

Product and Risk Description

Purpose

This document provides you with key information about this product. The information is intended to help you understand the nature, risks, costs, potential gains and losses of this product.

Summary

Product name	Equity Down and Out Quanto Basket Put Option
Issuer of this document	Nordea Bank Abp (hereafter "Nordea")
Regulated by	Finnish Financial Supervisory Authority
Produced	21.11.23

What is this product?

Description

Down and Out Put Option is a barrier put option. The option has an individual stock, an individual index, or a basket of stocks or indices as underlying. At maturity, the option holder receives the payout of the put option, if the underlying has not at any observation date throughout the option lifetime fixed below a predefined barrier level. This means if the barrier level is breached at any observation date, the option knocks out and payout equals the knock out rebate. The barrier level must be less than the strike level. Down and In Put Option is a barrier put option. The option has an individual stock, an individual index, or a basket of stocks or indices as underlying. At maturity, the option holder receives the payout of the put option, if the basket has at any observation date throughout the option lifetime fixed below the predefined barrier level. If the barrier level is not reached at any observation date, the option payout equals zero.

Intended investor

The product Equity Down and Out Quanto Basket Put Option is aimed at retail clients. The Equity Down and Out Quanto Basket Put Option is a product for advanced investors.*

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

These rates the potential losses from future performance at a very high level, and poor market conditions could impact the capacity of Nordea Bank Finland Plc to pay you. Main risk factors for Barrier Put Options: • The market value of the option is exposed to the forward price of the underlying assets, the time to expiry and the implied volatility. The market value of the put option will be negatively correlated with the price of the underlying assets while positively correlated with implied volatility and time to maturity. • Knock-Out risk: Knock-out feature makes the option to incorporate highly aggressive Greeks near the barrier level. The impact is greater the closer to an observation date one is. In the extreme case, risk becomes equal to a digital put option with coupon equal to strike minus barrier. If the barrier is reached, the risk of Down and Out Put Option becomes zero. • Knock-In risk: Knock-in feature makes the option to incorporate highly aggressive Greeks near the barrier level. The impact is greater the closer to an observation date one is. In the extreme case, risk becomes equal to the one of a digital put option with coupon equal to strike minus barrier. If the barrier is reached, the risk of Down and In Put Options naturally becomes equal to the one of standard put option.

Equity Down and Out Quanto Basket Put Option		
Market Parameters	Influence on market value when increasing	Influence on market value when decreasing
Changes in realised volatility	+	-

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

You are exposed to the risk that the issuer of this product or the counterparty (which may be Nordea), as applicable, might be unable to fulfil its obligations in respect of the product e.g. in the event of insolvency, an administrative order or bail-in. The product is not covered by any deposit protection scheme. Thus, you could lose the entire amount invested.

What are the costs?

The total costs take into account one-off, on-going, transaction, ancillary and incidental costs.

They include potential early exit penalties. The figures assume you invest 100,000 EUR nominal. The figures are estimates and may change in the future.

The costs charge for the investment is dependent on the risks associated with the transaction and the term of the investment.

We may include additional costs and charges on a case by case basis. If so, Nordea will provide you with information about these costs and charges prior to the point of sale, and will explain the impact that these costs will have on your investment over time.

Investment (based on above nominal)	Cumulative Costs
Combined cost to buy and exit the product	400
% p.a. of nominal	0.4

* Advanced investors have good knowledge of relevant financial products and transactions, and/or financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service.

Composition of costs on purchase of the product

Detailed Costs	Description	Amount in EUR	%
One-off costs	All costs and charges relating to the handling of the financial instrument paid to product suppliers as an entry cost or exit cost.	10	0.01
Ongoing costs	All on-going costs and charges that are related to the management of the financial instrument and deducted from the value of the financial instrument during the holding period of the investment in the financial instrument.	10	0.01
Transaction costs	All execution costs and charges associated with the buying or selling of the financial instrument performed by Nordea or another party.	10	0.01
Ancillary services	Any other costs and charges tied to servicing the financial instrument during the holding period of the financial instrument – such as research commissions.	10	0.01
Incidental costs	Any costs and charges tied to events during the holding period of the financial instrument – such as performance fees.	10	0.01

How to contact Nordea

If you need to get in contact with Nordea, you can either visit this website <https://www.nordea.fi/en/personal/get-help/tell-us-what-you-think-about-our-services.html> or write to us at Nordea Bank Abp, Satamaradankatu 5, FI-00020 NORDEA, Helsinki.