

**NOTICE TO SHAREHOLDERS OF**  
**Nordea 1 – Nordic Corporate Bond Fund – Euro Hedged**  
**AND**  
**Nordea 1 – European Cross Credit Fund**

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It is brought to the attention of the shareholders of Nordea 1 – Nordic Corporate Bond Fund – Euro Hedged and Nordea 1 – European Cross Credit Fund that the board of directors of Nordea 1, SICAV (the “**Board of Directors**”) has decided to merge the assets and liabilities of Nordea 1 – Nordic Corporate Bond Fund – Euro Hedged (the “**Merging Sub-Fund**”) with the assets and liabilities of Nordea 1 – European Cross Credit Fund (the “**Receiving Sub-Fund**”) and together with the Merging Sub-Fund to be referred to as the “**Sub-Funds**”).

The Sub-Funds are both sub-funds of Nordea 1, SICAV, a Luxembourg-based undertaking for collective investment in transferable securities authorised by the Luxembourg supervisory authority under Part I of the law of December 17, 2010, on undertakings for collective investment, as amended (the “**2010 Law**”).

The merger will be the operation whereby the Merging Sub-Fund on being dissolved, without going into liquidation, will transfer its assets and liabilities on the effective date of the merger as defined in section 8.1. of this shareholders’ notice (the “**Effective Date**”) to the Receiving Sub-Fund.

The intention of the Board of Directors is to merge the Merging Sub-Fund with the Receiving Sub-Fund on the Effective Date by way of merger in accordance with the definition of “merger” in article 1 (20) (a) of the 2010 Law and as further described in Article 76 (1) of the 2010 Law as follows:

- i. all the assets and liabilities of the Merging Sub-Fund shall be transferred to the Receiving Sub-Fund or, as the case may be, to the depositary of Nordea 1, SICAV, *i.e.* J.P. Morgan Bank Luxembourg S.A. (the “**Depositary**”);
- ii. the shareholders of the relevant class of shares of the Merging Sub-Fund become shareholders of the relevant class of shares of the Receiving Sub-Fund as described in section 5.2. of this shareholders’ notice; and
- iii. the Merging Sub-Fund will cease to exist on the Effective Date.

Without prejudice to notice requirements and free redemption/conversion rights, the implementation of the merger is not subject to the prior approval of the shareholders.

The present notice provides appropriate and accurate information on the proposed merger to the respective shareholders so as to enable them to make an informed judgement of the impact of the merger on their investment.

## **1. Context and justification of the merger**

1.2. The reason for the merger is that the performance of the Merging Sub-Fund has not been as expected when launching the Merging Sub-Fund due to the development of the investment universe. Furthermore, the expectations for the future development of the investment universe in the Merging Sub-Fund are not

very positive. Therefore, it is seen as a better value for the investors if they are exposed to the broader investment universe of the Receiving Sub-Fund, which has better expectations for the future.

- 1.3. A business decision has been taken to reallocate resources where they give the most value.
- 1.4. By merging the Merging Sub-Fund into the Receiving Sub-Fund, the combined estimated values, together with the potential for new investments in the Receiving Sub-Fund should provide the benefit of greater fund size and therefore, economies of scale.
- 1.5. By merging the Merging Sub-Fund into the Receiving Sub-Fund, the shareholders should get exposure to a broader geographical investment universe, with a larger potential for performance which should mean a higher total net asset value for the shareholders.
- 1.6. The Receiving Sub-Fund follows a Nordea in-house managed European credit strategy that has proven successful in terms of performance and asset gathering. The Receiving Sub-Fund is a 4 star rated fund with Morningstar.
- 1.7. For these reasons, the Board of Directors believes the interests of shareholders will be better served if the Merging Sub-Fund was merged with the Receiving Sub-Fund.

## **2. Expected impact of the merger on the shareholders of the Merging Sub-Fund**

- 2.1. On implementation of the merger, shareholders in the Merging Sub-Fund will receive new shares in accordance with the terms set out in section 5.2. of this shareholders' notice and become shareholders in the relevant class of shares of the Receiving Sub-Fund
- 2.2. The Merging Sub-Fund and the Receiving Sub-Fund have the same risk and reward profile, *i.e.* they both have a synthetic risk and reward indicator ("SRRI") of 3. Both Sub-Funds are actively managed. The investment objective and policy of the Merging Sub-Fund and the Receiving Sub-Fund are further disclosed in Appendix I.
- 2.3. Neither of the Sub-Funds is compared or measured against a reference index.
- 2.4. Both Sub-Funds invest in corporate bonds, which are rated as investment grade and/or high yield. However, there is a difference in the regional and country allocation.
- 2.5. The Merging Sub-Fund has a regional concentration in Nordic countries, which means that there is also currency exposure towards NOK and SEK. However, the majority of the currency exposure is hedged to EUR.
- 2.6. The Receiving Sub-Fund has Europe as the regional area and therefore has a possibility to diversify geographically larger than the Merging Sub-Fund.
- 2.7. Sector-wise, the Merging Sub-Fund is, due to its regional concentration, very exposed to energy, as many of the companies of the region where the Merging Sub-Fund is investing in, are from this sector, whereas the Receiving Sub-Fund does not have such an implicit sector overweight due to the regional concentration and has more flexibility in its allocation.
- 2.8. In practice, the use of derivatives is negligible for both Sub-Funds.

- 2.9. Overall, it can be expected that the change of risk for shareholders in the Merging Sub-Fund will be slightly reduced, as a consequence of the merger, due to a broadened investment universe, without an implicit sector tilt and higher liquidity in the underlying issues.
- 2.10. The base currency of both Sub-Funds is EUR.
- 2.11. The fees for the Receiving Sub-Fund differ from those of the Merging Sub-Fund, as set out in Appendix I. Since the strategy of the Receiving Sub-Fund, compared to the Merging Sub-Fund, requires a higher specialized skill set spanning across the credit space, sectors and a larger geographical area, the management fee in the Nordea 1 – European Cross Credit Fund will be higher than in the Nordea 1 – Nordic Corporate Bond Fund – Euro Hedged. For Q-shares, the management fee is 1,00% in the Receiving Sub-Fund compared to 0.75% in the Merging Sub-Fund. For C-shares, the management fee is 0,60% in the Receiving Sub-Fund compared to 0,50% in the Merging Sub-Fund. For I-shares, the management fee is 0,50% in the Receiving Sub-Fund compared to 0,40% in the Merging Sub-Fund. P- and E-shares have the same management in both the Merging and the Receiving Sub-Funds; 1.00%.
- 2.12. The procedures that apply to matters such as dealing, subscription, redemption, switching and transferring of shares as well as the method of calculating the net asset value, are the same in the Merging Sub-Fund and the Receiving Sub-Fund. The Merging Sub-Fund and the Receiving Sub-Fund have such other features as further disclosed in Appendix I. Shareholders in the Merging Sub-Fund are advised to consult their own professional advisers as to the legal, financial and tax implications of the merger under the laws of the countries of their nationality, residence, domicile or incorporation.
- 2.13. No costs and expenses resulting from or incidental to the implementation of the merger, or the termination of the Merging Sub-Fund, will be borne by the Merging Sub-Fund or the shareholders of the Merging Sub-Fund.
- 2.14. The merger will be notified in writing to the shareholders in the Merging Sub-Fund and in the Receiving Sub-Fund in accordance with the 2010 Law. Shareholders in the Merging Sub-Fund and in the Receiving Sub-Fund will have the right to request without any charge other than those retained to meet disinvestment costs (as the case may be), the redemption or conversion of their shares. This right shall be effective during at least thirty (30) calendar days from the sending of this notice and shall cease to exist five (5) business days before the date for calculating the merger exchange ratio of section 6 below.
- 2.15. The Merging Sub-Fund holds a few bonds in markets with few buyers and small activity, hence these bonds are less liquid. The Merging Sub-Fund manager will, prior to the merger, replace these bonds with similar but more liquid securities. This might however have an impact on the Merging Sub-Fund's performance.

### **3. Expected impact of the merger on the shareholders of the Receiving Sub-Fund**

- 3.1. On implementation of the merger, shareholders in the Receiving Sub-Fund will continue to hold the same shares in the Receiving Sub-Fund as before and there will be no change in the rights attaching to such shares. The implementation of the merger will not affect the fee structure of the Receiving Sub-Fund and will result neither in changes to the articles of association or prospectus of Nordea 1, SICAV, nor in changes to the key investor information documents (the "KIIDs") of the Receiving Sub-Fund.

- 3.2. None of the costs of the merger will be borne by the Receiving Sub-Fund nor by its shareholders.
- 3.3. On implementation of the merger the aggregate net asset value of the Receiving Sub-Fund will increase as a result of the transfer of the Merging Sub-Fund's assets and liabilities.

**4. Rebalancing of the portfolio of the Merging Sub-Fund and the Receiving Sub-Fund before or after the merger**

- 4.1. During the last week preceding the merger, the portfolio of the Merging Sub-Fund will be invested in cash, in order to transfer to the Receiving Sub-Fund only cash positions.
- 4.2. The merger will not have any material impact on the portfolio of the Receiving Sub-Fund and it is not intended to undertake any rebalancing on the portfolio of the Receiving Sub-Fund before or after the merger. The merger will result in an inflow of cash into the Receiving Sub-Fund. The cash will subsequently be invested in corporate bonds according to the Receiving Sub-Fund's investment policy.

**5. Criteria adopted for valuation of the assets and liabilities in order to calculate the exchange ratio**

- 5.1. On the business day prior to the Effective Date, the administrative agent of Nordea 1, SICAV, *i.e.* Nordea Bank S.A. (the "**Administrative Agent**"), after having determined the net asset value per share of the Merging Sub-Fund and of the Receiving Sub-Fund, including any accrued income, in accordance with the valuation provisions set out in the prospectus of Nordea 1, SICAV, shall confirm the net asset value per each share to the management company of Nordea 1, SICAV, *i.e.* Nordea Investment Funds S.A. (the "**Management Company**"), and to the Board of Directors in order to determine the exchange ratio.
- 5.2. The share classes of the Merging Sub-Fund will be merged into the share classes of the Receiving Sub-Fund as follows:

Nordea 1 – Nordic Corporate Bond Fund – Euro Hedged:		Nordea 1 – European Cross Credit Fund:
AI-EUR	====>	AI-EUR
AP-EUR	====>	AP-EUR
BI-EUR	====>	BI-EUR
BP-EUR	====>	BP-EUR
BQ-EUR	====>	BP-EUR
E-EUR	====>	E-EUR
HB-DKK	====>	HB-DKK
HB-SEK	====>	HB-SEK
HBI-NOK	====>	HBI-NOK
HBI-SEK	====>	HBI-SEK
HBQ-SEK	====>	HB-SEK
X-EUR	====>	X-EUR
Y-EUR	====>	Y-EUR

- 5.3. The Depositary shall issue a confirmation, in accordance with the requirements of article 70 of the 2010 Law confirming that it has verified the type of merger and the UCITS involved, the Effective Date and that the rules applicable, respectively, to the transfer of assets and liabilities and exchange of shares as set out herein are in accordance with the requirements of the 2010 Law.

**6. Calculation method of the exchange ratio**

- 6.1. The number of new shares in the Receiving Sub-Fund to be issued to each shareholder will be calculated using an exchange ratio calculated on the basis of the net asset value of the shares of the Merging Sub-Fund and of the shares in the Receiving Sub-Fund, calculated in accordance with sections 5.1 and 5.2 above. The relevant shares in the Merging Sub-Fund will then be cancelled.
- 6.2. The exchange ratio will be calculated as follows:
  - the net asset value per share of the relevant class of shares of the Merging Sub-Fund is divided by the net asset value per share of the relevant class of shares in the Receiving Sub-Fund. The applicable net asset value per share of the Merging Sub-Fund and the net asset value per share of the Receiving Sub-Fund will be those having both been determined on the business day prior to the Effective Date.
- 6.3. The issue of new shares in the Receiving Sub-Fund in exchange for shares of the Merging Sub-Fund will not be subject to any charge.
- 6.4. In accordance with the above provisions, the net asset value per share in the Merging Sub-Fund and the net asset value per share in the Receiving Sub-Fund will not necessarily be the same. Therefore, while the overall value of their holding will remain the same, shareholders in the Merging Sub-Fund may receive a different number of new shares in the Receiving Sub-Fund than the number of shares they had previously held in the Merging Sub-Fund.
- 6.5. No cash payment shall be made to shareholders in exchange for the shares.

## **7. Risk of dilution of the performance**

- 7.1. The proposed merger being a merger whereby the Merging Sub-Fund will be 100% invested in cash, a single operation will take place. On the Effective Date, the Merging Sub-Fund will transfer this cash position to the Receiving Sub-Fund. Therefore, there will be no dilution of the performance.
- 7.2. The shareholders of the Merging Sub-Fund will be transferred to the corresponding class of shares of the Receiving Sub-Fund.

## **8. Effective date of the merger**

- 8.1. The Effective Date shall be on **September 13, 2016**, or such other date as may be determined by the Board of Directors. The Effective Date is notified to the shareholders in each of the Merging Sub-Fund and the Receiving Sub-Fund in writing.

## **9. Rules applicable to the transfer of assets and the issue of new shares**

- 9.1. The Administrative Agent shall put in place, or procure the putting in place, of all necessary instructions to deliver and/or transfer, or procure the delivery and/or transfer to the Depositary, or to its order, the cash position of the Merging Sub-Fund.
- 9.2. In order to provide the portfolio manager of the Receiving Sub-Fund better capacity to manage the inflow of cash from the Merging Sub-Fund and in order to benefit the shareholders by providing necessary market exposure as of the Effective Date, the portfolio manager of the Receiving Sub-Fund may, after the exchange ratio is calculated on the business day prior to the Effective Date, but no earlier than 4 p.m., place part or all of the cash to be received from the Merging Sub-Fund. Such placements shall be taken into account for the

Net Asset Value of the Receiving Sub-Fund to be calculated on the Effective Date.

- 9.3. As consideration for the transfer to the Depositary of the assets and liabilities described under section 9.1 above, the Administrative Agent shall calculate and determine the number of new shares to be allocated to shareholders of the Merging Sub-Fund and shall issue such new shares to each of the shareholders on the register of shareholders of the Merging Sub-Fund as provided by the Administrative Agent. The number of new shares (fractions to four decimal places) to be issued with effect on the Effective Date to each shareholder of the Merging Sub-Fund will be calculated using the exchange ratio calculated under section 6 above.

## 10. Procedural aspects

- 10.1. Shares of the Merging Sub-Fund can be subscribed until 3.30 p.m. Luxembourg time on September 5, 2016. After 3.30 p.m. Luxembourg time of September 5, 2016, the possibility to subscribe for shares in the Merging Sub-Fund will be suspended.
- 10.2. Shares of the Merging Sub-Fund can be redeemed or converted free of charges, with the exception of any local transaction fees that might be charged by local intermediaries on their own behalf and which are independent from Nordea 1, SICAV and the Management Company, from August 2, 2016 until 3.30 p.m. Luxembourg time on September 5, 2016.
- 10.3. Shares of the Receiving Sub-Fund can be redeemed or converted free of charges, with the exception of any local transaction fees that might be charged by local intermediaries on their own behalf and which are independent from Nordea 1, SICAV and the Management Company, from August 2, 2016 until 3.30 p.m. Luxembourg time on September 5, 2016.
- 10.4. All costs related to the merger shall be borne by the Management Company.

## 11. Role of the auditor

- 11.1. In compliance with article 71 (1) of the 2010 Law, the Merging Sub-Fund shall entrust an auditor to validate the criteria adopted for valuation of the assets and, as the case may be, the liabilities (as set out in sections 5.1. and 5.2. above) and the calculation method of the exchange ratio as well as the actual exchange ratio (as set out in sections 6.2. and 6.3. above) on the date for calculating the exchange ratio, as referred to in article 75 (1) of the 2010 Law;
- 11.2. A copy of the report of the auditors will be made available on request and free of charge to the participants of both the Merging Sub-Fund and the Receiving Sub-Fund as well as to the CSSF.

## 12. Key investor information documents

The shareholders of the Merging Sub-Fund are invited to consult the KIIDs of the Receiving Sub-Fund which are available at the registered office of the Management Company and which are also available on [www.nordea.lu](http://www.nordea.lu).

We would like to draw your attention to the importance of reading carefully the KIIDs of the Receiving Sub-Fund.

## 13. Additional information

Shareholders having any question relating to the above changes should not hesitate to contact their financial advisor or the Management Company: Nordea Investment Funds S.A., Client Relationship Services at the following telephone number: +352 43 39 50 - 1 or the UK facilities agent, Nordea Bank AB, London Branch, its

principal place of business being 5 Aldermanbury Square, London EC2V 7AZ.

The shareholders of the Merging Sub-Fund who have not redeemed or converted their shares will, as of the Effective Date become shareholders of the Receiving Sub-Fund and their shares will be automatically converted into shares of the Receiving Sub-Fund on the basis of the exchange ratio calculated in accordance with sections 5.1 and 5.2 above.

#### **14. Tax**

The shareholders of the Merging Sub-Fund and of the Receiving Sub-Fund are invited to consult their own tax advisors in respect to the tax impact of the contemplated merger.

Yours faithfully

On behalf of the Board of Directors

August 2016.

## Appendix I

### Key features of the Merging Sub-Fund and of the Receiving Sub-Fund

<p>Nordea 1 – Nordic Corporate Bond Fund – Euro Hedged <b>(“Merging Sub-Fund”)</b></p>	<p>Nordea 1 – European Cross Credit Fund <b>(“Receiving Sub-Fund”)</b></p>
<p><b>Investment objective and policy</b></p> <p>The sub-fund aims to provide an adequate return by investing directly or indirectly through the use of financial derivative instruments* in Nordic corporate bonds.</p> <p>This sub-fund shall invest at least 2/3 of its total assets (after deduction of cash) in corporate bonds, and other types of debt instruments. These securities must be issued by, or the underlying credit risk must derive from, companies domiciled or exercising the predominant part of their business in Denmark, Sweden, Norway, Finland, Iceland, the Faroe Islands or Greenland (either parent company or issuing entity).</p> <p>In addition to the above, the sub-fund may invest in other transferable securities. The sub-fund may invest up to 20% of its total assets (after deduction of cash) in asset-backed securities.</p> <p>The sub-fund may accessarily hold cash.</p> <p>The sub-fund may be exposed to other currencies than the base currency through investments and/or cash holdings. In the sub-fund, the majority of all currency exposures are hedged to the base currency.</p> <p>The sub-fund may use financial derivative instruments* mainly to:</p> <ul style="list-style-type: none"> <li>- protect itself against the depreciation of foreign</li> </ul>	<p><b>Investment objective and policy</b></p> <p>The sub-fund aims to provide an adequate rate of return.</p> <p>The sub-fund shall invest a minimum of 2/3 of its total assets in Euro denominated corporate bonds that are not issued by financial institutions. However, the sub-fund may invest in securities from holding companies of any corporate group, which financial institutions may be part of.</p> <p>In addition to the above, the sub-fund may invest in transferable securities.</p> <p>The sub-fund may invest up to 20% of its total assets (after deduction of cash) in asset-backed securities.</p> <p>The sub-fund may accessarily hold cash.</p> <p>The sub-fund may be exposed to other currencies than the base currency through investments and/or cash holdings. In the sub-fund, the majority of all currency exposures are hedged to the base currency.</p> <p>The sub-fund may use financial derivative instruments* mainly for protecting itself against the depreciation of foreign currencies in its portfolio; mitigating the negative effect related to the default of the issuer(s) of debt instruments in its portfolio; performance enhancement; or extending or reducing its duration.</p>

\*These are financial contracts the value of which depends on the market price of a reference item.



<p>currencies in its portfolio;</p> <ul style="list-style-type: none"> <li>- mitigate the negative effect related to the default of the issuer(s) of debt instruments in its portfolio;</li> <li>- take additional credit risks against the regular receipt of premium payments from the counterpart who benefits from the protection; or</li> <li>- extend or reduce its duration.</li> </ul> <p>Some of these strategies may significantly increase risks.</p> <p>Nordea's Policy for Responsible Investment aims to create responsible returns throughout environmental, social and governance analysis, norm based screening and active ownership activities.</p> <p>The sub-fund may take part in a securities lending program.</p> <p>This sub-fund does not use a reference index as part of its investment strategy.</p>	<p>Some of these derivatives' strategies may significantly increase risks.</p> <p>Security ratings of this sub-fund are defined as the second best long term rating from an approved rating agency. If there is only one long term rating available from any of these rating institutes on a given security this rating will define the security rating. At least 2/3 of the sub-fund's securities must have a long-term rating between BBB+/Baa1 and B-/B3 or equivalent, as issued by an approved rating agency.</p> <p>This sub-fund is not allowed to buy non-rated securities and securities which have a long-term rating below B-/B3 or equivalent, as issued by an approved rating agency, at the time of purchase. In case holdings are downgraded below B-/B3 or equivalent, as issued by an approved rating agency, or become unrated the sub-fund is allowed to hold these securities for up to six months.</p> <p>Nordea's Policy for Responsible Investment aims to create responsible returns throughout environmental, social and governance analysis, norm based screening and active ownership activities.</p> <p>The sub-fund may take part in a securities lending program.</p>
<p><b>Profile of the typical investor</b></p> <p>This sub-fund is suitable for the Investor who needs a well-diversified bond allocation in his portfolio. The Investor should have a minimum investment horizon of 5 years and be able to accept moderate short-term losses.</p>	<p><b>Profile of the typical investor</b></p> <p>This sub-fund is suitable for the Investor who needs a well-diversified bond allocation in his portfolio. The Investor should have a minimum investment horizon of 5 years and be able to accept moderate short-term losses.</p>
<p><b>Risks</b></p> <p>The investments made in this sub-fund may be subject to fluctuations and no guarantee can be given that the value of the shares will not fall below the value at the time of their</p>	<p><b>Risks</b></p> <p>The sub-fund is exposed to interest and credit risk via exposure to the Corporate and High Yield Bond market. The investments made in this sub-fund may be subject to fluctuations</p>

<p>acquisition.</p> <p>The factors that may trigger such fluctuations or can influence their scale include but are not limited to:</p> <ul style="list-style-type: none"> <li>– Changes in interest rates</li> <li>– Changes in exchange rates</li> <li>– Changes affecting economic factors such as employment, public expenditure and indebtedness, inflation</li> <li>– Changes in the legal environment</li> <li>– Change in Investor confidence in investment type (e.g. bonds versus equities or cash).</li> </ul> <p>By diversifying investments, the investment manager endeavours to partially mitigate the negative impact of such risks on the value of the individual sub-funds.</p> <p>Although the Board of Directors makes every effort to achieve the investment objectives of the Company and its sub-funds, no guarantee can be given as to whether the investment objectives will be achieved.</p> <p>Special attention must be drawn to the risks associated with investment in corporate debt securities, credit default swap transactions and transactions in warrants, options, futures and swaps.</p>	<p>and no guarantee can be given that the value of the shares will not fall below the value at the time of their acquisition.</p> <p>The factors that may trigger such fluctuations or can influence their scale include but are not limited to:</p> <ul style="list-style-type: none"> <li>– Company-specific changes</li> <li>– Changes in interest rates</li> <li>– Changes in exchange rates</li> <li>– Changes affecting economic factors such as employment, public expenditure and indebtedness, inflation</li> <li>– Changes in the legal environment</li> <li>– Change in Investor confidence in investment type (e.g. bonds versus equities or cash).</li> </ul> <p>By diversifying investments, the investment manager endeavours to partially mitigate the negative impact of such risks on the value of the individual sub-funds.</p> <p>Although the Board of Directors makes every effort to achieve the investment objectives of the Company and its sub-funds, no guarantee can be given as to whether the investment objectives will be achieved.</p> <p>Special attention must be drawn to the risks associated with investment in corporate debt securities, credit default swap transactions and transactions in warrants, options, futures and swaps.</p>
<p><b>Specific risks</b></p> <p>Following risks are materially relevant to the UCITS but are not adequately captured by the synthetic indicator and may cause additional loss:</p> <p>Counterparty risk: a counterpart may fail paying the proceeds related to the sale of securities by the sub-fund or may fail delivering</p>	<p><b>Specific risks</b></p> <p>Following risks are materially relevant to the UCITS but are not adequately captured by the synthetic indicator and may cause additional loss:</p> <p>Counterparty risk: a counterpart may fail paying the proceeds related to the sale of securities by the sub-fund or may fail delivering</p>

<p>the securities purchased by the sub-fund. A counterpart of the sub-fund in an OTC derivative may fail satisfying its obligations towards the sub-fund at any event of the OTC derivative agreement.</p> <p>Credit risk: the default of the issuer of a debt instrument held by the sub-fund.</p> <p>Derivatives risk: derivatives are used to increase, lower or maintain the risk level of the sub-fund. The strategy followed by the sub-fund may fail resulting in significant losses for the sub-fund.</p> <p>Event risk: unforeseeable events such as devaluations, political events, etc.</p> <p>Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.</p> <p>Operational risk: failures or delays in operational processes may negatively affect the sub-fund.</p>	<p>the securities purchased by the sub-fund. A counterpart of the sub-fund in an OTC derivative may fail satisfying its obligations towards the sub-fund at any event of the OTC derivative agreement.</p> <p>Credit risk: the default of the issuer of a debt instrument held by the sub-fund.</p> <p>Derivatives risk: derivatives are used to increase, lower or maintain the risk level of the sub-fund. The strategy followed by the sub-fund may fail resulting in significant losses for the sub-fund.</p> <p>Event risk: unforeseeable events such as devaluations, political events, etc.</p> <p>Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.</p> <p>Operational risk: failures or delays in operational processes may negatively affect the sub-fund.</p>
<p><b>Base currency</b></p> <p>EUR</p>	<p><b>Base currency</b></p> <p>EUR</p>
<p><b>Risk and reward profile</b></p> <p>SRRI: 3</p>	<p><b>Risk and reward profile</b></p> <p>SRRI: 3</p>

### Fees charged to the sub-fund

The sub-fund shall bear the following fees:

1. Investment management fee

The investment management fee payable by the sub-fund to the Management Company is :

P- & E- Shares	C- Shares	I- Shares	X- & Y- Shares	Q- Shares
1.00%	0.50%	0.40%	Nil	0,75%

2. Performance fee

Nil

3. Depositary fee

The maximum annual fee payable to the Depositary will not exceed 0,125% of the net asset value of the sub-fund, plus any VAT if applicable. Reasonable expenses incurred by the Depositary or by other banks and financial institutions to whom safekeeping of the assets of Nordea 1, SICAV is entrusted are additional to the Depositary fee.

4. Administration fee

The sub-fund shall pay an administration fee of up to 0.4000% p.a., plus any VAT if applicable to the Administrative Agent.

5. Ongoing charges

AI-EUR	0.58%
AP-EUR	1.44%
BI-EUR	0.58%
BP-EUR	1.41%

### Fees charged to the sub-fund

The sub-fund shall bear the following fees:

1. Investment management fee

The investment management fee payable by the sub-fund to the Management Company is

P- & E- Shares	C- Shares	I- Shares	X- & Y- Shares	Q- Shares
1.00%	0.60%	0.50%	Nil	1.00%

2. Performance fee

Nil

3. Depositary fee

The maximum annual fee payable to the Depositary will not exceed 0,125% of the net asset value of the sub-fund, plus any VAT if applicable. Reasonable expenses incurred by the Depositary or by other banks and financial institutions to which safekeeping of the assets of Nordea 1, SICAV is entrusted are additional to the Depositary fee.

4. Administration fee

The sub-fund shall pay an administration fee of up to 0.4000% p.a., plus any VAT if applicable to the Administrative Agent.

5. Ongoing charges

AI-EUR	0.71%
AP-EUR	1.34%
BI-EUR	0.71%
BP-EUR	1.34%

BQ-EUR	1.00%		BP-EUR	1.34%
E-EUR	2.12%		E-EUR	2.09%
HB-DKK	1.40%		HB-DKK	1.25%
HB-SEK	1.42%		HB-SEK	1.34%
HBI-NOK	0.58%		HBI-NOK	0.72%
HBI-SEK	0.58%		HBI-SEK	0.72%
HBQ-SEK	1.00%		HB-SEK	1.34%
X-EUR	0.08%		X-EUR	0.08%
Y EUR	0.08%		Y-EUR	0.08%