

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 Swap
Issuer of this document	Nordea Bank AB (publ) (hereafter „Nordea“)
Regulated by	Finansinspektionen
Produced	29.12.2017

What is this product?

Description

An equity swap is an agreement between two parties to pay (receive) the return (price performance plus dividends) of a specific equity, a basket of equities or an equity index against receiving (paying) the return of another asset, eg a specific equity, an equity index, a money market rate (eg Libor) or a basket of securities for a defined period.

The notional amount of the swap is not exchanged but is used solely to calculate the payments of the swap. These cash flows are exchanged periodically (ie monthly, quarterly) or at maturity.

The return on the stocks, indices or baskets is exchanged regardless of whether it is negative or positive. The settlement amount can be in physical assets or as a net cash differential amount.

Typically if a swap is based on exchanging a return on an equity for an interest payment, the price of the swap is expressed as a spread over or under the interest rate reference, eg Libor.

The price is subject to change until the transaction is agreed upon.

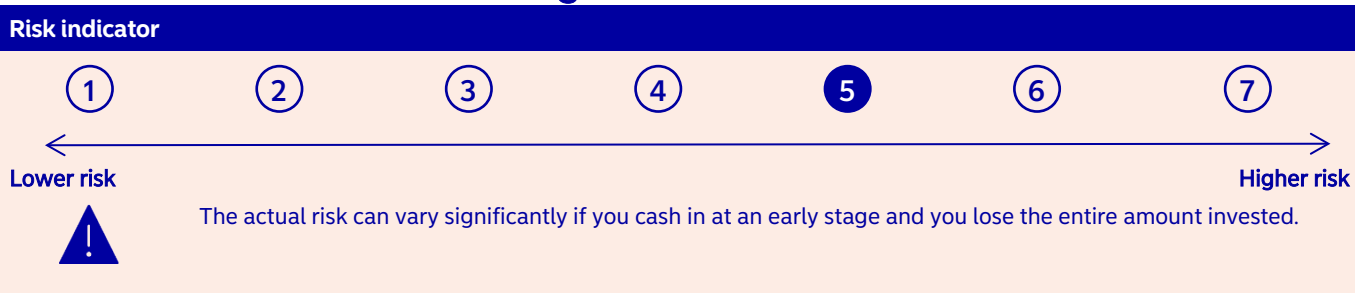
The right to terminate the swap is subject to negotiation between the two counterparties. In general there is a paragraph regulating the cost of an early termination, "the break cost" or "early termination fee". The terms of early termination need to be agreed upon in advance.

An equity swap is a non-standardised product, traded and settled OTC between the two parties. The terms and conditions are regulated under ISDA documentation.

Intended investor

The product Equity Swap is aimed at professional clients and eligible counterparties, who are interested in capital growth, hedging, leveraged participation and income. The Equity Swap is a product for informed investors and advanced investors.* The intended retail investor has a medium risk tolerance.

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



The summary risk indicator is a guide to the level of risk of this product compared to other products with a similar risk profile sold by Nordea. It shows that the potential risks that the product will lose money because of movements in the markets or because the issuer of this product or the counterparty (which may be Nordea), as applicable, is not able to pay you.

We have classified this product as 5 out of 7, which is a medium-high risk class.

The risk and profit loss descriptions relate to this product only.

If this product is combined with other products or commercial positions, the total portfolio will have a significantly different profile than the one for this product alone.

The market value of the equity swap is exposed to changes in the price of the underlying asset(s) which constitute(s) the basis for the calculations of the periodic return. Thus an increase in the price of the underlying asset(s) that constitute(s) the basis for calculating the return received (paid) will lead to an increase (decrease) in the market value of the equity swap and vice versa.

* Informed investors have average knowledge of relevant financial products and/or some financial industry experience. 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.

Equity Swap		
Market Parameters	Influence on market value when increasing	Influence on market value when decreasing
Not applicable	Not applicable	Not applicable

What happens if Nordea Bank AB (publ) Sweden 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	0
% p.a. of nominal	0

Composition of costs on purchase of the product

Detailed Costs	Description	Amount in EUR	% p.a.
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.	0	0
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.	0	0
Transaction costs	All execution costs and charges associated with the buying or selling of the financial instrument performed by Nordea or another party.	0	0
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.	0	0
Incidental costs	Any costs and charges tied to events during the holding period of the financial instrument – such as performance fees.	0	0

How can I complain?

Any complaint regarding the product or the conduct of the persons within Nordea advising on, or selling the product can be submitted under the following website https://www.nordea.se/om-nordea/om-nordea/kontakt.html#tab=Klagomal_Prata-med-oss-pa-Nordea, in written form to Nordea Bank AB (publ), Kundombudsmannen, M232, 105 71 Stockholm or via email to kundombudsmannen@nordea.com.

Other relevant information

Additional documentation may be available and could in such case be requested from Nordea Bank AB and is also available on the website www.nordea.com.