

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	Commercial Paper
Issuer of this document	Nordea Bank Abp (hereafter "Nordea")
Regulated by	Finnish Financial Supervisory Authority
Produced	11.12.24

What is this product?

Description

Commercial paper is a debt instrument used by corporates to obtain short-term funding from investors. Commercial paper is a discount security, as the coupon rate is zero. The investor receives a return through the paper being sold at a discount to its nominal value. The nominal value will be paid out at maturity.

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

Intended investor

The product Commercial Paper is aimed at retail clients, professional clients and eligible counterparties, who are interested in preservation of their capital, capital growth and hedging, income and other investment objectives. The Commercial Paper is a product for basic investors, informed investors and advanced investors.*

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

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 commercial paper is exposed to changes in the market rate of interest. Also changes in the credit spread (the interest rate differential between government issues and corporate issues) will change the market value of a commercial paper. This credit spread may change either due to changing market perceptions of the issuer, or a general change of the spread level in the market for corporate issues.

The investor assumes the full credit risk of the issuer, and in the case of issuer default the investor may lose all or a part of his investment and/or the repayment may be delayed.

A change in the perceived creditworthiness of the issuer will affect the value of the commercial paper. A fall in perceived creditworthiness will lead to a lower price on the commercial paper. The market value of commercial paper is exposed to the market parameters listed in the matrix below.

Market Parameters	Commercial Paper	
	Influence on market value when increasing	Influence on market value when decreasing
Market rate of interest	-	+
Risk on issuer	-	+
Credit risk	-	+

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.

* Basic investors have basic knowledge of relevant financial instruments and/or with no financial industry experience. 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.

Investment (based on above nominal)	Cumulative Costs
Combined cost to buy and exit the product	1000
% p.a. of nominal	1.0

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.	500	1.5
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.