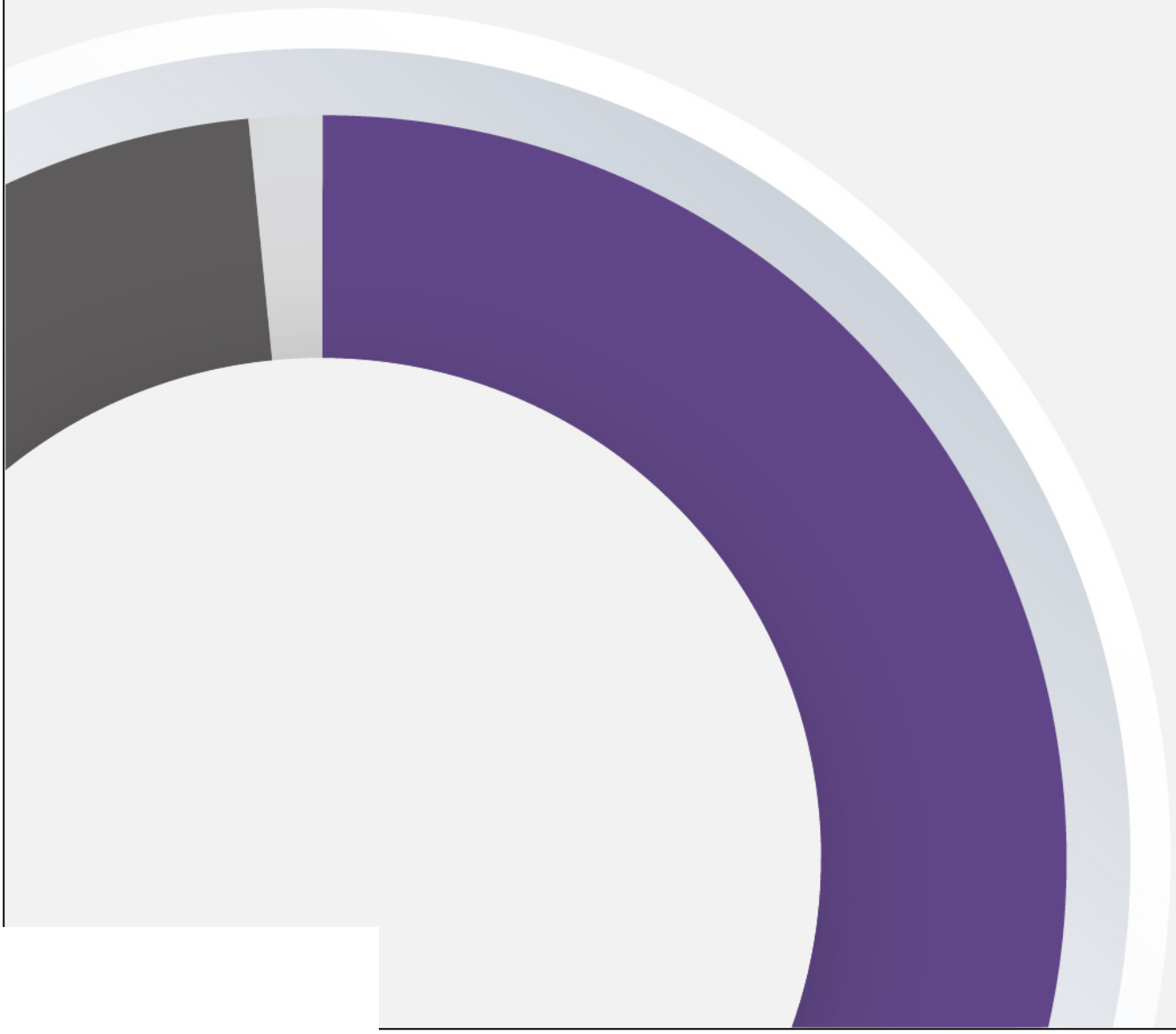
PROSPECTUS – JANUARY 2019

# JPMorgan Funds

*Société d'Investissement à Capital Variable Luxembourg*



**VISA 2019/135472-23-0-PC**
L'apposition du visa ne peut en aucun cas servir d'argument de publicité
Luxembourg, le 2019-02-01
Commission de Surveillance du Secteur Financier

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# Using This Prospectus

*This Prospectus is designed so that it can be read as a narrative as well as a reference document in which information on particular topics can easily be found. The information on this page indicates where to find the most commonly used information.*

## Portfolio Characteristics

**Investment objectives and policies** Portfolio management information relating to each Sub-Fund, see Sub-Fund Descriptions; for general information including what is permissible under UCITS law and regulation, see Investment Restrictions and Powers.

### Understanding investment policies

This is a guide to understanding investment policy terms and descriptions. Unless stated otherwise in the Sub-Fund Descriptions, the following interpretations apply:

- ***Cash and cash equivalents*** Can be held by any Sub-Fund on an ancillary basis."% of assets" does not include ancillary cash and cash equivalents. Other investments in cash and cash equivalents for any specific purpose will be described in Sub-Fund Descriptions.
- ***Equities*** Includes investments in shares, depository receipts, warrants and other participation rights. To a limited extent equity exposure may also be achieved through convertible securities, index and participation notes and equity linked notes.
- ***Debt securities*** Includes investments in bonds and other securities such as debentures, capital notes and any other obligations paying fixed or floating (variable) interest.
- ***Domicile*** When a domicile is stated, it refers to the country
- in which the company is incorporated and has its registered office.

**Derivatives** See Sub-Fund Descriptions for derivatives usage for each Sub-Fund. See Investment Restrictions and Powers for general information, including what is permissible under UCITS law and regulation, and for details on derivatives usage and purposes for the Sub-Funds.

**Risks** See Sub-Fund Descriptions for a list of the risks for each Sub-Fund including a general note on risk; individual risks are described in Risk Descriptions.

## Costs

**One-time charges and annual fees and expenses** Stated in Sub-Fund Descriptions explained in Share Classes and Costs.

**Performance fees** Rate and mechanism used stated in Sub-Fund Descriptions; calculations and examples set out in Share Classes and Costs.

**Recent actual expenses** See applicable KIIDs or the most recent Shareholder Reports.

## Share Classes

**Eligibility** See Share Classes and Costs.

**Investment minimums** See Share Classes and Costs.

**Characteristics and naming conventions** See Share Classes and Costs.

**Dividends** See Share Classes and Costs.

**Currently available** Go to jpmorganassetmanagement.lu; for Share Classes registered for public sale in a particular country, contact the Management Company or the local representatives shown in Information for Investors in Certain Countries.

**ISIN** See applicable KIID.

## Dealing

**Cut-off time** See Sub-Fund Descriptions.

**Placing dealing requests** See Investing in the Sub-Funds.

**Transfers to another party** See Investing in the Sub-Funds.

**General tax considerations** See Investing in the Sub-Funds.

## Contact and Ongoing Communications

**Queries and complaints** Contact the Management Company, a financial adviser or J.P. Morgan representative.

**Notices and publications** See Investing in the Sub-Funds.

## Meanings of Various Terms

**Defined terms** See Glossary 1.

**General investment terms** See Glossary 2.

### Currency Abbreviations

| | | | |
|---|---|---|---|
| **AUD** | Australian dollar | **JPY** | Japanese yen |
| **CAD** | Canadian dollar | **NOK** | Norwegian krone |
| **CHF** | Swiss franc | **NZD** | New Zealand dollar |
| **CNH** | Offshore Chinese renminbi | **PLN** | Polish zloty |
| | | **RMB** | Chinese renminbi |
| **CNY** | Onshore Chinese renminbi | **SEK** | Swedish krona |
| | | **SGD** | Singapore dollar |
| **CZK** | Czech koruna | **USD** | United States dollar |
| **EUR** | Euro | | |
| **GBP** | British pound sterling | | |
| **HKD** | Hong Kong dollar | | |
| **HUF** | Hungarian forint | | |

# Sub-Fund Descriptions

## Introduction to the Sub-Funds

The Fund exists to offer investors a range of Sub-Funds with different objectives and strategies and to offer the potential benefits of diversification and professional management to both retail and professional investors. Except for the Money Market Sub-Funds, the Sub-Funds are intended for long-term investment.

Before investing in any Sub-Fund, an investor should understand the risks, costs, and terms of investment of that Sub-Fund and of the relevant Share Class and how the investment would align with their own financial circumstances and tolerance for investment risk.

Investors, including insurance undertakings (as defined in Directive 2009/138/EC), have sole responsibility for being aware of, and complying with, all laws and regulations which apply to them, whether imposed by their country of tax residence or any other jurisdiction. This includes understanding the potential legal and tax consequences and resolving any fines, claims or other penalties that arise from failure to comply.

The Board recommends that every investor obtain legal, tax and financial advice before investing initially (and under any other circumstances where legal, tax or investment concerns may be relevant) as they maintain and/or increase their investment.

## Before Making an Initial Investment

### WHAT TO KNOW ABOUT RISK

While each Sub-Fund takes risks that its Investment Manager considers to be appropriate in light of that Sub-Fund's stated objective and policies, investors must evaluate Sub-Fund risks in terms of whether they are consistent with their own investment goals and risk tolerances. Risk is an integral component of a Sub-Fund's return.

With these Sub-Funds, as with most investments, future performance will differ from past performance. There is no guarantee that any Sub-Fund will meet its objectives or achieve any particular level of performance.

The value of an investment in any Sub-Fund can go up and down, and a Shareholder could lose money. No Sub-Fund is intended as a complete investment plan for any Shareholder.

In addition, Shareholders may experience currency risk if the currency in which they subscribe or redeem is different to the Share Class Currency, Sub-Fund Base Currency or the currency of the Sub-Fund's assets. The exchange rates between the relevant currencies can have a significant impact on the returns of a Share Class.

The main risks of each Sub-Fund are listed on the following pages. By consulting the list of risks and their definitions which appear in Risk Descriptions, Shareholders can better understand the overall risk to an investment in a Sub-Fund.

### WHO CAN INVEST IN THESE SUB-FUNDS

Ability to invest in the Fund is based on a number of factors.

In a given jurisdiction, only certain Sub-Funds and Share Classes will be registered. Distributing this Prospectus or offering Shares for sale is legal only where the Shares are registered for public sale or where offer or sale is not prohibited by local law or regulation. This Prospectus is not an offer or solicitation in any jurisdiction, or to any investor, where such a solicitation is not legally permitted.

In the United States, Shares are not and will not be registered either with the US Securities and Exchange Commission or any other US entity, federal or otherwise. The Fund is not registered under the US Investment Company Act of 1940. Therefore, in principle, Shares are not available to, or for the benefit of, any US Person. See Information for Investors in Certain Countries for further details.

### WHO CAN INVEST IN WHICH SHARE CLASSES

Investors should consult Share Classes and Costs to see which Share Classes they are eligible to hold. Some Shares are available to all investors, others are available only to investors who meet specific requirements such as qualifying as Institutional Investors. In all cases, there are minimum investment requirements which the Management Company may waive at its discretion.

### WHICH INFORMATION TO USE

In deciding whether to invest in a Sub-Fund, prospective investors should read this Prospectus including the relevant Sub-Fund Descriptions (being the offering document), the relevant KIID if applicable, any relevant local disclosure document as required in a specific jurisdiction, the application form including the terms and conditions, the Articles and the Fund's most recent annual report. These documents are made available, together with any more recent semi-annual report, as described in Notices and Publications under Ongoing Communication. By buying Shares in a Sub-Fund, an investor is considered to have accepted the terms described in any of these documents. Together, all these documents contain the only approved information about the Sub-Funds and the Fund. Any information or representation given or made by any person which is not contained herein or in any other document which may be available for inspection by the public should be regarded as unauthorised and should accordingly not be relied upon.

The Directors believe that they have taken all reasonable care to ensure that the information contained in this Prospectus is accurate, is current at the date of this Prospectus, and does not omit any material information.

In case of any inconsistency in translations of this Prospectus, the English version will prevail.

For a guide to interpreting certain key investment policy terms, see Understanding investment polices under Using This Prospectus.

JPMorgan Funds -

# Africa Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in African companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** Dow Jones Africa Titans 50 Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an African country. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest a significant portion of assets in natural resources companies and securities exposed to movements in commodities prices. Natural resource companies are those that are engaged in the exploration for the development, refinement, production and marketing of natural resources and their secondary products.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Emerging markets | Commodities |
| Hedging | Smaller companies | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to African equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 May 2008.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 10.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# America Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a concentrated portfolio of US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Concentrated, high-conviction portfolio that seeks to identify the most attractive investment ideas from the value and growth investment universes.

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund will invest in approximately 20 to 40 companies.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration<br>Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.65% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.65% | - | 0.16% |
| I2 | - | 1.00% | - | 0.55% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# ASEAN Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of countries which are members of the Association of South East Asian Nations (ASEAN).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI AC ASEAN Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an ASEAN country, including emerging markets. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest in companies listed in ASEAN countries that may have exposure to other countries, in particular China.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and Instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to ASEAN equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 Sept 2009.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Asia Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth by investing primarily in a concentrated portfolio of growth biased companies in Asia (excluding Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI All Country Asia ex Japan Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a portfolio of growth biased equities of companies that are domiciled, or carrying out the main part of their economic activity, in an Asian country (excluding Japan), including emerging markets. The Sub-Fund will invest in approximately 40-60 companies and may invest in small capitalisation companies. The Sub-Fund may be concentrated in a limited number of securities, sectors or markets from time to time.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | China |
| Hedging | Emerging markets |
| Style bias | Equities |
| | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub- Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to Asian (ex Japan) equity markets;
- seek a higher risk equity strategy with a growth bias;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Nov 2005.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Asia Pacific Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies in the Asia Pacific Basin (excluding Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses fundamental and systematic research inputs to identify stocks with specific style characteristics, such value and momentum in price and earnings trends.
- Uses a high conviction approach to finding the best investment ideas.

**Benchmark** MSCI All Country Asia Pacific ex Japan Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an Asia Pacific Basin country (excluding Japan), including emerging markets. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | China |
| Hedging | Emerging markets |
| | Equities |
| | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub - Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to Asia Pacific Basin (ex Japan) equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Sept 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Brazil Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth by investing primarily in a concentrated portfolio of Brazilian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**Benchmark** MSCI Brazil 10/40 Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Brazil. The Sub-Fund is concentrated in approximately 25-50 companies.

The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub- Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Brazilian equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Oct 2007.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# China Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of the People's Republic of China (PRC).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI China 10/40 Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the PRC. The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes, the RQFII and QFII quotas. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of securities or sectors from time to time.

The Sub-Fund may invest up to 20% in participation notes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | China | Participation notes |
| Hedging | Emerging markets | Smaller companies |
| | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Chinese equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 Jul 1994.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| F | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# China A-Share Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of the People's Republic of China (PRC).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential. Uses a high conviction approach to finding the best investment ideas.

**Benchmark** CSI 300 (Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in China A-Shares of companies that are domiciled, or carrying out the main part of their economic activity, in the PRC through the China-Hong Kong Stock Connect Programmes, the RQFII and QFII quotas. These investments may include small capitalisation companies. The Sub-Fund may be concentrated in a limited number of securities or sectors from time to time.

The Sub-Fund may invest up to 15% in participation notes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* CNH. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | China | Participation notes |
| Hedging | Emerging markets | Smaller companies |
| | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to domestic Chinese equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Sep 2015.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Europe Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies in European emerging market countries including Russia (the "Emerging European Countries").

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.

**Benchmark** MSCI Emerging Markets Europe 10/40 Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an Emerging European country. The Sub-Fund may invest in smaller companies and have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Emerging markets | Smaller companies |
| Hedging | Equities | UCITS, UCIs and ETFs |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging European equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 Jul 1994.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Diversified Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a diversified portfolio of emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses fundamental and systematic research inputs to identify stocks with specific style characteristics, such value and momentum in price and earnings trends.
- Combines bottom-up stock selection with top-down views on countries and sectors.

**Benchmark** MSCI Emerging Markets Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | China<br>Emerging markets<br>Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub- Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 10 Dec 2010.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Emerging Markets Dividend Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income by investing primarily in dividend-yielding equity securities of emerging market companies, whilst participating in long term capital growth.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to balance attractive yield and capital appreciation.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross hedged to the Share Class currency, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in dividend yielding equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in smaller companies.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage *table under* How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | China<br>Emerging markets<br>Equities | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a combination of income and long-term capital growth through exposure to emerging markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Dec 2012.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | China<br>Emerging markets<br>Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub- Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Apr 1994.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.70% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in an aggressively managed portfolio of emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency. The benchmark has an overlay hedge designed to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | China<br>Emerging markets<br>Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Jul 1990.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.70% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Small Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small capitalisation emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Emerging Markets Small Cap Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equity securities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. Market capitalisation is the total value of a company's shares and may fluctuate materially over time. The Sub-Fund's weighted average market capitalisation will, at all times, be less than the weighted average market capitalisation of the MSCI Emerging Markets IMI Index.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | China<br>Emerging markets | Equities<br>Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging market small capitalisation companies;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Nov 2007.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | - | 0.85% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | - | 0.85% | - | 0.16% | 10.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Middle East Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of the emerging markets of the Middle East.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**Benchmark** S&P Pan Arab Composite Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country of the Middle East. The Sub-Fund may also invest in Morocco and Tunisia and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest up to 20% in participation notes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Emerging markets | Particpation notes |
| Hedging | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging equity markets of the Middle East region;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

It is expected that the Sub-Fund will normally be closed on a Friday pursuant to the definition of Valuation Day.

**Sub-Fund launch date** 18 May 1998.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.85% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Equity Premium Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income from call option premiums and dividends through direct exposure primarily to US companies and through derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Seeks to generate income by systematically selling call options against the Sub-Fund's benchmark and receiving option premiums.
- Designed to enhance distributable income through dividends and option premiums. In return for the option premium, the Sub-Fund may limit some capital appreciation potential.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund systematically sells (writes) call options against the S&P 500 index.

The portfolio generates dividends however securities are not selected for their dividend potential.

The Investment Manager may manage the income of the Sub-Fund to help minimise fluctuations in periodic distribution payments. Capital may be used for this purpose.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 80% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Derivatives<br>Hedging<br>Distribution of capital | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek regular income through exposure to US equity markets with constrained upside potential;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Monthly dividend rate for "mth" Share Classes** Based on an estimate of gross income from dividends and selling call options, attributable to that Share Class. Typically distributes more than the income received.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Mar 2017.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 0.90% | 0.30% |
| **C** | - | 1.00% | - | 0.45% | 0.20% |
| **I** | - | 1.00% | - | 0.45% | 0.16% |
| **I2** | - | 1.00% | - | 0.36% | 0.16% |
| **S2** | - | 1.00% | - | 0.22% | 0.16% |
| **X** | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Euroland Dynamic Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of companies of countries that are part of the Eurozone ("Euroland Countries").

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI EMU Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 75% of net assets invested in equities (excluding convertible securities, index and participation notes and equity linked notes) of companies that are domiciled, or carrying out the main part of their economic activity, in a Euroland Country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

**Other investment exposures** Companies from other European countries to a limited extent.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

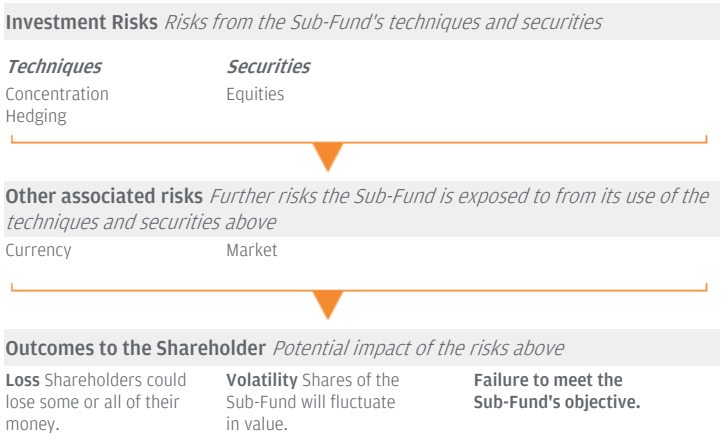
**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* predominantly EUR. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.



# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to Eurozone equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

*Sub-Fund eligible for the Plan d'Épargne en Actions.*

**Performance fee** *Method:* claw-back. *Cap:* none.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Sept 2011.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 10.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Euroland Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of countries that are part of the Eurozone ("Euroland Countries").

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI EMU Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 75% of net assets invested in equities (excluding convertible securities, index and participation notes and equity linked notes) of companies that are domiciled, or carrying out the main part of their economic activity, in a Euroland Country.

**Other investment exposures** Up to 10% in companies from other continental European countries.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* predominantly EUR. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to Eurozone equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

*Sub-Fund eligible for the Plan d'Épargne en Actions.*

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 30 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Dynamic Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Dec 2000.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Dynamic Small Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of small capitalisation European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** EMIX Smaller Europe (Inc. UK) Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in a European Country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the benchmark for the Sub-Fund at the time of purchase.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European small cap equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 27 Jan 2005.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | 0.60% | - | 0.16% | 10.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Dynamic Technologies Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in technologies (including but not limited to technology, media and telecommunication) related companies in Europe.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Europe Investable Market Information Technology 10/40 Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies related to technologies (including but not limited to technology, media and telecommunication) that are domiciled, or carrying out the main part of their economic activity, in a European country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth;
- seek a higher risk, specialist sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Nov 1999.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.80% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | 0.80% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Equity Absolute Alpha Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a total return through long and short investments in European companies while maintaining low market exposure, by investing in such companies directly or through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses a long/short approach, buying securities considered attractive and selling short securities considered unattractive to generate investment returns with lower risk than the equity market.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** ICE 1 Month EUR LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to its benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country. The Sub-Fund may invest in small capitalisation companies. At times such exposure may be obtained entirely through the use of derivatives and as a result the Sub-Fund may hold up to 100% of its assets in cash and cash equivalents.

The Sub-Fund will not typically hold long positions exceeding 130% of net assets and short positions (achieved through derivatives) exceeding 130% of net assets.

The Sub-Fund will seek to maintain low net exposure to the European equity market. Net market exposure will typically range from -40% to +40% of net assets.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 140% expected; 260% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Derivatives | Equities |
| Hedging | Smaller companies |
| Short position | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets with potentially lower volatility;
- seek low net exposure to the European equity market;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* High Water Mark. *Cap:* none.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 19 Dec 2013.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 15.00% |
| **C** | - | 1.00% | - | - | 1.65% | - | 0.20% | - |
| **C (perf)** | - | 1.00% | - | - | 0.75% | - | 0.20% | 15.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% | 15.00% |
| **I (perf)** | - | 1.00% | - | - | 0.75% | - | 0.16% | 15.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 15.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% | 15.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 15.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD :* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 01 Dec 1988.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.00% | - | 0.30% |
| C | - | 1.00% | - | 0.50% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.00% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.50% | - | 0.16% |
| I2 | - | 1.00% | - | 0.40% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Equity Plus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth through exposure to European companies, by direct investments in securities of such companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses an active extension approach, buying securities considered attractive and selling short securities considered less attractive to improve potential returns without increasing the overall net exposure to the market.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Basis for relative VaR calculations.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country.

The Sub-Fund will typically hold long positions of approximatively 130%, and short positions of approximatively 30% (achieved through derivatives) of net assets but may vary from these targets depending on market conditions.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 70% expected; 180% maximum. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Derivatives<br>Hedging<br>Short positions | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- seek an equity investment with scope for additional returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 25 Jun 2007.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C** | - | 1.00% | - | 1.10% | - | 0.20% | - |
| **C (perf)** | - | 1.00% | - | 0.80% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | 0.80% | - | 0.16% | 10.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of European companies; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a research team of specialist sector analysts.
- Enhanced index approach that builds a portfolio in reference to the benchmark by overweighting securities with the highest potential to outperform and underweighting securities considered most overvalued.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** MSCI Europe Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear a close resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- seek potential excess returns with similar risks to investing in securities representing the benchmark;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** Not launched.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **C** | - | 1.00% | - | 0.19% | 0.15% |
| **I** | - | 1.00% | - | 0.19% | 0.11% |
| **X** | - | 1.00% | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Small Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small capitalisation European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** EMIX Smaller Europe (Inc. UK) Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in a European country.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the benchmark for the Sub-Fund at the time of purchase.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types* : see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Equities | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European small cap equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Apr 1994.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.80% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | 0.80% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Strategic Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Seeks to identify high quality companies with superior momentum.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Europe Growth Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a growth style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European country.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging<br>Style bias | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- seek a growth style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Feb 2000.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Strategic Value Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a value style-biased portfolio of European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Seeks to identify attractively valued companies that are fundamentally sound.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Europe Value Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a value style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European country.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging<br>Style bias | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- seek a value style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Feb 2000.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Sustainable Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in European Sustainable Companies or companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Integrates ESG aspects to identify companies with strong or improving sustainability characteristics.

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear some resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics and that are domiciled, or carrying out the main part of their economic activity, in a European country. The Sub-Fund may invest in small capitalisation companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities<br>Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to European equity markets;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Dec 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.55% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.55% | - | 0.16% |
| I2 | - | 1.00% | - | 0.45% | - | 0.16% |
| S2 | - | 1.00% | - | 0.33% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Dynamic Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies anywhere in the world, including emerging markets. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also Risk Descriptions read for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Dec 2000.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.55% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.55% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.45% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Emerging Markets Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of emerging market companies; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Enhanced index approach that builds a portfolio in reference to the benchmark by overweighting the securities with the highest potential to outperform and underweighting the securities considered most overvalued.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear a close resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in small capitalisation companies.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | China<br>Emerging markets | Equities<br>Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to emerging equity markets;
- seek a higher risk equity strategy with similar risks to investing in securities representing the benchmark;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Oct 2016.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 0.38% | 0.30% |
| C | - | 1.00% | - | 0.19% | 0.20% |
| I | - | 1.00% | - | 0.19% | 0.16% |
| S2 | - | 1.00% | - | 0.10% | 0.16% |
| X | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Equity Plus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth, through exposure to companies, globally, by direct investments in securities of such companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Uses an active extension approach, buying securities considered attractive and selling short securities considered less attractive to improve potential returns without increasing overall net exposure to the market.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI All Country World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Basis for relative VaR calculations.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies anywhere in the world, including emerging markets. The Sub-Fund may invest in small capitalisation companies.

The Sub-Fund will typically hold long positions of approximatively 130%, and short positions of approximatively 30% (achieved through derivatives) of net assets but may vary from these targets depending on market conditions.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 70% expected; 180% maximum. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weightings of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Derivatives | Emerging markets |
| Hedging | Equities |
| Short positions | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek an equity investment with scope for additional returns;
- are looking to use it as part of an investment portfolio and not as part of a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 26 Apr 2018.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | 0.60% | - | 0.16% | 10.00% |
| **S2 (perf)** | - | 1.00% | - | 0.38% | - | 0.16% | 10.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Focus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide superior long-term capital growth by investing primarily in an aggressively managed portfolio of large, medium and small companies globally, that the Investment Manager believes to be attractively valued and to have significant profit growth or earnings recovery potential.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Uses a high-conviction approach to finding the best investment ideas with minimal constraints.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of large, medium and small companies that the Investment Manager believes to be attractively valued and to have significant profit growth or earnings recovery potential. Companies may be located anywhere in the world, including emerging markets and the Sub-Fund may be concentrated in a limited number of securities, sectors or countries from time to time.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Emerging markets | Smaller companies |
| Hedging | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 23 May 2003.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.80% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.80% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Healthcare Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return by investing primarily in pharmaceutical, biotechnology, healthcare services, medical technology and life sciences companies ("Healthcare Companies"), globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Targets attractively valued companies using strong scientific rationale as the basis for all investment decisions.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** MSCI World Healthcare Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in Healthcare Companies anywhere in the world. The Sub-Fund may invest in smaller capitalisation companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth;
- seek a higher risk, specialist sector equity investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 02 Oct 2009.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.80% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.80% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Natural Resources Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in natural resources companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on leveraging the insights of a global analyst team to identify attractively valued companies using a quality and growth framework.
- Targets companies with the most attractive growth profile, that seek to expand production and successfully replace depleting reserves.

**Benchmark** EMIX Global Mining & Energy Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of natural resources companies anywhere in the world, including emerging markets. Natural resource companies are those that are engaged in the exploration for and the development, refinement, production and marketing of natural resources and their secondary products. The Sub-Fund may invest in small capitalisation companies.

**Other investment exposures** Unquoted securities; UCITS and UCIs.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Commodities | Smaller Companies |
| Hedging | Emerging markets | UCITS, UCIs and ETFs |
| | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth;
- seek a higher risk, specialist sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 21 Dec 2004.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.80% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| F | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.80% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| P** | 5.00% | 1.00% | - | 1.00% | 0.80% | - | 0.20% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.**The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# Global Real Estate Securities Fund (USD)

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Real Estate Investment Trusts ("REITs") and in companies that own, develop, operate or finance real estate and whose real estate assets or activities account for more than 50% of the value of such companies' shares ("Real Estate Companies").

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Seeks to identify mispriced high quality companies with strong fundamentals and good growth prospects that are expected to generate returns in excess of their cost of capital.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** FTSE EPRA Nareit Developed Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of REITs and other Real Estate Companies anywhere in the world. The Sub-Fund may invest in small capitalisation companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Equities | Smaller companies |
| Hedging | REITs | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to real estate;
- seek a specialist sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 01 Sept 2006.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of companies globally; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Enhanced index approach that builds a portfolio in reference to the benchmark by overweighting securities with the highest potential to outperform and underweighting securities considered most overvalued.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear a close resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies anywhere in the world.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Consideration

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek potential excess returns with similar risks to investing in securities representing the benchmark;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Jun 2010.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| C | - | 1.00% | - | 0.19% | 0.15% |
| I | - | 1.00% | - | 0.19% | 0.11% |
| X | - | 1.00% | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Socially Responsible Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies globally that the Investment Manager believes to be socially responsible.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental bottom-up stock selection process.
- Investment process built on leveraging the insights of a global analyst team to identify attractively valued companies using a quality and growth framework.
- Uses negative screening to exclude specific companies. Companies from remaining sectors are assessed for certain corporate, social and environmental attributes prior to inclusion.

**Benchmark** ECPI Ethical Index Global (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of socially responsible companies anywhere in the world. Socially responsible companies are expected to work towards high standards of corporate, social and environmental responsibility and environmental sustainability, develop positive relationships with their shareholders, and uphold and support universal human rights.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |
| Security exclusion | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek an equity strategy managed along ethical lines;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 02 Jun 2000.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.55% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | 0.55% | - | 0.16% |
| I2 | - | 1.00% | - | 0.45% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Sustainable Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in global Sustainable Companies or companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses the Behavioural Finance process that is based on investments in stocks with specific style characteristics, such as value, quality and momentum.
- Applies a disciplined, bottom-up investment approach to stock selection.
- Integrates ESG aspects to identify companies with strong or improving sustainability characteristics.

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear some resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics anywhere in the world. The Sub-Fund may invest in small capitalisation companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivative Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities<br>Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** Not launched.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.55% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.55% | - | 0.16% |
| I2 | - | 1.00% | - | 0.45% | - | 0.16% |
| S2 | - | 1.00% | - | 0.33% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Unconstrained Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in an aggressively managed portfolio of companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental bottom-up stock selection process.
- Investment process built on leveraging the insights of a global analyst team to identify attractively valued companies using a quality and growth framework.
- Uses a high-conviction approach to finding the best investment ideas with minimal constraints.

**Benchmark** MSCI All Country World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies anywhere in the world, including emerging markets. The Sub-Fund may invest in companies of any size (including small capitalisation companies) and focus its investments on specific sectors or markets from time to time.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Emerging markets Equities | Smaller companies |
| Hedging | | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Greater China Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies from the People's Republic of China, Hong Kong and Taiwan ("Greater China").

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Golden Dragon Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Greater China. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest up to 20% in participation notes.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes, the RQFII and QFII quotas.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | China | Participation notes |
| Hedging | Emerging markets | Smaller companies |
| | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to the equity markets of the Greater China region;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 May 2001.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# India Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Indian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI India 10/40 Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in India. The Sub-Fund may also invest in Pakistan, Sri Lanka and Bangladesh. The Sub-Fund may be concentrated in a limited number of securities or sectors from time to time.

A Mauritius Subsidiary, wholly-owned by JPMorgan Funds, may be used to facilitate an efficient means of investing.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Indian equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Aug 1995.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.80% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.80% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Indonesia Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Indonesian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**Benchmark** MSCI Indonesia Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Indonesia. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of securities or sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Indonesian equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Mar 2012.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Japan Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Japanese companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**Benchmark** TOPIX (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Japan. The Sub-Fund may invest in small capitalisation companies.

**Derivatives** *Used for:* hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* JPY. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Japanese equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| J | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Korea Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a concentrated portfolio of Korean companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**Benchmark** Korea Composite Stock Price Index (KOSPI).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Korea. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Currency | Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub- Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Korean equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 Sept 2007.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Latin America Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Latin American companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** MSCI Emerging Markets Latin America Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a Latin American country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to Latin American equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 May 1992.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.85% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Pacific Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies in the Pacific Basin (including Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**Benchmark** MSCI All Country Asia Pacific Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a country of the Pacific Basin, including Japan. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time. Certain countries in the Pacific Basin may be considered emerging markets.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | China | Smaller companies |
| Hedging | Emerging markets Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to equity markets of the Pacific region, including Japan;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Russia Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a concentrated portfolio of Russian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**Benchmark** MSCI Russia 10/40 Index (Total Return Net).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Russia. The Sub-Fund may also invest in other members of the Commonwealth of Independent States and may be concentrated in a limited number of securities or sectors from time to time.

The Sub-Fund will invest in securities listed on the Moscow Exchange, which is classified as a Regulated Market.

**Other investment exposures** Up to 10% in securities traded on the non Regulated Markets of Russia and the Commonwealth of Independent States, and other securities not traded on a Regulated Market.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Russian equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Nov 2005.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Taiwan Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Taiwanese companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** Seeks to assess the risks presented by certain environmental, social and governance factors. While these particular risks are considered, securities of issuers presenting such risks may be purchased and retained by the Sub-Fund.

**Benchmark** Taiwan Stock Exchange Capitalization Weighted Stock Index (TAIEX) (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Taiwan. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Emerging markets | Smaller companies |
| Hedging | Equities | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through single country exposure to Taiwanese equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 May 2001.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Equity All Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a portfolio of US companies across all market capitalisations.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Seeks to identify the most attractive investment ideas from the value and growth investment universes, across the market capitalisation spectrum.

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies of all sizes that are domiciled, or carrying out the main part of their economic activity, in the US.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities<br>Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Liquidity | Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through broad exposure to US equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 Feb 2014.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.65% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.65% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.55% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Targets companies with strong fundamentals that have the ability to deliver higher earnings growth than market expectations.

**Benchmark** Russell 1000 Growth Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a growth style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending* : 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging<br>Style bias | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US equity markets;
- seek a growth style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Oct 2000.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.60% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.60% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.50% | - | 0.16% |
| P** | 5.00% | 1.00% | - | 1.00% | 0.65% | - | 0.20% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# US Hedged Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth, with lower volatility than traditional long-only US equity strategies over a full market cycle, through direct exposure primarily to US companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Builds a portfolio in reference to the benchmark by overweighting securities with the highest potential to outperform and underweighting securities considered most overvalued.
- Combines bottom-up stock selection with a disciplined option overlay strategy that is intended to mitigate downside risk while limiting some capital appreciation potential.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The equity holdings (excluding derivatives overlay) of the Sub-Fund will bear a close resemblance to its benchmark however the Sub-Fund's overall market exposure may vary significantly as a result of its options overlay strategy.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund systematically purchases and sells exchange traded derivatives, typically based on the S&P 500.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Derivatives<br>Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US equity markets with potentially lower volatility than traditional long-only US equities strategies;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 19 Dec 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 0.90% | 0.30% |
| **C** | - | 1.00% | - | 0.45% | 0.20% |
| **I** | - | 1.00% | - | 0.45% | 0.16% |
| **I2** | - | 1.00% | - | 0.36% | 0.16% |
| **S2** | - | 1.00% | - | 0.23% | 0.16% |
| **X** | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Opportunistic Long-Short Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a total return through the active management of long and short equity positions, with exposure primarily to US companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Employs an active long-short investment approach to maximise exposure to stocks representing the best ideas.
- Flexible market exposure seeks to limit losses in falling markets while capturing some of the upside when markets rise.

**Benchmark** ICE 1 Month USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to its benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% gross equity exposure, either directly or through derivatives, to equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. At times such exposure may be obtained entirely through the use of derivatives and as a result the Sub-Fund may hold up to 100% of its assets in cash and cash equivalents.

The Sub-Fund will typically hold long positions of up to 140%, and short positions (achieved through derivatives) of up to 115%, of net assets.

Net market exposure will be flexibly managed and will typically range from net short 30% to net long 80% depending on the Investment Manager's outlook.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 15% to 50% expected; 255% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Derivatives<br>Hedging<br>Short positions | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a return through exposure to US equity markets;
- are interested in an alternative US equity solution to complement traditional equity offerings;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Performance Cap:* 11.5% on cumulative excess return.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 30 Oct 2015.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 15.00% |
| **C (perf)** | - | 1.00% | - | 0.75% | - | 0.20% | 15.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% | 15.00% |
| **I (perf)** | - | 1.00% | - | 0.75% | - | 0.16% | 15.00% |
| **I2 (perf)** | - | 1.00% | - | 0.60% | - | 0.16% | 15.00% |
| **S2 (perf)** | - | 1.00% | - | 0.38% | - | 0.16% | 15.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 15.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of US companies; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Enhanced index approach that builds a portfolio in reference to the benchmark by overweighting securities with the highest potential to outperform and underweighting securities considered most overvalued.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear a close resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US equity markets;
- seek potential excess returns with similar risks to investing in securities representing the benchmark;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Feb 2011.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **C** | - | 1.00% | - | 0.19% | 0.15% |
| **I** | - | 1.00% | - | 0.19% | 0.11% |
| **X** | - | 1.00% | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Select Equity Plus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth, through exposure to US companies by direct investment in securities of such companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Uses an active extension approach, buying securities considered attractive and selling short securities considered less attractive to improve potential returns without increasing overall net exposure to the market.

**ESG approach** Seeks to assess the impact of environmental, social and governance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

The Sub-Fund will normally hold long positions of approximately 130%, and short positions (achieved through derivatives) of approximately 30% of net assets but may vary from these targets depending on market conditions.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 60% expected; maximum 200%. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 75% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

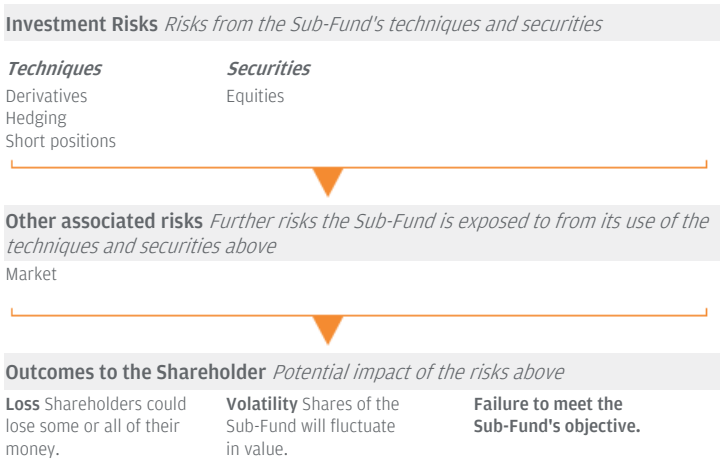
**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.



## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US equity markets;
- seek an equity investment with scope for additional returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 05 Jul 2007.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.55% | - | 0.16% |
| **P**** | 5.00% | 1.00% | - | 1.00% | 0.80% | - | 0.20% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# US Small Cap Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of small capitalisation US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Targets companies with strong fundamentals that have the ability to deliver higher earnings growth than market expectations.

**Benchmark** Russell 2000 Growth Index (Total Return Net of 30% withholding tax).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a growth style biased portfolio of equities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in the US.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the market capitalisation of companies in the Sub-Fund's benchmark at the time of purchase.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |
| Style bias | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US small cap equity markets;
- seek a higher risk equity strategy with a small cap growth bias;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Sept 1984.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.55% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Smaller Companies Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small and micro capitalisation US companies.

### INVESTMENT PROCESS

**Investment approach**

- Diversified portfolio using a fundamental, bottom-up stock selection process.
- Seeks to identify high quality companies with predictable and durable business models.

**Benchmark** Russell 2000 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small and micro capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in the US.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small and micro capitalisation companies are those whose market capitalisation is within the range of the market capitalisation of companies in the Sub-Fund's benchmark at the time of purchase.

**Other investment exposures** Mid-capitalisation US companies; Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities<br>Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US small and micro cap equity markets;
- seek a higher risk equity strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **P**** | 5.00% | 1.00% | 1.00% | 0.75% | - | 0.20% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# US Technology Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in technology, media and telecommunications related US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Seeks to identify the best investment ideas in technology-driven sectors.

**Benchmark** Russell 1000 Equal Weight Technology Index (Total Return Net of 30% withholding tax).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of technology, media and telecommunications related companies that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund may invest in small capitalisation companies.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to the US equity market;
- seek a technology sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 05 Dec 1997.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.55% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Value Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a value style-biased portfolio of US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Targets companies with durable business models, consistent earnings, strong cash flows and experienced management teams.

**Benchmark** Russell 1000 Value Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a value style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques . *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Equities |
| Style bias | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to US equity markets;
- seek a value style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Oct 2000.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.60% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.60% | - | 0.16% |
| I2 | - | 1.00% | - | 0.50% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Asia Pacific Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income and long term capital growth by investing primarily in income-generating securities of countries in the Asia Pacific region (excluding Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up security selection process.
- Maintains a dynamic allocation between equities and fixed income.
- Seeks to balance attractive yield with capital appreciation.

**Benchmark** 50% MSCI All Country Asia Pacific ex Japan Index (Total Return Net) / 50% J.P. Morgan Asia Credit Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency The equity component of the benchmark is cross-hedged to the Share Class currency, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities, debt securities, convertible securities of companies and REITs that are domiciled, or carrying out the main part of their economic activity in the Asia Pacific region (excluding Japan) including emerging markets. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

The Sub-Fund will hold a minimum of 25% and a maximum of 75% of assets in equities and between 25% and 75% in debt securities.

There are no credit quality or maturity restrictions applicable to the investments and a significant proportion may be invested in below investment grade and unrated debt securities.

The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Other investment exposures** Up to 10% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivative Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% Indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:.***

*Global exposure calculation method:* commitment.

**Techniques and Instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | China | Emerging markets |
| Hedging | Contingent convertible bonds | Equities |
| | Convertible securities | REITs |
| | Debt securities | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a combination of income and long-term capital growth through exposure to the Asia Pacific region (excluding Japan);
- seek a flexible asset allocation approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Jun 2001.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.45% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Multi-Asset Italy PIR Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Italian companies through equities and debt securities.

### INVESTMENT PROCESS

#### Investment approach

- Multi-asset approach, combining asset allocation with bottom-up expertise leveraged from specialists from JPMorgan Asset Management's global investment platform.
- Seeks to ensure that the Sub-Fund is eligible for the Italian Piano Individuale di Risparmio a lungo termine (PIR).

**Benchmark** 55% FTSE Italia PIR Benchmark Index (Total Return Net)/ 12% ICE BofAML Euro Corporate 1-3 Years Index (Total Return Gross) / 13% ICE BofAML Euro Developed Markets Non-Financial High Yield Constrained Index (Total Return Gross)/ 20% Bloomberg Barclays Global Aggregate Index (Total Return Gross) Hedged to EUR.

#### Benchmark uses

- Performance comparison. The Sub-Fund will bear some resemblance to the benchmark.

### POLICIES

#### Main investment exposure

At least 70% of assets invested in equities and debt securities (including convertible securities), issued by, companies either resident in Italy, or resident in an EU or European Economic Area member state and with a permanent establishment in Italy.

At least 30% of these Italian securities referenced in the paragraph above, will be equities of, or debt issued by companies not listed in the FTSE MIB Index.

The Sub-Fund may have concentrated exposure to certain issuers and sectors. The Sub-Fund may invest significantly in below investment grade and unrated securities.

The Sub-Fund is proscribed from investing in securities issued by companies that reside in countries that do not allow an adequate exchange of information with Italy.

**Derivatives** *Used for:* hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Convertible securities | Equities |
| Hedging | Debt securities | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to Italian markets;
- looking for an investment that qualifies to be held in a "Piano Individuale di Risparmio a lungo termine" (PIR under the Italian 2017 Budget Law (Law No 232 of 11 December 2016));
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 12 Jul 2017.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.15% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.35% | 0.20% |
| **I2** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.25% | 0.35% | 0.20% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Total Emerging Markets Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve income and long-term capital growth by investing primarily in income generating emerging market equities and debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Diversified portfolio using a fundamental, bottom-up security selection process.
- Maintains a dynamic allocation between equities and fixed income.
- Seeks to balance attractive yield with capital appreciation.

**Benchmark** 50% MSCI Emerging Markets Index (Total Return Net)/ 25% J.P. Morgan Government Bond Index Emerging Markets Global Diversified (Total Return Gross)/ 15% J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross)/ 10% J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency. The equity component of the benchmark is cross-hedged to the Share Class currency, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities and debt securities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country and in debt securities issued or guaranteed by emerging market governments or their agencies. The Sub-Fund may invest in small capitalisation companies.

The Sub-Fund will hold between 20% and 80% of assets in equities, and between 20% and 80% of assets in debt securities. The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.

There are no credit quality or maturity restrictions applicable to the investments.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | China | Emerging markets |
| | Contingent convertible bonds | Equities |
| | Debt securities | Smaller companies |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a combination of income and long-term capital growth through exposure to emerging debt and equity markets;
- seek a flexible asset allocation approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 30 Sep 2013.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.65% | 0.30% |
| **I** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.30% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.25% | 0.65% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Convertibles Fund (EUR)

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide a return by investing primarily in a diversified portfolio of convertible securities, globally.

### INVESTMENT PROCESS

**Investment approach**

- Globally diversified convertible bond strategy.
- Fundamental approach that systematically focuses on high quality convertible issuers, diversified across geography, sectors and issuer.
- Aims to deliver a balanced delta profile (sensitivity of the portfolio value to changes in prices of underlying equities).

**Benchmark** Thomson Reuters Global Focus Convertible Bond Index (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in convertible securities from issuers anywhere in the world, including emerging markets.

Convertible securities may include any suitable convertible or exchangeable instruments such as convertible bonds, convertible notes or convertible preference shares.

**Other investment exposures** Debt securities, equities and warrants.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Convertible securities<br>Emerging markets | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Currency | Interest rate<br>Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- some of the potential returns of an equity portfolio, with some of the lower volatility characteristics associated with bonds;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests placed before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 May 2001.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.30% |
| C | - | 1.00% | - | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.50% | 0.30% |
| I | - | 1.00% | - | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.50% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.25% | 0.50% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global bond markets by investing primarily in global investment grade debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return - including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of global investment grade debt which includes government, government related, corporate, emerging markets and securitised debt.
- The Sub-Fund may also invest in high yield and currency exposure is typically hedged back to USD.

**Benchmark** Bloomberg Barclays Global Aggregate Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade debt securities from issuers anywhere in the world, including emerging markets.

The Sub-Fund may invest a significant portion of its assets in MBSs/ABSs and covered bonds, with less significant exposure to other structured products.

The Sub-Fund may invest to a limited extent in below investment grade and unrated debt securities.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:*see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 400 % indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt<br>- Unrated debt | Emerging markets<br>MBSs/ABSs |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to bond markets globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Nov 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| C | - | 1.00% | - | 0.40% | - | 0.15% |
| D | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| I | - | 1.00% | - | 0.40% | - | 0.11% |
| I2 | - | 1.00% | - | 0.32% | - | 0.11% |
| X | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Asian Total Return Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of its benchmark by investing in debt securities from the Asia Pacific region (excluding Japan), using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.
- Uses an unconstrained approach in seeking the most attractive opportunities across all segments of the Asian debt universe such as sovereign, corporate and local currency debt.

**Benchmark** ICE 1 Month USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested, either directly or through derivatives in debt securities issued or guaranteed by governments of the Asia Pacific region, (excluding Japan) and their agencies, state and provincial governmental entities and supranational organisations; or issued by companies domiciled, or carrying out the main part of their economic activity, in countries of the Asia Pacific region, excluding Japan but including emerging markets. Debt securities may include convertible securities (including up to 15% in contingent convertible bonds), MBS/ABS and covered bonds. A significant portion of assets may be invested in below investment grade and unrated securities and may include up to 5% in distressed debt securities at time of purchase.

The Sub-Fund may also invest in Chinese onshore debt securities denominated in CNY through the PRC exchange-traded bond markets and/or the China Interbank Bond Market, directly or via the Investment Manager's RQFII quota.

Cash and cash equivalents may be held temporarily for defensive purposes.

The Investment Manager may take active currency positions to maximise returns.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques . *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency (excluding active currency positions).

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | China | - Below investment grade debt |
| Hedging | Contingent convertible bonds | - Distressed debt |
| | Convertible securities | - Unrated debt |
| | Debt securities | Emerging markets |
| | - Government debt | MBSs/ABSs |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to Asia Pacific bond markets;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Mar 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 1.00% | 0.30% |
| **C** | - | 1.00% | - | 0.50% | 0.20% |
| **I** | - | 1.00% | - | 0.50% | 0.16% |
| **I2** | - | 1.00% | - | 0.40% | 0.16% |
| **X** | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

*China International Fund Management Co. Ltd (CIFM) will provide onshore PRC investment research support.*

JPMorgan Funds -

# China Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the China bond markets by investing primarily in Chinese debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top-down decision making – including sector allocation, duration management and currency exposure – with bottom-up security selection.
- Invests in China onshore and offshore RMB denominated debt and China USD denominated debt.

**Benchmark** FTSE Dim Sum Bond Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in onshore debt securities issued within the PRC by Chinese issuers and denominated in CNY, and in offshore debt securities issued outside of the PRC by Chinese issuers and denominated in either CNH or USD. The Sub-Fund may also invest in offshore debt securities denominated in CNH of issuers outside of the PRC.

Such securities may include bonds, cash and cash equivalents as well as debt securities issued by governments and their agencies, financial institutions, corporations or other organisations or entities.

There are no credit quality restrictions applicable to the investments. The Sub-Fund may invest in unrated debt securities, including those whose ratings are assigned by Chinese local credit rating agencies and not by independent rating agencies such as Fitch, Moody's and Standard and Poor's.

**Other investment exposures** Up to 10% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 50% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* CNH. *Currencies of asset denomination:* CNH, CNY and USD. *Hedging approach:* USD exposure hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | China | - Investment grade debt |
| Concentration | Contingent convertible bonds | - Below investment grade debt |
| | Debt securities | - Unrated debt |
| | - Government debt | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to Chinese bond markets;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 1 June 2015.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

*China International Fund Management Co. Ltd (CIFM) will provide onshore PRC investment research support.*

JPMorgan Funds -

# Emerging Markets Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the bond markets of emerging market countries by investing primarily in emerging market debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.
- Invests across all segments of emerging markets debt, which includes sovereign, corporate and local currency debt.

**Benchmark** 50% J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross) / 50% J. P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear some resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by emerging market governments or their agencies; and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in below investment grade and unrated debt securities.

The Investment Manager may take active currency positions to maximise returns.

**Other investment exposures** The Sub-Fund may invest up to 10% in convertible securities and up to 10% in contingent convertible bonds and up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 125% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Below investment grade debt |
| Hedging | Convertible securities | - Unrated debt |
| | Debt securities | Emerging markets |
| | - Government debt | Equities |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to all segments of emerging market debt securities;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 May 2015.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 1.00% | - | 0.30% |
| **C** | - | 1.00% | - | 0.50% | - | 0.20% |
| **D** | 3.00% | 1.00% | 0.50% | 1.00% | 0.50% | 0.30% |
| **I** | - | 1.00% | - | 0.50% | - | 0.10% |
| **I2** | - | 1.00% | - | 0.40% | - | 0.10% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Emerging Markets Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of corporate bond markets of emerging market countries by investing primarily in emerging market corporate debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.

**Benchmark** J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency. For duration hedged Share Classes, the benchmark is the J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified Duration Hedged (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in corporate debt securities issued by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

There are no credit quality or maturity restrictions applicable to the debt securities and the Sub-Fund may be concentrated in a limited number of emerging market corporate issuers.

The Sub-Fund may also invest in debt securities issued or guaranteed by governments of emerging market countries.

**Other investment exposures** Up to 10% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% Indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:.***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | - Below investment grade debt |
| Derivatives | Debt securities | - Unrated debt |
| Hedging | - Government debt | Emerging markets |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to emerging market corporate bonds;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Jul 10.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |
| **Y** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Debt Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the bond markets of emerging countries by investing primarily in emerging market debt securities, including corporate securities and securities issued in local currencies, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.

**Benchmark** J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by emerging market governments or their agencies and by companies that are domiciled or carrying out the main part of their economic activity in an emerging market country. These may include Brady bonds, Yankee bonds, government and corporate Eurobonds, and bonds and notes traded in domestic markets.

There are no credit quality or maturity restrictions applicable to the Investments.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 100% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Below investment grade debt |
| Hedging | Debt securities | - Unrated debt |
| | - Government debt | Emerging markets |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to emerging markets bonds;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Mar 1997.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 1.15% | - | 0.30% |
| **C** | - | 1.00% | - | 0.50% | - | 0.20% |
| **D** | 3.00% | 1.00% | 0.50% | 1.15% | 0.70% | 0.30% |
| **I** | - | 1.00% | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.46% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Emerging Markets Investment Grade Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of investment grade bond markets of emerging countries by investing primarily in emerging market investment grade USD-denominated debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection across the emerging markets investment grade bond universe.

**Benchmark** 50% J.P. Morgan Emerging Markets Bond Index Global Diversified Investment Grade (Total Return Gross) / 50% J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified Investment Grade (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in investment grade USD-denominated debt securities issued or guaranteed by emerging market governments or their agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

Debt securities will be rated investment grade at the time of purchase. However the Sub-Fund may hold below investment grade securities or unrated securities to a limited extent as a result of credit downgrades, rating removal or default.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method*: relative VaR. *Expected level of leverage from derivatives:* 50% indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* primarily USD. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt<br>- Unrated debt | Contingent convertible bonds<br>Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Liquidity | Currency<br>Market | Interest rate |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to investment grade emerging markets bonds;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 29 Nov 2010.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.30% |
| **C** | - | 1.00% | - | 0.40% | - | 0.20% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.30% |
| **I** | - | 1.00% | - | 0.40% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Emerging Markets Local Currency Debt Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of government bond markets of emerging markets countries by investing primarily in emerging market local currency debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country allocation, duration management and currency exposure – with bottom-up security selection.

**Benchmark** J.P. Morgan Government Bond Index - Emerging Markets Global Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by emerging market governments or their agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. Investments may be denominated in any currency however at least 67% will be denominated in an emerging market currency. The Sub-Fund may have significant positions in specific countries, sectors or currencies which may be concentrated from time to time.

Although derivatives may be denominated in EUR or USD, they may have exposure to emerging market currencies.

There are no credit quality or maturity restrictions applicable to the investments.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 350 % indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | - Investment grade debt |
| Derivatives | Debt Securities | - Unrated debt |
| Hedging | - Below investment grade debt | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to emerging market local currency bonds;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 24 Jan 2008.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |
| **Y** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Strategic Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by exploiting investment opportunities in emerging market debt and currency markets, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.
- Uses an unconstrained approach in seeking the most attractive opportunities across all segments of the emerging markets debt universe such as sovereign, corporate and local currency debt, with a focus on mitigating downside risk.

**Benchmark** ICE 1 Month USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** The majority of assets invested in debt securities issued or guaranteed by emerging market governments or their agencies, state and provincial governmental entities, supranationals and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in ABS.

There are no credit quality or maturity restrictions applicable to the Investments.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit quality which may be concentrated from time to time. The Sub-Fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 350% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertibles bonds | - Investment grade debt |
| Derivatives | Emerging markets | - Unrated debt |
| Hedging | Debt securities | MBSs/ABSs |
| Short positions | - Below investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a positive return over the medium term through exposure to emerging markets bonds;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Cap:* none.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 12 Apr 2011.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.30% | - | 0.30% | - |
| **A (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.30% | 10.00% |
| **C** | - | 1.00% | - | - | 0.95% | - | 0.20% | - |
| **C (perf)** | - | 1.00% | - | - | 0.50% | - | 0.20% | 10.00% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.30% | 0.95% | 0.30% | - |
| **D (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | 1.00% | 0.30% | 10.00% |
| **I** | - | 1.00% | - | - | 0.95% | - | 0.16% | - |
| **I (perf)** | - | 1.00% | - | - | 0.50% | - | 0.16% | 10.00% |
| **I2** | - | 1.00% | - | - | 0.85% | - | 0.16% | - |
| **I2 (perf)** | - | 1.00% | - | - | 0.40% | - | 0.16% | 10.00% |
| **T** | - | 1.00% | 3.00% | - | 1.30% | 0.95% | 0.30% | - |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# EU Government Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in EU-domiciled government debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return - including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in EU-domiciled government and government related debt.

**Benchmark** J.P. Morgan EMU Government Investment Grade Bond Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** Assets primarily invested in debt securities issued or guaranteed by EU governments including agencies and local governments that are guaranteed by such governments and that are denominated in EUR or other currencies of the EU.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Liquidity | Currency<br>Interest rate | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to EU government bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 17 Apr 2008.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | - | 0.50% | 0.40% | - | 0.20% |
| C | - | 1.00% | - | - | 0.25% | - | 0.15% |
| D | 3.00% | 1.00% | - | 0.50% | 0.40% | 0.20% | 0.20% |
| I | - | 1.00% | - | - | 0.25% | - | 0.11% |
| I2 | - | 1.00% | - | - | 0.18% | - | 0.11% |
| T | - | 1.00% | 3.00% | - | 0.40% | 0.20% | 0.20% |
| X | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Euro Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of EUR-denominated bond markets by investing primarily in investment grade EUR-denominated debt securities and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return - including sector rotation, security selection and yield curve positioning.
- Invests across all sectors of investment grade euro denominated debt which includes government, government related, corporate and securitised debt.

**Benchmark** Bloomberg Barclays Euro Aggregate Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade EUR-denominated debt securities from issuers in any country, including emerging markets.

The Sub-Fund may invest a significant portion of its assets in MBSs/ABSs and covered bonds, with less significant exposure to other structured products. The Sub-Fund may invest in below investment grade and unrated debt securities to a limited extent.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | MBSs/ABSs |
| Hedging | Debt securities | Emerging markets |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Liquidity |
| Market | | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to EUR bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Nov 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | 0.50% | 0.70% | - | 0.20% |
| C | - | 1.00% | - | 0.35% | - | 0.15% |
| D | 3.00% | 1.00% | 0.50% | 0.70% | 0.35% | 0.20% |
| I | - | 1.00% | - | 0.35% | - | 0.11% |
| I2 | - | 1.00% | - | 0.28% | - | 0.11% |
| X | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Euro Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of EUR-denominated corporate bond markets by investing primarily in investment grade EUR-denominated corporate debt securities and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond investing by focusing on generating returns primarily through credit sector rotation and security selection across the Euro corporate bond universe.

**ESG approach** Seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many companies in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

**Benchmark** Bloomberg Barclays Euro Aggregate Corporate Index (Total Return Gross). For currency hedging Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade EUR-denominated corporate debt securities from issuers in any country, including emerging markets.

The Sub-Fund may also invest in debt securities issued by governments for which their domestic currency is the EUR, excluding supranationals, local governments and agencies. The Sub-Fund may invest to a limited extent in below investment grade and unrated debt securities.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 50% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Below investment grade debt |
| Hedging | Debt securities | - Unrated debt |
| | - Government debt | Emerging markets |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Liquidity |
| Market | | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility Shares of the** Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to investment grade EUR-denominated corporate bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge

**Dealing** Requests received before 14:30 on any Valuation Day will be processed that day.

**Sub-Fund launch date** 27 Feb 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Euro Government Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in EUR-denominated short-term government debt securities issued by countries for which their domestic currency is the EUR.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return - including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in Euro denominated short-term government and government related debt.

**Benchmark** J.P. Morgan EMU Government Investment Grade Bond 1-3 Year Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in EUR-denominated short -term debt securities issued or guaranteed by Eurozone go vernments, including agencies and local governments that are guaranteed by such governments.

The weighted average duration of the portfolio will typically not exceed three years and the remaining duration of each investment will typically not exceed five years at the time of purchase.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Market | Interest rate | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to EUR bond markets, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Feb 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.35% | - | 0.15% |
| **C** | - | 1.00% | - | 0.20% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.35% | 0.05% | 0.15% |
| **I** | - | 1.00% | - | 0.20% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.16% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe High Yield Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of European bond markets by investing primarily in European and non-European below investment grade bonds denominated in European currencies and other debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Bottom-up security selection approach based on assessing relative value across the European developed market high yield credit spectrum.

**Benchmark** ICE BofAML Euro Developed Markets Non-Financial High Yield Constrained Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in below investment grade debt securities that are denominated in a European currency or that are issued or guaranteed by companies domiciled, or carrying out the main part of their economic activity, in a European country.

The Sub-Fund may invest in unrated debt securities.

**Other investment exposures** Up to 5% in contingent convertible bonds. The Sub-Fund may invest in emerging markets to a limited extent.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% indicative only. Leverage may significantly exceed this level from time to time.

*Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:.*

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Unrated debt |
| Hedging | Debt securities | Emerging markets |
| | - Below investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to high yield European bond markets;
- seek a higher risk bond strategy;
- are looking to use it an part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Sep 1998.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.75% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.75% | 0.55% | 0.20% |
| **I** | - | 1.00% | - | - | 0.45% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.34% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.75% | 0.55% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe High Yield Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of European short duration bond markets by investing primarily in below investment grade short-term bonds denominated in European currencies and other debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Bottom-up security selection approach based on assessing relative value across the European developed market short-term high yield credit spectrum.

**Benchmark** ICE BofAML Euro Developed Markets High Yield ex-Financials BB-B 1-3 year 3% Constrained Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

The official name of the benchmark is ICE BofAML Q936 Custom Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in below investment grade short-term debt securities that are denominated in a European currency or that are issued or guaranteed by companies domiciled, or carrying out the main part of their economic activity, in a European country.

The Sub-Fund may invest in unrated debt securities.

The weighted average duration of the portfolio will generally not exceed three years and the remaining maturity of each of the fixed rate debt securities will not exceed five years at the time of purchase.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 5% in distressed debt securities at time of purchase. The Sub-Fund may invest in emerging markets to a limited extent.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Unrated debt |
| Hedging | Debt securities | - Distressed debt |
| | - Below investment grade debt | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to European high yield short-term bond markets;
- seek a higher risk bond strategy with lower sensitivity to interest rate changes;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 12 Jan 2017.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.75% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.75% | 0.55% | 0.20% |
| **I** | - | 1.00% | - | - | 0.45% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.34% | - | 0.11% |
| **S1** | - | 1.00% | - | - | 0.23% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.75% | 0.55% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Financials Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global bond markets by investing primarily in senior and subordinated debt securities issued by companies from the financial, banking and insurance sectors ("Financial Companies"), globally, and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond investing by focusing on generating returns through credit sector rotation and security selection across the financial bond universe globally.

**Benchmark** 33% Bloomberg Barclays Global Aggregate Corporate Senior Financials Index (Total Return Gross) Hedged to EUR / 67% Bloomberg Barclays Global Aggregate Corporate Subordinated Financials Index (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark indices are hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in senior and subordinated debt securities issued by Financial Companies located anywhere in the world, including emerging markets. The Sub-Fund may have significant exposure to below investment grade and unrated debt securities.

The Sub-Fund may invest significantly in preferred securities and other equity securities, in convertible securities and in contingent convertible bonds up to 20%.

**Other investment exposures** Debt securities issued by governments globally, including supranationals, local governments and agencies.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivative Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | Equities |
| Hedging | Convertible securities | Emerging markets |
| | Debt securities | Preferred securities |
| | - Government debt | |
| | - Below investment grade debt | |
| | - Subordinated debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to financial sector bond markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 Nov 2011.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.32% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.80% | 0.40% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Flexible Credit Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a total return by exploiting investment opportunities in credit markets, globally, and using derivatives where appropriate.

### INVESTMENT PROCESS

#### Investment approach

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Flexibly invests across a broad range of credit markets globally, such as investment grade, high yield and emerging markets debt, with a focus on generating the majority of returns from credit sector allocation and security selection while actively managing interest rate exposure as a complement to credit returns.
- Downside risk management through dynamic asset allocation, hedging and diversification across sectors.

**Benchmark** Bloomberg Barclays Multiverse Corporate Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class Currency.

#### Benchmark uses

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested in corporate debt securities globally. The Sub-Fund may also invest in other assets such as convertible securities, contingent convertible bonds (up to 20%), debt securities issued by government agencies, covered bonds and credit linked notes.

The Sub-Fund may invest in collateralised loan obligations and other types of MBS/ABS. The Sub-Fund may invest in distressed debt and securities in default to a limited extent.

There are no credit quality restrictions and issuers may be located anywhere in the world, including emerging markets.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit ratings which may be concentrated from time to time.

**Other investment exposures** Equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 200% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | Equities |
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Debt securities | MBSs/ABSs |
| Short positions | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Distressed debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss Shareholders could** lose some or all of their money. | **Volatility Shares of the** Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to corporate bond markets, globally;
- seek the higher return potential of an actively managed corporate bond portfolio;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Jan 2010.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.38% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.80% | 0.40% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Absolute Return Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of cash with low volatility, by investing in a diversified portfolio of debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach in seeking to generate returns with limited exposure to market direction.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**Benchmark** ICE Overnight USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested, either directly or through derivatives, in debt securities issued by governments and their agencies, state and provincial governmental entities and supranational organisations, corporate debt securities, MBS/ABS (including covered bonds) and currencies. Issuers may be located anywhere in the world, including emerging markets.

A significant portion of assets may be invested in MBS/ABS, the majority of which are expected to be investment grade. The Sub-Fund may invest up to 10% in convertible securities and up to 5% in contingent convertible bonds.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit ratings which may be concentrated from time to time. The Sub- Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found. The Sub-Fund uses short-term interest rate futures to manage interest rate exposure which will generate increased levels of leverage as set out below. The Sub-Fund may invest in unrated debt securities.

**Other investment exposures** Up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures; equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 1500% indicative only. Leverage may significantly exceed this level from time to time.

The expected level of leverage of 1500% is mainly attributed to short term interest rate and bond futures, Some of these instruments involve high notional values, such as large positions in short-term interest rate futures. In addition the Sub-Fund may use, to a lesser extent, derivatives such as swaps and forwards which will also contribute to the expected level of leverage.

The expected level of leverage is an estimate only and may be higher in certain market environments when the Sub-Fund allocates more extensively to instruments requiring higher notional values to implement specific views or strategies that cannot be easily replicated using physical instruments.

The sum of notionals methodology does not allow for the netting of derivatives positions which can include hedging transactions and other risk-mitigating strategies. As a result, derivative position rollovers and derivative strategies that involve higher notional values, as described above, may contribute to an increase in the level of leverage whereas they may not increase or only moderately increase the overall risk profile of the Sub-Fund, which is monitored and limited according to the UCITS regulation as set out in Management and Monitoring of Derivatives Risk under General Investment Policies.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | - Below investment grade |
| Derivatives | Convertible securities | - Unrated debt |
| Hedging | Debt securities | Equities |
| Short positions | - Government debt | Emerging markets |
| | - Investment grade debt | MBSs/ABSs |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to bond markets, globally, with potentially lower volatility;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 07 Oct 2010.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | 0.50% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 1.00% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | 0.50% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global bond markets by investing primarily in global investment grade debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of global investment grade debt which includes government, government related, corporate, emerging markets and securitised debt.
- The fund may also invest in high yield and currency exposure is typically hedged back to the currency weights of the benchmark.

**Benchmark** Bloomberg Barclays Global Aggregate Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to the benchmark.
- Basis for relative VaR calculations

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade debt securities from issuers anywhere in the world, including emerging markets. The Sub-Fund may invest in below investment grade and unrated securities and may invest a significant portion of assets in MBSs/ABSs and covered bonds.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 300% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Below investment grade debt |
| Hedging | Debt securities | - Unrated debt |
| | - Government debt | Emerging markets |
| | - Investment grade debt | MBSs/ABSs |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to bond markets, globally;
- seek a broadly diversified investment grade bond investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Bond Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by investing opportunistically in an unconstrained portfolio of debt securities and currencies, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries, with a focus on generating long-term total returns.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**Benchmark** Bloomberg Barclays Multiverse Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities, including, but not limited to, debt securities issued by governments and their agencies, state and provincial governmental entities and supranational organisations, corporate debt securities, MBS/ABS (including covered bonds) and currencies. Issuers may be located anywhere in the world, including emerging markets.

A significant portion of assets may be invested in MBS/ABS. The Sub-Fund may hold up to 10% in convertible securities and up to 10% in contingent convertible bonds. The Sub-Fund may invest in below investment grade and unrated debt securities.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit ratings which may be concentrated from time to time. The Sub- Fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.

**Other investment exposures** Up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures; equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 250% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | Emerging markets |
| Derivatives | Convertible securities | Equities |
| Hedging | Debt securities | MBSs/ABSs |
| Short position | - Below investment grade debt | |
| | - Investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through an unconstrained portfolio of debt securities and currencies;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 22 Feb 2013.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| **V** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

*A (fix) EUR 3.50 - EUR (hedged), C (perf) (fix) EUR 3.90 - EUR (hedged), C (fix) EUR 4.00 - EUR (hedged) and D (fix) EUR 3.00 - EUR (hedged) Share Classes are intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of EUR 3.50, EUR 3.90, EUR 4.00 and EUR 3.00 per Share respectively.*

JPMorgan Funds -

# Global Corporate Bond Duration-Hedged Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by investing primarily in global investment grade corporate debt securities and hedging interest rate risks, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond investing by focusing on generating returns primarily through credit sector rotation and security selection across the global corporate bond universe.
- In addition, the investment process also seeks to hedge interest rate risk.

**ESG approach** Seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many companies in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

**Benchmark** Bloomberg Barclays Global Aggregate Corporate Duration Hedged Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade corporate debt securities from issuers located anywhere in the world, including emerging markets.

The Sub-Fund may also invest in global debt securities issued by governments excluding supranationals, local governments and agencies and may invest in below investment grade and unrated securities to a limited extent.

The interest rate risk of the portfolio is hedged to a target duration between zero and six months through the use of derivatives.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt<br>- Unrated debt | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to investment grade corporate bond markets globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Jul 2017.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global corporate bond markets by investing primarily in global investment grade corporate debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond Investing by focusing on generating returns primarily through credit sector rotation and security selection across the global corporate bond universe.

**ESG approach** Seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many companies in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

**Benchmark** Bloomberg Barclays Global Aggregate Corporate Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade corporate debt securities from issuers anywhere in the world, including emerging markets.

The Sub-Fund may also invest global debt securities issued by governments excluding supranationals, local governments and agencies and may invest in below investment grade and unrated debt securities to a limited extent.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 75% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt<br>- Unrated debt | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to corporate bond markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedged.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 27 Feb 2009.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.32% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.80% | 0.40% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Government Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in global government debt securities.

### INVESTMENT PROCESS

#### Investment approach

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return - including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in global government and government related debt.

**Benchmark** J.P. Morgan Government Bond Index Global (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

#### Benchmark uses

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

#### Main investment exposure

At least 67% of assets invested in debt securities issued or guaranteed by governments globally, including agencies and local governments guaranteed by such governments.

The Sub-Fund will not invest in convertible bonds, equities or other participation rights.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 400% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to government bond markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedged.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Feb 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | 0.25% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | 0.25% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.18% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Government Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in global government short-term debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return – including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in global short-term government and government related debt.

**Benchmark** J.P. Morgan Government Bond Index 1-3 Year (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in global short-term debt securities issued or guaranteed by governments, including agencies and local governments guaranteed by such governments.

The weighted average duration of the portfolio will typically not exceed three years and the remaining duration of each investment will typically not exceed five years at the time of purchase.

**Derivatives** *Used for*: efficient portfolio management; hedging. *Types*: see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD*: none. *Global exposure calculation method*: relative VaR. *Expected level of leverage from derivatives:* 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Debt securities |
| Hedging | - Government debt |
| | - Investment grade debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to government bond markets globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Feb 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.35% | - | 0.15% |
| **C** | - | 1.00% | - | 0.20% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.35% | 0.05% | 0.15% |
| **I** | - | 1.00% | - | 0.20% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.16% | - | 0.11% |
| **P**** | 5.00% | 1.00% | 1.00% | 0.20% | - | 0.15% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# Global Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global short duration bond markets by investing primarily in global investment grade short-term debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of short-term global investment grade debt which includes government, government related, corporate and securitised debt.

**Benchmark** Bloomberg Barclays Global Aggregate 1-3 Years Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to its benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade short-term debt securities of issuers anywhere in the world, including emerging markets. The Sub-Fund may invest a significant portion of assets in MBS/ABS and covered bonds, with a less significant exposure to other structured products.

The weighted average duration of the portfolio will typically not exceed three years and the remaining duration of each investment will typically not exceed five years at the time of purchase.

From time to time the Sub-Fund may have exposure to below investment grade securities as a result of credit downgrades.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives<br>Hedging | Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | Emerging markets<br>MBS/ABS |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to government bond markets, globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 21 Jul 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.60% | - | 0.20% |
| **C** | - | 1.00% | - | 0.30% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.60% | 0.30% | 0.20% |
| **I** | - | 1.00% | - | 0.30% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.24% | - | 0.11% |
| **P**** | 5.00% | 1.00% | 1.00% | 0.30% | - | 0.15% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# Global Strategic Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of its benchmark by exploiting investment opportunities in, amongst others, the debt and currency markets, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries, with a focus on mitigating downside risk.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**Benchmark** ICE Overnight USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency,

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** The majority of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by governments or their agencies, state and provincial governmental entities, supranationals, corporate debt securities, MBSs/ABSs (including covered bonds) and currencies. Issuers may be located anywhere in the world, including emerging markets.

A significant portion of assets may be invested in MBS/ABS. The Sub-Fund may hold up to 10% in convertible securities and up to 10% in contingent convertible bonds. The Sub-Fund may invest in below investment grade and unrated debt securities.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit quality which may be concentrated from time to time. The Sub-fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.

**Other investment exposures** Up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures; equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 500% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | Equities |
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Debt securities | MBSs/ABSs |
| Short position | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Liquidity |
| Currency | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a positive return over the medium term through exposure to debt and currency markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Cap:* none.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 03 Jun 10.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.20% | - | 0.20% | - |
| **A (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% | 10.00% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.15% | - |
| **C (perf)** | - | 1.00% | - | - | 0.50% | - | 0.15% | 10.00% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.20% | 0.90% | 0.20% | - |
| **D (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | 1.00% | 0.20% | 10.00% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.11% | - |
| **I (perf)** | - | 1.00% | - | - | 0.50% | - | 0.11% | 10.00% |
| **I2** | - | 1.00% | - | - | 0.65% | - | 0.11% | - |
| **I2 (perf)** | - | 1.00% | - | - | 0.40% | - | 0.11% | 10.00% |
| **T** | - | 1.00% | 3.00% | - | 1.20% | 0.90% | 0.20% | - |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.20% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.10% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.10% | 10.00% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

*A (perf) (fix) EUR 2.35 - EUR (hedged), C (perf) (fix) EUR 2.60 - EUR (hedged), C (perf) (fix) EUR 2.70 - EUR (hedged) and D (perf) (fix) EUR1.60 - EUR (hedged) Share Classes are intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of EUR 2.35, EUR 2.60, EUR 2.70 and EUR 1.60 per Share respectively.*

JPMorgan Funds -

# Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income by investing primarily in debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries with a focus on generating a consistent income distribution.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.
- Income is managed to minimise fluctuations in periodic dividend payments.

**Benchmark** Bloomberg Barclays US Aggregate Bond Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in debt securities issued in developed and emerging markets such as debt securities issued by governments and their agencies, state and provincial governmental entities and supranational organisations, corporate debt securities, MBSs/ABSs and covered bonds. Issuers may be located anywhere in the world, including emerging markets (excluding onshore or offshore debt securities of the PRC).

The Sub-Fund may invest up to 25% in convertible securities, up to 10% in equities, including preferred securities and REITs and up to 10% in contingent convertible bonds. There are no credit quality or maturity restrictions with respect to the debt securities in which the Sub-Fund may invest.

The Sub-Fund may hold up to 100% of its assets in cash and cash equivalents temporarily for defensive purposes.

The Investment Manager will manage the income of the Sub-Fund to help mimimise fluctuations in periodic dividend payments.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD: none. Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | Equities |
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Debt securities | MBSs/ABSs |
| Short position | - Government debt | REITs |
| Distribution of capital | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek a source of income through exposure to a range of debt securities, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dividend rate for (div) and (mth) Share Classes** a maximum of the gross income equalised for subscriptions and redemptions and is dependent on the gross income accrued for each Share Class. To minimise fluctuations in periodic dividend payments, the Management Company may choose to reserve income accrued during a distribution period for attribution to a subsequent distribution period. Income equalisation, for dividend rate calculations, seeks to minimise the dilutive effect of subscriptions or redemptions on the level of income accrued and attributable to each Share in a Share Class during a distribution period.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 02 Jun 2014.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **S1** | - | 1.00% | - | - | - | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Italy Flexible Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of Italian government bond markets by investing primarily in debt securities issued or guaranteed by the Italian government or its agencies, and using financial derivatives to provide significant exposure to debt markets, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines a core allocation to Italian government bonds with an unconstrained derivatives overlay strategy that seeks exposure to the most attractive opportunities across the global bond market.
- The overlay strategy uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries and dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**Benchmark** ICE BofAML Italian Government 1-3 Year Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** At least 67% of assets invested directly in debt securities issued or guaranteed by the Italian government or its agencies.

The Sub-Fund will overlay direct investments with long and short derivative positions to gain exposure to global debt securities such as government debt of governments and their agencies, state and provincial governmental entities, supranational organisations, corporations, banks, MBS/ABS as well as to below investment grade and unrated debt securities. Investment allocations to certain countries, sectors and credit ratings may vary significantly.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency (excluding derivatives overlay).

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Debt securities | Emerging markets |
| Derivatives | - Government debt | MBSs/ABSs |
| Hedging | - Investment grade debt | |
| Short position | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to Italian government bond markets and using derivatives to provide significant exposure to debt markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Jul 2012.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% | 20.00% |
| **C (perf)** | - | 1.00% | - | - | 0.50% | - | 0.15% | 20.00% |
| **D (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | 1.00% | 0.20% | 20.00% |
| **I (perf)** | - | 1.00% | - | - | 0.50% | - | 0.11% | 20.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.40% | - | 0.11% | 20.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.20% | 20.00% |
| **X** | - | 1.00% | - | - | - | - | 0.10% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.10% | 20.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

*A (perf) (fix) EUR 4.00 - EUR, C (perf) (fix) EUR 4.40 - EUR, C (perf) (fix) EUR 4.50 - EUR and D (perf) (fix) EUR 3.00 - EUR Share Classes are intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of EUR 4.00, EUR 4.40, EUR 4.50 and EUR 3.00 per Share respectively.*

JPMorgan Funds -

# Latin America Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of Latin American corporate bond markets by investing primarily in Latin American USD-denominated corporate debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.

**Benchmark** J.P. Morgan Corporate Emerging Markets Bond Index Diversified Latin America Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in USD-denominated corporate debt securities from companies that are domiciled, or carrying out the main part of their economic activity, in a Latin American country.

The Sub-Fund may also invest in debt securities issued or guaranteed by governments of Latin American countries.

There are no credit quality or maturity restrictions applicable to the investments and the Sub-Fund may be concentrated in a limited number of emerging market issuers.

**Other investment exposures** Up to 10% in contingent convertible bonds; up to 5% in distressed debt securities at the time of purchase.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 0% expected; 15% maximum. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 25% indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:.***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* primarily USD. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* |
|---|---|
| Concentration | Contingent convertible bonds |
| Derivatives | Debt securities |
| Hedging | - Government debt |
| | - Investment grade debt |
| | - Below investment grade debt |
| | - Unrated debt |
| | - Distressed debt |
| | Emerging markets |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to Latin American bond markets;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as part of a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 10 Jul 2017.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | 0.50% | 1.00% | - | 0.30% |
| C | - | 1.00% | - | 0.50% | - | 0.20% |
| D | 3.00% | 1.00% | 0.50% | 1.00% | 0.50% | 0.30% |
| I | - | 1.00% | - | 0.50% | - | 0.16% |
| I2 | - | 1.00% | - | 0.40% | - | 0.16% |
| S2 | - | 1.00% | - | 0.25% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Managed Reserves Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US money markets by investing primarily in USD-denominated short-term debt securities.

### INVESTMENT PROCESS

#### Investment approach

- Investment team generates a comprehensive economic outlook to determine appropriate interest rate and sector positioning.
- Credit research analysts conduct fundamental analysis on companies to identify suitable investment opportunities.
- Compared to a money market fund, incorporates longer-term investments where appropriate for additional return potential.

**Benchmark** ICE BofAML US 3-Month Treasury Bill Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

#### Benchmark uses

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark

### POLICIES

**Main investment exposure** At least 67% of assets invested in USD-denominated debt securities such as US Treasury securities, securities issued or guaranteed by the US government or its agencies, corporate debt securities and ABS. The Sub-Fund may enter into reverse repurchase transactions with highly rated counterparties collateralised with securities such as US Treasury securities, corporate securities, ABS and equities. Such collateral will be USD denominated only and restricted to investment grade where applicable. No maturity constraints apply to the collateral.

[2]At the time of purchase, securities with a long-term rating are rated investment grade, with no more than 10% rated below A- by S&P or equivalent rating by at least one independent rating agency. Should ratings for a security differ between agencies, the highest rating will be used.

At time of purchase, securities with a short-term rating are rated at least A-2 by S&P (or equivalent rating). ABS are rated at least AAA by S&P (or equivalent rating) at the time of purchase. Such ABS will not include securities with significant extension risk.

The Sub-Fund may also invest in unrated securities of comparable credit quality to those specified above.

The weighted average duration of the portfolio will not exceed one year, and the initial or remaining maturity of each debt security will not exceed three years from the date of settlement. The initial or remaining average life of MBS/ABS will not exceed three years from the date of settlement.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Reverse repurchase transactions:* 0% to 10% expected; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* Any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

All Sub-Funds are subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Debt securities | - Unrated debt |
| Reverse repurchase transactions | - Government debt | ABS |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Market |
| Interest rate | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek potentially higher returns than a money market fund with higher risk;
- are looking to use it as part of an investment portfolio and not as part of a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 10 Jun 2010.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | 0.20% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | 0.20% | - | 0.06% |
| **P**** | 5.00% | 1.00% | 1.00% | 0.20% | - | 0.10% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# Quantitative Flexible Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark, by investing in a diversified portfolio of debt securities and currencies globally, based primarily on an active quantitative investment process, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- An actively managed, quantitative investment process that makes use of macroeconomic and financial data and seeks to deliver positive returns in different market environments.
- Provides diversified exposure to the global fixed income and currency markets using a range of strategies such as directional, relative value interest rate, currency, and bottom-up corporate bond selection. Relative value aims to benefit from price differences of one security compared to another related security or the overall market whereas directional investing is based exclusively on the attractiveness of a security or securities. Currency and interest rate views will be expressed based on interest rate and currency differentials and market opportunities.
- Flexible approach seeks to generate returns with limited correlation to traditional markets and allows the Sub-Fund to access diversified sources of return and to shift allocations in response to changing market conditions.

**Benchmark** ICE Overnight USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.
- Performance fee calculation.

### POLICIES

**Main investment exposure** Will invest, either directly or through derivatives, in debt securities, such as government and corporate bonds and commodity indices as well as in currency instruments such as FX forwards and non-deliverable forwards. May invest in MBS/ABS (including covered bonds) to a limited extent. Issuers may be located anywhere in the world, including emerging markets. The Sub-Fund may hold up to 100% of its assets in cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found. The Sub-Fund may make extensive use of derivatives to meet its investment objective.

There are no credit quality or maturity restrictions applicable to the investments and the Sub-Fund may invest in unrated debt securities but will not invest in distressed debt securities (at the time of purchase).

**Other investment exposures** Up to 10% in convertible securities; up to 10% in equities as a result of debt restructuring or conversion. Equity derivatives may be used to manage equity exposure as well as the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD;* 0% expected; 20% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 1000% indicative only. Leverage may significantly exceed this level from time to time.

The expected level of leverage of 1000% is mainly attributed to fixed income and currency derivatives, such as interest rate and bond futures and swaps, FX forwards and non-deliverable forwards. These instruments have high notional values which increase the expected level of leverage.

Leverage may significantly exceed the expected level from time to time. For example, in certain market environments when the Sub-Fund allocates more extensively to instruments requiring higher notional values to implement specific views or strategies.

These increases in the level of leverage may not increase or only moderately increase the overall risk profile of the Sub-Fund. This is because the sum of notionals methodology does not allow for the netting of derivatives positions which can include hedging transactions and other risk-mitigating strategies. The overall risk profile of the Sub-Fund is monitored and limited according to the UCITS regulation as set out in Management and Monitoring of Derivatives Risk under General Investment Policies.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Commodities | Equities |
| | Debt securities | MBSs/ABSs |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Counterparty | Currency | Liquidity |
| Credit | Interest rate | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to global fixed income and currency markets, with potentially lower volatility;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Performance Cap*: 5% on cumulative excess return.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** Not launched.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **C** | - | 1.00% | - | 0.80% | - | 0.10% | - |
| **C (perf)** | - | 1.00% | - | - | - | 0.10% | 20.00% |
| **I** | - | 1.00% | - | 0.80% | - | 0.06% | - |
| **I (perf)** | - | 1.00% | - | - | - | 0.06% | 20.00% |
| **S2** | - | 1.00% | - | 0.40% | - | 0.06% | - |
| **S2 (perf)** | - | 1.00% | - | - | - | 0.06% | 10.00% |
| **X** | - | 1.00% | - | - | - | 0.05% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.05% | 20.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Sterling Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of sterling bond markets by investing primarily in investment grade GBP-denominated debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection and yield curve positioning.
- Invests across all sectors of Sterling investment grade debt which include government and government related, corporate and securitised debt.

**Benchmark** Bloomberg Barclays Sterling Non-Gilts 10+ Year Index (Total Return Gross).

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade GBP-denominated debt securities.

The Sub-Fund may invest in below investment grade and unrated debt securities.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives: 10* % indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* GBP. *Currencies of asset denomination:* typically GBP. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | - Investment grade debt |
| Hedging | Debt securities | - Below investment grade debt |
| | - Government debt | - Unrated debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to GBP-denominated bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Mar 1992.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.90% | - | 0.20% |
| **C** | - | 1.00% | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.90% | 0.55% | 0.20% |
| **I** | - | 1.00% | - | 0.45% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Sterling Managed Reserves Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of sterling money markets by investing primarily in GBP denominated short-term debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Investment team generates a comprehensive economic outlook to determine appropriate interest rate and sector positioning.
- Credit research analysts conduct fundamental analysis on companies to identify suitable investment opportunities.
- Compared to a money market fund, incorporates longer-term investments where appropriate for additional return potential.

**Benchmark** ICE BofAML Sterling 3-Month Government Bill Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in GBP-denominated debt securities, such as UK Government securities, securities issued or guaranteed by the UK Government or its agencies, agency securities, corporate bonds and MBSs/ABSs (to a limited extent). The Sub-Fund may enter into reverse repurchase transactions with highly rated counterparties collateralized with securities such as US Government securities. Such collateral will be GBP denominated only and restricted to investment grade where applicable. No maturity constraints apply to the collateral.

At the time of purchase, securities with a long-term rating are rated investment grade. Should ratings for a security differ between agencies, the highest rating will be used.

At the time of purchase, securities with a short-term rating are rated at least A-2 by S&P (or equivalent rating). MBS/ABS are rated at least AAA by S&P (or equivalent rating) at the time of purchase. Such MBS/ABS will not include securities with significant extension risk.

The Sub-Fund may also invest in unrated securities of comparable credit quality to those specified above.

The weighted average duration of the portfolio will not exceed one year, and the initial or remaining maturity of each debt security will not exceed three years from the date of settlement. The initial or remaining average life of MBS/ABS will not exceed three years from the date of settlement.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Reverse repurchase transaction:* expected 0% to 10%; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* GBP. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Debt securities | - Unrated debt |
| Reverse repurchase transactions | - Government debt | MBSs/ABSs |
| | - Investment grade debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek potentially higher returns than a money market fund with higher risk
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 22 Aug 16.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | 0.20% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | 0.20% | - | 0.06% |
| **K** | - | 1.00% | - | 0.15% | - | 0.06% |
| **P**** | 5.00% | 1.00% | 1.00% | 0.20% | - | 0.10% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information. **The annual management and advisory fee reflects the maximum fee that may be charged.*

JPMorgan Funds -

# US Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US bond markets by investing primarily in US investment grade debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Focuses on bottom-up security selection through a value-oriented approach that seeks to identify inefficiently priced securities to generate returns.
- Invests across all sectors of USD denominated investment grade debt which includes government, government related, corporate, and securitised debt.

**Benchmark** Bloomberg Barclays US Aggregate Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in investment grade debt securities issued or guaranteed by the US government or its agencies and by agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in the US. These may include MBS.

The Sub-Fund may invest in below investment grade and unrated securities and in debt securities from emerging markets.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives : 10%* Indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt | - Below investment grade debt<br>- Unrated debt<br>Emerging markets<br>MBS/ABS |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to US bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Sep 2000.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | - | 0.50% | 0.90% | - | 0.20% |
| C | - | 1.00% | - | - | 0.45% | - | 0.15% |
| D | 3.00% | 1.00% | - | 0.50% | 0.90% | 0.25% | 0.20% |
| F | - | 1.00% | 3.00% | - | 0.90% | 1.00% | 0.20% |
| I | - | 1.00% | - | - | 0.45% | - | 0.11% |
| I2 | - | 1.00% | - | - | 0.36% | - | 0.11% |
| X | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by investing primarily in investment grade USD-denominated corporate debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Approaches corporate bond Investing by focusing on generating returns through credit sector rotation and security selection across the US corporate bond universe.

**ESG approach** Seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many companies in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

**Benchmark** Bloomberg Barclays U.S. Corporate Investment Grade Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will bear some resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 80% of assets invested, either directly or through derivatives, in USD-denominated investment grade corporate debt securities from issuers anywhere in the world, including emerging markets. However, the majority of the Sub-Fund's assets is invested in securities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

The Sub-Fund may also invest in below investment grade and unrated debt securities and in other assets such as global debt securities issued or guaranteed by governments, including supranationals and agencies, equities, convertible securities and preferred securities.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 75% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* primarily USD. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Contingent convertible bonds | Emerging markets |
| Hedging | Convertible securities | Equities |
| | Debt securities | Preferred securities |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to US investment grade corporate bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 21 Oct 2016.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.11% |
| **S2** | - | 1.00% | - | 0.20% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US High Yield Plus Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US bond markets by investing primarily in below investment grade USD-denominated debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top-down decision making - including sector allocation, duration management and credit quality – with bottom-up security selection.
- Seeks to identify investment opportunities while minimising the risk of credit deterioration and limiting exposure to defaults.

**Benchmark** Bloomberg Barclays US Corporate High-Yield 2% Issuer Capped Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 67% of assets invested in below investment grade USD-denominated debt securities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

The Sub-Fund may also invest in USD-denominated debt securities of companies outside the US.

The Sub-Fund may invest up to 20% in unrated debt securities and up to 15% in distressed debt securities at the time of purchase.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 10% in equities as a result of company reorganisations.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 50% indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:.***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Contingent convertible bonds | - Unrated debt |
| | Debt securities | - Distressed debt |
| | - Below investment grade debt | Equities |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Liquidity |
| Currency | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to below investment grade USD-denominated debt securities;
- seek a higher risk bond strategy;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 06 Mar 2012.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | - | 0.50% | 0.85% | - | 0.20% |
| C | - | 1.00% | - | - | 0.45% | - | 0.15% |
| D | 3.00% | 1.00% | - | 0.50% | 0.85% | 0.50% | 0.20% |
| I | - | 1.00% | - | - | 0.45% | - | 0.11% |
| T | - | 1.00% | 3.00% | - | 0.85% | 0.50% | 0.20% |
| X | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US short duration bond markets by investing primarily in US investment grade debt securities, including asset- backed and mortgage-backed securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Focuses on bottom-up security selection through a value-oriented approach that seeks to identify inefficiently priced securities to generate returns.
- Invests across all sectors of USD denominated investment grade short-term debt which includes government, government related, corporate, and securitised debt.

**Benchmark** Bloomberg Barclays US Government/Credit 1-3 Year Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.
- Basis for relative VaR calculations.

### POLICIES

**Main investment exposure** At least 90% of assets invested in short-term investment grade debt securities issued or guaranteed by the US government or its agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in the US. A significant portion of assets may be invested in MBS/ABS, which will be rated at least investment grade by an independent rating agency at time of purchase.

Debt securities will be rated investment grade at the time of purchase. However the Sub-Fund may hold below investment grade securities or unrated securities to a limited extent as a result of credit downgrades, removal of rating or default.

The weighted average duration of the portfolio will generally not exceed three years and the remaining duration of each investment will generally not exceed five years at the time of purchase. The maturity of securities may be significantly longer than the periods stated above.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 10% indicative only. Leverage may significantly exceed this level from time to time.

***Effective as of 25 February 2019, the Global exposure calculation method will be updated to the following and the Benchmark use of Basis for relative VaR calculations will be deleted:***

*Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt | - Below investment grade debt<br>- Unrated debt<br>MBS/ABS |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek investment return through exposure to US bond markets globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Dec 2010.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.60% | - | 0.20% |
| **C** | - | 1.00% | - | 0.30% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.60% | 0.30% | 0.20% |
| **I** | - | 1.00% | - | 0.30% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.24% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# EUR Money Market VNAV Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

The Sub-Fund seeks to achieve a return in the Sub-Fund's Base Currency in line with prevailing money market rates while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity, by investing in EUR-denominated short-term money market instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

### INVESTMENT PROCESS

**Investment approach**

- Seeks opportunities across all cash segments.
- Qualifies as a Short-Term VNAV MMF.

**Benchmark** 1 Week EUR LIBID.

**Benchmark uses**

- Performance comparison.

### POLICIES

**Main investment exposure** All assets invested in EUR-denominated short-term money market Instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

In addition to receiving a favourable credit quality assessment pursuant to the Management Company's Internal Credit Procedures, money market instruments, eligible securitisations and Asset-Backed Commercial Paper are rated at least A or A-1 by S&P (or equivalent ratings) for long-term and short-term ratings, respectively. The Sub-Fund may invest in unrated money market instruments, eligible securitisations and Asset-Backed Commercial Paper of comparable credit quality.

The weighted average maturity of the portfolio will not exceed sixty days and the initial or remaining maturity of each money market instrument, eligible securitisation and Asset-Backed Commercial Paper will not exceed 397 days at the time of purchase.

The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions. All assets invested in accordance with Investment Restrictions and Powers applicable to MMF Sub-Funds.

**Techniques and instruments** Reverse repurchase transactions: 0% to 30% expected; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Reverse repurchase transactions | Debt securities<br>- Government debt | - Investment grade debt<br>- unrated debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Credit<br>Interest rate | Liquidity<br>Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective**. |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund and;

- seek a short term investment with a high degree of liquidity;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.[1]

**Sub-Fund launch date** 22 May 2006.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.25% | - | 0.20% |
| **C** | - | 1.00% | - | 0.16% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.10% | 0.20% |
| **I** | - | 1.00% | - | 0.16% | - | 0.06% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information.*

*[1] New Year's Day, Easter Monday, Christmas Day, the day prior to and following Christmas Day and/or Boxing Day public holidays in the UK when 25th and/or 26th December fall on a Saturday or a Sunday are not Valuation Days.*

JPMorgan Funds -

# USD Money Market VNAV Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

The Sub-Fund seeks to achieve a return in the Sub-Fund's Base Currency in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity, by investing in USD-denominated short-term Money Market Instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

### INVESTMENT PROCESS

**Investment approach**

- Seeks opportunities across all cash segments.
- Qualifies as Short-Term Variable NAV MMF.

**Benchmark** 1 Week USD LIBID.

**Benchmark uses**

- Performance comparison.

### POLICIES

**Main investment exposure** All assets invested in USD-denominated short-term money market instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

In addition to receiving a favourable credit quality assessment pursuant to the Management Company's Internal Credit Procedures, Money market instruments, eligible securitisations and Asset-Backed Commercial Paper are rated at least A or A-1 by S&P (or equivalent ratings) for long-term and short-term ratings, respectively. The Sub-Fund may invest in unrated money market instruments, eligible securitizations and Asset-Backed Commercial Paper of comparable credit quality.

The weighted average maturity of each money market instrument, eligible securitisation and Asset-Backed Commercial Paper will not exceed sixty days and the initial or remaining maturity of each debt security will not exceed 397 days at the time of purchase. The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions.

All assets invested in accordance with Investment Restrictions and Powers applicable to MMF Sub-Funds.

**Specific investment restrictions**

The aggregate value of the Sub-Fund's holding of instruments and deposits issued by a single issuer may not exceed 10% of assets except (i) where the issuer is a substantial financial institution (as defined by Hong Kong applicable laws and regulations) and the total amount does not exceed 10% of the issuer's issued capital and published reserves, the limit may be increased to 15%; or ii) in the case of government and other public securities, up to 30% may be invested in the same issue; or (iii) in respect of any deposit of less than USD 1,000,000, where the Sub-Fund cannot otherwise diversify as a result of its size.

**Techniques and instruments** *Reverse repurchase transactions*: 0% to 30% expected; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Reverse repurchase transactions | Debt securities<br>- Government debt<br>- Investment grade debt | - Unrated debt |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | |
|---|---|
| Credit | Interest rate |
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund and:

- seek a short term investment with a high degree of liquidity;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 06 Jun 2014.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.25% | - | 0.20% |
| **C** | - | 1.00% | - | 0.16% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.10% | 0.20% |
| **I** | - | 1.00% | - | 0.16% | - | 0.06% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Multi-Strategy Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income by investing primarily in a portfolio of UCITS and other UCIs that invest across a range of asset classes globally.

### INVESTMENT PROCESS

**Investment approach**

- Multi-asset approach, leveraging specialists from around JPMorgan Asset Management's global investment platform, with a focus on risk-adjusted income.
- Fund of funds structure, investing in income strategies managed or distributed by companies in the JPMorgan Chase & Co group.
- Flexible implementation of the managers' allocation views at asset class and regional level.

**Benchmark** 40% Bloomberg Barclays US High Yield 2% Issuer Cap Index (Total Return Gross) Hedged to EUR / 35% MSCI World Index (Total Return Net) Hedged to EUR / 25% Bloomberg Barclays Global Credit Index (Total Return Gross) Hedged to EUR.

**Benchmark uses**

- Performance comparison. The Sub-Fund may bear little resemblance to the benchmark.

### POLICIES

**Main investment exposure** Primarily invests in UCITS and UCIs managed or distributed by companies in the JPMorgan Chase & Co. group including other Sub-Funds of the Fund. Such UCITS and UCIs will have exposure to a range of asset classes such as equities, debt securities of any credit quality, convertible securities, currencies, commodities, real estate and money market instruments. Issuers of the underlying investments may be located in any country, including emerging markets.

The Sub-Fund may invest up to 100% of its assets in units of UCITS and other UCIs.

Some of the UCITS and UCIs will invest in derivatives to achieve their investment objective.

Dividends are not guaranteed given that returns to investors will vary from year to year depending on dividends paid and capital returns, which could be negative.

**Other investment exposures** Direct investment in equities and debt securities to a limited extent.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Convertible securities | - Investment grade debt |
| Hedging | Commodities | - Below investment grade debt |
| | Equities | Emerging markets |
| | Debt securities | REITs |
| | - Government debt | UCITS, UCIs and ETFs |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| | Interest rate | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- looking for a source of income through exposure to a range of asset classes, through a fund of fund structure;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 17 Nov 2011.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.85% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.85% | 0.30% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

*As the Sub-Fund invests primarily in UCITS and UCIs managed by companies of the JPMorgan Chase and Co, Group, no double charging of Operating and Administrative Expenses will occur.*

JPMorgan Funds -

# Multi-Manager Alternatives Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital appreciation by investing in multiple eligible asset classes globally, employing a variety of non-traditional or alternative strategies and techniques, using derivatives where appropriate.

### INVESTMENT PROCESS

#### Investment approach

- Diversified allocation of assets to multiple Sub-Investment Managers not affiliated with JPMorgan Chase & Co, that implement a range of non-traditional or alternative investment strategies and techniques, such as merger arbitrage/event-driven, long-short equity, relative value, credit, opportunistic/macro and portfolio hedge.
- Seeks to provide returns with low volatility and low sensitivity to traditional equity and fixed income markets.
- The Investment Manager will periodically review the allocations to the investment strategies, and may add to, remove or modify these based upon market considerations and opportunities, therefore all strategies mentioned above may not be represented at all times.

**Benchmark** ICE 1 Month USD LIBOR. For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

#### Benchmark uses

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** Invests in a diversified range of asset classes, either directly or through derivatives, including but not limited to, equities, government and corporate debt securities (including covered and high yield), convertible securities, commodity index instruments, UCITS, UCIs, ETFs and REITs. Issuers may be located in any country including emerging markets.

The Sub-Fund may invest in distressed debt, MBS/ABS and catastrophe bonds to a limited extent, and up to 10% in contingent convertible bonds.

There are no credit quality restrictions applicable to the investments. The Sub-Fund may be concentrated in certain industry sectors, markets or currencies.

The Investment Manager may manage a portion of the assets directly, including, without limitation, for portfolio hedging and temporarily adjusting the overall market exposure.

The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found. All short positions will be held through derivatives.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 100% to 200% expected, 450% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 450% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Catastrophe bonds | - Unrated debt |
| Derivatives | Commodities | - Distressed debt |
| Hedging | Convertible securities | Emerging markets |
| Short positions | Contingent convertible bonds | Equities |
| Multi-manager sub fund | Debt securities | MBSs/ABSs |
| | - Below investment grade debt | REITS |
| | - Investment grade debt | UCITS, UCIs and ETFs |
| | - Government debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Currency | Interest rate | Market |
| Credit | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- looking for capital growth with low volatility and low sensitivity to the performance of tradition equity and fixed income markets;
- seek exposure globally to non-traditional and alternative investment strategies and techniques;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day. On each Valuation Day at the point of valuation of the Sub-Fund's assets, the values of all non-North American, non-Central American, non-South American and non-Caribbean equities in the Sub- Fund will be adjusted (fair valued) from the quoted market price to a valuation as determined by applying a fair value factor provided by a pricing agent under the responsibility of the Management Company.

**Sub-Fund launch date** 11 Jan 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Sub-Investment Manager Fee (Max) | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.25% | 1.05% | - | 0.30% |
| **C** | - | 1.00% | - | 0.60% | 1.05% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.25% | 1.05% | 0.35% | 0.30% |
| **I** | - | 1.00% | - | 0.60% | 1.05% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.50% | 1.05% | - | 0.16% |
| **S1** | - | 1.00% | - | 0.38% | 1.05% | - | 0.16% |
| **X** | - | 1.00% | - | - | 1.05% | - | 0.15% |

*See Share Classes and Costs for more complete information. Sub-Investment Manager Fee (max) - The figure stated is the maximum fee that a Sub-Investment Manager will receive out of the assets allocated to each Sub-Investment Manager.*

JPMorgan Funds -

# Multi-Manager Equity Long-Short Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital appreciation by employing equity oriented non-traditional or alternatives strategies and techniques, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Allocates assets to multiple Sub-Investment Managers not affiliated with JPMorgan Chase & Co, that use equity-orientated non-traditional or alternative investment strategies and techniques.
- Seeks to provide risk adjusted returns superior to traditional equity markets, over the long term.
- The Investment Manager will periodically review the allocations to the investment strategies, and may add to, remove or modify these based upon market considerations and opportunities.

**Benchmark** ICE 1 Month USD LIBOR . For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** Primarily invests, either directly or through derivatives in equities, from issuers anywhere in the world, including emerging markets.

The Sub-Fund may also invest in UCITS, UCIs, ETFs, REITS, debt securities (including below investment grade) and convertible securities.

Sub-Investment Managers may take long and short positions (achieve through derivatives) in equities which are deemed to be under or overvalued. They may specialise in a particular style, industry or geography. Certain Sub-Investment Managers typically do not attempt to offset the amount of long and short positions and they could be net long or net short.

Sub-Investment Managers may also take long or short positions in securities of companies involved in mergers, acquisitions, restructurings, liquidations, spin-offs, or other special situations that alter a company's financial structure or operating strategy.

The Investment Manager may manage a portion of the assets directly, including, without limitation, for portfolio hedging and temporarily adjusting the overall market exposure.

The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 10% of its assets in distressed debt at the time of purchase.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 100% to 200% expected; 450% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 350% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Concentration | Contingent convertible bonds | - Distressed debt |
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Debt securities | Equities |
| Multi-manager sub fund | - Investment grade debt | REITs |
| Short positions | - Below investment grade debt | UCITS, UCIs and ETFs |
| | - Unrated debt | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- looking for risk adjusted returns superior to that of traditional equity markets, over the long term, with potentially lower volatility;
- seek exposure to primarily equity securities, and to a lesser extent other asset classes, utilising non-traditional and alternatives strategies;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day. On each Valuation Day at the point of valuation of the Sub-Fund's assets, the values of all non-North American, non-Central American, non-South American and non-Caribbean equities in the Sub- Fund will be adjusted (fair valued) from the quoted market price to a valuation as determined by applying a fair value factor provided by a pricing agent under the responsibility of the Management Company.

**Sub-Fund launch date** Not launched.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Sub-Investment Manager Fee (Max) | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | 1.05% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | 1.05% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.05% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | 1.05% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | 1.05% | - | 0.16% |
| **S1** | - | 1.00% | - | 0.38% | 1.05% | - | 0.16% |
| **X** | - | 1.00% | - | - | 1.05% | - | 0.15% |

*See Share Classes and Costs for more complete information. Sub-Investment Manager Fee (max) - The figure stated is the maximum fee that a Sub-Investment Manager will receive out of the assets allocated to each Sub-Investment Manager.*

JPMorgan Funds -

# Diversified Risk Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing in multiple asset classes, globally, using a risk-weighted approach to asset allocation, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Systematic approach that provides long/short exposure to a diversified range of risk premia, across asset classes.
- Portfolio targets equally weighted long-term risk exposures to various risk premia, grouped into four styles: quality, carry, momentum and value.
- Overall portfolio is constructed to maintain a low correlation to traditional markets.

**Benchmark** ICE 1 Month USD LIBOR. For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested, either directly or through derivatives, in equities (including smaller companies), convertible securities, debt securities, currencies and cash. The Sub-Fund may also gain exposure to commodities through equities, UCITS, UCIs, ETFs or derivatives on commodity indices. Issuers can be from anywhere in the world, including emerging markets. The Sub-Fund may invest in below investment grade and unrated debt securities.

The Sub-Fund may have net long and net short exposure (achieved through derivatives) to sectors, markets and currencies, however, it will maintain a total net long market exposure at all times. The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 90% expected; 150% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* primarily hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Commodities | - Unrated debt |
| Hedging | Convertible securities | Emerging markets |
| Short positions | Debt securities | Equities |
| | - Below investment grade debt | Smaller companies |
| | - Investment grade debt | UCITS, UCIs and ETFs |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub- Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth;
- diversification with potentially lower volatility than traditional asset classes;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Feb 2013.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.30% |
| C | - | 1.00% | - | - | 0.60% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.65% | 0.30% |
| I | - | 1.00% | - | - | 0.60% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.50% | - | 0.16% |
| S1 | - | 1.00% | - | - | 0.30% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.25% | 0.65% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. * Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Systematic Alpha Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide a total return in excess of its cash benchmark by exploiting behavioural patterns in financial markets, primarily through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Systematic, rules based investment process, focuses on the bottom-up capture of alternative risk premia embedded within a number of hedge fund strategies.
- Captures the returns commonly associated with major hedge fund strategies such as Equity Market Neutral, Macro/Managed Futures, Convertible Bond Arbitrage and Event-Driven within a single portfolio, while reducing the manager specific risks associated with hedge fund investing due to its systematic approach.
- Aims to provide diversification benefits to a portfolio of traditional assets such as equities or bonds.

**Benchmark** ICE 1 Month EUR LIBOR. For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the benchmark.

### POLICIES

**Main investment exposure** Invests in a diversified range of asset classes, either directly or through derivatives, such as equities (including smaller companies), debt securities, currencies, convertible securities and commodities from issuers anywhere in the world, including emerging markets.

The Sub-Fund may have net long and net short exposure (achieved through derivatives) to sectors, markets and currencies, however net market exposure will not normally exceed 150% of net assets (excluding currency forward positions established for the purpose of hedging currency exposure).

The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivative s Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 180% expected; 450% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 350% indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* primarily hedged to base currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Commodities | Emerging markets |
| Hedging | Convertible securities | Equities |
| Short positions | Debt securities | Smaller companies |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek access to uncorrelated sources of return;
- seek to provide an investment portfolio with diversification away from traditional market returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 1 Jul 2009.

| | One-off charges taken before or after investing (maximum) | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.55% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

*A (fix) SEK 2.50 – EUR (hedged), Share Class is intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of SEK 2.50. per share.*

JPMorgan Funds -

# Systematic Alpha Higher Volatility Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide a total return in excess of its cash benchmark by exploiting behavioural patterns in the financial markets, primarily through the use of derivatives.

### INVESTMENT PROCESS

**Investment Approach**

- Systematic, rules based investment process, focuses on the bottom-up capture of alternative risk premia embedded within a number of hedge fund strategies.
- Captures the returns commonly associated with major hedge fund strategies such as Equity Market Neutral, Macro/Managed Futures, Convertible Bond Arbitrage and Event-Driven within a single portfolio, while reducing the manager specific risks associated with hedge fund investing, due to its systematic approach.
- Aims to provide diversification benefits to a portfolio of traditional assets such as equities or bonds.
- Will have a higher absolute volatility than the JPMorgan Funds Systematic Alpha Fund.
- As part of the investment process, the Investment Manager may exclude certain securities with risks presented by certain environmental, social and governance factors.

**Benchmark** ICE 1 Month EUR LIBOR. For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses**

- Performance comparison. The Sub-Fund will be managed without reference to the Benchmark.

### POLICIES

**Main investment exposure** Invests in a diversified range of asset classes, either directly or through derivatives, such as equities (including smaller companies), debt securities, currencies, convertible securities and commodities from issuers anywhere in the world, including emerging markets.

The Sub-Fund may have net long and net short exposure (achieved through derivatives) across sectors, markets and currencies, however net market exposure will not normally exceed 200% of net assets (excluding forward positions established for the purpose of hedging currency exposure).

The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types :* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques . *TRS including CFD:* 360% expected; 900% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 800% indicative only. Leverage may significantly exceed this level from time to time.

The expected level of leverage of 800% is mainly attributed Total Return Swaps and contracts for difference which may involve high notional values. In addition the Sub-Fund may use other derivatives such as futures and forwards which will also contribute to the expected level of leverage.

Leverage may significantly exceed the expected level from time to time. For example if event-driven activity were above the long-term average and other strategies were in line with their long-term average.

These increases in the level of leverage may not increase or only moderately increase the overall risk profile of the Sub-Fund. This is because the sum of notionals methodology does not allow for the netting of derivatives positions which can include hedging transactions and other risk-mitigating strategies. The overall risk profile of the Sub-Fund is monitored and limited according to the UCITS regulation as set out in Management and Monitoring of Derivatives Risk under General Investment Policies.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination*: any. *Hedging approach*: primarily hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| *Techniques* | *Securities* | |
|---|---|---|
| Derivatives | Commodities | Equities |
| Hedging | Convertible securities | Smaller companies |
| Short positions | Debt securities | |
| | Emerging markets | |

**Other associated risks** *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

**Investor profile** Investors with or without basic financial knowledge who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek access to uncorrelated sources of return;
- seek an investment portfolio with diversification away from traditional market returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests accepted on Wednesdays only (or for any Wednesday that is not a Valuation Day, the immediately following Valuation Day). Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 April 2018.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **C** | - | 1.00% | - | 0.75% | 0.20% |
| **I** | - | 1.00% | - | 0.75% | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | 0.16% |
| **X** | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

# Risk Descriptions

Whilst this Prospectus identifies what the Board believes to be the main risks of the Sub-Funds, a Sub-Fund could be affected by other risks. The Risk Descriptions form an integral part of the Prospectus and should be read in conjunction with the Prospectus as a whole. Investors should note that any risks relevant to individual Share Classes can be found in Share Classes and Costs.

For an investor in a Sub-Fund, all of the risks described below could give rise to one or more of the three basic outcomes described in each Sub-Fund description: loss, volatility and failure to achieve its objective. Other direct effects on investors could include a Sub-Fund performing less well than its peers or than the overall market(s) in which it invests.

## INVESTMENT FUND RISKS

Investing in any Sub-Fund of the Fund involves certain risks:

**Fund structure risks**

- The Board may decide to liquidate a Sub-Fund under certain circumstances (see Liquidation or Merger under Considerations for Investors). It is possible that the net proceeds of any liquidation for a Shareholder may be less than the amount they initially invested.
- In the event the Board decides to suspend the calculation of NAV per Share or to defer redemption and switch requests for a Sub-Fund, Shareholders may not receive the proceeds of their investment at the desired time or price.
- If a large proportion of the Shares of a Sub-Fund are held by a small number of Shareholders, or a single Shareholder, including funds or mandates over which the Investment Managers or their affiliates have investment discretion, the Sub-Fund is subject to the risk that these Shareholder(s) redeem their Shares in large amounts. These transactions could adversely affect the Sub-Funds ability to conduct its investment policies and / or the Sub-Fund becomes too small to operate efficiently and needs to be liquidated or merged.

**Regulatory risks**

- The Fund is domiciled in Luxembourg. Therefore any protections provided by the regulatory framework of other jurisdictions may differ or may not apply.
- The Fund qualifies as a UCITS and is subject to the investment laws, regulations and guidance set down by the European Union, the European Securities and Markets Authority and the CSSF. As a result of the Sub-Funds being managed by an affiliate of JPMorgan Chase & Co. or being registered in other jurisdictions, they may be subject to narrower investment restrictions which could limit their investment opportunities.
- The Management Company is a member of JPMorgan Chase & Co. and is therefore subject to additional banking rules and regulations in the US which may also impact the Fund and its investors. For instance, under the Volcker Rule, a US regulation, JPMorgan Chase & Co., together with its employees and directors, cannot own more than 15% of a Sub-Fund beyond the permitted seeding period (generally three years from the date of the launch of a Sub-Fund); as a result, in cases where JPMorgan Chase & Co. continues to hold a seed position representing a significant portion of a Sub-Fund's assets at the end of the permitted seeding period, it may be required to reduce its seed position and the anticipated or actual redemption of Shares owned by JPMorgan Chase & Co. could adversely affect the Sub-Fund. This may require the sale of portfolio securities before it is desirable, resulting in losses to other Shareholders or could result in the liquidation of the Sub-Fund.

**Political risks**

- The value of a Sub-Fund's investments may be affected by uncertainties such as international political developments, civil conflicts and war, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. For example, assets could be compulsorily re-acquired without adequate compensation. Events and evolving conditions in certain economies or markets may alter the risks associated with investments in countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in emerging market countries.

**Legal risks**

- There is a risk that legal agreements in respect of certain derivatives, instruments and techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by English law, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.
- The Fund might be subject to certain contractual indemnification obligations the risk of which may be increased in respect of certain Sub-Funds such as Multi-Manager Sub-Funds. The Fund will not, and potentially none of the service providers, carry any insurance for losses for which the Fund may be ultimately subject to an indemnification obligation. Any indemnification payment with respect to a Sub-Fund would be borne by that Sub-Fund and will result in a corresponding reduction in the price of the Shares.

**Management risk**

- As the Sub-Funds are actively managed they rely on the skill, expertise and judgement of the relevant Investment Manager. There is no guarantee that the investment decisions made by the Investment Manager or any investment processes, techniques or models used will produce the desired results.
- For liquidity and to respond to unusual market conditions, a Sub-Fund, in accordance with its investment policy, may invest all or most if its assets in cash and cash equivalents for temporary defensive purposes. Investments in cash and cash equivalents may result in lower yield than other investments, which if used for temporary defensive purposes rather than an investment strategy, may prevent a Sub-Fund from meeting its investment objective.

## INVESTMENT RISKS

### *Techniques*

**Concentration risk** To the extent that the Sub-Fund invests a large portion of its assets in a limited number of securities, industries, sectors, or within a limited geographical area, it is likely to be more volatile and carry a greater risk of loss than a Sub-Fund that invests more broadly.

When a Sub-Fund is concentrated in a particular country, region, or sector, its performance will be more strongly affected by any political, economic,

environmental or market conditions within that area or affecting that economic sector.

**Derivatives risk** The value of derivatives can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the derivative and therefore, investment in such instruments may result in losses in excess of the amount invested by the Sub-Fund.

The pricing and volatility of many derivatives sometimes diverges from strictly reflecting the pricing or volatility of their underlying reference asset(s). In difficult market conditions, it might be impossible or unfeasible to place orders that would limit or offset the market exposure or financial losses created by certain derivatives.

Changes in tax, accounting, or securities laws could cause the value of a derivative to fall or could force the Sub-Fund to terminate a derivative position under disadvantageous circumstances.

*OTC derivatives*

As OTC derivatives are private agreements between the Fund on behalf of a specific Sub-Fund and one or more counterparties, they are less regulated than market-traded derivatives. OTC derivatives carry greater counterparty risk and liquidity risk, and it could be more difficult to force a counterparty to meet its obligations to the Fund. If a counterparty ceases to offer a derivative that a Sub-Fund is using or is planning to use, the Sub-Fund might not be able to find a comparable derivative elsewhere. This in turn could cause the Sub-Fund to miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a derivative position for which it was unable to buy an offsetting derivative.

It may not always be possible for the Fund to divide its OTC derivative transactions among a wide variety of counterparties and the inability to trade with any one counterparty could cause significant losses.

Conversely, if any Sub-Fund experiences any financial weakness or fails to meet an obligation, counterparties might become unwilling to do business with the Fund, which could leave the Fund unable to operate efficiently and competitively.

*Exchange-traded derivatives*

While exchange-traded derivatives are generally considered lower-risk than OTC derivatives, there is still the risk that a suspension of trading in derivatives or in their underlying assets could make it impossible for a Sub-Fund to realise gains or avoid losses, which in turn could cause a delay in handling redemptions of Shares. There is also a risk that settlement of exchange-traded derivatives through a transfer system might not happen when or as expected.

*Risks relating to specific derivative instruments*

- *Warrants* The value of warrants are likely to fluctuate more than the prices of the underlying securities. This is due to the effect of leverage within their structure so that a relatively small movement in the price of the underlying security typically results in a larger movement in the price of the warrant.
- *Futures and options* The amount of initial margin relative to the value of a futures contract is small so transactions may be "leveraged" or "geared" in terms of market exposure. A relatively small market movement will therefore have a proportionately larger impact which may work for or against the investor. The selling ("writing" or "granting") of an option by the Fund on behalf of a Sub-Fund generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.
- *CDS* The price at which a CDS trades may differ from the price of the CDS's referenced security. In adverse market conditions, the basis (difference between the spread on bonds and the spread of CDS) can be significantly more volatile than the CDS's referenced securities.

**Distribution of capital risk** The Investment Manager may manage the income of the Sub-Fund to minimise fluctuations in periodic distribution payments. This may include distribution of your invested capital. Such erosion of capital will reduce the potential for long-term capital growth and may be tax inefficient in certain countries.

**Hedging risk** Any measures that the Sub-Fund takes that are designed to offset specific risks could work imperfectly, might not be feasible at times, or could fail completely. The Sub-Fund can use hedging within its portfolio to mitigate currency, duration, market or credit risk, and, with respect to any designated Share Classes, to hedge either the currency exposure or the effective duration of the Share Class. Hedging involves costs, which reduce investment performance.

**Multi-Manager Sub-Fund risk** The Sub-Fund's performance depends on the skill and ability of the Investment Manager in selecting, overseeing and allocating Sub-Fund assets to certain Sub-Investment Managers, the styles of which may not always be complementary and may be conflicting. The Investment Manager or Sub-Investment Manager(s) may not be able to identify suitable investment opportunities in which to deploy all the Sub-Fund's assets.

The Sub-Fund employs various alternative investment strategies that involve the use of complex investment techniques. There is no guarantee that these strategies will succeed.

Performance of the assets allocated to any one Sub-Investment Manager may be dependent on key investment personnel, the loss of whom could have a detrimental effect on the performance of the Sub-Fund. Should a Sub-Investment Manager terminate its advisory agreement with the Investment Manager, the Investment Manager may not be able to recruit a suitable replacement for an extended period thereafter.

The Investment Manager may manage other products employing a substantially similar strategy to that of the Sub-Fund. The mix of Sub-Investment Managers retained to manage the Sub-Fund's assets may differ in whole or in part, therefore the performance of the Sub-Fund will differ from the performance of these other products and may underperform them.

The Sub-Investment Managers may manage closed-ended alternative investment funds or accounts that follow a similar investment strategy. The performance of these non-UCITS versions of the same strategy may differ substantially from the Sub-Fund due to their differing investment powers and liquidity provisions.

**Reverse repurchase transactions risk** The counterparty of reverse repurchase transactions may fail to meet its obligations which could result in losses to the Sub-Fund. The default of a counterparty with which cash has been placed together with any fall in value of the collateral received below that of the value of the cash lent may result in a loss to the Sub-Fund and may restrict the Sub-Fund's ability to fund security purchases or redemption requests.

**Security exclusion risk** Exclusion of companies from a Sub-Fund's portfolio that do not meet certain ESG criteria or are not considered socially responsible may cause the Sub-Fund to perform differently compared to similar Sub-Fund's that do not have such a policy.

**Securities lending risk** The use of securities lending exposes the Sub-Fund to counterparty risk and to liquidity risk. The default of a counterparty, together with any fall in value of the collateral (including the value of any reinvested cash collateral) below that of the value of the securities lent, may result in a loss to the Sub-Fund and may restrict the Sub-Fund's ability to meet delivery obligations under security sales or redemption requests.

**Short positions risk** Taking a short position (a position whose value moves in the opposite direction from the value of the security itself) through derivatives creates losses for the Sub-Fund when the underlying security's value rises. These losses are theoretically unlimited as there is no restriction on the price to which a security may rise, whereas the loss from a cash investment in the security cannot exceed the amount invested.

Using short positions to achieve net short exposure to a particular market, sector or currency may increase the volatility of the Sub-Fund.

The short selling of investments may be subject to changes in regulations, which could create losses or the inability to continue using short positions as intended or at all.

**Style bias risk** Sub-Funds that are concentrated in a value or growth investment style may be subject to periods of underperformance as value stocks and growth stocks tend to outperform at different times.

### *Securities*

**Catastrophe bond risk** If a trigger event occurs (such as a natural disaster or financial or economic failure), the bonds may lose part or all of their value. The loss amount is defined in the terms of the bond and may be based on losses to a company or industry, modelled losses to a notional portfolio, industry indices, readings of scientific instruments or certain other parameters associated with a catastrophe rather than actual losses. The modelling used to calculate the probability of a trigger event may not be accurate or may underestimate the likelihood of the trigger event occurring which may increase the risk of loss.

Catastrophe bonds may provide for extensions of maturity which may increase volatility.

Catastrophe bonds may be rated by credit ratings agencies on the basis of how likely it is that the trigger event will occur and are typically rated below investment grade (or considered equivalent if unrated).

**China risk** Investing in the domestic (onshore) market of the People's Republic of China (PRC) is subject to the risks of investing in emerging markets (see Emerging markets risk) and additionally risks that are specific to the PRC market.

Investments in domestic securities of the PRC denominated in CNY are made through the QFII/RQFII license, under which the Investment Manager has been granted an investment quota, or through the China-Hong Kong Stock Connect Programmes which are subject to daily and aggregate quotas.

*QFII/RQFII investments risk* The QFII status could be suspended, reduced or revoked, which may affect the Sub-Fund's ability to invest in eligible securities or require the Sub-Fund to dispose of such securities and this could have an adverse effect on the Sub-Fund's performance. The RQFII status could be suspended, reduced or revoked, which may have an adverse effect on the Sub-Fund's performance.

*QFII/RQFII* Regulations impose strict restrictions on investments (including rules on investment restrictions, minimum holding periods and repatriation of capital or profits) that are applicable to the Investment Manager as well as to the investments made by the Sub-Fund. It is uncertain whether a court would protect the Sub-Fund's right to securities held for it by a licensed QFII if the QFII came under legal, financial or political pressure.

The Investment Manager has been granted a QFII/RQFII quota by SAFE, but each of the relevant Sub-Funds may not have exclusive use of the entire quota as the Investment Manager may at its discretion allocate such quota to other Sub-Funds. As a result a Sub-Fund may be adversely impacted if there is insufficient QFII/RQFII quota to make investments.

A Sub-Fund may suffer substantial losses if any of the key operators or parties (including the PRC Custodian and broker) is bankrupt or in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

*Risk of investing via China-Hong Kong Stock Connect Programmes*

Investments in China A-Shares through the China-Hong Kong Stock Connect Programmes are subject to regulatory change, quota limitations and also operational constraints which may result in increased counterparty risk.

The China-Hong Kong Stock Connect Programmes establish mutual trading links between the markets of mainland China and Hong Kong. These programmes allow foreign investors to trade certain China A-Shares through their Hong Kong based brokers. To the extent a Sub-Fund invests in China A-Shares through the China-Hong Kong Stock Connect Programmes it will be subject to the following additional risks:

- *Regulatory Risk* Current rules and regulations may change and have potential retrospective effect which could adversely affect the Sub-Fund.
- *Legal/Beneficial Ownership* China A-Shares purchased through the China-Hong Kong Stock Connect Programmes are held in an omnibus account by the Hong Kong Securities Clearing Company Limited ("HKSCC"). HKSCC, as the nominee holder, does not guarantee the title to securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners. The rights of beneficial owners are not clear under PRC law and untested in PRC courts.
- *Quota Limitations* The programmes are subject to quota limitations which may restrict the Sub-Fund's ability to invest in China A-Shares through the programmes on a timely basis.
- *Investor Compensation* The Sub-Fund will not benefit from investor compensation schemes either in mainland China or Hong Kong.
- *Operating Times* Trading through China-Hong Kong Stock Connect Programmes can only be undertaken on days when both the PRC and Hong Kong markets are open and when banks in both markets are open on the corresponding settlement days. Accordingly the Sub-Fund may not be able to buy or sell at the desired time or price.
- *Suspension Risk* Each of the stock exchanges involved with the China-Hong Kong Stock Connect Programmes may suspend trading which could adversely affect the Sub-Fund's ability to access the relevant market.

*China Interbank Bond Market risk* The China Interbank Bond Market is an OTC market, executing the majority of CNY bond trading. Market volatility and potential lack of liquidity due to low trading volumes may cause prices of bonds to fluctuate significantly.

*PRC tax provision risk* The Management Company reserves the right to provide for appropriate Chinese tax on gains of any Sub-Fund that invests in PRC securities thus impacting the valuation of the Sub-Fund.

With the uncertainty over whether and how certain gains on PRC securities are to be taxed, coupled with the possibility of the laws, regulations and practice in the PRC changing, and also the possibility of taxes being applied retrospectively, any provision for taxation made by the Management Company may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they subscribed and/or redeemed their Shares in/from the Sub-Funds.

*Investments in CNY* CNY is currently not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC. If such policies change in future, the Sub-Fund's position may be adversely affected. There is no assurance that CNY will not be subject to devaluation, in which case the value of the investments may be adversely affected. Under exceptional circumstances, payment of redemptions and/or dividends in CNH may be delayed due to foreign exchange controls and repatriation restrictions.

**Commodities risk** The value of securities in which the Sub-Fund invests may be influenced by movements in commodity prices which can be very volatile.

Commodities and other materials are often disproportionately affected by

political, economic, weather and terrorist- related events, and by changes in energy and transportation costs. To the extent that the financial health of any company, industry, country or region is linked to commodity or materials prices, the value of its securities can be affected by trends in those prices.

**Contingent convertible bonds risk** Contingent convertible bonds are likely to be adversely impacted should specific trigger events occur (as specified in the contract terms of the issuer). This may result in the bond converting to equity at a discounted share price, the value of the bond being written down, temporarily or permanently, and/or coupon payments ceasing or being deferred.

Contingent convertible bonds can perform poorly even when the issuer and/or its equities are performing well. Contingent convertible bonds are structured such that the occurrence of a trigger event (such as the issuer's capital ratio or share price falling to a particular level for a certain period of time) may render the bond worthless or may trigger a conversion to equity that is likely to be disadvantageous to the bondholder. With contingent convertible bonds, the date and amount of any repayment of principal is uncertain as their termination and redemption require regulatory approval, which may not be granted in certain circumstances.

**Convertible securities risk** Convertible securities have characteristics of both debt and equity securities and carry credit, default, equity, interest rate, liquidity and market risks.

A convertible security acts as a debt security and generally entitles the holder to receive interest paid or accrued until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities generally have characteristics similar to both debt and equity securities. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible securities are usually subordinated to comparable nonconvertible securities. Convertible securities generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible securities may be affected by any dividend changes or other changes in the underlying securities.

**Credit Linked Notes risk** Credit Linked Notes (CLNs) are exposed to the risk of the underlying reference asset (such as a bond) being downgraded or defaulting and also to the risk that the issuer defaulting or become bankrupt which could result in the loss of the full market value of the note.

**Debt securities risk** All debt securities (bonds) including those issued or guaranteed by governments and their agencies carry credit risk and interest rate risk.

**- Government debt** Government debt securities are subject to market risk, interest rate risk and credit risk. Governments may default on their sovereign debt and holders of sovereign debt (including the Sub-Fund) may be requested to participate in the rescheduling of such debt and to extend further loans to the governmental entities. There is no bankruptcy proceeding by which sovereign debt on which a government has defaulted may be collected in whole or in part. Global economies are highly dependent on one another and the consequences of the default of any sovereign state may be severe and far reaching and could result in substantial losses to a Sub-Fund.

**- Investment grade debt** With investment grade debt securities, the likeliest form of credit risk is a credit downgrade, which typically will cause a security's value to fall. It is unlikely, though not unknown, for an investment grade bond to go into default. The downgrading of debt securities may affect the liquidity of investments in bonds. Other market participants may be attempting to sell debt securities at the same time as a Sub-Fund, causing downward pricing pressure and contributing to illiquidity. The ability and willingness of bond dealers to "make a market" in debt securities may be impacted by both regulatory changes as well as the growth of bond markets. This could potentially lead to decreased liquidity and increased volatility in the debt markets.

Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Sub-Fund's investments typically declines. In a historically low interest environment, risks associated with rising interest rates are heightened. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.

**- Below investment grade debt** Below investment grade debt securities are typically more volatile and less liquid than investment grade debt and have significantly greater risk of default. They are typically lower rated and will usually offer higher yields to compensate for the reduced creditworthiness of the issuer.

Credit downgrades are more likely than for investment grade bonds, and can lead to more significant changes in value, for below investment grade bonds. Below investment grade bonds are sometimes less sensitive to interest rate risk, but are more sensitive to general economic news, as issuers of below investment grade bonds tend to be in weaker financial health and therefore are presumed to be more vulnerable in a deteriorating economy.

**- Subordinated debt** Subordinated debt securities are more likely to suffer a partial or complete loss in the case of any default or bankruptcy of the issuer, because all obligations to holders of senior debt must be satisfied first.

Certain subordinated bonds are callable meaning the issuer has the right to buy it back at a specified date and price. If the bond is not "called", the issuer can extend the maturity date further or defer or reduce the coupon payment.

**- Unrated bonds** The credit quality of bonds that have not been rated by an independent rating agency will be determined by the Investment Manager at the time of the investment. Investments in unrated bonds are subject to those risks of a rated security of comparable quality.

**- Distressed debt** Distressed debt and securities in default carry a high risk of loss as the issuing companies are either in severe financial distress or in bankruptcy.

**Emerging markets risk** Investments in emerging markets involve higher risks than those of developed markets and can be subject to greater volatility and lower liquidity.

- Emerging market countries may experience political, economic and social instability which can lead to legal, fiscal and regulatory changes affecting returns to investors. These may include policies of expropriation and nationalization, sanctions or other measures by governments and international bodies.
- The legal environment in certain countries is uncertain. Legislation may be imposed retrospectively or may be issued in the form of non-public regulations. Judicial independence and political neutrality cannot be guaranteed and state bodies and judges may not adhere to the requirements of the law.
- Existing legislation may not yet be adequately developed to protect shareholder rights and there may be no concept of fiduciary duty to Shareholders on the part of management.
- High interest rates and inflation rates can mean that businesses have difficulty in obtaining working capital and local management may be inexperienced in operating companies in free market conditions.
- Custody and settlement practices may be less developed and it may be difficult to prove beneficial ownership or to protect ownership rights. Investment may carry risks associated with delayed registration of securities and delayed or failed settlement. There may be no secure

method of delivery against payment (meaning payment may have to be made prior to receipt of the security).

- The securities markets in some countries lack the liquidity, efficiency and regulatory or supervisory controls of more developed markets.
- The absence of reliable pricing information may make it difficult to assess reliably the market value of a security.
- Emerging market currencies can be extremely volatile and may become subject to exchange control regulations. It may not always be practical or economical to hedge the exposure of certain currencies.
- Many emerging market economies are heavily dependent on commodities or natural resources and are therefore vulnerable to market demand and world prices for these products.
- Tax laws in certain countries are not clearly established. Taxes may be imposed suddenly and may change with retrospective effect subjecting the Sub-Fund to additional charges.
- Accounting, auditing and financial reporting standards may be inconsistent or inadequate.

For purposes of risk, the category of emerging markets includes markets that are less developed, such as most countries in Asia, Latin America, Eastern Europe, the Middle East and Africa as well as countries that have successful economies but whose investor protections are questionable, such as Russia, Ukraine and China. Broadly developed markets are those of Western Europe, the US, Canada, Japan, Australia and New Zealand.

**Equities risk** The value of equities may go down as well as up in response to the performance of individual companies and general market conditions, sometimes rapidly or unpredictably.

If a company goes through bankruptcy or a similar financial restructuring, its shares in issue typically lose most or all of their value.

Equity exposure may also be obtained through equity related securities such as warrants, depositary receipts, convertible securities, index and participation notes and equity-linked notes, which may be subject to greater volatility than the underlying reference asset and are also exposed to the risk of counterparty default.

**Frontier markets risk** Investing in frontier markets involves the risks of investing in emerging markets (see Emerging markets risk) but to a greater extent as frontier markets tend to be smaller, more volatile and less liquid than other emerging markets. Frontier markets may experience greater political, social and economic instability, restrictions on foreign investment and currency repatriation, less developed custody and settlement practices and may have weaker investor protections and corporate governance standards compared to other emerging markets.

**Inflation-linked securities risk** Inflation-linked debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the price of an inflation-linked security tends to decrease when real interest rates increase and can increase when real interest rates decrease. Interest payments on inflation-linked securities are unpredictable and will fluctuate as the principal and interest are adjusted for inflation.

In the case of inflation-indexed bonds, their principal value is periodically adjusted according to the rate of inflation. If the index measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced.

There can also be no assurance that the inflation index used will accurately measure the real rate of inflation in the prices of goods and services. A Sub-Fund's investments in inflation-linked securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index.

**MBS / ABS risk** Mortgage-backed and asset-backed securities (MBS and ABS) depend on the cash flows from a specified pool of financial assets and are subject to greater credit, liquidity and interest rate risk and may be more volatile than other bonds.

MBS / ABS prices and yields typically reflect the assumption that they will be paid off before maturity. When interest rates fall, these securities are often paid off early, as the borrowers of the underlying debt refinance at lower interest rates (prepayment risk). Subsequently the Sub-Fund may have to reinvest in lower-yielding securities. When interest rates rise, the underlying debt tends to be repaid later than expected, and can therefore increase the duration, and hence the volatility, of these securities. In addition investments in MBS / ABS may be less liquid than other bonds.

To-be-announced (TBA) securities, which are MBS or ABS that are purchased sight unseen 48 hours before they are issued, can fall in value between the time the Sub-Fund commits to the purchase and the time of delivery.

**Participation notes risk** Participation notes are exposed not only to movements in the value of the underlying equity, but also to the risk of counterparty default, both of which could result in the loss of the full market value of the participation note.

**Preferred securities risk** Preferred equities are susceptible to interest rate and credit risk as they comprise certain characteristics of bonds. They are often less liquid than other securities of the same issuer, and their right to receive dividends before other shareholders still does not guarantee that any dividends will be paid. In certain instances, preferred securities may be redeemed by the issuer prior to a specified date, which may negatively impact the return of the security.

**REITs risk** REITs and real estate related investments are subject to the risks associated with the ownership of real estate which may expose the relevant Sub-Fund to increased liquidity risk, price volatility and losses due to changes in economic conditions and interest rates.

**Smaller companies risk** Stocks of smaller companies which may be less liquid, more volatile and tend to carry greater financial risk than stocks of larger companies.

**Structured products risk** Structured products are exposed not only to movements in the value of the underlying assets, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. Certain structured products may embed leverage, which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

**UCITS, UCIs and ETFs** Investments in units of underlying funds (such as UCITS, UCIs and ETFs) subjects the Sub-Fund to the risks associated with the investments of these underlying funds. Investment decisions in respect of the underlying funds are made independently of the Sub-Fund, therefore there can be no assurance that effective diversification of the Sub-Fund's exposure will always be achieved.

Certain underlying funds traded on exchanges may be thinly traded and experience large spreads between the "ask" price quoted by a seller and the "bid" price offered by a buyer.

The price and movement of an ETF and/or closed-end fund designed to track an index may not track the underlying index and may result in a loss. In addition, ETFs and closed-end funds traded on an exchange may trade at a price below their NAV (also known as a discount).

## OTHER ASSOCIATED RISKS

**Credit risk** A bond will generally lose value if the issuer's financial health deteriorates, or appears likely to. An issuer could go into default (become unwilling or unable to make payments on their bonds), which often will make the bond illiquid or worthless.

**Currency risk** Movements or changes in currency exchange rates could adversely affect the value of the Sub-Fund's securities and the price of the Sub-Fund's Shares.

Exchange rates can change rapidly and unpredictably for a number of reasons including changes in interest rates or in exchange control regulations.

**Interest rate risk** When interest rates rise, bond prices tend to fall. This risk is greater the longer the maturity or duration of the bond. It also can affect investment grade bonds more than below investment grade bonds.

**Liquidity risk** Certain securities, especially those that trade infrequently or on comparatively small markets, may be hard to buy or sell at a desired time and price, particularly in respect of larger transaction sizes.

In extreme market situations, there may be few willing buyers and the investments cannot be readily sold at the desired time or price, and those Sub-Funds may have to accept a lower price to sell the investments or may not be able to sell the investments at all. Trading in particular securities or other instruments may be suspended or restricted by the relevant exchange or by a governmental or supervisory authority and a Sub-Fund may incur a loss as a result. An inability to sell a portfolio position can adversely affect those Sub-Funds' value or prevent those Sub-Funds from being able to take advantage of other investment opportunities.

Liquidity risk also includes the risk that those Sub-Funds will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other uncontrollable factors. To meet redemption requests, those Sub-Funds may be forced to sell investments at an unfavourable time and/or conditions.

Investment in debt securities, small and mid-capitalisation stocks and emerging market issuers will be especially subject to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions whether or not accurate.

**Market risk** Prices of securities change continually and can fall based on a wide variety of factors affecting financial markets generally or individual sectors.

# Investment Restrictions and Powers

## GENERAL INVESTMENT POLICIES

Each Sub-Fund, and the Fund itself, must comply with all applicable EU and Luxembourg laws and regulations, notably the 2010 Law, as well as certain circulars, guidelines and other requirements.

This section describes the types of assets, techniques and instruments that are permitted as a matter of law and regulation, as well as the applicable limits, restrictions and requirements. In case of any discrepancy with the 2010 Law itself, the latter (in the original French) will prevail. In the case of any detected violation of the investment restrictions applicable to a Sub-Fund, the Investment Manager of the relevant Sub-Fund must make compliance with these restrictions a priority in its securities trades and management decisions, while taking due account of the interests of Shareholders.

Except where noted, all percentages and restrictions apply to each Sub-Fund individually, and all asset percentages are measured as a percentage of its total net assets.

### PERMITTED ASSETS, TECHNIQUES AND INSTRUMENTS

The table below describes the types of assets, techniques and instruments that the Fund and its Sub-Funds can invest in and use. The Sub-Funds may set limits that are more restrictive in one way or another, based on their investment objectives and policies as more fully described under Sub-Fund Descriptions. A Sub-Fund's usage of any asset, technique or transaction must be consistent with its investment policies and restrictions.

A Sub-Fund that invests or is marketed in jurisdictions outside the EU may be subject to further requirements. See Additional Restrictions Imposed by Specific Jurisdictions below.

No Sub-Fund can acquire assets that come with unlimited liability attached, underwrite securities of other issuers, or issue warrants or other rights to subscribe for their Shares.

| Security / Transaction | Requirements | |
|---|---|---|
| **1. Transferable securities and money market instruments** | Must be listed or traded on a Regulated Market. | Recently issued securities must include in their terms of issue a commitment to apply for official listing on a Regulated Market and such admission must be received within 12 months of issue. |
| **2. Money market instruments that do not meet the requirements in row 1** | Must be subject (at the securities or issuer level) to regulation aimed at protecting investors and savings and must meet one of the following:<br>▪ be issued or guaranteed by a central, regional or local authority, or a central bank of an EU Member State, the European Central Bank, the European Investment Bank, the EU, a public international body to which at least one EU Member State belongs, a sovereign nation, or a member state of a federation<br>▪ be issued by an undertaking of any securities that qualify under row 1 (with exception of recently issued securities)<br>▪ be issued or guaranteed by an institution that is subject to, and complies with, EU prudential supervision rules or other rules the CSSF considers to be at least as stringent | Can also qualify if the issuer belongs to a category approved by the CSSF, is subject to investor protections that are equivalent to those described directly at left, and meets one of the following criteria:<br>▪ is issued by a company with at least EUR 10 million in capital and reserves that publishes annual accounts consistent with fourth Directive 78/660/EEC<br>▪ is issued by an entity dedicated to financing a group of companies at least one of which is publicly listed<br>▪ is issued by an entity dedicated to financing securitisation vehicles that benefit from a banking liquidity line |
| **3. Transferable securities and money market instruments that do not meet the requirements in rows 1 and 2** | Limited to 10% of Sub-Fund assets. | |
| **4. Units of UCITS or other UCIs that are not linked to the Fund*** | Must be limited by constitutional documents to investing no more than 10% of assets in aggregate in other UCITS or other UCIs.If the target investment is an "other UCI", it must:<br>▪ invest in UCITS-allowable investments<br>▪ be authorised by an EU Member State or by a state the CSSF considers to have equivalent laws on supervision, with adequate cooperation between authorities sufficiently ensured | ▪ issue annual and semi-annual reports that enable an assessment of assets, liabilities, income and operations over the reporting period<br>▪ offer investor protections that are equivalent to those of a UCITS, in particular as to the rules on asset segregation, borrowing, lending and uncovered sales |
| **5. Units of UCITS or other UCIs that are linked to the Fund*** | Must meet all requirements in row 4.<br>The Fund's annual report must state the total annual management and advisory fees charged both to the Sub-Fund and to the UCITS/other UCIs in which the Sub-Fund has invested during the relevant period. | The underlying UCITS/UCI cannot charge a Sub-Fund any fees for buying or redeeming shares.<br>*Fund policy: there is no net annual management fee charged to a Sub-Fund by any linked UCITS/UCIs.* |
| **6. Shares of other Sub-Funds of the Fund** | Must meet all requirements in row 5.<br>The target Sub-Fund cannot invest, in turn, in the acquiring Sub-Fund (reciprocal ownership). | The acquiring Sub-Fund surrenders all voting rights in Shares it acquires.<br>The Shares do not count as assets of the acquiring Sub-Fund for purposes of minimum asset thresholds imposed by the 2010 Law. |

| | | |
|---|---|---|
| **7. Real estate and commodities, including precious metals** | Direct ownership of precious metals and other commodities, or certificates representing them, is prohibited. Indirect Investment exposure is allowed through permitted investments outlined in this table. | The Fund may only directly purchase real estate or other tangible property that is directly necessary to its business. |
| **8. Deposits with credit institutions** | Must be repayable or withdrawable on demand, and any maturity date must be no more than 12 months. | The credit institutions either must either have a registered office in an EU Member State or, if not, be subject to prudential supervision rules the CSSF consider to be at least as stringent as EU rules. |
| **9. Cash and cash equivalent** | May be held on an ancillary basis. | |
| **10. Derivatives and equivalent cash-settled instruments** | Underlying assets must be those described in rows 1, 2, 4, 5, 6 and 8 or must be financial indices, interest rates, foreign exchange rates or currencies consistent with Sub-Fund investment objectives and policies. All usage must be adequately captured by the risk management process described in Management and Monitoring of Derivatives Risk below. | OTC derivatives must meet all of the following criteria:<br>■ be subject to reliable and verifiable independent daily valuations<br>■ be able to be sold, liquidated or closed by an offsetting transaction at their fair value at any time at the Fund's initiative<br>■ be with counterparties that are institutions subject to prudential supervision and that belong to categories approved by the CSSF<br>See also How the Sub-Funds Use Derivatives, Instruments and Techniques. |
| **11. Securities lending, repurchase transactions and reverse repurchase transactions** | Must be used for efficient portfolio management only.<br>The volume of transactions must not interfere with a Sub-Fund's pursuit of its investment policy or its ability to meet redemptions. With loans of securities and with repurchase transactions, the Sub-Fund must ensure that it has sufficient assets to settle the transaction.<br>All counterparties must be subject to EU prudential supervision rules or to rules the CSSF consider to be at least as stringent.<br>A Sub-Fund may lend securities: directly to a counterparty-<br>■ through a lending system organised by a financial institution that specialises in this type of transaction<br>■ through a standardised lending system organised by a recognised clearing institution | For each transaction, the Sub-Fund must receive and hold collateral that is at least equivalent, at all times during the lifetime of the transactions, to the full current value of the securities lent.<br>The Sub-Fund must have the right to terminate any of these transactions at any time and to recall the securities that have been lent or are subject to the repurchase agreement.<br>*See also* How the Sub-Funds Use Derivatives, Instruments and Techniques. |
| **12. Borrowing** | The Fund is not allowed to borrow in principle except if it is on a temporary basis and represents no more of 10% of a Sub-Fund's assets. | The Fund may however acquire foreign currency by means of back-to-back loans. |
| **13. Short sales** | Direct short sales are prohibited. | Short positions may be acquired only through derivatives. |

*A UCITS/UCI is considered to be linked to the Fund if both are managed or controlled by the same Management Company or another affiliated entity.

In keeping with Luxembourg law, the Management Company has implemented a policy that seeks to restrict investments in securities issued by companies that have been identified by third party providers as being involved in the manufacture, production or supply of cluster munitions, depleted uranium ammunition and armour or anti-personnel mines. More information on the Management Company's policy on restrictions applying to cluster munitions is available from the Management Company.

## ADDITIONAL RESTRICTIONS IMPOSED BY SPECIFIC JURISDICTIONS

Any Sub-Fund registered in multiple jurisdictions will comply with the restrictions for all jurisdictions where it is registered.

| Jurisdiction | Investment | Restrictions or other terms | Sub-Funds affected |
|---|---|---|---|
| **Hong Kong** | Below investment grade securities issued or guaranteed by any one country (including any government body or public or local authority) | Limited to 10% of net assets. | Sub-Funds registered in Hong Kong. |
| | China A and B Shares | Limited to either 10% or 30% of net assets (direct and indirect exposure). | 10%: JPMorgan Funds - Asia Pacific Income Fund, JPMorgan Funds - Asia Pacific Equity Fund. 30%: JPMorgan Funds - China Fund, JPMorgan Funds - Greater China Fund. |
| **Taiwan** | Securities traded in, or issued by the government of, the PRC (includes China A and B Shares and the China Interbank Bond Market) | Limited to 10% of net assets (direct exposure only). | Sub-Funds registered in Taiwan. |
| | Derivatives | Exposure from non-hedging derivatives plus exposure from any derivatives used to hedge the Sub-Fund beyond 100% of its NAV are limited to the percentage stipulated by the Taiwanese regulator (currently 40%). | Sub-Funds registered in Taiwan except those for which the Taiwan Financial Supervisory Commission has granted an exemption. |

A list of Sub-Funds registered for public distribution in any jurisdiction can be obtained from the Management Company and/or the local agent.

## DIVERSIFICATION REQUIREMENTS

To ensure diversification, a Sub-Fund cannot invest more than a certain percentage of its assets in one issuer or single body, as defined below. These diversification rules do not apply during the first six months of a Sub-Fund's operation, but the Sub-Fund must observe the principle of risk spreading.

For purposes of this table, companies that share consolidated accounts in accordance with Directive 2013/341/EU or with recognised international accounting rules are considered to be a single body.

| | Maximum investment, as a % of Sub-Fund net assets (except where noted) | | | |
|---|---|---|---|---|
| **Category of securities** | **In any one issuer** | **In aggregate** | **Other restrictions** | **Exceptions** |
| **A. Transferable securities and money market instruments issued or guaranteed by a sovereign nation, any EU public local authority, or any public international body to which one or more EU Member States belongs.** | 35% | | | A Sub-Fund may invest up to 100% of its assets in as few as six issues if it is investing in accordance with the principle of risk spreading and meets both of the following criteria:<br>■ it invests no more than 30% in any one issue<br>■ the securities are issued by an EU Member State, its local authorities or agencies, a member State of the OECD or of the G20, Singapore, Hong Kong or by a public international bodies of which one or more EU Member State belongs<br>The exception described for row C applies to this row as well. |
| **B. Bonds issued by a credit institution whose registered office is in an EU Member State and which is subject by law to special public supervision designed to protect bondholders*.** | 25% | 35% | 80% in any issuer in whose bonds a Sub-Fund has invested more than 5% of assets. | |
| **C. Any transferable securities and money market instruments other than those described in rows A and B above.** | 10% | | 20% in transferable securities and money market instruments within the same group.<br>40% in aggregate in all issuers in which a Sub-Fund has invested more than 5% of its assets (does not include deposits and OTC derivative contracts with financial institutions subject to prudential supervision and securities referred to under rows A and B). | For index-tracking Sub-Funds, the 10% increases to 20% in the case of a published, sufficiently diversified index that is adequate as a benchmark for its market and is recognised by the CSSF. This 20% increases to 35% (but for one issuer only) in exceptional circumstances, such as when the security is highly dominant in the regulated market in which it trades. |
| **D. Deposits with credit institutions.** | 20% | 20% | | |
| **E. OTC derivatives with a counterparty that is a credit institution as defined in row 8 above (first table in section).** | Max risk exposure 10% | | | |
| **F. OTC derivatives with any other counterparty.** | Max risk exposure 5% | | | |
| **G. Units of UCITS or UCIs as defined in rows 4 and 5 above (first table in section).** | With no specific statement in the Sub-Fund's objective and policies, 10% in aggregate in one or more UCITS or other UCIs.<br>With a specific statement:<br>■ 20% in any one UCITS or UCI<br>■ 30% in aggregate in all UCIs other than UCITS<br>■ 100% in aggregate in all UCITS | | Target sub-funds of an umbrella structure whose assets and liabilities are segregated are considered as a separate UCITS or other UCI. Assets held by the UCITS or other UCIs do not count for purposes of complying with rows A - F of this table. | |

* In particular, all sums deriving from their issuance must be invested in accordance with the law in assets that, for the life of the bonds, are capable of covering all claims attaching to the bonds and in case of issuer bankruptcy would be used, on a priority basis, to reimburse principal and accrued interest.

## LIMITS TO PREVENT CONCENTRATION OF OWNERSHIP

These limits are intended to prevent the Fund or a Sub-Fund from the risks that could arise (for itself or an issuer) if it were to own a significant percentage of a given security or issuer.

| Category of securities | Maximum ownership, as a % of the total value of the securities issued |
|---|---|
| **Securities carrying voting rights** | Less than would enable the Fund to exercise significant influence over the management of an issuer |
| **Non-voting securities of any one issuer** | 10% |
| **Debt securities of any one issuer** | 10% |
| **Money market securities of any one issuer** | 10% |
| **Shares of any UCITS or other UCI** | 25% |

These limits can be disregarded at purchase if at that time the gross amount of bonds or money market instruments, or the net amount of the instruments in issue, cannot be calculated.

These rules do not apply to:

- securities described in row A of the table above
- shares of a non-EU company that invests mainly in its home country and represents the only way to invest in that country in accordance with the 2010 Law
- shares of subsidiaries that provide management, advice or marketing in their country, when done as a way of effecting repurchase transactions for Shareholders in accordance with the 2010 Law

A Sub-Fund does not need to comply with the investment limits described above under Diversification Requirements and Limits to Prevent Concentration of Ownership when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets, so long as any violations of the investment restrictions resulting from the exercise of subscription rights are corrected as described above under General Investment Policies.

## MANAGEMENT AND MONITORING OF DERIVATIVES RISK

The Management Company uses a risk-management process, approved and supervised by its board of managers, to monitor and measure at any time the overall risk profile of each Sub-Fund, including the risk of each OTC derivatives position.

Any derivatives embedded in transferable securities or money market instruments count as derivatives held by the Sub-Fund, and any exposure to transferable securities or money market instruments gained through derivatives (except certain index-based derivatives) counts as investment in those securities or instruments.

Global exposure is a measure designed to monitor the Fund's use of derivatives and is used as part of the overall risk management process. The Fund must ensure that the global exposure of each Sub-Fund relating to derivatives does not exceed 100% of the total net assets of that Sub-Fund. The Sub-Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings so that the Sub-Fund's overall risk exposure may not exceed 210% of any Sub-Fund's total assets under any circumstances.

**Risk monitoring approaches** There are two main risk measurement approaches – Commitment and Value at Risk ("VaR"). The VaR approach in turn has two forms (absolute and relative). The Commitment approach and the two forms of the VaR approach are described below. The approach used for each Sub-Fund is based on the Sub-Fund's investment policy and strategy.

| Approach | Description |
|---|---|
| **Absolute Value at Risk (Absolute VaR)** | The Sub-Fund seeks to estimate the potential loss it could experience in a month (20 trading days) under normal market conditions. The estimate is based on the previous 12 months (250 business days) of the Sub-Fund's performance, and requires that 99% of the time, the Sub-Fund's worst outcome is no worse than a 20% decline in NAV. |
| **Relative Value at Risk (Relative VaR)** | The relative VaR of the Sub-Fund is expressed as a multiple of a benchmark or reference portfolio and cannot, under the same circumstances as above, exceed twice the VaR of the relevant benchmark or reference portfolio. The reference portfolio may be different from the benchmark as stated in Sub-Fund Descriptions. |
| **Commitment** | The Sub-Fund calculates its global exposure by taking into account either the market value of an equivalent position in the underlying asset or the derivative's notional value, as appropriate. This approach allows the Sub-Fund to reduce its global exposure by taking into account the effects of any hedging or offsetting positions. Note that with the commitment approach, certain types of risk-free transactions, leverage-free transactions and non-leveraged swaps can be excluded from the calculation. |

**Leverage** Any Sub-Fund that uses the Absolute or Relative VaR approach must also calculate its expected level of leverage, which is stated in Sub-Fund Descriptions. A Sub-Fund's expected level of leverage is an indicative level not a regulatory limit and the actual level may exceed the expected level from time to time. However, a Sub-Fund's use of derivatives will remain consistent with its investment objective and policies and risk profile and will comply with its VaR limit.

Leverage is a measure of total exposure of all derivatives and is calculated as the "sum of the notionals" without any netting of opposing positions. As the leverage calculation considers neither sensitivity to market movements nor whether it increases or decreases the overall Sub-Fund risk, it may not be representative of the actual investment risk level within a Sub-Fund.

Further information about the Fund's risk management process (including quantitative limits, how those limits are derived and recent levels of risks and yields for various instruments) is available upon request from the registered office of the Management Company.

# SPECIFIC PROVISIONS AND INFORMATION RELATING TO MONEY MARKET SUB-FUNDS

Some of the Sub-Funds in the Fund, namely JPMorgan Funds – EUR Money Market VNAV Fund and JPMorgan Funds – USD Money Market VNAV Fund (the "MMF Sub-Funds"), qualify as Money Market Funds ("MMF") and have been duly authorised by the CSSF in accordance with the provisions of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time (the "MMF Regulation").

The MMF Sub-Funds qualify as Short-Term Variable Net Asset Value Money Market Funds ("Short-Term VNAV MMFs").

Investors should note that:

- Money Market Funds like the MMF Sub-Funds are not a guaranteed investment;
- an investment in any of the MMF Sub-Funds is different from an investment in deposits as the principal invested in a Money Market Fund is capable of fluctuation;
- the Fund does not rely on external support for guaranteeing the liquidity of the Fund or any of the MMF Sub-Funds or stabilising the Net Asset Value per Share;
- the risk of loss of the principal is borne by the Shareholders.

The general provisions of the Prospectus apply to the MMF Sub-Funds, unless otherwise specifically provided for in this section. In addition, the specific provisions contained in this section will apply to each MMF Sub-Fund. Each MMF Sub-Fund is subject to specific investment rules (as provided under Investment Restrictions and Powers applicable to MMF Sub-Funds, liquidity risk and portfolio risk limitations (as provided under Liquidity Risk and Portfolio Risk Limitation Rules regarding Short-Term VNAV MMFs and specific provisions regarding valuation (as provided under Specific provisions regarding the Net Asset Value calculation.

## 1. MMF SUB-FUNDS' SPECIFIC INVESTMENT OBJECTIVES AND POLICIES

The Board has determined the investment objective and policy of each of the MMF Sub-Funds in accordance with the MMF Regulation as described in their respective section of Sub-Fund Descriptions. There can be no assurance that the objective for any MMF Sub-Fund will be attained. Pursuit of the investment objective and policy of any MMF Sub-Fund must be in compliance with the limits and restrictions set forth under Specific Investment Rules applicable to the MMF Sub-Funds.

Each MMF Sub-Fund may engage in reverse repurchase transactions as described below under Additional Information regarding the Use of Reverse Repurchase Transactions.

The Sub-Funds may hold such ancillary liquid assets as the Investment Managers consider appropriate.

## 2. GENERAL INFORMATION

### 2.1. Internal Credit Procedures

In compliance with the provisions of the MMF Regulation and relevant delegated acts supplementing the MMF Regulation, the Management Company has established customised internal credit quality assessment procedures applicable to the MMF Sub-Funds (the Internal Credit Procedures taking into account the issuer of the instrument and the characteristics of the instrument itself to determine the credit quality of the instruments held in the portfolio of each MMF Sub-Fund.

The Internal Credit Procedures are administered by a dedicated team of credit research analysts under the responsibility of the Management Company.

The Internal Credit Procedures are monitored on an ongoing basis by the Management Company, in particular to ensure that the procedures are appropriate and continue to provide an accurate representation of the credit quality of the instruments in which each MMF Sub-Fund may invest. The Internal Credit Procedures are designed with the flexibility to adapt to changes to the relative importance of the assessment criteria, as they may change from time to time.

The credit research analysts conduct fundamental research on the industries in which each MMF Sub-Fund invests, and on companies in those industries. The analysts focus on trends impacting each industry, region or type of product, as well as understanding how new regulations, policies, and political and economic trends may impact the credit quality of the instruments in which each MMF Sub-Fund may invest.

Through the application of the Internal Credit Procedures the credit research analysts create an "approved list" of favourably assessed instruments in which a MMF Sub-Fund may invest. To construct the approved list of instruments which receive a favourable assessment, the credit research analysts assign an internal rating to each issuer (or guarantor, as appropriate) of instruments and take into account the characteristics of the instruments. The internal rating illustrates the relative credit quality of the issuer and of the instruments; that is, it represents the credit research analysts' best estimate of the underlying credit strength of each issuer's securities and instruments. The internal rating is assigned based on numerous quantitative and qualitative factors as further described below, and includes the assessment of current factors, combined with assumptions on scenarios that could develop for the issuer over a short / medium term time horizon.

In accordance with the Internal Credit Procedures, the internal rating assigned to each issuer and instrument must be reviewed annually (or more frequently if market factors so dictate). In case of a material change that could have an impact on the existing assessment of the instruments as referred to in Article 19 (4) (d) of the MMF Regulation for instance if an issuer's credit quality becomes uncertain or "newsworthy" (for example, through a significant negative financial event or a meaningful credit rating agency downgrade), the issuer's credit standing will immediately be reassessed and appropriate actions for any specific instrument of the relevant issuer within the MMF Sub-Funds may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the MMF Sub-Fund shareholders.

The internal ratings set under the Internal Credit Procedures are used to set appropriate restrictions in the level of exposure that a MMF Sub-Fund may take to an issuer, including monetary limits, tenors, and account concentrations; as such, the restrictions applied at the MMF Sub-Fund level may be more conservative than the relevant restrictions set out in the MMF Regulation. Changes to the internal ratings assigned by the credit research analysts can also prompt modifications to these restrictions.

In determining issuer and instrument credit risk, the credit research analysts are focused on assessing the issuer or guarantor's ability to repay its debt obligations and the characteristics of a specific instrument as instruments may react differently in a default scenario. The credit assessment undertakes both quantitative and qualitative analysis.

**- Quantitative analysis**

The credit research analysts maintain proprietary financial models on the issuers whose instruments may be held by a MMF Sub-Fund. The focus of the models is to analyse financial data, identify trends, and track key determinants of credit risk (and develop forecasts where appropriate). Such models use metrics including but not limited to profitability analysis, cash flow and liquidity analysis, and leverage analysis. The quantitative analysis also uses historical observations of ratings transitions and default volatility

across rating notches and through various time intervals (shorter intervals limit rating and default volatility). Additionally, the credit research analysts assess issuers' related securities prices and credit spreads against appropriate benchmarks, which provide insight regarding any issuer's relative change in credit risk (or default risk) compared against relevant sectors or regions.

**- Qualitative analysis**

When providing their qualitative analysis of each issuer's credit risk, the credit research analysts review a variety of materials including management meeting notes, annual and quarterly earnings statements, industry publications, third-party research, and news reports. The qualitative credit analysis takes into account the current macroeconomic and financial market conditions impacting the issuer, and assesses, to the extent possible, the following factors in respect of each issuer and instrument:

- Earnings capacity in relation to capital reserves and asset quality;
- Sources of liquidity;
- Ability to react to future market-wide and issuer- or guarantor-specific events, including the ability to repay in a highly adverse situation;
- The issuer or guarantor's competitive position within its industry or primary operating sectors;
- For sovereigns, in addition to political stability, the size, strength and diversity of the economy relative to debt and contingent liabilities;
- Categorisation of instruments according to priority of payment (senior or subordinate) and secondary sources of repayment (for example, a security interest in underlying collateral in addition to the issuer's promise to repay). Such categorization allows the Management Company or its delegates to evaluate possible losses to an issuer or guarantor should a default occur;
- Short-term nature of money market instruments, such that the instruments held are sufficiently short-term in nature so as to minimise the possibility of severe downgrades;
- Categorisation of instruments according to their liquidity profile and asset class.
- In respect of asset-backed securities, the credit research analysts' evaluation may include, but may not be limited to, the special purpose entity's structure, the strength of the company sponsoring or supporting the special purpose entity, if any, and other factors as deemed necessary. Determination of approved asset-backed securities, such as asset-backed commercial paper, is based on the following (in addition to the elements outlined above):
- Analysis of the terms of any liquidity or other support provided; and
- Legal and structural analyses to determine that the particular asset-backed security involves minimal credit risk for the investing party.

## 2.2 Specific provisions regarding the Net Asset Value calculation of the MMF Sub-Funds

The Management Company calculates once a Valuation Day a Net Asset Value per Share to the nearest basis point or its equivalent when the NAV is published in a currency unit as described hereafter.

The Net Asset Value per Share is determined in the Share Class currency on each Valuation Day by dividing the net assets attributable to each Class by the number of Shares of such Class then outstanding. The net assets of each Class are made up of the value of the assets attributable to such Class less the total liabilities attributable to such Class calculated at such time as the Board of Directors shall have set for such purpose as follows:

(a) securitisations, ABCPs and money market instruments will be valued at mark-to-market. Where the value of the assets of the Sub-Funds cannot be calculated following the mark-to-market, their value shall be determined conservatively by using mark-to-model;

(b) shares or units in MMFs shall be valued at their last available net asset value as reported by such MMFs;

(c) the value of any cash on hand or on deposit and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined conservatively using mark to model.

## 2.3 Additional information to Shareholders

The following information will be made available on the website jpmorganassetmanagement.lu at least on a weekly basis in accordance with the MMF Regulation;

- The maturity breakdown of the portfolio of the Sub-Funds;
- The credit profile of the Sub-Funds;
- The WAM and WAL of the Sub-Funds;
- Details of the 10 largest holdings in each Sub-Fund;
- The total value of the assets of the Sub-Funds;
- The net yield of the Sub-Funds.

# 3. INVESTMENT RESTRICTIONS AND POWERS APPLICABLE TO MMF SUB-FUNDS

**Pursuit of the investment objective and policy of any MMF Sub-Fund qualifying as a Short-Term VNAV MMF must be in compliance with the limits and restrictions set out below. Such limits and restrictions are subject at all times to any regulations and guidance issued from time to time by the CSSF or any other appropriate regulatory body.**

## 3.1 Specific Investment Rules applicable to the MMF Sub-Funds

I) The MMF Sub-Funds may exclusively invest in the following eligible assets:

A) Money market instruments that fulfil all of the following requirements:

a) It falls within the following categories:

i) Money market instruments admitted to official listing on a stock exchange; and/or

ii) Money market instruments dealt in on another Regulated Market; and/or

iii) Money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

1. issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or
2. issued by an undertaking, any securities of which are dealt in on Regulated Markets referred to in a) i) and ii)

above; or

3. issued or guaranteed by a credit institution which has its registered office in a country subject to prudential supervision, in accordance with criteria defined by European law, or by a credit institution which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by European law; or

4. issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in 1. 2. or 3. above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

b) it displays one of the following alternative characteristics:

1. it has a legal maturity at issuance of 397 days or less;

2. it has a residual maturity of 397 days or less;

c) the issuer of the money market instrument and the quality of the money market instrument have received a favourable credit quality assessment pursuant to the Internal Credit Procedures This requirement shall not apply to money market instruments issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

d) where the MMF Sub-Funds invest in a securitisation or ABCP, it is subject to the requirements laid down in B below.

B) 1) Eligible securitisations and Asset-Backed Commercial Paper (ABCPs) provided that the securitisation or ABCP is sufficiently liquid, has received a favourable credit quality assessment pursuant to the Internal Credit Procedures established by the Management Company, see Internal Credit Procedures and is any of the following:

a) a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61[1];

b) an ABCP issued by an ABCP programme which:

1. is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;

2. is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position;

3. does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013[2]

c) a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 of the European Parliament and of the Council, or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation.

2) The MMF Sub-Funds may invest in the securitisations or ABCPs provided any of the following conditions is fulfilled, as applicable:

a) the legal maturity at issuance of the securitisations referred to in 1) a) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less;

b) the legal maturity at issuance or residual maturity of the securitisations or ABCPs referred to in 1) b) and c) above is 397 days or less;

c) The securitisations referred to in points 1) a) and c) above are amortising instruments and have a weighted average life of two years or less.

C) Deposits with credit institutions provided that all of the following conditions are fulfilled:

a) the deposit is repayable on demand or is able to be withdrawn at any time;

b) the deposit matures in no more than 12 months;

c) the credit institution has its registered office in a EU Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in European law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013.

[1] Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions Text with EEA relevance. [2] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance

D) Reverse repurchase transactions provided that all of the following conditions are fulfilled:

a) the Fund has the right to terminate the agreement at any time upon giving prior notice of no more than two business days;

b) the assets received by the Fund as part of a reverse repurchase transaction shall:

1. be money market instruments that fulfil the requirements set out in I) A) above;
2. have a market value which is at all times at least equal to the cash paid out;
3. not be sold, reinvested, pledged or otherwise transferred;
4. not include securitisations and ABCPs;
5. be sufficiently diversified with a maximum exposure to a given issuer of 15% of the MMF Sub-Fund's net asset value except where those assets take the form of money market instruments that fulfil the requirements of III) a) (vii) below.
6. be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty; By way of derogation from (1) above, a MMF Sub-Fund may receive as part of a reverse repurchase transaction liquid transferable securities or money market instruments other than those referred to in I) A) above provided that those assets comply with one of the following conditions:

(i) they are issued or guaranteed by the European Union, a central authority or central bank of an Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable credit quality assessment has been received pursuant to the Internal Credit Procedures above.

(ii) they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable credit quality assessment has been received pursuant to the Internal Credit Procedures. The assets received as part of a reverse repurchase transaction in accordance with the above shall fulfil the diversification requirements described under III) a) vii).

c) The Investment Manager shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase transaction shall be used for the calculation of the net asset value per Share of the MMF Sub-Fund.

E) Units or shares of any other Short-Term MMF ("targeted MMF") provided that all of the following conditions are fulfilled:

a) no more than 10 % of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of targeted MMFs.

b) the targeted MMF does not hold units or shares of the acquiring MMF Sub-Fund.

c) the targeted MMF is authorised under the MMF Regulation.

II) The MMF Sub-Funds may hold ancillary liquid assets.

III) a) i) The Investment Manager will invest no more than 5% of the assets of any MMF Sub-Fund in money market instruments, securitisations and ABCPs issued by the same issuing body. The Investment Manager may not invest more than 10% of the assets of such MMF Sub-Fund in deposits made with the same credit institution, unless the structure of the Luxembourg banking sector is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another EU Member State, in which case up to 15 % of its assets may be deposited with the same credit institution.

ii) By way of derogation from III) a) i), the first paragraph above, a Short-Term VNAV MMF may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such Money Market Instruments, securitisations and ABCPs held by the relevant MMF Sub-Fund in each issuing body in which it invests more than 5 % of its assets does not exceed 40 % of the value of its assets.

iii) The aggregate of all of a MMF Sub-Fund's exposures to securitisations and ABCPs shall not exceed 20% of its assets, whereby up to 15% of that MMF Sub-Fund's assets may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of simple transparent and standadrised securitisations and ABCPs.

iv) The aggregate amount of cash provided to the same counterparty acting on behalf of a MMF Sub-Fund in reverse repurchase transactions shall not exceed 15 % of the assets of that MMF Sub-Fund.

v) Notwithstanding the individual limits laid down in paragraph III) a) i), the Investment Manager shall not combine, for each MMF Sub-Fund, any of the following:

i) investments in money market instruments, securitisations and ABCPs issued by, and/or

ii) deposits made with a single body in excess of 15% of that MMF Sub-Fund's assets.

vi) The limit of 15% laid down III) a) v) above would be increased to a maximum of 20% in money market instruments and deposits to the extent the structure of the Luxembourg financial market would be such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible to use financial institutions in other EU Member States.

vii) Notwithstanding the provisions outlined in III) a) i), the Fund is authorised to invest up to 100% of the assets of any MMF Sub-Fund, in accordance with the principle of risk spreading, in money market instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a member state of the OECD, Group of Twenty or Singapore, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more EU Member States belong, provided that such Sub-Fund holds at least six different issues by an issuer and that Sub-Fund limits the

investment in money market instruments from the same issue to a maximum of 30% of the total assets of such Sub-Fund.

viii) The limit laid down in the first paragraph of III) a) i) may be of a maximum of 10% for certain bonds when they are issued by a credit institution which has its registered office in a EU Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in accordance with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attached to the bonds and which, in case of failure of the issuer, would be used on a priority basis for the repayment of the principal and payment of accrued interest. If a MMF Sub-Fund invests more than 5% of its assets in the bonds referred to in the above paragraph and issued by one issuer, the total value of such investments may not exceed 40% of the value of the assets of the MMF Sub-Fund.

ix) Notwithstanding the individual limits laid down in III) a) i) the MMF Sub-Funds may invest no more than 20 % of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in III) a) viii) above. Where a MMF Sub-Fund invests more than 5 % of its assets in the bonds referred to in the above paragraph issued by a single issuer, the total value of those investments shall not exceed 60 % of the value of the assets of the relevant MMF Sub-Fund, including any possible investment in assets referred to in III) a) viii) above, respecting the limits set out therein. Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 2013/34/EU or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in section III) a).

IV) a) The Fund may not acquire on behalf of any MMF Sub-Fund more than 10% of money market instruments, securitisations and ABCPs of the same issuer.

b) Paragraph a) above shall not apply as regards money market instruments issued or guaranteed by the EU, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more EU Member States belong.

V) a) The Fund may acquire units or shares of targeted MMFs as defined under paragraph I) E) provided that, in principle, no more than 10% in total of a MMF Sub-Fund's assets be invested in units or shares of targeted MMFs. A specific MMF Sub-Fund may be allowed to invest more than 10% of its assets in units of other targeted MMFs in which case it will be explicitly mentioned in its investment policy.

b) The Fund may acquire units or shares of another targeted MMF provided that it represents no more than 5% of a MMF Sub-Fund's assets.

c) Any MMF Sub-Fund which is allowed to derogate from the first paragraph of item V) a) above may not invest in aggregate more than 17.5% of its assets in units or shares of other targeted MMFs.

d) By derogation to b) and c) above, any MMF Sub-Fund may either:

(i) be a feeder MMF investing at least 85% of its assets in one other single targeted MMF UCITS in accordance with Article 58 of the UCITS Directive; or

(ii) invest up until 20% of its assets in other targeted MMFs with a maximum of 30% in aggregate of its assets in targeted MMFs which are not UCITS in accordance with Article 55 of the UCITS Directive, provided that the following conditions are met:

a. the relevant MMF Sub-Fund is marketed solely through an employee savings scheme governed by national law and which has only natural persons as investors;

b. the employee savings scheme referred to above only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments.

e) The Management Company or other related company as defined below may not levy any subscription or redemption fee on the units or shares of the targeted MMF, nor may the Management Company levy any Annual Management and Advisory Fee if it invests in units or shares of other MMFs which:

i) it manages itself either directly or indirectly; or

ii) are managed by a company with which it is related by virtue of:

a. common management, or

b. common control, or

c. a direct or indirect interest of more than 10% of the capital or the votes.

If a MMF Sub-Fund invests 10% or more in a targeted MMF, the Fund will indicate in its annual report the total management fee charged both to the relevant MMF Sub-Fund and to the targeted MMF in which such MMF Sub-Fund has invested during the relevant period.

f) The underlying investments held by the MMF Sub-Fund in which the Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III) a) above.

g) Any MMF Sub-Fund may act as a master fund for other funds.

h) Notwithstanding the foregoing, a MMF Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more MMF Sub-Funds (qualifying as Short-Term MMFs) without the Fund being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

1. the targeted MMF Sub-Fund does not, in turn, invest in the Sub-Fund invested in this targeted MMF Sub-Fund; and

2. no more than 10% of the assets that the targeted MMF Sub-Funds whose acquisition is contemplated may be in units of UCITS and / or other UCIs; and

3. voting rights, if any, attaching to the shares of the targeted MMF Sub-Fund are suspended for as long as they are held by the MMF Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and

4. in any event, for as long as these securities are held by the MMF Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Luxembourg Law.

VI) In addition a MMF Sub-Fund will not:

a) invest in assets other than those referred to under I) above;

b) short sale money market instruments, securitisations, ABCPs and units or shares of other MMFs ;

c) take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

d) enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Fund;

e) borrow and lend cash.

Each MMF Sub Fund must ensure an adequate spread of investment risks by sufficient diversification;

VII) The Fund will in addition comply with such further restrictions in relation to the MMF Sub-Funds as may be required by the regulatory authorities in which the Shares are marketed.

## 3.2. LIQUIDITY RISK AND PORTFOLIO RISK LIMITATION RULES REGARDING SHORT-TERM VNAV MMFS

The Fund for any of the MMF Sub-Funds shall comply on an ongoing basis with all of the following portfolio requirements:

i) the MMF Sub-Fund's portfolio is to have a WAM of no more than 60 days.

ii) the MMF Sub-Fund's portfolio is to have a WAL of no more than 120 days, subject to the provision of the MMF Regulation;

iii) at least 7.5% of the MMF Sub-Fund's assets are to be comprised of daily maturing assets, reverse repurchase transactions which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day; and

iv) at least 15% of the MMF Sub-Fund's assets are to be comprised of weekly maturing assets, reverse repurchase transactions which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. Up to 7.5% of the MMF Sub-Fund's assets may be invested in money market instruments or units or shares of other short-term MMFs provided that they are able to be redeemed and settled within five working days.

## 3.3. ADDITIONAL INFORMATION REGARDING THE USE OF REVERSE REPURCHASE TRANSACTIONS

Reverse repurchase transactions may be used by any MMF Sub-Fund.

Collateral management fees may apply to the services relating to tri-party service arrangements entered into between the Fund, the counterparties and the collateral manager, and which are required to ensure optimal transfer of collateral between the Fund and its counterparties. The collateral management fees (if any) are part of the Operating and Administrative Expenses. Currently, the Fund has appointed Euroclear Bank, The Bank of New York Mellon and JPMCB as collateral managers. JPMCB is an affiliate of the Management Company. The entire revenue related to the reverse repurchase transactions is received by the MMF Sub-Funds and is specified in the Fund's semi-annual and annual reports.

Where a MMF Sub-Fund is actually engaged in reverse repurchase transactions in accordance with its investment policy, the maximum and the expected proportion of assets under management of the MMF Sub-Fund that could be subject to reverse repurchase transactions will be set out in Sub-Fund Descriptions.

Use of the aforesaid techniques and instruments involves certain risks including potential risks of the reinvestment of cash (See reverse repurchase transactions risk) and there can be no assurance that the objective sought to be obtained from such use will be achieved.

## 3.4. COLLATERAL RECEIVED IN RESPECT OF REVERSE REPURCHASE TRANSACTIONS FOR MMF SUB-FUNDS

Assets received from counterparties in reverse repurchase transactions constitute collateral.

The Fund will only enter into transactions with counterparties which the Management Company believes to be creditworthy. The credit analysis of the counterparties is tailored to the intended activity and may include, but is not limited to, a review of the management, liquidity, profitability, corporate structure, regulatory framework in the relevant jurisdiction, capital adequacy, and asset quality. Approved counterparties will typically have a public rating of A- or above. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparty does not have discretion over the composition or management of a MMF Sub-Fund's portfolio. Counterparty approval is not required in relation to any investment decision made by a MMF Sub-Fund.

Collateral will be acceptable if it is in the form of eligible money market instruments and liquid transferable securities or other money market instruments, as per the provisions of I) D) b) of Specific Investment Rules applicable to the MMF Sub-Funds and has received a favourable assesment pursuant to the Internal Credit Procedures Given the high quality nature of the counterparties to the reverse repurchase transactions, collateral is viewed as a secondary source of repayment.

Collateral may be offset against gross counterparty exposure. In offsetting collateral its value is reduced by a percentage (a "haircut") which provides, inter alia, for short term fluctuations in the value of the exposure and of the collateral. Collateral received is not sold, reinvested or pledged.

Collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if a MMF Sub-Fund receives from a counterparty a basket of collateral with a maximum exposure to a given issuer of 15% of the MMF Sub-Fund's net asset value except where those assets take the form of money market instruments that fulfil the requirements of III) a) vii) of Specific Investment Rules applicable to the MMF Sub-Funds. When a MMF Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 15% limit of exposure to a single issuer. By way of derogation from this sub-paragraph and under the conditions set forth by the MMF Regulation a MMF Sub-Fund may be fully collateralised in liquid transferable securities and money market instruments as per the provisions of I) D) b) of Specific Investment Rules applicable to the MMF Sub-Funds above. Such a MMF Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the MMF Sub-Fund's assets. Please see Permitted collateral and levels of collateralisation for reverse repurchase transactions for MMF Sub-Funds for further details of this derogation.

Where there is a title transfer, collateral received will be held by the Depositary (or sub-custodian on the behalf of the Depositary) on behalf of the relevant MMF Sub-Fund in accordance with the Depositary's safekeeping duties under the Depositary Agreement. For other types of collateral arrangements, the collateral can be held by a third party custodian that is subject to prudential supervision by its regulator and is unrelated to the provider of the collateral. With respect to reverse repurchase transactions denominated in USD, the collateral is held by JPMCB or by The Bank of New

York Mellon, each in their capacity as collateral manager and acting as a third-party custodian. JPMCB and The Bank of New York Mellon are subject to prudential supervision by their respective regulators and are unrelated to the provider of the collateral.

Collateral will be valued on each Valuation Day, using last available market prices and taking into account appropriate discounts determined for each asset class based on the haircut policy as set out in Permitted collateral and levels of collateralisation for reverse repurchase transactions for MMF Sub-Funds . The collateral will be marked to market daily and may be subject to daily variation margin requirements. No review of the applicable haircut levels is undertaken in the context of the valuation of collateral.

### *Permitted collateral and levels of collateralisation for reverse repurchase transactions for MMF Sub-Funds*

As further described in Collateral Received in Respect of Reverse Repurchase Transactions for MMF Sub Funds, the MMF Sub-Funds (as listed below) could receive collateral issued or guaranteed by a single governmental or supranational entity disclosed under item I. D) b) in section Specific Investment Rules applicable to the MMF Sub-Fund in excess of 15% of a MMF Sub-Fund's net asset value under the conditions set forth in applicable Luxembourg laws and regulations. In this context, the following issuers will be acceptable:

| | |
|---|---|
| **JPMorgan Funds – EUR Money Market VNAV Fund** | Republic of Austria, Republic of Germany, Kingdom of the Netherlands', Republic of Finland, Grand Duchy of Luxembourg, French Republic, Kingdom of Belgium, European Investment Bank, European Financial Stability Facility, European Union, European Stability Mechanism, Caisse D'Amortissement De La Dette Sociale, FMS Wertmanagement, Rentenbank, Kommunalbanken AS, Kreditanstalt für Wiederaufbau |
| **JPMorgan Funds – USD Money Market VNAV Fund** | US Treasury, |

Where Sub-Funds enter into Reverse Repurchase Agreements with counterparties that comply with Article 2 paragraph 6 of Commission Delegated Regulation 2018/990 of 10 April 2018, the permitted types of collateral, level of collateral required and haircut policies are below. Where Sub-Funds enter into Reverse Repurchase Agreements with counterparties that do not comply with Article 2 paragraph 6 of Commission Delegated Regulation 2018/990 of 10 April 2018, the provisions of paragraphs 1-5 of Article 2 shall apply. It is currently not the intention of the Fund to use such counterparties which do not comply with Article 2 paragraph 6 above and this Prospectus will be updated accordingly at the next opportunity if this changes.

| Activity | Reverse repurchase transactions in currencies other than USD | Reverse repurchase transactions denominated in USD |
|---|---|---|
| **Level of collateralisation** | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure[1] | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure[1] |
| Collateral types accepted: | | |
| **Cash** | 0% | 0% |
| **High quality government bonds** | 2% | |
| **US treasuries** | | 2% |
| **US government-sponsored enterprises and agency debentures** | | 2% |
| **US municipal debt** | | 5% |
| **Non-US agencies** | 2% | |
| **Supranationals** | 2% | |
| **Money Market Instruments**[2] | 2% | 5% |
| **Other sovereign debt** | | 5% |

*[1] Collateral levels expressed as current target levels to reflect the frequent renegotiation of collateral levels. Such target levels may vary from time to time. The intention is to target a minimum level of 2%. However, in certain circumstances negotiations with counterparties may result in a lower amount of collateral, however, this will, in any case not fall below 100% collateralisation. [2] Corporate bonds qualifying as money market instruments will be subject to a 5% haircut.*

# HOW THE SUB-FUNDS USE DERIVATIVES, INSTRUMENTS AND TECHNIQUES

## WHY THE SUB-FUNDS MAY USE DERIVATIVES

A Sub-Fund may use derivatives for any of the following purposes as described below:

### Investment purposes

A Sub-Fund that intends to use derivatives to achieve its investment objective may employ derivatives to facilitate a variety of investment techniques including, but not limited to:

- as a substitute for investing directly in securities
- enhancing returns for the Sub-Fund
- implementing investment strategies that can only be achieved through derivatives, such as a "long-short" strategy
- managing duration, yield curve exposure or credit spread volatility
- gaining or adjusting exposure to particular markets, sectors or currencies

### Hedging

Derivatives used for the purpose of hedging seek to reduce risk such as credit, currency, market and interest rate (duration) risk. Hedging can take place at a portfolio level or, in respect of currency or duration hedging, at Share Class level.

### Efficient portfolio management (EPM)

Efficient portfolio management means the cost-effective use of derivatives, instruments and techniques to reduce risks or costs or to generate additional capital or income. The techniques and instruments will relate to transferable securities or money market instruments, and the risks generated will be consistent with the Sub-Fund's risk profile and be adequately captured by the risk management process.

To understand how a particular Sub-Fund may use derivatives, see Sub-Fund Descriptions and the Sub-Fund Derivatives Usage table at the end of this section.

## TYPES OF DERIVATIVES A SUB-FUND CAN USE

A Sub-Fund may use a range of derivatives to achieve a particular investment outcome such as:

- **Options** A Sub-Fund may invest in call or put options on equities, interest rates, indices, bonds, currencies, commodity indices or other instruments.
- **Futures** A Sub-Fund may enter into listed futures contracts on equities, interest rates, indices, bonds, currencies, or other instruments or options on such contracts.
- **Forwards** Typically foreign exchange contracts.
- **Swaps** These may include total return swaps (TRS), contracts for difference (CFDs), foreign exchange swaps, commodity index swaps, interest rate swaps and swaps on baskets of equities, volatility swaps and variance swaps.
- **Mortgage TBAs**

Futures and certain options are exchange-traded. All other types of derivatives are generally over the counter (OTC) meaning they are in effect private contracts between the Fund on behalf of a relevant Sub-Fund and a counterparty. The Depositary verifies the ownership of the OTC derivatives of the Sub-Funds and maintains an updated record of these derivatives.

For any index-linked derivatives, the index provider determines the rebalancing frequency, and there is no cost to the relevant Sub-Fund when the index itself rebalances.

When a Sub-Fund invests in TRS or other derivatives with similar characteristics, the underlying assets and investment strategies to which exposure will be gained are described in the Sub-Fund Descriptions.

If usage of TRS (including CFD) is permitted for a Sub-Fund, the expected and maximum proportion of the NAV on which exposure will be gained is disclosed in the Sub-Fund Derivatives Usage table. This is disclosed as 0% if these instruments are permitted but are not currently used as at the date of this Prospectus. The Sub-Fund Derivatives Usage table will be updated before the Sub-Fund can start using TRS.

Any Sub-Fund engaging in short positions through derivatives must always hold sufficient liquid assets to cover its obligations arising from these positions.

Sub-Funds may be required to place initial and/or variation margin with its counterparty. As a result it may need to hold a proportion of its assets in cash or other liquid assets to satisfy any applicable margin requirements for the Sub-Fund or any currency or duration hedged Share Classes. This may have a positive or negative impact on the performance of the Sub-Fund or any currency or duration hedged Share Classes.

## TYPES OF INSTRUMENTS AND TECHNIQUES A SUB-FUND CAN USE

A Sub-Fund may also use the following instruments and techniques for the purposes of efficient portfolio management (as described above):

- **Securities lending** The lending of any transferable securities or money market instruments a Sub-Fund holds to counterparties approved by the Fund (which may include affiliates of JPMorgan Chase & Co). All securities lent will be held in custody by the depositary (or a sub-custodian acting on the depositary's behalf) in a registered account open in the depositary's books for safekeeping. The generally low levels of counterparty risk and market risk associated with securities lending are further mitigated by, respectively, counterparty default protection from the lending agent and the receipt of collateral as described below.
- **Reverse repurchase transactions** An agreement to buy a security and sell it back to the original owner at a specified time and (typically higher) price.

## DISCLOSURES OF USE OF INSTRUMENTS AND TECHNIQUES

- **Securities lending** The expected and maximum proportion of the NAV that can be lent out is disclosed for each Sub-Fund in Sub-Fund Descriptions.
  If securities lending is not disclosed in Sub-Fund Descriptions for a particular Sub-Fund, it may still engage in securities lending up to 20% and the relevant Sub-Fund Description will be updated at the next opportunity.
- **Reverse repurchase transactions** The expected and maximum proportion of the NAV subject to reverse repurchase transactions is disclosed for each Sub-Fund in Sub-Fund Descriptions. Where use is permitted in the Sub-Fund's investment policy but the proportion of assets subject to reverse repurchase transactions is 0% as at the date of this Prospectus, the maximum proportion of assets that can be subject to reverse repurchase transactions is 100% and the Prospectus will be updated as above at the next opportunity.

## COUNTERPARTIES TO DERIVATIVES AND TECHNIQUES

The Fund or the Management Company as its authorised delegate must approve counterparties before they can serve as such for the Fund. To be approved a counterparty must:

- be considered creditworthy by the Management Company
- undergo analysis applicable to the counterparty's intended activity, which can include a review of such aspects as company management, liquidity,

profitability, corporate structure, capital adequacy and asset quality, as well as the regulatory framework in the relevant jurisdiction. While there are no predetermined legal status or geographical criteria applied to the selection process, these elements are typically taken into account.

- comply with prudential rules considered by the CSSF as equivalent to EU prudential rules
- typically have a public credit rating of at least A-

No counterparty to a Sub-Fund derivative can serve as an Investment Manager of a Sub-Fund or otherwise have any control or approval over the composition or management of a Sub-Fund's investments or transactions or over the assets underlying a derivative.

## COLLATERAL POLICIES

These policies apply to assets received from counterparties in connection with transactions in securities lending, reverse repurchase transactions and OTC derivatives other than currency forwards. Such collateral must meet the requirements of ESMA guidelines 2014/937 including the standards for liquidity, valuation, issue, credit quality, correlation and diversification. Collateral received from a counterparty in any transaction may be used to offset the overall exposure to that counterparty.

In general, for collateral received in connection with efficient portfolio management and OTC derivatives, no single issue, measured across all counterparties, should account for more than 20% of a Sub-Fund's NAV.

However, those Sub-Funds in the table immediately below may be fully collateralised in transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, another member state of the OECD, or a public international body to which one or more EU Member States belongs. Such a Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-Fund's NAV.

Given the high quality nature of the counterparties to the reverse repurchase transactions, collateral is viewed as a secondary source of repayment. In addition, for securities lending, the collateral received is of high quality and the risks are mitigated by the lending agent's agreement to indemnify against counterparty default. As a result, no maturity constraints apply to the collateral received.

An appropriate stress testing policy is in place for Sub-Funds that receive collateral for at least 30% of their assets to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable an adequate assessment of the liquidity risks attached to the collateral.

Collateral will be valued on each Valuation Day, using the last available market prices and taking into account appropriate discounts determined for each asset class based on the haircut as set out in Permitted collateral and levels of collateralisation. The collateral will be marked to market daily and may be subject to daily variation margin requirements.

### *Sub-Funds that can receive collateral from a single issuer in excess of 20% of its NAV*

| Sub-Fund | Issuers |
|---|---|
| JPMorgan Funds – Managed Reserves Fund | US Treasury |
| JPMorgan Funds – Sterling Managed Reserves Fund | UK Treasury |

### *Permitted collateral and levels of collateralisation*

Where Sub-Funds enter into securities lending, reverse repurchase transactions and OTC derivative transactions, the permitted types of collateral, level of collateral required and haircut policies (the discount a Sub-Fund applies to collateral value as a way of limiting exposure to market and liquidity risk) are as shown below. These haircut levels are systematically applied to all collateral received by the relevant Sub-Funds and are not reviewed or modified when valuing the collateral.

| Activity | Securities lending | Reverse repurchase transactions in currencies other than USD | Reverse repurchase transactions denominated in USD | Bilateral OTC derivatives subject to ISDA agreements with credit support annexes |
|---|---|---|---|---|
| **Level of collateralisation** | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure. | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure.[1] | Full collateralisation plus a minimum haircut of 2% excluding cash and reverse repurchase transactions with Federal Reserve Bank of New York.[2] | Daily cash settlement of gains and losses above the lower of a typical de minimis USD 250,000 and the regulatory OTC counterparty credit limit of 10% of NAV. |
| **Collateral types accepted:** | | | | |
| Cash | 2% | 0% | 0% | 0% |
| Cash with a mismatch of currency of exposure and currency of collateral | 5% | | | |
| Reverse repurchase transactions with the Federal Reserve Bank of New York | | | 0% | |
| High quality government bonds | 2% | 2% | | |
| High quality government bonds with a mismatch of currency of exposure and currency of collateral | 5% | | | |
| US treasuries (bills, bonds, notes and strips) | 2% | | 2% | |
| US agency debentures | | | 2% | |
| US agency CMO/REMIC | | | 3% | |
| US agency mortgage backed securities | | | 2% | |
| US municipal debt, investment grade | | | 5% | |
| Asset backed securities, investment grade | | | 5% | |
| Corporate bonds, investment grade | | | 5% | |
| Money market securities, investment | | | 5% | |

| | | | | |
|---|---|---|---|---|
| **grade** | | | | |
| **Other sovereign debt, investment grade** | | | 5% | |
| **Equities** | | | 8% | |
| **Private Label CMO, investment grade** | | | 8% | |

1 Non-USD reverse repurchase transactions have fixed collateral levels.

2 USD collateral levels expressed as current target levels to reflect the frequent renegotiation of collateral levels in the US market. The policy is to track the market median haircut levels for each collateral type as reported by the Federal Reserve Bank of New York.

## LENDING AGENT, COLLATERAL AGENT AND COLLATERAL MANAGER

For securities lending the current lending agent and collateral agent is JPMCB. For reverse repurchase transactions, the current collateral managers are Euroclear Bank, Bank of New York Mellon and JPMCB. JPMCB is an affiliate of the Management Company.

## REINVESTMENT OF COLLATERAL

Cash collateral will either be placed in bank deposits or invested in high-quality government bonds, reverse repurchase transactions or short-term money market funds (as defined in the Guidelines on a Common Definition of European Money Market Funds) that calculate a daily NAV and are rated AAA or equivalent. To the extent required by the CSSF, reinvestment of cash collateral must be taken into account for the calculation of a Sub-Fund's global exposure. All investments will meet diversification requirements disclosed above.

If a Sub-Fund invests cash collateral from securities lending in reverse repurchase transactions, the limits that apply to securities lending will extend to reverse repurchase transactions as disclosed in How the Sub-Funds Use Derivatives, Instruments and Techniques.

Non-cash collateral will not be sold, reinvested or pledged.

## CUSTODY OF COLLATERAL

Collateral the ownership of which is transferred to the Sub-Fund will be held by the Depositary (or sub-custodian on behalf of the Depositary on behalf of the relevant Sub-Fund in accordance with the Depositary's safekeeping duties under its Depositary Agreement). With other types of collateral arrangements, collateral can be held by a third party custodian that is subject to prudential supervision and is unrelated to the collateral provider. With respect to reverse repurchase transactions denominated in USD, the collateral is held by JPMCB or by The Bank of New York Mellon, each in their capacity as collateral manager and acting as a third-party custodian. JPMCB and The Bank of New York Mellon are subject to prudential supervision by their respective regulators and are unrelated to the provider of the collateral.

### Counterparty and collateral risk

Collateral is received from counterparties in connection with transactions in securities lending, reverse repurchase transactions and OTC derivatives other than currency forwards. A counterparty may become unable or unwilling to meet its obligations to the Sub-Fund, resulting in losses to the Sub-Fund.

In the event of default, the counterparty would forfeit its collateral on the transaction. However if a transaction is not fully collateralised, the collateral may not cover the credit exposure to the counterparty. Collateral may be held either by the Depositary or by a third party custodian and there is a risk of loss if the custodian or sub-custodian are negligent or become insolvent.

## REVENUES PAID TO THE SUB-FUNDS

In general, any net revenues from the use of derivatives and techniques will be paid to the applicable Sub-Fund, in particular:

- From total return swaps: all revenues, as the Management Company will not take any fees or costs out of those revenues additional to the Annual Management and Advisory Fee.
- From reverse repurchase transactions: all revenue. Collateral management fees may apply to the services relating to tri-party service arrangements entered into between the Fund, the counterparties and the collateral manager and which are required to ensure optimal transfer of collateral between the Fund and its counterparties. The collateral management fees (if any) are part of the operating and administrative expenses.
- From securities lending: the lending agent is authorised to receive 15% of the gross revenue, with the remaining 85% of the gross revenue being received by the relevant Sub-Fund.

The revenue received by the Sub-Funds arising from securities lending and reverse repurchase transactions is disclosed in the Shareholder Reports.

## SUB-FUND DERIVATIVES USAGE

The table below sets out the main types of derivatives used for each Sub-Fund, what they are used for and the expected level of leverage for those Sub-Funds that use VaR to measure risk.

The investment exposure gained through the use of derivatives must not cause a Sub-Fund to deviate from its investment objective and policies and must comply with the limits set out in Investment Restrictions and Powers

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRS & CFD | All Other Swaps | | |
| **Equity Funds** | | | | | | | | | | |
| JPMorgan Funds - Africa Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - America Equity Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - ASEAN Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Asia Growth Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Asia Pacific Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Brazil Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - China Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - China A-Share Opportunities Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Europe Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Diversified Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Dividend Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Opportunities Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Small Cap Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Emerging Middle East Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Equity Premium Income Fund | ✓ | ✓ | ✓ | - | • | • | - | - | - | 80 |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps | | |
| JPMorgan Funds - Euroland Dynamic Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Euroland Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Dynamic Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Dynamic Small Cap Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Dynamic Technologies Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Equity Absolute Alpha Fund | ✓ | ✓ | ✓ | • | • | - | • | - | - | 300 |
| JPMorgan Funds - Europe Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Equity Plus Fund | ✓ | ✓ | ✓ | • | • | - | • | - | - | 100 |
| JPMorgan Funds - Europe Research Enhanced Index Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Small Cap Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Strategic Growth Fun | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Strategic Value Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Europe Sustainable Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Dynamic Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Emerging Markets Research Enhanced Index Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Equity Plus Fund | ✓ | ✓ | ✓ | • | • | - | • | - | - | 100 |
| JPMorgan Funds - Global Focus Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Healthcare Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Natural Resources Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Real Estate Securities Fund (USD) | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Research Enhanced Index Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Socially Responsible Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Global Sustainable Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps | | |
| JPMorgan Funds - Global Unconstrained Equity Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Greater China Fund | - | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - India Fund | ✓ | ✓ | ✓ | • | • | - | - | - | - | |
| JPMorgan Funds - Indonesia Equity Fund | - | ✓ | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - Japan Equity Fund | - | - | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - Korea Equity Fund | - | ✓ | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - Latin America Equity Fund | - | ✓ | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - Pacific Equity | - | ✓ | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - Russia Fund | - | ✓ | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - Taiwan Fund | - | ✓ | ✓ | • | • | | - | - | - | |
| JPMorgan Funds - US Equity All Cap Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - US Growth Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - US Hedged Equity Fund | ✓ | ✓ | ✓ | - | • | • | • | | - | 300 |
| JPMorgan Funds - US Opportunistic Long-Short Equity Fund | ✓ | ✓ | ✓ | - | • | • | • | - | - | 100 |
| JPMorgan Funds - US Research Enhanced Index Equity Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - US Select Equity Plus Fund | ✓ | ✓ | ✓ | - | • | - | • | | - | 75 |
| JPMorgan Funds - US Small Cap Growth Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - US Smaller Companies Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - US Technology Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| JPMorgan Funds - US Value Fund | - | ✓ | ✓ | - | • | - | - | - | - | |
| **Balanced and Mixed Asset Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Asia Pacific Income Fund | - | ✓ | ✓ | - | - | - | - | - | - | 25 |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps | | |
| JPMorgan Funds - Multi-Asset Italy PIR Fund | - | - | ✓ | • | • | • | - | • | • | |
| JPMorgan Funds - Total Emerging Markets Income Fund | - | ✓ | ✓ | - | - | - | - | - | - | 25 |
| **Convertibles Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Global Convertibles Fund (EUR) | - | ✓ | ✓ | • | • | • | - | - | - | - |
| **Bond Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 400 |
| JPMorgan Funds - Asia Total Return Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 150 |
| JPMorgan Funds - China Bond Fund | - | ✓ | ✓ | • | • | • | - | • | - | 50 |
| JPMorgan Funds - Emerging Markets Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 125 |
| JPMorgan Funds - Emerging Markets Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 25 |
| JPMorgan Funds - Emerging Markets Debt Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 100 |
| JPMorgan Funds - Emerging Markets Investment Grade Bond Fund | - | ✓ | ✓ | • | • | • | - | • | - | 50 |
| JPMorgan Funds - Emerging Markets Local Currency Debt Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 350 |
| JPMorgan Funds - Emerging Markets Strategic Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 350 |
| JPMorgan Funds - EU Government Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 150 |
| JPMorgan Funds - Euro Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 25 |
| JPMorgan Funds - Euro Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 50 |
| JPMorgan Funds - Euro Government Short Duration Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 25 |
| JPMorgan Funds - Europe High Yield Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 25 |
| JPMorgan Funds - Europe High Yield Short Duration Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 25 |
| JPMorgan Funds - Financials Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 150 |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps | | |
| JPMorgan Funds - Flexible Credit Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 200 |
| JPMorgan Funds - Global Absolute Return Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 1500 |
| JPMorgan Funds - Global Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 300 |
| JPMorgan Funds - Global Bond Opportunities Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 250 |
| JPMorgan Funds - Global Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 75 |
| JPMorgan Funds - Global Corporate Bond Duration-Hedged Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 150 |
| JPMorgan Funds - Global Government Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 400 |
| JPMorgan Funds - Global Government Short Duration Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 300 |
| JPMorgan Funds - Global Short Duration Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 150 |
| JPMorgan Funds - Global Strategic Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 500 |
| JPMorgan Funds - Income Fund | - | ✓ | ✓ | • | • | • | - | - | - | 150 |
| JPMorgan Funds - Italy Flexible Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 100 |
| JPMorgan Funds - Latin America Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | • | • | - | 25 |
| JPMorgan Funds - Managed Reserves Fund | - | ✓ | ✓ | • | • | - | - | • | - | - |
| JPMorgan Funds - Quantitative Flexible Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 1000 |
| JPMorgan Funds - Sterling Bond Fund | ✓ | ✓ | ✓ | • | • | - | - | • | • | 10 |
| JPMorgan Funds - Sterling Managed Reserves Fund | - | ✓ | ✓ | • | • | - | - | • | - | - |
| JPMorgan Funds - US Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 10 |
| JPMorgan Funds - US Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 75 |
| JPMorgan Funds - US High Yield Plus Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 50 |
| JPMorgan Funds - US Short Duration Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 10 |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps | | |
| **Fund of Funds Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds – Global Multi-Strategy Income Fund | - | ✓ | ✓ | • | • | • | - | - | - | - |
| **Multi-Manager Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds – Multi-Manager Alternatives Fund | ✓ | ✓ | ✓ | • | • | • | • | • | • | 450 |
| JPMorgan Funds – Multi-Manager Equity Long-Short Fund | ✓ | ✓ | ✓ | • | • | • | • | • | • | 350 |
| **Other Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Diversified Risk Fund | ✓ | ✓ | ✓ | • | • | • | • | • | - | 150 |
| JPMorgan Funds - Systematic Alpha Fund | ✓ | ✓ | ✓ | • | • | • | • | • | - | 350 |
| JPMorgan Funds - Systematic Alpha Higher Volatility Fund | ✓ | ✓ | ✓ | • | • | • | • | • | - | 800 |

*Effective as of 25 February 2019, the following Sub-Funds will become Commitment approach Sub-Funds and the expected leverage will be removed from the above table:*

JPMorgan Funds - Asia Pacific Income Fund
JPMorgan Funds - US High Yield Plus Bond Fund
JPMorgan Funds - Europe High Yield Bond Fund
JPMorgan Funds - Emerging Markets Corporate Bond Fund
JPMorgan Funds - Emerging Markets Investment Grade Bond Fund
JPMorgan Funds - Latin America Corporate Bond Fund
JPMorgan Funds - US Short Duration Bond Fund
JPMorgan Funds - US Aggregate Bond Fund
JPMorgan Funds – Europe High Yield Short Duration Bond Fund

# Share Classes and Costs

## Share Classes

Within each Sub-Fund, the Management Company can create and issue Share Classes with various characteristics and investor eligibility requirements.

### BASE SHARE CLASSES AND THEIR CHARACTERISTICS

| | | **Minimum investment and holding amounts.** *For amounts in currencies other than USD go to jpmorganassetmanagement.com/sites/dealing-information. Distributors may set different amounts.* | | | |
|---|---|---|---|---|---|
| **Base Share Class** | **Eligible investors** | **Initial investment** | **Additional investment** | **Holding amount** | **Additional features** |
| **A** | All investors | USD 35,000 | USD 5,000 | USD 5,000 | None |
| **C** | All investors | USD 10 million | USD 1,000 | USD 10 million | None |
| **D** | Distributors buying Shares on behalf of their clients, by agreement with the Management Company | USD 5,000 | USD 1,000 | USD 5,000 | None |
| **F** | Distributors buying Shares on behalf of their clients, by agreement with the Management Company | USD 35,000 | USD 5,000 | USD 5,000 | Available only to those Sub-Funds for which specific distribution arrangements have been made with the Management Company.<br>Automatically switches to A Share Class on the third anniversary of the subscription. This may create tax liability.** |
| **I*** | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 10 million | USD 1,000 | USD 10 million | None |
| **I2*** | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 100 million | USD 1,000 | USD 100 million | None |
| **J** | All investors | USD 10,000 | USD 1,000 | USD 5,000 | None |
| **K** | Institutional Investors | USD 100 million | USD 1,000 | USD 100 million | Only available on JPMorgan Funds – Sterling Managed Reserves Fund. |
| **P** | Clients of JPMIBL who receive advice from JPMIBL in the UK and directly pay for that advice under a separate fee arrangement | On application | On application | On application | None |
| **S1*** | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 10 million | USD 1,000 | USD 10 million | Closes permanently to new subscriptions and switches in only when assets in the Share Class reach a level determined by the Management Company. Once closed the Share Class will not be reopened. |
| **S2*** | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 10 million | USD 1,000 | USD 10 million | Closes permanently to new investors when assets in the Share Class reach a level determined by the Management Company.<br>Automatically switches to I Share Class on the third anniversary of the launch of the first S2 Share Class for the Sub-Fund. This may create tax liability.** |
| **T** | Distributors buying Shares on behalf of their clients, by agreement with the Management Company | USD 5,000 | USD 1,000 | USD 5,000 | Available only to those Sub-Funds for which specific distribution arrangements have been made with the Management Company.Automatically switches to D Share Class on the third anniversary of the subscription. This may create tax liability.** |
| **V** | Only available to collective investment schemes established in Brazil and managed by JPMorgan Chase & Co., by agreement with the Management Company. | USD 10 million | USD 1,000 | USD 10 million | Only offered as (hedged to BRL) Share Classes |
| **X, Y*** | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors by agreement with the Management Company or JPMorgan Chase & Co. with a separate fee arrangement in respect of advisory fees | On application | On application | On application | None |

* Investments in JPMorgan Funds – Managed Reserves Fund and Sterling Managed Reserves Fund are limited to Institutional Investors

** Automatic switches are processed based on the NAV of both Share Classes on the switch date or on the next Valuation Day if the anniversary is not a Valuation Day. Following the switch, Shareholders are subject to the rights and obligations of the new Share Class. The switch dates for S2 Share Classes can be found at www.jpmorganassetmanagement.com.

## WAIVERS AND REDUCED MINIMUMS

The Management Company can, at its discretion, reduce or waive the minimums described above (initial investment, additional investment and holding amounts), with respect to any Sub-Fund, Share Class or Shareholder. In particular, waivers are often applied or minimums do not apply to specific Share Classes as set out below.

**C, I and V Share Class** Minimums are waived for investments made by clients of the Management Company who meet minimum requirements set by the Management Company.

**A and D Share Class** Minimums do not apply at the discretion of the Management Company for investments made by affiliates of JPMorgan Chase & Co. or third party managers or Distributors who are subscribing on behalf of their clients as nominee.

**C Share Class** Minimums do not apply at the discretion of the Management Company to the underlying clients of financial intermediaries or distributors ("Intermediary") who receive advice from the Intermediary and directly pay for this advice under a separate fee arrangement where the Intermediary has represented this to the Management Company. In addition the Intermediary does not receive and retain any other forms of ongoing remuneration from the Management Company in relation to this service.

**I2 Share Class** Minimums do not apply at the discretion of the Management Company if the investor holds a minimum amount of assets under management as determined by the Management Company (excluding investments in the JPMorgan Liquidity Funds range, JPMorgan Funds – Managed Reserves Fund and JPMorgan Funds – Sterling Managed Reserves Fund) via segregated mandates and/or collective investment schemes, managed and/or administrated by any entities of the JPMorgan Asset Management group, including but not limited to the Management Company and the Investment Managers.

If investors are unsure which Share Class they are eligible to invest in they should contact their financial adviser or Distributor. For a definition of Institutional Investor, see Glossary 1.

The Fund and the Management Company, at their discretion, reserve the right to redeem all Shares upon receipt of a redemption request that would leave a holding that is lower than the minimum holding amount. Shareholders will be given one month prior notice to increase their holding above the minimum. Any fall below the minimum holding amount owing to Sub-Fund performance will not cause the closing of an account. See Investing in the Sub-Funds.

## SHARE CLASS NAMING CONVENTIONS

Share Class names are structured as follows: "JPM" + Sub-Fund designation + base Share Class + one or more suffixes, as appropriate. All of these elements are explained below.




1 **JPM** All Share Classes begin with this prefix.

2 **Sub-Fund designation** All Share Classes include the designation of the relevant Sub-Fund. For example, a Share Class of the JPMorgan Funds – Africa Equity Fund will be denoted "JPM Africa Equity A (acc) - USD".

3 **Base Share Class** One of the Base Share Classes shown in the table above.

4 **(perf)** If present, indicates that the Share Class has a performance fee. For additional information on the performance fee, see Performance Fee – Description.

5 **Dividend policy.**

*No dividends paid*

**(acc)** This Share Class does not pay dividends. Earned income is retained in the NAV.

*Dividends paid*

All other types of Share Class can pay dividends. Dividends may vary and are not guaranteed.

Dividends will normally be declared at least annually and the NAV of the relevant Share Class reduced by the amount distributed. Additional dividends can be declared as determined by the Board. No Share Class will make a dividend payment if the assets of the Fund are below the minimum capital requirement, or if paying the dividend would cause that situation to occur.

In the case of (dist) Share Classes, dividends will automatically be reinvested in the same Share Class unless Shareholders have requested in writing that dividends be paid to them. When dividends are reinvested, new Shares will be issued on the payment date at the NAV of the relevant Share Class. In the case of (div), (fix), (irc) and (mth) Shares, Shareholders cannot request reinvestment and dividends will automatically be paid to Shareholders.

Dividends are paid in the Share Class Currency, to the bank account details on file for a Shareholder's account.

Shareholders are entitled to dividends for Shares held on the dividend record date. Dividends due on Shares for which payment has not yet been received will be withheld until the purchase has been settled. Dividend payments remaining unclaimed five years after the dividend record date will be forfeited and returned to the Sub-Fund. The Management Company may carry out authentication procedures which could result in the delay of any dividend payment.

All dividends paid out prior to the annual general meeting are considered interim dividends and are subject to confirmation, and potentially to revision, at that meeting.

The suffixes below indicate how a dividend amount is calculated, how often a dividend is normally paid and other important investor considerations. If different for a particular Sub-Fund this will be stated in Sub-Fund Descriptions.

**(dist)** This Share Class normally pays an annual dividend in September based on reportable income. This Share Class intends to qualify as a reporting fund under UK tax law for offshore funds.

**(mth)** This Share Class normally pays a monthly dividend based on an estimate of the Sub-Fund's annual yield before deduction of annual fees. It prioritises dividend payments over capital growth and will typically distribute more than the income earned. This Share Class is available only to investors purchasing and holding Shares through specific Asian distribution networks, and to other investors at the discretion of the Management Company.

The dividend rate is reviewed, and may be adjusted, twice yearly but also at other times as may be appropriate to reflect changes in the portfolio's expected yield. The Management Company can decide to defer to the next month, or to reinvest in further Shares, any dividend small enough that its

distribution would not be economically efficient for the Fund. As the dividend is paid monthly, the NAV of this Share Class is likely to fluctuate more than other Share Classes.

**(div)** This Share Class normally pays a quarterly dividend based on an estimate of the Sub-Fund's annual yield before deduction of annual fees. It prioritises dividend payments over capital growth and will typically distribute more than the income earned. The dividend rate is reviewed, and may be adjusted, twice yearly but also at other times as may be appropriate to reflect changes in the portfolio's expected yield.

**(irc)** This Share Class normally pays a monthly variable dividend based on an estimate of the Sub-Fund's annual yield before deduction of annual fees, adjusted up or down for, respectively, an estimated positive or negative interest rate carry. It prioritises dividend payments over capital growth and will typically distribute more than the income earned.

This Share Class is available only to investors purchasing and holding Shares through specific Asian distribution networks, and to other investors at the discretion of the Management Company. The dividend rate is reviewed, and may be adjusted, twice yearly but also at other times as may be appropriate to reflect changes in the portfolio's expected yield. The Management Company can decide to defer to the next month, or to reinvest in further Shares, any dividend small enough that its distribution would not be economically efficient for the Fund.

This Share Class is offered only as currency hedged Shares, and is intended for investors whose home currency is the same as the Share Class Currency. The interest rate carry is calculated using the average daily difference between the 1-month forward exchange rate and the spot rate for these two currencies over the preceding calendar month. If the estimated negative carry is larger than the estimated yield, it is likely that a dividend will not be paid. The NAV of this Share Class is likely to fluctuate more than other Share Classes.

**(fix)** This Share Class normally pays a quarterly dividend based on a fixed amount per Share per annum that is not linked to income or capital gains. Payments may exceed the gains of the Share Class resulting in erosion of the amount invested.

The amount is stated in the Share Class name. For example "(fix) EUR 2.35" would designate a Share Class that pays quarterly dividends equating to an amount of EUR 2.35 per Share per year. This Share Class is only available to Shareholders who meet certain criteria set by the Management Company.

Shareholders should be aware that, during periods of negative performance, the dividend will normally continue to be paid and the value of the investment may fall more rapidly. It may not be possible to maintain the dividend payment indefinitely and the value of the investment may be reduced to zero.

These Share Classes may be closed to new and/or existing investors if the NAV falls to a level determined by the Management Company, in its sole discretion, where to allow further investments would not be in the best interest of Shareholders.

**(pct)** This Share Class normally pays a quarterly dividend based on a fixed percentage per Share that is not linked to income or capital gains. Payments may exceed the gains of the Share Class resulting in erosion of the amount invested.

The dividend is based on a fixed percentage of the NAV per Share at the record date. The amount is stated in the Share Class name. For example "(pct) 2.35%" would designate a Share Class that pays quarterly dividends equating to 2.35% of the NAV per Share at the record date. This Share Class is only available to Shareholders who meet certain criteria set by the Management Company.

Shareholders should be aware that, during periods of negative performance, the dividend will normally continue to be paid and the value of the investment may fall more rapidly. It may not be possible to maintain the dividend payment indefinitely and the value of the investment may be reduced to zero.

These Share Classes may be closed to new and/or existing investors if the NAV falls to a level determined by the Management Company in its sole discretion, where to allow further investments would not be in the best interest of Shareholders.

6 **Currency Code** All Share Classes include a three-letter code that indicates the Share Class Currency, which may or may not be the same as the Base Currency of the Sub-Fund.

7 **Hedging** Share Classes may be unhedged, currency hedged, duration hedged or currency and duration hedged.

**(hedged)** Indicates that the Shares use one of the two currency hedging models explained below. These Shares can be denominated in any currency shown in Currency Abbreviations in Using This Prospectus, or in any other currency subject to the agreement of the Management Company.

To see which hedging model a Sub-Fund uses, see Sub-Fund Descriptions.

**NAV hedged Share Class** This Share Class seeks to minimise the effect of exchange rate fluctuations between the Sub-Fund's Base Currency and the Share Class Currency. It is typically used when most portfolio assets are either denominated in, or hedged back to, the Sub-Fund's Base Currency. In the NAV hedged Share Classes, the Sub-Fund's Base Currency is systematically hedged to the Share Class Currency of the hedged Share Class. In the NAV hedge Share Classes the Shareholder receives an excess return or loss similar to that of Shares issued in the Base Currency of the Sub-Fund.

**Portfolio hedged Share Classes** This Share Class seeks to minimise the effect of exchange rate fluctuations between the currency exposures of the assets in the Sub-Fund's portfolio and the Share Class Currency. It is typically used when most portfolio assets are neither denominated in, nor hedged back to, the Sub-Fund's Base Currency. In these Share Classes, the currency exposures are systematically hedged back to the Share Class Currency of the hedged Share Class in proportion to the currency hedged Share Classes share of the NAV of the Sub-Fund, unless for specific currencies it is impractical or not cost effective to hedge the exposure. In the portfolio hedged Share Classes the Shareholder will not benefit or suffer loss caused by exchange rate fluctuations between the currencies of the portfolio assets being hedged and the Share Class Currency, whereas Shares in the Base Currency of the Sub-Fund will.

**RMB (hedged) Share Classes** RMB (hedged) Share Classes have exposure to CNH (offshore RMB), the value of which is not market driven but controlled by the PRC. The CNH market allows investors to transact RMB outside of the PRC. Convertibility from CNH to CNY is a managed currency process subject to foreign exchange control policies and repatriation restrictions, and the value of CNH and CNY may be different. Any divergence between CNH and CNY may adversely impact investors. It is possible that the availability of CNH to meet redemption requests may be reduced, and such payments may be delayed subject to the terms of the Prospectus.

**V (hedged to BRL) Share Classes** This Share Class is reserved for selected feeder funds established in Brazil. It seeks to systematically convert the value of its net assets to Brazilian Real (BRL) via the use of derivatives including non-deliverable forwards. As BRL is a restricted currency, the (Hedged to BRL) Share Classes cannot be denominated in BRL but instead will be denominated in the Base Currency of the relevant Sub-Fund. Due to the use of currency derivatives, the NAV per Share will fluctuate in line with the fluctuation in exchange rate between the BRL and the Base Currency of the Sub-Fund. The effects of this will be reflected in the performance of the Share Class which therefore may differ significantly from the performance of other Share Classes within the Sub-Fund. Any profit or loss as well as costs and expense resulting from these transactions will be reflected exclusively in the NAV of this Share Class.

**Duration (hedged)** This Share Class seeks to limit the impact of interest rate movements by hedging the interest rate risk of the net assets of the Duration hedged Share Class to a target duration between zero and 6 months. It is generally intended to carry out such hedging through the use of derivatives, typically interest rate futures.

Shareholders and potential investors should note that duration hedged Share Classes are closed for investment by new investors since 30 July 2017, and for additional investment by existing investors as from 30 July 2018.

### Risks associated with certain Share Classes

**Risk of distribution from capital** Where a Share Class distributes more net income than it has earned, the dividend will be paid out of the excess of realised and unrealised capital gains over realised and unrealised losses, or even capital, resulting in erosion of the capital invested. Dividend payments resulting in capital erosion will reduce the potential for long-term capital growth. This may also be tax-inefficient in certain countries.

**Risk of currency hedged Share Classes** The currency hedging used to minimise the effect of exchange rate fluctuations will not be perfect. Shareholders may have exposure to currencies other than the Share Class Currency and are also exposed to the risks associated with the instruments used in the hedging process.

Over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Management Company, however, over-hedged positions will not exceed 105% of the NAV of the currency hedged Share Class and under-hedged positions will not fall below 95% of the NAV of the currency hedged Share Class. The hedged positions will be kept under review to ensure that under-hedged positions do not fall below the level set out above and are not carried forward from month to month and that over-hedged positions materially in excess of 100% will not be carried forward from month to month.

Certain Sub-Funds may also invest in currency derivatives, with the aim of generating returns at the portfolio level. This is indicated in the Sub-Fund's investment policy and only occurs where the Currency hedged Share Class uses NAV hedge. Accordingly, whilst the hedging seeks to minimise the effect of exchange rate fluctuations between the Base Currency of the Sub-Fund and the Share Class Currency of the currency hedged Share Class, there may be currency risk in the portfolio.

**Risk of duration hedged Share Classes** The duration hedging used to minimise the effect of changes to interest rates may not always be successful. **The Share Class may have a greater proportion of cash or other securities allocated to it compared to other Share Classes which may impact its performance.** The duration hedging process may also adversely affect Shareholders if interest rates fall.

**Spill-over risk relating to hedged Share Classes** As there is no legal segregation of assets and liabilities between different Share Classes in the same Sub-Fund, there is a risk that, under certain circumstances, hedging transactions relating to currency or duration hedged Share Classes could have an adverse impact on other Share Classes in the same Sub-Fund. Although spill-over risk will be mitigated, it cannot be fully eliminated, as there may be circumstances where it is not possible or practical to do so. For example, where the Sub-Fund needs to sell securities to fulfil financial obligations specifically related to a currency hedged Share Classes which may adversely affect the NAV of the other Share Classes in the Sub-Fund. For a list of Share Classes with a potential spill-over risk, go to jpmorganassetmanagement.lu

## Costs

This section describes the various fees and charges that a Shareholder pays and how they work. The Management Company may, at its sole discretion, pay some or all of the amounts received for certain charges and fees as commission, retrocession, rebate or discount to some or all investors, financial intermediaries or Distributors, on the basis of factors such as the size, nature, timing or commitment of their investment, among others.

| | One-off charges taken before or after investing | | | | Fees and expenses taken from the sub-fund over a year | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Base class | Initial charge | Switch charge | CDSC* | Redemption charge | Annual management and advisory fee | Sub-Investment management fee | Distribution fee | Operating and administrative expenses | Performance fee |
| A | 3.00% | 1.00% | – | 0.50% | 1.30% | – | – | 0.20% | – |
| T (perf) | – | 1.00% | – | 3.00% | 1.00% | – | 1.00 | 0.20% | 0.10% |
| | A | B | C | D | E | F | G | H | I |

### ONE-OFF CHARGES TAKEN BEFORE OR AFTER INVESTING

These are deducted from a Shareholder's investment, switch amount or redemption proceeds and are paid to the Management Company, including any rounding adjustments.

A **Initial charge** Charged on subscriptions for Shares; calculated as a percentage of the amount being invested; may be waived in whole or in part at the discretion of the Management Company.

B **Switch charge** Charged on switches from one Share Class to another Share Class; calculated as a percentage of the NAV of the Shares in the new Share Class; may be waived in whole or in part at the discretion of the Management Company.

C **CDSC** A CDSC is an alternative form of initial charge. It is calculated on the value of the Shares at purchase for T Shares and NAV per Share on redemption for F Shares but is not deducted until Shares are sold. A CDSC will be deducted on any Shares redeemed within three years of purchase, as follows:

**First year** 3.00%
**Second year** 2.00%
**Third year** 1.00%
**Thereafter** 0%

The applicable rate of CDSC is determined by reference to the total length of time during which the Shares being redeemed (including the holding period of the T Shares or F Shares in another Sub-Fund from which they were switched (if any)) were in issue. Shares will be redeemed on a first in, first out ("FIFO") basis, so that the T Shares or F Shares first being redeemed are those Shares of the Sub-Fund which have been held for the longest period. The amount of CDSC per Share is calculated by multiplying the relevant percentage rate, as determined above, by the NAV per Share on the redemption of the F Shares and on the date of the original issue of the T Shares, or of the T Shares of another Sub-Fund from which those Shares were switched, if applicable.

D **Redemption charge** Calculated as a percentage of the NAV of Shares being redeemed, and deducted from those proceeds prior to payment; may be waived in whole or in part at the discretion of the Management Company.

### FEES AND EXPENSES TAKEN FROM THE SHARE CLASS OVER A YEAR (ANNUAL FEES)

These fees and expenses are deducted from the Share Class NAV, and are

the same for all Shareholders of a given Share Class. With the exception of the direct and indirect fund expenses described below, the fees and expenses are paid to the Management Company. The amount charged varies depending on the value of the NAV and does not include portfolio transaction costs. Fees and expenses borne by the Fund may be subject to VAT and other applicable taxes.

Most of the ongoing business expenses of the Fund are covered by these fees and expenses. Details of the fees and expenses paid can be found in the Shareholder Reports.

These fees and expenses are calculated for each Share Class of each Sub-Fund, as a percentage of average daily net assets being accrued daily and paid monthly in arrears.

Each Sub-Fund and each Share Class pays all costs it directly incurs and also pays its pro rata share of costs not attributable to a specific Sub-Fund or Share Class based on its total net assets. Transaction costs associated with operating the currency hedged Share Classes and duration hedged Share Classes will be borne by the relevant Share Class.

E **Annual management and advisory fee** The annual management and advisory fee remunerates the Management Company for its services relating to the management of the Sub-Funds' assets. When a Sub-Fund invests in any UCITS, UCI or closed-end investment undertaking qualifying as transferable securities within the meaning of UCITS rules (including investment trusts) managed by any affiliate of JPMorgan Chase & Co., double-charging of management fees will either be avoided or rebated. However, if the underlying investment charges a higher management fee, the difference may be charged to the investing Sub-Fund. Where a Sub-Fund invests in undertakings not affiliated with JPMorgan Chase & Co. the fee shown in Sub-Fund Descriptions may be charged regardless of any fees reflected in the price of the shares or units of the underlying undertaking.

The Management Company can vary this fee, at any time and for intervals as short as a single day, to any amount between zero and the stated maximum. For X and Y Share Classes, this fee is not charged at the Share Class level; instead, the applicable JPMorgan Chase & Co. entity collects a fee for these services directly from the Shareholder.

For P Share Classes, the actual fee charged may be lower than that stated in the Prospectus as J.P. Morgan International Bank Limited charges their clients a separate and additional fee.

F **Sub-Investment Manager fee** For multi-manager Sub-Funds, in addition to the annual management and advisory fee, there is a Sub-Investment Management fee. This fee goes to pay the Sub-Investment Managers who handle the day-to-day management of their assigned portions of the Sub-Fund portfolio.

G **Distribution fee** The Management Company typically uses some or all of this fee to compensate Distributors for their services in connection with marketing and distributing the D and T Share Classes. The Management Company can vary this fee, at any time and for intervals as short as a single day, to any amount between zero and the stated maximum.

H **Operating and administrative expenses** This fee is capped for each Share Class and will not exceed the amount stated in Sub-Fund Descriptions . The Management Company will bear any operating and administrative expenses that exceed the maximum rate specified.

Where a Sub-Fund invests primarily in UCITS and other UCIs managed any affiliate of JPMorgan Chase & Co. and where specifically stated for a Sub-Fund in Sub-Fund Descriptions, double-charging of operating and administrative expenses will be avoided by a rebate to the Sub-Fund of the operating and administrative expenses (or equivalent) charged to the underlying UCITS or other UCIs. Where a Sub-Fund invests in undertakings not affiliated with JPMorgan Chase & Co. the fee shown in Sub-Fund Descriptions may be charged regardless of any fees reflected in the price of the shares or units of the underlying undertaking.

The components of the operating and administrative expenses are:

**Fund servicing fee** Paid to the Management Company for various services it provides to the Fund, excluding the management of the Sub-Funds' assets. The fund servicing fee is reviewed annually by the Board and will not exceed 0.15% per year (except for JPMorgan Funds – Europe Research Enhanced Index Equity Fund, JPMorgan Funds – Global Research Enhanced Index Equity Fund and JPMorgan Funds – US Research Enhanced Index Equity Fund, where it will not exceed 0.05% per year).

**Direct fund expenses**

Paid directly by the Fund and includes, but is not limited to:

- custodian and depositary fees
- audit fees and expenses
- the Luxembourg taxe d'abonnement, calculated and payable quarterly, on the total net assets of the relevant Sub-Fund at the end of each quarter, as follows:
  - Money Market Sub-Funds: Share Classes A, C and D: 0.01%
  - Money Market Sub-Funds: Share Classes I and X: 0%
  - All other Sub-Funds: classes I, I2, K, S1, S2, V, X and Y: 0.01%
  - All other Sub-Funds: classes A, C, D, F, J, P and T: 0.05%
- fees paid to independent Directors and reasonable out-of-pocket expenses paid to all Directors

**Indirect fund expenses** These are expenses directly contracted by the Management Company on behalf of the Fund and includes, but is not limited to:

- legal fees and expenses
- transfer agency expenses covering registrar and transfer agency services
- fund accounting and administrative service expenses
- administrative services and domiciliary agent services
- ongoing registration, listing and quotation fees, including translation expenses
- documentation costs and expense, such as preparing, printing and distributing the Prospectus, KIIDs or any other offering document, as well as Shareholder Reports and any other documents made available to Shareholders
- formation expenses, such as organisation and registration costs, which can be amortised over as long as five years from the formation date of a Sub-Fund
- the fees and reasonable out-of-pocket expenses of the paying agents and representatives
- the cost of publication of the Share prices, and costs of postage, telephone, facsimile transmission and other electronic means of communication

The Fund is not currently subject to any Luxembourg taxes on income or capital gains. The Management Company, at its discretion, can temporarily meet the direct and/or indirect fund expenses on a Sub-Fund's behalf and/or waive all or part of the Fund servicing fee.

## I PERFORMANCE FEE - DESCRIPTION

**General description** With certain Share Classes of certain Sub-Funds, a performance fee is deducted from the NAV and paid to the Management Company. The Investment Manager may be entitled to receive part or all of the performance fee under their investment management agreement. This fee is designed to reward Investment Managers who have achieved performance over a benchmark during a period, while also ensuring that investors pay comparatively lower fees when investment management has contributed less value.

The performance fee has been designed so that no performance fee is paid

merely for making up for earlier underperformance against the benchmark in the reference period (that is, for making up ground that was lost to earlier underperformance against the benchmark). Note, however, that a performance fee can in some cases be charged even when performance is negative, if the benchmark has decreased more than the Share Class.

When a Share Class that is subject to a performance fee has outperformed a designated benchmark identified in Sub-Fund Descriptions, a performance fee will be charged in the NAV. Depending on the type of Sub-Fund, the benchmark will either be a cash benchmark or a non-cash benchmark (equity, bond, etc.).

Sub-Funds may invest in UCITS and other UCIs managed by any affiliate of JPMorgan Chase & Co. which may charge performance fees. Such fees will be reflected in the NAV of the relevant Sub-Fund.

For a detailed explanation of the performance fee mechanism, see Performance Fee Daily Calculation.

## OTHER FEES AND EXPENSES NOT INCLUDED IN ANY OF THE ABOVE

Most operating expenses are included in the fees and expenses described above. However, in addition each Sub-Fund bears transaction fees and extraordinary expenses such as:

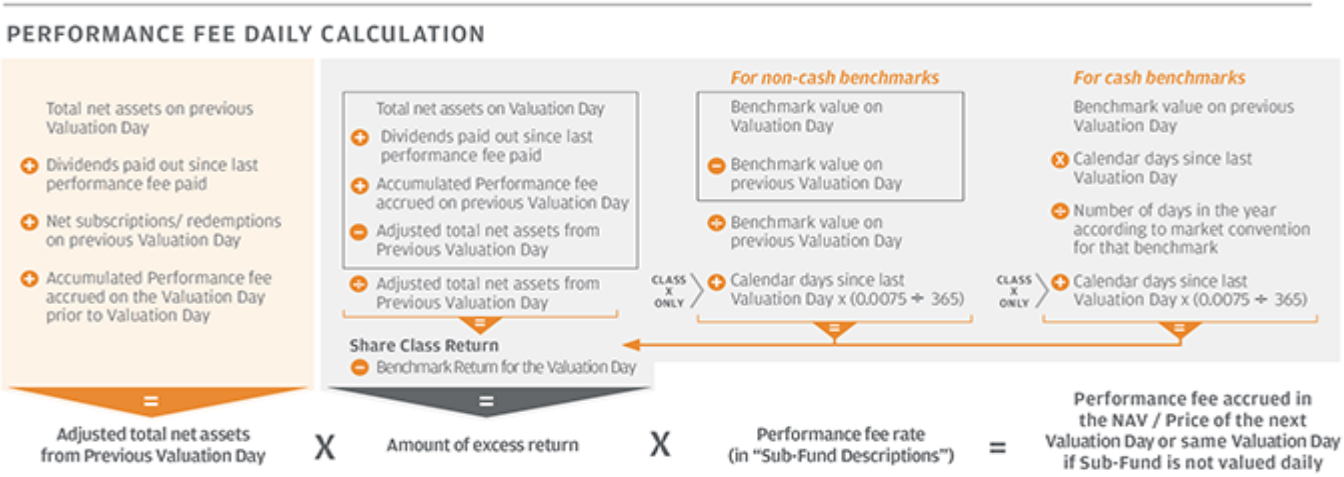
**Transaction fees**

- brokerage fees and commissions
- transaction costs associated with buying and selling Sub-Fund assets, including interest, taxes, governmental duties, charges and levies
- expenses for operating hedged Share Classes
- other transaction related costs and expenses

**Extraordinary expenses**

- interest and full amount of any duty, levy and tax or similar charge imposed on a Sub-Fund
- litigation expenses
- any extraordinary expenses or other unforeseen charges

All of these expenses are paid directly from the relevant Sub-Fund assets and are reflected in NAV calculations




As different Share Classes of a given Sub-Fund will usually have different NAVs (and may in addition have different measurement periods), the actual performance fee charged often varies by Share Class. For distributing Shares, any distributions paid out are counted as part of performance for purposes of performance fee calculation. Swing pricing or other adjustments intended to mitigate the effects of transaction volumes or costs are not counted in performance fee calculations.

To find out if a Share Class has a performance fee, which model is used, the performance fee rate and if an outperformance fee cap applies, see Sub-Fund Descriptions.

**Measurement period** Performance is measured over the Fund's Financial Year. Calculations are performed every Valuation Day, are reflected in the NAV and are cumulative.

If a performance fee has been charged in the NAV as of the end of the last Valuation Day of the year, it will be paid to the Management Company, the measurement period ends, the reference points of the NAV and of the benchmark are reset and a new measurement period begins. If no performance fee has been charged, the measurement period is extended for another Financial Year. These extensions will continue until there is a payable performance fee at the end of a Financial Year.

If a Sub-Fund or Share Class adds a performance fee, or is launched during the Financial Year, its first measurement period will be the remainder of that Financial Year.

**How the performance fee is calculated**

There are two models for calculating performance fees, as described below.

**Claw-back model** On every day that is a Valuation Day for a Sub-Fund, the fee is calculated using the performance fee daily calculation formula above. When the resulting number is positive, the Share Class has outperformed its benchmark for that day and the corresponding amount is added to the performance fee accrual. When the resulting number is negative, the Share Class has failed to outperform its performance standard for that day, and the corresponding amount is subtracted from any performance fee accrual (to a point no lower than zero). Under the Claw-back model a performance fee can typically be charged even if the Share Class performance is negative, so long as the benchmark has decreased more than the NAV.

**High water mark model** With this model, the fees are calculated exactly as they are for the Claw-back model, except that in addition to exceeding the performance of its benchmark, a Share Class NAV must be higher than it was the last time a performance fee was paid, or than it was at inception. When that is not true, no performance fee is accrued. Under the high water mark model a performance fee cannot be charged if the Share Class performance is negative. For Sub-Funds with a cash benchmark, the high water mark model is used.

**Adjustment for X Share Classes** In the calculation shown above, the adjustment of 0.75% as applying to X Share Classes exists because investors in these Shares pay a management fee separately rather than as a Share Class fee. Without this adjustment, investors in X Share Classes would pay a higher performance fee than is warranted.

**Fee limits** Certain Share Classes might have an outperformance cap. This type of cap can reduce performance fees that would otherwise be charged.

With the cap, a limit is set on how much outperformance will be eligible to earn a performance fee (for example, 2% above the Benchmark).

**Crystallisation** A performance fee accrual crystallises (becomes payable to the Management Company and is no longer affected by the future performance of the Share Class) under any of the following circumstances:

- on the last Valuation Day of the Financial Year
- on very significant orders for switching or redemption (applies to those Shares only)
- when a Sub-Fund is merged or liquidated.

**EU Benchmarks Regulation** The Benchmarks Regulation was effective on 1 January 2018. Accordingly, the Management Company is working with applicable administrators, for the benchmark indices used by the relevant Sub-Funds for which a Performance Fee is calculated, to confirm that they are, or will be included in the register maintained by ESMA under the Benchmarks Regulation. The following relevant benchmarks administrators are included in the ESMA register: MSCI Limited which is the benchmarks administrator of the MSCI benchmarks and ICE Benchmark Administration Limited which is the benchmarks administrator for ICE benchmarks. The Management Company has Benchmark Selection Procedures that apply to new benchmarks and in the event that benchmarks materially change or cease to be provided. The procedures include an assessment of the suitability of a Sub-Fund's benchmark, the proposed communication of changes in benchmark to shareholders and approvals by internal governance committees and boards as described below.

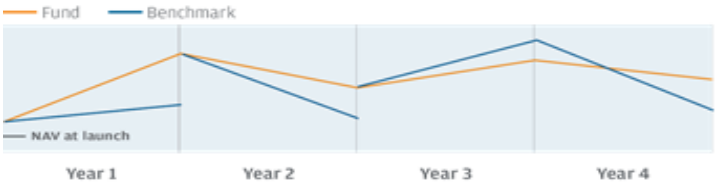
The suitability assessment of a new benchmark includes its historic investment performance, asset allocation and securities, which are compared, where relevant, to equivalent data for the performance of the Sub-Fund and to the existing benchmark.

A benchmark change will require an amendment to the Prospectus and will be communicated to Shareholders in line with applicable regulatory requirements. The Board is responsible for approving a benchmark change where it is part of a change to the Sub-Fund's investment objective, risk profile or calculation of Performance Fees, otherwise the Management Company may approve it.

## PERFORMANCE FEE - EXAMPLES

Examples are illustrative only, and are not intended to reflect any actual past performance or potential future performance.

### *Claw-back*




**Year 1** Share Class outperforms benchmark. *Performance fee payable; a new measurement period begins.*

**Year 2** Share Class performance is negative, but still outperforms benchmark. *Performance fee payable; a new measurement period begins.*

**Year 3** Share Class underperforms benchmark. *No performance fee payable; measurement period extended for another Financial Year.*

**Year 4** Share Class goes from underperforming benchmark to outperforming it. *Performance fee payable; a new measurement period begins*

### *Claw-back plus outperformance cap*



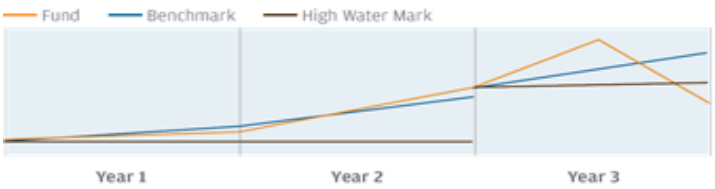

**Year 1** Share Class outperforms benchmark and all performance is below the outperformance cap. *Full performance fee payable; a new measurement period begins.*

**Year 2** Share Class outperforms benchmark and exceeds outperformance cap. *Performance fee is earned, but amount payable is limited by cap; a new measurement period begins.*

**Year 3** Share Class underperforms benchmark. *No performance fee payable; measurement period extended for another Financial Year.*

**Year 4** Share Class performance is negative, but goes from underperforming benchmark to outperforming it, and remains below the outperformance cap. *Full performance fee payable; the cap is not applied; a new measurement period begins.*

### *High water mark*




**Year 1** Share Class outperforms the high water mark (has positive absolute performance) but not the Benchmark. *No performance fee payable; measurement period extended for another Financial Year.*

**Year 2** Share Class goes from underperforming Benchmark to outperforming it; also remains above high water mark. *Performance fee payable; a new measurement period begins.*

**Year 3** Share Class outperforms high water mark and benchmark for first half of year, but falls below both by year-end. *No performance fee payable; measurement period extended for another Financial Year.*

## COMPARISON WITH A SHARE CLASS THAT DOES NOT HAVE A PERFORMANCE FEE

Some Sub-Funds offer Share Classes with performance fees and without performance fees. Share Classes with no performance fee will have a higher annual management and advisory fee. Which Share Class provides the greater net return to Shareholders will vary and is dependent on whether there is outperformance or underperformance. The tables below show examples of the net return of Share Classes with and without a performance fee under different scenarios.

### *Outperformance scenario*

The Share Class without a performance fee may generate a higher return even though it has a higher annual charge.

| | Share Class with a performance fee | Share Class without a performance fee |
|---|---|---|
| **Share Class return** | 7.00% | 7.00% |
| **Minus annual management and advisory fee and operating and administrative expenses** | - 1.20% | - 1.40% |
| | = 5.80% | = 5.60% |
| **Minus benchmark return** | 2.00% | N/A |
| **Outperformance** | = 3.80% | = 5.60% |
| **Minus 10% performance fee** | 0.38% | N/A |
| **Net return** | **5.42%** | **5.60%** |

### *Underperformance scenario*

The Share Class with a performance fee generates a higher return than the Share Class with a higher annual charge.

| | Share Class with a performance fee | Share Class without a performance fee |
|---|---|---|
| **Share Class return** | 1.50% | 1.50% |
| **Minus annual management and advisory fee and operating and administrative expenses** | - 1.20% | - 1.40% |
| | = 0.30% | = 0.10% |
| **Minus benchmark return*** | 2.00% | N/A |
| **Outperformance** | = 0.00% | = 0.10% |
| **Minus 10% performance fee** | 0.00% | N/A |
| **Net return** | **0.30%** | **0.10%** |

*Only the portion necessary to bring the result to zero is subtracted.

# Investing in the Sub-Funds

## MAKING AN INVESTMENT

## Buying, Switching, Redeeming and Transferring Shares

The information in this section is for use by financial intermediaries and for investors conducting business directly with the Fund. Shareholders investing through a financial advisor or other intermediary can use this information as well, but in general it is recommended that they place all dealing requests through their intermediary unless there is reason not to.

### INFORMATION THAT APPLIES TO ALL DEALS EXCEPT TRANSFERS

**Available Share Classes** Not all Share Classes and Sub-Funds are registered for sale or available in all jurisdictions. All information in this Prospectus about Share Class availability is as at the Prospectus date. For the most current information on available Share Classes (including initial launch date), go to jpmorganassetmanagement.lu or request a list free of charge from the Management Company.

**Placing requests** Shareholders can place requests to buy, switch or redeem Shares at any time via fax, letter, or other electronic means at the discretion of the Management Company, either to a local representative or Distributor or to the Management Company. Shares can also be held and transferred through approved electronic clearing platforms. Always include the Shareholder's account number where applicable.

When placing any dealing request, Shareholders must include all necessary identifying information and instructions as to the Sub-Fund, Share Class, account, size and type of deal (buying, redeeming or switching) and settlement currency. Shareholders can indicate the request either as a Share amount (including fractional Shares up to three decimal places) or a currency amount. All requests will be dealt with in the order in which they are received. Shares will be bought at the Offer Price and redeemed at the Bid Price of the relevant Share Class.

Any requests that are incomplete or unclear will typically be delayed or rejected. Neither the Fund nor the Management Company will be responsible for any losses or missed opportunities arising from unclear requests.

Once a Shareholder has placed a request, it cannot normally be withdrawn. If written request for a withdrawal is received before 14:30 CET on the day the request would normally be processed, it will usually be honoured but there is no obligation to do so. If the written notice arrives during a time when trading in Shares is suspended, the request will be withdrawn.

**Cut-off times** Unless otherwise stated in Sub-Fund Descriptions, requests will be processed on the Valuation Day they are received, provided they are received by 14:30 CET on that Valuation Day. Those received and accepted after that time will be processed the next Valuation Day. No processing date, time or instructions contrary to the terms in this Prospectus will be acted upon. A contract note will normally be sent on the business day after the request is processed.

The Fund uses a Forward Pricing model; thus the Share price at which any deal is processed cannot be known at the time a dealing request is placed.

**Currencies** The Fund normally accepts and makes payments in the Share Class Currency. Payments can also be accepted and made in major freely convertible currencies. These will involve currency conversion, which is arranged through a third-party provider and will include all applicable costs. Currency conversion rates can vary, sometimes significantly, over the course of a trading day and over longer periods as well. Different rates may apply to different deals, depending on market prices and on the size of the deal.

Currency conversion could delay the receipt of a Shareholder's redemption proceeds. Contact the Management Company for more information on conversion rates.

**Charges and costs** Shareholders are responsible for all charges associated with their purchases, switches and redemptions of Shares, as described in Sub-Fund Descriptions.

Shareholders are also responsible for paying any bank fees, taxes, and any other fees or costs incurred by investors in connection with dealing requests.

**Settlement** Unless indicated otherwise in Sub-Fund Descriptions, the contractual settlement date for subscriptions, redemptions and switches will normally be three Luxembourg business days after the deal has been placed (the "Settlement Date"). For deals placed through certain agents approved by the Management Company, such as JPMorgan Funds (Asia) Limited in Hong Kong this may be increased to five Luxembourg business days. If banks or interbank settlement systems in the country of the settlement currency or the Share Class Currency are closed or not operational on the settlement date, settlement will be delayed until they are open and operating. Any day within the settlement period that is not a Valuation Day for a Sub-Fund will be excluded when determining the settlement date.

In all cases, the contractual settlement dates are confirmed on the relevant contract note.

**BUYING SHARES** Also see Information That Applies to All Deals Except Transfers above

To make an initial investment, obtain and complete an application form, available at jpmorganassetmanagement.com or from the Management Company. Submit a completed application form and all account opening documentation such as all required tax and anti-money laundering information as instructed on the application form. Investors should also refer to the Terms and Conditions which apply when buying Shares and can be obtained from the Management Company.

Normally, Shares are issued upon acceptance of a subscription request on the condition that cleared payment is received from the investor by the Settlement Date (as defined under section "Settlement" above). Until cleared payment for the Shares is received from the investor, the Shares are pledged for the benefit of the Fund. During this period, voting rights and entitlements to dividend payments are suspended, and the investor cannot switch or transfer the Shares.

If full payment by the investor for Shares does not arrive by the Settlement Date, or if prior to the Settlement Date the Fund or the Management Company become aware of any reason why, in their opinion, that full and timely payment will not occur, Shares can be cancelled (redeemed) without prior notice to the investor at its own costs.

Any net surplus, after costs incurred, that remains after such cancellation will be credited to the Fund. Any shortfall, including any costs and investment losses, that remains after such cancellation must be paid to the Fund by the investor upon written demand. The Fund or the Management Company may also, at any time and at its absolute discretion, enforce the Fund's rights in the Shares under the pledge, bring an action against the investor or deduct the costs or losses incurred by the Fund or the Management Company from other existing holding of the investor in the Fund. In all cases any money returnable to the investor will be held by the

Management Company without payment of interest pending receipt of the remittance.

If the redemption proceeds and any amounts effectively recovered from the investor are less than the subscription price, the difference will be borne by the Fund.

**SWITCHING SHARES** Also see Information That Applies to All Deals Except Transfers above

Except for T Shares, F Shares, the JPMorgan Funds - Multi-Manager Alternatives Fund and the JPMorgan Funds - Multi-Manager Equity Long-Short Fund, Shareholders can switch (convert) Shares of any Sub-Fund and Share Class into Shares of any other Share Class of the same Sub-Fund or another Sub-Fund of the Fund or JPMorgan Investment Funds, subject to the following conditions:

- Shareholders must meet all eligibility requirements for the Share Class into which Shareholders are requesting to switch
- any switch must meet the minimum investment amount of the Share Class being switched into, or the request typically will be rejected
- any partial switch should leave at least the minimum investment amount in the class being switched out of; if it does not, the request can be processed as a full switch
- the switch must not violate any restrictions of either Sub-Fund involved (as stated in this Prospectus in Sub-Fund Descriptions and, as applicable, the prospectus for JPMorgan Investment Funds)

Switches into or out of the JPMorgan Funds - Multi-Manager Alternatives Fund and the JPMorgan Funds - Multi-Manager Equity Long-Short Fund are not permitted.

Except for the JPMorgan Funds – India Fund, Shareholders receive the Bid Price for the old Shares and pay the NAV for the new Shares after deduction of any applicable switch charges, both prices being those that apply to the Valuation Day on which the switch is processed. A switch will be processed only on a day that is a Valuation Day for both Sub-Funds involved, which may mean a delay.

For switches out of the JPMorgan Funds – India Fund, Shareholders receive the Bid Price for the old Shares on the Valuation Day on which the switch is processed, however the purchase of Shares in the new Sub-Fund may be delayed until redemption proceeds are received (subject to the 15 Luxembourg business day limit for payment of redemption proceeds for JPMorgan Funds – India Fund as set out below).

When Shareholders switch into a Share Class that has a higher initial charge, they may be charged the difference between the two initial charges, in addition to any applicable switch charge.

Shareholders will own Shares in the new Sub-Fund when the proceeds of the Shares have been released by the Sub-Fund being switched out of, but not earlier than three Valuation Days after the deal request has been received.

With T Shares, Shareholders can switch into T Shares of a different Sub-Fund and with F Shares, Shareholders can switch into F Shares of a different Sub- Fund. Any CDSC amount due on Shares being switched is not collected; instead, the CDSC status of the old Sub-Fund is transferred to the new Sub-Fund. Switching between T Shares and any other Shares (in either direction) and switching between F Shares and any other Shares (in either direction) are only possible with permission from the Management Company.

**REDEEMING SHARES** Also see Information That Applies to All Deals Except Transfers above

Payments of proceeds, after deduction of any applicable redemption charge or CDSC, are generally sent out in the Share Class Currency within three Luxembourg business days after the Valuation Day on which the deal was processed. Some Sub-Funds have longer payment periods, as indicated in Sub-Fund Descriptions. All payment periods can be extended by weekends, currency trading holidays, and any other day that is not a Valuation Day for a Sub-Fund. In exceptional circumstances, it may not be possible to deliver proceeds on schedule, but in all cases payment will be sent as soon as reasonably practicable, and in no case will the delivery period exceed 10 Luxembourg business days (or 15 Luxembourg business days in the case of JPMorgan Funds – India Fund).

Redemption proceeds will be paid only to the Shareholder(s) identified in the register of Shareholders, and only according to the bank account details on file for a Shareholder's account. The Fund does not pay interest on redemption proceeds, regardless of the timing of delivery.

Note that redemption proceeds will not be paid until the Management Company has received and processed an original application and all investor documentation that the Management Company consider necessary. A redemption request will not be paid unless payment has been received for any Shares being subscribed. Any delays associated with these verification measures will not delay the processing of a Shareholder's redemption request, but they will affect the timing of when proceeds are released. Neither the Management Company nor the Fund will be responsible if it delays execution or declines to execute redemption instructions in these circumstances.

The Management Company has the right to defer redemptions or switches or compulsorily redeem Shares in certain circumstances – see Fund Rights Related to Shares for more information.

**TRANSFERRING SHARES**

Shareholders can transfer ownership of Shares to another investor, by submitting a properly executed transfer instruction to the relevant Distributor or sales agent, or to the Management Company. Typically, only the Shareholder's signature will be required to process such instructions. Before initiating a transfer, Shareholders are recommended to contact the relevant Distributor or sales agent, or to the Management Company to ensure they have the right documentation completed.

Transfers and the receiving investor are subject to all applicable eligibility requirements and holding restrictions including those that relate to prohibited investors. The Fund can reject the request if all the necessary requirements are not met.

## Shareholder Obligations

**Being aware of, and follow, all applicable rules and regulations**. As noted in the beginning of this Prospectus, each Shareholder must obtain the appropriate professional advice (tax, legal, investing) and is responsible for identifying, understanding and following all laws, regulations and other restrictions applicable to their investment in the Fund.

**Notify us of changes in information**. Shareholders must promptly inform the Management Company of any changes in personal or bank information. The Fund will require adequate proof of authenticity for any request to change information held on record, including any bank account details, associated with a Shareholder's investment.

**Inform us of changes in circumstances that could affect eligibility to own Shares**. Shareholders must also promptly inform the Management Company of any circumstances that change or come to light that result in a Shareholder being ineligible to own any Shares, put a Shareholder in violation of the laws or regulations of Luxembourg or any other applicable jurisdiction, or create a risk of any loss, cost, or other burden (financial or otherwise) for the Sub-Fund, other Shareholders, or any individuals or entities associated with the management and operations of the Sub-Fund.

## Privacy of Personal Data and Confidential Information

Potential investors and Shareholders must provide information that is

personal and/or confidential for various purposes, such as to process requests, provide Shareholder services, and to comply with applicable laws and regulations. The Privacy Policy is designed to comply with all applicable laws or regulations (Luxembourg or otherwise).

Potential investors and Shareholders acknowledge that the Management Company or JPMorgan Chase & Co. can do the following with this information:

- gather, store, modify, process and use it in physical or electronic form (including making recordings of telephone calls to or from investors or their representatives)
- allow its agents, delegates and certain other third parties in countries where the Fund, the Management Company or JPMorgan Chase & Co. do business or have service providers to use it; these third parties may or may not be JPMorgan entities, and some could be based in countries with lesser data protection standards and statutory protections than the EU to store, modify and process such information
- share it as required by applicable law or regulation (Luxembourg or otherwise)

In communicating by phone, whether to give investment instructions or otherwise, potential investors and Shareholders are considered to have agreed that their phone calls with the Management Company or its delegates can be recorded, monitored and stored, and that the Management Company or JPMorgan Chase & Co. can use them for any allowable purpose, including in legal proceedings.

The Fund takes reasonable measures to ensure the accuracy and confidentiality of personal data and/or confidential information, and does not use or disclose it beyond what is described in this Prospectus and in the Privacy Policy without the Shareholder's or potential investor's consent. At the same time, neither the Fund, the Management Company nor any JPMorgan entity accepts liability for sharing personal and/or confidential information with third parties, except in the case of negligence by the Fund, the Management Company, a JPMorgan entity or any of their employees or officers. This information is held only as long as applicable laws indicate.

Subject to applicable law, investors may have rights in respect of their personal data, including a right to access and rectification of their personal data and, in some circumstances, a right to object to the processing of their personal data.

The Privacy Policy is available at jpmorgan.com/emea-privacy-policy. Hard copies are available on request from the Management Company

## Measures to Protect Shareholders and Prevent Crime and Terrorism

To comply with Luxembourg laws aimed at preventing crime and terrorism, including the crime of money laundering, investors must provide certain types of account documentation.

### CUSTOMER IDENTIFICATION

Before being approved for opening an account, each investor must provide, at a minimum, the following identification:

- **Natural persons** A copy of an identity card or passport duly certified by a public authority (such as a notary, police official or ambassador) in their country of residence.
- **Corporations and other entities** A certified copy of the entity's incorporation documents, published accounts or other official statutory document, plus, for the entity's owners or other economic beneficiaries, the identification described above for natural persons.

Shareholders typically will be asked to provide additional documentation as well (either before opening an account or at any time afterward), and processing of their deal requests may be delayed if these materials are not received in a timely fashion or are not considered to be adequate.

### EXCESSIVE TRADING AND MARKET TIMING

Buying and redeeming Shares for short-term profits can disrupt portfolio management and increase Sub-Fund expenses, to the detriment of other Shareholders. The Fund does not knowingly allow any market timing transactions, and takes various measures to protect Shareholder interests, including rejecting, suspending or cancelling any request that appears to represent excessive trading or to be linked to an investor or trading pattern associated with market timing. The Fund has the right to forcibly redeem a Shareholder's investment, at that Shareholder's sole cost and risk, if it appears that the Shareholder has engaged in excessive trading which has resulted in a detrimental impact to the Fund or other Shareholders.

## Share Issuance, Ownership and Shareholder Rights

### ISSUANCE AND OWNERSHIP

**Registered Shares** Shares are issued in registered form only, meaning that the Shareholder's name is recorded in the Fund's register of Shareholders. Shares are freely transferrable and can also be held and transferred through approved electronic clearing platforms. Fractional Shares are rounded (upwards) to three decimal places.

**Investing through a sales agent or Distributor vs. directly with the Fund** When Shares are purchased through an entity that holds them under its own name (a nominee account), that entity is legally entitled to exercise rights associated with those Shares, such as voting rights. The entity maintains its own records and periodically provides the beneficial owner with information concerning Shares of the Sub-Funds that it holds on a beneficial owner's behalf.

Unless the laws of a beneficial owner's jurisdiction prohibit it, the beneficial owner can invest directly with the Fund, or through an intermediary that does not use nominee accounts, and in so doing can retain all Shareholder rights. Where permitted, a beneficial owner can claim direct title to any Shares held for that owner in a nominee account. However, in some jurisdictions, a nominee account is the only option available, and a beneficial owner does not have the right to claim direct ownership from the nominee.

### SHAREHOLDER RIGHTS

**Voting rights** Each Share gets one vote in all matters brought before a general meeting of Shareholders and of any meeting of its Sub-Fund. Fractional Shares are issued to one one-thousandth of a Share (three decimal places). Fractional Shares do not have voting rights.

## Fund Rights Related to Shares

The Fund and the Management Company, at their sole discretion, reserve the right to do any of the following at any time:

***Rights related to Shares and dealing requests***

- **Accept a request to switch Shares into Share Classes that are identical except for having lower fees** when a Shareholder's holding meets the investment minimum for the class with the lower fees.
- **Delay or reject any request to buy Shares** – in part or in full, for an initial or additional investment – for any reason. In particular, this applies to requests from anyone who is a US Person. Requests to purchase Shares reserved for Eligible Counterparties, Additional Investors or Institutional Investors may be delayed until the Management Company are satisfied that the investor qualifies as such. Neither the Fund nor the Management Company will be held liable for any gain or loss associated with a delayed or rejected request.
- **Accept securities as payment for Shares, or fulfil redemption**

**payments with securities (contribution or redemption in kind).** In cases where Shareholders wish to request a purchase or redemption in kind, they must obtain advance approval from the Management Company. Shareholders must pay all costs associated with the subscription or redemption in kind (broker fees, compulsory audit report, etc.).
If a Shareholder receives approval for a redemption in kind, the Fund will seek to fulfil the redemption with a selection of securities that closely or fully matches the overall composition of the Sub-Fund's portfolio at the time the transaction is processed. The value of the redemption in kind will be certified by an auditor's report.
The Management Company can also request that a Shareholder accepts a redemption in kind. In this case the Fund will bear the associated costs, and Shareholders are free to reject the request.

- **Offer different cut-off times to certain investors,** such as those in different time zones, so long as the cut-off time is always before the time the applicable NAV is calculated and the underlying client instruction was received by the Distributor prior to the Sub-Fund cut-off time.

### *Rights related to suspension of dealing*

**Temporarily suspend or defer the calculation of NAVs or deals in a Sub-Fund and/or Share Class** when any of the following is true:

- any exchange or market, on which a substantial portion of the Fund's investments is traded, is closed, otherwise than for public holidays, or while dealings on any such exchange or market are restricted or suspended
- any transfer of funds involved in the realisation, acquisition or disposal of investments or payments due on sale of such investments by the Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange or be effected without seriously prejudicing the interests of the Shareholders or the Fund
- a breakdown exists in any of the communications normally employed in valuing any of the Fund's assets, or there is any other reason that the price or value of any of the Fund's assets cannot be promptly and accurately ascertained
- the Fund, the Sub-Fund or a Share Class is being, or may be, wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Fund, the Sub-Fund or a Share Class is proposed
- any state of affairs exists that, in the view of the Board, constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Funds by the Management Company is impracticable
- the Board has determined that there has been a material change in the valuation of a substantial proportion of the investments of the Fund attributable to a particular Sub-Fund, and has further decided, in order to safeguard the interests of the Shareholders and the Fund, to delay the preparation or use of a valuation or carry out a later or subsequent valuation
- the NAV of any subsidiary of the Fund may not be determined accurately
- in the case of a merger, if the Board deems this to be justified for the protection of the Shareholders
- any other circumstance exists where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment that the Fund or its Shareholders might not otherwise have suffered

A suspension will apply to all types of deals in Shares (except transfers) and will apply at the Sub-Fund or Share Class level as applicable.

In connection with suspensions the Fund will refuse to accept requests to buy, switch or redeem Shares during the time the Board has suspended the calculation of NAV. During this time Shareholders may withdraw their request. Any requests that are not withdrawn will be dealt on the next Valuation Day once the suspension is over.

Shareholders will be informed of any suspension or deferral as appropriate.

**Limit how many Shares are redeemed for a Sub-Fund on any Valuation Day.** On any Valuation Day, the Management Company will not be obliged to process redemption and switch out requests in their entirety, when the total net outflow from a Sub-Fund exceeds 10% of the total net assets of the relevant Sub-Fund. The Management Company may decide that redemption and switch out requests in excess of 10% shall be deferred to the next Valuation Day. All redemption and switch out requests whose processing is delayed by this, either partially or in full, will be processed in the order of the Valuation Day on which they were accepted for redemption, subject to any suspensions of dealing requests or further imposition of the 10% daily limit.

### *Rights related to accounts and ownership*

**Close (or re-open) any Sub-Fund or Share Class to further investment**, either from new investors or all investors, for an indefinite period without advance notice, so long as it is consistent with the interests of Shareholders. This may happen where a Sub-Fund reaches a size such that the capacity of the market and/or the Investment Manager has been reached, and permitting further inflows would be detrimental to the performance of the Sub-Fund. Once closed, a Sub-Fund or Share Class will not be re-opened until, in the opinion of the Management Company, the circumstances that required the closure no longer exist. For information on the status of Sub-Funds and Share Classes, go to jpmorganassetmanagement.com.

**Redeem all Shares upon receipt of a redemption request that would leave a holding that is lower than the minimum holding amount.** Shareholders will be given one month prior notice to increase their holding above the minimum. Any fall below the minimum holding amount owing to Sub-Fund performance will not cause the closing of an account.

**Forcibly redeem a Shareholder's Shares and send them the proceeds, or switch a Shareholder's holding to another Share Class, if it appears the Shareholder is precluded from owning the Shares in accordance with the Articles.** This applies to any investor who, whether investing alone or with others, appears (i) to be a US Person, (ii) to be holding Shares in violation of law or regulation or requirement of any country or governmental authority, (iii) to be holding Shares without having met the criteria for the relevant Share Class (including complying with the minimum holding amount), (iv) to have exceeded any limitation applicable to their investment or (v) where it appears that such holding might result in the Fund (including its Shareholders) or any of its delegates incurring any liability to taxation or suffering any sanction, penalty, burden or other disadvantage (whether pecuniary, administrative or operational) which the Fund (including its Shareholders) or its delegates might not otherwise have incurred or suffered or otherwise be detrimental to the interests of the Fund (including its Shareholders). The Fund will not be held liable for any gain or loss associated with such actions.

The Board or the Management Company will require that intermediaries compulsorily redeem Shares held by a US Person.

# Taxation

This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular investor or potential investor.

### *Taxation of the Fund and its investments*

- **Fund taxation** The Fund is not subject to taxation in Luxembourg on its income, profits or gains. The Fund is subject to a subscription tax ("taxe d'abonnement"). Details of the amount charged for each Share Class can be found under Direct Fund Expenses under Fees and expenses taken from the Share Class over a year ("Annual Fees").
- **Taxation of income and capital gains** Interest income, dividend income and capital gains received by the Fund in respect of some of its securities and cash deposits, including certain derivatives, may be subject to non-recoverable withholding taxes at varying rates in the countries of origin. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Management Company reserves the right to provide for appropriate tax on gains thus impacting the valuation of the Sub-Fund. With the uncertainty over whether and how certain gains are to be taxed, any such provision for taxation made by the Management Company may be excessive or inadequate to meet final tax liabilities on gains.
- **Taxation of assets invested through Belgian financial intermediaries** The Fund is subject to an annual tax of 0.08% on the part of the NAV of the Shares placed through Belgian financial intermediaries. This is reflected in the NAV of the Share Classes of those Sub-Funds with such investments. The tax is payable to the Kingdom of Belgium as long as the Fund is registered for public distribution in such country.
- **Taxation of Brazilian financial operations** Sub-Funds investing in Brazil are subject to the Tax on Financial Operations (IOF) applying to foreign exchange inflows and outflows as detailed in an in force Brazilian Presidential Decree as amended from time to time. The Brazilian government may change the applicable rate at any time and without prior notification. The application of the IOF tax would reduce the NAV.
- **Taxation of Chinese assets** The PRC Enterprise Income Tax Law ( EITL ) imposes an Enterprise Income Tax ( EIT ) of 20% on the PRC-sourced income derived by a foreign enterprise without a permanent establishment in China. The rate is reduced to 10% for sources of income including profit, dividend and interest. Sub-Funds that invest in PRC securities may be subject to EIT withholding and other taxes imposed in the PRC, including the following:

  – Dividends and interest paid by PRC companies are subject to a 10% tax. The paying entity in China will be responsible for withholding such tax when making a payment. A full tax provision of 10% is made for PRC-sourced dividends and interest where tax has not yet been withheld by the paying entity. Interest from government bonds is specifically exempt from EIT.

  – Gains from the disposal of PRC securities would normally be subject to a 10% EIT under EITL. However, currently gains from the disposal of China A-Shares (including those on the China-Hong Kong Stock Connect Programmes) are subject to a temporary exemption from EIT effective since 17 November 2014. Generally, there is no withholding mechanism for EIT on gains from PRC securities. A full PRC tax provision of 10% is made for gains from disposal of PRC securities that are currently not specifically exempt from EIT.

### *Taxation and reporting of Shareholders*

- Taxpayers in Luxembourg Shareholders whom Luxembourg considers to be residents or otherwise to have permanent establishment there, currently or in the past, typically will be subject to Luxembourg taxes.
- Taxpayers in other countries Shareholders who are not Luxembourg taxpayers are not subject to any Luxembourg capital gains, income, withholding, gift, estate, inheritance or other taxes, with the rare exceptions of certain former Luxembourg residents and any investor who owns more than 10% of the Fund's total value. However, an investment in a Sub-Fund typically will have tax implications in any jurisdiction that considers Shareholders to be taxpayers.
- CRS and FATCA To comply with legislation implementing the OECD Common Reporting Standard ( CRS ), the US Foreign Account Tax Compliance Act ( FATCA ) and other intergovernmental agreements and EU directives concerning the automatic exchange of information to improve international tax compliance, the Fund (or its agent) will collect information about Shareholders and their identity and tax status, and will report this information to the relevant Luxembourg authorities. Under Luxembourg law, the Fund or the Sub-Funds as the case may be are a Reporting Luxembourg Financial Institution, and the Fund intends to comply with the Luxembourg laws that apply to such entities.

Shareholders must provide all tax certifications or other information requested. Shareholders that are Reportable persons (and Controlling Persons of certain entities that are Passive Non-Financial Entities) will be reported to the relevant Luxembourg tax authority, and by that tax authority to any relevant overseas tax authorities.

Additionally, US Persons, US citizens and US tax residents, as defined in Information for Investors in Certain Countries, are subject to reporting to the US Internal Revenue Service and may be subject to US withholding tax.

The Privacy Policy sets out the appropriate information for investors regarding the circumstances in which JP Morgan Asset Management may process personal data. The Management Company may refuse any subscription from prospective investors or request compulsory redemption of existing Shareholders in case they do not provide the requested information to the Fund.

# Conflicts of Interest

An investment in the Fund or a Sub-Fund is subject to a number of actual or potential conflicts of interest. The Management Company, affiliated Investment Managers and other JPMorgan affiliates have adopted policies and procedures reasonably designed to prevent, limit or mitigate conflicts of interest. In addition, these policies and procedures are designed to comply with applicable law where the activities that give rise to conflicts of interest are limited or prohibited by law, unless an exception is available. The Management Company reports any material conflicts of interest that cannot be managed to the Board.

The Management Company and/or its affiliates provide a variety of different services to the Fund, for which the Fund compensates them. As a result, the Management Company and/or its affiliates have an incentive to enter into arrangements with the Fund, and face conflicts of interest when balancing that incentive against the best interests of the Fund. The Management Company, together with affiliates to which it delegates responsibility for investment management, also face conflicts of interest in their service as investment manager to other funds or clients, and, from time to time, make investment decisions that differ from and/or negatively impact those made by the Investment Managers on behalf of the Fund.

In addition, affiliates of the Management Company (collectively, "JPMorgan") provide a broad range of services and products to their clients and are major participants in the global currency, equity, commodity, fixed-income and

other markets in which the Fund invests or will invest. In certain circumstances by providing services and products to their clients, JPMorgan's activities may disadvantage or restrict the Funds and/or benefit these affiliates.

Potential conflicts of interest may also arise as a consequence of the depositary (which is part of JPMorgan) providing administrative services to the Fund as the Management Company's agent. In addition, potential conflicts of interest may arise between the depositary and any delegates or sub-delegates it has appointed to perform safekeeping and related services. For example, potential conflicts of interest may arise where an appointed delegate is an affiliated group company of the depositary and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company of the depositary which receives remuneration for other related custodial products or services it provides to the Fund, such as foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest that may arise during the normal course of business, the depositary will at all times have regard to its obligations under applicable laws including those to act honestly, fairly, professionally and independently and solely in the interests of the Fund, as provided under Article 25 of the UCITS Directive, and will also manage, monitor and disclose any conflicts of interest to prevent negative effects on the interests of the Fund and its Shareholders, as provided under Article 23 of the UCITS V Regulation. The Management Company and the depositary ensure that they operate independently within JPMorgan.

The Management Company or the delegate Investment Managers may also acquire material non-public information that would negatively affect the Fund's ability to transact in securities affected by such information.

For more information about conflicts of interest, see jpmorganassetmanagement.lu.

# Liquidation or Merger

### LIQUIDATION OF THE FUND

The Fund may be liquidated at any time if a meeting of Shareholders adopts a resolution to do so at a two-third majority of the votes cast. At the same meeting one or more liquidators will be appointed to liquidate the Fund's assets in the best interest of Shareholders and in accordance with Luxembourg law. The liquidators will distribute the net proceeds for each Sub-Fund to the Shareholders of the relevant Sub-Fund in proportion to the value of their holding.

In addition, the Directors must convene an Extraordinary Meeting of Shareholders to consider the liquidation of the Fund when the Share capital falls below:

- two-thirds of the minimum capital amount with the decision requiring a majority of the Shares present or represented at the meeting
- one-quarter of the minimum capital amount with the decision requiring one-quarter of the Shares present or represented at the meeting

### LIQUIDATION OF A SUB-FUND OR SHARE CLASS

The Board typically will decide to liquidate any Sub-Fund or Share Class if any of the following is true:

- the total number of Shares of all Share Classes in any Sub-Fund is less than 1 million Shares
- the total NAV of all Share Classes of a Sub-Fund is less than USD 30 million (or the equivalent in other currencies)
- the liquidation is justified by a change in economic or political situations impacting the Sub-Fund
- the liquidation is part of an economic rationalisation
- the laws and regulations applicable to the Fund or any of its Sub-Funds or Share Classes justifies it
- the Board believes the liquidation would be in the best interests of Shareholders

The Board may also decide to submit the decision to a meeting of the Shareholders of the relevant Sub-Fund. No quorum is required; the decision will be considered approved if supported by a simple majority of the votes cast at the meeting. The liquidation of the last Sub-Fund must be decided by a general meeting of Shareholders.

Shareholders will be notified of the decision to liquidate a Sub-Fund and will be paid the net liquidation proceeds as at the liquidation date. Shareholders of the relevant Sub-Fund can continue to redeem or switch their Shares, free of any redemption and switch charges up to the liquidation date, but typically no further subscriptions will be accepted. The prices at which these redemptions and switches are executed will reflect any costs relating to the liquidation. The Board can suspend or refuse these redemptions and switches if it believes it is in the best interests of Shareholders or is necessary to ensure Shareholder equality.

Shareholders will be paid the NAV of the Shares of the relevant Sub-Fund held as at the liquidation date. Amounts from any liquidations that cannot be distributed to Shareholders will be deposited with the Caisse de Consignation in accordance with Luxembourg law.

The costs and expenses of any liquidation may be borne by the Fund or relevant Sub-Fund or Share Class up to the capped level of operating and administrative expenses as specified in the Prospectus for the relevant Share Class or may be borne by the Management Company.

### MERGER OF THE FUND

In the case of a merger of the Fund into another UCITS where, as a result, the Fund ceases to exist, the merger will be decided by a meeting of Shareholders. No quorum is required and the merger will be considered approved if it receives the simple majority of the votes cast at the meeting.

### MERGER OF A SUB-FUND

The Board may decide to merge a Sub-Fund with any other Sub-Fund, whether within the Fund or in another UCITS. The Board can also refer the decision of a merger to a meeting of the Shareholders of the relevant Sub-Fund. No quorum is required; the merger will be considered approved if supported by a simple majority of votes cast at the meeting.

Shareholders whose investments are involved in any merger will receive at least one calendar month prior notice of the merger and will be able to redeem or switch their Shares free of any redemption and switch charges.

In connection with a merger of Sub-Funds, the Management Company may apply swing pricing (see Swing Pricing) to the final NAV of the merging Sub-Fund to net out any impact of the swing pricing adjustment made on the absorbing Sub-Fund caused by cash inflows or outflows in the absorbing Sub-Fund on the merger date.

### REORGANISATION OF A SUB-FUND OR SHARE CLASS

Under the same circumstances as described above, the Board may decide to merge a Share Class into another Share Class or to reorganise a Sub-Fund or Share Class by means of a division into two or more Sub-Funds or Share Classes or by means of a consolidation or a split of Shares.

Shareholders will be notified of the decision of the Board at least one month in advance of the reorganisation taking place during which time they will be able to redeem or switch their Shares free of any redemption and switch charges. The Board can also refer the decision of such reorganisation to a meeting of the relevant Shareholders. No quorum is required and the reorganisation will be considered approved if it receives a simple majority of the votes cast at the meeting.

# Calculation of Share Prices

### TIMING AND FORMULA

The NAV for each Share Class of each Sub-Fund is calculated every day that is a Valuation Day for that Sub-Fund unless specified otherwise in Sub-Fund Descriptions. Each NAV is stated in the respective Share Class Currency, and is calculated to two decimal places (three places for JPMorgan Funds - Europe High Yield Bond Fund, JPMorgan Funds - Europe High Yield Short Duration Bond Fund, JPMorgan Funds - EU Government Bond Fund, JPMorgan Funds - Sterling Bond Fund and JPMorgan Funds - US Short Duration Bond Fund). The NAV for each Share Class of each Sub-Fund is calculated using this formula:

$$\frac{\text{(assets - liabilities)}}{\text{number of outstanding Shares}} \pm \text{any swing pricing adjustment} = \text{NAV}$$

Appropriate provisions will be made to account for the costs, charges and fees attributable to each Sub-Fund and class as well as accrued income on investments.

### SWING PRICING

To protect the interests of Shareholders, a Sub-Fund's NAV may be adjusted to compensate for dilutions that can arise in connection with large flows of cash into or out of a Sub-Fund.

These adjustments are normally applied on any Valuation Day when the total volume of trading in a Sub-Fund's Shares (meaning both purchases and redemptions) exceeds a certain threshold. The adjustments will seek to reflect the anticipated prices at which the Sub-Fund will be buying and selling assets, as well as estimated transaction costs. The NAV will be adjusted upward when there are large cash inflows into the Sub-Fund and downward when there are large outflows. For any given Valuation Day, the adjustment will never be larger than 2% of what the NAV would otherwise be. The price adjustment applicable to a specific Sub-Fund is available on request from the Management Company at its registered office.

Note that swing pricing does not apply to the following Sub-Funds:

- JPMorgan Funds - Global Multi-Strategy Income Fund
- JPMorgan Funds – EUR Money Market VNAV Fund
- JPMorgan Funds – USD Money Market VNAV Fund

The Management Company makes, and periodically reviews, the operational decisions about swing pricing, including the thresholds that trigger it, the extent of the adjustment in each case, and which Sub-Funds will and will not be subject to swing pricing at any given time.

Swing pricing is normally applied to a merging Sub-Fund to minimise the impact of the incoming asset flows on the receiving Sub-Fund.

Note that the Management Company can decide not to apply swing pricing to purchases when it is trying to attract assets so that a Sub-Fund can reach a certain size. In this case, the Management Company will pay the dealing costs and other costs from its own assets in order to prevent dilution of Shareholder value. Note that in this circumstance, investors placing redemption requests will not receive the price for their Shares that they would have if swing pricing were being applied. For a list of Sub-Funds to which the Management Company has decided not to apply the swing pricing adjustment, see jpmorganassetmanagement.lu.

### CALCULATION OF BID AND OFFER PRICE

The Offer Price per Share of each Share Class is calculated by adding an initial charge, if any, to its NAV. The initial charge will be calculated as a percentage of the NAV not exceeding the levels shown in Sub-Fund Descriptions.

The Bid Price per Share of each Share Class is calculated by deducting a redemption charge, if any, from its NAV. The redemption charge will be calculated as a percentage of the NAV not exceeding the levels shown in Sub-Fund Descriptions.

### ERROR CORRECTION

Any NAV that experiences a calculation error that exceeds a certain threshold (positive or negative) will be addressed according to the Management Company's NAV correction policy. The threshold for the following Sub-Funds is 0.25% of NAV:

- JPMorgan Funds - Europe High Yield Short Duration Bond Fund
- JPMorgan Funds - Euro Government Short Duration Bond Fund
- JPMorgan Funds - Global Government Short Duration Bond Fund
- JPMorgan Funds - Global Short Duration Bond Fund
- JPMorgan Funds - Managed Reserves Fund
- JPMorgan Funds - Sterling Managed Reserves Fund
- JPMorgan Funds - US Short Duration Bond Fund

For all other Sub-Funds, the thresholds are based on a Sub-Fund's predominant investments:

- money market instruments or cash assets: 0.25% of NAV
- any other asset, including bonds and shares: 0.50% of NAV
- mixed/balanced portfolio: 0.50% of NAV

# Valuation of Assets

In general, the Management Company determines the value of each Sub-Fund's assets, as of each NAV calculation, as follows:

- **Cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued but not yet received** Valued at full value, minus any appropriate discount the Management Company applies based on its assessments of any circumstances that make full payment unlikely.
- **Transferable securities and derivatives that are quoted or dealt in on any stock exchange or traded in any other regulated market** Generally valued at the most recent quoted price. Where these assets trade on more than one market, the Management Company can choose to use the prices of the primary market.
- **Money market instruments and liquid assets** Generally valued at nominal value plus interest or amortised cost. Where practice allows, all other assets can be valued in the same manner.
- **Derivatives that are not listed on any official stock exchange or are traded over the counter** Valued independently in a reliable and verifiable manner on a daily basis, consistent with market practice.
- **Shares or units of UCITS or UCIs** Valued at the most recent NAV reported by the UCITS/UCI.
- **Assets or liabilities in currencies other than Base Currency** Valued at the applicable spot rate (applies to currencies held as assets and when

translating values of securities denominated in other currencies into the Base Currency of the Sub-Fund).

- **Swaps** Valued at their fair value based on the underlying securities (at the close of business or intraday) as well as on the characteristics of the underlying commitments.
- **Non-listed securities, listed securities or any other assets for which the price determined according to the above methods is not representative of fair market value** Valued in good faith at a prudent estimate of their expected sales price.

Any asset or liability not attributable to a particular Sub-Fund will be allocated pro-rata to the NAV of each Sub-Fund. All liabilities attributable to a particular Sub-Fund are binding solely on that Sub-Fund.

Please refer to "Specific provisions regarding the Net Asset Value calculation of the MMF Sub-Funds" for valuation provisions for the MMF Sub-Funds.

## Fund Rights Related to NAV Calculation and Dealing Arrangements

- **Calculate a NAV more often than once a day** whether temporarily or permanently. Examples of circumstances that might lead to additional NAV calculations include where the Management Company considers that there had been a material change to the market value of the investments in one or more Sub-Funds, or where there is an in-specie subscription and the Management Company believes it is in the interests of the Shareholders to value such a subscription separately. If the Management Company decides to alter the frequency of the NAV calculation permanently, the Prospectus will be amended and Shareholders informed accordingly.
- **Alter dealing arrangements** whether temporarily or permanently. If the Management Company decides to alter the dealing arrangements permanently, the Prospectus will be amended and Shareholders informed accordingly.
- **Apply alternative valuation method** When it believes the interests of Shareholders or the Fund justify it, the Management Company can apply valuation methods other than those described above, such as:
  - drawing upon other available pricing sources
  - valuing securities at either their bid or offer Prices, given the prevailing market conditions and/or the level of subscriptions or redemptions relative to the size of the relevant Sub-Fund
  - adjusting the NAV for dealing charges incurred by a Sub-Fund, up to 1% of the total net assets of the Sub-Fund at the time, and only if there is no swing pricing in effect on the same Share Class at the time
  - fair value methods

The Management Company will only use alternative valuation methods when it believes such a step is warranted in light of unusual market volatility or other circumstances. Any fair value adjustments will be applied consistently to all Share Classes within a Sub-Fund.

## Best Execution

In choosing broker-dealers to execute trades involving portfolio securities, the Investment Manager and the Fund have fiduciary and regulatory requirements to seek the broker-dealer that offers the “best execution”.

As the value of research services that a broker-dealer provides can be included when determining which firm offers “best execution”, the Investment Manager can choose a broker-dealer that charges a higher commission on trades if the Investment Manager determines, in good faith, that the commission paid is reasonable in relation to the value of the brokerage and research services provided.

The Investment Manager (or its delegate, such as a Sub-Investment Manager) makes such a determination based upon either a particular transaction or the overall responsibilities of the adviser with respect to the accounts over which it exercises investment discretion. Therefore, research may not necessarily benefit all accounts that pay commissions to a broker-dealer.

The research services in question are typically not available on a stand-alone basis from broker-dealers. The research can include research from an affiliate of the broker-dealer or access to unaffiliated industry experts.

The Investment Manager (or its delegate) can also use brokerage commissions to acquire research from independent providers and broker-dealers through commission-sharing arrangements (“CSAs”). The Investment Manager uses CSA credits only to obtain research designed to assist in the investment decision-making process.

## Notices and Publications

The following table shows which most recent official materials are typically made available through which channels:

| Information/document | Sent | Media | Online | Office |
|---|---|---|---|---|
| KIIDs | | | • | • |
| Prospectus | | | • | • |
| Application form and Terms and Conditions | | | • | • |
| NAVs (Share prices) (excluding P and V Share Classes) | | • | • | • |
| Dividend announcements | • | | | • |
| Shareholder Reports | | | • | • |
| Shareholder meeting notices | • | • | • | • |
| Other notices from the Board | • | | • | • |
| Notices from the Management Company | | | • | • |
| Statements/contract notes | • | | | |
| Articles | | | • | • |
| Stock exchange listing information | | | | • |
| Core service provider agreements | | | | • |

"Other notices from the Board" include notices of Prospectus changes, the merger or liquidation of Sub-Funds or Share Classes, suspension of trading in Shares, and all other items for which a notice is required. Notices will be sent to Shareholders where required by Luxembourg law or CSSF regulation or practice. "Core service provider agreements" include those with the Management Company and the Depositary.

Statements and contract notes are sent when there are transactions in a Shareholder's account, although they are also sent at minimum every six months. Other items are sent when issued. An audited annual report is issued within four months of the end of each Financial Year. An unaudited semi-annual report is issued within two months of the end of the period it covers.

Information on past performance appears in the KIID for each Sub-Fund, by Share Class, and in the Shareholder Reports.

Additional information is made available by the Management Company at its registered office, upon request, in accordance with the provisions of Luxembourg law and regulation. This additional information includes procedures relating to complaints handling, the strategy followed for the exercise of voting rights of the Fund, the policy for placing orders to deal on behalf of the Fund with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation with the investment management and administration of the Fund.

## Shareholder Meetings

The annual general meeting is held in Luxembourg 15:00 CET on the third Wednesday of November each year, or if that is not a business day in Luxembourg, then the next day that is. Other Shareholder meetings can be held at other places and times; if any are scheduled, notices will be distributed to Shareholders and will be published as required by law.

Resolutions concerning the interests of all Shareholders generally will be taken in a general meeting; those concerning the rights of the Shareholders of a specific Sub-Fund/Share Class will be discussed in a meeting of that Sub-Fund's/Share Class' Shareholders. The meeting notice will indicate any applicable quorum requirements. When no quorum is required, decisions will normally be taken if approved by a majority of those Shareholders that actually vote on the matter, whether in person or by proxy.

To fully exercise all rights as a Shareholder, including voting rights, Shares must be registered in a Shareholder's name, not that of an intermediary.

## Queries and Complaints

Any person who would like to receive information about the Fund or who wishes to make a complaint about the operation of the Fund should contact the Management Company.

## INFORMATION FOR INVESTORS IN CERTAIN COUNTRIES

The Fund engages local representatives or paying agents to handle transactions in Shares in certain countries or markets. In countries where a Sub-Fund has obtained approval to offer Shares, investors can obtain from these representatives at no cost a Prospectus, a KIID and/or other local offering document, the Articles and the most recent Shareholder Reports.

The information in this section is based on the Board's understanding of current law and practice in the countries named. It is general reference information, not legal or tax advice.

**Austria**

*REPRESENTATIVE*

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*PRINCIPAL PAYING AGENT*

UniCredit Bank Austria AG
Schottengasse 6-8
A-1010 Vienna, Austria

**Belgium**

*PRINCIPAL PAYING AGENT*

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B-1210 Brussels, Belgium

**Croatia**

*PAYING AGENT*

ZAGREBA KA BANKA d.d.,
Zagreb, Trg bana Josipa Jela i a 10
10000 Zagreb, Croatia

**Czech Republic**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*

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Prague 4 - Michle, Želetavská 1525/1
Postcode 140 92, Czech Republic

**Denmark**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*

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**France**

*REPRESENTATIVE*

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+33 1 44 21 70 00

*PRINCIPAL PAYING AGENT*

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rue du Débarcadère F-93500 Pantin, France

**Germany**

*INFORMATION AGENT*

JPMorgan Asset Management (Europe) S.à r.l., Frankfurt Branch
Taunustor 1
D-60310 Frankfurt am Main, Germany
+49 69 7124 0

German Investment Tax Act

The following Sub-Funds intend to qualify as an "Equity Fund" in accordance with the partial exemption regime and therefore, notwithstanding any other provision in this Prospectus and other governing documents and agreements will invest at least 51% of NAV on a continuous basis in equities (Kapitalbeteiligungen) as defined in the German Investment Tax Act:

JPMorgan Funds - Global Healthcare Fund
JPMorgan Funds - US Select Equity Plus Fund
JPMorgan Funds - India Fund
JPMorgan Funds - US Research Enhanced Index Equity Fund
JPMorgan Funds - Korea Equity Fund
JPMorgan Funds - Europe Sustainable Equity Fund
JPMorgan Funds - Global Sustainable Equity Fund
JPMorgan Funds - Indonesia Equity Fund
JPMorgan Funds - Global Research Enhanced Index Equity Fund
JPMorgan Funds - Global Socially Responsible Fund
JPMorgan Funds - Global Unconstrained Equity Fund
JPMorgan Funds - Europe Strategic Growth Fund
JPMorgan Funds - US Growth Fund
JPMorgan Funds - Equity Premium Income Fund
JPMorgan Funds - Emerging Middle East Equity Fund
JPMorgan Funds - Global Dynamic Fund
JPMorgan Funds - Euroland Dynamic Fund
JPMorgan Funds - Europe Dynamic Fund
JPMorgan Funds - US Hedged Equity Fund
JPMorgan Funds - Pacific Equity Fund
JPMorgan Funds - Europe Dynamic Small Cap Fund
JPMorgan Funds - Africa Equity Fund
JPMorgan Funds - Global Natural Resources Fund
JPMorgan Funds - US Small Cap Growth Fund
JPMorgan Funds - Emerging Markets Small Cap Fund
JPMorgan Funds - Europe Small Cap Fund
JPMorgan Funds - Europe Equity Fund
JPMorgan Funds - Asia Pacific Equity Fund
JPMorgan Funds - US Equity All Cap Fund
JPMorgan Funds - Taiwan Fund
JPMorgan Funds - Japan Equity Fund
JPMorgan Funds - Global Focus Fund
JPMorgan Funds - US Value Fund
JPMorgan Funds - Europe Equity Plus Fund
JPMorgan Funds - Global Equity Plus Fund
JPMorgan Funds - Europe Dynamic Technologies Fund
JPMorgan Funds - Europe Strategic Value Fund
JPMorgan Funds - ASEAN Equity Fund
JPMorgan Funds - America Equity Fund
JPMorgan Funds - US Technology Fund
JPMorgan Funds - Emerging Markets Dividend Fund
JPMorgan Funds - Euroland Equity Fund
JPMorgan Funds - US Smaller Companies Fund
JPMorgan Funds - Asia Growth Fund
JPMorgan Funds - Greater China Fund
JPMorgan Funds - Emerging Markets Equity Fund
JPMorgan Funds - Emerging Markets Diversified Equity Fund

JPMorgan Funds - Emerging Markets Opportunities Fund
JPMorgan Funds - China Fund
JPMorgan Funds - Latin America Equity Fund

JPMorgan Funds - Brazil Equity Fund

The following Sub-Funds intend to qualify as a "Mixed Fund" in accordance with the partial exemption regime and therefore, notwithstanding any other provision in this Prospectus and other governing documents and agreements will invest at least 25% of NAV on a continuous basis in equities (Kapitalbeteiligungen) as defined in the German Investment Tax Act:

JPMorgan Funds - Asia Pacific Income Fund

**Greece**

*PAYING AGENT*
Alpha Bank S.A.

Eurobank Ergasias S.A.

Private Banking, HSBC Bank plc Greece

Piraeus Bank S.A

**Hong Kong**

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**Hungary**

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**Iceland**

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**Ireland**

*FACILITIES AGENT*
J.P. Morgan Administration Services (Ireland) Limited
JPMorgan House, International Financial Services Centre
Dublin 1, Ireland

Further information, particularly regarding taxation in Ireland, is available for investors in Ireland.

**Italy**

*REPRESENTATIVE*
JPMorgan Asset Management (Europe) S.à r.l., Milan Branch
Via Catena 4
I-20121 Milan, Italy
+39 02 88951

*PRINCIPAL PAYING AGENT*

BNP Paribas Securities Services
Via Ansperto 5 I-20123 Milan, Italy

Regular Savings Plans, redemption and switch programmes are available in Italy. In addition to the fees and expenses indicated in this Prospectus, Italian Shareholders are charged fees relating to paying agent. For further information on Regular Savings Plans and paying agent fees, see the current Italian application form.

The Management Company can choose to accept deal requests that are not signed by the Shareholder so long as an authorised Distributor holds a valid power of attorney from the Shareholder.

**Japan**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
JPMorgan Securities Japan Co. Limited
Tokyo Building, 7-3, Marunouchi 2-chome Chiyoda-ku
Tokyo 100-6432, Japan
+81 3 6736 1822

**Liechtenstein**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
VP Bank AG
Aeulestrasse 6
9490 Vaduz, Liechtenstein

**Luxembourg**

*REPRESENTATIVE*
JPMorgan Asset Management (Europe) S.à r.l.
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg
+352 34 10 1

**Netherlands**

*REPRESENTATIVE*
JPMorgan Asset Management (Europe) S.à r.l., Netherlands Branch
WTC Tower B, 11th Floor, Strawinskylaan 1135
NL-1077XX Amsterdam, Netherlands
+31 20 504 0330

**Poland**

*REPRESENTATIVE*
Pekao Financial Services Sp. z o.o.
Post pu 21, 02-676 Warszawa, Poland

*PAYING AGENT*
Pekao Bank S.A.,
Warsaw, ul. Grzybowska 53/57. Poland

**Singapore**

Certain Sub-Funds (the "Restricted Sub-Funds") have been entered onto the list of restricted schemes maintained by the Monetary Authority of Singapore (the "MAS") for purpose of restricted offer in Singapore pursuant to section 305 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and the list of Restricted Sub-Funds may be accessed at the MAS website at https://eservices.mas.gov.sg/cisnetportal/jsp/list.jsp.

In addition, certain Sub-Funds (including some of the Restricted Sub-Funds), have also been recognised in Singapore for retail distribution (the "Recognised Sub-Funds"). Please refer to the Singapore prospectus (which has been registered by the MAS) relating to the retail offer of the Recognised Sub-Funds for the list of Sub-Funds which are Recognised Sub-Funds. The registered Singapore prospectus may be obtained from the relevant appointed Distributors.

A restricted offer or invitation to subscribe for Shares of each Restricted Sub-Fund is the subject of this Prospectus. Save for the Restricted Sub-Funds which are also Recognised Sub-Funds, the Restricted Sub-Funds are not authorised or recognised by the MAS, and the Shares are not allowed to be offered to the retail public in Singapore. A concurrent restricted offer of Shares of each Restricted Sub-Fund which is also a Recognised Sub-Fund is made under and in reliance of sections 304 and/or 305 of the SFA.

This Prospectus and any other document or material issued in connection with this restricted offer or sale of the Restricted Sub-Funds is not a prospectus as defined in the SFA and has not been registered as a prospectus with the MAS. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you after reviewing this Prospectus.

This Prospectus and any other document or material in connection with the restricted offer or sale, or invitation for subscription or purchase, of the relevant Sub-Funds may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, pursuant to this Prospectus whether directly or indirectly, to persons in Singapore other than (a) to an Institutional Investor, and in

accordance with the conditions specified in section 304 of the SFA; (b) to a relevant person pursuant to section 305(1), or any person pursuant to section 305(2) of the SFA, and in accordance with the conditions specified in section 305 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Shares are subscribed or purchased under section 305 by a relevant person which is:

(i) a corporation (which is not an accredited investor as defined in section 4A of the SFA) the sole business of which is to hold investments, and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) the sole purpose of which is to hold investments, and each beneficiary of the trust is an individual who is an accredited investor;

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:

(1) to an Institutional Investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 305A(5) of the SFA; or

(5) as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

Investors should note further that the other Sub-Funds of the Fund referred to in this Prospectus other than the Restricted Sub-Funds and/or the Recognised Sub-Funds, are not available to Singapore investors and references to such other Sub-Funds are not and should not be construed as an offer of Shares of such other Sub-Funds in Singapore.

Investors in Singapore should note that past performance information and the financial reports of the Restricted Sub-Funds are available at relevant Distributors.

**Slovakia**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
UniCredit Bank Czech Republic and Slovakia A.S.
Prague 4 - Michle Želetavská 1525/1
Postcode 140 92, Prague 4, Czech Republic

**Spain**

*SALES AGENT*
JPMorgan Asset Management (Europe) S.à r.l., Spanish Branch
Paseo de la Castellana, 31
28046 Madrid, Spain
+34 91 516 12 00

Further information for Spanish investors is included in the Spanish marketing memorandum which has been filed with the Comisión Nacional del Mercado de Valores ("CNMV") and is available from the sales agent.

**Sweden**

*REPRESENTATIVE*
JPMorgan Asset Management (Nordic)filial till JPMorgan Asset Management (Europe) S.à r.l., Luxembourg
Hamngatan 15
S-111 47 Stockholm, Sweden
+46 8 50644770

*PAYING AGENT*

Skandinaviska Enskilda Banken AB (Publ) (SEB),
SE-10640 Stockholm, Sweden

**Switzerland**

*REPRESENTATIVE*
JPMorgan Asset Management (Switzerland) LLC
Dreikönigstrasse 37
8002 Zurich, Switzerland
+41 44 206 86 00

*PRINCIPAL PAYING AGENT*

J.P. Morgan (Suisse) SA
8, rue de la Confédération
1204 Geneva , Switzerland+41 22 744 11 11

Authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA).

**Taiwan**

*MASTER AGENT*
JPMorgan Asset Management (Taiwan) Limited
20F, 1, Songzhi Rd, Xinyi Dist
Taipei City 110, Taiwan (R.O.C.)
+886 2 8726 8686

*Authorised by the Taiwan Financial Supervisory Commission.*

**United Kingdom**

*FACILITIES, MARKETING AND SALES AGENT*

JPMorgan Funds Limited

3 Lochside View, Edinburgh Park,

Edinburgh, EH12 9DH

*Authorised and regulated by the Financial Conduct Authority (FCA).*

The Management Company intends to seek UK Reporting Fund Status ("UKRFS") for certain Share Classes, including but not necessarily limited to the (dist) Share Classes. For further information on UKRFS, including details of the reportable income of each relevant Share Class (available annually within 6 months of the end of the relevant reporting period), go to jpmorganassetmanagement.lu

**United States of America**

None of the Shares have been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"). The Fund is not and will not be registered under the US Investment Company Act of 1940 nor under any other US federal laws.

In principle, the Fund and/or the Management Company will not, but reserve the right to, accept any subscription from or for the benefit of or holding by a US Person, defined as any of the following:

- any individual person in the United States
- any partnership, trust or corporation organised or incorporated under the laws of the United States
- any agency or branch of a non-US entity located in the United States
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or, if an individual, resident in the United States

A US Person would also include:

- any estate of which any executor or administrator is a US Person
- any trust of which any trustee is a US Person
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person

- any partnership of which any partner is a US Person

In addition, the Fund and/or the Management Company will, in principle, not accept any direct subscription from or direct holding by any individual who is a US citizen or a US tax resident or any non-US partnership, non-US trust or similar tax transparent non-US entity that has any partner, beneficiary or owner that is a US Person, US citizen or US tax resident.

Shares may not be acquired or owned by, or acquired with assets of, (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"); (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986; and/or (iii) a person or entity the underlying assets of which include the assets of any employee benefit plan or plan by reason of Department of Labour Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA. The Management Company reserves the right to request a written representation from investors stating their compliance with the above restrictions prior to accepting subscription requests.

# Fund Business Operations

## Operations and Business Structure

**Fund name** JPMorgan Funds

**Registered office**
European Bank & Business Centre
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

**Legal structure** Société anonyme, qualifying as a société d'investissement à capital variable ("SICAV").

**Incorporated** 14 April 1969 under the name Multi-Trust Fund.

**Duration** Indefinite.

**Articles** Last modified on 15 November 2017 available for inspection with the Registre de Commerce et des Société.

**Regulatory authority**
Commission de Surveillance du Secteur Financier ("CSSF")
283, route d'Arlon
L-1150 Luxembourg, Grand Duchy of Luxembourg
Tel +352 262 511
Fax +352 262 512 601

**Registration number** B 8478.

**Financial year** 1 July – 30 June.

**Capital** Sum of the net assets of all the Sub-Funds.

**Par value of Shares** None.

## Structure and Governing Law

The Fund is an "umbrella fund" under which the Sub-Funds are created and operate. The assets and liabilities of each Sub-Fund are segregated from those of other Sub-Funds; there is no cross-liability between Sub-Funds (referred to as a share class in the articles). The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS) under Part 1 of the 2010 Law, complies with all applicable UCITS legislation (including EC Directive 2009/65 as amended and related directives and regulations) and is registered on the official list of collective investment undertakings maintained by the CSSF.

Any legal disputes involving the Fund, the Management Company, the depositary or any Shareholder will be subject to the jurisdiction of the competent Luxembourg court, although the Fund can submit itself to the competent court of other jurisdictions in disputes that concern activities or Shareholders in that jurisdiction.

## Board of Directors

A majority of the Board consists of independent Directors. No Directors have executive powers within the Board.

### INDEPENDENT DIRECTORS

**Iain O.S. Saunders, Chair**
Duine, Ardfern
Argyll PA31 8QN, United Kingdom

**Jacques Elvinger**
Elvinger Hoss Prussen, société anonyme
2, place Winston Churchill
B.P. 425, L-2014 Luxembourg, Grand Duchy of Luxembourg

**Susanne van Dootingh**
Vlierbeekberg 125
3090 Overijse, Belgium

**John Li How Cheong**
The Directors' Office
19 rue de Bitbourg,
L-1273 Luxembourg, Grand Duchy of Luxembourg

**Peter Thomas Schwicht**
Guiollettstrasse 64
60325 Frankfurt am Main, Germany

### CONNECTED DIRECTORS

**Massimo Greco**
JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London, EC4Y OJP, United Kingdom

**Daniel J. Watkins**
JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y OJP, United Kingdom

The Board is responsible for the overall management and administration of the Fund and has broad powers to act on its behalf, including:

- appointing and supervising the Management Company and the other service providers indicated below
- setting investment policy and approving the appointment of the Investment Manager and of any Sub-Investment Managers that are not JPMorgan entities
- making all determinations regarding the launch, modification, merger or liquidation of Sub-Funds and Share Classes, including such matters as timing, pricing, fees, Valuation Days, dividend policy and other conditions
- determining whether to list a Sub-Fund's Shares on the Luxembourg Stock Exchange or any other stock exchange
- determining when and in what manner the Fund will exercise any of the rights reserved in this Prospectus or by statute, and making any associated Shareholder communications
- ensuring that the appointment of the Management Company and the depositary is consistent with the 2010 Law and any applicable contracts of the Fund

The Board has overall responsibility for the Fund's investment activities and other operations. The Board has delegated the day-to-day management of the Fund and its Sub-Funds to the Management Company, which in turn has delegated some or all of its duties to various Investment Managers and other service providers. The Management Company, under the supervision of the Board, remains responsible for the delegated duties and acts.

The Board is responsible for the information in this Prospectus and has taken all reasonable care to ensure that it is materially accurate and complete.

The Board also sets the fees to be paid to independent Directors, subject to approval by Shareholders (no Director's fees are paid to Directors who are employed by any entity of JPMorgan Chase & Co.). Directors serve until their term ends, they resign, or they are revoked, in accordance with the Articles. Any additional Directors will be appointed in accordance with the Articles and Luxembourg law.

Directors are reimbursed for out-of-pocket expenses in connection with the

performance of their duties as a Director.

## Service Providers Engaged by the Board

### THE MANAGEMENT COMPANY

**Management Company name** JPMorgan Asset Management (Europe) S.à r.l

**Registered office**
European Bank & Business Centre
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

**Other contact information**
Tel +352 34 10 1
Fax +352 2452 9755

**Legal form of company** Société à responsabilité limitée (S.à r.l).

**Incorporated** 20 April 1988, in Luxembourg.

**Articles of Incorporation** Last modified on 13 June 2014 and published in the Mémorial C, Recueil des Sociétés et Associations, on 28 July 2014.

**Regulatory authority**
Commission de Surveillance du Secteur Financier (CSSF)
283, route d'Arlon
L-1150 Luxembourg, Grand Duchy of Luxembourg

**Registration number** B 27900

**Authorised and issued share capital** EUR 10 million.

The Board has appointed the Management Company to perform investment management, administrative and marketing functions and as domiciliary agent. The Management Company typically serves for an indefinite period and the Board can replace the Management Company.

In its capacity as domiciliary agent, the Management Company is responsible for the administrative work required by law and the Articles, and for keeping the books and records of the Sub-Funds and the Fund. The Management Company is subject to Chapter 15 of the 2010 Law.

The Management Company can delegate to third parties some or all of its activities, subject to applicable laws. For example, so long as it retains control and supervision, the Management Company can appoint one or more Investment Managers to handle the day-to-day management of Sub-Fund assets, or one or more advisors to provide investment information, recommendations and research concerning prospective and existing investments. The Management Company can also appoint various service providers; further details can be obtained from its registered office.

The Investment Managers and all service providers typically serve for an indefinite period and the Management Company can replace them periodically.

The names of other funds for which JPMorgan Asset Management (Europe) S.à r.l serves as a management company is available on request from its registered office.

**Remuneration Policy**

The Management Company has a remuneration policy that is designed to:

- contribute to the achievement of short-term and long-term strategic and operational objectives at the same time avoiding excessive risk-taking inconsistent with the risk management strategy
- provide a balanced total remuneration package made up of a mix of fixed and variable components including base salary, cash incentives and long-term, equity based or fund-tracking incentives that vest over time
- promote proper governance and regulatory compliance

Key elements of the policy are intended to:

- tie remuneration of employees to long-term performance and align it with Shareholders' interests
- encourage a shared success culture amongst employees
- attract and retain talented individuals
- integrate risk management and remuneration
- have no remuneration perquisites or non-performance-based remuneration
- maintain strong governance around remunerations practices
- avoid conflicts of interest

The policy applies to all employees, including employees whose professional activities materially impact the risk profile of the Management Company or the Fund, includes a description of how remuneration and benefits are calculated, and sets out the responsibilities for awarding remuneration and benefits, including the composition of the committee that oversees and controls the policy. A copy of the policy is available at jpmorganassetmanagement.lu/emea-remuneration-policy or free of charge from the Management Company.

### Management Company Board of Managers

**Graham Goodhew**
Independent Director
8 Rue Pierre Joseph Redoute
L-2435 Luxembourg, Grand Duchy of Luxembourg

**Massimo Greco**
Managing Director, JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y 0JP, United Kingdom

**Jonathan P. Griffin**
Managing Director, JPMorgan Asset Management (Europe) S.à r.l.
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

**Beate Gross**
Managing Director, JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y 0JP, United Kingdom

**Jean-Jacques Lava**
Executive Director, JPMorgan Asset Management (Europe) S.à r.l.
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

**Hendrik van Riel**
Independent Director
Via Allessandro Fleming 101/A Rome, Italy

**Maria Paola Toschi**
Executive Director, JPMorgan Asset Management (Europe) S.à r.l.
Via Catena 420121 Milan, Italy

**Daniel J. Watkins**
Managing Director, JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y 0JP, United Kingdom

### MANAGEMENT COMPANY CONDUCTING OFFICERS

**Gilbert Dunlop**
**Jonathan P. Griffin**
**Sandrine Lilliu**
**Philippe Ringard**

The conducting officers supervise and coordinate the activities of the Management Company and are responsible for the day to day management of the Management Company in accordance with the Luxembourg law.

## DEPOSITARY

**JP Morgan Bank Luxembourg S.A.**
European Bank & Business Centre
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

The depositary provides such services as:

- maintaining custody of the assets of the Fund
- verifying the ownership, and maintaining an up-to-date record, of all assets held by the Fund
- ensuring that various activities are carried out in accordance with the Board's instructions and, above all, with law, regulation and the Articles; these activities include the calculation of NAV, the processing of dealing requests and the receipt and allocation of income and revenues to each Sub-Fund and Share Class, among others
- carrying out the orders of the Fund and the Management Company, and ensuring that any delegated entities or sub-custodians carry out these orders, unless they conflict with Luxembourg law or the Articles

The depositary is not allowed to carry out activities with regard to the Fund that may create conflicts of interest between the Fund, the Shareholders and the depositary itself, unless it has properly identified these potential conflicts of interest, has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to Shareholders. To address conflicts of interest, the depositary follows the policies and procedures that are outlined in Considerations for Investors under Investing in the Sub-Funds and that are available in full upon request to the Management Company.

The depositary must act independently from the Fund and the Management Company, solely in the interest of the Fund and the Shareholders, and in compliance with UCITS V legislation.

The depositary can, with the Fund's consent, entrust Fund assets to third party banks, financial institutions or clearinghouses, and to sub-custodians, but this will not affect its liability.

The depositary will exercise all due skill, care and diligence to ensure that any delegate is capable of providing an adequate standard of protection.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and there are no local entities that satisfy the delegation requirement, the depositary can delegate to a local entity, provided that the investors have been duly informed and that appropriate instructions to delegate to the relevant local entity have been given by or for the Fund.

The depositary must use reasonable care in exercising its duties and is liable to the Fund and Shareholders for any loss of a financial instrument held in custody, whether held directly or by any of its delegates or sub-custodians. The depositary shall, however, not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary is also liable for any losses resulting from negligent or intentional failure to properly perform its duties, including all duties under UCITS V legislation.

Full updated details regarding the description of the depositary's duties as well as information regarding safekeeping functions delegated by the depositary and the up-to-date list of delegates are available on request from the Management Company. For a current list of sub-custodians used by the depositary, go to jpmorganassetmanagement.lu/listofsubcustodians.

## MAURITIUS SUBSIDIARY

**Mauritius subsidiary name** JPMorgan SICAV Investment Company (Mauritius) Limited

**Legal form of company** open-ended private company limited.

**Incorporated** 9 August 1995 in Mauritius under the Mauritius Companies Act 1984 as a wholly-owned subsidiary.

**Governing legislation** Companies Act 2001, Category 1 Global Business Licence under the Financial Services Development Act 2001.

## MAURITIUS SUBSIDARY BOARD OF DIRECTORS

**Iain O.S. Saunders**
Duine, Ardfern
Argyll PA31 8QN, United Kingdom

**Pierre Dinan**
Cim Fund Services Ltd
33 Edith Cavell Street
Port Louis, Mauritius

**Gyaneshwarnath Gowrea**
CIM Tax Services Ltd
33 Edith Cavell Street
Port Louis, Mauritius

**John Li How Cheong**
The Directors' Office
19 rue de Bitbourg,
L-1273 Luxembourg, Grand Duchy of Luxembourg

**Peter Thomas Schwicht**
Guiollettstrasse 64
60325 Frankfurt am Main, Germany

**Daniel J. Watkins**
JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y 0JP, United Kingdom

The Mauritius Subsidiary holds a substantial proportion of the assets of the JPMorgan Funds - India Fund to facilitate efficient portfolio management of the assets. The Mauritius Subsidiary has received a tax residence certificate from the Commissioner of Income Tax in Mauritius, on which basis the Mauritius Subsidiary should, subject to the recent changes detailed below, be entitled to appropriate relief under the India/Mauritius Double Taxation Treaty. The Mauritius Subsidiary makes direct investment in India.

The directors of the Mauritius Subsidiary are responsible for establishing the investment policy and restrictions of the Mauritius Subsidiary and for monitoring its operations. The Mauritius Subsidiary adheres to the investment policy and restrictions contained in this Prospectus which apply to the JPMorgan Funds - India Fund and the Fund. The Mauritius Subsidiary carries out exclusively activities consistent with investment on behalf of the Sub-Fund.

The Mauritius Subsidiary has appointed CIM Fund Services Limited, Port Louis, Mauritius to provide company secretarial and administrative services, including maintenance of accounts, books and records. CIM Fund Services Limited is incorporated in Mauritius and is licensed by the Mauritius Offshore Business Activities Authority to provide inter alia company management services to offshore companies. All cash, securities and other assets constituting the assets of the Mauritius Subsidiary shall be held under the control of the Depositary on behalf of the Mauritius Subsidiary. The Depositary may entrust the physical custody of securities and other assets, mainly securities traded abroad, listed on a foreign stock market or accepted by clearing institutions for their transactions, to such institutions or to one or more of its banking correspondents. PricewaterhouseCoopers of

Cathedral Square, Port Louis, Mauritius have been appointed auditors of the Mauritius Subsidiary.

As a wholly owned subsidiary of the Fund, all assets and liabilities, income and expenses of the Mauritius Subsidiary are consolidated in the statement of net assets and operations of the Fund. All investments held by the Mauritius Subsidiary are disclosed in the accounts of the Fund.

The use of the Mauritius Subsidiary and the beneficial tax treatment on Indian capital gains tax it is afforded is based on the law and practice currently in force in the relevant countries as understood by the Directors after making all reasonable enquiries. It is subject to any future changes and such changes may adversely affect the returns of the Sub-Fund. Please note that the India/Mauritius Double Taxation Treaty will no longer be applicable from 31st March 2019 and from this time capital gains on disposal of securities listed on the Indian stock exchange will typically be subject to tax at rates of 0% or 15% depending on the length of time the relevant investment has been held. There are currently transitional and grandfathering provisions which may also impact the position.

# Service Providers Engaged by the Shareholders of the Fund

## AUDITOR

**PricewaterhouseCoopers, société cooperative**
2, rue Gerhard Mercator, B.P. 1443
L-1014 Luxembourg, Grand Duchy of Luxembourg

The auditor provides independent review of the financial statements of the Fund and all Sub-Funds once a year. The auditor is appointed annually at the annual general meeting of Shareholders.

# Service Providers Engaged by the Management Company

## INVESTMENT MANAGERS

The Management Company has delegated the investment management of each Sub-Fund to one or more of the Investment Managers listed below. The Management Company can appoint any other entity of JPMorgan Chase & Co. to be an Investment Manager in which case this Prospectus will be updated.

**JF Asset Management Limited**
21st Floor, Chater House
8 Connaught Road Central Hong Kong

**J.P. Morgan Alternative Asset Management, Inc.**
270 Park Avenue
New York, NY 10017, United States of America

**JPMorgan Asset Management (Japan) Limited**
Tokyo Building, 7-3 Marunouchi 2-chome Chiyoda-ku Tokyo 100-6432, Japan

**JPMorgan Asset Management (Singapore) Limited**
17th Floor, Capital Tower 168 Robinson Road, Singapore 068912

**JPMorgan Asset Management (Taiwan) Limited**
20F, 1, Songzhi Rd Xinyi Dist
Taipei City 110, Taiwan

**JPMorgan Asset Management (UK) Limited**
60 Victoria Embankment
London EC4Y 0JP, United Kingdom

*Authorised and regulated by the FCA.*

**JPMorgan Investment Management Inc.**
270 Park Avenue
New York, NY 10017, United States of America

The Investment Managers are responsible for day-to-day management of the Sub-Funds' portfolios in accordance with the stated investment objectives and policies. The Investment Manager may, from time to time, sub-delegate part or all of the investment management function to one or more affiliates of JPMorgan Chase & Co.

To see the Investment Manager(s) responsible for each Sub-Fund, go to jpmorganassetmanagement.lu

## SUB-INVESTMENT MANAGERS

The Investment Manager may be authorised to delegate investment management and advisory duties for a Sub-Fund to one or more Sub-Investment Managers that are not affiliated with JPMorgan Chase & Co.

### Commission Sharing Arrangements

An Investment Manager may enter into commission sharing arrangements, but only where all of the following are true:

- there is a direct and identifiable benefit to the clients of the Investment Managers including the Fund
- the Investment Managers are satisfied that the transactions generating the shared commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the Fund and its Shareholders
- the terms of the arrangements are commensurate with best market practice

Depending on local regulation, an Investment Manager can pay for research or execution services using soft commissions or other similar arrangements. From 1 January 2018, only certain Sub-Funds as disclosed on www.jpmorganassetmanagement.lu may use commission sharing / soft commission to pay for external research.

## PRIME BROKERAGE ARRANGEMENTS

The Fund or Investment Managers may appoint one or several Prime Brokers to provide brokerage and dealing services to the Fund.

In relation to the purchases and sale transaction that the Prime Brokers will settle for the Fund, the Prime Brokers can provide financing to the Fund and hold assets and cash on behalf of the Fund in connection with such settlement and financing transactions. As security for the payment and performance of its obligations and liabilities to the Prime Brokers, the Fund will advance to the Prime Brokers collateral in the form of assets or cash.

For the identity of any Prime Brokers and other relevant information, go to jpmorganassetmanagement.lu/listofprimebrokers.

## LEGAL ADVISER

**Elvinger Hoss Prussen, société anonyme**
2, place Winston Churchill, B.P. 425
L-2014 Luxembourg, Grand Duchy of Luxembourg

The legal adviser provides independent legal advice on business, regulatory, tax, and other matters, as requested.

## SALES AGENTS AND DISTRIBUTORS

The Management Company appoints sales agents and Distributors (entities or individuals who arrange or carry out the marketing, sales or distribution of Sub-Fund Shares). In some countries, use of an agent is mandatory.

# Glossaries

## GLOSSARY 1 DEFINED TERMS

The following terms have these specific meanings within this document. All references to laws and documents apply to those laws and documents as amended from time to time.

**2010 Law** The Luxembourg law of 17 December 2010 on undertakings for collective investment. Words and expressions that are not defined in the Prospectus but are defined in the 2010 Law have the same meaning as in the 2010 Law.

Additional Investors Entities that are eligible for I, I2, S1, S2, X and Y Shares in the EU in addition to Eligible Counterparties (as defined below). These entities are the following:

- charitable institutions registered in their jurisdictions
- companies traded or listed on a regulated market and Large Companies (as defined below)
- corporate entities or holding companies, including personal investment companies, where the purpose is to hold substantial financial interests/investments
- local authorities and municipalities
- non-UCITS collective investment schemes and their management companies
- reinsurance companies
- social security institutions

**Articles** The Articles of Incorporation of the Fund.

**Base Currency** The currency in which a Sub-Fund maintains its financial statements and calculates its total net assets.

**Benchmark** An index or rate, or a combination of indices or of rates, specified as being a point of reference for a Sub-Fund. The particular purposes for which a Sub-Fund uses its Benchmark are stated in Sub-Fund Descriptions. Where a Sub-Fund's Benchmark is part of the policy, this is stated in the investment objective and policy in Sub-Fund Descriptions.

With respect to benchmarks, "Total Return Net" means the return is quoted after any tax on dividends, "Total Return Gross" means it is quoted before any tax on dividends, and "Price Index" means the return excludes dividend income.

**Benchmarks Regulation** Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014).

**Bid Price and Offer Price** Shares of each Share Class are issued at the Offer Price of such Share Class determined on the applicable Valuation Day in accordance with the relevant provisions under Calculation of Bid and Offer Price.

Subject to certain restrictions specified herein, Shareholders may at any time request redemptions of their Shares at the Bid Price of the relevant Share Class determined on the applicable Valuation Day in accordance with the relevant provisions under Calculation of Bid and Offer Price.

**Board** The Board of Directors of the Fund.

**Caisse de Consignation** The Luxembourg government agency responsible for safekeeping unclaimed assets.

**CDSC** A contingent deferred sales charge, a charge that is deducted from redemption proceeds and is calculated, at the time of redemption, on the purchase price of the Shares for T Shares and NAV per Share on redemption for F Shares.

**China-Hong Kong Stock Connect Programmes** The Shanghai-Hong Kong Stock Connect Programme and any other similarly regulated securities trading and clearing-linked programmes through which investments are made in Chinese domestic securities.

**CSRC** The China Securities Regulatory Commission

**CSSF** The Commission de Surveillance du Secteur Financier, the Luxembourg financial regulator.

**Director** A member of the Board.

**Distributor** Any person or entity appointed by the Management Company to distribute or arrange for the distribution of Shares.

Eligible Counterparty(ies) Entities designated as Eligible Counterparties per se in Article 30 (2) of Directive 2014/65/EU on markets in financial instruments as well as the entities qualifying as Eligible Counterparties in accordance with their national law as per the provisions of Article 30 (3) of Directive 2014/65/EU and Article 71 (1) of Commission Delegated Regulation 2017/565/EU. Eligible Counterparties per se are:

- investment firms
- credit institutions
- insurance companies
- pension funds and their management companies
- UCITS and their management companies
- financial institutions authorised or regulated under European Union law or under the national law of a EU Member State
- national governments and their corresponding offices including public bodies that deal with public debt at national level
- central banks and supranational organisations

For the purpose of the Share Classes eligibility requirements, investment firms, credit institutions and authorised and regulated financial institutions referred to above must subscribe in the Share Classes (i) on their own behalf or through structures managing their own assets (ii) in their own name but on behalf of other Eligible Counterparties or Additional Investors or (iii) in their own name but on behalf of their clients on the basis of a discretionary management mandate.

Eligible State Any EU Member State, any member state of the OECD, and any other state which the Directors deem appropriate with regard to the investment objectives of each Sub-Fund. Eligible States in this category include countries in Africa, the Americas, Asia, Australasia and Europe.

**ESMA** The European Securities and Markets Authority, an independent EU Authority that contributes to safeguarding the stability of the EU's financial system by ensuring the integrity, transparency, efficiency and orderly functioning of securities markets, as well as enhancing investor protection.

**EU Member State** A member state of the European Union.

**Financial Year** The Fund's fiscal year.

**Forward Pricing** A price calculated at the valuation point following the Sub-Fund's deal cut off time by which all dealing requests in Shares must be received.

**Fund** JPMorgan Funds (except when it appears as part of the name of a Sub-Fund).

**G20** The "Group of Twenty", the central forum for international cooperation on financial and economic issues, which comprises: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan,

Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK, USA and the European Union.

**Institutional Investor** Institutional Investor within the meaning of Article 174 of the 2010 Law such as:

- banks and other professionals of the financial sector, insurance and reinsurance companies, social security institutions and pension funds, industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such Institutional Investors put into place for the management of their own assets
- credit institutions and other professionals of the financial sector investing in their own name but on behalf of Institutional Investors as defined above
- credit institutions or other professionals of the financial sector which invest in their own name but on behalf of their clients on the basis of a discretionary management mandate
- collective investment schemes and their managers
- holding companies or similar entities, whose shareholders are Institutional Investors as described in the foregoing paragraphs
- holding companies or similar entities, whether Luxembourg-based or not, whose shareholder/beneficial owners are individual person(s) who are extremely wealthy and may reasonably be regarded as sophisticated investors and where the purpose of the holding company is to hold important financial interests/investments for an individual or a family
- a holding company or similar entity which as a result of its structure, activity and substance constitutes an Institutional Investor in its own right
- governments, supranationals, local authorities, municipalities or their agencies

**Investment Manager** The entity that performs the investment management and advisory functions for a Sub-Fund.

**JPMorgan Chase & Co.** The Management Company's ultimate holding company (principal office: 270 Park Avenue, New York, N.Y. 10017-2070, USA) and that company's direct and indirect subsidiaries and affiliates worldwide.

**JPMorgan Chase Bank, N.A./JPMCB** An affiliate of the Management Company acting as securities lending agent.

**KIID** The Key Investor Information Document, a two-page, legally required precontractual document describing in brief the objectives, policies, risks, costs, past performance and other relevant information for a given Share Class of a given Sub-Fund.

**Large Company** For the purpose of the Share Classes eligibility requirements, a company within the meaning of item (2) of section I of Annex II of directive 2014/65/EU.

**Management Company** The entity with overall responsibility for business management of the Fund.

**Money Market Sub-Fund** Any Sub-Fund that qualifies as such under ESMA guidelines (CESR/10-049).

**NAV** Net asset value per Share.

**OECD** The Organisation for Economic Co-operation and Development, an intergovernmental economic organisation with 35 member countries.

**PRC** The People's Republic of China, not including Hong Kong, Macau or Taiwan.

**PRC Custodian** China Construction Bank Corporation ("CCB") a company incorporated in China and having its principal place of business at No. 25 Finance Street, Beijing, PR China, 100032

**Prime Broker** A credit institution, regulated investment firm or other entity subject to prudential regulation and ongoing supervision with whom the Fund has a prime brokerage agreement. A prime broker serves as counterparty to transactions in portfolio investments and may help with the financing, execution, clearing and settlement of trades, as well as providing custodial services, securities lending, customised technical services and operational support.

**Prospectus** This document.

**Privacy Policy** The Privacy Policy issued by JPMorgan Asset Management on behalf of itself, its subsidiaries and its affiliates which is available at www.jpmorgan.com/emea-privacy-policy.

**QFII** An entity that meets the relevant PRC laws and requirements to be a qualified foreign institutional investor.

**QFII/RQFII Eligible Securities** Securities and other investments that a QFII or RQFII can hold or make under QFII/RQFII Regulations.

**QFII/RQFII Regulations** The laws and regulations governing the establishment and operation of the qualified foreign institutional investor's regime and the Renminbi qualified foreign institutional investor's regime in the PRC.

**Regulated Market** A market that meets the requirements stated in item 21 of Article 4 of the European Parliament and the Council Directive 2014/EU of 15 May 2014 on markets in financial instruments (and amending Directive 2002/92/EC and Directive 2011/61/EU) as well as any other market in an Eligible State which is regulated, operates regularly and is recognised and open to the public.

**RQFII** A Renminbi qualified foreign institutional investor where an investment quota is granted to the Investment Manager for the purposes of investing directly in domestic securities of the PRC under the RQFII Regulations.

**SAFE** The PRC State Administration of Foreign Exchange.

**Share** A share of any Sub-Fund.

**Share Class** A class of Shares.

**Share Class Currency** The currency in which a given Share Class is denominated, which may or may not be the same as the Base Currency of the Sub-Fund.

**Shareholder** Any investor recorded as an owner of Shares in the register of the Fund.

**Shareholder Reports** The annual and semi-annual reports of the Fund.

**Short-Term Money Market Sub-Fund** Any Sub-fund that qualifies as such under ESMA guidelines (CESR/10-049).

**Sub-Fund** Any sub-fund of the Fund.

**UCI** An Undertaking for Collective Investment.

**UCITS** An Undertaking for Collective Investment in Transferable Securities governed by the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

**UCITS V Directive** Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions.

**UCITS V Legislation** UCITS V Directive, UCITS V Regulation and the relevant provisions of Part I of the 2010 Law and any derived or connected EU or national act, statute, regulation, circular or binding guidelines.

**UCITS V Regulation** Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive.

**Valuation Day** A day on which a Sub-Fund accepts dealing requests and calculates a NAV per Share for each Share Class. Subject to any further restrictions specified for a Sub-Fund under Sub-Fund Descriptions, a Valuation Day is a week day other than a day on which any exchange or market on which a substantial portion of a Sub-Fund's investments is traded, is closed. When dealings on any such exchange or market are restricted or

suspended, the Management Company may, in consideration of prevailing market conditions or other relevant factors, decide that a particular day will not be a Valuation Day. 1 January, Easter Monday, 24 – 26 December inclusive and any other day specified in the relevant Sub-Fund Descriptions are also non-valuation days. By exception to the above, on 31 December provided it is not a Saturday or Sunday a NAV per Share for each Share Class will be calculated however no dealing requests will be accepted. For a list of expected non-dealing and non-valuation days, go to jpmorganassetmanagement.com/sites/dealing-information/.

Value at Risk (VaR) A statistical estimate, made with a high degree of confidence, of the maximum potential loss that is likely to arise over a given time interval under normal market conditions.

## GLOSSARY 2 GENERAL INVESTMENT TERMS

While this glossary does reflect the meanings intended in this Prospectus, its definitions are primarily informational (as opposed to legal) and are intended to provide helpful general descriptions of common securities, techniques and other terms.

**absolute return** Performance that is positive in terms of an increase in NAV, as opposed to performance relative to a Benchmark or other measure.

**active extension** A 130/30 investment approach that seeks to improve potential returns through shorting securities and increasing long positions without increasing overall net market exposure. The Sub-Fund's long and short positions will normally be approximately 130% long and approximately 30% short, however these targets may vary depending on market conditions. The Sub-Fund's exposures are readjusted periodically to seek to maintain these ranges.

**agency mortgage-backed security** A mortgage-backed security issued by a U.S. government-sponsored agency such as the Student Loan Marketing Association (Sallie Mae), the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac).

**aggressively managed** Managed with higher turnover and risk than an applicable benchmark.

**alpha** The risk-adjusted performance of an investment.

**ASEAN** Association of South East Asian Nations. Current members are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. The composition of the ASEAN may change over time.

**asset-backed commercial papers (ABCPs)** A short-term debt, generally limited to a maturity of no more than 397 days and is issued on a discount basis. The proceeds of ABCP issuance are primarily used to obtain interests in various assets for example trade receivables, consumer debt receivables or auto loans. Such financings may take the form of a traditional asset purchase or a secured loan.

**asset-backed security (ABS)** A debt security whose yield, credit quality and effective maturity derive from an interest in an underlying pool of debt assets, such as credit card debt, car loans, mortgages, student loans, equipment lease, collateralised repo loans and EETCs (Enhanced Equipment Trust Certificates).

**average life** A measure of how long it takes, on average, for the assets underlying an asset-backed security to repay their principal.

**Behavioural Finance** An investment process that is based on systematic investments in equities with specific style characteristics, such as value, quality and momentum in price and earnings trends. Historical research has demonstrated that such securities can outperform over a market cycle as they exploit psychological factors (the behavioural and cognitive biases of investors) in stock markets. For example, investor overconfidence, the expectation that a security's earnings will continue to grow in perpetuity, or loss aversion, the reluctance of an investor to sell a security that is decreasing in price.

**below investment grade** Debt securities from less creditworthy issuers. These securities are rated Ba1/BB+ or lower using the highest rating available from one of the independent ratings agencies e.g. Standard & Poor's, Moody's or Fitch. Also known as "high yield" securities, because they typically offer higher income in exchange for their higher level of default risk compared to investment grade debt securities.

**beta** A measure of the risk of a security in comparison to the market as a whole.

**blue chip companies** Large companies that are widely recognised, well-established and appear to be financially sound

**Brady bond** A bond denominated in USD and issued by the government of a developing country under the Brady Plan, a program designed to help Latin American countries pay off a portion of the debt they owe to the United States of America.

**cash equivalent** A security that can be readily converted into cash, such as a treasury bill or other short-term government bond, a bank certificate of deposit or a money market instrument or fund.

**catastrophe bond** A type of bond debt security where the return of the principal and payment of interest is dependent on the non-occurrence of a specific trigger event such as a hurricane, earthquake or other physical or weather-related phenomenon.

**China A-Shares and China B-Shares** Most companies listed on Chinese stock exchanges will offer two different share classes. China A-Shares are traded in Renminbi on the Shanghai and Shenzhen stock exchanges by companies incorporated in mainland China. China B-Shares are quoted in foreign currencies (such as the USD) on the Shanghai and Shenzhen stock exchanges and are open to both domestic and foreign investments.

**CIS States** Commonwealth of Independent States, an alliance of former Soviet Socialist Republics in the Soviet Union prior to its dissolution in December 1991. The member states include: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

**claw-back mechanism** A performance fee may accrue where there is negative return, provided that the performance exceeds the performance fee Benchmark return since the last time a performance fee was paid.

**collateral** Assets provided by a borrower as security to the lender in case the borrower fails to meet its obligations.

**collateralised loan obligation** A debt security whose payments derive from a pool of loans from middle and large sized businesses, and which is divided into tranches with different levels of exposure to any loans that become non-performing.

**collateralised mortgage obligation (CMO)** A mortgage-backed security that is divided into tranches with different levels of exposure to any loans that become non-performing.

**commodities** Physical goods that fall into one of two categories: hard commodities such as metals (for example, gold, copper, lead, uranium), diamonds, oil and gas; and soft commodities such as agricultural products, wool, cotton and foodstuffs (for example, cocoa, sugar, coffee).

**contingent convertible security** A type of security that typically functions as a bond so long as certain pre-determined conditions are not triggered. These triggers may include measures of the issuer's financial health remain above a certain level or the share price falling below a specified level.

**contracts for difference (CFD)** An arrangement made in a futures contract whereby differences in settlement are made through cash payments, rather than by the delivery of physical goods or securities. CFDs provide investors with the all the benefits and risks of owning a security without actually owning it.

**convertible security** A type of security that generally has characteristics similar to both debt and equity securities. These securities can, or must be, exchanged for a set number of shares (usually of the issuing company) once a predetermined price or date is reached.

**correlation** A statistical measure of how closely the values of two assets or markets move in relation to each other.

**counterparty** Any financial institution providing services or acting as a party to derivatives or other instruments or transactions.

**covered bond** A bond backed by assets (such as a pool of mortgages) that remain on the issuer's balance sheet, thus exposing the bondholder to the financial health of the issuer both directly and indirectly.

**credit default swap (CDS)** A derivative that functions like default insurance, in that it transfers the default risk of a bond to a third party, in exchange for premium payments. If the bond does not default, the seller of the CDS profits from the premiums. If the bond defaults, the seller of the CDS is obliged to pay the buyer some or all of the defaulted amount, which would likely be more than the value of the premiums received.

**credit strategy** Investment strategy that seeks to benefit from investing in credit related strategies. This could be on a relative value or directional (i.e. buying securities considered undervalued and selling short securities considered overvalued) approach in credit oriented instruments.

**currency derivative** A derivative whose reference asset is a currency value or exchange rate.

**currency overlay** Active currency management with the aim of generating additional returns.

**deal risk premium** The difference between the current market price of a company's shares and the price offered by a potential acquiring company, which is usually higher to compensate for the risk that the deal may not go through.

**derivative** An instrument or private contract whose value is based on the value and characteristics of one or more reference assets, such as a security, an index or an interest rate. A small movement in the value of the reference asset can cause a large movement in the value of the derivatives.

**directional risk** The risk that a Sub-Fund could underperform a Benchmark by lacking direct exposure to a particular security or group of securities that experiences above-average increases in value.

**diversified** In connection with a Sub-Fund, investing in a wide variety of companies or securities.

**duration** A measure of the sensitivity of a debt security or a portfolio to changes in interest rates. An investment with a duration of 1 year can be expected to decline 1% in value with every 1% rise in interest rates.

**emerging markets** Countries with less established financial markets and investor protections. Examples include most countries in Asia, Latin America, Eastern Europe, the Middle East and Africa.

The list of emerging and less developed markets is subject to continuous change. Broadly, they include any country or region other than the United States of America, Canada, Japan, Australia, New Zealand and Western Europe. Specifically, emerging and developing countries are those that have an emerging stock market in a developing economy as defined by the International Finance Corporation, have low or middle income economies according to the World Bank, or are listed in World Bank publications as developing.

**Environmental, Social and Governance (ESG)** Non-financial considerations affecting an issuer such as carbon emissions and environmental regulations, accounting and tax policies, disclosure and investor communication, shareholder rights and remuneration policies.

**equity-related security** A security that provides indirect ownership of, or results in the acquisition of, an equity. Examples include warrants, depositary receipts, convertible securities, index and participation notes and equity linked notes.

**equity swap** A form of derivative, generally one in which the parties exchange a fixed or floating interest rate return for the return on an equity security or index.

**Eurobond** A bond issued in a currency other than the currency of the country or market in which it is issued.

**event driven strategy** A strategy of investing in securities that appear to have the potential to benefit from a possible merger, corporate restructuring or bankruptcy.

**exchange traded commodity** An investment that tracks the performance of either individual commodities or commodity indices and which is traded on a stock exchange.

**exchange traded fund (ETF)** An investment that represents a pool of securities – typically one that tracks the performance of an index – and which is traded on a stock exchange.

**extension risk** Risk that rising interest rates will slow the rate at which loans in a pool will be repaid, thereby delaying the repayment of the principal to investors.

**frontier markets** The least developed of the emerging market countries, such as those included in the MSCI Frontier Market Index or similar indices.

**government bond** Bonds issued or guaranteed by governments or their agencies, quasi-government entities and state sponsored enterprises. This would include any bank, financial institution or corporate entity whose capital is guaranteed to maturity by a government, its agencies or government-sponsored enterprises.

**growth** An investment approach that focuses on equity securities whose fundamentals (such as sales, earnings or assets) are expected to grow at an above-average rate relative to the market.

**high water mark mechanism** A performance fee may only be accrued where the NAV per Share is higher than the greater of the NAV per Share at launch of the Share Class, and the NAV per Share at which the last performance fee was paid

**investment grade** Bonds that are considered by a credit rating agency as appearing generally capable of meeting their payment obligations. Bonds rated BBB-/Baa3 or higher using the highest rating available from one of the independent ratings agencies e.g. Standard & Poor's, Moody's or Fitch are considered investment grade.

**LIBID** The London Interbank Bid Rate, the rate a bank is willing to pay to attract a deposit from another bank in the London interbank market.

**LIBOR/ICE LIBOR** The London Interbank Offer Rate, the average rate a bank is willing to pay to borrow funds from another bank in the London interbank market. Administered by Intercontinental Exchange and published daily.

**liquidity** The extent to which an asset can be bought or sold in the market without significantly affecting the asset's price or the time required to find a buyer or a seller.

**long exposure, long position** A market position that increases in value when the value of the asset(s) in question increases in value.

**long/short equity strategy** A strategy that involves taking long exposure to securities that are expected to increase in value and short exposure to equity securities that are expected to decrease in value or are otherwise not viewed as attractive.

**mark-to-market** The valuation of positions at readily available closing prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers.

**mark-to-model** Any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market inputs.

**maturity** The amount of time remaining before a bond is due to be repaid.

**mid-cap, mid-capitalisation** Companies whose market capitalisation is typically within the market capitalisation of companies in the Russell Midcap Index at the time of purchase.

**money market instrument** A financial instrument that is liquid and has a value that can be accurately determined at any time, and that meets certain credit quality and maturity requirements.

**mortgage-backed security (MBS)** A debt security whose yield, credit quality and effective maturity derive from an interest in an underlying pool of mortgages. The underlying mortgages may include, but are not limited to, commercial and residential mortgages, and the mortgage-backed securities may be agency (created by quasi US government agencies) and non-agency (created by private institutions).

**NAV hedge** A hedging method whereby the Base Currency of the Sub-Fund is systematically hedged to the Share Class Currency of the currency hedged Share Class.

**net exposure** A Sub-Fund's long positions minus its short positions, often expressed as a percentage of total net assets.

**portfolio hedge** A hedging method whereby the currency exposures of the Sub-Fund's portfolio holdings attributable to the currency hedged Share Class are systematically hedged back to the Share Class currency of the currency hedged Share Class unless for specific currencies it is impractical or not cost effective to apply the hedging.

**opportunistic / global macro strategy** A strategy that bases its investment decisions mainly on economic and political factors worldwide (macroeconomic principles).

**Pacific Basin** Australia, Hong Kong, New Zealand, Singapore, China, Indonesia, Korea, Malaysia, the Philippines, Taiwan, Thailand and the Indian sub-continent, excluding the United States of America, Central and South America.

**portfolio hedge strategy** A strategy that aims to benefit from offsetting risks inherent in other parts of the portfolio.

**quantitative screening** Selection based on a mathematical analysis of the measurable figures of a company, such as the value of assets or projected sales. This type of analysis does not include a subjective assessment of the quality of management.

**rating agency** An independent organisation that rates the creditworthiness of debt security issuers. Examples are Standard & Poor's, Moody's and Fitch.

**real estate investment trust (REITs)** An investment vehicle that represents ownership in real estate (whether residential, commercial or industrial) or in an enterprise involved in real estate-related activities, such as the development, marketing, management or financing of real estate.

A closed-ended REIT, the units of which are listed on a Regulated Market may be classified as a transferable security listed on a Regulated Market thereby qualifying as an eligible investment for a UCITS under the 2010 Law. Investments in closed-ended REITs, the units of which qualify as transferable securities but, which are not listed on a Regulated Market, are limited to 10% of the NAV of a Sub-Fund (together with any other investments made in accordance with investment restriction 3 in the table Permitted Assets, Techniques and Instruments under Investment Restrictions and Powers).

Investments in open-ended REITs are also allowed to the extent they qualify as UCITS or other UCIs (as defined below).The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established.

**relative value strategy** An investment strategy that aims to benefit from price differences of one security compared to another related security or the market overall.

**reverse repurchase transactions** The purchase of securities and the simultaneous commitment to sell the securities back at an agreed price on an agreed date.

**risk-free rate of return** Generally understood as meaning the expected return from an investment that is perceived to be risk-free, such as U.S. Treasury bills.

**risk premia** Exposures to groups of financial securities which have a common risk characteristic for which investors expect to be compensated over time above the risk-free rate of return. This sources of return may be genuine risk preferences, behavioural biases or market structure. Risk Premia may be exploited with respect to specific stocks or more general asset classes such as equity indices or currencies.

**securities lending** A transaction by which a lender transfers securities subject to a commitment that a borrower will return equivalent securities on a stated future date or on request by the lender.

**security** A negotiable instrument representing financial value. The category includes equities, bonds and money market instruments, as well as futures, options, warrants and other negotiable securities which carry the right to acquire other transferable securities by subscription or exchange.

**senior debt security** A debt security that takes priority over other debt securities sold by the issuer, with regard to claims on assets or earnings should the issuer fail to meet its payment obligations.

**short exposure, short position** A market position that increases in value when the value of the asset(s) in question decreases in value.

**stock deal** A merger in which the acquiring company offers shareholders of the target company shares in the acquiring company in exchange for shares of the target company. A target company is a company that is, or is likely to become, involved in a merger or other corporate activity.

**structured product** An investment based on a basket of underlying securities such as equity and debt securities and derivatives, where the return is linked to the performance of the underlying securities or index.

**subordinated debt security** A debt security that ranks below other debt securities of the issuer as to claims on assets or earnings should the issuer fail to meet its payment obligations.

**TBAs (to-be-announced securities)** A forward contract on a generic pool of mortgages. The specific mortgage pools are announced and allocated after the security has been purchased but prior to the delivery date.

**time deposit** Deposit held in a financial institution, usually a bank, for a certain period of time.

**total return swap** A derivative in which one counterparty transfers the total economic performance (including income from interest and fees, gains and losses from price movements, and credit losses) of a reference obligation to another counterparty. See derivative.

**value** A strategy of investing mainly in equities that are trading at a discount with respect to their fundamentals (such as turnover, earnings and assets) and are therefore considered to be undervalued.

**volatility** Statistical measure of the variation of price for a given security or Sub-Fund. Commonly, the higher the volatility, the riskier the security or Sub-Fund.

**warrant** An investment that gives the owner the right, but not the obligation, to buy securities such as shares at an agreed price by a future date.

**weighted average duration** The average duration of all the securities in a portfolio, calculated by weighting the duration of individual securities by their size relative to the portfolio as a whole. See duration.

**weighted average market capitalisation** The average market value of all the securities in a portfolio, calculated by weighting the market capitalisation of individual securities by their size relative to the portfolio as a whole.

**weighted average maturity or WAL** The average length of time to legal maturity of all of the underlying assets in the MMF reflecting the relative holdings in each asset.

**weighted average maturity or WAM** The average time to maturity of all the securities in a portfolio, calculated by weighting the maturity of individual securities by their size relative to the portfolio as a whole.

The higher the weighted average to maturity, the longer the securities in the portfolio have until maturity. Commonly used as a simple indicator of interest rate sensitivity in a portfolio of short-term money market instruments. *See maturity.*

**Yankee bond** A USD-denominated bond issued in the US by a non-US bank or corporation.

## NEXT STEPS

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