

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 Reverse Twin-win
Issuer of this document	Nordea Bank Abp (hereafter "Nordea")
Regulated by	Finnish Financial Supervisory Authority
Produced	24.04.24

What is this product?

Description

This product is a financial instrument in the form of a note.

The objective is to invest in a note which benefits from an underlying asset moving within a predefined interval. The return of the investment depends on the performance of the underlying asset during the lifetime of the investment.

The note is defined by the following details:

- Underlying asset or basket
- Start value (of underlying asset or basket)
- Strike
- Valuation date
- One or more Barrier Valuation Dates
- Barrier
- Maximum redemption amount
- Participation ratio 1 and Participation ratio 2
- Redemption date

If, on the valuation date, the value of the underlying asset is lower than the start value the note will pay the nominal amount plus the nominal amount multiplied by the absolute performance of the underlying asset multiplied by participation ratio 1, on the redemption date. However, the total payment will not exceed the maximum redemption amount.

If, on the valuation date, the value of the underlying asset is higher than the start value but is below the predefined barrier on all barrier valuation dates, the note will have a positive return. The note will then pay the nominal amount plus the nominal amount multiplied by the performance of the underlying asset multiplied by participation ratio 2, on the redemption date.

If the underlying asset is at or above the barrier on any barrier valuation date, the note will pay the nominal amount reduced by the positive performance of the underlying asset on the redemption date.

Performance is calculated by dividing the value of the underlying asset on the valuation date by the start value and subtracting the strike.

Intended investor

The product Equity Reverse Twin-win is aimed at professional clients and eligible counterparties, who are interested in capital growth, hedging, leveraged participation and income. The Equity Reverse Twin-win is a product for informed investors and advanced investors.*

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

In Equity-linked Note Reverse Twin-win the loss is limited to the invested amount and the potential profit is limited to the possible maximum redemption amount.

The market value of a Reverse Twin-win is exposed to:

- price movements of the underlying asset,
- volatility of the underlying asset,
- projected dividends in the underlying asset,
- market rates of interest,
- the credit spread of the issuer,
- time to maturity, and,
- if the underlying instrument is a basket, the correlation between the basket components.

* 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.

The note gains if the price of the underlying asset decreases. An increase in the price of the underlying asset may have a positive or negative effect on the price of the note depending on the size of the movement and if the price of the underlying has been below the barrier on a barrier valuation date.

Higher market rates or interest or credit spreads will, all else equal, result in a lower market value for the note and higher market value for the note if rates and spreads are lower.

Since a Reverse Twin-win is a package of a zero coupon bond, a call option, a put option, and knock-out option, it is not possible to unambiguously state the effect of all market movements on the market value of the note.

If the notional of the note is denominated in a currency different from the denomination currency of the underlying asset, the product is also subject to risk with regard to changes in the FX rate between those two currencies and the correlation between the FX rate and the performance of the underlying instrument. This will, however, neither affect the market value at expiry nor the redemption amount at maturity.

Market Parameters	Equity Reverse Twin-win	
	Influence on market value when increasing	Influence on market value when decreasing
Dividend	+	-
Interest Rate	-	+
Share Price	-	+
Share Price Volatility	-	+
Time to maturity	-	+
Correlation	+	-

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	0
% p.a. of nominal	0

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.	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 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.