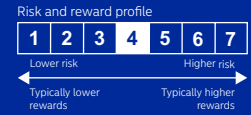




Fund Portrait



2021

Nordea 1 – US Corporate Bond Fund

ISIN: LU0458979746 (BP-USD) / LU0475887237 (BI-USD)

Highlights

- Experienced and dedicated fixed income investment professionals with proven track record¹
- Well-diversified credit portfolio structured with an enhanced yield potential relative to the index
- Investment process combining top-down and bottom-up investment decisions
- Enhanced returns over a full market cycle with lower-than-market risk¹
- Minimum average credit quality: BBB
- Up to 10% may be invested in BB

Asset Management at Nordea

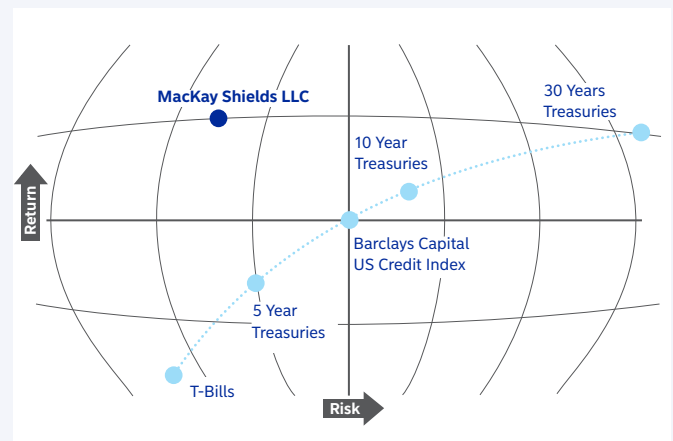
As an active investment manager, Nordea Asset Management manages asset classes across the full investment spectrum and aims to serve its clients in every market condition. Nordea's success is based on a sustainable and unique multi-boutique approach that combines the expertise of specialized internal boutiques with exclusive external competences allowing us to deliver alpha in a stable way for the benefit of our clients. Furthermore, we've put a lot of emphasis on launching outcome – as opposed to benchmark – oriented investment solutions whose basis, "stability investment philosophy", is designed to meet clients' risk appetite and needs.

After having appointed **MacKay Shields LLC** ("MacKay Shields"), New York, as investment sub-manager of the Nordea 1 – US High Yield Bond Fund in mid-2008, Nordea has reiterated its confidence in the company and has entrusted MacKay Shields LLC with the management of a further US fixed income product for its Nordea 1, SICAV.

Nordea is continuously strengthening its multi-boutique offering and launched on the 14th of January 2010, the Nordea 1 – US Corporate Bond Fund.

This fund is managed by the MacKay Shields' Global Fixed Income investment team which is comprised by highly experienced and dedicated fixed income professionals.

The same team is responsible for the track record of the MacKay Shields US Credit Composite which encompasses all discretionary credit accounts managed with similar objectives. The Nordea 1 – US Corporate Bond Fund follows the same proven investment philosophy and process².



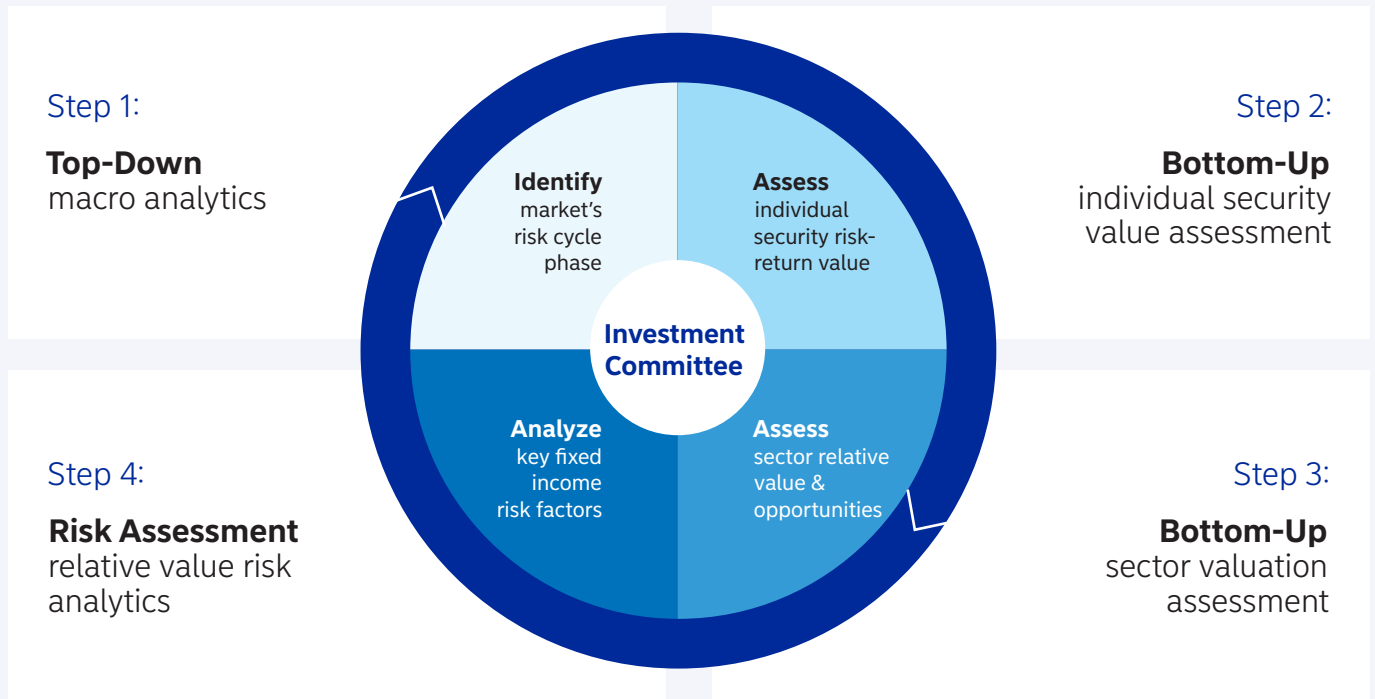
Achieving consistent return with lower volatility

The fund management team perceives itself as being a "Northwest quadrant" investor. Its goal is to achieve **risk-adjusted returns by eliminating uncompensated risk³**.

The fund managers' constant quest for undervalued securities within bond markets lies on the principle that fixed income markets are highly inefficient and therefore offer attractive investment opportunities. By making use of the substantial experience and product expertise gained by its investment professionals, the management team seeks to capitalise on inefficiencies.

1) The performance represented is historical; past performance is not a reliable indicator of future results and investors may not recover the full amount invested. The value of shares can greatly fluctuate as a result of the sub-fund's investment policy and cannot be ensured, you could lose some or all of your invested money. 2) There is no guarantee that using the same investment process will produce similar returns since the Nordea 1 sub-fund has specific limits and restrictions, and the result might differ from the composite used for illustration purposes. 3) 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.

Investment process



The investment process is a combination of a top-down and bottom-up investment approach. The team has created a fluid, repeatable four-step investment process which combines a top-down macro economic overlay incorporating the risk cycle as well as an assessment of the economy, while sector valuation and security selection represent the bottom-up elements of the investment process.

Step 1: Macro Analytics

The fund's investment process begins with a top-down assessment of the climate for risk and the outlook for the economy. All team members which include analysts, traders, portfolio managers and a product specialist, are encouraged to participate in this discussion. The analysts are able to share their views from their bottom-up credit analysis, while traders can provide invaluable market intelligence from their interaction with the counterparties. Furthermore, this is complemented by the top-down perspective of the portfolio managers. This ensures that the team is able to "see the forest through the trees".

In continuing with the assessment of the climate for risk, our macroeconomic views are shaped by interest rate and economic trends, broad emerging themes, investor risk appetite and general market tone.

Step 2: Individual Security Value Assessment

Credit Screen

The initial credit screen is the most important filter, as only those bonds that pass this test will be subject to further in-depth analysis. At this initial screen, bonds are run through a 35-factor screen or progression of both quantitative and qualitative characteristics seeking to identify gross indicators of inappropriate risk. These risks include basic financial risks

which can be quantified, as well as qualitative factors including management, board composition, corporate structure and complexity (commonly referred to as Governance factors); Human Resource policies and sustainable business practices (Social factors); and Environmental policies, design and procurement (Environmental factors). It is through this analysis that bonds most likely to end up in the left tail of the return distribution are identified.

Approximately 80% of all bonds are excluded at this stage. The team believes that there is no substitute for in-depth analysis or market experience, but the advantage of a highly disciplined initial screen is that these resources can be much more tightly focused on a smaller universe of investment opportunities.

Credit Analysis

Having screened out a large number of candidates on the basis of unacceptable risks, the credit skills of the team can be highly focused. In order to identify companies with high credit worthiness, improving fundamentals, positive outlook, good liquidity, etc., the team will concentrate on the following factors:

- Management and business plan
- Industry environment
- Competitive dynamics
- Cash flow
- Liquidity

Step 3: Sector Valuation Assessment

Active sector rotation is an important element in the fund's investment process. The team seeks to capitalise on inefficiencies in the fixed income markets by leveraging the experience of the investment team to identify sectors that are underval-

ued (overweight) while avoiding sectors that are overvalued (underweight).

Step 4: Relative Value Risk Analytics

The team is further dedicated to 5 key dimensions of risk that impacts all fixed income portfolios:

- Interest rate risk
- Curve risk
- Volatility risk
- Credit risk
- Global/currency risk

In addition to assessing the fundamental health of each credit, the investment team also evaluates the technical conditions in the market to better assess any mispricing of risk by the market. The technical factors considered include current sentiment, investor perception and liquidity. The result of this process is a well-diversified, bottom-up and top-down driven credit portfolio.

It is also important when outlining the investment process to highlight the deep commitment to risk management in all of MacKay Shields' fixed income portfolios. The investment team

defines risk as the expected variability in total return over a given time horizon, and it can be expressed as an absolute or a relative measure. Risk can also be expressed at the level of a security, industry classes, asset class, or portfolio. In the latter instance, portfolio risk would represent the expected variability in excess return over a given time horizon. MacKay Shields' proprietary risk management reports provide the team with critical information about the portfolio structure, as well as individual holdings and sectors, to help ensure that the portfolio is positioned in accordance with the risk and return parameters agreed.

Sell discipline

The team adheres to a strict "sell discipline". They typically sell a bond for one (or more) of the following four reasons:

- Credit deterioration
- Repositioning caused by a change in the top-down outlook
- Excessive downward price volatility and/or
- Recognition of an alternative superior relative value opportunity

Consistent with the philosophy of loss avoidance, credit deterioration is by far the most important of these sell disciplines.

Performance of the MacKay Shields US Credit Composite⁴

The below table has the MacKay Shields US Credit Composite's performance stated until the end of 2009. Since the Nordea 1 – US Corporate Bond Fund was launched on 14.01.2010, please refer to the performance of the sub-fund for the period after its launch.

Period	MacKay Shields US Credit Composite ⁵	Barclays Capital US Credit Index	Relative performance
2009	25.0%	16.0%	9.0%
2008	-1.9%	-3.1%	1.2%
2007	4.9%	5.1%	-0.2%
2006	4.8%	4.3%	0.5%
2005	2.5%	2.0%	0.5%
2004	5.7%	5.2%	0.5%
2003	9.1%	7.7%	1.4%
2002	6.4%	10.5%	-4.1%
2001 (since 1 st of October)	1.5%	0.9%	0.6%

Sources: MacKay Shields and Barclays. Date: 31.12.2009.

The MacKay Shields US Credit Composite includes all discretionary credit accounts managed with similar objectives for a full month, including those accounts no longer with the firm. Composite performance reflects reinvestment of income and is a market-weighted average of the time-weighted return, before advisory fees and related expenses, of each account for the period since inception. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Performance is expressed in US Dollars. The composite inception date is 01.10.2001. The composite creation date is 07.04.2003. Advisory fees, which are described in the firm's ADV, Part 2A, and related expenses will reduce returns. All portfolios in the composite are fee-paying portfolios. There can be no assurance that the rate of return for any account within a composite will be the same as that of the composite presented. Past performance is not indicative of future results.

MacKay Shields LLC, an SEC-registered investment adviser, has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). The firm receives a verification from an independent accounting firm on a quarterly basis. An opinion is available on request, as are a complete list and description of the firm's composites. Verification does not ensure the accuracy of any specific composite presentation. Indices do not incur management fees, transaction costs or other operating expenses. Investments cannot be made directly into an index. The Barclays Capital US Credit Index is referred to for comparative purposes only and is not intended to parallel the risk or investment style of the portfolio in the MacKay Shields Composite.

4) The Nordea 1 – US Corporate Bond Fund uses the same investment process as the MacKay Shields US Credit Composite. However, there is no guarantee that using the same investment process will produce similar returns since the Nordea 1 sub-fund has specific limits and restrictions, and the result might differ from the composite used for illustration purposes. 5) Gross of fees. Initial and exit charges could affect the value of the performance.

Nordea 1 – US Corporate Bond Fund	
Fund manager	MacKay Shields LLC
Fund domicile	Luxembourg
ISIN codes*	LU0458979746 (BP-USD) LU0475887237 (BI-USD) ⁶
Annual management fees	0.70% p.a. (BP-USD) 0.35% p.a. (BI-USD) ⁶
Base currency	USD
Reference index	Bloomberg Barclays US Credit Index
Launch dates	14.01.2010 (BP-USD) 27.01.2010 (BI-USD) ⁶

Risks

Please be aware that there are risks associated with investing in this sub-fund, amongst others in: **ABS/MBS, Credit, Derivatives, Prepayment and extension**. 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.

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.**

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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. 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