

# JPMorgan SmartRetirement® Funds

A Shares

## Topline

### Markets

Markets were influenced by a variety of factors in 2025. The first half of the year was dominated by trade concerns due to tariffs. Developed market equities fell 16.5% in early April, but ultimately recovered, ending the year with returns of 21.6%. In the second half of the year, risk-on sentiment drove an “everything rally,” and 2025 was the first year since the pandemic in which all major asset classes delivered positive returns. Emerging markets was the top-performing equity market in 2025, returning 34.4%. Emerging markets equity performance was broad-based, with all regions posting strong returns. U.S. equities returned 17.9%, with growth stocks outperforming value as artificial intelligence remained the dominant theme.

The rally in risk assets extended to fixed income. Emerging markets debt was the top-performing fixed income sector, posting a 13.5% return due to strong economic fundamentals, investor demand and currency tailwinds. U.S. high yield bonds delivered strong returns of 8.5%, with corporate balance sheets generally remaining robust. As a tariff-driven inflation spike failed to materialize and nervousness about the labor market rose, the Federal Reserve (Fed) lowered interest rates by 75 basis points in the second half of the year, further supporting bond returns. U.S. Treasuries were the top-performing government bond market, returning 6.3% over the year.

### Helped

**Manager selection** – Outperformance of the emerging markets equity platform and the JPM Core Plus Bond Fund.

**Active asset allocation** – Neutral impact.

### Hurt

**Manager selection** – Underperformance of the JPM U.S. Equity Fund and the international developed equity platform.

**Active asset allocation** – Neutral impact.

### Outlook

After a decade of U.S. exceptionalism with returns concentrated in U.S. technology stocks, growth broadened out across the globe in 2025. We expect this dynamic to continue into 2026, highlighting the importance of global diversification. We expect monetary and fiscal stimulus to power expansion this year, due to tax rebates resulting from the One Big Beautiful Bill and pressure for future Fed rate cuts, respectively. However, this increased liquidity also creates the risk of inflation and/or asset bubbles. Given this environment, we believe that investors should maintain exposure to balanced portfolios as there are factors that support continued growth, while remaining very mindful of the potential for disruption. These potential risks will require careful navigation, highlighting the importance of active management and well-diversified portfolios.

## Overview

The SmartRetirement portfolios are a series of well-diversified target date funds that are intended to help individuals achieve income replacement during retirement by aiming to deliver consistent risk-adjusted returns throughout the retirement investment horizon. We can bring the diversification and risk efficiency characteristics of sophisticated institutional portfolios to the individual participant by incorporating extended asset classes not commonly found in defined contribution plans.

## Approach

There are three main components to our investment process:

- **Manager Selection** – We implement the target date funds with underlying managers from JPMorgan's platform of equity, fixed income and alternative investment managers.
- **Active Asset Allocation** – We make decisions between and within asset classes to position the funds with tilts overweight/underweight relative to the glide path strategic allocations, allowing us to navigate through different market environments.
- **Strategic Asset Allocation (Glide Path)** – Driven by JPMorgan's Long-Term Capital Market Assumptions and participant-behavior research, this leads to a globally diversified allocation.

## Portfolio review

### Fourth Quarter 2025:

- **In the fourth quarter**, SmartRetirement lagged the Morningstar peer universe median, the custom benchmark\* and the S&P Target Date Fund Indices.
- **Manager selection** detracted in the fourth quarter. The emerging markets equity platform and the JPM Core Plus Bond Fund added value across all vintages. Conversely, the JPM U.S. Equity Fund and the international developed equity platform detracted.
- **Active asset allocation** had a neutral impact in the fourth quarter. In early April, we initiated an overweight to high yield, funded from core fixed income, to capitalize on valuation opportunities and continue to hold it given good fundamentals. In October, we initiated an overweight to core fixed income, funded from cash, in vintages closest to retirement due to our expectations for future Fed rate cuts. Both positions were neutral over the quarter.
- **The SmartRetirement glide path** outperformed the S&P Target Date Indices in nine out of 10 vintages in the fourth quarter. Relative to the S&P Target Date Indices, holding more emerging markets equities was additive. Conversely, holding less developed international equities relative to the S&P Target Date Indices detracted, as the asset class recovered following tariff disruption and rebounded in the second half of the year.

*The performance quoted is past performance and is not a guarantee of future results. Mutual funds are subject to certain market risks. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month end performance information please call 1-800-480-4111.*

**1 Year (1/1/2025 - 12/31/2025):**

- **Over the past year**, while the vintages lagged the Morningstar peer universe on average, the Income Fund delivered top-decile performance for participants in retirement. SmartRetirement lagged the custom benchmark\* and the S&P Target Date Fund Indices.
- **Manager selection** detracted over the year. Across all vintages, the U.S. core fixed income platform and the emerging markets equity platform added value. Conversely, the U.S. multicap platform and the JPM Global Select Equity ETF detracted.
- **Active asset allocation** was additive over the year. In early April, we initiated an overweight to high yield to capitalize on valuation opportunities and continue to hold it given good fundamentals. Our high yield overweight, funded from core fixed income, was additive. In October, we initiated an overweight to core fixed income, funded from cash, in vintages closest to retirement due to our expectations for future Fed rate cuts. This position was neutral over the year.
- **The SmartRetirement glide path** outperformed the S&P Target Date Indices in nine out of 10 vintages over the past year. Relative to the S&P Target Date Indices, holding more emerging markets equities—the top-performing equity market over the year—was additive. Conversely, holding less developed international relative to the S&P Target Date Indices detracted, as the asset class recovered following tariff disruption and returns broadened out across the globe in 2025.

**Navigating over the long term**

Our investment process has delivered competitive, risk-adjusted performance over long-term time periods. As we look to the future, we continue to face uncertainty, including headwinds from inflation and geopolitical turmoil. In periods of uncertainty, diversification and identifying credible long-term investment themes are key to long-term performance.

SmartRetirement is informed by real participant behavior and long-term capital market assumptions and benefits from over 50 years of experience managing retirement assets. For over 20 years, SmartRetirement portfolios have focused on getting the maximum number of participants to a comfortable level of income replacement, without taking undue risk in the critical pre-retirement years.

**Return (%)**

	Active allocation	Manager selection
1 Year	▲	▼
3 Year	▼	▼
5 Year	▼	▼
10 Year	▼	▼
15 Year	-	▼
SI	▲	▼

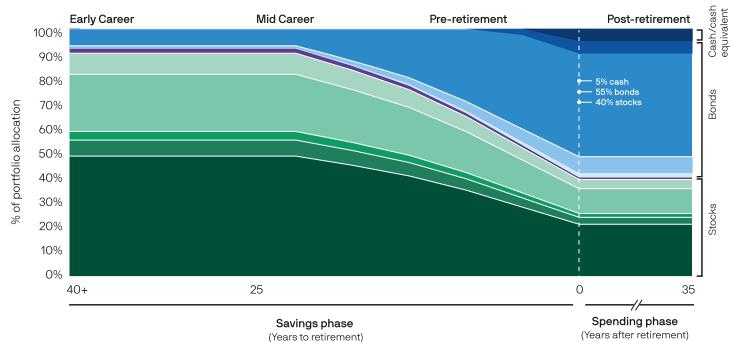
Source: J.P. Morgan Asset Management. Above illustrates contributors and detractors for the JPMorgan SmartRetirement 2040 Fund as a proxy for the suite, as of 12/31/25. Positive denotes greater than or equal to +5 bps; negative denotes less than or equal to -5 bps; neutral denotes between -5 and +5 bps, for each respective time period.

**Changes and Positioning**

- In October, we initiated an overweight to core fixed income, funded from cash, in vintages closest to retirement.

**Custom Benchmark**

- Our custom benchmark\* reflects the broad asset classes that we use to model and select our glide path.

**The glide path emphasizes growth early on and becomes conservative over time****Glide Path (%)**

Source: J.P. Morgan Asset Management. Shown for illustrative purposes only. The glide path is a graph used to illustrate the target date fund's asset allocation becoming more conservative as the fund nears the target retirement date. The selection of the underlying investment strategies is based on numerous factors that include, but not limited to, expected product volatility, underlying product correlations and the requirement for lower risk as investors near retirement. Generally, the asset allocation of each fund will change on an annual basis and the target date is the approximate date when investors plan to start withdrawing their money. As with all investments, the principal value of the funds is not guaranteed at any time, including at the target date and/or withdrawal.

The strategic asset allocation depicts the Fund's targeted weights based on J.P. Morgan's internal analysis. The Fund's actual allocations may differ due to changes to these strategic allocations or due to active allocations. Diversification and asset allocation do not guarantee investment returns and do not eliminate the risk of loss. Past performance does not guarantee future results.

## Performance

	December 2025 (%)	3 month (%)	YTD (%)	1 year (%)	3 years (%)	5 years (%)	10 years (%)	15 years (%)	Gross Expense (%)	Since Inception* (%)	Net Expense (%)
<b>A shares (net of fees) as of 12/31/25</b>											
<b>JPMorgan SmartRetirement Income Fund A-Class</b>	<b>0.19</b>	<b>1.61</b>	<b>12.04</b>	<b>12.04</b>	<b>10.48</b>	<b>4.13</b>	<b>5.44</b>	<b>5.08</b>	<b>0.88</b>	<b>5.02</b>	<b>0.69</b>
S&P Target Date Retirement Income Index	0.27	1.67	11.66	11.66	9.50	4.16	5.32	5.03		4.83	
JPM SmartRetirement Income Composite Benchmark	0.39	1.96	12.91	12.91	11.10	4.81	6.08	5.56		5.60	
<b>JPMorgan SmartRetirement 2025 Fund A-Class</b>	<b>0.25</b>	<b>1.62</b>	<b>12.21</b>	<b>12.21</b>	<b>11.15</b>	<b>4.58</b>	<b>6.55</b>	<b>6.66</b>	<b>0.88</b>	<b>5.74</b>	<b>0.79</b>
S&P Target Date 2025 Index	0.48	2.10	13.98	13.98	11.79	6.07	7.57	7.28		6.05	
JPM SmartRetirement 2025 Composite Benchmark	0.42	2.02	13.26	13.26	11.86	5.43	7.29	7.15		5.96	
<b>JPMorgan SmartRetirement 2030 Fund A-Class</b>	<b>0.31</b>	<b>1.78</b>	<b>13.98</b>	<b>13.98</b>	<b>12.89</b>	<b>5.73</b>	<b>7.53</b>	<b>7.43</b>	<b>0.87</b>	<b>6.60</b>	<b>0.79</b>
S&P Target Date 2030 Index	0.56	2.29	15.13	15.13	13.26	7.07	8.42	7.96		6.90	
JPM SmartRetirement 2030 Composite Benchmark	0.54	2.32	15.37	15.37	13.72	6.71	8.31	7.97		6.94	
<b>JPMorgan SmartRetirement 2035 Fund A-Class</b>	<b>0.47</b>	<b>1.93</b>	<b>15.20</b>	<b>15.20</b>	<b>14.58</b>	<b>7.11</b>	<b>8.58</b>	<b>8.26</b>	<b>0.91</b>	<b>6.89</b>	<b>0.83</b>
S&P Target Date 2035 Index	0.67	2.53	16.80	16.80	14.92	8.20	9.33	8.67		6.95	
JPM SmartRetirement 2035 Composite Benchmark	0.67	2.60	17.08	17.08	15.45	8.01	9.33	8.75		7.05	
<b>JPMorgan SmartRetirement 2040 Fund A-Class</b>	<b>0.57</b>	<b>2.05</b>	<b>16.30</b>	<b>16.30</b>	<b>15.83</b>	<b>8.02</b>	<b>9.33</b>	<b>8.80</b>	<b>0.91</b>	<b>7.62</b>	<b>0.83</b>
S&P Target Date 2040 Index	0.80	2.78	18.20	18.20	16.39	9.19	10.07	9.24		7.77	
JPM SmartRetirement 2040 Composite Benchmark	0.78	2.81	18.49	18.49	16.85	9.05	10.10	9.33		7.95	
<b>JPMorgan SmartRetirement 2045 Fund A-Class</b>	<b>0.67</b>	<b>2.12</b>	<b>17.12</b>	<b>17.12</b>	<b>16.76</b>	<b>8.74</b>	<b>9.79</b>	<b>9.12</b>	<b>0.91</b>	<b>7.65</b>	<b>0.83</b>
S&P Target Date 2045 Index	0.91	2.97	19.48	19.48	17.38	9.85	10.54	9.61		7.56	
JPM SmartRetirement 2045 Composite Benchmark	0.86	2.97	19.56	19.56	17.93	9.91	10.63	9.68		7.80	
<b>JPMorgan SmartRetirement 2050 Fund A-Class</b>	<b>0.70</b>	<b>2.18</b>	<b>17.67</b>	<b>17.67</b>	<b>17.23</b>	<b>8.98</b>	<b>9.90</b>	<b>9.18</b>	<b>0.91</b>	<b>7.72</b>	<b>0.83</b>
S&P Target Date 2050 Index	0.89	2.99	19.56	19.56	17.80	10.14	10.79	9.83		7.74	
JPM SmartRetirement 2050 Composite Benchmark	0.91	3.07	20.25	20.25	18.47	10.20	10.78	9.78		7.88	
<b>JPMorgan SmartRetirement 2055 Fund A-Class</b>	<b>0.69</b>	<b>2.18</b>	<b>17.64</b>	<b>17.64</b>	<b>17.21</b>	<b>8.97</b>	<b>9.91</b>	-	<b>0.92</b>	<b>9.89</b>	<b>0.83</b>
S&P Target Date 2055 Index	0.93	3.05	20.06	20.06	17.98	10.28	10.92	-		10.63	
JPM SmartRetirement 2055 Composite Benchmark	0.91	3.07	20.25	20.25	18.47	10.20	10.78	-		10.36	
<b>JPMorgan SmartRetirement 2060 Fund A-Class</b>	<b>0.69</b>	<b>2.15</b>	<b>17.63</b>	<b>17.63</b>	<b>17.19</b>	<b>8.99</b>	-	-	<b>0.94</b>	<b>10.11</b>	<b>0.83</b>
S&P Target Date 2060 Index	0.91	3.03	19.94	19.94	18.02	10.27	-	-		11.00	
JPM SmartRetirement 2060 Composite Benchmark	0.91	3.07	20.25	20.25	18.47	10.20	-	-		10.72	
<b>JPMorgan SmartRetirement 2065 Fund A-Class</b>	<b>0.70</b>	<b>2.14</b>	<b>17.57</b>	<b>17.57</b>	<b>17.03</b>	-	-	-	<b>1.39</b>	<b>17.23</b>	<b>0.84</b>
S&P Target Date 2065+ Index	0.89	3.02	20.17	20.17	18.27	-	-	-		18.52	
JPM SmartRetirement 2065 Composite Benchmark	0.91	3.07	20.25	20.25	18.47	-	-	-		18.80	

Note: A Share Class returns are shown net of fees. Plan may not hold all of the funds shown above.

\*Performance inception: May 15, 2006 for Income, 2020, 2030 and 2040 Funds. July 31, 2007 for 2025, 2035, 2045 and 2050 Funds. January 31, 2012 for the 2055 Fund. August 31, 2016 for the 2060 Fund. November 01, 2022 for the 2065 Fund. Benchmark data begins with first full month of performance data.

***The performance quoted is past performance and is not a guarantee of future results. Mutual funds are subject to certain market risks. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Current performance may be higher or lower than the performance data shown. For performance current to the most recent month-end, please call 1-800-480-4111.***

Mutual funds have fees that reduce their performance: indexes do not. You cannot invest directly in an index.

The S&P Target Date Index Series reflects exposure to various asset classes included in target date funds driven by a survey of such funds for each particular target date. These asset class exposures are represented by indices of securities in the index calculation. Prior to May 31, 2017 the asset class exposures were represented by ETFs net of fees. The Index returns are calculated on a daily basis.

The benchmark shown represents the Fund's performance benchmark, which is different from the Fund's regulatory benchmark. The Fund's regulatory benchmark is included in the Fund's prospectus and/or shareholder report. This document can be obtained at [www.jpmorganfunds.com](http://www.jpmorganfunds.com).

**General Disclosures:**

**Contact JPMorgan Distribution Services, Inc. at 1-800-480-4111 for a fund prospectus. You can also visit us at [www.jpmorganfunds.com](http://www.jpmorganfunds.com). Investors should carefully consider the investment objectives and risks as well as charges and expenses of the mutual fund before investing. The prospectus contains this and other information about the mutual fund. Read the prospectus carefully before investing.**

**Must be preceded or accompanied by a prospectus.**

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be recommendation for any specific investment product, strategy, plan feature or other purposes. By receiving this communication you agree with the intended purpose described above. Any examples used in this material are generic, hypothetical and for illustration purposes only. None of J.P. Morgan Asset Management, its affiliates or representatives is suggesting that the recipient or any other person take a specific course of action or any action at all. Communications such as this are not impartial and are provided in connection with the advertising and marketing of products and services. Prior to making any investment or financial decisions, an investor should seek individualized advice from personal financial, legal, tax and other professionals that take into account all of the particular facts and circumstances of an investor's own situation.

This document is intended solely to report on various investment views held by JPMorgan Asset Management. Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable but should not be assumed to be accurate or complete. The views and strategies described may not be appropriate for all investors. References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations. Indices do not include fees or operating expenses and are not available for actual investment.

**Risks associated with investing in the fund:**

Certain underlying J.P. Morgan Funds may invest in foreign/emerging market securities, small capitalization securities and/or high-yield fixed income instruments. There may be unique risks associated with investing in these types of securities. International investing involves increased risk and volatility due to possibilities of currency exchange rate volatility, political, social or economic instability, foreign taxation and differences in auditing and other financial standards. The Fund may invest a portion of its securities in small-cap stocks. Small-capitalization funds typically carry more risk than stock funds investing in well-established "blue-chip" companies since smaller companies generally have a higher risk of failure. Historically, smaller companies' stock has experienced a greater degree of market volatility than the average stock. Securities rated below investment grade are called "high yield bonds," "noninvestment grade bonds," "below investment-grade bonds," or "junk bonds." They generally are rated in the fifth or lower rating categories of Standard & Poor's and Moody's Investor Service. Although these securities tend to provide higher yields than higher rated securities, there is a greater risk that the Fund's share price will decline. Real estate funds may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate funds

may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

There may be additional fees or expenses associated with investing in a Fund of Funds strategy.

Certain underlying funds invest in inflation protected bonds ("TIPS"). Unlike conventional bonds, the principal or interest of TIPS is adjusted periodically to a specified rate of inflation (e.g., Consumer Price Index for all Urban Consumers [CPI-U]). There can be no assurance that the inflation index used will accurately measure the actual rate of inflation.

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected for the Fund's portfolio or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general (or in particular, the prices of the types of securities in which a fund invests) may decline over short or extended periods of time. When the value of a fund's securities goes down, an investment in a fund decreases in value.

**Target Date Funds:**

The JPMorgan SmartRetirement Funds are target date funds with the target date being the approximate date when investors plan to retire. Generally, the asset allocation of each Fund will change on an annual basis with the asset allocation becoming more conservative as the Fund nears the target retirement date. The principal value of the Fund(s) is not guaranteed at any time, including at the target date.

Total return assumes reinvestment of dividends and capital gains distributions and reflects the deduction of any sales charges, where applicable. Performance may reflect the waiver of a portion of the Fund's advisory or administrative fees for certain periods since the inception date. If fees had not been waived, performance would have been less favorable.

**Conflict of interest:**

Refer to the Conflicts of Interest section of the Fund's Prospectus.

**Entities:**

J.P. Morgan Funds are distributed by JPMorgan Distribution Services, Inc., which is an affiliate of JPMorgan Chase & Co. Affiliates of JPMorgan Chase & Co. receive fees for providing various services to the funds. JPMorgan Distribution Services, Inc. is a member of FINRA.

J.P. Morgan Asset Management is the marketing name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide. Those businesses include, but are not limited to, JPMorgan Chase Bank, N.A., J.P. Morgan Investment Management Inc., Security Capital Research & Management Incorporated, J.P. Morgan Alternative Asset Management, Inc., and J.P. Morgan Asset Management (Canada), Inc.

If you are a person with a disability and need additional support in viewing the material, please call us at 1-800-343-1113 for assistance.

©JPMorgan Chase & Co., January 2026