

Nordea 1, SICAV

Société d'Investissement à Capital Variable
R.C.S. Luxembourg B 31442
562, rue de Neudorf, L-2220 Luxembourg

NOTICE TO SHAREHOLDERS

The shareholders (the "Shareholders") of Nordea 1, SICAV (the "Company") are hereby informed that a new prospectus of the Company (the "Prospectus") will enter into force on 18 March 2016, unless a different date is defined for individual changes hereafter, for the purpose of including in the Prospectus, among others, the changes summarised below.

- **European High Yield Bond Fund II**
This sub-fund will invest in contingent convertible bonds and compare its performance in EUR against the Merrill Lynch European Currency High Yield Constrained index – Total Return 100% Hedged to EUR.
- **European Low CDS Government Bond Fund**
The investment policy of this sub-fund changes so that the sub-fund will now invest globally in debt securities, directly or indirectly through the use of derivatives; Issuers of these debt securities may be located in emerging markets.
The Sub-fund's name also changes to "Global Short Duration Bond Fund".
- **International High Yield Bond Fund – USD Hedged**
The name of the sub-fund's reference index is specified: Merrill Lynch Global High Yield Constrained Index (USD hedged).
- **Global Stable Equity Fund – Unhedged**
The sub-fund's name changes to "Global Stable Equity Fund" to align its naming convention to other unhedged sub-funds.
- **Stable Equity Long/Short Fund** and **Unconstrained Bond Fund**
These sub-funds' names change to, respectively, "Stable Equity Long/Short Fund – Euro Hedged" and "Unconstrained Bond Fund – USD Hedged" to align their naming convention to other hedged sub-funds.
- **Emerging Market Bond Fund, Emerging Market Corporate Bond Fund, Indian Equity Fund, North American All Cap Fund, North American High Yield Bond Fund, North American Small Cap Fund, North American Value Fund, Norwegian Equity Fund, US Corporate Bond Fund**
These Sub-funds now includes the following specification regarding their currency hedging strategy: "The Sub-fund may be exposed to other currencies than the base currency through investments and/or cash holdings". This is not a change of investment policy.
- **Alpha 15, Emerging Market Blend Bond Fund, Emerging Market Local Debt Fund, Flexible Fixed Income Fund, Global Bond Fund, Heracles Long/Short MI Fund, Multi-Asset Fund, Renminbi High Yield Bond Fund, Stable Return Fund, Emerging Market Local Debt Fund Plus, GBP Diversified Return Fund, European Low CDS Government Bond Fund (to change to Global Short Duration Bond Fund)**
These Sub-funds now includes the following specification regarding their currency hedging strategy: "The Sub-fund may be exposed to other currencies than the base currency through investments and/or cash holdings. The Sub-fund will use this currency exposure actively in the investment strategy". This is not a change of investment policy.
- **Danish Mortgage Bond Fund, European Covered Bond Fund, European Cross Credit Fund, European Financial Debt Fund, European High Yield Bond Fund, European High Yield Bond Fund II, International High Yield Bond Fund – USD Hedged, Low Duration US High Yield Bond Fund, Nordic Corporate Bond Fund – Euro Hedged, Stable Equity Long/Short Fund (to change to Stable Equity Long/Short Fund – Euro Hedged), US High Yield Bond Fund, Global Stable Equity Fund – Euro Hedged, Unconstrained Bond Fund (to change to Unconstrained Bond Fund – USD Hedged)**
These Sub-funds now includes the following specification regarding their currency hedging strategy: "The Sub-fund may be exposed to other currencies than the base currency through investments and/or cash holdings. In this Sub-fund, the majority of all currency exposures are hedged to the Base currency". This is not a change of investment policy.
- **African Equity Fund, Asian Focus Equity Fund, Brazilian Equity Fund, Chinese Equity Fund, Climate and Environment Equity Fund, Emerging Consumer Fund, Emerging Markets Focus Equity Fund, Emerging Markets Small Cap Fund, Emerging Stars Equity Fund, European Focus Equity Fund, European Opportunity Fund, European Small and Mid Cap Equity Fund, European Value Fund, Global High Yield Bond Fund, Global Opportunity Fund, Global Portfolio Fund, Global Real Estate Fund, Global Small Cap Fund, Global Value Fund, Latin American Equity Fund, Nordic Equity Fund, Nordic Equity Small Cap Fund, Nordic Ideas Equity Fund, Nordic Stars Equity Fund, Senior Generations Equity Fund, Stable Emerging Markets Equity Fund, Global Dividend Fund, Global Ideas Equity Fund, Global Stable Equity Fund – Unhedged (to change to Global Stable Equity Fund)**

Investment Funds

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These Sub-funds now includes the following specification regarding their currency hedging strategy: "The Sub-fund will be exposed to other currencies than the base currency through investments and/or cash holdings". This is not a change of investment policy.

- **Danish Bond Fund, Danish Kroner Reserve, European Corporate Bond Fund, European Corporate Bond Fund Plus, European Diversified Corporate Bond Fund, Norwegian Bond Fund, Norwegian Kroner Reserve, Swedish Bond Fund, Swedish Kroner Reserve, US Total Return Bond Fund, Emerging Market Hard Currency Bond Fund**

These Sub-funds now includes the following specification regarding their currency hedging strategy: "The Sub-fund may be exposed to other currencies than the base currency through investments and/or cash holdings. The main currency exposure in this Sub-fund is to the base currency". This is not a change of investment policy.

- **Alpha 15, Multi-Asset Fund and Stable Equity Long/Short Fund (to change to Stable Equity Long/Short Fund – Euro Hedged)**
No performance fee will be applied to these Sub-funds. In addition, the investment management fee is amended as follows:

Sub-funds	P-Shares & E-Shares		I-Shares	
	before	new fees	before	new fees
Alpha 15	1.7000%	2.0000%	1.5000%	1.2000%
Multi-Asset Fund	1.0000%	1.7000%	1.0000%	1.0000%
Stable Equity Long/Short Fund (to change to Stable Equity Long/Short Fund – Euro Hedged)	1.2000%	1.7000%	0.6000%	1.0000%

- New investment management fee for C-Shares in the following Sub-funds:

Sub-funds	C-Shares	
	before	new fees
European Diversified Corporate Bond Fund	0.4000%	0.3000%
European Low CDS Government Bond Fund (to change to Global Short Duration Bond Fund)	0.4000%	0.3500%
US Corporate Bond Fund	0.4000%	0.4500%
Flexible Fixed Income Fund,	0.4000%	0.5000%
European Corporate Bond Fund Plus, Nordic Corporate Bond Fund – Euro Hedged	0.4500%	0.5000%
Global Portfolio Fund	0.5000%	0.6000%
European Cross Credit Fund, European Financial Debt Fund, European High Yield Bond Fund, European High Yield Bond Fund II	0.5500%	0.6000%
US Total Return Bond Fund	0.6000%	0.6500%
Stable Equity Long/Short Fund (to change to Equity Long/Short Fund – Euro Hedged)	0.6000%	1.1000%
Emerging Market Bond Fund, Emerging Market Hard Currency Bond Fund, Emerging Market Local Debt Fund	0.7000%	0.7500%
Global High Yield Bond Fund, International High Yield Bond Fund – USD Hedged, Low Duration US High Yield Bond Fund, North American High Yield Bond Fund, US High Yield Bond Fund	0.7500%	0.8000%
Unconstrained Bond Fund (to change to Unconstrained Bond Fund – USD Hedged)	0.8000%	0.7500%
Emerging Market Local Debt Fund Plus	0.8000%	0.8500%
Emerging Market Blend Bond Fund, Emerging Market Corporate Bond Fund	0.8500%	0.9000%
Asian Focus Equity Fund, Climate and Environment Equity Fund, Emerging Consumer Fund, Emerging Stars Equity Fund, European Focus Equity Fund, European Opportunity Fund, European Small and Mid Cap Equity Fund, European Value Fund, Global Dividend Fund, Global Ideas Equity Fund, Global Opportunity Fund, Global Real Estate Fund, Global Small Cap Fund, Global Stable Equity Fund – Euro Hedged, Global Stable Equity Fund – Unhedged (to change to Global Stable Equity Fund), Global Value Fund, North American All Cap Fund, North American Small Cap Fund, Norwegian Equity Fund, Senior Generations Equity Fund, Stable Return Fund	0.8500%	0.9500%
Emerging Markets Small Cap Fund	0.9500%	1.0500%
North American Value Fund	1.0000%	0.9500%
Brazilian Equity Fund, Chinese Equity Fund, Emerging Markets Focus Equity Fund, Indian Equity Fund, Latin American Equity Fund, Multi-Asset Fund, Nordic Equity Fund, Nordic Equity Small Cap Fund, Nordic Ideas Equity Fund, Nordic Stars Equity Fund, Renminbi High Yield Bond Fund, Stable Emerging Markets Equity Fund	1.0000%	1.1000%
Heracles Long / Short MI Fund, Alpha 15	1.2000%	1.3000%
African Equity Fund	1.5000%	1.6000%

- The application of the investment policy of the following Sub-funds has shown that their expected level of leverage should be adapted as follows:

Sub-funds	Expected level of leverage (in % of NAV) as sum-of-notional	Expected level of leverage (in % of NAV) under commitment approach
Global High Yield Bond Fund	150%	120%
US Corporate Bond Fund	250%	250%

US High Yield Bond Fund	120%	120%
European Financial Debt Fund	250%	200%
Heracles Long/Short MI Fund	1100%	1000%
Unconstrained Bond Fund (to change to <i>Unconstrained Bond Fund – USD Hedged</i>)	300%	300%

The higher expected level of leverage, where applicable, will not result in an increased risk level of the Sub-funds at stake.

- In Chapter 5. “Share Capital” of the Prospectus, section 5.3. “Hedging”, the paragraph re currency hedging is clarified.
- In Chapter 9. “Special Risks Considerations” of the Prospectus, the paragraph re “risks associated with currency hedging” is clarified.
- In Chapter 10. “Management Company” of the Prospectus:
 - the presentation of the Investment management fee relating to the D-Shares and the Q-Shares is changed: it is set as per application;
 - details of the remuneration policy are included, as per the Directive 2014/91/EU of 23 July 2014 on UCITS as regards depositary functions, remuneration policies and sanctions (the “**UCITS V Directive**”).
- Since 4 January 2016, the investment sub-manager Pramerica Investment Management Limited has changed its name to PGIM Limited.
- In Chapter 14. “Depositary” of the Prospectus: information concerning the depositary is included, as per the UCITS V Directive.
- Chapter 24. “Registered Office & Boards of Directors” takes into account, among others, that Ninni Franceschi has replaced Snorre Storset as Board Member of the Management Company.

Shareholders who do not agree to the changes as described above may redeem their Shares free of any 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 the Company and the Management Company. Such redemption request must be submitted in accordance with the terms of the Prospectus and must be received by Nordea Bank S.A. (as Administrative Agent) at the below address by 17 March 2016, 15:30 CET at the latest.

An updated version of the Prospectus dated March 2016 may be obtained, free of any charges, at the Registered Office of the Company or Nordea Bank S.A. at 562, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, and on the website www.nordea.lu, in the Download Centre, under the “KIID/Prospectus” section, as soon as the Luxembourg regulatory authority (the “**CSSF**”) has issued the visa-stamped official Prospectus.

Capitalized terms in this notice shall have the meaning ascribed to them in the Prospectus unless the context otherwise requires.

Shareholders having any question relating to the above changes should not hesitate to contact their financial advisor or Nordea Investment Funds S.A., Client Relationship Services, on telephone +352 43 39 50 - 1.

Luxembourg, February 2016
The Board of Directors of Nordea 1, SICAV