SUPPLEMENT

PASSIM STRUCTURED FUNDS PLC (THE "COMPANY")

J.P. MORGAN EUROPEAN EQUITY DEFENSIVE FUND (THE "SUB-FUND")

13 DECEMBER 2021

This document is supplemental to, forms part of and should be read in conjunction with the Company's prospectus dated and published on 13 December 2021 (the "Prospectus"). The Company is an umbrella fund with segregated liabilities between sub-funds.

The information contained in this Supplement should be read in the context of, and together with, the information contained in the Prospectus and distribution of this Supplement is not authorised unless accompanied by or supplied in conjunction with a copy of the Prospectus. All capitalised terms shall have the meaning set out in the Prospectus unless otherwise indicated.

The Directors, whose names appear on page (iv) of the Prospectus accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Investors should note that the Sub-Fund may seek to achieve its investment objective by investing principally in Financial Derivative Instruments ("FDI") as described below which may be complex and sophisticated in nature. The Sub-Fund may invest substantially all of its assets in Swap Transactions and may also enter into other transactions for funding purposes as described in the Prospectus. Investors should refer to the "*Key Risks*" section below for information in relation to the risks associated with this Sub-Fund.

The potential difference at any one time between the issue and the redemption price of Shares due to Subscription Charges which may apply means that an investment in the Sub-Fund should be viewed as medium to long-term. An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Horizon	Investment Objective	Principal Protection
		
Medium to long-term	Growth	Principal at Risk

KEY FEATURES

Name of Sub-Fund	J.P. Morgan European Equity Defensive Fund
Regulatory Status	UCITS
Date of Approval	2 July 2021
Investment Advisor	JPMorgan Asset Management (UK) Limited. The Investment Advisor is authorised and regulated by the Financial Conduct Authority of the United Kingdom. The Investment Advisor will provide investment advice in relation to the composition of the Investment Portfolio but has no discretion over the assets of the Sub-Fund.
Investment Objective	The Sub-Fund's investment objective is to provide medium to long-term capital growth to Shareholders in the Sub-Fund.
Base Currency	EUR
Profile of a Typical Investor	The Sub-Fund's investment policy may be attractive to investors looking for a medium- to long-term investment exposure to European equities whilst seeking to mitigate capital charges under the European Directive 2009/138/EC, as amended ("**Solvency II**"), and who are prepared to accept the risks described in this Supplement.
Initial Offer Period	The period commencing at 8:00 a.m. (Dublin time) on 5 July 2021 and terminating at 6:00 p.m. (Dublin time) on the Closing Date.
Initial Issue Price	The price at which each Share is offered for subscription during the Initial Offer Period, being 100 per Share in the relevant currency in which the respective Share Class is denominated.
Closing Date	In respect of all Classes, 4 January 2022, or such other date as determined by the Directors in accordance with the Central Bank's requirements.
ISIN	EUR Share Class I (acc): IE000G6NW9G6 EUR Share Class I Hedged (acc): IE0003QLK170 EUR Share Class A (acc): IE000Q5L5QE4 EUR Share Class A Hedged (acc): IE0006K50HS8
Fees	Please see the "*Fees*" section for information on the fees applicable to the Sub-Fund.

INVESTMENT POLICY

Investment Policy

The Sub-Fund will seek to achieve its investment objective primarily by:

(i) investing, either directly or through derivatives, in equities of companies that are domiciled, or carry out the main part of their economic activity in, developed European countries, **"Equity Portfolio"**; and

(ii) entering into one or more derivative based hedging strategies in order to obtain limited protection against losses and, where possible, generate an additional return for the Sub-Fund, the **"Hedging Strategies"**.

The Equity Portfolio along with the Hedging Strategies in totality represent the "**Investment Portfolio**" of the Sub-Fund.

While the Investment Manager will consider the advice of the Investment Advisor in determining the Investment Portfolio, the Investment Manager may choose not to follow this advice and retains ultimate discretion in determining the Investment Portfolio. In the event that the Investment Manager chooses not to follow or to ignore the advice of the Investment Advisor, the Investment Manager will implement the Sub-Fund's investment policy using its own expertise, independently of the Investment Advisor. The Investment Advisor will have no discretion over the assets of the Sub-Fund.

<u>Equity Portfolio:</u>

The constituents of the Equity Portfolio are selected and managed by the Investment Manager with the aim of identifying securities which it considers to have the highest potential to perform whilst minimising investment, or not investing at all, in securities which the Investment Manager considers the most overvalued and to have the least potential to perform.

The Investment Manager aims to maintain a diverse portfolio without any specific focus on a country or economic sector. In seeking to identify under and overvalued securities, a stock selection process is utilised which considers the advice provided by the Investment Advisor. In providing its advice, the Investment Adviser undertakes rigorous fundamental research which includes speaking with company management, gathering information on competitors, engaging in discussions with a wide range of participants and experts in the relevant industry and making site visits to prospective investees,. This fundamental research is applied consistently across geographical regions and industrial sectors and involves estimating the issuers' future cash flow, earnings and dividends. These estimates are then analysed in conjunction with the market prices of the securities which is the basis on which the relative attractiveness of the securities for investment is determined by the Investment Manager.

In addition, the Investment Manager will implement certain environmental, social and governance ("**ESG**") criteria to the selections of issuers.

Although the Sub-Fund is not restricted from investing in non-ESG related assets, the Sub-Fund will invest predominantly in ESG related assets and the Investment Manager will take an ESG conscious approach to its selection of issuers. When selecting issuers, the Investment Manager will seek to favour issuers that meet certain ESG criteria and exclude others based on business involvement criteria, such as:

- **ESG Controversies**: Companies in serious violation of United Nations Global Compact ("**UNGC**") are excluded from the eligible universe;

- **Controversial Business Involvement Criteria:**
    - Companies that are involved in the following specific business activities are excluded from the eligible universe: controversial weapons, white phosphorous and nuclear weapons (defined as nuclear fissile material, nuclear warheads and missiles or nuclear intended use-component parts);
    - Companies that derive a certain percentage or more of revenue or production from the following activities are excluded from the eligible universe: tobacco production, conventional weapons, revenue from connection to the nuclear weapons industry, and thermal coal.

More information on the latest screens and thresholds for levels of business involvement which may result in exclusions can be found on https://www.jpmorganmansart.com/mansart/.

<u>Hedging Strategies:</u>

The Sub-Fund will also enter into one or more hedging strategies, using options and index futures to seek to provide downside protection and improve long term returns. Each strategy will:

(i) sell call options on broad European stock market indices with strike values determined by the Investment Manager;

(ii) buy put options on broad European stock market indices, typically aiming to achieve the highest strike possible with the proceeds from the sale of the call options unless otherwise determined by the Investment Manager; and

(iii) take short futures positions on broad European stock market indices for a notional amount determined from time to time by the Investment Manager.

The hedging strategies will typically be rebalanced on a monthly basis, although the Investment Manager could decide on ad-hoc adjustments outside this rebalancing cycle. For the avoidance of doubt, investors should note that not all constituents of the Investment Portfolio selected may be ESG compliant and that, in some cases, the Investment Manager may not be able to pursue its ESG investment preferences.

Sustainable Finance	As described in the "*Investment Policy*" section, the Sub-Fund will, through its implementation of the ESG criteria described above, promote a combination of environmental and social characteristics while also investing in companies which follow good governance practices. The Investment Manager therefore believes that the Sub-Fund meets the criteria of Article 8 of the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088.

INSTRUMENTS TO IMPLEMENT INVESTMENT POLICIES

Implementation of the Investment Policy	In order to implement the investment policy of the Sub-Fund, the Sub-Fund may enter into one or multiple Swap Transaction(s) with the Swap Counterparty, under which the Swap Counterparty will provide exposure to the whole or part of the Investment Portfolio. The Sub-Fund may also obtain exposure to the Equity Portfolio by way of investing directly in the equity constituents, which may include depositary receipts, and up to 10% of its Net Asset Value in UCITS CIS (including exchange traded funds, "**ETFs**") which are themselves exposed to European equities of the type to which the Sub-Fund will

otherwise be exposed. To the extent the Sub-Fund invests in ETFs, these will be listed on Recognised Markets.

FDI, as further described below, may be used to provide exposure to the Investment Portfolio and, in particular, the Hedging Strategies. FDI may be used for investment or for efficient portfolio management (i.e. hedging) purposes. The FDI utilised by the Sub-Fund may be exchange-traded or over-the-counter. The FDI which are exchange-traded will be listed or traded on Recognised Markets.

Finally, a portion of the Sub-Fund's assets may be held in cash or cash equivalent investments, including, but not limited to liquid and listed securities such as highly rated fixed or floating rate government bonds (zero coupon bonds), commercial papers or certificates of deposit.

The Investment Manager will decide the approach to use in order to best implement the Sub-Fund's investment policy at any given time and will monitor this on an ongoing basis.

The Investment Manager has determined that the Sub-Fund will initially:

- enter into the Swap Transactions on a fully-funded basis as the most efficient method in current market conditions to obtain exposure to the Equity Portfolio; and
- use FDI to implement the Hedging Strategies.

As a result of entering into the Swap Transactions, the Sub-Fund will not have any direct investment in the Equity Portfolio or any of its components but will have a contractual arrangement with the Swap Counterparty whereby it will receive a payment linked to the performance of the Equity Portfolio.

With regard to the use of equity index options and any other indices for investment purposes, all such indices to which exposure may be gained will comprise of eligible assets and comply with the risk spreading rules applied to direct investment in equities in accordance with the requirements of the UCITS Regulations and will also comply with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, the Central Bank's guidance on UCITS Financial Indices and the ESMA Guidelines on exchange traded funds and other UCITS issues. Details of such indices utilised by the Sub-Fund will be contained in the annual report of the Company.

Additional information on Un-Funded and Fully Funded Swaps can be found in the "*Investment Management of the Sub-Funds*" section of the Prospectus

Financial Derivative Instruments

As detailed above, the Sub-Fund may be exposed to FDI, whether for investment or for efficient portfolio management (i.e. hedging) purposes.

FDI may be used to provide exposure to the Investment Portfolio and to manage the Sub-Fund's exposure to market fluctuations which helps the Sub-Fund achieve its investment objective. The Sub-Fund's use of FDI is detailed in the RMP Statement.

In addition to Swap Transactions, the Sub-Fund may invest in:

Total return swaps which may be used to gain exposure to the Investment Portfolio or part of the Investment Portfolio. The underlying instruments of the swaps may include equities, equity indices and options linked to equity indices which are consistent with the investment objective and policies of the Sub-Fund.

Total return swaps are agreements for a specified notional amount, in a specified currency, for a specified period, in which one party makes payments with reference to a specified rate, either fixed or variable, while the other party makes payments with reference to the total return (income and capital) of a specified underlying asset (reference asset). The reference asset, owned by the party making the total return payments, may be a bond, equity, index, options linked to equity indices or basket of securities. Total return swaps allow the party receiving the total returns to gain exposure to the reference asset, without actually owning it.

The Sub-Fund's exposure to total return swaps (including the Swap transaction) is expected to be 100% of its Net Asset Value and may not exceed 105% of its Net Asset Value. 100% of the revenue generated by the total return swaps, net of any applicable fees will be returned to the Sub-Fund.

Options may be used within the Investment Portfolio, for both investment and hedging purposes, with the aim to either increase the total return or seek to hedge against changes in interest rates, equity prices, or other investment prices.

An option gives the holder the right, but not the obligation, to buy or sell the value of an underlying bond, currency, security, futures contract, interest rates or index composed of eligible asset classes at the stated exercise price on or before the expiration date of the option.

Index futures may be used within the Investment Portfolio for both investment and hedging purposes.

A futures contract is an exchange-traded agreement between two parties, a buyer and a seller, to exchange a particular financial instrument at a specific price on a specific date in the future. Index futures are futures contracts where a trader can buy or sell a financial index to be settled at a future date.

Currency forwards may be used within the Investment Portfolio for hedging purposes, with the aim to hedge against fluctuation in currency prices.

Currency forwards lock in the price at which a currency may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract.

The counterparties to OTC transactions are typically banks, investment firms or other financial institutions or intermediaries that meet the Central Bank's criteria (including legal status, country of origin and minimum credit rating) set out in the Central Bank UCITS Regulations and the criteria disclosed in the Prospectus, under the heading "*Use of FDI*". The risk of the Swap Counterparty defaulting on its obligations under the relevant derivative contract and its effect on investor returns are described in the "*Risk Factors relating to the Swap Transaction*", "*Counterparty Credit Risk*" and "*Settlement Risk*" in the Prospectus and "*Counterparty Risk*" sections.

The terms of swap transactions generally require certain calculations and determinations to be made by a calculation agent, including determining if certain disruption events have occurred and if so, the nature of the consequences. Please refer to the "*Disruption Events*" and "*Determinations of a Calculation Agent*" sections below for more information on disruption events.

Neither the Swap Counterparty nor the calculation agent will assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the FDIs.

The Investment Manager is responsible for determining whether the currency exposure of the Sub-Fund obtained through investment in equities which are not denominated in the Base Currency will be hedged or not. With the exception of the hedged Share Classes, it is not currently intended to hedge any such currency exposure.

Funding Investments

As mentioned above, the Swap Transaction may, at the discretion of the Investment Manager, be entered into on the basis of a Fully Funded Swap format or an Un-Funded Swap format.

Where the Investment Manager determines that the Sub-Fund should enter into the Swap Transaction on an un-funded basis it will select and acquire Funding Investments in the form of:

(i) government bonds (which may be fixed or floating rate) issued by one or more Member States of the European Economic Area, which are primarily listed or traded on Recognised Markets; and/or

(ii) equity securities or other securities with equity characteristics, including, but not limited to, preferred stocks and depository receipts for such securities (American Depositary Receipts (ADRs) traded in the United States markets and Global Depositary Receipts (GDRs) traded in other world markets), issued by companies located in developed countries and listed or traded on Recognised Markets. The Sub-Fund will transfer all of the economic interest in such equity securities to the Swap Counterparty (as defined below) under a total return swap and will therefore have no exposure to the performance of such Funding Investments.

The Funding Investments acquired will be those which, in the opinion of the Investment Manager, are at the time best suited for the purpose of meeting the investment objective of the Sub-Fund. The Investment Manager's assessment includes ensuring that the return generated by the Funding Investments enables the Sub-Fund to meet its obligations under the Swap Transaction, and ensuring that the liquidity of the securities to be used as Funding Investments matches the daily liquidity needs of the Sub-Fund.

The Funding Investments will represent fully-funded investments as the Sub-Fund will invest substantially all of the subscription monies received during the Initial Offer Period and on each Subscription Date in the Funding Investments with the balance invested in cash.

Investors should note that not all of the Funding Investments selected may be ESG compliant and that, in some cases, the Investment Manager may not be able to pursue its ESG preferences in respect of some or all of the Funding Investments.

Investors should refer to the "*Investment Management of the Sub-Funds*" section of the Prospectus and the "*Risk Factors*" sections of this Supplement and the Prospectus for further information about the use and risks of the Funding Investments.

Disruption Events

The occurrence of the following events under a swap transaction shall be deemed "**Disruption Events**":

a) A "**Non-Publication Event**" The failure of the calculation agent to calculate and publish a value of the swap transaction on such day within the scheduled or usual timeframe for publication.

b) **"Change in Law"** means that, on or after the trade date of any transaction (A) due to the adoption of or any change in any applicable law or regulation (including, for the avoidance of doubt and without limitation, (x) any tax law or (y) adoption or promulgation of new regulations authorized or mandated by existing statute), or (B) due to the promulgation of or any change, announcement or statement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), a party to such transaction determines in good faith that it has become, or will become within thirty (30) calendar days following the date of such determination but prior to the termination date of the relevant swap transaction, illegal to hold, acquire or dispose of hedge positions relating to such transaction.

Consequences of Disruption Events

Upon the occurrence of a Disruption Event, where the calculation agent determines, in good faith and in a commercially reasonable manner, that a Non-Publication Event has occurred, the calculation agent shall determine the value for the relevant swap transaction in accordance with the formula for and method of calculating such value in effect prior to the occurrence of the Non-Publication Event, using such values as the calculation agent determines, in good faith and in a commercially reasonable manner, to be appropriate.

Upon the occurrence of a Disruption Event, the calculation of the Net Asset Value may be suspended, as set out under "*Suspension of Valuation*" in the Prospectus. If the Disruption Event continues, the relevant swap transaction may be terminated and the Sub-Fund may have to be liquidated, as set out under "*Compulsory Transfers and Redemptions*" in the Prospectus.

Swap Counterparty

J.P. Morgan Securities plc and any other counterparty selected by Investment Manager Mansart which meets the requirements as set out in the Prospectus and of the UCITS Regulations. Such other counterparties may or may not be related to the Depositary or its respective delegates.

It is envisaged that J.P. Morgan Securities plc shall be the initial counterparty to the initial FDIs and swap transactions. Where J.P. Morgan Securities plc acts as a counterparty to FDIs and swap transactions, it shall also assume the role of calculation agent, in respect of the FDIs and swap transactions, with responsibility for making certain calculations and determinations under the FDIs and swap transactions in good faith and in a commercially reasonable manner.

For the avoidance of doubt, the Swap Counterparty has no discretion over the exposures which the Sub-Fund's assets will obtain through the FDIs and swap transaction.

Global Exposure

The Sub-Fund will be leveraged through its exposure to the constituents of the Investment Portfolio.

The Company's RMP Statement enables it to accurately measure, monitor and manage the various risks associated with the Sub-Fund's use of FDI. As specified in the RMP Statement, the Sub-Fund's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the Absolute Value-at-Risk of the Sub-Fund will be no greater than 20% of its Net Asset Value with a twenty (20) day holding period and a 99% confidence level. The Value-at-Risk of the Sub-Fund is a daily estimation of the maximum loss which the Sub-Fund may incur over a twenty (20) day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using a historical observation period of at least 250 business days. This process is described in detail in the RMP Statement.

Measuring levels of leverage using the absolute sum of the notionals of the derivatives used, as required by the Central Bank, would produce a leverage percentage not exceeding 305% of the Sub-Fund's Net Asset Value, although investors should note that higher levels of leverage may be experienced (e.g. in a low market volatility environment). That methodology does not reflect any netting or hedging that the Sub-Fund may have in place.

The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed by the Company, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Collateral	In order to ensure that the Sub-Fund does not breach the requirements of the UCITS Regulations regarding counterparty risk exposure, the Sub-Fund will require that counterparties to any FDI with the Sub-Fund collateralise the Sub-Fund, in order that the collateral held by the Depositary on behalf of the Sub-Fund mitigates the counterparty risk.

In so far as collateral is required in respect of any FDI, it will be collateralised typically with government bonds and cash but, in any case, with assets which are deemed acceptable collateral in accordance with the UCITS Regulations and the requirements of the Central Bank and which are set out in the "*Investment Management of the Sub-Funds*" section of the Prospectus. Subject to compliance with the UCITS Regulations and the requirements of the Central Bank and provided that the collateral must at all times be of adequate quality and quantity, collateral will not be subject to limitations in respect of issuer type or location, maturity or liquidity. All collateral received (be it cash or non-cash) will comply with the provisions of the Prospectus, under the heading "*Use of Repurchase/Reverse Repurchase Agreements and Lending of Fund Securities*".

In accordance with the requirements of the Central Bank, the counterparties will be required to transfer title in any collateral to the Sub-Fund and collateral will be held in a segregated account by the Depositary or its delegate. Any collateral will be marked to market daily and variation margin arrangements will be employed and, in the event of a default by a counterparty, the Sub-Fund will have instant access to the relevant collateral without recourse to the counterparty.

Any collateral will be held at the risk of the counterparty and the Sub-Fund will hold all right and title to, and interest in the collateral. The Sub-Fund will monitor any collateral to ensure that the securities to be provided as collateral will, at all times, fall within the categories permitted by the Central Bank and will be fully diversified in accordance with the requirements of the Central Bank.

Investors should note that there is a cost attached to any collateralisation of the Sub-Fund that varies according to market conditions. Notwithstanding the provisions of the Prospectus, collateral received by the Sub-Fund will not be re-invested.

Investors should also note that the Company has agreed that, in the event that collateral is required to be provided by the Sub-Fund to a FDI counterparty (i.e. where the Sub-Fund owes the counterparty money under the derivative), a proportion of the assets of the Sub-Fund equal in value to the relevant amount of required collateral to the counterparty shall be pledged to the counterparty.

KEY RISKS

This section shall be read in conjunction with the "*Risk Factors*" section in the Prospectus.

The risks listed below and in the Prospectus should not be considered to be an exhaustive list of the risks, which potential investors should consider before investing in the Sub-Fund. No person should deal in the Shares unless that person understands the nature of an investment in the Shares and the extent of that person's exposure to potential loss. Each prospective investor should consider carefully whether the Shares are suitable for it in the light of its circumstances and financial position. Prospective investors should consult their own legal, tax, accountancy, financial and other professional advisers to assist them in determining the suitability of the Shares for them as an investment. Potential investors should be aware that an investment in the Sub-Fund may be exposed to other risks of an exceptional nature from time to time.

Investors should note that the Sub-Fund may seek to achieve its investment objective by investing principally in FDI.

Risk to your Return

All investors should be aware that the value of their Shares, described herein, will depend on the performance of the Investment Portfolio.

The Shares should therefore only be considered suitable for investors if they:

- have read and understood the manner in which the Investment Portfolio will function so that they fully understand how their Shares will perform as a result of the performance of the Investment Portfolio;
- believe that the Investment Policy will generate a positive performance over the life of their investment because a fall in the Investment Portfolio value will lead to them to receive less than their initial investment upon redemption of their Shares; and
- understand that poor performance of the Investment Portfolio may lead to investors receiving less than their initial investment upon redemption of their Shares.

Lack of Operating History

The Sub-Fund is recently formed. There can be no assurance that the Sub-Fund will achieve its investment objective. The past performance of the Investment Manager cannot be construed as an indication of the future results of an investment in the Sub-Fund.

Investment advice provided by the Investment Advisor

The composition of the Investment Portfolio will be chosen by the Investment Manager, considering the advice provided by the Investment Advisor.

Market Risks

Investors in the Sub-Fund should appreciate that their investment is exposed to the performance of the Investment Portfolio as well as any market parameters that could impact its components.

<u>*Equity risk:*</u> The Sub-Fund will be invested or exposed to equity securities. The value of equity securities may 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 may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

<u>*Basis risk:*</u> The Sub-Fund will be invested in a hedging strategy or strategies which is based on diversified equity indices and not on the actual equities which the Sub-Fund will hold or have exposure to at any given time. The performance of the indices might differ from the performance of the equities, which might adversely impact the performance of the Hedging Strategies and therefore the Net Asset Value of the Sub-Fund.

<u>*Currency risk:*</u> As set out in the "*Implementation of Investment Policy*" section, the Sub-Fund may have an exposure to foreign exchange through exposure to equities, within the Investment Portfolio, which are not denominated in the Base Currency. Where this is the case, the Sub-Fund's performance may be strongly influenced by movements in foreign exchange rates due to currency positions held by the Sub-Fund not corresponding to security positions held.

With the exception of the hedged Share Classes, the Investment Manager will not generally seek to hedge against the risk of currency movements between the Base Currency and the currency of the assets. Consequently, the Sub-Fund and certain

Share Classes may be exposed to currency exposure which might adversely impact the Net Asset Value of the Sub-Fund.

Environmental, Social and Governance Risk: Laws, regulations and guidance relating to ESG are either new or are in development. The subject of ESG is broad in scope and whilst parameters are still being established, ESG values may be subjective or open to interpretation. Current ambiguity in the market could in certain circumstances result in ESG values of investors differing from that of the Investment Manager. The assets of the Sub-Fund, including the constituents of the Investment Portfolio, will be selected by the Investment Manager taking into account the ESG criteria as outlined above. This may affect the Sub-Fund's exposure to certain issuers and cause the Sub-Fund to forego certain investment opportunities. Accordingly, the Sub-Fund may perform differently to other funds with similar investment objectives that do not seek to invest in securities of issuers based on their ESG ratings.

Derivative Instruments

The Sub-Fund may use the FDI set out above. Certain positions held through FDIs may be subject to wide and sudden fluctuations in market value with a resulting fluctuation in the amount of profits and losses. Using derivative instruments has various risks. These include, but are not limited to, the following:

Liquidity risk: FDI, especially when traded in large amounts, may not always be liquid. Hence in volatile markets, the Sub-Fund may not be able to close out a position without incurring a loss. In addition, exchanges on which the Investment Manager may conduct its transactions in certain derivative instruments may have daily limits on price fluctuations and speculative positions limits. These limits may prevent the Investment Manager from liquidating positions promptly, thereby subjecting the portfolio to the potential of greater losses.

Leverage risk: The Sub-Fund may use FDI to take a leveraged exposure to the components of the Investment Portfolio. Leverage may magnify the gains and losses experienced by the Sub-Fund. This could subject the Sub-Fund's Net Asset Value to wider fluctuations.

Over-the-Counter Trading risk: FDI that may be purchased or sold by the Sub-Fund may include instruments not traded on an exchange. Over-the-counter options, unlike exchange-traded options, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of non-performance by the obligor of over-the-counter instruments may be greater, and the ease with which these can be disposed of or entered into may be less, than in the case of exchange-traded instruments. In addition, significant disparities may exist between "bid" and "ask" prices for FDI that are not traded on an exchange. FDI not traded on exchanges are also not subject to the same type of regulation as exchange-traded instruments, and many of the protections afforded to participants in a more regulated environment may not be available in connection with those instruments.

Index Futures

The Investment Portfolio may include index futures. A futures contract is an exchange-traded agreement between two parties, a buyer and a seller, to exchange a particular financial instrument at a specific price on a specific date in the future. Index futures are futures contracts where a trader can buy or sell a financial index to be settled at a future date.

The price of index futures contracts may not correlate perfectly with the movement in the underlying index because of certain market distortions. Participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, market participants may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. In addition, the deposit requirements in the futures market are often less onerous than margin requirements in the securities market which may make future markets more attractive to speculators. Increased participation by speculators in the futures market may result in price distortions.

Counterparty Risk

The Sub-Fund will enter into FDIs and swap transactions with counterparties.

The Sub-Fund will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

Although the Swap Counterparty will provide collateral to reduce the Sub-Fund's exposure to it, the insolvency of the Swap Counterparty would adversely affect the ability of the Swap Counterparty to meet its payment obligations to the Sub-Fund. In particular, investors should be aware that in the case of insolvency of the Swap Counterparty, the Collateral held by the Sub-Fund at that time may not be sufficient to allow the Sub-Fund to meet its investment objective and in such cases your return may be reduced.

Investment in another collective investment scheme

The Sub-Fund may invest in shares or units of collective investment schemes ("**CIS**"). As such, the Sub-Fund and its investors will bear a portion of the fees, costs and expenses of the underlying fund, including management, investment management and administration fees and other expenses. These will act as a drag on performance.

In addition, these collective investment schemes may be exposed to a range of risks, including but not limited to liquidity risk, settlement risk and operational risks which may affect the Sub-Fund's ability to meet its investment objective.

Reliance on Licences, Exchange Trading and Price Publication

The publication of the indices level may depend on the maintenance of requisite index licences, the continued exchange trading and price publication of the relevant index. Any disturbance or discontinuation of any of these actions may adversely affect the Sub-Fund's ability to meet its investment objective.

Determinations of a Calculation Agent

The Sub-Fund may enter into swap transactions as part of its Investment Policy. The terms of swap transactions generally require certain calculations and determinations to be made by a calculation agent. While the calculation agents will make these calculations and determinations, acting in good faith and in a commercially reasonable manner, determinations made by a calculation agent in respect of a swap transaction may have an adverse effect on the value of the Shares.

For the avoidance of doubt, the calculation agent to swap transactions will have no discretion over the exposures which the Sub-Fund will obtain through each swap transaction. However, the calculation agent may determine if certain disruption events have occurred and, if so, the nature of the consequences. Please refer to the "*Disruption Events*" section above for more information on Disruption Events.

Liquidity

The Sub-Fund may be subject to capacity constraints within the financial instruments constituting the Investment Portfolio.

The markets for some financial instruments may have limited liquidity and depth. This could be a disadvantage to the Investment Portfolio, both in the realisation of quoted values and in the execution of orders at desired values, resulting in a decline in the value of the Sub-Fund.

EU and UK Benchmark Regulations

Investors should note that, in accordance with the requirements of Regulation (EU) 2016/11 of the European Parliament and Council of 6 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "EU **Benchmark Regulation**"), and post Brexit, as onshored into UK law (the "**UK Benchmark Regulation**") where applicable, the

Company has adopted an index contingency plan to set out the actions which the Company would take in the event that a benchmark used by the Sub-Fund materially changes or ceases to be provided (the "**Index Contingency Plan**"). Actions taken by the Company by reason of the Index Contingency Plan may result in changes to the investment objectives or investment policies of the Sub-Fund, which may have an adverse impact on the value of an investment in the Sub-Fund. Any such changes will be implemented in accordance with the requirements of the Central Bank and the terms of the Prospectus. The benchmark administrators of the indices used by the Sub-Fund have been included in the register maintained by ESMA under the EU Benchmark Regulation and the FCA under the UK Benchmark Regulation, as applicable.

The foregoing list of risk factors is not intended to be exhaustive. All persons should seek such advice as they consider necessary from their professional advisors, legal, tax or otherwise.

Conflict of Interest

Reference is made to the "*Conflicts of Interest*" section in the Prospectus.

The relevant J.P. Morgan entities will comply with their respective regulatory obligations for managing conflicts of interest and have policies in place to deal with them. Where these arrangements are not sufficient to ensure with reasonable confidence that the risk of damage to a client's interests will be prevented, the relevant firm shall disclose the conflict to such client before undertaking business on its behalf. Hereby supplementing the disclosure of the "*Conflicts of Interest*" section in the Prospectus. The Investment Advisor will only have the duties and responsibilities expressly agreed to by it in its capacity as investment advisor and will not be deemed to have other duties or responsibilities or be deemed to have a standard of care other than as expressly provided in respect of each capacity in which it acts.

The Investment Manager has appointed JPMorgan Asset Management (UK) Limited as investment adviser for the Sub-Fund and, as a result, the JPMorgan group will retain a large share of the fees paid by the Sub-Fund. The Investment Manager has a policy in place to deal with conflicts of interests.

DEALING

Classes	Class	Minimum Initial Investment	Minimum Shareholding	Minimum Additional Investment
	EUR Share Class I (acc)	EUR 1,000,000	EUR 1,000,000	EUR 100
	EUR Share Class I Hedged (acc)	EUR 1,000,000	EUR 1,000,000	EUR 100
	EUR Share Class A (acc)	EUR 10,000	EUR 10,000	EUR 100
	EUR Share Class A Hedged (acc)	EUR 10,000	EUR 10,000	EUR 100

Hedged Share Classes are hedged against the risk of currency movements between the constituents of the Investment Portfolio and the currency of each Class.

Accumulating Classes / (acc)	Classes in respect of which income and capital gains allocated thereto are re-invested in the relevant Class and reflected in its Net Asset Value per Share.
Subscription & Redemption Dates	Daily - Each day which is a Business Day.

Business Day	A day on which retail banks are open in London and Dublin and on which each of the markets or exchanges for the instruments that comprise the Investment Portfolio are scheduled to be open for trading.
Valuation Point	11:59 p.m. (Dublin time) on each Subscription or Redemption Date.
Dealing Day	Each Subscription or Redemption Date, as applicable, and/or such other day or days as the Directors may determine from time to time on prior notification to the Shareholders.
Dealing Deadline	11 a.m. (Dublin time) one Business Day before the relevant Subscription Date or Redemption Date, as applicable.
Deadline for Receipt of Subscription monies	5 p.m. (Dublin time) three (3) Business Days after the relevant Subscription Date.
Redemption Proceeds	Shareholders who redeem their Shares in a particular class on a Redemption Date will receive the Redemption Price which shall be an amount equal to the Net Asset Value per Share on the Redemption Date on which their Shares are redeemed less any applicable Duties and Charges (which may be waived by the Company, provided that Shareholders in the same Class shall be treated equally and fairly). Payment of Redemption Proceeds will be made three (3) Business Days after the relevant Redemption Date or, if later, the receipt of completed redemption documentation pursuant to the procedure outlined in the Prospectus, provided that all the documentation required by the Administrator has been received including the Redemption Request, application form and all documentation required for anti-money laundering purposes (as applicable).

FEES

This section should be read in conjunction with the "*Fees and Expenses*" section of the Prospectus and investors should note that the Sub-Fund will also bear its proportional share of the general fees and expenses of the Company set out in the Prospectus.

Investment Management Fee and Operating Expenses

INVESTMENT MANAGEMENT FEES

The Investment Manager shall be entitled to receive an investment management fee which shall accrue daily and will be payable quarterly in arrears payable out of the assets of the Sub-Fund at the following percentages of Net Asset Value per annum for all Share Classes:

- All Share Class I: Up to 0.45%
- All Share Class A: Up to 1.20%

The Investment Manager may subsequently pay a third party, including the Investment Advisor.

The Investment Manager will pay the Operating Expenses as set out below out of the investment management fee.

The Operating Expenses of the Sub-Fund which are accrued daily and payable quarterly in arrears shall include all of the expenses of the Sub-Fund (such as the fees and expenses of the Directors, the Administrator, the Depositary, the fees of the Auditor and the fees of the independent valuation agent, where applicable) except for establishment expenses, the transaction costs set out below and such extraordinary or exceptional

	costs and expenses (if any) as may arise from time to time, such as material litigation in relation to the Sub-Fund, as may be determined by the Directors in their discretion, which will be paid out of the assets of the Sub-Fund. In the event that the Operating Expenses of the Sub-Fund for any financial year exceed the investment management fee, the Investment Manager has undertaken to the Company to reimburse the Sub-Fund for any shortfall.
Distribution Fee	• All Share Class I: 0% • All Share Class A: the distribution fee shall be a fee up to 0.75% of the Net Asset Value of the Class, paid out of the investment management fee, accrued on each Valuation Day and payable, via the Distributor and relevant Sub-Distributor, to each local sub-distributor.
Redemption Charge	No redemption charge will be levied.
Subscription Charge	• All Share Class I: 0% • All Share Class A: A subscription charge of up to 5% of the Net Asset Value per Share at which each Share is to be purchased may be levied at the discretion of the Directors.
Transaction Costs	In implementing the investment policy, the Sub-Fund will bear certain transaction costs. Such costs may include costs associated with brokerage, dealing and other activity. Where the investment policy of the Sub-Fund is implemented through FDI, the costs related to such FDI will vary according to market conditions and such transaction costs primarily reflect the counterparty's cost of obtaining exposure to the Investment Portfolio and the cost of providing any Collateral. Costs incurred to meet Subscription and Redemption Requests will be borne by those investors subscribing to or redeeming from the Sub-Fund, through the use of Swing Pricing as described in the Prospectus. On any Dealing Day on which there are net subscriptions into or net redemptions out of the Sub-Fund, the Net Asset Value per share will be adjusted to take account of the cost of trading the Fund's assets.
Swing Pricing	On any Dealing Day where there are net subscriptions or redemptions, the Net Asset Value of the Sub-Fund may be revised upwards or downwards at an amount which the Directors and/or the Investment Manager may consider appropriate to protect the interests of all Shareholders against a dilution of the value of the Sub-Fund on account of the costs associated with the acquisition or, as the case may be, liquidation of assets. Additional information on swing pricing can be found in the "*Swing Pricing*" section of the Prospectus.
Establishment Costs	The Sub-Fund's establishment expenses will not exceed €25,000 and will be paid for from the assets of the Sub-Fund and amortised over the first accounting period following its approval by the Central Bank.

DISTRIBUTION AND SELLING RESTRICTIONS

Sub-Distributors	J.P. Morgan Securities Plc and J.P. Morgan AG.
Distribution and Selling Restrictions	The issue or distribution of this Supplement and the offer of the Shares may be limited in certain jurisdictions. The information below is given for information only and it is the responsibility of any person in possession of this Supplement and any person wishing to apply for Shares to become informed and comply with applicable laws and regulations in

any applicable jurisdiction. Any person wishing to apply for Shares should seek the services of a consultant in order to determine the legal and regulatory framework for their investment, including any foreign exchange or tax control rules due to their country of citizenship, residence or domicile that must be complied with.

This Supplement and the Prospectus are not, and shall not be used for, or in relation with, an offer, direct sale, or solicitation by anyone in any jurisdiction in which this offer, solicitation or direct sale is not authorised, or to any person to whom it is illegal to make such an offer or solicitation.

Further information on the Company's distribution and selling restrictions with respect to various jurisdictions is contained in Appendix IV of the Prospectus (including without limitation the United States).

MISCELLANEOUS

Fund Termination

In the event that the Directors believe that the Sub-Fund is unlikely or unable to achieve its investment objective, then the Directors may also recommend to the Shareholders that the Sub-Fund be terminated by way of special resolution of the Shareholders of the Sub-Fund.

The Directors may also recommend the termination of the Sub-Fund to Shareholders where they reasonably believe that due to economic or market conditions or for other reasons beyond their control (such as a change in regulation or taxation) its ability to achieve its investment objective or to pursue its investment policy is materially impaired and/or such objective or policy is no longer appropriate and/or it is no longer viable to run the Sub-Fund or where its continued operation is detrimental to the interest of Shareholders. Should such circumstances arise, the Directors will only terminate the Sub-Fund once they have considered alternative options and have obtained any necessary approval of the Central Bank and subject always to their obligations to consider the best interests of Shareholders.

Other Sub-Funds

The Company currently has twenty two (22) other sub-funds:

- Protect 80 Fund;
- J.P. Morgan Mansart Multi-Asset Protect 80 Fund;
- J.P. Morgan Mansart Multi-Asset Protect 85 Fund;
- J.P. Morgan Mansart Multi-Asset Protect 90 Fund;
- J.P. Morgan Mansart XRP 7.5% Fund;
- Erste Risk Premia Fund;
- Nordnet Smart 5 Fund;
- Nordnet Smart 10 Fund;
- Nordnet Smart 15 Fund;
- Liberbank Protección Fund;
- Defensive European Equity Income Fund;
- J.P. Morgan Mansart European Put Write Strategy Fund;
- Bankinter Protección Fund;
- Cross Asset Trend Strategy;
- Nordnet Index Fund USA;
- Nordnet Index Fund Europe;

- Nordnet Index Fund Global;
- Nordnet Index Fund Emerging Markets;
- Bankinter Protección 2 Fund;
- J.P. Morgan Mansart Multi-Activo Protección Fund;
- J.P. Morgan Trend Following Fund; and
- Nordnet Index Fund Technology.