J.P. Morgan 1-17 Year Municipal Ladder Strategy

Separately Managed Account

Designed to provide a stable stream of tax-aware income while focusing on capital preservation

Approach
- Diversified portfolio with laddered maturities of high-quality municipal bonds
- Invests in a buy and maintain municipal bond portfolio that targets a weighted average duration of up to 6.5 years
- Employs a combination of top-down macro analysis and bottom-up individual security selection utilizing both quantitative analysis and fundamental credit research

Expertise
Strategy manager(s) and years of experience
Debbie Fierro, 25 yrs
Jenn Gonzalez, 19 yrs
9 Portfolio Managers, 21 yrs
11 Credit Analysts, 20 yrs

Strategy Information
Launch date
January 31, 2014

Customized Portfolios
National portfolios: Broadest, most highly geographically diversified
State specific portfolios: 80% to 100% in a given state, offered in states such as CA, NY, OH, PA, TX, and UT
State focused portfolios: Minimum 50% in a given state, offered in states such as AZ, CA, CO, CT, GA, IN, MA, MD, MI, MN, NC, NJ, NY, OH, OR, PA, SC, TX, UT, and VA
State best efforts portfolios: Minimum 20% in a given state, offered in states such as HI, KS, LA, MO, NM, and OK
Customization by additional factors such as credit quality or state exclusions are also available

Performance

<table>
<thead>
<tr>
<th>Performance Benchmark: Bloomberg U.S. 1-15 Year Blend (1-17) Municipal Bond Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy (gross of fees)</td>
</tr>
<tr>
<td>Strategy (net of maximum allowable fees - 150 bps)*</td>
</tr>
<tr>
<td>B</td>
</tr>
</tbody>
</table>

*Please note, actual fees associated with this strategy may be lower.

Calendar Year Performance (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>2.61</td>
<td>0.12</td>
<td>3.36</td>
<td>1.37</td>
<td>6.22</td>
<td>4.79</td>
<td>0.41</td>
</tr>
<tr>
<td>S2</td>
<td>1.09</td>
<td>-1.37</td>
<td>1.83</td>
<td>-0.14</td>
<td>4.64</td>
<td>3.24</td>
<td>-1.08</td>
</tr>
<tr>
<td>B</td>
<td>2.83</td>
<td>0.01</td>
<td>4.33</td>
<td>1.58</td>
<td>6.44</td>
<td>4.73</td>
<td>0.86</td>
</tr>
</tbody>
</table>

Composite Performance (%)

<table>
<thead>
<tr>
<th>3 mos</th>
<th>YTD</th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
<th>Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>2.13</td>
<td>2.13</td>
<td>1.25</td>
<td>0.14</td>
<td>1.86</td>
</tr>
<tr>
<td>S2</td>
<td>1.75</td>
<td>1.75</td>
<td>-0.25</td>
<td>-1.35</td>
<td>0.35</td>
</tr>
<tr>
<td>B</td>
<td>2.27</td>
<td>2.27</td>
<td>1.61</td>
<td>0.70</td>
<td>2.08</td>
</tr>
</tbody>
</table>

Yield (%)

| Yield to maturity | 3.40 | 3.36 |
| Yield to worst    | 2.65 | 2.87 |

Performance Disclosures
Past performance is not indicative of future returns. Returns will fluctuate and sell prices may be more or less than original cost. Net-of-fees returns are calculated by deducting the maximum managed account fee of 1.50%. Total returns include reinvestment of any income.

1 UT exempts bonds from AK, DC, FL, NV, ND, SD, TN, TX, WA, WY; the in-state allocation could be reached utilizing the exempt states.
Certain holdings may not be included due to de minimis values and rounding. Values may not total 100%.

**Portfolio Analysis**

<table>
<thead>
<tr>
<th></th>
<th>Portfolio</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average price</td>
<td>$110.84</td>
<td>$105.12</td>
</tr>
<tr>
<td>Average maturity (years)</td>
<td>9.54</td>
<td>7.91</td>
</tr>
<tr>
<td>Effective (OA) duration (years)</td>
<td>4.99</td>
<td>4.53</td>
</tr>
<tr>
<td>Average coupon (%)</td>
<td>4.89</td>
<td>4.44</td>
</tr>
<tr>
<td>Average life (years)</td>
<td>5.99</td>
<td>5.12</td>
</tr>
<tr>
<td>% AMT</td>
<td>0.00</td>
<td>4.16</td>
</tr>
</tbody>
</table>

Source: J.P. Morgan Asset Management, FactSet.

The above characteristics are from a representative portfolio. Actual account characteristics of individual accounts may be different. Portfolio characteristics are as of 3/31/2023 and are based on individual securities in the Portfolio on that date. Securities in the Portfolio are subject to change. Statistics shown are not indicative of future statistics and are not representative of future Portfolio performance.

The average annual turnover for the Municipal STEPs Strategies has ranged from 5% to 25%, dependent on the maturity structure. Shorter ladders will have higher turnover.

Due to rounding, values may not total 100%.

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**Risk Summary**

Because this Strategy invests primarily in bonds, it is subject to interest rate risks. Bond prices generally fall when interest rates rise. For some investors, income may be subject to the Alternative Minimum Tax. Capital gains, if any, are federally taxable. Income may be subject to state and local taxes.

Managed accounts are subject to market risks. Investment return and principal value will fluctuate so that when an account is liquidated, it may be worth more or less than the original value.

The securities highlighted have been selected based on their significance. They are not recommendations to buy or sell. Contact your financial professional for a complete list of firm recommendations in the Portfolio for the last year or to assist you in evaluating your investment objective, and to make specific recommendations regarding your account.

Representative portfolios and/or individual accounts may, or may not, hold the stocks mentioned above. Actual accounts will differ based on individual client account restrictions, investment guidelines, and account inception dates.

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness.

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**Composite**

The composite includes all discretionary separately managed accounts invested according to JPMIM’s Municipal Ladder 1-17 year strategy. The strategy seeks to earn a stable stream of interest that is largely or fully exempt from federal income taxes. It is expected to preserve capital in different market environments, limit/manage gains and losses, and reinvest rolling maturities at current market rates. It invests in a buy and hold managed laddered municipal bonds portfolio that are rated investment grade by Moody’s, S&P or Fitch Ratings and targets a duration of 5.0 – 6.0 years. From inception, accounts with a minimum market value of $250,000 are included in the composite. Beginning July 2017, and going forward, the minimum has changed to $240,000. Effective March 2019, the Municipal Strategic Tax-Exempt Portfolios (STEPs) 1-17 Year strategy has been renamed to Municipal Ladder 1-17 year strategy. The inception date is February 1, 2014.

**Credit Quality**

J.P. Morgan Investment Management (JPMIM) receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies – S&P, Moody’s and Fitch. When calculating credit quality breakdown, JPMIM selects the middle rating of the agencies when all three rate a security, the lower of two ratings if only two a security, and one rating if that is all that is provided. Securities that are not rated by all three agencies are reflected as such.

**Indexes**

Separately Managed Accounts have fees that reduce their performance: indexes do not. You cannot invest directly in an index.

The Bloomberg U.S. 1-15 Year Blend (1-17) Municipal Bond Index represents the performance of municipal bonds with maturities from 1 to 17 years. The Barclays 1-17 Year Municipal Bond Index is a market value-weighted index which covers the short and intermediate components of the Barclays Capital Municipal Bond Index—an unmanaged, market value-weighted index which covers the U.S. investment-grade tax-exempt bond market. The 1-17 Year Municipal Blend index tracks tax-exempt municipal General Obligation, Revenue, Insured, and Prerefunded bonds with a minimum $5 million par amount outstanding, issued as part of a transaction of at least $50 million, and with a remaining maturity from 1 up to (but not including) 12 years. The index includes reinvestment of income. 

Past performance is no guarantee of future results.

**Portfolio Analysis Definitions**

**Average Life**

The length of time the principal of a debt issue is expected to be outstanding.

**Duration**

Measures price sensitivity of fixed income securities to interest rate changes.

**Entities**

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