardship withdrawal (conditions apply).
- **Great Service** – Our International Savings Plan service providers offer performance reporting and transactions anytime you need them via an interactive website. They also provide easy-to-read statements and helpful education materials.

Making your investment decision

Investment types

There are three investment types you need to understand.

- 1) **Equities** are shares in companies. Their prices reflect how well investors feel those companies are doing and are expected to do.
- 2) **Bonds (Fixed Income)** are loans to companies or governments. Their prices depend on current and future interest rates and the financial strength of the companies or governments to which the loans have been made.
- 3) **Cash** means investment in a range of short-term financial products offered by banks and financial institutions. As these products produce varying returns, cash funds do not offer or set a particular rate of interest.

Understanding risk

For many people, saving for their future is essential. By not saving, you run the risk of not being able to support yourself and your family financially when you stop working. Careful investment planning can help you to achieve the lifestyle you want when you retire.

There are different types of risk that you'll need to consider when making an investment choice. These include:

- 1) **Inflation Risk** - Inflation means that the things you buy now will cost more in the future and you will need more money as a result. Therefore, when investing, beating inflation is an important goal. Investing in cash only, for example, may not beat inflation over the long term.
- 2) **Currency Risk** - If the fund you choose invests in overseas markets, changes in rates of exchange between currencies may cause the value of your investment to rise and fall, in addition to the normal share-price movements. Investments in small and emerging markets can be more volatile and liquidity may be lower than other overseas markets.
- 3) **Market Risk** - The value of your investments may rise and fall over time, due to impacts on a large proportion of the market, often caused by economic changes or other events.

In addition to some of the general risks highlighted above, each fund will have its own specific risks. Pages 14-16 of this guide details risks associated with each individual fund.

Your investment choice

The Investment Advisor, in conjunction with the Nabors ISP Committee, decides which investment funds to offer you – this is called the Plan’s fund range. The Investment Advisor may, often with the help of the Committee and trustees, monitor how the funds perform and make changes to the fund range.

The Plan offers five ISP Strategy models and nine individual funds for you to choose from with the ISP Conservative Strategy model as the default option. On joining, your account will automatically be invested into the option you select. If no selection is made, you will be invested in the default option. However, you have the option to change this and invest in any number of funds in the range available to you. It’s an opportunity for you to create an investment strategy that works for your particular goals and your attitude towards risk and reward.

Two approaches to investing



ISP Strategy models

- The Plans’ investment advisor decides which investment funds are part of the ISP Strategy models and how they are allocated.
- The ISP Strategy models are offered for people who do not want to choose their individual funds.
- The ISP Strategy models are a ‘Risk-Based’ solution. The ISP Strategy models may not necessarily be right for you and what you’d like to achieve with your retirement savings.

Individual Fund Selection

- The ISP offers a range of investment funds. “Do-It-Yourself” means you choose the investment fund or funds that the value of your account will be invested.
- You are in control, so you can make sure your investment fund selection matches your own needs.
- You have the responsibility for reviewing your investment.

The ISP Strategy models and the individual funds have been rated to give you an indication of the potential level of risk applicable. These risk ratings are shown in the 'Risk rating' section of this document.

The value of investments may go down as well as up and you may not get back the amount invested. Please be aware that the changing of funds may result in you being out of the market for a short period of time and any market movements may affect the value of your account.

Monitoring your investments

You should monitor your investments. You can see how your current portfolio is performing and download the latest factsheets for the ISP Strategy models and the individual funds available to you. You can also change your investment choice whenever you need to. All of this is available at www.naborstrust.je.

Investment guidance

Investment guidance is available for you under the ISP. Should you have any questions regarding this booklet or the investment options available to you, simply email smayor@deltaglobalinvestments.com and we will answer your questions. We have a team of investment specialists who will respond to you. Phone appointments are available upon request.

Risk rating – investment risk and fund ratings

There are various ways to measure risk, but we have chosen to provide you with an indication of the risks involved in the ISP Strategy models and the fund range by considering two factors. The first factor is volatility based on past performance. Volatility is the movement, both up and down, in the fund returns over a fixed period. The second factor is an internal assessment of the underlying asset types within a fund. These ratings provide a guide to help you understand the potential risk involved when investing in our fund range. Each increase in risk level represents an increase in the potential for your fund value to grow but also to fall. Each additional level also increases the likelihood of the value of your fund fluctuating dramatically.

These ratings may change in the future and you can find the most current ratings, and the latest factsheet on the website, www.naborstrust.ie, or contact the ISP investment advisor at smayor@deltaglobalinvestments.com.

None of our risk ratings imply or offer any form of guarantee. Remember that each individual fund has been assigned a risk category based on our internal methodology and this only considers risk in the context of our overall fund range. It is important that you read the appropriate risk category description.

Risk ratings:

Risk Level	Description
1- Low Risk	Greater emphasis is placed on capital preservation rather than maximizing returns. This means that these types of funds will generally aim to preserve the value of your investments, but in return will usually offer a lower rate of growth. Please note that low risk does not mean that the fund's value would not fall.
2 - Medium Low Risk/Return	Less emphasis is placed on capital preservation than in the lower risk/return category introducing a chance of higher potential returns. Compared to the lower risk/return category there is a greater risk of your fund value going down, but in return there might be a better chance of experiencing a higher rate of growth in your fund value.
3 - Medium Risk/Return	The potential for capital growth is generally better than the lower risk/return and lower-medium risk/return categories, but the value of the fund may vary considerably either up or down
4 - Medium High Risk/Return	The potential for capital growth is higher than the medium risk/return category, but risk is increased. Funds in this category can often experience large fluctuations in value, either up or down, especially in the shorter term.
5 - High Risk/Return	The potential for capital growth could be high, but with a corresponding level of risk. Funds in this category can often experience extreme fluctuations in value, either up or down, especially in the shorter term.

Risk Tolerance Questionnaire

Please answer the following questions. Then add up the numbers in the parentheses () next to your selected answers to compute your overall score.

Step 1: Question & Answer

Savings Profile (Questions 1 and 2)

1) What percentage of your total retirement savings does this retirement plan represent?

- A. More than 75% _____ (0)
- B. 51%-75% _____ (1)
- C. 25%-50% _____ (2)
- D. Less than 25% _____ (3)

2) Over the next 10 years, how will the amount of your annual contributions to this retirement plan change?

- A. Decrease from current level _____ (0)
- B. Remain about the same _____ (1)
- C. Increase slightly _____ (2)
- D. Increase substantially _____ (3)

Risk Measurement (Questions 3-5)

3) Which of the following statements best characterizes your risk/return objectives?

- A. I am primarily interested in maintaining my current retirement savings and I am not prepared to accept higher fluctuations in the value of my retirement savings. _____ (0)
- B. I prefer to sustain only moderate fluctuations in the value of my retirement savings to achieve moderate returns. _____ (8)
- C. In order to achieve higher returns, I am prepared to accept higher fluctuations in my retirement savings. _____ (15)

4) An investment that you expected to have a high return over time has declined in value. At which point would you move your money to a different investment?

- A. When the investment's value declines by more than a few percentage points. _____ (0)
- B. When the investment's value declines by more than I expected the return to be. _____ (8)
- C. I am unlikely to change as I believe there is still the potential to achieve the expected return. _____ (15)

5) Weighing the assumed ranges of return relative to the corresponding level of risk, which hypothetical portfolio represents a level of risk you would feel the most comfortable accepting?

Risk Level	One Year Range	Worst Case over One Year	
Low	+1% to +8%	+1%	_____ (10)
Some	-4% to 14%	-5%	_____ (40)
Moderate	-10% to 21%	-12%	_____ (70)
Moderately High	-16% to +29%	-17%	_____ (100)
High	-22% to 37%	-27%	_____ (130)

Investment Time Period (Question 6)

6) How soon do you plan to withdraw your retirement plan balance?

- A. In less than 5 years _____ (0)
- B. 5 to 10 years _____ (6)
- C. 11-20 years _____ (8)
- D. In more than 20 years _____ (10)

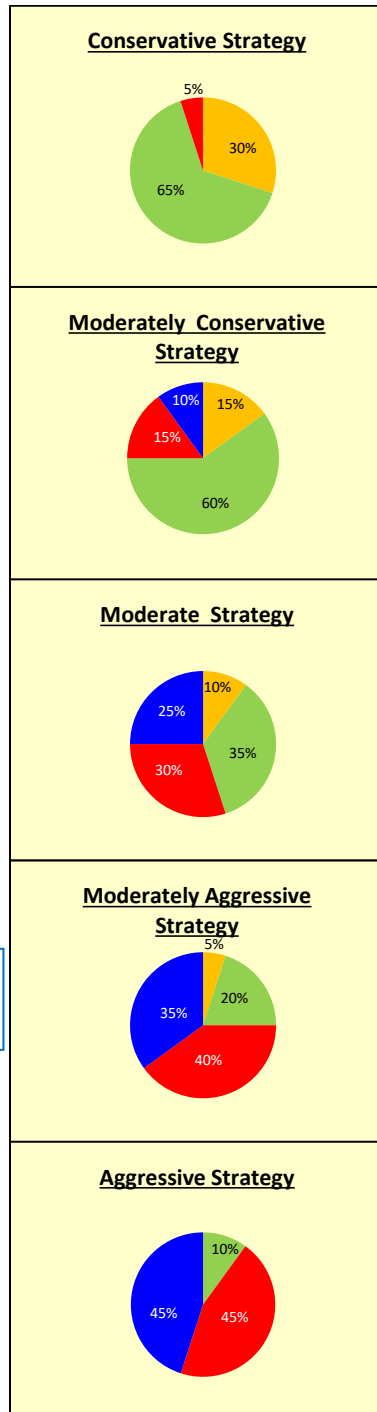
Add your scores from questions 1-6 and enter that number below, then go to step 2.

My Score: _____

Step 2: Determining your Investor Risk Profile

From your overall score in step 1, please look at the charts and descriptions below that will determine your risk category. Review each risk category's description carefully to determine which one you identify with and if it correlates to your score.

KEY: **ORANGE= USD Money Market** **GREEN=Global Fixed Income** **RED=U.S. Equity**
BLUE= Global Equity



May be appropriate for an investor who:

Is approaching retirement (age 60 or over) and wants little exposure to stock market fluctuations in anticipation of needing to withdraw investment savings soon, or is a younger investor with very low tolerance for risk.

May be appropriate for an investor who:

Is drawing closer to retirement (age 50-60) and wants some exposure to stock market growth but predominately prefers the stability of fixed income investments, or is a younger investor with low tolerance for risk.

May be appropriate for an investor who:

Has quite a few years to go until retirement (age 40-50) but prefers a more even mix between fixed income and stocks, or is a younger investor who does not have a high risk tolerance and is willing to forego higher return for a less volatile strategy.

May be appropriate for an investor who:

Has quite a few years to go until retirement (age 35-45) but prefers a moderate growth approach that balances the stability of fixed income with the growth offered by stocks, or is a younger investor who has a moderate risk tolerance but still seeks potentially higher investment returns.

May be appropriate for an investor who:

Has many years until retirement (age 20-35) and has the ability to ride out stock market fluctuations in pursuit of higher growth.

Step 3: Investment Choices

From your Investor Category in step 2, please look at the investment choices below that will determine where your contributions will be invested. For more information on each fund, please review the Fund Factsheets.

You have 2 options when selecting your investments:

ISP Strategy Models

Individual Fund Selection

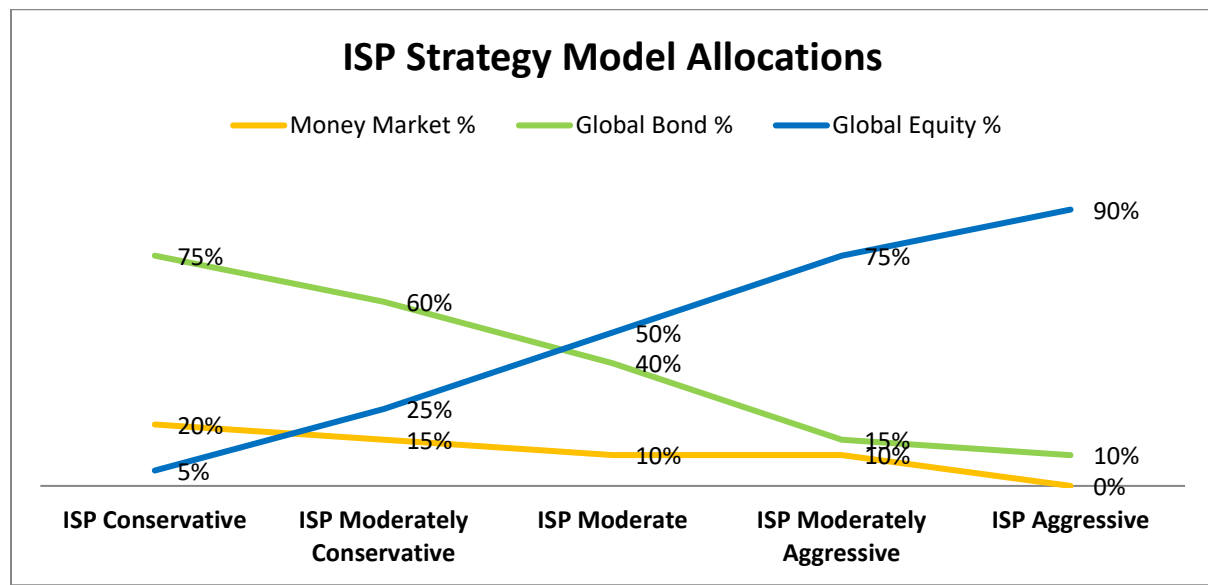
Option A - ISP Strategy Models:

The ISP Strategy model portfolios have been created using a selection of individual funds. The categories that make up the models are USD Money Market, Global Bond and Global Equity. We have developed these for participants with little investment experience or simply do not have the time to monitor their own funds. Each model is automatically rebalanced at the end of each quarter to maintain the portfolio allocation of each individual fund. All of the strategies are available at no additional charge. For further information please view the Strategy Factsheets.

The ISP Strategy Model portfolios are comprised of the following individual funds:

- **Money Market** – Ninety One GSF US Dollar Money fund (*no allocation in Aggressive model*);
- **Global Bond** – PIMCO GIS Global Bond; and
- **Global Equity** – ACI Global Growth Equity

The chart below shows the allocations of each fund in each of the five ISP Strategy models:



The risk levels and total expense ratios for each of the five ISP Strategy Models are provided below:

Strategy Name	Risk Level	Total Expense Ratio
ISP Conservative	1	0.43%
ISP Moderately Conservative	2	0.54%
ISP Moderate	3	0.68%
ISP Moderately Aggressive	4	0.79%
ISP Aggressive	5	0.90%

Select **ONE** ISP Strategy model based on your RISK LEVEL.

For example, if you score between 81 and 110, you are a Moderate investor. Select to invest 100% in the “ISP Moderate” strategy below.

ISP Strategy Model	Write 100% by your selected ISP investment strategy
ISP Conservative (Score 10-50)	
ISP Moderately Conservative (Score 51-80)	
ISP Moderate (Score 81-110)	100%
ISP Moderately Aggressive (Score 111-140)	
ISP Aggressive (Score 141+)	
TOTAL	100%

Once you have selected your ISP Strategy Model, you can then complete your ISP Enrollment Form. If you are already a plan member, make the investment request online.

OPTION B - Select from the following individual funds:

There are two types of Individual funds offered in the ISP plan: *Actively Managed* and *Passively Managed* funds. The definitions of each are detailed below:

- 1) **Actively Managed:** refers to a strategy where the fund manager makes specific investments with the goal of outperforming an investment benchmark index. The Total Expense Ratio is higher than a Passively Managed fund in the same category.
- 2) **Passively Managed:** investors expect a return that closely replicates the investment and returns of a Benchmark Index and will often invest in an index fund. The Total Expense Ratio is lower than the Actively Managed fund in the same category.

The individual funds are in different categories below:

KEY: ORANGE= USD Money Market, GREEN=Global Fixed Income, RED=U.S. Equity and BLUE= Global Equity

Fund Name	Actively Managed	Passively Managed
Investec US Dollar Money Fund	•	
Blackrock GIF (BGIF) Global Government Bond Index		•
PIMCO GIS Global Bond	•	
Blackrock GIF North America Equity Index		•
PIMCO GIS StocksPlus	•	
BlackRock GIF World Equity Index		•
ACI Global Growth Equity	•	
Blackrock GIF Emerging Markets Equity Index		•
Investec GSF Emerging Markets Equity	•	

You have the ability to select all Active funds, all Passive funds or a combination of both.

Fund Range

Ninety One GSF US Dollar Money Fund

Share Class: Institutional

ISIN: LU0439319624

Category: Money Market USD (Active)

Risk Rating: 1

Investment Objective: The Fund aims to provide a US dollar income return at the rate available in the wholesale Eurocurrency market (the market in which currencies are borrowed and lent outside of the country in which those currencies are legal tender, e.g. a bank outside of the US borrowing or lending US dollars). The Fund is a short-term money market fund and while it aims to preserve capital, this is not guaranteed. The Fund normally invests in bank deposits repayable within six months and money market instruments (tradable securities where money can be invested for short periods) with a lifespan of up to one year. The Fund's investments are priced or hedged (an investment technique which aims to protect the value of an investment against currency movements) back into US dollars.

Total Expense Ratio: 0.08%

iShares Global Government Bond Index

Share Class: Institutional

ISIN: LU0836517176

Category: Global Bond (Passive)

Risk Rating: 2

Investment Objective: The Fund aims to achieve a return on your investment, through a combination of capital growth and income on the Fund's assets, which reflects the return of the Citigroup World Government Bond Index, the Fund's benchmark index. The Fund aims to invest as far as possible and practicable in the fixed income (FI) securities (such as bonds) that make up the benchmark index and comply with its credit rating requirements. If the credit ratings of the FI securities are downgraded, the Fund may continue to hold them until they cease to form part of the index and it is practicable to sell them.

Total Expense Ratio: 0.23%

PIMCO GIS Global Bond

Share Class: Institutional

ISIN: IE0002461055

Category: Global Bond (Active)

Risk Rating: 2

Investment Objective: The Global Bond Fund is a diverse, actively managed portfolio of global fixed-income securities. The average duration of the fund will normally vary within +/-3 years of the benchmark. The fund invests primarily in a diversified portfolio of investment grade bonds denominated in major world currencies.

Total Expense Ratio: 0.49%

iShares North America Equity Index

Share Class: Institutional

ISIN: LU0836515808

Category: US Large Cap Blend Equity (Passive)

Risk Rating: 4

Investment Objective: The investment objective of the Fund is to match the performance of the MSCI North America Index, the Fund's Benchmark Index. The Fund will invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the Benchmark Index, in similar proportions to their weightings in the Benchmark Index. The Fund aims to replicate the composition of the Benchmark Index; however it may not always be possible or practicable to hold every security in their exact weighting as in the Benchmark Index. The MSCI North America Index is a free float-adjusted index which represents large and mid-capitalization companies in the US and Canada markets.

Total Expense Ratio: 0.22%

PIMCO GIS StocksPlus

Share Class: Institutional

ISIN: IE0002459539

Category: US Large Cap Blend Equity (Active)

Risk Rating: 4

Investment Objective: The StocksPlus Fund offers investors exposure to the returns of the S&P 500 Index via non-leveraged positions in futures and swaps which are collateralized by an actively managed portfolio of short-duration, fixed income securities. The fixed income portfolio offers the potential for excess returns relative to the index.

Total Expense Ratio: 0.55%

iShares World Equity Index

Share Class: Institutional

ISIN: LU0836515477

Category: Global Large Cap Blend Equity (Passive)

Risk Rating: 4

Investment Objective: The investment objective of the Fund is to match the performance of the MSCI World Index, the Fund's Benchmark Index. The Fund will invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the Benchmark Index, in similar proportions to their weightings in the Benchmark Index. The Fund aims to replicate the composition of the Benchmark Index; however it may not always be possible or practicable to hold every security in their exact weighting as in the Benchmark Index. The MSCI World Index is a free float-adjusted index which represents large and mid- capitalization companies in developed countries globally. The Benchmark Index rebalances on a quarterly basis.

Total Expense Ratio: 0.22%

American Century Investments (ACI) Global Growth Equity

Share Class: Institutional

ISIN: LU0464459709

Category: Global Large Cap Growth Equity (Active)

Risk Rating: 4

Investment Objective: Long-term capital growth by investing in large companies globally. The fund seeks consistent growth through investments in large companies exhibiting sustainable accelerating earnings growth.

Total Expense Ratio: 0.95%

iShares Emerging Markets Equity Index

Share Class: Institutional

ISIN: LU0836515980

Category: Emerging Markets Equity (Passive)

Risk Rating: 5

Investment Objective: The investment objective of the Fund is to match the performance of the MSCI Emerging Markets Index, the Fund's Benchmark Index. The Fund will invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the Benchmark Index. The Fund will strategically select a representative sample of the securities in the Benchmark Index to construct the portfolio. The Fund may hold ADRs and GDRs. The MSCI Emerging Markets Index is a free float-adjusted index which represents large and mid-capitalization companies across emerging markets globally. The Benchmark Index rebalances on quarterly basis.

Total Expense Ratio: 0.22%

Ninety One GSF Emerging Markets Equity

Share Class: Institutional

ISIN: LU0611395913

Category: Emerging Markets Equity (Active)

Risk Rating: 5

Investment Objective: The Fund will aim to achieve long term capital growth primarily through investment in equities or equity-related securities of companies established and/or listed on an exchange in emerging markets, or companies which are established and/or listed on exchanges outside emerging markets but which carry out a significant proportion of their economic activity in emerging markets and/or are controlled by entities established and/or listed in emerging markets.

Total Expense Ratio: 1.15%

Having learned more about each of the individual funds, the next step is to create your own portfolio.

- 1) Write the percentages from the pie charts (page 9) corresponding to your strategy in the TOTAL column below.
- 2) Start with the Global Equity Column and allocate across the four available categories. Make sure your selection is in 1% increments. You do not have to choose all of the funds. Then complete the U.S. Equity column, Fixed Income column and Cash/Money Market column.
- 3) Make sure selection adds up to 100%.

NOTE: Selecting your funds means that it is your responsibility to rebalance your own portfolio to the allocation you decide on today. (You should rebalance at least once a year, e.g., on your birthday).

Fund Name	Global Equity	U.S. Equity	Fixed Income	Cash/Money Market	TOTAL %
Ninety One GSF Emerging Markets Equity	%				%
iShares Emerging Markets Equity Index	%				%
ACI Global Growth Equity	%				%
iShares World Equity Index	%				%
PIMCO GIS StocksPlus		%			%
iShares North American Equity Index		%			%
PIMCO GIS Global Bond			%		%
iShares Global Government Bond Index			%		%
Ninety One GSF U.S. Dollar Money				%	%
TOTAL <i>copy pie chart percentages on this row</i> →	____% Global Equity	____% U.S. Equity	____% Fixed Income	____% Cash/Money Market	100%

Congratulations you have now determined your Investor Profile and your Investment Option(s) for your retirement plan. You can now copy your selections and complete your ISP Enrollment Form. If you are already a plan member, you can make the request online.

Fund performance

Fund performance is updated on a quarterly basis. Please see www.naborstrust.ie for the updated performance reporting and fund factsheets.

Fund charges

There are no initial charges for investing in the funds. If you contribute \$100 to your savings account, \$100 is invested into your chosen funds.

At the end of each quarter, your account will be deducted a 0.10% Institutional Investment fee. You will see this reflected in your account activity and on your statement.

These funds have annual management charges included within the Fund's Total Expense Ratio. Funds also incur expenses (referred to as 'other charges') such as auditing and registry fees which combined with the Annual Management Charge (AMC) equates to the Total Expense Ratio (TER). The annual TER is deducted from each fund's assets. As a result, they are reflected in the quoted price for the fund – they are not directly taken from your account. All fund charges are reviewed regularly and detailed on the fund factsheets.

ISP Contact details

Contact **Delta Global Investment Services:**

Delta is the investment advisor for the ISP Plan.

- *Stephen Mayor, President & CEO*
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- Email: smayor@deltaglobalinvestments.com.

Contact **JTC Group:**

JTC administers the Plan on behalf of Nabors.

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