

Nordea Russia Fund will be closed down

Nordea Funds announced earlier that it is investigating a way to sell its investments in Russian assets. Today, 22 April 2022, the Board of Directors of Nordea Funds has decided to **close (liquidate) Nordea Russia Fund**.

The background is Russia's invasion of Ukraine that has caused a severe dysfunction of the markets for Russian securities, heavy sanctions isolating Russian companies from global financial markets as well as counter sanctions imposed by Russia for non-Russian investors. As a consequence, the value of the Russian-linked securities have fallen sharply.

Due to these uncertainties and restrictions in relation to trading of Russian securities, the Russian stock market has become an unfavourable market for investments given the financial and political risks that have become evident. In these circumstances the equal treatment of the unitholders cannot be appropriately secured to enable re-opening of the fund. Therefore, liquidating the fund has been considered the best option.

The fund has been closed as from 28 February. Due to the liquidation decision, the fund shall remain closed on a permanent basis.

What happens next?

The liquidation requires no action from the unitholders, as liquidation of the fund and payment of redemptions will be done automatically. However, depending on the market situation and restrictive measures imposed, such as sanctions, it will take a long time before all holdings of the fund can be sold.

When it is possible to start selling Russian instruments again, considering the restrictions and market conditions, the holdings of the fund will be sold in a disciplined manner and the unitholders will get cash paid out in proportion to their number of fund units. If the sale of the assets will take a longer time the pay-outs may be done in parts. First pay-out is planned to take place on 31 August 2022.

The liquidation will result in the realisation of capital gains or losses for persons with general tax liability in Finland and unitholders are advised to consult their personal tax advisors for any further details on their specific tax treatment due to the liquidation of the fund.

The fund company will prepare a written report on the final settlement regarding the liquidation that will be published on our website at nordea.fi/funds, News and company releases. Information on the status of the liquidation and planned pay-out timeline can also be found on our website

Should you have any questions, please contact your investment advisor.

Helsinki, 22 April 2022
Nordea Funds Ltd
Board

Nordea Funds Ltd

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