

Key Information Document

Purpose

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

Product

Product name	FX Average Rate Forward
Legal name	Nordea Bank Abp
Regulated by	Finnish Financial Supervisory Authority
Produced	30.07.19
	Call +358 200 3000 for more information or visit www.nordea.com

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

What is this product?

Type	This product is a derivative contract in the form of a forward relating to currencies.
Objectives	<ul style="list-style-type: none"> The objective of this product is to settle an amount on a future date (maturity date). The amount is based on the difference between an agreed forward rate (strike price) and the calculated average price of the underlying FX spot rate during an agreed time period multiplied by an agreed amount. It may be used as a protection against adverse changes in exchange rates. The product achieves its objective by you and Nordea agreeing to the terms of the FX Average Rate Forward under which you and Nordea agree to settle the difference between the forward rate (strike price) and the calculated average price of the underlying FX spot rate multiplied by an agreed amount on the maturity date. The dates, the source and the method of calculation of the average rate are pre agreed. The payment under an FX Average Rate Forward is the difference between the agreed forward rate and the calculated average reference price times the agreed amount on the maturity date. You may either be payer or receiver of the payment. The forward rate is the sum of the current exchange rate (the FX spot rate) and the forward points (i.e the difference in interest rates in both currencies for the maturity date of the product). If pre agreed it is possible to cash-settle the value of the FX Average Rate Forward against a specified reference rate (fixing rate). The date and the source of the fixing rate are pre agreed. The market value of the FX Average Rate Forward is exposed to changes in the current exchange rate between the two currencies and changes in the market interest rates in both currencies for the time to maturity of the product. The FX Average Rate Forward is a bilateral agreement that cannot ordinarily be terminated unilaterally by either you or Nordea. It is a product that is entered into for its term, although early termination may occur in the event of a default of either you or Nordea. The agreement between you and Nordea provides that if certain exceptional events occur (1) Nordea may make adjustments to certain products and/or (2) Nordea or you may terminate the product early. These events are specified in more detail in the agreement between you and Nordea. The product may also be terminated upon mutual agreement. The amount (if any) you receive or pay on such early termination is likely to be different from the scenarios described in this document. You may not be able to terminate this product even though you or Nordea have terminated or discontinued a product or a commercial flow that this product is aimed to hedge. Illustrative terms are set out below, which are illustrative of the terms of an FX Average Rate Forward, but which do not reflect the exact terms you agree with Nordea. The exact terms will be set out in an individual trade confirmation.

Nominal amount	10 000 USD
Currency 1	EUR
Currency 2	USD
Exchange rate	Pre-agreed
Reference price	ECB Fixing
Frequency	Daily
Maturity date	3 months from the trade date

Note that the performance and cost figures presented in the sections below are based on the recommended holding period of this product, which is less than one year. This might impact the comparability with other products for which the figures are presented per year.

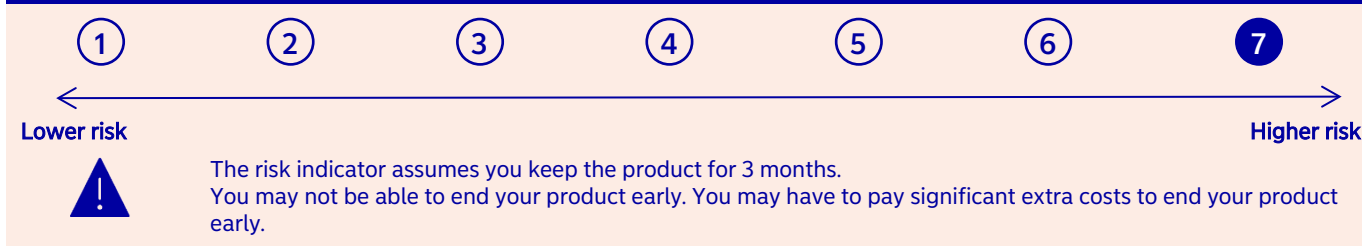
Intended retail investor The product FX Average Rate Forward is aimed at retail clients, who are interested in capital growth, hedging, income and other investment objectives and who have a very short-term investment horizon of less than 1 year. The FX Average Rate Forward is a product for basic investors, informed investors or advanced investors.*

* Basic investors have basic knowledge of relevant financial instruments and/or with no financial industry experience. Informed investors have average knowledge of relevant financial products and/or some financial industry experience. Advanced investors have good knowledge of relevant

The investor is able and willing to bear losses up to a certain range of the investment amount and puts no moderate emphasis on capital protection. On a scale of risk ranging from 1 (very low risk tolerance; very low to low return) to 7 (very high risk tolerance; highest return) the product FX Average Rate Forward falls in risk category 7.

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

Risk indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level, and poor market conditions are very unlikely to impact the capacity of Nordea Bank Abp to pay you.

When this product is combined with other products or commercial positions, the total portfolio will have a different net risk profile.

This product does not include any protection from future market performance so you could incur significant losses.

If we are not able to pay you what is owed, you could incur significant losses.

Performance scenarios

Nominal amount 10 000 EUR*

Scenarios

3 months
(Recommended holding period)

Stress scenario	What you might get back or pay after costs	8 624,46 EUR
	Percentage return	-13,76 %
Unfavourable scenario	What you might get back or pay after costs	9 470,96 EUR
	Percentage return	-5,29 %
Moderate scenario	What you might get back or pay after costs	9 805,85 EUR
	Percentage return	-1,94 %
Favourable scenario	What you might get back or pay after costs	10 129,32 EUR
	Percentage return	1,29 %

This table shows the money you could get back or pay over the next 3 months, under different scenarios, assuming that you invest 10 000 EUR. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where Nordea Bank Abp is not able to pay you. This product cannot be easily ended. This means it is difficult to estimate how much you would get back if you end before maturity. You will either be unable to end early or you will have to pay high costs or make a large loss if you do so. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

* The calculation is based on the notional of the contract (in this example 10 000 EUR).

What happens if Nordea Bank Abp is unable to pay out?

When buying the product you assume a credit risk on the issuer. In the event of the issuers bankruptcy, the holder of the product will have an unsecured claim versus the bank. Note that the product is not covered by any deposit guarantee scheme.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the performance of the product. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the recommended holding period. They include potential early exit penalties. The figures assume you invest 10 000 EUR. The figures are estimates and may change in the future.

Costs over time

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

Nominal amount 10 000 EUR

If you end at the recommended holding period

Total costs	EUR 137,00
Impact on return (RIY)	1,37 %

Composition of costs

The table below shows:

- The impact of the different types of costs on the performance of the product at the end of the recommended holding period.
- What the different cost categories mean.

This table shows the impact on return

One-off costs	Entry costs	1,37 %	The impact of the costs you pay when entering your investment. The impact of the costs of exiting your investment when it matures.
	Exit costs	n.a.	
Ongoing costs	Portfolio transaction costs	0 %	The impact of the costs of us buying and selling underlying investments for the product. The impact of the costs that we take for managing your investments and the costs presented in Section II.
	Other ongoing costs	0 %	

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

Recommended holding period: 3 months

This product is designed for staying invested until the maturity date.

This product cannot be easily ended. This means it is difficult to estimate how much you would get if you end before maturity. You will either be unable to end early or you will have to pay high costs or make a large loss if you do so.

How can I complain?

Any complaint regarding the product or the conduct of the manufacturer or persons within Nordea advising on, or selling the product can be submitted under the following website <https://www.nordea.fi/tietoa-nordeasta/tietoa-nordeasta/palveluasiamies.html>, in written form to Nordea Bank Abp, Palveluasiamies, 2219 Household, 00020 NORDEA or via email to palveluasiamies@nordea.com.

Other relevant information

The derivative master agreement governing the product is provided to you as separately agreed. Arrangements for mitigating credit risk may also be agreed between you and Nordea when required. The information contained in this Key Information Document does not constitute a recommendation to buy or sell the product and is no substitute for individual consultation with your bank or advisor. Nordea uses an independent external vendor to calculate the performance scenarios according to the methodology prescribed in the PRIIPs regulation and the supplementing regulatory technical standard. The methodology may cause the performance scenarios to be substantially more favourable (or less favourable) than the performance implied by Nordea's estimates, market consensus and implied market prices. Hence, Nordea's view is that an investment decision should not be based on the performance scenarios.