



Nordea Investment Management North America, Inc.

Form ADV Part 2A

January 2021

Item 1: Cover Page

Nordea Investment Management North America, Inc.

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Website: Nordea Investment Management North America, Inc. does not maintain its own website. It should be noted that our ultimate parent company bank does have one, www.nordea.com, which captures general information as it relates to its asset management capabilities. Additionally, Nordea Asset Management Holding AB, a Swedish domiciled company and parent to Nordea Investment Management AB (NIMNAI's parent) has a website, www.nordeaassetmanagement.com, which contains additional information regarding asset management capabilities.

Date of Brochure: January 7, 2021

This Form ADV, Part 2A is our "Disclosure Brochure" or "Brochure" as required by the Investment Advisers Act of 1940, as amended ("Advisers Act"). This Brochure is a very important document between the client and Nordea Investment Management North America, Inc. ("NIMNAI").

This Brochure provides information about the qualifications and business practices of NIMNAI. If you have any questions about the contents of this Brochure, please contact Lisa Ruiz, Chief Compliance Officer, at (212) 603-6956 or lisa.ruiz@nordea.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or any state securities authority. This Brochure is strictly a disclosure document and is not an offer to sell securities.

NIMNAI can, at any time, update this Brochure and either send you a copy or offer to send you a copy. You may always request a copy of the most recent version of this Brochure by contacting Lisa Ruiz at (212) 603-6956 or lisa.ruiz@nordea.com or search through the SEC's Investment Adviser Public Disclosure website (IAPD): www.adviserinfo.sec.gov. Additional information about NIMNAI is also available at the SEC's IAPD website under the Firm Name or CRD number 116837.

We are a registered investment adviser with the SEC. Our registration as an investment adviser does not imply any level of skill or training.

Item 2: Material Changes

This Brochure is an update to our brochure dated December 15, 2020.

This updated version includes the following material change:

Item 4 and 10: Removal of our Ontario and Quebec licenses. Our request to voluntarily surrender these licenses was approved by the regulator effective December 23, 2020.

We continue to list below material changes from our December 2020 and annual March 2020 amendment:

Item 10: Other Financial Activities and Affiliations includes information regarding the role of the Firm's CEO and President.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss – the General Risks in this Item have been updated to include *Cybersecurity and Operational Risk*, and *Other Business Interruptions*.

All references to the Global Dividend strategy have been removed.

We can, at any time, update this Brochure and either send you a copy or offer to send you a copy. You may always access the most recent version of this brochure by contacting us or through the SEC's Investment Adviser Public Disclosure website (IAPD): www.adviserinfo.sec.gov.

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Item 4: Advisory Business

Organization

Nordea Investment Management North America, Inc. (“NIMNAI”), based in New York City, was established in 1994 and is organized as a corporation under the laws of Delaware. Prior to November 2001, NIMNAI was known as Unibank Investment Management. NIMNAI registered with the SEC as an investment adviser on November 20, 2001. NIMNAI is currently registered with the U.S. Securities and Exchange Commission as a Registered Investment Adviser.

As used in this Brochure, the words “we,” “our,” and “us” refer to NIMNAI and the words “you,” “your,” and “client” refer to you as either a current or prospective client of NIMNAI.

NIMNAI is a direct, wholly-owned subsidiary of Nordea Investment Management AB (“NIM AB”). NIM AB is domiciled in Sweden and supervised primarily by the Swedish Financial Supervisory Authority. NIM AB is wholly-owned by Nordea Asset Management Holding AB (“NAM AB”). NAM AB is wholly-owned by Nordea Bank Abp. Nordea Bank Abp, the ultimate parent company bank of NIMNAI, is a publicly traded Finnish company and listed on the NASDAQ Nordic Exchange in Helsinki, Stockholm, and Copenhagen.

As of December 31, 2019, NIMNAI manages approximately \$2.7 billion of client assets on a discretionary basis. We do not currently manage any client assets on a non-discretionary basis, although we may do so in the future.

Advisory Services

We provide discretionary portfolio management and investment advisory services to several client types, including:

- separately managed accounts for institutional clients; and
- registered investment companies as to which NIMNAI is a sub-adviser.

Additional detail about each of these client types is provided in Item 7, Types of Clients, below.

We offer fundamental and quantitative equities, fixed income and multi-asset strategies. Each strategy is managed by its dedicated investment boutique, respectively in Fundamental Equities, Fixed Income or Multi-Assets. We do not currently manage any proprietary funds.

We tailor our investment management services to the individual needs of our clients. We will work with you to tailor a specific investment mandate(s) based on your specific needs. These will include, but not be limited to:

- Benchmarks
- Investment restrictions
- Liquidity issues
- Types of securities.

Fundamental Equities

We offer several strategies from our Fundamental Equities boutique. These include but are not limited to:

- Emerging Stars Equity
- North American Stars Equity
- Global Climate & Environment
- European Equity
- European Small-Cap Equity
- Global Stars Equity

Our investment management services in these strategies generally relate to long-term and short-term investments in both listed and over-the-counter foreign equity securities. These strategies do not generally invest in derivatives or similar financial instruments. However, from time to time, we may utilize derivatives and other financial instruments. Additionally, these strategies may invest in emerging markets depending upon the investment restrictions agreed upon with the client.

Fixed Income

Our Fixed Income boutique manages several global fixed income products. Our main strategy in this boutique is:

- Emerging Stars Bond Strategy

This strategy provides clients with investment growth in the medium in long term, while achieving above-market performance. It mainly invests in emerging market bonds. Additionally, this strategy may use derivatives and other financial instruments.

Multi-Assets

Our Multi-Assets boutique manages a variety of products based on quantitative strategies. Our primary strategies from this boutique are:

- Global & Emerging Markets Stable Equities
- Alpha Solutions (Alpha 7, 10, 15 MA)
- Stable Return Diversified Growth
- Global & Emerging Markets Equities Beta+
- Global Gender Diversity Equities

Our investment management services in each of these strategies generally relate to long-term and short-term investments in exchange-listed securities, over-the-counter securities, foreign equity securities, corporate debt securities, U.S. government securities, option contracts on securities and commodities, futures contracts on equity indices and interest rates, contracts for differences,

total return swaps, long and short positions in baskets of equities or bond issues with common characteristics, credit default swaps, pooled investment vehicles, and money market instruments. We may also utilize other financial instruments and derivatives.

Other Investment Products

We offer a variety of other investment products. For purposes of this Brochure, we have highlighted above the main products that are actively marketed to North American clients. However, during our discussions with clients and prospective clients, we may become aware of a situation where another product may be more suited to that client or prospective client's specific needs. In that case, we may discuss other investment products with such client or prospective client, as appropriate, to see if there is a better fit between that client's or prospective client's needs and what we can offer.

Wrap Fee Programs

NIMNAI does not currently participate in wrap fee programs. In the past, we have participated in wrap fee programs and may decide to do so again in the future.

Item 5: Fees and Compensation

General

We receive management fees for our investment advisory services, which may be based upon an agreed percentage of asset under management or a negotiated fixed fee. NIMNAI may, but typically does not charge a performance-based fee to clients. Performance-based fees are typically negotiated for strategies in the Multi-Assets boutique but can be charged on other strategies. If performance fees are charged, such fees are intended to comply with the requirements of the applicable NIMNAI's investment advisory agreement and Rule 205-3 under the Advisers Act.

NIMNAI imposes investment minimums on certain types of accounts. Existing clients may have different fee arrangements from those stated below, and actual rates are negotiable per client. Fees vary depending on the type of investment strategy pursued. Below are the standard fees generally provided to prospective clients:

European Equities:	0.85%
European Small-Cap Equities:	1.10%
Emerging Stars Equities:	1.00%
Emerging Stars Bond Strategy:	0.90%
Emerging Markets Equities Beta+:	0.40%
Global Equities Beta+:	0.46%
Global Climate & Environment:	1.50%
Global Gender Diversity Equities:	1.50%
Global Stable Equities:	1.70%
Emerging Markets Stable Equities:	1.50%
North American Stars Equities:	0.75%
Stable Return Diversified Growth:	1.35%
Alpha Solutions (Alpha 7, 10, 15 MA):	1.50%
Global Stars Equities:	1.50%

Payment Mechanics

Management fees are generally invoiced or deducted from client accounts on a quarterly or monthly basis, in arrears, based upon an agreed upon percentage of assets under management. Performance-based fees, if any, are normally invoiced on an annual basis in arrears. Fees are payable within 30 days of the client's receipt of the invoice.

Clients may also elect to have us send an invoice to the custodian on the account. NIMNAI does not select account custodians on behalf of separately managed accounts. Clients are responsible for charges imposed by custodians, such as custodial fees. The custodian is not responsible for

validating or checking our fee or calculation. The custodian will deduct the invoiced fee from the client's account or, if a client has more than one account, from the account(s) the client has designated to pay our advisory fees. Each month, the client will receive a statement directly from the custodian showing all transactions, positions, and credits or debits into or from each custody account; the statements clients receive at quarter-end will reflect these transactions as well, including the advisory fee paid by the client to us. Upon request, we also will send a copy of the invoice to the client at the same time as we send it to the custodian.

There are many ways to structure the mechanics of fee payment. We will discuss the payment mechanics with each client and agree on the specific billing protocol at the outset of the advisory relationship, including the valuation of the assets upon which the fee will be based.

Other Fees and Expenses

In addition to management or advisory fees payable to us, clients are responsible for brokerage and other transactions costs and certain other fees and expenses. NIMNAI's brokerage practices are discussed in Item 12 below in this Brochure.

The following list of fees and expenses are what clients may expect to pay to third parties in connection with account management. These fees and expenses may be charged whether a security is being purchased, sold or held in your account(s) under our management. We do not receive, directly or indirectly, any of these fees and expenses charged to you. The fees and expenses include, but are not limited to, the following:

- Brokerage commissions
- Transaction fees
- Exchange fees
- SEC and other regulatory fees
- Advisory fees and administrative fees charged by mutual funds or exchange traded funds
- Advisory fees charged by sub-advisers, if any
- Custodial fees
- Odd-Lot differentials
- Transfer taxes
- Wire transfer and electronic fund processing fees
- Mark-ups / mark-downs on securities transactions

In addition, we do not have any employees that receive (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for a client's account. We do not receive any compensation, either directly or indirectly, other than the amount that will be invoiced for management fees or performance-based fees, if applicable.

Item 6: Performance-Based Fees and Side-By-Side Management

As noted in Item 5, we generally receive either a flat or asset-based management fee from each client's account. Management of accounts subject to a performance fee and accounts not subject to a performance fee, also called "side-by-side management," raises potential conflicts of interest. One such conflict is that we have a financial incentive to favor those client accounts for which we receive a performance fee. We can potentially earn more fee income if we place more profitable trades to those accounts that pay performance-based fees while allocating less profitable trades to accounts that do not pay a performance-based fee.

While NIMNAI currently does not charge performance-based fee, if and when we do, we have policies and procedures in place to ensure that accounts that pay performance-based fees and those accounts that do not charge performance-based fees are treated in the same manner. Our trading procedures are based upon a principle of equal treatment of clients. Throughout the order generation and trading process, we strive to secure an equal treatment of clients regardless of the method of fees we are charging. This is achieved through several controls and mitigation steps, which include but are not limited to:

- In general, NIMNAI mainly charges a performance-based fee on Alpha Solutions accounts only, which invest in a different universe than our other strategies.
- NIMNAI has a clear segregation of duties among Client Service, Portfolio Management, Implementation, and Trading personnel.
- The respective strategy boutique generally issues orders on a model portfolio basis with all clients within the model being treated equally (unless there are specific client guidelines or restrictions).
- Deviations between portfolios are handled by the Implementation Team only, and as required by restrictions set by the client per the agreed upon investment guidelines.

Item 7: Types of Clients

We provide investment advisory services to North American institutional clients, which may include, but are not limited to:

- Banks or thrift institutions
- Investment companies
- Private and public retirement funds
- Unions
- Endowments
- Foundations
- Trusts
- Estates
- Charitable organizations
- Insurance companies
- Corporations
- Other business entities

NIMNAI currently serves as a sub-adviser to a registered investment company. In addition, while we do not do so currently, we may in the future participate in selected wrap account programs.

In general, NIMNAI's minimum initial investment is \$100 million. Exceptions can be made on a case-by-case basis in our sole discretion

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

We utilize different strategies for our different investment products. The method of analysis is different for each product. Please see below for the specific methods for each product.

Investment Strategies

The major investment strategies utilized by NIMNAI are as follows:

Fundamental Equities

The investment process for our Fundamental Equities strategies are based upon identifying long-term structural changes and the resulting investment themes. We have identified three main structural changes which create both challenges and opportunities for companies. We believe that companies with sustainable competitive advantages that benefit from the structural changes we have identified can achieve superior cash flow growth over a prolonged period. We perform thematic research that focuses on these structural changes and those companies that can benefit from such structural changes.

We perform our equity research by using a research matrix. In this matrix, each investment professional has multiple responsibilities, such as thematic research, sector responsibility, and stock specific responsibility. Our long-term structural growth trends are used as filters on the investment universe. We believe in being long-term investors focusing on structural changes and employee a fundamental bottom-up proprietary investment process. Risk control plays an essential part in constructing client portfolios.

Sources of information for analysis in both structural growth and company research include, but are not limited to, the following:

- Financial newspapers & magazines
- Inspections of corporate activities
- Research materials prepared by others
- Corporate rating services
- Annual reports
- Prospectuses and other corporate filings
- Company press releases
- Third party data providers, such as Datastream and Bloomberg
- Meetings with corporate officers

Fixed Income

Emerging Stars Bond

The Emerging Stars Bond strategy mainly invests in emerging market bonds. In actively managing the strategy, the team selects issuers with a particular focus on their ability to comply with international standards for environmental, social and corporate governance, and that appear to offer superior growth prospects and investment characteristics. The team also manages currencies actively.

Multi-Assets

Strategies managed by our Multi-Assets boutique are quantitatively based.

Global Stable Equities & Emerging Markets Stable Equities

Implementing fundamental insights using quantitative models, our Global Stable Equities and Emerging Market Stable Equities strategies currently evaluate stocks globally in an attempt to find those that offer more stable returns with lower risk versus the market. This investment philosophy is supported by in-depth academic and empirical research and is combined with a disciplined risk control process with fundamental oversight of the model's output. The team is supported by the Implementation Team, which utilizes multiple advanced trading techniques.

Alpha Solutions (Alpha 7, 10, 15 MA)

The Alpha Solutions (Alpha 7, 10, 15 MA) strategies are managed based on the belief that it is possible to exploit market inefficiencies when financial market valuations have moved away from their trend or where information asymmetries are present. These inefficiencies are a result of human behavioral and institutional factors, including different reactions to news flow, multiple investment objectives and varying levels of risk aversion. All of these factors are likely to be persistent, which gives us confidence that there is considerable scope for the active management approach to continue to add value in the future.

Stable Return Diversified Growth

The Stable Return Diversified Growth strategy derives investment returns from exposure to a broad range of diversified return drivers through liquid total and absolute return strategies. The approach has no benchmark constraints and therefore does not take relative bets. The strategy aims to provide positive returns in all market environments based on active asset allocation and paper selection.

Global Equities Beta+ & Emerging Markets Emerging Equities Beta+

The Global Equities Beta+ and Emerging Equities Beta+ strategies currently evaluate stocks globally in order attempt to provide long-term capital appreciation. The investment process consists of a quantitative bottom-up investment approach with a fundamental overlay.

Global Gender Diversity Equities

The Global Gender Diversity Equities strategy is managed to provide investment growth in the long term. The strategy invests in equities of companies from anywhere in the world, and equity-related securities. The team focuses on companies that demonstrate sustainability and a high level of gender diversity and equality in management, and that appear to offer superior growth prospects and investment characteristics.

Risk of Loss

All investments in securities include a risk of loss of your entire principal and any profits that have not been realized. You should be prepared to bear this risk of loss. Markets do fluctuate substantially over time. In addition, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that are out of our control. We cannot and do not guarantee any level of performance or that you will not experience a loss of your account assets.

Material Risks

NIMNAI offers its clients a range of equity and fixed income investment strategies. Different clients are eligible to select some or all of these investment strategies. The following is a brief description of each strategy's investment objective(s) and the material risks associated with an investment in the investment strategy. A full description of all the investment objectives and risks of each strategy is described in the relevant fund's and/or client account's offering documents. There is no assurance that a particular investment strategy will meet its investment objectives. Additionally, the investment strategies and techniques that NIMNAI uses within a given investment strategy will vary over time depending on various factors.

Summaries of investment objectives, principal investment strategies and material risks provided below are presented for general information purposes in accordance with regulatory requirements. Consequently, these summaries are in all instances qualified and superseded by the descriptions of objectives, strategies and risks, portfolio reports, and other communications that are provided to each client in connection with the creation and maintenance of the client's account with NIMNAI.

General Risks

The following are associated with the strategies in the Fundamental Equities, Fixed Income, and/or the Multi-Assets boutiques:

- *Risks of Equities* – A risk of investing in equity securities is that they can decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. The values of equity securities often decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate

earnings, changes in interest or currency rates or adverse investor sentiment generally. They will also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. In addition, securities which we believe are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame we anticipate. As a result, your portfolio can lose all or substantially all of its investment in any particular instance.

- *Risks of Non-U.S. Securities* – Investments in non-U.S. securities will involve risks due to non-U.S. economic, political and legal developments, including changes in currency exchange rates, exchange control regulations, expropriation, nationalization or confiscatory taxation of assets, political changes, diplomatic developments and difficulty in obtaining and enforcing judgments against non-U.S. entities. Issuers of non-U.S. securities are not necessarily subject to the same degree of regulation as U.S. issuers, and are subject to different, often less comprehensive accounting, custody reporting and disclosure requirements than U.S. issuers.
- *Emerging Markets* – Risks are heightened for securities of emerging market countries. The securities, derivatives and currency markets of emerging market countries are generally smaller, less developed, less liquid and more volatile than the securities, derivatives and currencies of the U.S. and other developed markets, and disclosure and regulatory standards in many respects are less stringent. Furthermore, emerging market countries are more likely than developed market countries to experience political uncertainty and instability. The risks associated with investments in *Risks Non-U.S. Securities* (described above) are especially pronounced in the case of emerging market investments.
- *Smaller Company Risk* – Certain strategies invest in securities of companies with smaller market capitalization. Investments in smaller companies generally involve higher risks because they often lack the management experience, financial resources, product diversification and competitive strength of larger companies. Additionally, these types of investments are subject to increased liquidity and market risk, as their securities are often less widely held, trade less frequently, and their market prices fluctuate more than companies with larger market capitalizations.
- *Currency Risk* – Changes in the value for investments in a portfolio that are denominated in currencies other than the base currency will fluctuate along with currency values, which are influenced by factors such as trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. In the case of hedging positions, currency risk includes the risk that the currency to which your portfolio has obtained exposure declines in value relative to the currency being hedged.

- *Over-the-Counter Risk* – Some strategies trade in over-the-counter markets or invest in over-the-counter contracts. These investments are subject to the risk that the counterparty to the trade or contract may fail to comply with the terms of the trade or contract. Additionally, because over-the-counter trades or contracts are individually negotiated with a specific counterparty, there is the risk that the parties may interpret contractual terms differently. Over-the-counter contracts can be difficult to value and are therefore subject to the risk of mispricing or improper valuation. These investments are subject to greater risk of potential illiquidity.
- *Key Individuals* – Due to the in-house development of our current quantitative models, you are dependent upon the expertise of certain key individuals. There can be no assurance that these key individuals will continue to be associated with NIMNAI for any length of time. The loss of the services of one or more of these key individuals could have an adverse impact on your portfolio.
- *Leverage* – Certain strategies borrow money or trade on margin to leverage the strategy's return. While gains made with borrowed funds generally can cause your portfolio's value to increase faster than without the use of borrowed funds, if the value of the securities purchased with the borrowed funds declines, or does not appreciate sufficiently to cover the costs of borrowing, your portfolio's value will decrease faster and more significantly than without the use of borrowed funds. Some strategies also use various financial instruments, including derivatives, to achieve leverage.
- *Short Sales* – Certain strategies can sell a security that we do not own and must buy it back later. We do this expecting to buy it later at a lower price. However, if the price rises, we will have to buy it later at a higher price. Due to unlimited price gains that a security can achieve, the losses on a short sale are potentially unlimited.
- *Liquidity Risk* – Liquidity risk exists when securities, which at certain times for several reasons, are not readily available to buy or sell. Limitations on the liquidity of securities in a portfolio could prevent a successful sale of such securities, result in the delay of a sale, or reduce the amount of proceeds that might otherwise be realized. Less liquid securities also can fall in price more than other securities during periods when markets decline generally.
- *Credit Market Illiquidity* – The credit markets have recently experienced a significant lack of liquidity. While lack of liquidity may create opportunities to acquire assets at prices that we believe are attractive, it creates several risks. Credit markets may experience further periods of significant illiquidity and volatility in the future. It is also possible that illiquidity in the market could cause prices to decline further, which may have the result of forcing us to sell assets to satisfy requirements under our borrowing arrangements or to meet margin calls, which could, in turn, create further downward price

pressure. If there is a substantial decline in the market value of a portfolio's investments, investments may need to be liquidated quickly.

- *Legal and Regulatory Changes* - Legal, tax and regulatory changes could occur that may adversely affect your portfolio. New or amended laws or regulations may be imposed by the CFTC, the SEC, the U.S. Federal Reserve or other banking regulators, other U.S. or non-U.S. governmental regulatory authorities or self-regulatory organizations, including entirely new entities, that supervise the financial markets that could adversely affect a client's account. In particular, these agencies are empowered to promulgate a variety of new rules pursuant to recently enacted financial reform legislation in the U.S. A client's account may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by these governmental regulatory authorities or self-regulatory organizations. The regulatory environment for private funds is evolving, and changes in the regulation of private funds may adversely affect the value of the investments held by your portfolio and NIMNAI's ability to execute its investment strategy. The CFTC, the SEC, the Federal Deposit Insurance Corporation, other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies.

The U.S. government has enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act which includes provisions for regulation of private funds and financial institutions. Because the legislation leaves much to rule making, its ultimate impact remains unclear. The regulatory changes could, among other things, restrict NIMNAI's ability to execute its investment strategies and/or impact the costs of such investment strategies, and we may be unable to generate investment returns as a result.

It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Compliance with any new laws or regulations could be more difficult and expensive and may affect the manner in which we conduct business. Furthermore, new laws or regulations can increase taxes or other costs in a client's account.

- *Derivatives and Counterparty Risk* – Certain strategies invest in derivative instruments, which involve risks different from, and potentially greater than investing directly in securities and more traditional assets. These risks include market risk, management risk, documentation risk in the case of over-the-counter derivatives, liquidity risk, leverage risk, and the risk of mispricing or improper valuation. Additionally, investments in derivative instruments are subject to counterparty risk, which is the risk that a loss may be sustained as a result of the failure of the other party to a derivative to comply with the terms of the derivative contract.
- *Cybersecurity and Operational Risk* – Cybersecurity breaches may allow an unauthorized party to gain access to assets, customer data, or proprietary information; could materially interrupt our business operations or cause disclosure or modification of sensitive or

confidential clients or competitive information. Similar incidents affecting issuers of securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

- *Other Business Interruptions* – Our investment advisory activities or operations could be interrupted or adversely affected by extraordinary events, emergency situations or circumstances beyond our control, including, without limitation outbreaks of infectious diseases, pandemics or other serious public health concerns, war, terrorism, failure of technology, accidents, disasters, government macroeconomic policies or social instability. In order to mitigate the effects of these types of events, we may activate our business continuity and disaster recovery plans. These plans may, for example, require our employees to work and access our information technology, communications or other systems from their homes or other remote locations. However, our business continuity and disaster recovery plans may not be successful, or we could be delay in implement or recovering our investment advisory activities or operations. For example, we may have issues or delays in accessing our information technology communications or other systems, which could have a material adverse effect on our business.

Fundamental Equities

The additional material risks associated with our Fundamental Equities strategies are as follows:

- *Focused Investments* – The strategies in Fundamental Equities invest in securities which are focused on a particular geographic region, sector or in industries with high positive correlations to one another. This may cause a portfolio to be particularly vulnerable to events which affect those regions, sectors or industries.
- *Regional Concentration* – Certain strategies within Fundamental Equities carry a regional concentration greater than is typical within a more diversified strategy. This means that the strategy concentrates its holdings geographically. This carries the additional risk that the strategy is more volatile than a strategy that invests in a broader geographic allocation. Additionally, there is the added risk that the strategy will be more influenced by market returns and macro-economic factors of a geographic region than a strategy that is invested in a broader geographic range.
- *Sector Concentration* – Certain strategies within our Fundamental Equities carry a sector concentration greater than is typical within a more diversified strategy. This means that the strategy concentrates its holdings within fewer sectors or within sectors at a higher allocation than a more diversified portfolio or the benchmark. This carries the additional risk that the strategy is more volatile than a strategy that invests in a broader range of sectors. Additionally, there is the added risk that the strategy will be more influenced by market returns and macro-economic factors of a few select sectors than a strategy that is invested in a broader range of sectors.

Multi-Assets

The additional material risks associated with our Multi-Assets boutique strategies are as follows:

- *Corporate Debt* – Some strategies under our Multi-Assets boutique invest in corporate debt securities. The value of these investments will change as interest rates fluctuate, and prices of long-term debt obligations generally fluctuate more than prices of short-term debt obligations generally fluctuate more than prices of short –term debt obligations. Investments in corporate debt are also subject to credit risk, which relates to financial strength and solvency of the issuer, and the issuer’s ability to make scheduled contractual payments of principal and interest. In addition, the value of corporate debt can decline significantly due to a reduction in market demand.
- *No Ratings* – Certain strategies in the Multi-Assets boutique invest in securities that do not have established rating criteria, including low-rated or unrated debt securities. The lower rating of debt securities reflects a greater possibility that adverse changes in the financial condition of the obligor or changes in general economic or regulatory conditions may impair the ability of the obligor to make payment of principal and interest. Additionally, low-rated or unrated debt securities are often less liquid and are subject to greater credit risk than higher-rated debt securities.
- *U.S. Government Securities* – U.S. government securities are subject to interest rate, credit and market risk. The value of these investments will change as interest rates fluctuate, and prices of long-term debt obligations generally fluctuate more than prices of short-term debt obligations. U.S. government securities are subject to varying levels of credit risk depending on whether the securities are supported by the full faith and credit of the U.S., supported by the ability to borrow from the U.S. Treasury, or supported only by the credit of the issuing U.S. government agency, instrumentality or corporation.
- *Pooled Investment Vehicles* – Investments in pooled investment vehicles often involve a layering of fees and other costs. In addition, investment decisions of such vehicles are made by their investment advisers independently of us and each other.
- *Quantitative Strategy* – The success of a quantitative based strategy relies on the effectiveness of the quantitative model. There can be no assurance that the quantitative models used will achieve the desired results and may cause your portfolio to incur significant losses.

If you wish to understand more about our investment strategies or the risks associated with any investment products, please feel free to contact us.



Cash Management

Cash balances can be maintained in cash or cash-like investments in an account designated by you at the onset of the client relationship. We do not render advice with respect to cash or cash-like investments but will reach agreement with you as to how cash will be invested.

Item 9: Disciplinary Information

As of the date of this Brochure, NIMNAI and its management persons have not been involved in any legal, financial or other disciplinary items to report.

Item 10: Other Financial Industry Activities and Affiliations

NIMNAI's ultimate parent company bank is Nordea Bank Abp, a Finnish publicly traded company. Nordea Bank Abp is a diversified financial services company that operates with many subsidiaries performing various services that a typical financial services company would perform. These include but are not limited to:

- Broker-dealer
- Investment company
- Investment adviser
- Financial planning
- Banking
- Insurance company

Material Relationships

NIMNAI has an Investment Management and Service Level Agreement with NIM AB, which delegates certain investment advisory and administrative functions to be performed by NIM AB. NIMNAI compensates NIM AB for such services. NIM AB's fees are paid by NIMNAI, not NIMNAI clients. Advisory fees paid by clients to NIMNAI would be the same regardless, even if NIMNAI was not paying NIM AB for such delegated services.

This working relationship and delegation of responsibilities between NIMNAI and NIM AB is arms-length and transparent to each client. NIMNAI assumes full responsibility for the delegated functions of NIM AB.

Because NIM AB is registered with the Swedish Financial Supervisory Authority and not with the SEC, NIMNAI is relying on the Unibanco No-Action Letters with respect to NIM AB. NIMNAI treats NIM AB as a "participating affiliate" in connection with its provision of investment advisory services to NIMNAI. Certain personnel of NIM AB are considered "associated persons" of NIMNAI, as they are involved in NIMNAI's advisory activities. All of NIMNAI's associated persons are under the training and oversight of NIMNAI Compliance as well as the overall supervision of NIMNAI's Board of Directors. NIMNAI does not believe that there are other relationships that would be material to you or your ability to evaluate us.

Other Activities and Affiliations

NIMNAI conducts investment advisory business in the United States. NIMNAI is currently registered with the U.S. Securities and Exchange Commission as a Registered Investment Adviser.

Board of Directors

The NIMNAI Board of Directors ("Directors") contains persons who are employed by or otherwise associated with NIMNAI's advisory affiliates and these Directors may also serve on

the boards of other Nordea affiliated entities. The NIMNAI Directors do not receive any additional compensation for serving on the NIMNAI Board.

These Directors' service on the other Nordea related entities' boards may create potential conflicts of interest. The Nordea Group has policies, procedures, and governance committees in place to mitigate these potential risks.

Chief Executive Officer and President

NIMNAI's Chief Executive Officer ("CEO") and President is expected to devote approximately 50% of his full business time to NIMNAI business and approximately 50% of his full business time continuing to serve as General Counsel of the New York Branch of Nordea Bank Abp, NIMNAI's ultimate bank parent company (and, in that capacity, will continue to provide legal services to NIMNAI's U.S. broker-dealer affiliate). This service provided to NIMNAI's affiliates by NIMNAI's CEO and President may create potential conflicts of interests. The Nordea Group has policies, procedures, and governance committees in place to mitigate these potential risks. In addition, NIMNAI's CEO and President may, in his capacity as General Counsel for NIMNAI's affiliate, receive access to information that is not permitted to be shared with NIMNAI or NIM AB, even if such information could benefit NIMNAI, NIM AB or their clients, and consequently neither NIMNAI, NIM AB nor their clients will receive the benefit of such information.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Summary of Code of Conduct & Ethics

The purpose of NIMNAI's Code of Conduct & Ethics ("Code") is to ensure a sound ethical culture and the management of potential and actual conflicts of interest. NIMNAI's Code regulates the following areas:

- Standard of Conduct and Compliance with applicable Laws, Rules, and Regulations
- Protection of Material Non-Public, Confidential Information and Data Privacy
- Personal Account Dealing
- Gifts and Hospitality
- External Engagements
- Communication with the Public
- Mandatory Leave
- Disclosure of Conflict of Interest and Undue Influence
- Exceptions from Compliance
- Raising Your Concern and Reporting a Breach
- Sanctions
- Recordkeeping

NIMNAI's Code establishes standards and procedures for handling conflicts of interest and preventing abuse of the fiduciary duties that we have as an investment adviser, and it provides a general framework for a sound ethical culture. NIMNAI's Code is based on the principle that the employees who provide services to our clients or who in the course of their duties obtain information regarding your investment transactions owe a fiduciary duty to you to conduct their personal securities transactions in a manner that does not interfere with your transactions or otherwise take unfair advantage of their position. NIMNAI's employees and NIM AB's associated persons of NIMNAI are expected to adhere to this general principle as well as to comply with all of the specific provisions of NIMNAI's Code. These employees shall place clients' interests first and the interests of NIM AB and NIMNAI second, before their own personal interests. Technical compliance with NIMNAI's Code will not automatically insulate any employee from scrutiny of transactions that show a pattern of compromise or abuse of the individual's fiduciary duties to our clients. Accordingly, employees must seek to avoid any actual or potential conflicts between their personal interests and the interests of our clients.

As part of NIMNAI's Code, NIMNAI employees and NIM AB's associated persons of NIMNAI personal trading is limited by certain rules and procedures established in our Code. In addition, these employees must pre-clear all reportable security transactions (except those exempt in the Code, such as transactions made through the use of an automatic investment plan, involuntary

purchase or sale of a transaction, transactions made in an approved managed account, gifting of securities (however, any subsequent transaction must be pre-approved, mutual funds, units in funds and foreign undertakings for collective investments traded on a stock exchange or other marketplace (e.g. an ETF, Danish listed funds, closed-end funds)). In general, these employees are not allowed to transact in a reportable security subject to pre-clearance in a reportable account on the same business day as the purchase or sale of such issuer in a client's account. These employees may not make opposite trades (buy and sell or sell and buy) in the same security within a one-month period.

Responsibility for the maintenance and administration of NIMNAI's Code rests with our Compliance Officers.

This is a brief summary of NIMNAI's Code and a copy of the entire Code is available upon request.

Participation or Interest in Client Transactions

NIMNAI's officers and employees and our advisory affiliates and their officers and employees, may have purchased or sold securities, or may subsequently purchase or sell for their account securities which may be recommended to a client's account. Any such transactions are subject to the guidelines and procedures described below under "Personal Trading." NIMNAI does not engage in principal transactions with any client's account. In the event that NIMNAI decides to engage in principal transactions in the future, we will comply with all relevant securities laws and regulations, including the disclosure of such transactions to the relevant client and seeking such client's prior written consent. NIMNAI and its affiliates from time to time, on behalf of your portfolio, can effect transactions (known as "cross trades") in which NIMNAI or one of its affiliates is also acting for other parties (including, without limitation, other portfolios, funds or pooled investment vehicles established or advised by NIMNAI or its affiliates) on the other side of the same transaction (including circumstances where NIMNAI or one of its affiliates acts as broker for both sides of the transaction), including swap transactions, and can have a potentially conflicting division of loyalties and responsibilities regarding your portfolio and the other parties to the transaction. These transactions are performed through unaffiliated brokers or through a related broker. If done through a related broker, no commission will be charged.

Personal Trading

Our Compliance Officers have oversight responsibility with respect to trading conducted by our employees and associated persons for their personal accounts. In addition, NIMNAI has adopted, and all of our officers, employees and NIM AB's associated persons of NIMNAI are subject to, written guidelines restricting the ability of our personnel to trade in their personal accounts or accounts over which they have control. These guidelines generally require that such trading be

conducted for investment rather than speculative purposes, and in a manner consistent with our actions on behalf of clients. NIMNAI's portfolio managers and employees are required to give precedence to client orders over orders for their own accounts. In addition, these guidelines generally require pre-clearance from Compliance Officers for employee transactions.

Compliance Officers will take a number of steps in deciding whether to grant approval of an employee seeking pre-clearance of a transaction. These include but are not limited to:

- the possibility of receiving insider information;
- the holding period of the security;
- whether the person making the proposed transaction is likely to benefit from transactions made or being considered for client(s);
- the risk of a conflict of interest being present;
- the likelihood the transaction will adversely affect a client;
- whether the amount or nature of the transaction or person making it is likely to affect the price or market for the security.

Item 12: Brokerage Practices

In NIMNAI's investment advisory business, we have discretion as to the securities to be bought and sold, and the amount thereof, unless otherwise agreed to by us and you. We do not except to have any general obligations to deal with any particular broker or group of brokers in effecting transactions unless the transactions are directed by clients, from time to time. In providing services to our clients, we seek best execution for all client transactions, not necessarily the lowest price, but the best overall qualitative execution. While in NIMNAI's policy to seek best execution, there can be occasions where the transaction costs charged by a broker is greater than those which another broker charges. In these situations, it is based on our good faith determination that the amount of such transaction cost is reasonable in relation to the overall value of the brokerage and research services provided by the executing broker. We believe that we are able to negotiate costs on client transactions that are competitive and consistent with our execution policy.

We conduct a semi-annual qualitative broker review. Brokers are reviewed on factors including, but not limited to, the following:

- execution capability and quality;
- liquidity and first call;
- IPO and placings;
- account coverage.

In addition, we continuously review execution quality and cost through daily monitoring and transaction cost analysis.

Our execution arrangements and the above-mentioned reviews are reported to the Best Execution Committee, which meets quarterly.

We select different brokers for each country and market, and we may select more than one broker in each such country and for each such market, which are geared to support best possible execution for our clients. Orders are allocated in accordance with our Order Execution Policy. We maintain a universe list of approved brokers. These have all been through an approval process with assessment of their execution policy, credit quality, due diligence of the broker and review of their business. We will add brokers on an ad-hoc basis if we feel it is beneficial to do so, and all approved brokers have their basis of approval reviewed at least semi-annually.

Research and Other Soft Dollar Benefits

Effective January 3, 2018, the Markets in Financial Instruments (MiFID) II regime strictly curtailed the use of "soft dollars" and required the unbundling of research services from transaction costs. Specifically, EU investment managers can receive research only if they pay

for that research (i) directly out of their own funds or (ii) reach agreement with clients to have research costs paid by clients through so-called research payment accounts (“RPAs”) funded either by a specific research charge to the client or out of dealing commissions, provided that the research element of the commission is priced separately from the execution element (i.e., “unbundled”). As such, we no longer receive any soft dollar research or research related services; if any such research or research related services are received, they are paid with our hard dollars, and clients pay for execution costs only.

Brokerage for Client Referrals

When selecting broker-dealers, we do not consider whether we or a related person receives client referrals from a broker-dealer or third party. Related persons may have agreements in place to use broker-dealers for client referrals. However, we do not compensate any broker for client referrals. Additionally, no related person compensates any person for client referrals to us. In the past, we have had a compensation arrangement for client referrals, and we shall comply with all applicable rules and regulations if we decide to do so again in the future.

Directed Brokerage

We do not encourage any client to require us to direct brokerage to specific brokers. However, we do understand that in certain circumstances a client may wish to have us direct a certain amount of brokerage to specific brokers for reasons specific to such client’s circumstances. We generally will accept a certain amount of directed brokerage, but such agreement between us and the client to direct brokerage must be in writing.

Clients should be aware that any directed brokerage may not result in best execution for such transactions. We may be unable to achieve the most favorable execution of such transactions and it may cost you more money. For example, in a directed brokerage account, it is likely that you may pay higher brokerage commissions because it is unlikely that we will be able to aggregate orders to reduce transaction costs. Additionally, since your transactions will be more likely to be executed after our other clients, you may receive a less favorable price.

Order Aggregation

We aggregate orders provided that in our judgment, doing so will result in an overall benefit to our clients and is consistent with our policy on best execution. No client will be favored over any other, and all accounts that are part of the aggregated order will receive the average price of such order, as well as a pro-rata portion of transaction costs. All aggregated orders that are filled in their entirety will be allocated based upon an allocation statement. Partially filled orders will be allocated on a pro-rata basis based upon the allocation statement. If allocation on a pro-rata basis is not possible, then another method will be used for allocation so that all of the partially filled non pro-rata allocations taken as a group represent a fair and equitable allocation among all accounts.

Item 13: Review of Accounts

NIMNAI will generally provide written reports describing each client's investment portfolio and performance on a quarterly basis. Client reports typically contain market commentary, portfolio holdings, portfolio transactions, commentary as to portfolio transactions during the most recent period, commentary relating to investment performance, and a portfolio outlook. However, the specific nature of client reporting varies from client to client and will be agreed upon at the onset of the client relationship. During the process of preparing client report, a client service professional will review your account.

Each client account will be assigned a dedicated as well as a back-up investment professional. This dedicated and/or back-up investment professional will be responsible for implementing and reviewing such client's investment account on an ongoing basis.

Item 14: Client Referrals and Other Compensation

NIMNAI does not, either directly or indirectly, compensate anyone for client referrals. Additionally, no related person compensates any person for client referrals to us.

In the past, NIMNAI had a compensation arrangement for client referrals and we shall comply with all applicable rules and regulations if we decide to do so again in the future.

Item 15: Custody

NIMNAI does not have custody of any client funds or securities.

Item 16: Investment Discretion

In our investment advisory business, NIMNAI has total investment discretion as to securities, and the amount thereof, to be bought and sold unless otherwise agreed to by us and the client. Except for such investment restrictions and policies as may be established by the client and agreed to by us, there will generally be no limitation on our authority to determine, without obtaining specific consent from the client, the following:

- Securities to be bought and sold
- Amount of the securities to be bought and sold
- Broker or dealer to be used
- Commission rates to be paid.

NIMNAI will enter into an investment advisory agreement with a client pursuant to which the client will grant us discretionary trading authority. If there are any investment restrictions or guidelines that are mutually agreed to by the client and us, we will include those restrictions or guidelines in the investment advisory agreement.

Item 17: Voting Client Securities

NIMNAI does not generally accept authority to vote proxies, but may accept authority to vote proxies on behalf of its clients. When NIMNAI has the authority (which will be set forth in the client's agreement with NIMNAI), NIMNAI will follow its written proxy voting policies and procedures ("Proxy Policy"). The Proxy Policy authorizes NIMNAI to delegate certain functions to service providers. Because NIMNAI has delegated portfolio management functions to NIM AB, proxy voting is performed by NIM AB. NIM AB currently uses Institutional Shareholder Services Inc. ("ISS") to provide guidance on specific votes, recommend votes, and vote proxies on behalf of NIMNAI.

NIM AB's Corporate Governance Function serves as the single-point-of-entry on all proxy voting related issues, both in relation to clients and any third-party proxy voting provider, as applicable. This includes for example identifying conflicts of interest and executing the proxy voting on behalf of clients. In addition, it is the responsibility of the Corporate Governance Function to continuously review, monitor and improve internal processes related to proxy voting, ensuring compliance with relevant legislation and following best market practice in the best interest of NIMNAI's clients as well as continuously evaluate and conduct annual due diligence on selected service provider relating to proxy voting. Such due diligence measures include for example, but is not limited to, highlighting and assessing relevant risks in relation to the service provider as further set out in NIM AB's internal rules, such as for example the third-party risk management framework and NIM AB's outsourcing rules.

To the extent NIMNAI has agreed to provide proxy voting on behalf of a client, NIM AB will either:

- i) Make a voting decision based on the client's own voting principles as provided to NIMNAI. If deemed appropriate or necessary to interpret the client's voting principles or in case where the client's voting principles are silent on a specific matter, NIM AB will utilize proxy advice provided by ISS. The actual voting is eventually executed by either NIM AB or ISS.
- ii) Authorize ISS to be fully responsible for the proxy voting on behalf of the client.

ISS will, as applicable, be responsible for providing voting research, voting recommendations, facilitation of delivery of voting decisions to the investee companies, record-keeping and reporting services. NIM AB will rely on ISS's Sustainability Proxy Voting Guidelines, as applicable, from time to time.

NIM AB will typically exercise its voting rights for material equity positions only, unless otherwise specifically agreed with a client and/or required by applicable law.

Each of NIM AB and NIMNAI has policies in place for the purpose of taking all reasonable steps to prevent and manage conflicts of interest. These policies need to be complied with for all areas, including proxy voting. NIM AB has in place a Proxy Voting Committee (“PVC”), which meets semi-annually and when potential conflicts of interest in relation to proxy voting are referred to the PVC by the Corporate Governance Function. Members of the PVC include both voting and non-voting members, including for example NIM AB’s Chief Investment Officers, the Head of the Responsible Investments team and senior representatives from NIM AB’s Compliance function. In case a potential conflict of interest is identified, the Corporate Governance Function is responsible for informing the PV and submit the conflict of interest for the PVC to manage and resolve. The PVC shall always consider the best interest of NIMNAI’s clients and any final decision shall be made by consensus in the PVC. If consensus cannot be reached, the issue shall be escalated to the CEO of NIM AB. NIM AB’s compliance function is represented in the PVC with a specific focus on managing conflicts of interest.

NIMNAI’s Proxy Policy is available upon request.

Item 18: Financial Information

NIMNAI does not charge or solicit pre-payment of \$1200 or more in fees per client six or more months in advance.

Additionally, we are not currently aware of any financial condition that would be reasonably likely to impair our ability to meet our contractual commitments to any client.

Item 19: Requirements for State-Registered Advisers

NIMNAI is not currently registered with any state securities authorities.