

Nordea Asset Allocation Fund

562, rue de Neudorf
L-2220 Luxembourg

NOTICE TO UNIT-HOLDERS

Dear Unit-holder,

The Board of Directors of Nordea Investment Funds S.A (the “**Management Company**”) hereby informs you as a unit-holder of Nordea Asset Allocation Fund (the “**Fund**”) about certain changes in relation to the Fund which will enter into force on **13 July 2017**:

Capitalized terms in this notice shall have the meaning ascribed to them in the Prospectus unless the context otherwise requires.

Changes relevant for all unit-holders

As communicated in the notice to Unit-holders dated May 2017, since 1 May 2017 the Management Company no longer delegates the administrative agent functions to Nordea Bank S.A. As a result, these functions are being performed by the Management Company. This change will not entail any disruption in the performance of the services and there will be no increase in the related fees. The Prospectus has been amended accordingly.

- 1) In chapter 1. “Terms and definitions used in this prospectus” – the definition of the term “Asia” has been amended to include Bangladesh, Pakistan and Sri Lanka. In addition, the following new definitions have been added: “China A-Shares”, “ChiNext”, “CNH”, “CNY”, “High Yield Bond”, “Rating Agency”, “Mainland China or PRC”, “RMB”, “SME Board” and “Stock Connect”;
- 2) In chapter 2. “Introduction” the definition of “U.S. Person” has been updated and the sections on FATCA and DAC have been updated;
- 3) In chapter 3. “Management and Administration” the composition of the Board of Directors of the Management Company has been updated: Nils Bolmstrand, Thorben Sander and Ninni Franceschi have left the Board. Brian Stougård Jensen has been appointed by the Annual General Meeting of the Management Company. Cecilia Vernerson and Graham Goodhew have been co-opted as new Board Members.
- 4) In chapter 8. “Dealing of Units” the section “Restriction on Subscriptions and Conversions” has been amended to specify that Sub-funds and Unit Classes may be closed to Subscriptions and Conversions in without notice to Unit-holders;
- 5) In chapter 9. “Issue of Units” the section “Subscription Payment” has been amended to reflect that payments in another currency than the Unit-class currency are not possible. The section “Settlement of Subscription” has been amended to take into account currency holidays in the subscription payment process;

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- 6) In chapter 10. “Redemption of Units”, in section “Settlement of Redemption” a new paragraph has been added: “The Management Company is not responsible for any delays or charges incurred at any receiving bank or settlement system”; the section has been amended to take into account currency holidays in the redemption payment process;
- 7) In chapter 11 “Conversion of Units” the section “Form of Conversion Requests” has been changed to clarify that ISIN codes must be provided with the request. It is also added that conversions are only allowed between unit classes with the same denominative currency. The section “Settlement of Conversion” has been amended to take into account currency holidays in the settlement process of conversions;
- 8) In chapter 15. “Duties and Responsibilities of Management and Administration”:
 - In section 15.3 “Remuneration Policy” the last paragraph has been amended to indicate that a summary of the Remuneration Policy is available on the website;
 - In section 15.4 “The Depository” UCITS V related information concerning the depository are included;
 - In section 15.7 “The investment Manager” the address of Nordea Investment Management AB has been updated;
 - In section 15.8 “The Selling Agent” the name and address of Nordea Funds AB have been updated.
- 9) In Chapter 20. “Taxation”:
 - Section 20.2 “Taxation of the Unit-holders” has been updated further to the repeal of the EU Savings Directive;
 - A new section 20.4 “Automatic exchange of information” has been added.
- 10) In chapter 21. “Investment Restrictions”, Section III “Other Efficient Portfolio Management Techniques and Instruments” has been amended to include disclosures mandated by EU Regulation 2015/2365 on transparency of securities financing transactions and of reuse and amending EU Regulation 648/2012.

The collateral information is now gathered in a new sub-section IV. “Collateral Management”.

The limitation on the purchase of credit default swaps without holding the underlying assets is streamlined with other Nordea funds to be read as follows:
“The Fund may, provided it is in its exclusive interest, buy protection under credit default swaps without holding the underlying assets provided that the aggregate premiums paid together with the present value of the aggregate premiums still payable in connection with credit default swap purchased together with the amount of the aggregate of premiums paid relating to the purchase of options on Transferable Securities or on financial instruments for a purpose other than hedging, may not, at any time , exceed 100% of the net assets of the relevant Sub-fund.”
- 11) In chapter 22. “Special Risk Considerations” the following sections have been added: “Risks associated with securities lending, repurchase agreements and buy-sell back transactions”; “Collateral management risks”; “Special risks associated with investments in China A-Shares”, “Risks related to the dealing in China” “Risks associated with the Small and Medium Enterprise board and/or ChiNext market”.
- 12) In chapter 23. “Net Asset Value” a new section 23.3 “Swinging single pricing methodology” has been added.
- 13) In chapter 25. “General Information”, the section 25.2 “Complaints” is updated.

Changes relevant for the unit – holders of NORDEA ASSET ALLOCATION FUND – OPTIMA SUB-FUND

In the section “Eligible assets and investment policy” it is specified that the Sub-fund may invest up to 10% of its total assets after deduction of cash in China A-Shares via Stock Connect. The Sub-fund may be exposed to other currencies than the Base Currency through investments and/or cash holdings. The Sub-fund will use this currency exposure actively in the investment strategy. The use of derivative instruments was limited to 50% of the Net Asset Value of the Sub-fund. For the purpose of aligning the methodology with other Nordea funds, this restriction is removed. This has however no impact on the risk profile of the Sub-fund.

Changes relevant for the unit – holders of NORDEA ASSET ALLOCATION FUND – FUTURA SUB-FUND

In the section “Eligible assets and investment policy” it is specified that the Sub-fund may invest up to 10% of its total assets after deduction of cash in China A-Shares via Stock Connect. The Sub-fund may be exposed to other currencies than the Base Currency through investments and/or cash holdings. The Sub-fund will use this currency exposure actively in the investment strategy. The use of derivative instruments was limited to 50% of the Net Asset Value of the Sub-fund. For the purpose of aligning the methodology with other Nordea funds, this restriction is removed. This has however no impact on the risk profile of the Sub-fund.

Changes relevant for the unit – holders of NORDEA ASSET ALLOCATION FUND – SPARA TREAN SUB-FUND

In the section “Eligible assets and investment policy” it is specified that the Sub-fund may invest up to 10% of its total assets after deduction of cash in China A-Shares via Stock Connect. The Sub-fund may be exposed to other currencies than the Base Currency through investments and/or cash holdings. The Sub-fund will use this currency exposure actively in the investment strategy. The use of derivative instruments was limited to 50% of the Net Asset Value of the Sub-fund. For the purpose of aligning the methodology with other Nordea funds, this restriction is removed. This has however no impact on the risk profile of the Sub-fund.

Unit-holders who do not agree to the changes as described above, may redeem their Units free of charge, with the exception of any local transaction fees that might be charged by local intermediaries on their own behalf and which are independent from the Management Company. Such redemption request must be submitted in accordance with the terms of the Prospectus and must be received by 12 July 2017, 15:30 CET at the latest.

More Information

The above mentioned changes are reflected in the July 2017 version of the prospectus of the Fund, which may be obtained, free of any charges, at the registered office of the Management Company at 562, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg as soon as the Luxembourg regulatory authority (CSSF) has issued the official visa-stamped official Prospectus. Corresponding

changes will be made to the management regulations of the Fund which are also available at the same address. These documents may also be obtained, free of any charges, at the offices of Nordea Funds AB, Mäster Samuelsgatan 21, M541 105 71 Stockholm, Sweden.

Unit-holders having any question relating to the above changes should not hesitate to contact their financial advisor or Nordea Investment Funds S.A., Client Relationship Services, on telephone +352 43 39 50 - 1.

Luxembourg, 9 June 2017

The Board of Directors of Nordea Investment Funds S.A.