



Fund Portrait



2021

Nordea 1 – Global Gender Diversity Fund

ISIN: LU1939214778 (BP-USD), LU1939215403 (BI-USD)

Highlights

- **Bottom-up** stock selection leveraging on a **strong ESG framework** to identify **Gender Diversity leaders**
- Investing in top gender diverse companies **makes economic sense**
- Our thematic solution allows investors to get exposure to the global equity market while also **actively contributing to a more fair and equal society**

Asset Management at Nordea

As an active investment manager, Nordea Asset Management manages asset classes across the full investment spectrum and aims to serve its clients in every market condition. Nordea's success is based on a sustainable and unique multi-boutique approach that combines the expertise of specialized internal boutiques with exclusive external competences allowing us to deliver alpha in a stable way for the benefit of our clients.¹

At Nordea, we have been expanding our range of ESG and thematic funds that align with the UN's Sustainable Development Goals ('SDGs'). These were set in 2015 as a blueprint for a more sustainable future for all. We believe that we can **make a difference!** And support a more fair and equal society in being proactive: therefore in February 2019, we launched the **Nordea 1 – Global Gender Diversity Fund**, which addresses the topic. The fund is internally managed by the Diversified Equity team, part of Nordea's Multi-Assets Team ('MAT'). Julie Bech and Audhild Asheim Aabø are Co-Portfolio Managers of the fund since its inception in 2019.

Investors will not only benefit from the **extensive skillset of the portfolio managers** but also from the support of their team – founded more than a decade ago and with around 40 professionals, **managing more than EUR 150 bn²** – in their research, portfolio construction and risk management.

In addition, investors have access to **Nordea's in-house Responsible Investment Team's** ('RI Team') extensive knowledge and research. Formed in 2009, it is one of the **largest**



and most experienced teams in Europe. It encompasses 20 analysts working hand in hand with the investment team.

Indeed, the portfolio managers actively use the RI Team's proprietary ESG information for the fundamental analysis but more importantly, Nordea is **supporting companies in delivering real change by engaging with them**. The ongoing dialogue with investees allows us to put forward our expectations on corporate behaviour and to support companies in enhancing their sustainability performance.

Portfolio Management Team



Julie Bech



Audhild Asheim Aabø

¹) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money. ²) Date: 31.12.2021

Gender Diversity: it matters!

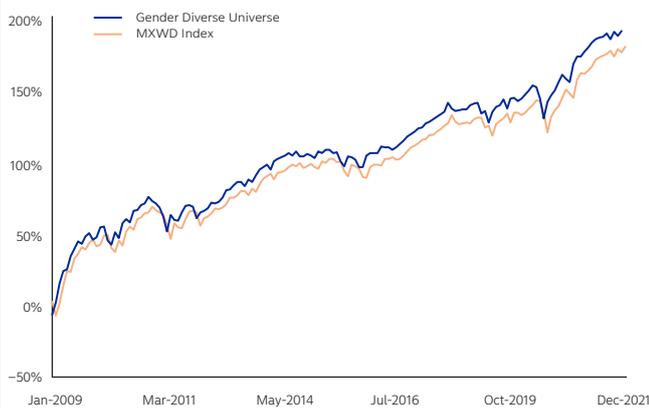
Gender Equality (SDG 5) is not only a **fundamental human right but a necessary foundation for peace, prosperity and sustainability**. In fact, women and girls are half of the world's population and as a result hold half of the world's human potential – meaning that access to decent work and regular income for example, not only contribute to poverty reduction but also support better education, health and nutrition outcomes for women and girls and those who depend on them.

Furthermore, **Gender Equality is impacting all SDGs** and it is essential to understand that unless appropriate action is taken to advance gender equality, the promise of the 2030 Agenda – for a better world, with universal respect for human rights, dignity and full realization of human potential – will not be achieved.

Unless progress is accelerated, the global community will fail to achieve SDG 5.³

Research also shows that **investing in gender diverse firms makes economic sense** as a higher gender mix in a company's human capital contributes to innovation and growth, with a strong profile to generate higher expected returns as compared to other companies which do not apply and promote diversity policies.

Returns of the Gender Diverse Companies vs the Overall Equity Market according to our Research



Source: Nordea Investment Management AB. For illustrative purpose only.

Gender diversity is a convincing case for investors both caring about ethics and seeking investment growth.

How do we identify the Gender Diversity leaders?

The Global Gender Diversity investment process combines both quantitative and qualitative assessments to select a portfolio of **80 to 100 compellingly-valued stocks**; companies which are promoting gender diversity and implementing concrete measures; but at the same time present **strong business fundamentals and growth outlooks**.

Our opportunity set is made of sustainable companies displaying a certain level of gender diversity and minimum ESG criteria. The under-represented gender should be minimum **30% in at least one upper management level** since we believe a commitment from the top is needed in order to succeed. However, if the company shows a positive trend in increasing and promoting diversity, the limit can be lowered to 20%. We **avoid ESG laggards** and do not invest in companies involved in serious violations of widely accepted corporate behaviour, certain controversial business activities and extended ESG risks. On top, we **monitor the carbon footprint of our portfolio** – when measured in 'intensity in t/USD million sales' – which should be min. 25% lower than the MSCI All Country World index.

We strongly believe that **gender diversity pairs well with known return-drivers**. Therefore, we use a proprietary factor model, which ranks the companies within the universe according to quantitative indicators such as valuation, growth, quality and earnings. In this step, we only keep the **companies ranking in the best quartile within each segment**.

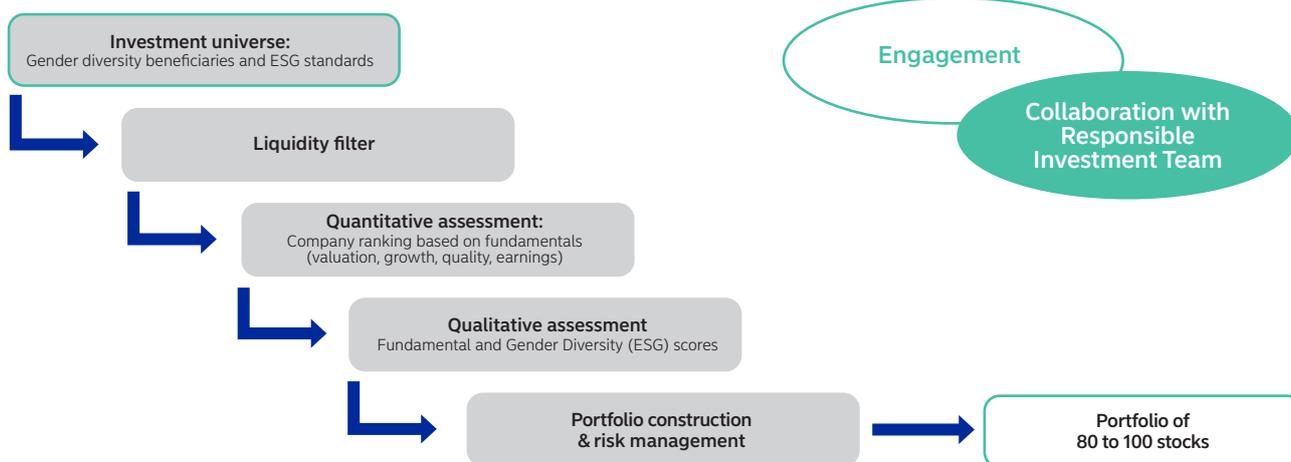
We do have a long-term mindset and focus on companies with attractive valuations and strong business fundamentals – which help us avoid value traps.

It is a very effective way for the portfolio managers to focus their energy on the companies ranking in the top of their peer groups. During the qualitative assessment, we look closer at why did the company rank so well in their peer group? What are the risks and what are the opportunities for this company? And to complete this fundamental analysis, we have developed our **proprietary Gender Diversity score** (-1 to 1) in order to support our structured approach and assess the level of Diversity & Inclusion (D&I) throughout a company.

Finally, the team leverages on **Nordea's internal research and actively uses proprietary ESG information** to get a better understanding of the opportunities and difficulties the companies are facing in regards to ESG risks.

3) Source: UN Women Report, 2018.

Investment Process



A dedicated solution to address Gender Diversity while delivering attractive returns⁴

The Nordea 1 – Global Gender Diversity Fund is a uniquely positioned thematic solution, well-aligned with UN SDGs and run by a **passionate and experienced team**.

Investing in the fund allows investors to get exposure to the global equity market while also **actively contributing to the 2030 Agenda** since our investment approach focuses on identifying global companies with a **strong sustainability profile** and which are **leaders in terms of gender diversity**.

Our **dynamic** investment process allows us to adapt to the arrival of new knowledge and data. We also believe that ensuring good ESG practices in our funds' holdings is important to safeguard the **long-term interests of shareholders and society**.

// We can support a more sustainable, and fair society by investing in the companies that succeed in creating equal opportunities for everyone.

4) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money.

Nordea 1 – Global Gender Diversity Fund	
Fund manager	Diversified Equity Team
Fund domicile	Luxembourg
ISIN codes*	LU1939214778 (BP-USD) LU1939215403 (BI-USD)
Annual management fees	1.50% p.a. (BP-USD) 0.75% p.a. (BI-USD)
Base currency	USD
Reference index	MSCI ACWI Index (Net Return)
Launch date	21.02.2019

Risks

Please be aware that there are risks associated with investing in this sub-fund, amongst others in: **Depository receipt, Derivatives, Emerging and frontier markets, Securities handling, Taxation.** For further details, please refer to the Key Investor Information Document, which is available as described in the disclaimer at the end of this document.

To find out more, visit our local microsite:

nordea.lu/GenderDiversity

nordea.ch/GenderDiversity

nordea.co.uk/GenderDiversity



The sub-funds mentioned are part of Nordea 1, SICAV, an open-ended Luxembourg-based investment company (Société d'Investissement à Capital Variable), validly formed and existing in accordance with the laws of Luxembourg and with European Council Directive 2009/65/EC of 13 July 2009. **This document is advertising material and does not disclose all relevant information concerning the presented sub-funds.** Any investment decision in the sub-funds should be made on the basis of the current prospectus and the Key Investor Information Document (KIID), which are available, along with the current annual and semi-annual reports, electronically in English and in the local language of the market where the mentioned SICAV is authorised for distribution, without charge upon request from Nordea Investment Funds S.A., 562, rue de Neudorf, P.O. Box 782, L-2017 Luxembourg, from the local representatives or information agents, or from our distributors as well as on www.nordea.lu. Investments in derivative and foreign exchange transactions may be subject to significant fluctuations which may affect the value of an investment. **Investments in Emerging Markets involve a higher element of risk. The value of shares can greatly fluctuate as a result of the sub-fund's investment policy and cannot be ensured. Investments in equity and debt instruments issued by banks could bear the risk of being subject to the bail-in mechanism (meaning that equity and debt instruments could be written down in order to ensure that most unsecured creditors of an institution bear appropriate losses) as foreseen in EU Directive 2014/59/EU. For further details of investment risks associated with these sub-funds, please refer to the relevant Key Investor Information Document (KIID), available as described above.** Nordea Investment Funds S.A. has decided to bear the cost for research, i.e. such cost is covered by existing fee arrangements (Management-/Administration-Fee). Nordea Investment Funds S.A. only publishes product-related information and does not make any investment recommendations. A summary of investor rights is available in English through the following link: https://www.nordea.lu/documents/engagement-policy/EP_eng_INT.pdf/. Nordea Investment Funds S.A. may decide to terminate the arrangements made for the marketing of its sub-funds in any respective EU-country of distribution in accordance with Article 93a of Directive 2009/65/EC. Published by Nordea Investment Funds S.A., 562, rue de Neudorf, P.O. Box 782, L-2017 Luxembourg, which is authorized by the Commission de Surveillance du Secteur Financier in Luxembourg. Further information can be obtained from your financial advisor. He/she can advise you independently of Nordea Investment Funds S.A. **Please note that all sub funds and share classes might not be available in your country of jurisdiction. Additional information for investors in Switzerland:** The Swiss Representative and Paying Agent is BNP Paribas Securities Services, Paris, Succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland. **Additional information for investors in Germany:** The Information Agent in Germany is Société Générale S.A. Frankfurt Branch, Neue Mainzer Straße 46-50, 60311 Frankfurt am Main, Germany. A hard copy of the above-mentioned fund documentation is also available here. **Additional information for investors in Austria:** The Information and Paying Agent in Austria is Erste Bank der österreichischen Sparkassen AG, Am Belvedere 1, 1100 Vienna, Austria. **Additional information for investors in the Netherlands:** Nordea 1, SICAV is a Luxembourg Undertaking for Collective Investment in Transferable Securities (UCITS) registered in the Netherlands in the register kept by the AFM, and as such is allowed to offer its shares in the Netherlands. The AFM register can be consulted via www.afm.nl/register. **Additional information for investors in France:** With the authorisation of the AMF the shares of the sub-funds of Nordea 1, SICAV may be distributed in France. Centralising Correspondent in France is CACEIS Bank, located at 1-3, place Valhubert, 75206 Paris cedex 13, France. **Investors are advised to conduct thorough research before making any investment decision. Additional information for investors in Belgium:** The Financial Service Agent in Belgium is BNP Paribas Securities Services S.C.A., Brussels Branch, Rue de Loxum, 25, 1000-Brussels, Belgium. A hard copy of the above-mentioned fund documentation is available upon demand free of charge. **Additional information for investors in Spain:** Nordea 1, SICAV is duly registered in the CNMV official registry of foreign collective investment institutions (entry no. 340) as authorised to be marketed to the public in Spain. The Depositary of the SICAV's assets is, J.P. Morgan Bank Luxembourg S.A. In Spain, any investment must be made through the authorised distributors and on the basis of the information contained in the mandatory documentation that must be received from the SICAV's authorised distributor prior to any subscription. The Representative Agent is Allfunds Bank S.A.U., C/ de los Padres Dominicos, 7, 28050 Madrid, Spain. A complete list of the authorised distributors is available in the CNMV's webpage (www.cnmv.es). **Additional information for investors in Portugal:** The Management Company of the SICAV, Nordea Investment Funds S.A., and the Depositary of the SICAV's assets, J.P. Morgan Bank Luxembourg S.A., are validly formed and existing in accordance with the laws of Luxembourg and authorized by the Commission de Surveillance du Secteur Financier in Luxembourg. The Paying Agent in Portugal is BEST - Banco Electrónico de Serviço Total, S.A., duly incorporated under the laws of Portugal and registered with the CMVM as a financial intermediary. **Additional information for investors in Italy:** Fund documentation as listed above is also available in Italy from the distributors and on the website www.nordea.it. The updated list of distribution agents in Italy, grouped by homogenous category, is available from the distributors themselves or from the Paying Agents: State Street Bank International GmbH – Succursale Italia, Allfunds Bank S.A.U. – Succursale di Milano, Société Générale Securities Services S.p.A., Banca Sella Holding S.p.A, Banca Monte dei Paschi di Siena S.p.A., CACEIS Bank S.A., Italian Branch and on the website www.nordea.it. Any requests for additional information should be sent to the distributors. **Before investing, please read the prospectus and the KIID carefully.** We recommend that you read the most recent annual financial statement in order to be better informed about the fund's investment policy. **The prospectus and KIID for the sub-funds have been published with Consob.** For the risk profile of the mentioned sub-funds, please refer to the fund prospectus. **Additional information for investors in the United Kingdom:** The Facilities Agent is FE Fundinfo (UK) Limited, 3rd Floor, Hollywood House, Church Street East, Woking GU21 6HJ, United Kingdom. **Additional information for investors in Ireland:** The Facilities Agent is Maples Fund Services (Ireland) Limited, 32 Molesworth Street, D02 Y512 Dublin 2, Ireland. **Additional information for investors in Sweden:** The Paying Agent is Nordea Bank Abp, Swedish Branch, Smålandsgatan 17, 105 71 Stockholm, Sweden. **Additional information for investors in Denmark:** The Representative Agent is Nordea Danmark, Filial af Nordea Bank Abp, Finland, Grønlandsvej 10, Postbox 850 0900 Copenhagen C, Denmark. A hard copy of the above-mentioned fund documentation is available here. **Additional information for investors in Norway:** The Nordea 1, SICAV is registered in Norway. **Additional information for investors in Finland:** The Nordea 1, SICAV is registered in Finland. **Additional information for investors in Latvia:** The Representative Agent is Luminor Bank AS, 62 Skanstes iela 12, 1013 Rīga, Latvia. **Additional information for investors in Estonia:** The Representative Agent in Estonia is Luminor Bank AS, Liivalaia 45, 10145 Tallinn, Estonia. **Additional information for investors in Lithuania:** The Representative Agent in Lithuania is Luminor Bank AB, Konstitucijos pr. 21 A, 03601 Vilnius, Lithuania. Shareholders must evaluate possible investment risks and take this into consideration when making investment decisions. **Additional information for investors in Brazil:** This is a strictly privileged and confidential document for the purposes of a potential investment in foreign securities on a one-on-one basis with potential investors with a pre-existing relationship with Nordea Investment Funds S.A. This document contains information addressed only to a specific individual and is not intended for distribution to, or use by, any other person. This document (i) is provided for informational purposes only, (ii) should not be construed in any manner as any solicitation or offer to buy or sell any securities or any related financial instruments, (iii) should not be construed in any manner as a public offer of any securities or any related financial instruments, and (iv) will be addressed to a potential investor with restrict access of information. Neither Nordea Investment Funds S.A nor Nordea 1, SICAV have been, and will not be, registered with the Brazilian Securities Commission (Comissão de Valores Mobiliários - CVM). Nordea 1, SICAV must not be offered or sold in Brazil except in circumstances which do not constitute a public offering or distribution under Brazilian laws and regulations. Any public offering, placement or distribution, as defined under Brazilian laws and regulations, of securities in Brazil, is not legal without prior registration under Law No. 6,385 of December 7, 1976, as amended. Documents relating to the offering of the Nordea 1, SICAV, as well as information contained therein, must not be supplied to the general public in Brazil (as the offering of the Nordea 1, SICAV is not a public offering of securities in Brazil) or used in connection with any offer for subscription or sale of the Nordea 1, SICAV to the general public in Brazil. Investors within Brazil should consult with their own counsel as to the applicability of these laws and regulations or any exemption there from. Source (unless otherwise stated): Nordea Investment Funds S.A. Unless otherwise stated, all views expressed are those of Nordea Investment Funds S.A. This document may not be reproduced or circulated without prior permission and must not be passed to private investors. This document contains information only intended for professional investors and financial advisers and is not intended for general publication. **Reference to companies or other investments mentioned within this document should not be construed as a recommendation to the investor to buy or sell the same but is included for the purpose of illustration.** The level of tax benefits and liabilities will depend on individual circumstances and may be subject to change in the future.