

Nordea 1, SICAV

Société d'Investissement à Capital Variable
R.C.S. Luxembourg B 31442
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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 April 2017, unless a different date is defined for individual changes hereafter, for the purpose of including in the Prospectus, among others, the changes summarised below.

- **All Sub-funds**
 - The header of the section "Investment objective" (or in certain case "Fund Investment Objective") is changed to "Objective and investment policy".
 - The header of the section "Eligible assets and investment policy" is changed to "Eligible assets".
- **African Equity Fund**

The sentence "will concentrate its investments in a more limited number of companies and the resulting portfolio will be less diversified" has been deleted from the section "Eligible assets".
- **African Equity Fund, Asian Focus Equity Fund, Emerging Markets Small Cap Fund, European Focus Equity Fund, European Small and Mid Cap Equity Fund, European Value Fund, Global Idea Equity Fund, Global Opportunity Fund, Global Portfolio Fund, Global Small Cap Fund, Global Stable Equity Fund - Euro Hedged, Global Stable Equity Fund, Nordic Equity Fund, Nordic Equity Small Cap Fund, Nordic Ideas Equity Fund, Nordic Stars Equity Fund, North American All Cap Fund, North American Small Cap Fund, North American Value Fund, Norwegian Equity Fund**

The investment objective has been clarified by redrafting it into: "The Sub-fund's objective is to provide Shareholders with long-term capital appreciation."
- **African Equity Fund, Chinese Equity Fund, Emerging Consumer Fund, Emerging Markets Focus Equity Fund, Emerging Markets Small Cap Fund, Emerging Stars Equity Fund, European Focus Equity Fund, European Small and Mid Cap Equity Fund, European Value Fund, Global Climate and Environment Fund, Global Ideas Equity Fund, Global Dividend Fund, Global Long Short Equity Fund – USD Hedged, Global Opportunity Fund, Global Portfolio Fund, Global Small Cap Fund, Global Stable Equity Fund, Global Stars Equity Fund, Indian Equity Fund, Latin American Equity Fund, Nordic Equity Fund, Nordic Equity Small Cap Fund, Nordic Ideas Equity Fund, Nordic Stars Equity Fund, North American All Cap Fund, North American Small Cap Fund, North American Value Fund, Norwegian Equity Fund, Stable Emerging Markets Equity Fund, Stable Equity Long/Short Fund – Euro Hedged**

In the section "Eligible assets" the expression "equities and Equity Related Securities" was redundant and therefore has been replaced by "Equity Related Securities".
- **Asian Focus Equity Fund, Emerging Markets Focus Equity Fund, European Focus Equity Fund**

The investment policy has been clarified by describing the "International Focus Equities Concept" directly in the Sub-funds' specifications so that investors do not need to refer to the definition of the concept: "The Sub-fund invests in companies that are undervalued in relation to their ability to generate cash flow over the long term."
- **Asian Focus Equity Fund, Emerging Markets Small Cap Fund, Global Opportunity Fund, Global Small Cap Fund, Latin American Equity Fund, North American All Cap Fund, North American Small Cap Fund**

The investment objective has been clarified by removing the following sentence: "In the long run, the Sub-fund aims to offer a return that is higher than the return of its reference index."
- **European Value Fund, North American Value Fund**

The investment policy has been clarified by describing the "Value Investment Concept" directly in the Sub-funds' specifications so that investors do not need to refer to the definition of the concept: "The investment manager invests in securities of companies which are significantly undervalued compared to the estimated earning power of these companies."
- **Global Real Estate Fund**

The first paragraph of the section "Eligible assets" has been redrafted by removing "publicly traded equity securities of companies engaged in the real estate industry" and replacing it with "Real Estate Equity Securities. These securities typically include:- equity of companies active in the development and / or the ownership of income producing property, as well as - units (or shares) of collective investment vehicles with exposure to property such as publicly quoted property unit trusts and Real Estate Investment Trusts (REITs)."
- **Latin American Equity Fund, Stable Emerging Markets Equity Fund**

The following sentence has been removed from the investment objective as an unnecessary description of the Sub-funds' features "while using the principle of risk spreading and future potential growth".

- Nordic Equity Fund, Nordic Equity Small Cap Fund, Nordic Ideas Equity Fund, Nordic Stars Equity Fund**
The investment policy has been clarified by adding the following sentence: “The investment manager determines the fair value of a company by its long term sustainable cash generation. Attractive investment opportunities, arising when securities prices deviate from their fair values, are exploited by investing with a long term investment horizon in companies priced at a discount to fair value. The disciplined investment process is furthermore characterized by rigorous independent research, a high active share and low portfolio turnover.”
- Nordic Ideas Equity Fund**
The sentences “The Sub-fund applies a high conviction investment policy in the form of a focused portfolio of equities. Investment decisions are based on a fundamental stock selection process.” have been deleted from the section “Objective and investment policy”.
- Nordic Stars Equity Fund**
The sentence “Within these minimum three-fourths of its Total Assets, the Sub-fund will have particular focus on the companies’ ability to comply with international standards for environmental, social and corporate governance and use this actively in the investment process.” i) has been moved from the section “Eligible assets” to the section “Objective and investment policy” and ii) has been changed as follows “Within the investment restriction limits listed below, the Sub-fund invests its assets in companies with a particular focus on their ability to comply with international standards for environmental, social and corporate governance.”
- Danish Bond Fund, Norwegian Bond Fund, Swedish Bond Fund**
The investment objective has been clarified by replacing (the example refers to the Sub-fund Danish Bond Fund, the other Sub-funds follow the same logic) “to provide a stable, high yield exceeding the average interest level in Denmark” with “to provide a return exceeding the average return of the Danish bond market.”
- Danish Kroner Reserve, Norwegian Kroner Reserve, Swedish Kroner Reserve**
The paragraph “This Sub-fund may invest up to one-third of its Total Assets in Debt Securities denominated in currencies other than the Base Currency of the Sub-fund” has been removed from the section “Eligible assets”.
- Danish Mortgage Bond Fund, European Cross Credit Fund**
These Sub-funds do not compare their performance against any reference index and therefore the investment objective has been clarified by pointing out that their objective is to “provide a return on the investment primarily consisting of interest income and long-term capital appreciation.”
- Emerging Market Local Debt Fund, Emerging Market Local Debt Fund Plus**
The investment objective has been clarified by replacing “to achieve long-term capital growth by investing in Debt Securities issued predominantly by sovereigns in Emerging Markets” with “to preserve the Shareholder’s capital and to provide a return exceeding the average return of the Emerging Market bonds market.”
- Emerging Market Local Debt Fund Plus**
The investment objective has been clarified by removing the following sentence: “This Sub-fund uses its reference index as a benchmark for investment purposes, and takes an active view with the aim of reaching a long-term performance that is higher than that of the reference index.”
- European Financial Debt Fund**
In the section “Eligible assets” the term “bond” has been replaced with the broader and defined term “Debt Securities” (the latter term being defined “Bonds, warrants on Bonds, notes, asset-backed securities, inter alia mortgage-backed securities and pass-through securities, certificates of deposit, debentures and Contingent Convertible Bond. Such Debt Securities can appear in the form of fixed rate, floating rate, interest-bearing securities, zero coupon, inflation-linked, perpetual and/or dual currency bonds. Debt Securities can be issued by public authorities, supranational institutions, companies and/or credit institutions. Investments in Debt Securities shall comply in particular with section I E. (7) in Chapter 8 “Investment Restrictions” of th[e] Prospectus.”).
- European High Yield Bond Fund**
The investment policy has been specified by adding “The Sub-fund aims to achieve its objectives by investing directly into securities or indirectly via the use of Derivatives.”
- Global Bond Fund**
The investment objective has been clarified

 - by replacing “to provide a stable high yield exceeding the interest level represented by the Sub-funds’ reference index.” with “to provide a return exceeding the average return of the global bond market.”, and
 - by removing the following sentence “This Sub-fund is further using its reference index as a tool for performance comparison purposes.”
- 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 Corporate Bond Fund, US High Yield Bond Fund**
In the section “Eligible assets” the term “companies” has been replaced with the broader and defined term “Private Borrowers” (the latter term being defined as “compr[ising], among others, corporations, municipalities and mortgage institutions”).

- **Low Duration US High Yield Bond Fund**
The investment objective has been clarified by replacing “to achieve a long-term capital appreciation by investing predominantly in high yield debt instruments.” with “to provide a return on the investment, primarily consisting of interest income and long-term capital appreciation.”
- **North American High Yield Bond Fund**
The investment objective has been specified by replacing “to provide a return exceeding the average return of the North American High Yield Bond market” with “to provide a return exceeding the average return of the US High Yield Bond market”.
- **Renminbi High Yield Bond Fund**
The investment objective has been clarified by replacing “to achieve long-term capital growth by investing mainly in high-yield debt securities” with “to provide a return on the investment, primarily consisting of interest income and long-term capital appreciation”.
- **Unconstrained Bond Fund – USD Hedged**
The reference to “Emerging Markets” has been removed from the section “Eligible asset”.
- **GBP Diversified Return Fund, Stable Return Fund**
In the section “Eligible assets” the process for the determination of asset allocation has been clarified as follows: “The asset allocation will vary over time, in anticipation of market movements.”
- **Alpha 15, Multi-Asset Fund**
The first paragraph of the section “Eligible assets” has been aligned as follows: “Without limiting the Sub-fund from investing into any further eligible instruments, the most common instruments used to implement the aforementioned strategies will be:
- Transferable Securities (mainly Equity Related Securities and Debt Securities),
- Money Market Instruments, including commercial papers and certificates of deposits,
- Derivatives, such as contract for differences, credit default swaps, futures on indices and individual equities, and forwards (including non-deliverable forwards) on currencies.
- UCITS and/ or open-ended UCIs, including open-ended ETFs.”
- **African Equity Fund, Asian Focus Equity Fund, Chinese Equity Fund, Danish Kroner Reserve, Emerging Consumer Fund, Emerging Markets Focus Equity Fund, Emerging Markets Small Cap Fund, Emerging Stars Equity Fund, European Financial Debt Fund, European Focus Equity Fund, European Small and Mid Cap Equity Fund, European Value Fund, GBP Diversified Return Fund, Global Climate and Environment Fund, Global Ideas Equity Fund, Global Long Short Equity Fund – USD Hedged, Global Opportunity Fund, Global Portfolio Fund, Global Small Cap Fund, Global Stable Equity Fund – Euro Hedged, Global Stable Equity Fund, Heracles Long/Short MI Fund, Indian Equity Fund, Latin American Equity Fund, Nordic Equity Fund, Nordic Equity Small Cap Fund, Nordic Ideas Equity Fund, Nordic Stars Equity Fund, North American All Cap Fund, North American Small Cap Fund, North American Value Fund, Norwegian Equity Fund, Norwegian Kroner Reserve, Stable Emerging Markets Equity Fund, Stable Equity Long/Short Fund – Euro Hedged, Stable Return Fund, Swedish Kroner Reserve, US Bond Opportunities Fund, US Total Return Bond Fund**
The following information is removed from the section “Eligible assets” (previously “Eligible assets and investment policy”): “This Sub-fund may accessorially hold liquid assets in all currencies in which investments are effected as well as in the currency of its respective Share Class(es).”
- **Danish Bond Fund, Danish Mortgage Bond Fund, Emerging Market Bond Opportunities Fund, Emerging Market Bond Fund, Emerging Market Hard currency Bond Fund, Emerging Market Local Debt Fund, Emerging Market Local Debt Fund Plus, European Corporate Bond Fund, European Covered Bond Fund, European Cross Credit Fund, European Diversified Corporate Bond Fund, European High Yield Bond Fund, European High Yield Bond Fund II, Global Bond Fund, Global High Yield Bond Fund, Flexible Fixed Income Plus Fund, International High Yield Bond Fund – USD Hedged, Low Duration US High Yield Bond Fund, North American High Yield Bond Fund, Norwegian Bond Fund, Renminbi High Yield Bond Fund, Swedish Bond Fund, Unconstrained Bond Fund – USD Hedged, US Corporate Bond Fund, US High Yield Bond Fund**
The following information is removed from the section “Eligible assets” (previously “Eligible assets and investment policy”): “This Sub-fund may accessorially hold liquid assets in all currencies in which investments are effected, as well as in the currency of its respective Share Class(es).”
- **Emerging Market Corporate Bond Fund, European Corporate Bond Fund Plus**
The following information is removed from the section “Eligible assets” (previously “Eligible assets and investment policy”): “This Sub-fund may accessorially hold liquid assets in all currencies in which investments are effected, as well as in the currency of its respective Share Class(es) and/or Sub-Class(es).”
- **Global Dividend Fund**
The following information is removed from the section “Eligible assets” (previously “Eligible assets and investment policy”): “This Sub-fund may accessorially hold liquid assets in all currencies in which investments are effected as well as in the currency of its respective Share Class(es) and may be exposed to other currencies than the Base Currency.”
- **Global Stars Equity Fund**
The following information is removed from the section “Eligible assets” (previously “Eligible assets and investment policy”): “This Sub-fund may accessorially hold liquid assets in all currencies in which investments are effected as well as in the currency of its respective Share Class(es) and/or Sub-Share Class(es).”

- **Asian Focus Equity Fund, Emerging Consumer Fund, Emerging Markets Focus Equity Fund, Emerging Stars Equity Fund**
The maximum investment limit in China A-Shares via Stock Connect is raised from 10% to 25% of the Sub-fund's Total Assets.
- **Asian Focus Equity Fund, Renminbi High Yield Bond Fund**
The eligible assets of these Sub-funds are now broader as the new definition of the term "Asia" now includes "Sri-Lanka".
- **Chinese Equity Fund**
The maximum investment limit in China A-Shares via Stock Connect is raised from 10% to 50% of the Sub-fund's Total Assets.
- **Emerging Market Bond Opportunities Fund**
The "Derivative" section on the hedged Share Classes has been clarified.
- **Flexible Fixed Income Plus Fund**
The following specification re convertible bonds is removed from the section "Eligible assets" (previously "Eligible assets and investment policy"): "(which may include, to a limited extent, bonds which have converted into equity)"
- **Global Climate and Environment Fund**
The following information is removed from the section "Eligible assets" (previously "Eligible assets and investment policy"): "Within the above-mentioned restrictions and the Company's general investment restrictions, this Sub-fund will invest its assets in companies which are expected to benefit either directly or indirectly from developments related to environmental challenges such as climate change" The information re the companies invested in now specified as follows: "[Equity Related Securities] issued by companies operating in alternative energy resource efficiency and environment protection."
- **Global Long Short Equity Fund – USD Hedged, Heracles Long/Short MI Fund**
The methodology for the calculation of the performance fee has been amended as follows: "The Performance Fee shall be calculated only on the performance exceeding the all-time highest end of year Net Asset Value per Share ("High Watermark")." The new methodology for the calculation applies as of 27 September 2016 and it is in the interest of shareholders as it results in lower Performance Fees than the precedent model.
- **International High Yield Bond Fund – USD Hedged, North American High Yield Bond Fund**
In the section "Eligible assets" (previously "Eligible assets and investment policy") the minimum limit of two-thirds now is referred to total assets "including cash".
- **US Bond Opportunities Fund**
Following the acquisition of Barclays Risk Analytics and index Solutions Ltd. by Bloomberg, the name of the Reference index has been changed to "Bloomberg Barclays US Aggregate Index".
- **US Corporate Bond Fund**
Following the acquisition of Barclays Risk Analytics and index Solutions Ltd. by Bloomberg, the name of the Reference index has been changed to "Bloomberg Barclays US Credit Index".
- In Chapter 2. "Terms and definitions used in this Prospectus"
 - The definition of the term "Asia" now includes "Sri Lanka".
 - The definition of the term "P-Notes, Participatory Notes" has been redrafted so as to broaden its scope.
 - The definition of the terms "China A-Shares" and "Stock Connect" have been amended to include shares listed on Shenzhen Stock Exchange and Hong Kong-Shenzhen Stock Connect, respectively.
- In Chapter 3. "Introduction", the definition of "US Persons" has been partially redrafted and updated.
- In Chapter 5. "Share Capital":
 - Registered Book shares are now indicated as being issued as fractions of Shares with 3 decimal places.
 - A specification is added to the description of Share classes with prefix M to point out that the monthly distributions will be paid in cash and therefore not reinvested.
- In Chapter 6. "Share Dealing"
 - The section "Restriction on Subscriptions and Conversions" has been redrafted to specify that Sub-funds and Share Classes may be closed to Subscriptions and Conversions in without notice to Shareholders;
 - Following the repeal of Directive 2003/48/EC (the Savings Tax Directive), in the section "Conversion Fee" of section 6.3.1. "Conversion Request", any reference to the said directive has been removed.
 - Section 6.1.3. "Settlement of Subscription" has been partially amended to take into account currency holidays in the subscription payment process.
 - Section 6.2.2. "Settlement of Redemption" has been partially amended to take into account currency holidays in the redemption payment process.
 - Section 6.3.2. "Settlement of Conversion" has been partially amended to take into account currency holidays in the conversion payment process.
- In Chapter 8. "Investment Restriction"
 - In section II

- i) The disclosure on the expected level of leverage has been further specified as follows *“In case the expected level of leverage in the table above is disclosed as a maximum level, the actual level of leverage may exceed the above mentioned level for limited periods of time.”*
 - ii) For the Sub-funds where the disclosed expected level of leverage is the maximum expected level of leverage, it is specified that such level of leverage *“is not expected to exceed the maximum expected level although the level can notably vary over time.”*
- o In section III specific disclosures concerning the use of securities lending and borrowing transactions, repurchase agreement and buy-sell back transactions and total return swaps have been included.
- In Chapter 9. “Special Risk Considerations”
 - o the section on “Risk associated with Currency Hedged Share Classes” has been redrafted by replacing “[...] *while the hedging strategy may protect investors in the relevant Currency Hedged Share Class(es) against a decrease in the value of the currency exposure of the underlying portfolio holdings relative to the denominative currency of the Currency Hedged Share Class, it may as well preclude investors from benefiting from an increase in the currency value of the underlying portfolio holdings.*” with *“The currency hedging on the Hedged Share Classes has no correlation with the currency exposure of the Sub-fund’s portfolio holdings.”*;
 - o the sections “Special risks associated with investment in China relevant especially for the Equity Sub-funds of the Company” and “Risks related to the dealing in China A-Shares via Stock Connect” have been amended, and the section “Risks associated with the Small and Medium Enterprise board and/or ChiNext market” has been added.
- In Chapter 11. “Investment Managers” the address of the investment manager Nordea Investment Management AB has been updated.
- In Chapter 14. “Depositary”
 - o A specific disclosure has been added for cases where the law of a local market requires assets to be held by a local sub-custodian that does not fulfil the depositary’s due diligence requirements. The delegation would still be possible if the depositary is so instructed by the Management Company and the investors are informed prior to their investment. This information, together with information on the risks involved in the delegation, will be made available to investors on the website www.nordea.lu.
 - o A specific disclosure relating to the safekeeping of collateral: *“Collateral posted in favour of a Fund under a title transfer arrangement should be held by the Depositary or one of its correspondents or sub-custodians. Collateral posted in favour of a Fund under a security interest arrangement (e.g., a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral”*.
- In Chapter 17. “Fees and Expenses”, following the repeal of Directive 2003/48/EC (the Savings Tax Directive), the reference to such directive has been removed.
- In Chapter 18. “Taxation of the Shareholders”, following the repeal of Directive 2003/48/EC (the Savings Tax Directive), any reference to such directive has been removed and the disclosures about Automatic exchange of information has been updated to reflect the most recent development of the applicable legislation.
- In Chapter 26. “Representative & Paying Agents outside Luxembourg”, the names of the Representative and Sub-Paying Agent in Denmark, and of the Paying Agents in Finland and Norway have been updated. The address of the Representative Agent in Sweden has been updated.
- In Chapter 27. “Counterparties”, in the section concerning OTC Derivatives:
 - o Morgan Stanley Capital Services (MSCS) has been removed;
 - o Natixis, Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA has been added.

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 instruction must be received in writing by Nordea Bank S.A. (as Administrative Agent) at the below address by 17 April 2017, 15:30 CET at the latest.

An updated version of the Prospectus dated April 2017 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 or, if available, on local Nordea websites.

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, March 2017
The Board of Directors of Nordea 1, SICAV