

# JPMorgan SmartRetirement® Funds

Class R6 shares are only available through a retirement plan; other share classes are available

## Topline

### Markets

Developed market equities delivered strong returns of 19.2% in 2024, driven by continued U.S. economic strength, the start of the Federal Reserve's (Fed's) rate-cutting cycle and investor excitement around artificial intelligence (AI). Global growth stocks dominated once again, but value stocks also rose (by 12.3% over the year), as financials were boosted by deregulation prospects following the U.S. election. Developed market central banks began normalizing policy in 2024; however, resilient growth and persistent inflation tempered expectations for rapid rate cuts, particularly in the U.S. The U.S. economy outpaced other major regions, and U.S. equity markets were the top performers, bolstered by gains in AI stocks and a broadening of earnings expectations. A late rally in Chinese equities coupled with strong results out of India and Taiwan helped emerging markets equities deliver 8.1%. In the fixed income space, U.S. high yield bonds saw strong positive performance, with returns exceeding 8%.

### Helped

**Portfolio construction** – Outperformance of the U.S. core fixed income platform and JPM Value Advantage Fund.

**Active asset allocation** – Neutral impact.

### Hurt

**Portfolio construction** – Underperformance of the JPM Global Select Equity ETF and international developed equity platform.

**Active asset allocation** – Neutral impact.

### Outlook

Looking to 2025, we expect the Fed's cuts to lead to a continuation of the business cycle. The market is pricing in strong U.S. earnings, continued global expansion and a soft-landing scenario with falling inflation and interest rates — all of which are contributing to high valuations. While fundamentals continue to be strong, we are wary of valuations. Inflation and U.S. monetary and fiscal policy pose additional risks. There is also a high degree of uncertainty surrounding U.S. domestic and foreign policy and the policies enacted by other regions in response. These risks will require careful navigation, and well-diversified portfolios are essential with this backdrop in mind.

## 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:

- **Portfolio Construction** – 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 2024:

- **In the fourth quarter**, SmartRetirement lagged the custom benchmark\* and the S&P Target Date Fund Indices.
- **Portfolio construction** detracted value in the fourth quarter. Across all vintages, the JPM U.S. Equity Fund within the U.S. large cap platform and the JPM Global Select Equity ETF detracted. Conversely, the JPM ActiveBuilders Emerging Markets Equity ETF within the emerging markets equity platform and the JPM Value Advantage Fund added value.
- **Active asset allocation** had a neutral impact in the fourth quarter. We maintained a neutral position to the glide path given our current conviction. We are comfortable remaining neutral if we do not see strong valuations or fundamentals supported by the business cycle.
- **The SmartRetirement glide path** was additive in six out of 10 vintages in the fourth quarter. Relative to the S&P Target Date Indices, holding more U.S. large cap and less developed international equities was additive. Conversely, holding more emerging markets equities and emerging markets debt relative to the S&P Target Date Indices detracted.

*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.*

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

**1 Year (1/1/2024 - 12/31/2024):**

- **Over the past year**, the vintages ranked in the top third of the Morningstar peer universe on average. The vintages closer to retirement outperformed their custom benchmark,\* and 10 out of 11 vintages outperformed their respective S&P Target Date Fund Index.
- **Portfolio construction** was additive over the year in the vintages closest to retirement, and detracted in the vintages furthest from retirement. Across all vintages, our U.S. core fixed income platform added value. Specifically, the JPM Core Plus Bond Fund added value. The JPM Value Advantage Fund within the U.S. multi cap platform also added value. Conversely, the JPM International Equity Fund within the international developed equity platform and the JPM Global Select Equity ETF detracted value.
- **Active asset allocation** had a neutral impact over the year. We maintained a neutral position to the glide path given our current conviction. We are comfortable remaining neutral if we do not see strong valuations or fundamentals supported by the business cycle.
- **The SmartRetirement glide path** added significant value over the past year. Holding more U.S. large cap relative to the S&P Target Date Indices added value. However, holding more emerging markets debt relative to the S&P Target Date Indices detracted value due to its negative performance.

**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 15 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	Portfolio Construction
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 12/31/24. 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**

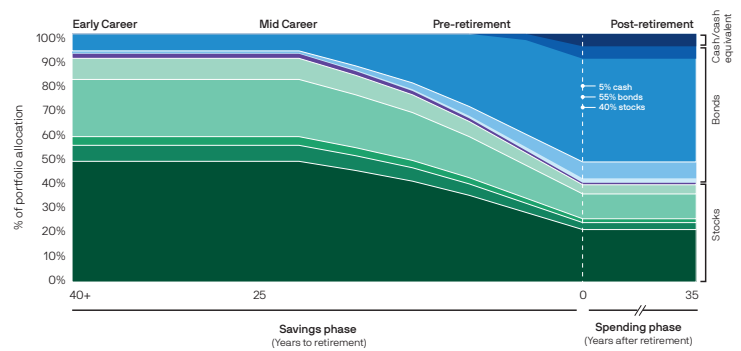
- No changes were made in the fourth quarter.

**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.

Past performance is no guarantee of future results. Performance includes the reinvestment of income. Performance is shown net of fees.

Performance

R6 shares (net of fees) as of 12/31/24	December 2024 (%)	3 month (%)	YTD (%)	1 year (%)	3 years (%)	5 years (%)	10 years (%)	15 years (%)	Gross Expense (%)	Since Inception* (%)	Net Expense (%)
<b>JPMorgan SmartRetirement Income Fund R6-Class</b>	<b>-2.15</b>	<b>-2.09</b>	<b>8.18</b>	<b>8.18</b>	<b>1.44</b>	<b>4.05</b>	<b>4.45</b>	<b>5.33</b>	<b>0.38</b>	<b>4.98</b>	<b>0.34</b>
S&P Target Date Retirement Income Index	-1.66	-2.09	6.54	6.54	1.46	3.62	4.15	4.87		4.47	
JPM SmartRetirement Income Composite Benchmark	-1.88	-1.95	8.01	8.01	1.71	4.16	4.69	5.39		5.22	
<b>JPMorgan SmartRetirement 2020 Fund R6-Class</b>	<b>-2.16</b>	<b>-2.10</b>	<b>8.18</b>	<b>8.18</b>	<b>1.42</b>	<b>4.11</b>	<b>4.89</b>	<b>6.48</b>	<b>0.37</b>	<b>5.57</b>	<b>0.34</b>
S&P Target Date 2020 Index	-1.85	-1.91	8.09	8.09	1.92	4.89	5.52	6.65		5.66	
JPM SmartRetirement 2020 Composite Benchmark	-1.88	-1.95	8.01	8.01	1.71	4.19	5.13	6.47		5.63	
<b>JPMorgan SmartRetirement 2025 Fund R6-Class</b>	<b>-2.33</b>	<b>-2.17</b>	<b>8.72</b>	<b>8.72</b>	<b>1.42</b>	<b>4.89</b>	<b>5.61</b>	<b>7.23</b>	<b>0.37</b>	<b>5.74</b>	<b>0.35</b>
S&P Target Date 2025 Index	-1.93	-2.00	8.44	8.44	2.11	5.55	6.14	7.26		5.61	
JPM SmartRetirement 2025 Composite Benchmark	-2.00	-1.99	8.61	8.61	1.73	4.96	5.89	7.21		5.55	
<b>JPMorgan SmartRetirement 2030 Fund R6-Class</b>	<b>-2.65</b>	<b>-2.26</b>	<b>10.20</b>	<b>10.20</b>	<b>2.09</b>	<b>5.87</b>	<b>6.38</b>	<b>7.94</b>	<b>0.37</b>	<b>6.59</b>	<b>0.35</b>
S&P Target Date 2030 Index	-2.16	-1.94	9.90	9.90	2.78	6.47	6.87	7.92		6.48	
JPM SmartRetirement 2030 Composite Benchmark	-2.25	-2.01	10.24	10.24	2.44	5.97	6.69	7.93		6.51	
<b>JPMorgan SmartRetirement 2035 Fund R6-Class</b>	<b>-3.01</b>	<b>-2.05</b>	<b>12.08</b>	<b>12.08</b>	<b>2.96</b>	<b>7.34</b>	<b>7.28</b>	<b>8.71</b>	<b>0.41</b>	<b>6.81</b>	<b>0.40</b>
S&P Target Date 2035 Index	-2.31	-1.93	11.38	11.38	3.37	7.44	7.61	8.56		6.42	
JPM SmartRetirement 2035 Composite Benchmark	-2.42	-1.91	11.95	11.95	3.25	7.13	7.52	8.63		6.51	
<b>JPMorgan SmartRetirement 2040 Fund R6-Class</b>	<b>-3.19</b>	<b>-1.98</b>	<b>13.24</b>	<b>13.24</b>	<b>3.53</b>	<b>8.17</b>	<b>7.90</b>	<b>9.18</b>	<b>0.41</b>	<b>7.54</b>	<b>0.40</b>
S&P Target Date 2040 Index	-2.48	-1.77	12.87	12.87	4.05	8.28	8.20	9.06		7.24	
JPM SmartRetirement 2040 Composite Benchmark	-2.55	-1.80	13.34	13.34	3.90	7.97	8.14	9.12		7.41	
<b>JPMorgan SmartRetirement 2045 Fund R6-Class</b>	<b>-3.36</b>	<b>-1.91</b>	<b>14.19</b>	<b>14.19</b>	<b>3.93</b>	<b>8.84</b>	<b>8.28</b>	<b>9.44</b>	<b>0.42</b>	<b>7.50</b>	<b>0.40</b>
S&P Target Date 2045 Index	-2.56	-1.89	13.58	13.58	4.44	8.76	8.54	9.37		6.91	
JPM SmartRetirement 2045 Composite Benchmark	-2.65	-1.72	14.43	14.43	4.37	8.70	8.57	9.41		7.16	
<b>JPMorgan SmartRetirement 2050 Fund R6-Class</b>	<b>-3.44</b>	<b>-1.85</b>	<b>14.74</b>	<b>14.74</b>	<b>4.15</b>	<b>8.96</b>	<b>8.35</b>	<b>9.50</b>	<b>0.43</b>	<b>7.55</b>	<b>0.41</b>
S&P Target Date 2050 Index	-2.65	-1.67	14.30	14.30	4.74	9.07	8.78	9.58		7.10	
JPM SmartRetirement 2050 Composite Benchmark	-2.70	-1.68	15.03	15.03	4.63	8.86	8.65	9.46		7.21	
<b>JPMorgan SmartRetirement 2055 Fund R6-Class</b>	<b>-3.43</b>	<b>-1.87</b>	<b>14.69</b>	<b>14.69</b>	<b>4.14</b>	<b>8.97</b>	<b>8.36</b>	<b>-</b>	<b>0.43</b>	<b>9.70</b>	<b>0.41</b>
S&P Target Date 2055 Index	-2.68	-1.75	14.32	14.32	4.75	9.12	8.85	-		9.93	
JPM SmartRetirement 2055 Composite Benchmark	-2.70	-1.68	15.03	15.03	4.63	8.86	8.65	-		9.63	
<b>JPMorgan SmartRetirement 2060 Fund R6-Class</b>	<b>-3.41</b>	<b>-1.89</b>	<b>14.76</b>	<b>14.76</b>	<b>4.17</b>	<b>8.96</b>	<b>-</b>	<b>-</b>	<b>0.46</b>	<b>9.69</b>	<b>0.41</b>
S&P Target Date 2060 Index	-2.72	-1.70	14.44	14.44	4.81	9.15	-	-		9.97	
JPM SmartRetirement 2060 Composite Benchmark	-2.70	-1.68	15.03	15.03	4.63	8.86	-	-		9.63	
<b>JPMorgan SmartRetirement 2065 Fund R6-Class</b>	<b>-3.41</b>	<b>-1.94</b>	<b>14.64</b>	<b>14.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.02</b>	<b>17.57</b>	<b>0.42</b>
S&P Target Date 2065+ Index	-2.70	-1.59	14.83	14.83	-	-	-	-		17.76	
JPM SmartRetirement 2065 Composite Benchmark	-2.70	-1.68	15.03	15.03	-	-	-	-		18.14	

Note: R6 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.**

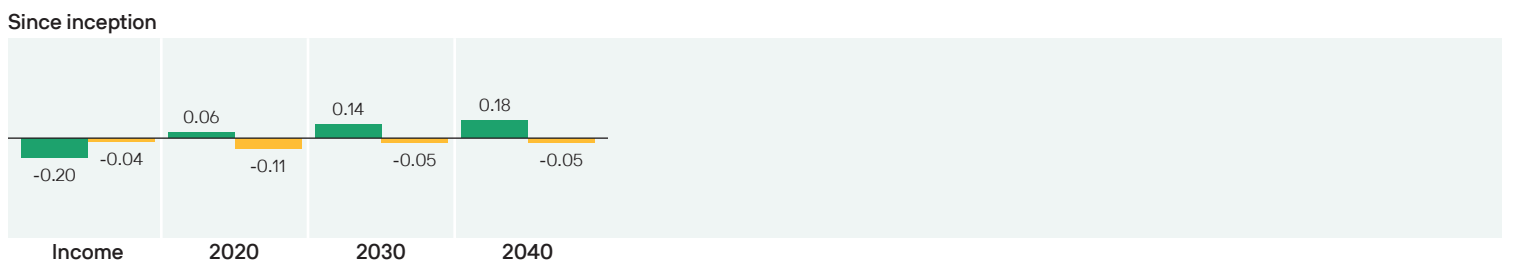
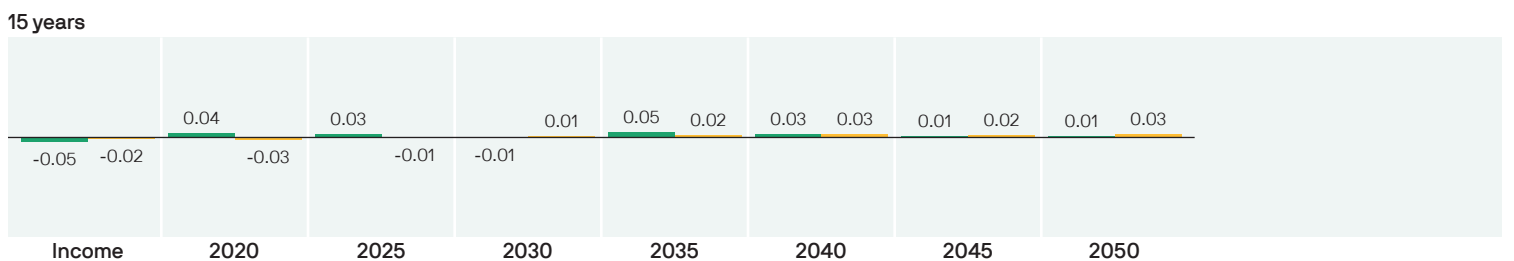
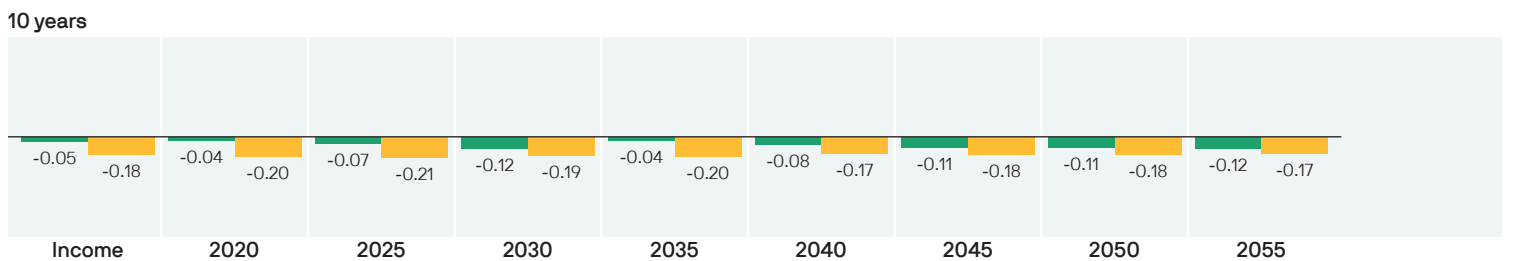
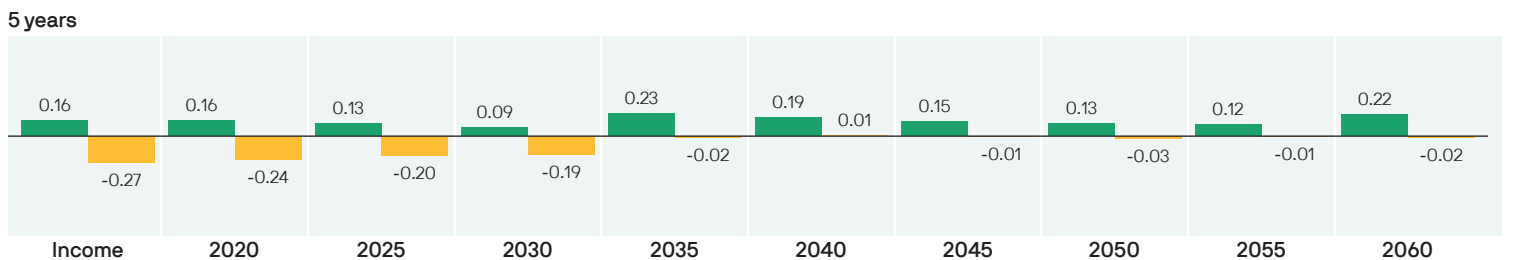
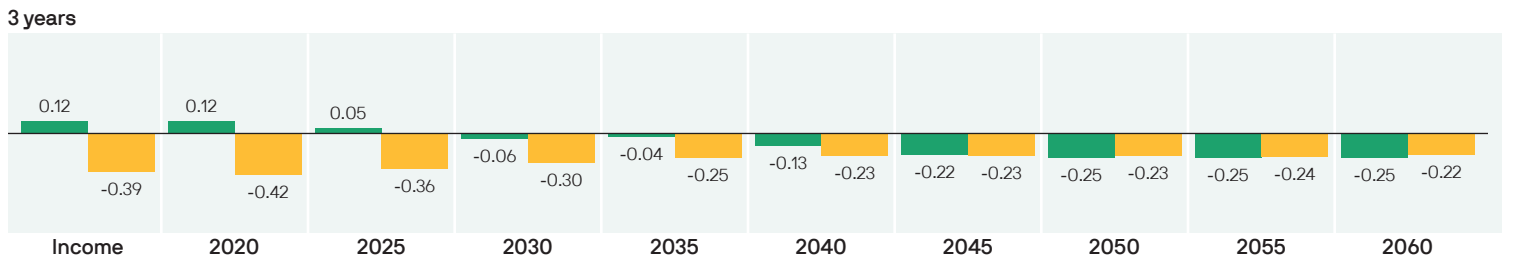
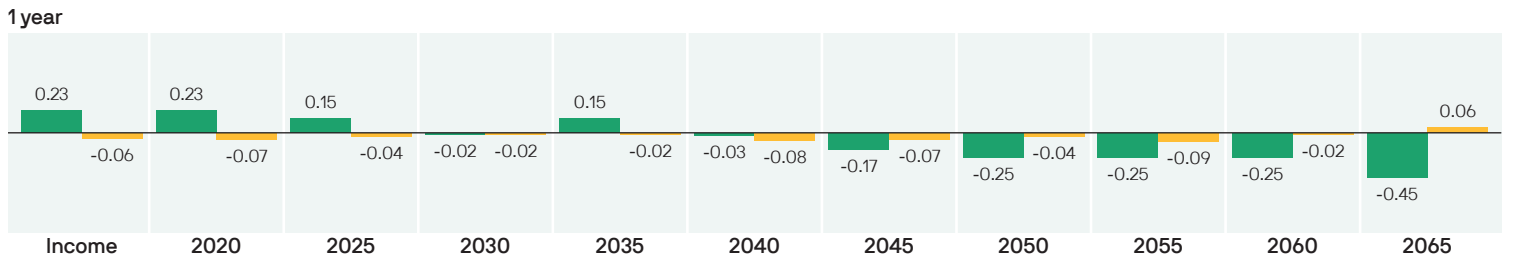
Mutual funds have fees that reduce their performance: indexes do not. You cannot invest directly in an index.

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).

Decomposition of value added over the glide path (% as of 12/31/24, net of fees)

● Active Asset Allocation Effect ● Portfolio Construction Effect



Portfolio Construction Effect: Measures the portfolio management team’s selection of underlying strategies within each asset class and how underlying strategies performed relative to their respective benchmarks. Active Asset Allocation Effect: Decisions made by the portfolio team to over/underweight given asset classes. Performance information is shown net of investment management fees. If the fees were included performance would be lower. Performance includes the reinvestment of interests when applicable. Information about fees and more recent performance is available upon request by contacting your J.P. Morgan representative. Please see additional disclosure on the back page.

Past performance is no guarantee of future results. Performance includes the reinvestment of income. Performance is shown net of fees.

**General Disclosures:**

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Must be preceded or accompanied by a prospectus.

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**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.

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