

PROSPECTUS – 17 MARCH 2026

# JPMorgan Fund III ICVC

---

A UK open-ended investment company (OEIC)



# Contents

---

Using This Prospectus	2
Fund Descriptions	3
JPM Diversified Growth Fund	5
JPM Multi-Asset Cautious Fund	6
JPM Multi-Asset Growth Fund	7
JPM Multi-Asset Moderate Fund	8
Risk Descriptions	9
Investment Restrictions and Powers	14
ESG Integration	23
Share Classes and Costs	24
Investing in the Funds	28
Company Business Operations	39
Past Performance	43
Glossaries	44
Contacting Us	48

# 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.

## Fund Characteristics

**Investment objectives and policies** For investment management information relating to each Fund, see [Fund Descriptions](#); for general information including what is permissible under law and regulation applicable to a Non-UCITS Retail Scheme (NURS), see [Investment Restrictions and Powers](#).

### Understanding investment policies

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

- **Cash and near cash** Can be held by any Fund on a temporary basis to facilitate efficient management of the Fund. Other investments in cash and near cash for any specific purpose will be described in [Fund Descriptions](#).
- **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, even if listed elsewhere.
- **Equities** Includes investments in shares, depositary receipts, warrants and other participation rights. Convertible securities, index and participation notes, and equity linked notes may each be held to a limited extent to gain equity exposure.

**Derivatives** See [Fund Descriptions](#) for derivatives usage for each Fund. See [Investment Restrictions and Powers](#) for general information, including what is permissible under the COLL Sourcebook and law and regulation applicable to a NURS, and for details on derivatives usage and purposes for the Funds.

**Risks** See [Fund Descriptions](#) for a list of the risks for each Fund including a general note on risk; individual risks are described in [Risk Descriptions](#).

**Environmental, Social and Governance integration** See [ESG Integration](#) for details of how environmental, social and governance information is integrated into the investment decision making process.

## Costs

**One-time charges** Stated in [Share Classes and Costs](#).

**Annual fees and expenses** Stated in [Fund Descriptions](#); explained in [Share Classes and Costs](#).

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

## Share Classes

**Eligibility** See [Share Classes and Costs](#).

**Investment minima** See [Share Classes and Costs](#).

**Characteristics and naming conventions** See [Share Classes and Costs](#).

**Distributions** See [Share Classes and Costs](#).

**Currently available** Go to [am.jpmorgan.com/gb/en/asset-management/per/](http://am.jpmorgan.com/gb/en/asset-management/per/).

**ISIN** See applicable KIID.

## Dealing

**Cut-off time** See [Fund Descriptions](#).

**Placing dealing requests** See [Investing in the Funds](#).

**Transfers to another party** See [Investing in the Funds](#).

**General tax considerations** See [Considerations for Investors](#).

## Contact and Ongoing Communications

**Queries and complaints** See [Ongoing Communication](#).

**Notices and publications** See [Ongoing Communication](#).

## Meanings of Various Terms

**Defined terms** See [Glossary 1 Defined Terms](#).

**General investment terms** See [Glossary 2 General Investment Terms](#).

### Client Administration Centre

J.P. Morgan Asset Management  
PO Box 12272  
Chelmsford, CM99 2EL  
Tel UK 0800 20 40 20  
Tel Overseas +44 1268 44 44 70  
Fax 0845 246 1852

# Fund Descriptions

---

## Introduction to the Funds

The Company offers investors a range of Funds with different objectives and strategies and offers the potential benefits of diversification and professional management to both retail and professional investors. The Funds are intended for long-term investment.

Before investing in any Fund, an investor should understand the risks, costs, and terms of investment of that 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 under UK law), have sole responsibility for being aware of, and complying with, all laws and regulations which apply to them. The ACD recommends that every investor obtain legal, tax and financial advice before investing initially, as they maintain and/or increase their investment and under any other circumstances where legal, tax or investment concerns may be relevant.

### MULTI-ASSET FUNDS

JPM Multi-Asset Cautious Fund, JPM Multi-Asset Moderate Fund and JPM Multi-Asset Growth Fund (the “Multi-Asset Funds”) are three distinct asset allocation portfolios across the risk/return spectrum. The Multi-Asset Funds each have distinct potential for different price fluctuation levels compared to each other depending on their likely allocation to equities and debt securities, either directly or via collective investment schemes.

Equities generally have a higher risk/return potential than debt securities. Accordingly, JPM Multi-Asset Cautious Fund, which is likely to have the lowest allocation to equities of the Multi-Asset Funds and have potential for low to moderate levels of price fluctuations, will have a lower risk/return potential than other Multi-Asset Funds. JPM Multi-Asset Moderate Fund and JPM Multi-Asset Growth Fund, which are likely to have higher equity allocations and have potential for moderate to high levels and high levels of price fluctuations respectively, will have a higher risk/return potential due to their higher equity allocations.

Based on the likely extent of the Multi-Asset Funds’ allocation to equities, JPM Multi-Asset Cautious Fund will have the lowest risk return potential and JPM Multi-Asset Growth Fund will have the highest.

## Before Making any Investment

### WHAT TO KNOW ABOUT RISK

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

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

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

All of the Funds are valued in GBP. Where the currency of the underlying assets of the Fund are denominated in currencies other than GBP and are not hedged back to GBP, Shareholders will be exposed to currency risk. The exchange rates between the relevant currencies can have a significant impact on the returns of a Share Class.

The main risks of each 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 Fund.

### WHO CAN INVEST IN THESE FUNDS

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.

Currently, Shares are registered for sale only in the UK.

This Prospectus is not an offer or solicitation in the US or to US investors, or in any jurisdiction or to any investor where such a solicitation is not legally permitted. In addition, the ACD will, in principle, not accept any direct subscription from, or direct holding of Shares in a Fund 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.

Funds may be permitted to purchase or hold securities which are subject to sanctions laws in certain jurisdictions. Investors from these jurisdictions should seek professional advice regarding local sanction laws. Investors from these jurisdictions may need to redeem their holdings in the relevant Fund.

### 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. In all cases, there are minimum investment requirements which the ACD may waive at its discretion.

### WHICH INFORMATION TO USE

In deciding whether to invest in a Fund, prospective investors should read this Prospectus including the relevant [Fund Descriptions](#), the relevant KIID, the application form, the Supplementary Information Document (SID), the Instrument and the Company’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 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 Funds and the Company. Any information or representation given or made by any person which is not contained in this Prospectus 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 ACD believes that it has 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.

This Prospectus is prepared in accordance with the FCA Handbook of Rules and Guidance (including the COLL Sourcebook), and the ACD has approved it for the purpose of section 21 of the Financial Services and Markets Act 2000. Information in this Prospectus may have changed since the date of publication and investors should check with the ACD that this is the most recently published Prospectus.

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 policies](#) under [Using This Prospectus](#).

# JPM Diversified Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide capital growth over the long-term (5-10 years) by investing in a diversified mix of asset classes, while seeking a lower volatility than global equity markets.

As a result of its diversified portfolio the Fund is expected to have a lower level of volatility than equity markets as represented by the MSCI World Index.

### INVESTMENT PROCESS

#### Investment approach

- combines a bottom-up strategy selection and top-down asset allocation approach
- active management of allocation across equity, fixed income and other asset markets

#### ESG approach [ESG Integrated.](#)

Note that ESG determinations may not be conclusive and the Fund may, without limit, invest and retain securities of companies or issuers regardless of their potential ESG impact. See [ESG Integration](#) for further information.

**Benchmark** ICE BofA SONIA Overnight Rate Index.

**Benchmark uses and resemblance** The Fund is actively managed. The Benchmark is a Performance Comparator. However the Fund is managed without reference to its Benchmark. The Benchmark has been chosen as it reflects the investment strategy for the Fund.

### POLICIES

**Main investment exposure** The Fund's assets are invested, either directly or through other funds, in a broad range of asset classes, such as equities (including small capitalisation companies), fixed income, real estate, commodities, private equity and cash and near cash. These investments may be from anywhere in the world, including emerging markets, and some of the fixed income investments may be below investment grade.

The Fund may invest in funds managed by the Investment Manager or any other entities of JPMorgan Chase & Co.

**Derivatives** Used for: investment purposes, efficient portfolio management and hedging. Types: see [Fund Derivatives Usage](#) table under [How the Funds Use Derivatives, Instruments and Techniques](#). Maximum level of leverage (as a ratio of the Fund's total assets): 3 : 1 (gross leverage approach) and 3 : 1 (commitment approach).

**Currencies** Fund Base Currency: GBP. Currencies of asset denomination: any. Hedging approach: typically hedged to the Base Currency (excluding emerging market currencies).

### MAIN RISKS

The 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 Fund.

Investors should also read [Risk Descriptions](#) for a full description of each risk.

#### Investment Risks *Risks from the Fund's techniques and securities*

Techniques	Securities	
Derivatives	Concentration	Emerging markets
Hedging	Debt securities:	Equities
	- Below investment grade debt	REITs
	- Investment grade debt	
	- Unrated debt	

#### Other associated risks *Further risks the 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*

<b>Loss</b> Shareholders could lose some or all of their money.	<b>Volatility</b> Shares of the Fund will fluctuate in value.	<b>Failure to meet the Fund's objective.</b>
---	---	--

## Investor Considerations

**Investor profile** Investors who understand the risks of the Fund, including the risk of capital loss, and:

- seek investment return through long-term capital growth with reduced volatility
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Distributions** Type: dividend. Frequency: annually (31 July).

**Dealing** Requests received before 12:00 p.m. UK time on any Dealing Day will be processed at the Valuation point for that day.

**Dilution adjustment (as at 4 March 2026)** Bid: 0.07%. Offer: 0.09%.

**Fund launch date** 1 November 1985.

**Product reference number** 636016.

#### Share class characteristics

Share Class	Type of Share	Annual ACD Fee	Operating Expenses (Max)
B	Net Accumulation	0.45%	0.15%
C	Net Accumulation	0.35%	0.15%
C2	Net Accumulation	0.28%	0.10%
X	Net Accumulation	—	0.06%
X	Net Income	—	0.06%
X2	Net Accumulation	—	0.04%
X2	Net Income	—	0.04%

See [Share Classes and Costs](#) for more complete information including charges, investment minimums and eligibility. See Performance Table for [Past Performance](#).

# JPM Multi-Asset Cautious Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide capital growth over the long-term (5-10 years) by investing in a combination of asset classes (such as equities, fixed income and cash), with the potential for low to moderate levels of price fluctuations.

### INVESTMENT PROCESS

#### Investment approach

- uses a multi-asset approach, combining active asset allocation with bottom-up expertise from the Investment Manager's global investment platform
- active management of asset allocation and strategy selection across equities, fixed income and cash

#### ESG approach [ESG Integrated.](#)

Note that ESG determinations may not be conclusive and the Fund may, without limit, invest and retain securities of companies or issuers regardless of their potential ESG impact. See [ESG Integration](#) for further information.

**Benchmark** 20.5% MSCI World Net Total Return Index (GBP Hedged), 2.5% MSCI Emerging Market Equity GBP Index, 7% FTSE All Share Net Index, 45% Bloomberg Global Aggregate Bond Index (GBP Hedged), 15% Bloomberg Sterling Aggregate Bond Index and 10% Cash (ICE BofA SONIA Overnight Rate Index).

**Benchmark uses and resemblance** The Fund is actively managed. The Benchmark is a Performance Comparator and the Fund may bear little resemblance to its Benchmark. The Benchmark has been chosen as it reflects the main investment universe and strategy.

### POLICIES

**Main investment exposure** The Fund's assets are invested, either directly or through other funds, in a broad range of asset classes, such as equities (including small capitalisation companies), fixed income and cash and near cash. These investments may be from anywhere in the world, including emerging markets, and some of the fixed income investments may be below investment grade or unrated.

The Fund may invest in the following up to the percentage of assets indicated:

- government bonds: 65%, with a minimum of 15%
- corporate bonds: 45%, with a minimum of 15%
- cash and near cash: 40%
- equities: 40%

The Fund invests in funds established in the UK or EEA and may invest in those managed by the Investment Manager or any other entities of JPMorgan Chase & Co.

**Derivatives** *Used for:* investment purposes, efficient portfolio management and hedging. *Types:* see [Fund Derivatives Usage](#) table under [How the Funds Use Derivatives, Instruments and Techniques](#). *Maximum level of leverage (as a ratio of the Fund's total assets):* 4 : 1 (gross leverage approach) and 3.5 : 1 (commitment approach).

**Currencies** *Fund Base Currency:* GBP. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to the Base Currency.

### MAIN RISKS

The 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 Fund.

Investors should also read [Risk Descriptions](#) for a full description of each risk.

#### Investment Risks *Risks from the Fund's techniques and securities*

Techniques	Securities
Derivatives	Debt securities: Emerging markets
Hedging	- Below investment grade debt Equities
	- Investment grade debt
	- Unrated debt

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

Techniques	Securities
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 Fund will fluctuate in value. **Failure to meet the Fund's objective.**

## Investor Considerations

**Investor profile** Investors who understand the risks of the Fund, including the risk of capital loss, and:

- seek long-term capital growth through a range of asset classes with the potential for low to moderate levels of price fluctuations
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Minimum recommended holding period** 5 years.

**Distributions** *Type:* dividend. *Frequency:* annually (31 July).

**Dealing** Requests received before 12:00 p.m. UK time on any Dealing Day will be processed at the Valuation point for that day.

**Dilution adjustment (as at 4 March 2026)** *Bid:* 0.00%. *Offer:* 0.00%.

**Fund launch date** 20 September 2019.

**Product reference number** 914063.

### Share class characteristics

Share Class	Type of Share	Annual ACD Fee	Operating Expenses (Max)
C	Net Accumulation	0.35%	0.15%
C2	Net Accumulation	0.28%	0.10%
X2	Net Accumulation	—	0.04%
X2	Net Income	—	0.04%

See [Share Classes and Costs](#) for more complete information including charges, investment minimums and eligibility. See Performance Table for [Past Performance](#).

# JPM Multi-Asset Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide capital growth over the long-term (5-10 years) by investing in a combination of asset classes (such as equities, fixed income, real estate and cash), with the potential for high levels of price fluctuations.

### INVESTMENT PROCESS

#### Investment approach

- uses a multi-asset approach, combining asset allocation with bottom-up expertise from the Investment Manager's global investment platform
- active management of asset allocation and strategy selection across equities, fixed income, real estate and cash

#### ESG approach [ESG Integrated](#).

Note that ESG determinations may not be conclusive and the Fund may, without limit, invest and retain securities of companies or issuers regardless of their potential ESG impact. See [ESG Integration](#) for further information.

**Benchmark** 51% MSCI World Net Total Return Index (GBP Hedged), 6% MSCI Emerging Market Equity GBP Index, 18% FTSE All Share Net Index, 19% Bloomberg Global Aggregate Bond Index (GBP Hedged) and 6% Bloomberg Sterling Aggregate Bond Index.

**Benchmark uses and resemblance** The Fund is actively managed. The Benchmark is a Performance Comparator and the Fund may bear little resemblance to its Benchmark. The Benchmark has been chosen as it reflects the main investment universe and strategy.

### POLICIES

**Main investment exposure** The Fund's assets are invested, either directly or through other funds, in a broad range of asset classes, such as equities (including small capitalisation companies), fixed income, real estate and cash and near cash. These investments may be from anywhere in the world, including emerging markets, and some of the fixed income investments may be below investment grade or unrated.

The Fund may invest in the following up to the percentage of assets indicated:

- equities: 95%, with a minimum of 30%
- government bonds: 45%
- cash and near cash: 40%
- corporate bonds: 30%
- real estate: 20%

The Fund invests in funds established in the UK or EEA and may invest in those managed by the Investment Manager or any other entities of JPMorgan Chase & Co.

**Derivatives** Used for: investment purposes, efficient portfolio management and hedging. Types: see [Fund Derivatives Usage](#) table under [How the Funds Use Derivatives, Instruments and Techniques](#). *Maximum level of leverage (as a ratio of the Fund's total assets): 4 : 1 (gross leverage approach) and 3.5 : 1 (commitment approach).*

**Currencies** Fund Base Currency: GBP. Currencies of asset denomination: any. Hedging approach: typically hedged to the Base Currency (excluding emerging market currencies).

### MAIN RISKS

The 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 Fund.

Investors should also read [Risk Descriptions](#) for a full description of each risk.

#### Investment Risks *Risks from the Fund's techniques and securities*

Techniques	Securities	
Derivatives	Debt securities:	Emerging markets
Hedging	- Below investment grade debt	Equities
	- Investment grade debt	REITs
	- Unrated debt	

#### Other associated risks *Further risks the 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*

<b>Loss</b> Shareholders could lose some or all of their money.	<b>Volatility</b> Shares of the Fund will fluctuate in value.	<b>Failure to meet the Fund's objective.</b>
---	---	--

## Investor Considerations

**Investor profile** Investors who understand the risks of the Fund, including the risk of capital loss, and:

- seek long-term capital growth through a range of asset classes with the potential for high levels of price fluctuations
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Minimum recommended holding period** 5 years.

**Distributions** Type: dividend. Frequency: annually (31 July).

**Dealing** Requests received before 12:00 p.m. UK time on any Dealing Day will be processed at the Valuation point for that day.

**Dilution adjustment (as at 4 March 2026)** Bid: 0.00%.

Offer: 0.00%.

**Fund launch date** 20 September 2019.

**Product reference number** 914064.

### Share class characteristics

Share Class	Type of Share	Annual ACD Fee	Operating Expenses (Max)
C	Net Accumulation	0.35%	0.15%
C2	Net Accumulation	0.28%	0.10%
X	Net Accumulation	—	0.06%
X	Net Income	—	0.06%
X2	Net Accumulation	—	0.04%
X2	Net Income	—	0.04%

See [Share Classes and Costs](#) for more complete information including charges, investment minimums and eligibility. See Performance Table for [Past Performance](#).

# JPM Multi-Asset Moderate Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide capital growth over the long-term (5-10 years) by investing in a combination of asset classes (such as equities, fixed income, real estate and cash), with the potential for moderate to high levels of price fluctuations.

### INVESTMENT PROCESS

#### Investment approach

- uses a multi-asset approach, combining asset allocation with bottom-up expertise from the Investment Manager's global investment platform
- active management of asset allocation and strategy selection across equities, fixed income and cash

#### ESG approach [ESG Integrated](#).

Note that ESG determinations may not be conclusive and the Fund may, without limit, invest and retain securities of companies or issuers regardless of their potential ESG impact. See [ESG Integration](#) for further information.

**Benchmark** 41% MSCI World Net Total Return Index (GBP Hedged), 5% MSCI Emerging Market Equity GBP Index, 14% FTSE All Share Net Index, 26% Bloomberg Global Aggregate Bond Index (GBP Hedged), 9% Bloomberg Sterling Aggregate Bond Index and 5% Cash (ICE BofA SONIA Overnight Rate Index).

**Benchmark uses and resemblance** The Fund is actively managed. The Benchmark is a Performance Comparator and the Fund may bear little resemblance to its Benchmark. The Benchmark has been chosen as it reflects the main investment universe and strategy.

### POLICIES

**Main investment exposure** The Fund's assets are invested, either directly or through other funds, in a broad range of asset classes, such as equities (including small capitalisation companies), fixed income and real estate, cash and near cash. These investments may be from anywhere in the world, including emerging markets, and some of the fixed income investments may be below investment grade or unrated.

The Fund may invest in the following up to the percentage of assets indicated:

- equities: 70%, with a minimum of 20%
- government bonds: 60%, with a minimum of 5%
- cash and near cash: 40%
- corporate bonds: 30%
- real estate: 20%

The Fund invests in funds established in the UK or EEA and may invest in those managed by the Investment Manager or any other entities of JPMorgan Chase & Co.

**Derivatives** *Used for:* investment purposes, efficient portfolio management and hedging. *Types:* see [Fund Derivatives Usage](#) table under [How the Funds Use Derivatives, Instruments and Techniques](#). *Maximum level of leverage (as a ratio of the Fund's total assets):* 4 : 1 (gross leverage approach) and 3.5 : 1 (commitment approach).

**Currencies** *Fund Base Currency:* GBP. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to the Base Currency (excluding emerging market currencies).

### MAIN RISKS

The 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 Fund.

Investors should also read [Risk Descriptions](#) for a full description of each risk.

#### Investment Risks *Risks from the Fund's techniques and securities*

Techniques	Securities	
Derivatives	Debt securities:	Emerging markets
Hedging	- Below investment grade debt	Equities
	- Investment grade debt	REITs
	- Unrated debt	

#### Other associated risks *Further risks the 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*

<b>Loss</b> Shareholders could lose some or all of their money.	<b>Volatility</b> Shares of the Fund will fluctuate in value.	<b>Failure to meet the Fund's objective.</b>
---	---	--

## Investor Considerations

**Investor profile** Investors who understand the risks of the Fund, including the risk of capital loss, and:

- seek long-term capital growth through a range of asset classes with the potential for moderate to high levels of price fluctuations
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Minimum recommended holding period** 5 years.

**Distributions** *Type:* dividend. *Frequency:* annually (31 July).

**Dealing** Requests received before 12:00 p.m. UK time on any Dealing Day will be processed at the Valuation point for that day.

**Dilution adjustment (as at 4 March 2026)** *Bid:* 0.00%. *Offer:* 0.00%.

**Fund launch date** 20 September 2019.

**Product reference number** 914065.

#### Share class characteristics

Share Class	Type of Share	Annual ACD Fee	Operating Expenses (Max)
C	Net Accumulation	0.35%	0.15%
C2	Net Accumulation	0.28%	0.10%
X2	Net Accumulation	—	0.04%
X2	Net Income	—	0.04%

See [Share Classes and Costs](#) for more complete information including charges, investment minimums and eligibility. See Performance Table for [Past Performance](#).

# Risk Descriptions

While this Prospectus identifies what the ACD believes to be the main risks of the Funds, a 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 Fund, all of the risks described below could give rise to one or more of the three basic outcomes described in each Fund description: loss, volatility and failure to achieve its objective. Other direct effects on investors could include the Fund performing less well than its peers or than the overall market(s) in which it invests.

## INVESTMENT FUND RISKS

Investing in any Fund of the Company involves certain risks:

### Company structure risks

- The ACD may decide to terminate a Fund under certain circumstances (see [Winding up/Termination](#) under [Considerations for Investors](#)). It is possible that the net proceeds of any termination for a Shareholder may be less than the amount they initially invested.
- In the event the ACD decides to suspend the calculation of NAV per Share or to defer redemption and switch requests for the Fund, Shareholders may not receive the proceeds of their investment at the desired time or price.
- If a large proportion of the Shares of the 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 Fund is subject to the risk that these Shareholder(s) redeem their Shares in large amounts. These transactions could adversely affect the Funds ability to implement its investment policies and/or the Fund could become too small to operate efficiently and need to be terminated or merged.

### Regulatory risks

- The Company is domiciled in the UK. Therefore any protections provided by the regulatory framework of other jurisdictions may differ or may not apply.
- The Company qualifies as an alternative investment fund under the UK AIFM Rules and is subject to the investment laws, regulations and guidance set down by the FCA. As a result of the 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. Further, Funds could be precluded from holding or purchasing particular securities or financial instruments, even if the securities or financial instruments would otherwise meet the Funds objectives.
- The ACD 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 Company 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 25% of the Fund beyond the permitted seeding period (generally three years from the date of the launch of the Fund); as a result, in cases where JPMorgan Chase & Co. continues to hold a seed position representing a significant portion of the 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 Fund. This may require the sale of portfolio securities before it is desirable,

resulting in losses to other Shareholders or could result in the termination of the Fund.

### Political risks

- The value of the 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, the 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 (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.

### Management risk

- As the 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, the Fund, in accordance with its investment policy, may invest all or most of its assets in cash and near cash for temporary defensive purposes. Investments in cash and near cash may result in lower yield than other investments, which if used for temporary defensive purposes rather than an investment strategy, may prevent the Fund from meeting its investment objective.

## INVESTMENT RISKS

### Techniques

**Concentration risk** To the extent that the 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 Fund that invests more broadly. When the 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 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 Fund to terminate a derivative position under disadvantageous circumstances. Any increased use of derivatives will lead to a commensurate increase in the risks of trading derivatives

#### *OTC derivatives*

As OTC derivatives are private agreements between the Company on behalf of a specific 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 Company. If a counterparty ceases to offer a derivative that the Fund is using or is planning to use, the Fund might not be able to find a comparable derivative elsewhere. This in turn could cause the 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 Company 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 Fund experiences any financial weakness or fails to meet an obligation, counterparties might become unwilling to do business with the Company, which could leave the Company 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 the 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 Company on behalf of the 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.
- **Credit default swaps** The price at which a credit default swap (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.

**Hedging risk** Any measures that the Fund takes that are designed to offset specific risks could work imperfectly, might not be feasible at times, or could fail completely. The 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.

#### **Securities**

**Commodities risk** The value of securities in which the Fund invests, or financial instruments which provide exposure to commodities, 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.

**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, including those issued by local governments and government agencies, 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 Funds) 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 the Fund.

Investment in local government debt may include debt securities issued by the US municipalities (municipal securities). The risk of a municipal security generally depends on the financial and credit status of the issuer. Changes in a US municipality’s financial health may make it difficult for the municipality to make interest and principal payments when due. Under some circumstances, municipal securities might not pay interest unless the state legislature or municipality authorises money for that purpose. Municipal securities may be more susceptible to downgrades or defaults during recessions or similar periods of economic stress. Such a downward revision or risk of being downgraded may have an adverse effect on the market prices of the municipal securities and thus the value of the Fund’s investments. These risks could decrease the Fund’s income or hurt the ability to preserve capital and liquidity. In addition to being downgraded, an insolvent municipality may file for bankruptcy. The reorganisation of a municipality’s debts may significantly affect the rights of creditors and the value of the securities issued by the municipality and the value of the Fund’s investments.

**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 the 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 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 debt* 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 debt 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 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.

**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. The 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.

**Investment trust risk** Market prices for shares of investment trusts can be lower than the value of their net assets and the shares can have liquidity risk. Investment trusts may use leverage, which exaggerates market movements, and some investment trusts may have warrants in issue, which if exercised may negatively affect share values of the investment trust.

**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 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 48 hours before they are issued, can fall in value between the time the 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 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 may be less liquid, more volatile and tend to carry greater financial risk than stocks of larger companies.

**UK UCITS, EEA UCITS, UCIs (including AIFs) and ETFs** Investments in units of underlying funds (such as UK UCITS, EEA UCITS, UCIs and ETFs) subjects the 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 Fund, therefore there can be no assurance that effective diversification of the 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.

**Cyber security risk** As the use of technology has become more prevalent in the course of business, funds have become more susceptible to operational and financial risks associated with cyber security, including: theft, loss, misuse, improper release, corruption and destruction of, or unauthorised access to, confidential or highly restricted data relating to the Company and the Shareholders; and compromises or failures to systems, networks, devices and applications relating to the operations of the Company and its service providers. Cyber security risks may result in financial losses to the Company and the Shareholders; the inability of the Company to transact business with the Shareholders; delays or mistakes in the calculation of the Net Asset Value or other materials provided to Shareholders; the

inability to process transactions with Shareholders or other parties; violations of privacy and other laws; regulatory fines, penalties and reputational damage; and compliance and remediation costs, legal fees and other expenses. The Company's service providers (including, but not limited to, the ACD, any Investment Managers, the Administrator and the Depositary or their agents), financial intermediaries, companies in which the Fund invests and parties with which the Company engages in portfolio or other transactions also may be adversely impacted by cyber security risks in their own businesses, which could result in losses to the Fund or the Shareholders. While measures have been developed which are designed to reduce the risks associated with cyber security, there is no guarantee that those measures will be effective, particularly since the Company does not directly control the cyber security defences or plans of its service providers, financial intermediaries and companies in which the Fund invests or with which it does business.

**Currency risk** Movements or changes in currency exchange rates could adversely affect the value of the Fund's securities and the price of its Shares. Where the underlying assets of the Fund are denominated in currencies other than the currency of the Share Class, and are not hedged back to that currency, investors will be exposed to the risk of fluctuations between the Share Class currency and the currency of the underlying assets. 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 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 the Fund may incur a loss as a result. An inability to sell a portfolio position can adversely affect those Fund's value or prevent those Funds from being able to take advantage of other investment opportunities.

Liquidity risk also includes the risk that those 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 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. The ACD has implemented certain tools to manage liquidity risk including, but not limited to:

- Temporarily suspending or deferring the calculation of NAVs or deals in a Fund and/or Share Class, as set out in [Rights related to suspension of dealing](#).

- Adjusting a Fund's NAV to compensate for dilutions that can arise in connection with large net flows of cash into or out of a Fund, as set out in [Dilution Adjustment](#).
- Applying alternative valuation methods when it believes the interests of Shareholders or the Fund justify it, as set out in Company Rights Related to NAV Calculation and Dealing Arrangements

The ACD has also implemented a liquidity risk management framework in order to manage liquidity risk. For more information on the liquidity risk management framework, please see [am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/supplemental/notice-to-shareholders/our-commitment-to-liquidity-management-ce-en.pdf](http://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/supplemental/notice-to-shareholders/our-commitment-to-liquidity-management-ce-en.pdf).

Further information about the Fund's liquidity estimates is available on request from the ACD.

**Market risk** The value of the securities in which the Fund invests changes continually and can fall based on a wide variety of factors affecting financial markets generally or individual sectors.

Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Furthermore, global events such as war, terrorism, environmental disasters, natural disasters or events, country instability, and infectious disease epidemics or pandemics could also negatively affect the value of the Fund's investments.

For example, an outbreak of COVID-19, a coronavirus disease, has negatively affected economies, markets and individual companies throughout the world. The effects of this pandemic, and other epidemics and pandemics that may arise in the future, may presently and/or in the future have a significant negative impact on the value of the Fund's investments, increase the Fund's volatility, negatively impact the Fund's pricing, magnify pre-existing risks to the Fund, lead to temporary suspensions or deferrals on the calculation of NAV's and interrupt the Company's operations. The duration and extent of COVID-19 and associated economic and market conditions and uncertainty over the long-term cannot be reasonably estimated at this time. The ultimate impact of COVID-19 and the extent to which the associated conditions impact the Fund will also depend on future developments, which are highly uncertain, difficult to accurately predict and subject to frequent changes.

**Operational risk** The Funds are exposed to operational risk, which is the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. Operational risk arises from causes such as human error, processing and communication errors, provision or receipt of erroneous or incomplete data, errors of agents, service providers, counterparties or other third parties, failed or inadequate processes, governance and technology or systems failures. Such risk may, among other impacts, subject the Funds to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, custody and trading. While the Management Company implements controls, procedures, monitoring and oversight of service providers to seek to reduce the occurrence and mitigate the effects of operational risk, it is not possible to predict, identify, completely eliminate or mitigate all operational risk and there may still be failures that could cause losses to a Fund. Operational risk may go undetected for long periods of time, and even if the specific risk issue is detected and resolved/mitigated it may not be possible to recover any potential compensation.

**Sustainability risk** Sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment and the risk arises from an adverse sustainability impact. The ACD considers sustainability risk as risks that are reasonably likely to materially negatively impact the financial condition or operating performance of a company or an issuer and therefore the value of that investment. In addition to a material negative impact on the value of the Fund, sustainability risk may increase the Fund's volatility and/or magnify pre-existing risks to the Fund.

Sustainability risk may be particularly acute if it occurs in an unanticipated or sudden manner and it may also cause investors to reconsider their investment in the relevant Fund and create further downward pressure on the value of the Fund.

Evolving laws, regulations and industry norms may impact on the sustainability of many companies/issuers, particularly in respect of environmental and social factors. Any changes to such measures could have a negative impact on the relevant companies/issuers which may result in a material loss in value of an investment in them.

Sustainability risk may impact a specific country, region, company or issuer or have a broader impact regionally or globally and adversely impact markets or issuers across several countries or regions.

Assessment of sustainability risk requires subjective judgements, which may include consideration of third party data that is incomplete or inaccurate. There can be no guarantee that the Investment Manager will correctly assess the impact of sustainability risk on the Fund's investments.

The ACD has adopted a policy in respect of the integration of sustainability risks in the investment decision-making process for all actively managed strategies, including all Funds, with the purpose (at a minimum and where reasonably possible/practicable) of identifying and acting to manage and mitigate these risks.

All Funds are exposed to sustainability risks to a varying degree. The likely impacts of sustainability risks on the returns of the Fund are assessed in reference to the Investment Manager's approach to sustainability risk management in the Fund's investment process. The results of this assessment are set out below.

- For those Funds which have sustainability risks integrated in their investment decision-making process or include "ESG" in their name as set out under [ESG Integration](#), sustainability risk is considered to have a lower likely impact on their returns relative to other Funds. This is due to the sustainability risk mitigating nature of their investment strategies which may implement exclusions, forward looking investment policies seeking sustainable financial return and active engagement with companies/issuers.
- For those Funds which do not have sustainability risks integrated in their investment decision-making process, sustainability risk is considered to have the highest likely impact on their returns relative to other Funds.

While the portfolio managers and analysts are provided with information on sustainability risks, and are expected to take sustainability risks into account when making an investment decision, sustainability risk would not by itself prohibit an investment. Instead, sustainability risk forms part of the overall risk management processes, and is one of many risks which may, depending on the specific investment opportunity, be relevant to a determination of overall risk.

# Investment Restrictions and Powers

## GENERAL INVESTMENT POLICIES

Each Fund, and the Company itself, must comply with all applicable UK laws and regulations, notably limits on investment for a NURS under Chapter 5 of the COLL Sourcebook, relevant parts of which are summarised below, as well as certain guidance, 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 COLL Sourcebook itself, the latter

will prevail. In the case of any detected violation of the investment restrictions applicable to a Fund, the Investment Manager 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 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 Company and its Funds can invest in and use. The 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 [Fund Descriptions](#). A Fund's usage of any asset, technique or transaction must be consistent with its investment policies and restrictions. No Fund can acquire assets that come with unlimited liability attached.

Security/Transaction	Requirements	
1. Transferable securities and Money Market Instruments	Must be listed or traded on an Eligible Market.	Recently issued securities must include in their terms of issue a commitment to apply for official listing on an Eligible Market and such admission must be received within 12 months of issue. Nil and partly paid securities must not contravene COLL 5.
2. Money Market Instruments that do not meet the requirements in row 1	<p>Must be subject (at the instrument or issuer level) to regulation aimed at protecting investors and savings and must meet one of the following:</p> <ul style="list-style-type: none"> <li>■ be issued or guaranteed by a central, regional or local authority, the Bank of England, a central bank of an EEA state, the European Central Bank, the European Investment Bank, the EU, a public international body to which the UK or one or more EEA state belongs, a non-EEA state, or a member state of a federation</li> <li>■ be issued by an undertaking of any securities that qualify under row 1 (with exception of recently issued securities)</li> <li>■ be issued or guaranteed by an establishment subject to prudential supervision that accords with criteria defined by UK or EU law</li> </ul>	<p>Can also satisfy the requirements directly to the left if it subject to and complies with prudential rules, and meets one or more of the following criteria:</p> <ul style="list-style-type: none"> <li>■ it is located in the UK or the EEA or in an OECD country belonging to the Group of Ten</li> <li>■ it has at least investment grade rating</li> <li>■ the prudential rules applicable to that issuer can be shown to be at least as stringent as those laid down by the UK or the EU law</li> </ul>
3. Transferable securities and Money Market Instruments that do not meet the requirements in rows 1 and 2	Limited to 20% of a Fund's assets.	Any securities listed or traded on a market that ceases to be an Eligible Market immediately become subject to this 20% limit.

Security/Transaction	Requirements	
<p><b>4. Units of collective investment schemes that are not linked to the Company*</b></p>	<p>Up to 100% of the Scheme Property of a Fund can be invested in other collective investment schemes, including other funds of the Company where relevant ("Second Schemes").</p> <p>In order to be eligible for investment, the Second Scheme must be one of the following:</p> <ul style="list-style-type: none"> <li>■ an EEA or UK UCITS scheme or a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA</li> <li>■ a NURS</li> <li>■ a recognised scheme</li> <li>■ a scheme constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a NURS</li> <li>■ a scheme not falling within any of the bullets above and in respect of which no more than 20% in the value of the Scheme Property (including any transferable securities which are not approved securities) is invested</li> </ul> <p>The Second Scheme operates on the principle of the prudent spread of risk.</p> <p>The Second Scheme is prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes.</p> <p>The participants in the Second Scheme must be entitled to have their units redeemed in accordance with the scheme at a price:</p> <ul style="list-style-type: none"> <li>■ related to the net value of the property to which the units relate</li> <li>■ determined in accordance with the scheme</li> </ul> <p>The Second Scheme must not hold units in other sub-funds of the same umbrella scheme.</p> <p>Investment must not be by a Fund which is a Feeder UCITS Scheme (as defined in the FCA Handbook) to the Second Scheme.</p> <p>Where the Second Scheme is an umbrella, the provisions in the bullet points above apply to each sub-fund as if it were a separate scheme.</p>	<p>A Fund which is not a feeder scheme may invest, if the conditions in the bullet points below are met, in units of a:</p> <ul style="list-style-type: none"> <li>■ feeder UCITS</li> <li>■ feeder NURS</li> <li>■ scheme dedicated to units in a single property authorised investment fund</li> <li>■ scheme dedicated to units in a recognised scheme</li> </ul> <p>The relevant master UCITS must comply with COLL 5.2.13R(2), (3), and (4) as if it were the second scheme for the purpose of that rule.</p> <p>The relevant qualifying master scheme, property authorised investment fund or recognised scheme must comply with COLL 5.6.10R(2) to (5) as if it were the second scheme for the purpose of that rule.</p> <p>Not more than 35% in value of the Scheme Property of a Fund may consist of units of one or more schemes permitted under the first bullet point above.</p> <p>The Fund must not invest directly in units of the relevant master UCITS, qualifying master scheme, property authorised investment fund or recognised scheme.</p> <p>The ACD must be able to show on reasonable grounds that an investment in one or more schemes permitted under the first bullet point above is:</p> <ul style="list-style-type: none"> <li>■ in the interests of investors</li> <li>■ no less advantageous than if the Fund had held units directly in the relevant master UCITS, qualifying master scheme, property authorised investment funds or recognised scheme</li> </ul> <p>When determining whether an investment is no less advantageous as per the above, the ACD should have regard in particular to the:</p> <ul style="list-style-type: none"> <li>■ risk profile of the Fund</li> <li>■ total costs borne by the Fund</li> <li>■ benefits to investors of investing in units of one or more schemes permitted under the first bullet point above</li> </ul>
<p><b>5. Units of collective investment schemes that are linked to the Company*</b></p>	<p>Must meet all requirements in row 4.</p> <p>The ACD must reimburse the Fund within 4 business days of the Fund's acceptance of any transaction request, as follows:</p> <ul style="list-style-type: none"> <li>■ for purchases, any amount above the price that would have been paid if the units were newly issued or sold by the collective investment scheme; or if the ACD is unable able to ascertain this amount, the maximum the seller could have charged</li> </ul>	<ul style="list-style-type: none"> <li>■ for redemptions, any charge that would accrue to the authorised fund manager or operator or any of its associates</li> </ul> <p>For these purposes, any dilution adjustment, SDRT provision or similar price adjustment is considered part of the price and not a charge, as is any exchange fee or similar charge.</p>
<p><b>6. Shares of other Funds of the Company</b></p>	<p>Must meet all requirements in row 5. The target Fund cannot invest in any other Fund.</p>	
<p><b>7. Real estate, immovable property and commodities, including precious metals</b></p>	<p>Both direct and indirect ownership of immovable properties, precious metals and other commodities, or certificates representing them, are allowed.</p> <p>Immovable property limits:</p> <ul style="list-style-type: none"> <li>■ 15% (or 25% once the immovable is included in the Scheme Property) may be invested in any one immovable</li> <li>■ Not more than 20% in mortgaged immovables</li> <li>■ Not more than 50% in unoccupied and non-income producing or in the course of substantial development or refurbishment</li> </ul>	<p>The income receivable from any one group of companies in any accounting period must not be attributable to immovables comprising more than 25% or, in the case of a government or public body, more than 35% of the value of the Scheme Property.</p> <p>None of Funds are intended to invest directly in immovable property or gold.</p> <p>The aggregate value of mortgages secured on immovables, borrowing and transferable securities that do not meet the requirements in Row 1 must not exceed 20% of the NAV.</p>
<p><b>8. Deposits with credit institutions</b></p>	<p>With an Approved Bank and must be repayable on demand or has the right to be withdrawn; and matures in no more than 12 months.</p>	
<p><b>9. Cash and near cash</b></p>	<p>May be held only where reasonably necessary to help the Fund pursue its objective, handle redemptions, pursue Efficient Portfolio Management or for other purposes which may reasonably be regarded as ancillary to the investment objectives of the Fund.</p>	<p>A Fund may make unlimited use of cash and near cash during its initial offering period.</p>

## Security/Transaction Requirements

10. Derivatives	Underlying assets must be those described in rows 1, 2, 4, 5, 6, 7 and 8 or must be financial indices, interest rates, foreign exchange rates or currencies consistent with a Fund's investment objectives and policies. Any indices must be sufficiently diversified, adequate as a benchmark for its stated market and published in an appropriate manner. A transaction in an Approved Derivative must be effected on or under the rules of an Eligible Derivatives Market. All usage must be adequately captured by the risk management process described in <a href="#">Management and Monitoring of Derivatives Risk</a> below.	Any transaction in an OTC derivative must meet all of the following COLL Sourcebook criteria: <ul style="list-style-type: none"> <li>■ be with an Eligible Institution or an Approved Bank, or a person whose permission (including any requirements or limitations) as published in the FCA Register, or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange</li> <li>■ be on approved terms</li> <li>■ be capable of reliable valuation and subject to verifiable valuation</li> </ul> See also <a href="#">How the Funds Use Derivatives, Instruments and Techniques</a> .
11. Securities lending, repurchase transactions and reverse repurchase transactions	Can be used for efficient portfolio management only. With loans of securities and with repurchase transactions, the Fund must ensure that it has sufficient assets to settle the transaction. All counterparties must be subject to UK or EEA prudential supervision rules or belong to categories approved by the FCA. A Fund may lend securities: <ul style="list-style-type: none"> <li>■ directly to a counterparty</li> <li>■ through a lending system organised by a financial institution that specialises in this type of transaction through a standardised lending system organised by a recognised clearing institution</li> </ul>	For each transaction, a Fund must receive and hold collateral that is at least equivalent, at all times during the lifetime of the transaction, to the full current value of the securities lent plus a premium. A 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. <p>See also <a href="#">How the Funds Use Derivatives, Instruments and Techniques</a>.</p>
12. Borrowing	The Company is allowed to borrow money from an Eligible Institution or Approved Bank up to 10% of a Fund's assets.	The Company 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.
14. Underwriting	Underwriting and sub underwriting contracts and placings may be entered into for the account of the Company.	Subject to certain conditions set out in COLL.

*\*A collective investment scheme is considered to be linked to the Company if both are managed or controlled by the same ACD or another affiliated entity.*

The ACD 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 ACD's policy on restrictions applying to cluster munitions is available from the ACD.

## ELIGIBLE MARKETS

Eligible Securities Markets		Eligible Derivatives Markets	
<b>Australia</b>	The Australian Securities Exchange (ASX Limited)	<b>Australia</b>	The Australian Securities Exchange (ASX Limited)
<b>Bahrain</b>	Bahrain Bourse	<b>Brazil</b>	BM&F BOVESPA
<b>Brazil</b>	BM&F BOVESPA	<b>Canada</b>	The Montreal Exchange (TMX Group)
<b>Canada</b>	The over-the-counter market in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organisation of Canada, Toronto Stock Exchange (TMX Group) and TSX Venture Exchange (TMX Group)	<b>EEA*</b>	Euronext Brussels, Athens Derivatives Exchange (ADEX), BME Spanish Exchanges, Eurex Germany, Euronext Amsterdam, Euronext Lisbon, Euronext Paris, IDEM, Euronext Dublin, NASDAQ OMX (Helsinki), NASDAQ OMX Copenhagen, NASDAQ OMX Stockholm, Vienna Stock Exchange and Warsaw Stock Exchange
<b>Chile</b>	Santiago Stock Exchange	<b>Hong Kong</b>	The Hong Kong Exchanges and Clearing Ltd
<b>China</b>	China Interbank Bond Market China, Shanghai Stock Exchange China and Shenzhen Stock Exchange	<b>India</b>	The National Stock Exchange of India and The Bombay Stock Exchange
<b>Colombia</b>	Bolsa de Valores de Colombia	<b>Japan</b>	The Osaka Securities Exchange, The Tokyo Stock Exchange Japan and Tokyo Financial Exchange
<b>EEA*</b>	All EEA Members Stock Exchanges except for Malta and Iceland	<b>Korea</b>	Korea Exchange Incorporated
<b>Hong Kong</b>	The Hong Kong Exchanges and Clearing Ltd Hong Kong and Hong Kong/Shanghai Stock Connect	<b>Malaysia</b>	Bursa Malaysia Derivatives Berhad (BMD)
<b>ICMA</b>	The OTC market organised by the International Capital Market Association (ICMA)	<b>Mexico</b>	Mexican Derivatives Exchange
<b>India</b>	The National Stock Exchange of India, The Bombay Stock Exchange Ltd	<b>New Zealand</b>	New Zealand Futures and Options Exchange
<b>Indonesia</b>	Indonesia Stock Exchange	<b>Singapore</b>	The Singapore Exchange
<b>Israel</b>	The Tel Aviv Stock Exchange	<b>South Africa</b>	JSE Securities Exchange
<b>Japan</b>	Nagoya Stock Exchange, The Osaka Securities Exchange (Japan Exchange Group), JASDAQ Securities Exchange, The Tokyo Stock Exchange (Japan Exchange Group) and TSE Mothers	<b>Switzerland</b>	EUREX (Zurich)
<b>Kenya</b>	Nairobi Securities Exchange	<b>Taiwan</b>	Taiwan Futures Exchange
<b>Korea</b>	Korea Exchange Incorporated	<b>Thailand</b>	Thailand Futures Exchange (TFEX)
<b>Kuwait</b>	Kuwait Stock Exchange	<b>Turkey</b>	Turkish Derivatives Exchange (TurkDEX)
<b>Malaysia</b>	Bursa Malaysia	<b>UK</b>	Euronext LIFFE and ICE Futures Europe
<b>Mexico</b>	The Mexican Stock Exchange	<b>USA</b>	Chicago Board Options Exchange, CME Group, ICE, Kansas City Board of Trade, The New York Stock Exchange Arca, NASDAQ OMX PHLX, Box Exchange LLC, Cboe Exchange Inc., Cboe BZX Exchange Inc., Cboe C2 Exchange Inc., Cboe EDGEX Exchange Inc., Miami International Securities Exchange, MIAX Emerald LLC, MIAX Pearl LLC, Nasdaq BX Inc., Nasdaq GEMX LLC, Nasdaq ISE LLC, Nasdaq MRX LLC, Nasdaq PHLX LLC, NYSE American LLC, NYSE Arca Inc., Cboe Futures Exchange LLC and OneChicago LLC.
<b>Morocco</b>	Casablanca Stock Exchange		
<b>New Zealand</b>	The New Zealand Stock Exchange		
<b>Oman</b>	Muscat Securities Market		
<b>Pakistan</b>	Karachi Stock Exchange		
<b>Peru</b>	Lima Stock Exchange		
<b>Philippines</b>	The Philippine Stock Exchange, Inc		
<b>Qatar</b>	Qatar Exchange		
<b>Saudi Arabia</b>	Tadawul		
<b>Singapore</b>	Catalist (the second tier on the Singapore Stock Exchange) and The Singapore Exchange		
<b>South Africa</b>	JSE Securities Exchange		
<b>Sri Lanka</b>	Colombo Stock Exchange		
<b>Switzerland</b>	SIX Swiss Exchange		
<b>Taiwan</b>	Gre Tai Securities Market and Taiwan Stock Exchange		
<b>Thailand</b>	The Stock Exchange of Thailand		
<b>Turkey</b>	Istanbul Stock Exchange		
<b>UK</b>	All UK Stock Exchanges		
<b>United Arab Emirates</b>	Abu Dhabi Securities Exchange, Dubai Financial Market and NASDAQ Dubai		
<b>USA</b>	NASDAQ (and PORTAL), the OTC market in US government securities conducted by primary dealers selected by the Federal Reserve Bank of New York, The New York Stock Exchange, The OTC Bulletin Board Market operated by NASD, The New York Stock Exchange Arca and NASDAQ OMX PHLX		

\* EEA Members are Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

## DIVERSIFICATION REQUIREMENTS

To ensure diversification, a 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 Fund's operation, but the Fund must observe the principle of risk spreading.

For purposes of this table, companies that share consolidated accounts in accordance with section 399 of the Companies Act 2006, Directive 2013/34/EU or with recognised international accounting rules are considered to be a single body.

Category of securities	Maximum investment, as a % of Fund net assets (except where noted)			
	In any one issuer	In aggregate	Other restrictions	Exceptions
<b>A. Government and public securities issued or guaranteed by: the UK, an EEA State, a UK local authority, a local authority of an EEA State, a non-EEA State or a public international body to which the UK or one or more EEA States belong.</b>	35%	35%		<p>A Fund may invest up to 100% of its assets in as few as six issues, from as few as one issuer (or having one guarantor), if it is investing in accordance with the principle of risk spreading and meets both of the following criteria:</p> <ul style="list-style-type: none"> <li>■ it invests no more than 30% in any one issue</li> <li>■ the Depositary deems the investment appropriate</li> </ul> <p>The exception described for row C applies to this row as well.</p>
<b>B. Covered Bonds issued by a credit institution whose registered office is in the UK or in an EEA state and which is subject by law to special public supervision designed to protect bondholders*.</b>	25%			
<b>C. Any transferable securities and money market instruments other than those described in rows A and B above.</b>	20%	20%	<p>20% in transferable securities and money market instruments within the same group.</p> <p>40% in aggregate in all issuers in which a Fund has invested more than 5% of its assets (does not include Covered Bonds).</p> <p>5% in Warrants unless otherwise specified in <a href="#">Fund Descriptions</a>.</p>	<p>For index-replicating 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 FCA. 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.</p>
<b>D. Deposits with credit institutions.</b>	20% with a single credit institution			
<b>E. OTC derivatives with a counterparty that is a credit institution as defined in row 8 above (first table in section).</b>	Max. risk exposure 10%			
<b>F. OTC derivatives with any other counterparty.</b>	Max. risk exposure 5%			
<b>G. Units of collective investment schemes as defined in rows 4 and 5 above (first table in section).</b>	With no specific statement in the Fund's objective and policies, 100% in aggregate collective investment schemes. 35% in a single scheme.		<p>Target funds of an umbrella structure whose assets and liabilities are segregated are considered as a separate collective investment scheme. Assets held by a UK UCITS, EEA UCITS, AIF or other UCIs which are invested by a Fund do not count for purposes of complying with rows A - F of this table.</p> <p>Target funds must not invest more than 15% of assets in collective investment schemes.</p>	

\* 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.

## MANAGEMENT AND MONITORING OF DERIVATIVES RISK

The ACD employs a risk management process in accordance with the COLL Sourcebook and the UK AIFM Rules. This process allows the ACD to identify, measure, manage and monitor at any time the risks to which a Fund is or may be exposed, and their contribution to the Fund's overall risk profile, including the use of appropriate stress testing procedures.

Further details about the risk management process can be requested from the ACD. The ACD will notify the FCA of any amendments to the risk management process.

**Leverage** For Funds employing leverage, the ACD is required, in accordance with UK AIFM Rules, to calculate and monitor the level of leverage and to disclose their maximum level of leverage as in [Fund Descriptions](#) as well as their total amount of leverage employed as stated in the annual report. In this context leverage means any method by which a Fund increases its exposure whether through borrowing cash or securities, or leverage embedded in derivative positions or by any other means. The sources of leverage which can be used when managing a Fund include (subject to the restrictions set out in [Investment Restrictions and Powers](#)):

- cash borrowing
- financial derivative instruments
- reinvestment of cash collateral in the context of securities lending

Leverage is expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/NAV). The exposure of the Fund shall be calculated in accordance with the gross method and the commitment method.

Under the gross method, the exposure of a Fund is calculated as follows:

- include the sum of all assets purchased, plus the absolute value of all liabilities
- exclude the value of cash and cash equivalents which are highly liquid investments held in the base currency of the Fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality government bond
- derivative instruments are converted into the equivalent position in their underlying assets
- exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known
- include exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed
- include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements

Under the commitment method, the exposure of a Fund is calculated in the same way as under the gross method; however, the exposure of derivative or security positions employed in hedging and netting arrangements are not included in this calculation, provided certain conditions are met.

Further information regarding these different leverage calculation methods can be found in UK AIFM Rules and the Supplementary Information on the Risk Management Process which is available upon request from the ACD. The address of the ACD can be found on page [39](#).

The maximum level of leverage that may be employed by Funds employing leverage, calculated in accordance with the gross and commitment methods, is stated in [Fund Descriptions](#). In addition, the total amount of leverage employed by Funds employing leverage will be disclosed in the Company's annual report.

As these calculations of regulatory leverage do not take into account whether a particular financial derivative instrument increases or decreases investment risk, they will not necessarily be representative of the actual level of investment risk within a Fund.

## HOW THE FUNDS USE DERIVATIVES, INSTRUMENTS AND TECHNIQUES

### DERIVATIVES

Under the COLL Sourcebook derivative transactions may be used by Non-UCITS Retail Schemes for the purposes of Efficient Portfolio Management (including hedging) or meeting the investment objectives, or both.

Where a Fund invests in derivatives, the exposure to underlying assets is limited to what is permitted in the COLL Sourcebook for spreads (general and for government and public securities), except that for index-based derivatives that meet the COLL Sourcebook criteria, the constituents of the index do not have to be taken into account as to the spread limits, so long as the ACD continues to ensure that Fund provides a prudent spread of risk.

Where a transferable security or money market instrument embeds a derivative, this must be taken into account for compliance purposes.

#### Efficient Portfolio Management (EPM), including hedging

The ACD may use any EPM techniques that meet both of the following criteria:

- they are cost-effective
- they are used for risk reduction, cost reduction, or to generate, consistent with the Fund's risk profile and the COLL Sourcebook's risk diversification rules, additional capital or income

Any derivative acquired for EPM must be fully covered, with the form of cover depending on the type of exposure. Cover may be provided by:

- holding certain classes of property (such as cash, near cash, borrowings and appropriate transferable securities)
- holding rights to acquire or dispose of property
- holding a countervailing derivative

The use of derivatives for EPM does not change the risk profile of the Fund, but the derivatives themselves still carry the risks described in [Derivatives risk](#).

#### Permitted transactions

All derivatives must either be Approved Derivatives or satisfy the criteria in the COLL Sourcebook for OTC transactions in derivatives.

The security, rate, index, or other underlying of a derivative must be allowable by the COLL Sourcebook, be used in a way consistent with the Fund's investment objective and policy, and be one of the following:

- transferable securities
- Approved Money Market Instruments
- deposits
- derivatives
- collective investment scheme units
- financial indices
- interest rates
- foreign exchange rates
- currencies
- permitted immovables and gold or all of the attributes thereof

A transaction in an Approved Derivative must be effected on or under the rules of an Eligible Derivatives Market.

A transaction in a derivative must not cause the Fund to diverge from its stated investment objectives and the most recently published version of this Prospectus.

A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units or shares in collective investment schemes, or derivatives.

Any forward transaction must be with an Eligible Institution or an Approved Bank.

A derivative includes an instrument that meets all of the following:

- it allows the transfer of the credit risk of the underlying independent of the other risks associated with that underlying
- it does not result in the delivery or the transfer of assets other than as permitted in the COLL Sourcebook (including cash)
- if an OTC derivative, it complies with the COLL Sourcebook requirements
- its risks are captured by the ACD's risk management process
- when there are risks of information asymmetry between the ACD and the counterparty (due to the counterparty potentially having access to non-public information on underlyings), these risks are captured by the ACD's internal control mechanisms

#### Transactions that could lead to delivery

A derivative or forward transaction that could lead to the delivery of property may be entered into only if the Fund is permitted to hold such property. The ACD must take reasonable care to determine that delivery will not occur or, if it did, will not lead to a breach of the rules in the COLL Sourcebook.

#### Covering sales

No agreement by or on behalf of a Fund to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Fund by delivery of property or the assignment of rights, and the property and rights above are owned by the Fund at the time of the agreement. This requirement does not apply where any of the following is true:

- the underlying is a deposit
- the underlying is highly liquid (meaning it can be converted into cash within seven business days at a price close to the current value of the financial instrument on its own market) and its risks can be appropriately represented by another financial instrument
- the ACD or the Depositary has the right to settle the derivative in cash and the Fund has assets to cover the derivative that consist of either cash, liquid debt instruments (such as government bonds of first credit rating) with haircuts or other appropriate safeguards, or other highly liquid assets having regard to their correlation with the underlying and subject to appropriate safeguards (such as haircuts where relevant)

#### Derivative exposure

A Fund may invest in derivatives and forwards as long as the Fund's exposure (including purchase price or other initiation cost) is suitably covered by its assets. Assets used as cover for one transaction cannot be used for cover of any other.

#### Covering transactions in derivatives and forwards

A transaction in derivatives or forwards is to be entered into only if the maximum exposure, in terms of the principal or notional principal, is covered globally (meaning by Fund assets that are suitable, sufficient and not subject to any other commitment). The ACD must take into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

Cash not yet received by the Fund but due to be received within one month can be used as cover.

Property involved in stock lending is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.

A Fund's total derivatives exposure must not exceed the net value of its assets.

#### Investment purposes

A 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 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

To understand how a particular Fund may use derivatives, see [Fund Descriptions](#) and the [Fund Derivatives Usage](#) table at the end of this section.

#### TYPES OF DERIVATIVES A FUND CAN USE

A Fund may use a range of derivatives to achieve a particular investment outcome such as:

- **Options** A Fund may invest in call or put options on equities, interest rates, indices, bonds, currencies, commodity indices or other instruments.
- **Futures** A 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 Company on behalf of a relevant Fund and a counterparty. The Depositary verifies the ownership of the OTC derivatives of the 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 Fund when the index itself rebalances.

When a Fund invests in TRSs or other derivatives with similar characteristics, the underlying assets and investment strategies to which exposure will be gained are described in the [Fund Descriptions](#).

If usage of TRSs (including CFDs) is permitted for a Fund, the expected and maximum proportion of the NAV on which exposure will be gained is disclosed in the [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 [Fund Derivatives Usage](#) table will be updated before the Fund can start using TRSs.

Any Fund engaging in short positions through derivatives must always hold sufficient liquid assets to cover its obligations arising from these positions.

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 Fund or any currency hedged Share Classes. This may have a positive or negative impact on the performance of the Fund or any currency hedged Share Classes.

## TYPES OF INSTRUMENTS AND TECHNIQUES A FUND CAN USE

A 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 Fund holds to counterparties approved by the ACD (which may include affiliates of JPMorgan Chase & Co). All securities lent will be held in custody by the Depository (or a sub-custodian acting on the Depository's behalf) in a registered account open in the Depository'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.
- **Repurchase transactions and reverse repurchase transactions** Agreements to respectively sell securities to, or buy them from, a counterparty against payment with the right or the obligation to buy back, or sell back (respectively), the securities 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 Fund in [Fund Descriptions](#). If securities lending is not disclosed in [Fund Descriptions](#) for a particular Fund, it may still engage in securities lending up to 20% and the relevant 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 Fund in [Fund Descriptions](#). Where use is permitted in the 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 20% and the Prospectus will be updated as above at the next opportunity.

## COUNTERPARTIES TO DERIVATIVES AND TECHNIQUES

The ACD must approve counterparties before they can serve as such for the Company. To be approved a counterparty must:

- be considered creditworthy by the ACD

- 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
- be an Eligible Institution, an Approved Bank or belong to a category approved by the FCA

No counterparty to a Fund derivative can serve as an Investment Manager of a Fund or otherwise have any control or approval over the composition or management of a Fund's investments or transactions or over the assets underlying a derivative. When calculating the exposure of a Fund to a counterparty for purposes of compliance with the COLL Sourcebook, the Company must use positive mark-to-market values. All exposures with a given counterparty can be netted against each other to reduce the net exposure to that counterparty, provided there are agreements in place that would allow legal enforcement of netting.

## 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 COLL 5.6.7 R(9), 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, provided there are agreements in place that would allow legal enforcement of netting.

In general, for collateral received in connection with efficient portfolio management and OTC derivatives, no single issue, measured across all the counterparties, should account for more than 20% of a Fund's NAV.

Collateral in connection with securities lending will be acceptable if it is in the form of cash, equity securities or securities that are issued by certain governments or local authorities and that may have different maturities. Collateral is typically 102% to 105% of the value of the lent securities, except in the case of equity securities where collateral is typically 110% of the value of the lent securities.

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.

Collateral will be valued on each Dealing Day, using the last available market prices and taking into account appropriate discounts determined for each asset class based on the relevant haircut. The collateral will be marked to market daily and may be subject to daily variation margin requirements.

## LENDING AGENT, COLLATERAL AGENT AND COLLATERAL MANAGER

For securities lending the current lending agent and collateral agent is JPMorgan Chase Bank, N.A., an affiliate of the ACD. In addition, affiliates of the ACD may act as borrowers of securities under the stock lending programme.

## REINVESTMENT OF COLLATERAL

To mitigate the risk of losses on 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 Regulation (EU)

2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds) that calculate a daily NAV and are rated AAA or equivalent. To the extent required by the FCA, reinvestment of cash collateral must be taken into account for the calculation of a Fund's global exposure. All investments will meet diversification requirements disclosed above.

As of the date of this Prospectus, Funds do not reinvest cash collateral associated with OTC derivatives in reverse repurchase transactions. If a Fund reinvests 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 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 a Fund will be held by the Depositary (or sub-custodian on behalf of the Depositary on behalf of the relevant 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.

## 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 a Fund, resulting in losses to such 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 FUNDS

In general, any net revenues from the use of derivatives and techniques will be paid to the applicable Fund, in particular:

- From total return swaps: all revenues, as the ACD will not take any fees or costs out of those revenues additional to the Annual ACD 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 Company, the counterparties and the collateral manager and which are required to ensure optimal transfer of collateral between the Company and its counterparties. The collateral management fees (if any) are part of the operating expenses.
- From securities lending: the lending agent is authorised to receive 10% of the gross revenue, with the remaining 90% of the gross revenue being received by the relevant Fund.

The revenue received by the Funds arising from securities lending and reverse repurchase transactions is disclosed in the Shareholder Reports.

## FUND DERIVATIVES USAGE

While a Fund may use a range of derivatives, the table below sets out the main types of derivatives used for each Fund, what they are used for and the expected level of leverage for those Funds that use VaR to measure risk.

The investment exposure gained through the use of derivatives must not cause a 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		
							TRs & CFDs	All Other Swaps	Mortgage TBAs
JPM Diversified Growth Fund	●	●	●	●	●	●	—	—	—
JPM Multi-Asset Cautious Fund	●	●	●	●	●	●	—	●	—
JPM Multi-Asset Moderate Fund	●	●	●	●	●	●	—	●	—
JPM Multi-Asset Growth Fund	●	●	●	●	●	●	—	●	—

# ESG Integration

This section describes what Environmental, Social and Governance information is and how it may be integrated into the investment decision making process. It does this by defining ESG Integration.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental, Social and Governance (“ESG”) issues are non-financial considerations that may positively or negatively affect a company’s/issuer’s revenues, costs, cash flows, value of assets and/or liabilities.

- Environmental issues relate to the quality and functioning of the natural environment and natural systems such as carbon emissions, environmental regulations, water stress and waste.

- Social issues relate to the rights, wellbeing and interests of people and communities such as labour management and health and safety.
- Governance issues relate to the management and oversight of companies and other investee entities such as board, ownership and pay.

ESG issues can erode the value of assets and limit access to financing. Companies/issuers that address these issues by adopting sustainable business practices seek to manage the risks and to find related opportunities to create long-term value.

### ESG Integration

ESG Integration is the systematic inclusion of financially material ESG factors in investment analysis and investment decisions with the goals of managing risk and improving long-term returns. ESG Integration for a Fund requires:

- sufficient ESG information on the Funds’ investment universe to be available, and
- the Investment Manager to consider proprietary research on the financial materiality of ESG issues on the Fund’s investments, and
- the Investment Manager’s research views and methodology to be documented throughout the investment process.

ESG Integration also requires appropriate monitoring of ESG considerations in ongoing risk management and portfolio monitoring.

While the Investment Manager includes financially material ESG factors alongside other relevant factors in the portfolio construction process, ESG determinations may not be conclusive and securities of individual companies/issuers may be purchased, retained and sold without limit, by the Investment Manager regardless of potential ESG impact. The impact of ESG Integration on a Fund’s performance is not specifically measurable as investment decisions are discretionary regardless of ESG considerations.

The Fund Descriptions indicate that a Fund is integrated by including “ESG Integrated” in the Investment Process section in [Fund Descriptions](#) and unless otherwise described in its Objective or Investment Process, ESG integration does not change its objective, exclude specific types of companies/issuers or constrain its investable universe. ESG Integrated Funds are not designed for Investors who are looking for Funds that meet specific ESG goals or wish to screen out particular types of companies or investments, other than those required by applicable laws.

# Share Classes and Costs

## Share Classes

Within each Fund, the ACD can create and issue Share Classes with various characteristics and investor eligibility requirements. If you are unsure which Share Class you are eligible to invest in, contact your financial adviser or the ACD.

### SHARE CLASSES AND THEIR CHARACTERISTICS

Share Class	Eligible investors	Minimum investment and balance amounts				Additional features
		Initial investment/holding	Additional investment	Redemption		
B	All investors.	GBP 1 million	GBP 100,000	GBP 25,000	None.	
C	All investors.	GBP 5 million	GBP 100,000	GBP 25,000	None.	
C2	Investors at the discretion of the ACD and who meet certain eligibility criteria as determined by the ACD from time to time.	GBP 50 million	GBP 1,000	GBP 25,000	If an investor ceases to meet the eligibility criteria, as determined by the ACD from time to time, the ACD reserves the right to compulsorily convert the Shares of that investor to a different Share Class of the same Fund.	
S2	All Investors at the discretion of the ACD and who meet certain eligibility criteria as determined by the ACD from time to time.	GBP 2 million	GBP 100,000	GBP 25,000	Automatically converts to C Share Class on the third anniversary of the launch of the first S2 Share Class for the Fund. This may create tax liability. Under certain circumstances, the automatic conversion may be deferred or waived at the sole discretion of the ACD. In these circumstances, this will be communicated to all Shareholders in advance of the third anniversary of the launch of the Share Class.*  Will be permanently closed to new investors (but open to top ups from existing S2 Share Class holders) when total assets reach the level specified in the Fund Description, subject to any increase in that amount at the discretion of the ACD. The ACD can change this level at any time without notice.  Where closures to new investors occur, the website <a href="http://jpmorgan.co.uk/investor">jpmorgan.co.uk/investor</a> will be updated to indicate the change in status of the applicable S2 Share Classes.	
X	Clients of JPMorgan Chase & Co. who are approved by the ACD and pay a fee directly to the relevant JPMorgan Chase & Co. entity.	On application.	On application.	On application.	None.	
X2	Clients of JPMorgan Chase & Co. approved by the ACD who pay a fee directly to the relevant JPMorgan Chase & Co. entity.	GBP 50 million and on application.	On application.	On application.	None.	

\* Automatic conversions are processed based on the NAV of both Share Classes on the conversion date or the next Valuation Day if the anniversary is not a Valuation Day. Following the conversion, Shareholders are subject to the rights and obligations of the new Share Class. The conversion dates for S2 Share Classes can be found at [jpmorganassetmanagement.com](http://jpmorganassetmanagement.com)

### WAIVERS AND REDUCED MINIMUMS

The ACD can, at its discretion, reduce or waive the minimums described above (initial investment, additional investment and holding amounts), with respect to any Fund, Share Class or Shareholder. In particular, waivers are often applied or minimums do not apply to specific Share Classes as set out below.

**B and C Share Classes** The ACD may waive investment minimums for a new or existing investor who is a:

- firm which places deals via an automated process known as straight-through processing

- platform service provider, discretionary fund manager including fund of funds managers and insurance company
- a nominee of a firm described in the bullet immediately above

**A Share Class** This share class is no longer available.

**B Share Class** The ACD may waive investment minimums for new or existing investors who are clients of intermediaries who recommend Shares but are ineligible, or do not wish, to receive commissions. The investment minimums will also be waived for Shareholders compulsory converted from A Share Classes by the ACD.

**C Share Class** The ACD may waive the minimum lump sum investment and holding amounts in relation to C Share Classes for intermediaries and their agents who place manual aggregated deals for their underlying investors. The investment minimums will also be waived for Shareholders compulsorily converted from A Share Classes by the ACD.

**C2 Share Class** The ACD may, at its discretion, waive the minimum lump sum investment and holdings amounts initially in relation to C2 Share Classes for clients of financial intermediaries or distributors who have represented to the Management Company that they will reach a sufficient level of assets in the C2 Share Class within a specified period of time.

## SHARE CLASS NAMING CONVENTIONS

Share Class names are structured as follows: “JPM” + 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 Fund designation** All Share Classes include the designation of the relevant Fund. For example, a Share Class of the JPM Diversified Growth Fund will be denoted “JPM Diversified Growth Fund A - Gross Accumulation”.

**3 Share Class** One of the Share Classes shown in the table on the previous page.

**4 Distribution Policy**

### No physical distributions made

**(Net accumulation)** These Share Classes automatically reinvests income, which may vary and is not guaranteed, back into the Fund and increases the value of the Share Class. Whilst no income is paid it is subject to tax.

### Distributions made

**(Net income)** These Share Classes, including net income, net quarterly income, gross income and monthly gross income, all intend to pay distributions which may vary and are not guaranteed.

Distributions 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. Shareholders who wish to reinvest dividends must make their own arrangements to do so. Shareholders are entitled to distributions for Shares held on the distribution record date. Distributions due on Shares for which payment has not yet been received will be withheld until the purchase has been settled. Distribution payments remaining unclaimed six years after the distribution record date will be forfeited and returned to the relevant Fund. The ACD may carry out authentication procedures which could result in the delay of any distribution payment. Neither the ACD nor the Company will be responsible if it delays or declines to make distribution payments in these circumstances.

Distributions are made out of available income, which for the distribution period is calculated taking net revenue after taxation and adjusting it by the net amount of any transfers between income and capital. Net revenue after taxation is determined in accordance with the current version of the Statement of Recommended Practice for financial statements of authorised funds issued by the Investment Association (IA SORP). These transfers are made as follows:

- to address amortisation, provided that it does not reduce the amount available for income distributions
- to account for stock dividends
- to comply with the COLL Sourcebook
- to adjust for taxation
- to allow for the aggregate amount of income included in Shares issued, cancelled or converted during the period

- to allow for amounts determined by the ACD to be the reportable income of other collective investments in the Fund’s portfolio
- for Funds that invest predominantly in index-linked securities, to cancel out the change in the Retail Prices Index during the period: the transfers relate only to amounts associated with index-linked gilt-edged securities

Income earned in an interim accounting period may be retained and used to ensure that distributions paid throughout the year are broadly similar.

### Equalisation

The Company operates a mechanism called “equalisation” which helps to ensure new Shareholders receive distributions in line with the time they own Shares and not before. For example, if a new Shareholder purchases Shares in a Fund paying an annual distribution half way through the year then the first distribution paid will represent 50% income (i.e. the income the Shareholder is entitled during the period the Shares are owned) and 50% a return of capital which is the equalisation payment. Being capital it is not liable to income tax but must be deducted from the cost of Shares for capital gains tax purposes.

**5 Currency Code** Only currency hedged Share Classes have a three-letter code that indicates the Share Class Currency of the hedged Share Class, which is the same as the Base Currency of the Fund (GBP).

**6 Hedging** Share Classes may be unhedged or currency hedged.

**Hedged** Indicates that the Shares use one of the two currency hedging models explained below. These Shares can only be denominated in GBP, or in any other currency subject to the agreement of the ACD. Note that the ACD reserves the right to redeem all Shares in any Hedged Share Class whose overall size falls below £ 2,000,000, on 60 days’ notice to affected Shareholders. Hedging will generally be achieved via currency derivatives. If any underlying currency is not liquid or is closely correlated to another currency, the hedging may take place in another currency provided that the alternative currency is likely to fluctuate in the same manner as the underlying currency.

To see which hedging model the Fund uses, see [Fund Descriptions](#).

**NAV Hedged Share Class** This Share Class seeks to minimise the effect of exchange rate fluctuations between the Fund’s Base Currency and the hedged Share Class Currency. It is typically used when most portfolio assets are either denominated in, or hedged back to, the Fund’s Base Currency. In the NAV Hedged Share Classes, the Fund’s Base Currency is systematically hedged to the Share Class Currency of the Hedged Share Class. In the NAV Hedged Share Classes the Shareholder receives an excess return or loss similar to that of Shares issued in the Base Currency of the 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 Fund's portfolio and the Hedged Share Class Currency. It is typically used when most portfolio assets are neither denominated in, nor hedged back to, the 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 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 Fund will.

### Risks associated with certain Share Classes

**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 Hedged 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 ACD, 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 Funds may also invest in currency derivatives, with the aim of generating returns at the portfolio level. This is indicated in the Fund's investment policy and only occurs where the Currency Hedged Share Class uses NAV hedge.

Accordingly, while the hedging seeks to minimise the effect of exchange rate fluctuations between the Base Currency of the Fund and the Hedged Share Class Currency, there may be currency risk in the portfolio.

**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 Fund, there is a risk that, under certain circumstances, hedging transactions relating to currency Hedged Share Classes could have an adverse impact on other Share Classes in the same 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 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 Fund.

**Risk of capital erosion** Risk of lower capital growth or capital erosion where Annual ACD Fee is allocated against capital. Certain Funds charge the Annual ACD Fee against capital. This increases the income available for distribution but makes capital growth lower than it would otherwise be, and may have tax implications for certain Shareholders as well.

## Costs

This section describes the various fees and charges that a Shareholder pays and how they work. The ACD may, at its sole discretion and subject to the FCA's Rules and the recipient's eligibility, 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.

Share class	One-off charges taken before or after investing			Fees and expenses taken from the fund over a year	
	Preliminary charge	Switch charge	Redemption charge	Annual ACD fee	Operating expenses
A	0.00%	0.00%	0.00%	1.50%	0.20%
C	0.00%	0.00%	0.00%	0.53%	0.15%

### A ONE-OFF CHARGES TAKEN BEFORE OR AFTER INVESTING

These charges include preliminary (buying), switching, and redemption (selling) charges. They are calculated as a percentage of, and deducted from, the amount being invested, switched, converted or redeemed, respectively. These fees, including any rounding adjustments, are paid to the ACD which may waive them in whole or in part at its sole discretion.

No Fund or Share Class currently imposes any such charges on transactions in Shares, including on conversions.

### B 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. The amount charged varies depending on the value of the NAV and does not include portfolio transaction costs. Fees and expenses borne by the Company may be subject to VAT and other applicable taxes.

Most of the ongoing business expenses of the Company 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 Fund, as a percentage of average daily net assets being accrued daily and paid monthly in arrears.

Each Fund and each Share Class pays all liabilities, expenses, costs and charges it directly incurs and also pays its *pro rata* share of liabilities, expenses, costs and charges not attributable to a specific Fund or Share Class based on its total net assets although the ACD has the discretion to allocate these liabilities, expenses, costs and charges in a manner which it considers fair to Shareholders generally. Transaction costs associated with operating the currency hedged Share Classes will be borne by the relevant Share Class.

**B Annual ACD fee** This fee remunerates the ACD for its services relating to the management of the Funds' assets.

This fee is normally paid out of the Funds' income. However, subject to approval of Shareholders or on 60 days' notice to Shareholders, all or part of this fee may be charged against capital instead of against income. This will only be done with the approval of the Depositary.

When a Fund invests in any UK UCITS, EEA UCITS, UCI (including AIFs) or closed-end investment undertaking qualifying as Transferable Securities within the meaning of the UK AIFM Rules (including investment trusts) managed by any affiliate of JPMorgan Chase & Co., double-charging of management fees will either be avoided or rebated.

Note that if the underlying investment charges a higher management fee, the difference may be charged to the investing Fund. If the underlying affiliate undertaking combines management and other fees and charges into a single total expense ratio, such as in exchange traded funds, the whole total expense ratio will be waived. Where a Fund invests in undertakings not affiliated with JPMorgan Chase & Co. the fee shown in [Fund Descriptions](#) may be charged regardless of any fees reflected in the price of the shares or units of the underlying undertaking.

For Class X and X2 Shares, 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.

**C Operating expenses** The ACD is entitled to be reimbursed out of the Company's assets for all reasonable and properly documented out-of-pocket expenses incurred in performing its duties.

This fee is capped for each Share Class and will not exceed the amount stated in [Fund Descriptions](#). The ACD will bear any operating and expenses that exceed the maximum rate specified.

#### Operating expenses which are capped

These are deducted from the Company's assets and include:

- the Custodian, Depositary and Registrar fees
- legal, audit, tax and other professional advisory fees, and their associated expenses, incurred by the Company, the ACD and the Depositary
- any insurance purchased against any liability incurred by any Directors of the Company in the performance of their duties
- regulatory fees from the FCA and from regulatory authorities in other countries or jurisdictions where the funds may be marketed
- stock exchange listing and quotation fees (currently not done)
- any costs incurred in respect of meetings of the Shareholders (including meetings of Shareholders in any particular Fund or Class)
- documentation costs and expense, such as preparing, maintaining, printing and distributing the Prospectus, KIIDs or any other offering document, as well as Shareholder Reports, the Instrument and any other regulatory documents made available to Shareholders

- the cost of publication of the Share prices, yields and any other information which must be published by law
- collateral management costs

#### Other expenses

These are not part of the capped expenses but are paid from the relevant Fund. These are:

- brokerage fees and commissions
- transaction costs associated with buying and selling Fund assets, including interest, taxes, governmental duties, charges and levies
- other transaction related costs and expenses interest and full amount of any duty, levy and tax or similar charge imposed on the Fund
- costs associated with securities lending
- where the Fund merges into another Fund and subsequently a cost arises that, if known on merger and permitted under the Instrument and Prospectus, would have been provided for

These payments will include any applicable VAT.

#### Changes to charges, fees and expenses

The ACD may at any time modify the level or applicability of any of these charges, fees and expenses. For any increase the ACD must first give 60 days' written notice of the changes to all Shareholders. However, if such an increase is deemed by the ACD and the Depositary to be fundamental, it will require the approval of Shareholders of the relevant Class or Fund in a general meeting.

The ACD may not introduce a new category of remuneration fee for its services payable out of Fund assets without obtaining the approval of Shareholders in a general meeting and revising and making available a revised Prospectus describing the charges and when they go into effect.

#### Costs associated with investing in other collective investment schemes

When any of the Funds purchases units or shares in other collective investment schemes managed by the Investment Manager or any other member of JPMorgan Chase & Co, there is no initial charge included in the price at which those units or shares are purchased.

These collective investment schemes in which the Funds may invest will be subject to operating and administrative expenses. These expenses are typically reflected in the price of the underlying funds which the Funds hold.

Where the charge (annual charge in respect of a unit trust, annual ACD fee in respect of a UK OEIC, and annual management and advisory fee in respect of a Luxembourg fund) on an underlying fund is less than the current ACD fee for the Share Class, the balance of the ACD fee for the Share Class will be applied to the Share Class. Where the charge on an underlying fund is greater than the current ACD fee for the Share Class, the excess charge will be rebated to the Share Class. Where the annual charge on an underlying fund is the same as the current ACD fee for the Share Class, no additional charge will be applied to the Share Class.

When any of the Funds purchases units or shares in other collective investment schemes that are not managed by a member of JPMorgan Chase & Co, any fees and expenses associated with these collective investment schemes will be typically included in the price of the underlying collective investment schemes which the Fund holds and will be reflected in the ongoing charge of the Fund.

# Investing in the Funds

## MAKING AN INVESTMENT

### Buying, Selling, Converting, Switching and Transferring Shares

The information in this section describes the terms and conditions generally in effect for transactions in Shares. For information on terms and conditions that apply in exceptional conditions or at the ACD's discretion, such as suspensions of redemptions, compulsory redemptions and transactions in specie, see [Rights Related to Shares](#).

#### INFORMATION THAT APPLIES TO ALL DEALS EXCEPT TRANSFERS

**Available Share Classes** Not all Share Classes are currently available for investment. 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), contact the Client Administration Centre.

**Placing requests** Shareholders can place requests to buy, switch, convert or sell Shares as follows:

- if you are investing with the assistance of a financial adviser or other intermediary, by contacting your adviser
- if you are investing directly with the ACD:
  - by fax or post to the Client Administration Centre
  - by phoning the Client Administration Centre between 9:00 am and 5:00 pm UK time on any Dealing Day (or at other times at the ACD's discretion); in some cases, Shareholders may be required to follow up with written confirmation of their request
  - by completing the appropriate application form
  - by using our online portal at [jpmorgan.myaccountonline.co.uk/](http://jpmorgan.myaccountonline.co.uk/) (please note this only applies to switching or selling shares on a direct account held by a single investor).

Shares can also be held and transferred through approved electronic clearing platforms but e-mail instructions from direct clients are typically not accepted.

When placing any dealing request by fax or by post, in addition to the dealing instruction, Shareholders must include their account number and signature(s) and instructions as to the Fund, Share Class (including characteristics such as Income or Accumulation share class, etc.), size and type of deal (buying, selling, switching or converting). Shareholders can indicate the request either as a Share amount (including fractional Shares up to three decimal places) or a Sterling amount. The Funds of the Company deal on the basis of single pricing. Subject to any initial charge, any switching charge, any redemption charge and/or dilution adjustment, the price payable by an investor buying Shares will be the same as when a Shareholder sells Shares.

Any requests that are incomplete or unclear will typically be delayed or rejected. Neither the Company nor the ACD 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. However, if a request for a withdrawal is received before 12.00 pm UK time on the day the request would normally be processed, it will usually be honoured but there is no obligation to do so. At any time when trading in Shares is suspended, the request may be withdrawn during the period of suspension.

Written requests to purchase, switch, convert or sell Shares held in joint accounts must be signed by all joint owners.

**Cut-off times** Unless otherwise stated in [Fund Descriptions](#), requests will be processed on the Dealing Day they are received, provided they are received by 12:00 pm UK time on that Dealing Day. Requests received and accepted after that time will be processed the next Dealing Day. Under normal circumstances, no processing date, time or instructions contrary to the terms in this Prospectus will be acted upon. A contract note will normally be provided on the business day after the request is processed. The Company 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.

**Charges and costs** Shareholders are responsible for all charges associated with their purchases, switches, conversions and sales of Shares, as described in [Fund Descriptions](#). Shareholders are also responsible for paying any bank fees, taxes, and any other fees or costs incurred in connection with their dealing requests.

**Settlement** The contractual settlement date for purchases, sales, conversions and switches will normally be three business days after the deal has been placed (the "Settlement Date"). Any day within the settlement period that is not a Dealing Day for a Fund may be excluded when determining the Settlement Date.

In all cases, the contractual settlement dates are confirmed on the relevant contract note.

Under the FCA's delivery versus payment' (DvP) exemption, the ACD may, for one business day, treat money held for settling Share transactions as not being 'client money', so long as payments for buying Shares are passed to the Depositary within one business day of receipt from the investor and proceeds from redemptions are paid out within one business day of receipt from the Depositary.

**Client money** All cash held as client money under the FCA Rules will be held in a segregated non-interest bearing client money bank account. If the bank where client money is held becomes insolvent, the ACD will have a claim on behalf of its clients against the bank. If however the bank cannot repay all of its creditors, any shortfall may have to be shared *pro rata* between them. An investor may also be entitled as an individual to claim from the Financial Services Compensation Scheme (FSCS) up to £85,000 in respect of the total cash held directly and indirectly with the failed bank. To the extent the ACD is permitted to exclude liability under law or regulation, it is not responsible for losses incurred by banks who it may appoint to hold client money. Where cash is held as client money, it is held in accordance with the FCA Rules which require the ACD to have in place adequate record keeping, accounts and reconciliation procedures to safeguard it. There are also procedures in place to cover the selection, approval and monitoring of the bank(s) used to hold client money.

**Dormant Assets Scheme** The ACD participates in the Dormant Assets Scheme and may transfer unclaimed money, an Eligible Amount, to Reclaim Fund Limited (“RFL”). Once transferred to RFL the money is no longer treated as client money. For further details see Dormant Assets under [Considerations for Investors](#).

**BUYING SHARES** Also see [Information that applies to all deals except transfers](#)

You can invest either a lump sum or make regular investments, or a combination of both.

You can make lump sum investments:

- by telephone (see [Client Administration Centre](#))
- by completing an application form (downloaded from [jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor), electronically or electronically or via the online portal at [jpmorgan.myaccountonline.co.uk/](http://jpmorgan.myaccountonline.co.uk/)) and returning it to us with a personal cheque

You can make regular saving investments:

- by sending us an application form and direct debit mandate by post. Please note that we will ask you to provide a cheque for the first payment.

In the event that a deal is accepted that does not meet the minimum investment amount for the relevant Class, the ACD may convert the holding into an appropriate Class of the same Fund and will notify the Shareholder accordingly.

Normally, Shares are issued upon acceptance of a purchase request and cleared payment must be received from the investor by the Settlement Date.

If full payment by the investor for Shares does not arrive by the Settlement Date, or if prior to the Settlement Date the ACD becomes aware of any reason why, in its opinion, full and timely payment will not occur the ACD has the right to cancel (redeem) the Shares without prior notice to the investor at the investor’s cost.

Any net surplus, after costs incurred, that remains after such cancellation will be credited to the relevant Fund. The ACD will seek to recover any losses, including costs, remaining after any shares are cancelled. The investor agrees to reimburse the Company for any costs, losses, claims and expenses suffered or incurred by the Fund and/or the ACD as a result of the non-payment by the investor of the purchase price by the Settlement Date.

If the redemption proceeds and any amounts effectively recovered from the investor are less than the purchase price, the difference will be borne by the ACD.

**Cancellation rights** An investor who has received advice in respect of his deal (an ‘advised investor’) has a right to cancel the purchase at any time within 14 days of receiving a notice of this right from the ACD. However, if the value of the investment has fallen below the net investment amount at the time the ACD receives the completed cancellation notice, any fall in value will be deducted from the returned investment. This right does not extend to switches.

**Regular Savings Plan** Certain Shares, as indicated in [Share Classes and Costs](#), can be used in a Regular Savings Plan, under which investments of a specified amount are automatically debited from a bank account at regular monthly intervals. The timing and the amount of the contributions can be modified or suspended, or the entire plan cancelled, at any time simply by notifying the ACD, in writing or by telephone.

Note that the ACD reserves certain rights. It may decline overly frequent changes in the contribution amount. If payments to the plan are missed for more than three consecutive months, and if the value of plan Shares is less than the minimum described in

[Share Classes and Costs](#), then the ACD may buy back the plan Shares at the price per Share applicable at that time.

Instead of contract notes, Regular Savings Plan participants are sent a statement detailing the Shares purchased since the last statement, the price paid per Share (including dilution adjustment where applicable).

**CONVERTING SHARES** Also see [Information that applies to all deals except transfers](#)

As permitted by the rules below and at the ACD’s discretion, you can convert Shares (exchange from one Share Class to another in the same Fund).

Conversions are subject to the following conditions:

- you must meet all eligibility requirements for the Shares into which Shareholders are requesting to convert
- any conversion must meet the minimum investment amount of the Shares being converted into, or the request typically will be rejected
- any partial conversion should leave at least the minimum investment amount in the Class being converted out of; if it does not, the request can be processed as a full conversion, or the ACD can decline the conversion request

A conversion generally is not considered a redemption and a purchase for UK tax purposes, except that conversions between Hedged and non-Hedged Shares, or between Hedged Shares of different currencies, may be considered such and may therefore be subject to UK capital gains tax. If Shareholders convert between Share Classes within the same Fund which have different income allocation periods in order to obtain a UK tax advantage, HM Revenue and Customs has indicated that any such tax advantage could possibly be retrospectively reversed.

With conversions, once a request has been received and accepted, it will be processed at the next Valuation Point for the Fund involved. Conversions can also occur on a date mutually agreed to by the ACD and the Shareholder. Conversions cannot be effected on the last date of the accounting period for income distributions (i.e. 30th April for all Funds and 31st October for Funds paying semi-annual distributions).

**SWITCHING SHARES** Also see [Information that applies to all deals except transfers](#)

As permitted by the rules below and at the ACD’s discretion, you can switch Shares (exchange from one Fund to another). Switches are subject to the following conditions:

- you must meet all eligibility requirements for the Shares into which Shareholders are requesting to switch
- any switch must meet the minimum investment amount of the Shares 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, or the ACD can decline the switch request
- any switch must not violate any restrictions of either Fund involved (as stated in this Prospectus in [Fund Descriptions](#) and, as applicable, the prospectus for another JPMorgan ICVC)
- cancellation rights will not be given on switches

For processing considerations and for UK tax considerations, a switch is considered two separate transactions: a sale and a purchase. All terms and conditions described for sales apply also to switches, and Shareholders are responsible for understanding and satisfying any tax considerations associated with both transactions, in particular capital gains tax.

Once a request for a switch has been received and accepted, the switch will be processed on the next day that is a Dealing Day for both Funds involved in the switch.

**SELLING SHARES** *Also see Information That Applies to All Deals Except Transfers above*

You can sell your Shares by telephone, fax, post or electronically (see [Client Administration Centre](#)).

You can withdraw money from your account at any time by asking us to sell your investments and transfer the proceeds to a bank or building society account in your name.

Payments of proceeds, after deduction of any applicable redemption charge, are generally sent out within three business days after the Dealing Day on which the deal was processed. All payment periods can be extended by weekends and any other day that is not a Dealing Day for the 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.

Sale proceeds will be paid only to the Shareholder(s) identified in the register of Shareholders, and normally only according to the bank account details on file for a Shareholder's account.

Note that sale proceeds will not be paid until the ACD has received and processed an original application and all investor documentation that the ACD considers necessary. Sale proceeds will not be paid unless payment has been received for any Shares purchased. Any delays associated with these verification measures will not delay the processing of a Shareholder's sale request, but they will affect the timing of when proceeds are released.

Neither the ACD nor the Company will be responsible if it delays execution or declines to execute selling instructions in these circumstances.

## TRANSFERRING SHARES

Shareholders can transfer ownership of Shares to another investor, by submitting a properly executed stock transfer form to the Client Administration Centre. Each Class requires its own transfer instruction. Note that Shares cannot be transferred to more than 4 joint account holders. Before initiating a transfer, Shareholders are recommended to contact the Client Administration Centre to ensure they have the right documentation completed.

The receiving investor is subject to all applicable eligibility requirements and holding restrictions including those that relate to prohibited investors. The ACD can reject the request if the necessary requirements are not met.

## Shareholder Obligations

**Notify us of changes in information.** Shareholders must promptly inform the ACD of any changes in personal or bank information. The ACD 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. Shareholders must provide the ACD with any changes to personal details so that we can keep in contact with you. This includes post address, email address and telephone numbers. Failure to keep personal details up to date could result in the ACD not being able to carry out Shareholder instructions and manage Shareholder accounts in the most effective way possible and ultimately Shareholders losing contact with their accounts.

**Inform us of changes in circumstances that could affect eligibility to own Shares.** Shareholders must promptly inform the ACD 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 UK or any other applicable jurisdiction, or create a risk of any loss, cost, or other burden (financial or otherwise) for the Fund, other Shareholders, or any individuals or entities associated with the management and operations of the 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 (EU or otherwise).

The Privacy Policy is available at [jpmorgan.com/emea-privacy-policy](http://jpmorgan.com/emea-privacy-policy). Hard copies are available on request from the ACD.

## Measures to Protect Shareholders and Prevent Crime and Terrorism

To comply with UK laws aimed at preventing crime and terrorism, including the crime of money laundering, investors must provide certain types of account documentation.

### CUSTOMER IDENTIFICATION

As a company conducting investment business we are required to comply with all applicable money laundering requirements, and in particular the Money Laundering Regulations 2007 (the "Regulations").

Should we need to verify your identity we may use a reference agency (this should not affect your credit rating) and we may need to contact you to obtain further information and/or documentation about you. Until satisfactory proof of identity is provided we reserve the right to refuse instructions or release any dealing proceeds to you.

## Share Issuance and Ownership

**Registered Shares** Currently, Shares are issued in registered form only and no certificates are issued, meaning that the Shareholder's name is recorded in the Company's register of Shareholders. No notice of any trust will be entered in the Register.

The Register is authoritative as to ownership of Shares.

**Whole and Fractional Shares** The Company issues two denominations of Shares: larger denomination Shares, which evidence ownership of Shares in whole numbers only, and smaller denomination Shares, which evidence ownership of fractions of a Share only. Each Shareholder is issued as many of each denomination as corresponds, in total, to their investment in a given Share Class. Smaller denomination Shares are rounded (upwards) to three decimal places.

**ACD's policy on holding Shares** The ACD's policy in relation to holding Shares in the Funds as principal is for administration purposes and does not actively seek to make a profit on the holding.

## Rights Related to Shares

The Company and the ACD, 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 or convert Shares into Share Classes that are identical except for having lower fees when a Shareholder's holding meets the investment minimum and any other conditions for the Class with the lower fees. This does not apply to Share Classes with limited issue for example, S2 Share Class.
- Delay or reject any request to buy Shares - in part or in full, for an initial or additional investment - on reasonable grounds relating to the circumstances of the applicant. In particular, this applies to requests from anyone who is not eligible to be a Shareholder, such as a US Person. Neither the Company nor the ACD will be held liable for any gain or loss associated with a delayed or rejected request.
- Limit the issue of Shares if further issuance would materially prejudice existing Shareholders.
- Accept securities as payment for Shares, or fulfil proceeds of sales with securities ('subscription in specie' or 'redemption in specie'). In cases where Shareholders wish to request a subscription or redemption in specie, they must obtain advance approval from the ACD. Shareholders must pay all costs associated with the subscription or redemption in specie (broker fees, etc.). The Shareholder will also be responsible for paying any stamp duty reserve tax or stamp duty on a redemption in specie unless the assets are transferred *pro rata*.

For subscriptions in specie, the ACD will ensure that beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares, and will, by the close of business on the fourth business day following the issue of the Shares, ensure transfer to the Depositary of the assets taken in exchange.

If a Shareholder wishes to receive a redemption in specie in respect of a holding which is less than 5% of the NAV of a Fund, the Shareholder must request ACD approval and this approval is at the discretion of the ACD. However, if a sale instruction from a Shareholder represents more than 5% of the NAV of a Fund, the ACD can require that the Shareholder accepts a redemption in specie. In this instance, the Shareholder can require the ACD to transfer the securities or to liquidate them and transfer the proceeds. In either case, the ACD will provide written notice to the Shareholder before the Settlement Date of the sale.

The ACD will seek to fulfil the redemption with a selection of securities that closely or fully matches the overall composition of a Fund's portfolio at the time the transaction is processed.

The ACD will take reasonable care not to approve any requests for subscription or redemption in specie that it believes would be inconsistent with the interests of shareholders generally, and the Depositary will not approve a subscription in specie involving any assets that are inconsistent with the objective or policy of the Fund in question.

### Rights related to suspension of dealing

- Temporarily suspend the calculation of NAVs or deals in a Fund and/or Share Class. The ACD may, with prior agreement of the Depositary, or must if the Depositary so requires, temporarily suspend dealing in the Shares of a Fund where it is in the

interests of that Fund's Shareholders generally. The ACD, or the Depositary if it has required the ACD to suspend dealings in Shares, must notify the FCA of its action and the reasons for it.

The ACD and the Depositary must formally review the suspension at least every 28 days and inform the FCA of the results of this review and any change to the information provided to Shareholders. Dealing in Shares in a Fund or Class will recommence at the first Valuation Point after the end of the suspension.

A suspension will apply to all types of deals in Shares (except transfers) and will apply at the Fund or Share Class level as applicable.

In connection with suspensions the ACD will refuse to accept requests to buy, switch, convert or redeem Shares following the decision by the ACD to suspend the calculation of the NAV of a Fund. Any requests submitted for that Fund prior to the suspension will be cancelled. Once the suspension is over, clients will need to resubmit any deals they wish to proceed with as they will not be held to be dealt with on the next Dealing Day following the lifting of the suspension.

Shareholders will be informed of any suspension as soon as practicable. This notification will include the reasons for the suspension and details of where Shareholders can obtain information on the suspension, including its likely duration if known.

### Rights related to accounts and ownership

- Compulsorily convert all Shares of one Class of a Fund to a different Share Class of the same Fund if it is in the interests of Shareholders generally, for example, if a Share Class is being terminated for reasons of economic efficiency.
- Compulsorily convert all Shares of one Class of a Fund to a different Share Class of the same Fund if a Shareholder's holding is below the minimum investment amount for that Share Class.
- Compulsorily redeem a Shareholder's Shares and send them the proceeds, or convert a Shareholder's holding to another Share Class, if it appears the Shareholder is precluded from owning the Shares. This applies to any investor who, whether investing alone or with others, appears (i) to be a US Person or other ineligible investor, (ii) to be holding Shares in violation of law or regulation or requirement of any country or governmental authority, or (iii) where it appears that such holding might result in the Company (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 Company (including its Shareholders) or its delegates might not otherwise have incurred or suffered. The Company will not be held liable for any gain or loss associated with such actions.

Shareholders will be given thirty days prior notice to either document their eligibility to own or be the beneficiary of the Shares or to dispose of the Shares whether by redemption, transfer to an eligible owner or cancellation. If after thirty days the ACD believes the situation not to have been remedied, it may forcibly redeem the Shares or take other action as it may believe necessary and appropriate. The ACD will require that intermediaries compulsorily redeem Shares held by a US Person or other ineligible investors.

## Taxation

This summary does not purport to be a comprehensive description of all UK tax laws and 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. Tax treatment depends on the individual circumstances of each Shareholder and may be subject to change in the future.

### Taxation of the Company and its investments

- **Capital gains** The Company is not subject to corporation tax on chargeable gains.
- **Income** Each Fund is chargeable to corporation tax at the applicable rate, currently 20% on income net of allowable expenses (including the gross amount of interest distributions). Dividends from UK companies and most overseas companies are not taxable.
- **Taxation of income and capital gains** Income is allocated to all Shares (whether distributed or credited to capital) without any UK income tax being deducted or accounted for. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The ACD reserves the right to provide for appropriate tax on gains thus impacting the valuation of the Fund. With the uncertainty over whether and how certain gains are to be taxed, any such provision for taxation made by the ACD may be excessive or inadequate to meet final tax liabilities on gains.
- **Tax treaties** The Funds benefit from UK double tax treaties that reduce rates of withholding tax in many countries where the Funds invest. In some cases, whether a Fund is eligible for favorable tax treatment depends on the makeup of its Shareholders. For example, under the UK/US treaty, a Fund's withholding tax on US equity dividends can be reduced to 15% from 30%, but only if at least 50% of the relevant Fund is owned by qualifying UK persons. Because of this, the relevant Fund may not always be eligible for the lower tax rate, which would reduce the performance of Funds receiving US equity dividends accordingly.
- **Interest and dividend distributions** Where Shareholders receive, from all their investments (not just Company investments) total interest and dividend distributions that are greater than the personal savings allowance (for interest) and dividend allowance (for dividends), they are responsible for any taxes owed on those interest and dividend distributions to HM Revenue & Customs at their prevailing marginal tax rate.
- **Capital gains realised by individual Shareholders** Capital gains on disposals from all chargeable sources of investment (which may include switches, conversions from Hedged Shares of one currency to those of another, but generally not conversions between non-Hedged Shares of the same Fund) will be tax-free if they fall within an individual's annual capital gains exemption. Gains in excess of this amount will be subject to capital gains tax at the individuals prevailing marginal tax rate for capital gains.
- **Inheritance tax** If a Shareholder transfers shares during their lifetime at less than market value, the estate may be liable for inheritance tax on the difference between transfer value and market value. Transfer following the death of the individual may also be liable. Reliefs and exemptions may apply.
- **Tax reclaims** The Fund may file claims where possible to recover withholding tax in certain jurisdictions. Such tax reclaims are usually accrued in the NAV when the tax is suffered. However, certain tax reclaims are i) uncertain; ii) may take several years to resolve; and iii) may not have been

accrued in the NAV. In such circumstances, such tax reclaims (if any) may only become available upon receipt. As a result, only investors in the fund at the time of receipt may benefit from such tax reclaims.

### Taxation and reporting of Shareholders subject to UK corporation tax

- **Interest distributions** Under the Corporation Tax Act 2009 Investments in certain Funds that pay interest distributions must be treated as a creditor loan relationship. All distributions received from these Funds, whether attributable to interest or not, as well as all changes in investment value, must be brought into account for corporation tax purposes on a fair value basis.
- **Dividend distributions** Dividend distributions will be streamed into franked, unfranked and foreign income for Shareholders chargeable to UK corporation tax, according to the underlying gross income of the Fund. The unfranked element will be treated as an annual payment that has been subject to a 20% income tax. The Shareholder can treat this presumed deduction as UK or foreign tax (as appropriate) deducted from a gross payment.
- **Capital gains** Shareholders chargeable to UK corporation tax must include all chargeable gains realised on the disposal of Shares, minus indexation allowances in their taxable profits. This does not apply to gains realised on holdings of Funds subject to the loan relationships legislation (described above) for the periods that they are subject to that legislation.
- **Stamp Duty Reserve Tax (SDRT)** There is no SDRT liability on issues or redemptions of Shares, but investors directly transferring Shares to one another may be liable for 0.5% SDRT.
- **Conversions between Share Classes with different income allocation periods** Any tax advantage gained by such a conversion could be reversed retroactively.

### Tax reporting of Shareholders to authorities outside the UK

- **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 UK laws concerning the automatic exchange of information to improve international tax compliance, the Company (or its agent) will collect information about Shareholders and their identity and tax status, and will report this information to the relevant UK authorities. Under UK law, the Company or each Fund as the case may be is a Reporting UK Financial Institution, and the Company intends to comply with the UK 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 UK tax authority, and by that tax authority to any relevant overseas tax authorities.
- Additionally, US Persons, US citizens and US tax residents are subject to reporting to the US Internal Revenue Service and may be subject to US withholding tax.

### Taxation of Shareholders who are not UK taxpayers

- **Taxpayers in other countries** Shareholders who are tax residents of other countries are generally not subject to any UK capital gains, income, withholding, gift, estate, inheritance or other taxes. However, an investment in a Fund will typically have tax implications in any jurisdiction that considers Shareholders to be taxpayers.

## Conflicts of Interest

An investment in the Company or a Fund is subject to a number of actual or potential conflicts of interest. The ACD, the Investment Manager, the Administrator, the registrar, the Custodian, the sales agents (where relevant) and other relevant members of JPMorgan Chase & Co. (a multi-service banking group, providing its clients all forms of banking and investment services) have adopted policies and procedures reasonably designed to appropriately 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 and/or prohibited by law, unless an exception is available. The ACD has established a process for recognising and dealing with complaints fairly.

The ACD and/or its affiliates provide a variety of different services to the Company, for which the Company compensates them. As a result, the ACD and/or its affiliates have an incentive to enter into arrangements with the Company and face conflicts of interest when balancing that incentive against the best interests of the Company. The ACD, 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 Manager on behalf of the Company. The Funds are authorised to trade with affiliates of JPMorgan Chase & Co.

In addition, affiliates of the ACD (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 Company invests or will invest. In certain circumstances by providing services and products to their clients, JPMorgan's activities may disadvantage or restrict the Company and/or benefit these affiliates.

The Depositary is independent from the Company, the Shareholders, the ACD and its associated suppliers, custodians and sub-custodians. As such, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

Potential conflicts of interest may arise as a consequence of the Custodian (which is part of JPMorgan) providing custody services to the Company as the Depositary's delegate. For example, potential conflicts of interest may arise where the Custodian is providing a product or service to the Company and has a financial or business interest in such product or service or where the Custodian receives remuneration for other related custodial products or services it provides to the Company, such as foreign exchange, stock lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Custodian will at all times have regard to its obligations under applicable laws. The ACD and the Custodian ensure that they operate independently within JPMorgan.

The ACD or the Investment Manager may acquire material non-public information which would negatively affect the Company's ability to transact in securities affected by such information.

For more information about conflicts of interest, see [jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor).

## Fair Treatment of Investors

The ACD has policies, procedures and arrangements in place to ensure the fair treatment of investors in the Funds, including:

- fair and transparent pricing models and valuation systems for Fund assets

- procedures designed to see that no undue costs are charged to Fund assets
- procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts to prevent them from adversely affecting the interests of investors
- procedures designed to see that investors are fairly treated and that any additional information offered as above does not materially disadvantage other investors
- a process for recognising and dealing with complaints fairly

To comply with regulatory, reporting or other obligations the ACD may have to agents or financial intermediaries of Shareholders or their underlying investors, the ACD may provide advance notification of information to these agents or intermediaries or additional information to certain investors.

Based on the size, nature, timing or commitment of the investment, the ACD may, if it chooses and if permitted, pay some or all of the commissions or discounts to some or all investors, financial intermediaries or distributors.

All rights and obligations to investors, including those related to subscription and redemption requests, are described in this Prospectus or the Instrument of Incorporation.

## Winding Up, Termination or Merger

### WINDING UP/TERMINATION

The Company can only be wound up under Chapter 7.3 of the COLL Sourcebook or as an unregistered company under Part V of the Insolvency Act 1986.

A Fund can only be terminated under Chapter 7.3 of the COLL Sourcebook or under Part V of the Insolvency Act of 1986 (as modified by regulation 33C of the OEIC Regulations) as an unregistered company.

Where the Company is to be wound up or a Fund terminated under the COLL Sourcebook, such winding up or termination may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company or Fund) either that the Company or Fund will be able to meet its liabilities within 12 months of the date of the statement or that the Company or Fund will be unable to do so. The Company may not be wound up, or a Fund terminated, under the COLL Sourcebook if there is a vacancy in the position of the ACD at the relevant time.

The Company may be wound up, or a Fund terminated, in any of the following circumstances:

- Shareholders have passed an extraordinary resolution to that effect
- a pre-defined winding-up or termination date has been reached, (currently, no Fund nor the Company itself is subject to such a date)
- the FCA has approved a request for the winding-up or termination from the ACD
- the share capital of the Company is below its prescribed minimum or the net asset value of an individual Fund is less than GBP 5 million)
- the winding-up or termination is justified by a change in applicable laws and regulations

Shareholders will be notified of the decision to wind up the Company or terminate a Fund, and the timing. As soon as practicable after winding up or termination has commenced, the ACD will realise the assets and meet the liabilities of the Company or Fund and, if adequate monies remain after paying out or retaining adequate provision for properly payable liabilities and for the costs of winding up or termination, arrange for

the Depositary to make one or more interim distributions to Shareholders, in proportion to their holdings of relevant Shares as at the commencement of the winding up or termination.

The ACD will instruct the Depositary how the proceeds must be held prior to being used to meet liabilities or make distributions to Shareholders with a view to the prudent protection of creditors and Shareholders against loss.

Shareholders of any relevant terminating Fund can continue to redeem or switch their Shares, free of any redemption and switch charges up to the commencement of termination.

Where the Company is being wound up, it will retain its full corporate status and powers until it is dissolved, but will cease all business activities except those necessary to the winding up. On completion of the winding up of the Company, the Company will be dissolved and the ACD shall arrange that any money (including unclaimed distributions) standing to the account of the Company, will be paid by the Depositary into court within one month of dissolution.

When the ACD has caused all the Scheme Property to be realised and all the liabilities of the Company or the particular Fund to be realised, the ACD will arrange for all Shares in issue to be cancelled and for the Depositary to make a final distribution to Shareholders on or before the date on which the final account is sent to Shareholders of any balance remaining to them.

As soon as is reasonably practicable after the completion of the winding up or termination, the ACD will notify the FCA that it has done so. The ACD must also prepare a final account stating the date on which the winding-up or termination was completed and showing how the winding up or termination took place and Scheme Property was distributed. The Company's auditors will make a report stating their opinion as to whether the final account has been properly prepared. Within four months of the completion of the winding-up or termination this final account and the auditor's report must be sent to the FCA and to each person who was a Shareholder immediately before the winding up or termination commenced.

As the Company is an umbrella company, any liabilities attributable or allocated to a particular Fund under the COLL Sourcebook will be met out of the Scheme Property attributable or allocated to that particular Fund.

The costs and expenses of any winding-up or termination may be borne by the Company or relevant Fund or Share Class up to the capped level of operating expenses as specified in the Prospectus for the relevant Share Class or may be borne by the ACD.

## MERGER OF A FUND

Within the limits of the COLL Sourcebook and subject to FCA and shareholder approval, any Fund may merge with any other (whether within the Company or in a different ICVC). The ACD will approve the merger and seek FCA consent to contact Shareholders in any merging Fund to give them advance notice of an extraordinary general meeting and the proposed effective date of the merger. Shareholders will be invited to vote on an extraordinary resolution proposing the merger which requires 75% of those who vote to be in favour for the merger to proceed.

## Dormant Assets

The ACD participates in the Dormant Assets Scheme which allows the ACD to transfer any money which is unclaimed by Shareholders to RFL in certain situations. RFL is a not-for-profit organization authorised and regulated by the Financial Conduct Authority. The Dormant Assets Scheme aims to use unclaimed money for community benefit while ensuring Shareholders can reclaim their money at anytime.

The Dormant Assets Scheme applies to an Eligible Amount that has become "dormant". An Eligible Amount is considered "dormant" if the ACD believes the Shareholder, or their representative, has "gone away" due to no communication for at least 6 years. Before transferring an Eligible Amount to RFL, the ACD will make reasonable efforts to find the Shareholder and return the Eligible Amount, following the FCA Rules.

After an Eligible Amount is transferred to RFL, the Shareholder can reclaim their money at any time under the Dormant Assets Scheme.

The amount of money which the Shareholder, or their representative can reclaim will be calculated in accordance with the provisions in the Dormant Assets Act 2022. In certain circumstances, deductions may apply including for interest due, fees and charges. The ACD is responsible for handling all repayment claims on behalf of RFL.

Shareholders should contact the ACD at PO Box 12272, Chelmsford, Essex, CM99 2EL, United Kingdom or call 0800 20 40 20 to make a reclaim or obtain more information about the Dormant Assets Scheme.

# UNDERSTANDING THE PRICING AND VALUATION OF AN INVESTMENT

## Calculation of Share Prices

### TIMING AND FORMULA

The NAV for each Share Class of each Fund is calculated at the Valuation Point every day that is a Dealing Day unless specified otherwise in [Fund Descriptions](#). Each NAV is stated in Sterling, and is calculated to four significant figures. The NAV for each Share Class of each Fund is calculated using the formula below.

$$\frac{(\text{assets} - \text{liabilities})}{\text{number of outstanding Shares}} \pm \text{any dilution adjustment} = \text{NAV}$$

Appropriate provisions will be made to account for the costs, charges and fees attributable to each Fund and class as well as accrued income on investments.

### DILUTION ADJUSTMENT

To protect the interests of Shareholders, a Fund's NAV may be adjusted to compensate for dilutions that can arise in connection with large flows of cash into or out of the Fund. They will be applied with respect to each share class. See dilution adjustment levels in "Investor Considerations" in [Fund Descriptions](#).

These adjustments are normally applied on any Dealing Day when net purchases or net redemptions of Shares exceeds 1.00% of a Fund's assets. They may also be applied to reflect the expanding or contracting trend of a Fund, or at any other time. The ACD considers that failing to apply the dilution adjustment will materially affect the interests of Shareholders. For a list of Funds to which the ACD has decided to apply the dilution adjustment for these reasons, see the Dilution Adjustment Guide

at [am.jpmorgan.com/content/dam/jpm-am-aem/emea/gb/en/communications/dilution-adjustment-guide-en.pdf](https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/gb/en/communications/dilution-adjustment-guide-en.pdf).

The ACD may review the dilution adjustment threshold without prior notification, for the purpose of ensuring that the threshold does not have the effect of materially prejudicing existing shareholders.

The adjustments will seek to reflect the anticipated prices at which the Fund will be buying and selling assets, as well as estimated transaction costs. The rates of dilution adjustment at 4 March 2026 are given below. The “Bid” adjustment is applied where there is a net cancellation of Shares and “Offer” adjustment is applied where there is a net creation of Shares.

Dilution adjustments are normally applied to a merging Fund to minimise the impact of the incoming cash into the receiving Fund.

	Bid (%)	Offer (%)
JPM Diversified Growth Fund	0.07	0.09
JPM Multi-Asset Cautious Fund	0.00	0.00
JPM Multi-Asset Growth Fund	0.00	0.00
JPM Multi-Asset Moderate Fund	0.00	0.00

The ACD makes, and periodically reviews, the operational decisions about dilution adjustments, including the thresholds that trigger them, the extent of the adjustment in each case, and which Funds will and will not be subject to dilution adjustments at any given time.

Note that the ACD can decide not to apply dilution adjustments to purchases when it is trying to attract assets so that a Fund can reach a certain size. In this case, the ACD 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 a dilution adjustment were being applied. For a list of Funds to which the ACD has decided not to apply the dilution adjustment, see the Dilution Adjustment Guide at [am.jpmorgan.com/content/dam/jpm-am-aem/emea/gb/en/communications/dilution-adjustment-guide-en.pdf](https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/gb/en/communications/dilution-adjustment-guide-en.pdf).

It is not possible to accurately predict how often a dilution adjustment will be applied in the future.

The dilution adjustment is not intended to protect against the ordinary dilution created by the costs of portfolio trading and the difference, however wide, between bid and ask prices in any market.

Where dilution adjustment is not made this may have an adverse impact on the NAV of a Fund.

## NAV ERROR CORRECTION

Any NAV that experiences a calculation error of 0.50% and above (positive or negative) will be addressed in conjunction with the Depositary. The ACD or the Depositary may also consider, at its discretion, corrective action in instances of incorrect pricing where the error is less than 0.50%.

## Valuation of Fund’s Assets

In general, the ACD determines the value of each Fund’s assets, as at each Valuation Point, 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 ACD 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 ACD 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 a collective investment schemes** Single-priced funds are normally valued at the most recent reported price, while dual-priced funds are normally valued at the average of the most recent reported offer and bid prices; however, when, in the opinion of the ACD, no appropriate price is quoted or obtainable, either type of fund may be valued at a price that, in the opinion of the ACD, is fair and reasonable in light of relevant factors.
- **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 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 mid-market price.
- **All other Scheme Property** Valued at a price that, in the opinion of the ACD, is a fair and reasonable mid-market price.

Any asset or liability not attributable to a particular Fund will be allocated as determined by the ACD, but generally *pro-rata* to the NAV of each Fund. All liabilities attributable to a particular Fund are binding solely on that Fund.

## Company Rights Related to NAV Calculation and Dealing Arrangements

- **Calculate a NAV more often than once a day**, whether temporarily or permanently, or less often, on a regular schedule or not. Examples of circumstances that might lead to additional NAV calculations include where the ACD considers that there has been a material change to the market value of the investments in one or more Funds, or where there is an in-specie subscription and the ACD believes it is in the interests of the Shareholders to value such a subscription separately. If the ACD 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 ACD decides to alter the dealing arrangements permanently, the Prospectus will be amended and Shareholders informed accordingly.
- **Apply alternative valuation method**. Where no price is available, at a price which in the opinion of the ACD is a fair and reasonable price. The ACD will only use the 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 Fund.

## Best Execution

In choosing broker-dealers to execute trades involving portfolio securities, the Investment Manager and the Company have fiduciary and regulatory requirements to seek the broker-dealer that offers the “best execution”.

For details of the best execution policy, go to [jpmorgan.co.uk/investor](https://jpmorgan.co.uk/investor).

## Notices and Publications

The following table shows which official material (in its most recent version) is typically made available through which channels:

Information/ document	Sent	Media	Online	Office	ACD
KIIDs	●		●	●	
SID	●		●	●	
Prospectus	●		●	●	●
Application form	●		●	●	
NAVs (Share prices)			●	●	
Distribution announcements		●	●	●	
Shareholder Reports			●	●	●
Shareholder meeting notices	●	●	●	●	
Other notices from the ACD	●	●	●	●	●
Statements/ contract notes	●				
Instrument of incorporation				●	
Core service provider agreements				●	
Risk Management Process (including liquidity management framework); conflicts or interest; order execution					●

### KEY

**Sent** Sent to Shareholders at the address on the register (physically, electronically, or as an emailed link if appropriate).

**Online** Posted online on [jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor).

**Office** Available free upon request from the Client Administration Centre or available for inspection at the registered office of the Company.

**ACD** Available free of charge upon request.

“Other notices from the ACD” includes notices of Prospectus changes, the merger or termination of Funds or Shares (along with the rationale for the decision), suspension of trading in Shares, and all other items for which notice is required. Notices will be sent to Shareholders where required by UK law or FCA regulation or practice.

The prospectus includes the following information (or any material changes to the below):

- information on how Fund liquidity is managed
- details on the risk management methods used by the ACD
- current risk profile of each Fund and the total amount leverage used by the Funds
- where applicable, details about collateral re-use rights or guarantees under a Fund’s leveraging arrangements

The ACD, in consultation with the Depositary and in accordance with COLL 4.3, will determine whether proposed changes to the Company or a Fund (including any change to the investment policy or investment strategy of a Fund) are considered fundamental, significant or notifiable:

- fundamental changes require approval from Shareholders of the Company or the relevant Fund before being implemented
- significant changes require the ACD to provide the relevant Shareholders at least 60 days’ advance written notice of the proposed change
- notifiable changes require the ACD to provide the relevant Shareholders with appropriate notice either before or after the change occurs

“Core service provider agreements” include those between the Company and its directors, including the ACD, the Investment Manager and the Depositary.

**Contract notes** are sent when there are transactions in a Shareholder’s account. Other items are sent when issued.

“Shareholders Reports” include the audited annual report issued within four months of the end of each Financial Year and the unaudited semi-annual report issued within two months of the end of the period it covers. The annual report includes the following information (or any material changes to the below):

- percentage of each Fund’s illiquid assets, including special arrangements, valuation methods, and how managements and performance fees applies to these assets
- details on whether risk limits set by the ACD have been or may be exceeded, the circumstances, and the corrective actions taken
- total amount of leverage used by the Funds
- changes to the maximum level of leverage used by the Funds

Information on past performance appears in this document, the KIID for each Fund, by Share Class, and in the Shareholder Reports.

Additional information is made available at the registered office of the Company or where indicated below online at [jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor), upon request, including

- complaints handling
- best execution (see [Best Execution](#))
- the strategy followed for the exercise of voting rights of the Fund
- the policy for placing orders to deal on behalf of the Company with other entities
- material changes to the liquidity management framework

## Shareholder Meetings

The Company does not hold an annual general meeting. The ACD may convene a general meeting of Shareholders at any time, and must schedule such a meeting within 8 weeks if requested by Shareholders holding more than 10% in value of all Shares in issue of the Company. Notices of Shareholder meetings will be distributed to Shareholders at least 14 days in advance 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 Fund/Share Class will be discussed in a meeting of that Fund’s/Share Class’ Shareholders. The quorum for a meeting is 2 Shareholders, present in person or by proxy. In the event of an adjourned meeting, if a quorum is not present after a reasonable time from the time of the meeting, the quorum is one Shareholder. Notices of the meetings and adjourned meetings will be sent to the Shareholders. To be eligible to vote in a meeting (in person or by proxy), a Shareholder must hold Shares on the record

date indicated in the meeting notice and must also still own shares (in any amount) as of the meeting date.

On a show of hands every Shareholder who is present in person or by its authorised representative has one vote. On a poll vote, a Shareholder may vote either in person or by proxy. Each share has voting rights in proportion to the value it had as compared to the total value of applicable shares in issue as of the record date indicated in the meeting notice. A Shareholder entitled to more than one vote does not have to vote all their shares the same way.

Except where the COLL Sourcebook or the Instrument require an extraordinary resolution (which needs 75% of the votes validly cast at the meeting to carry), any resolution will be passed by a simple majority of the votes validly cast.

The ACD may not be counted in the quorum for a meeting. Neither the ACD nor any associate (as defined in the COLL Sourcebook) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares that the ACD or an associate holds on behalf

of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.

The above provisions, unless the context otherwise requires, apply to Fund meetings and Class meetings as they apply to general meetings of Shareholders, but by reference to Shares of the Fund or Class concerned and the Shareholders and prices of such Shares.

## Queries and Complaints

Any person who would like to receive information about the Company or who wishes to make a complaint about the operation of the Company should contact the Client Administration Centre. If you are dissatisfied with the response you receive to your complaint, you may contact the Financial Ombudsman Service at Harbour Exchange Square, London E14 9SR.

# Company Business Operations

## Operations and Business Structure

**Company name** JPMorgan Fund III ICVC

**Client Administration Centre** J.P.Morgan Asset Management  
PO Box 12272

Chelmsford CM99 2EL

Tel UK 0800 20 40 20

Tel outside UK +44 1268 44 44 70

Fax 0845 246 1852

Website

[jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor)

[jpmorgan.myaccountonline.co.uk/](http://jpmorgan.myaccountonline.co.uk/)

Copies of printed documents can be obtained by contacting the Client Administration Centre.

### Head Office and Registered Office

60 Victoria Embankment London EC4Y 0JP

This is also the address where notices, or other documents, can be served.

**Duration** Indefinite.

**Regulatory authority** Financial Conduct Authority (FCA)

12 Endeavour Square

London

E20 1JN

Tel 0300 500 0597

**FCA authorisation** 16 May 2002.

**FCA product reference number (PRN)** 407764.

**Registered with** Registrar of Companies for England and Wales, 16 May 2002.

**Registration number** IC000174.

**Financial year** 1 May - 30 April. The year end date and the half-yearly accounting date (31 October) may be moved up to 7 days earlier or later with prior notice from the ACD to the Depositary.

Reports of the Company are published on [jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor). Annual reports will be made available by 31 August.

Half-yearly reports will be made available by 31 December.

### Company's issued shared capital

Maximum: GBP 50,000,000,000, Minimum: GBP 100.

The shares have no par value. The share capital of the Company at all times equals the Net Asset Values of the Funds.

**Accounting currency** GBP.

## Structure and Governing Law

The Company is an "umbrella fund" under which the Funds are created and operate. The assets of each Fund are segregated from those of other Funds. This means the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or the claims against, any other person or body including the Company, or any other Fund, and shall not be available for any such purpose.

The Company is an umbrella investment company with variable capital established as a NURS and also an alternative investment fund under the UK AIFM Rules and is subject to the investment laws, regulations and guidance set down by the FCA.

The Shareholders are not liable for the debts of the Company.

The Funds are not listed or dealt on any investment exchanges.

Any legal disputes involving the Company, the ACD, the Depositary or any Shareholder will be subject to the jurisdiction of the competent UK court, although the Company can submit itself to the competent court of other jurisdictions in disputes that concern activities or Shareholders in that jurisdiction. While the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under Foreign Law Contracts, it is not yet known how these foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

## Authorised Corporate Director (ACD)

**Name** JPMorgan Funds Limited.

### Registered office

3 Lochside View

Edinburgh Park

Edinburgh EH12 9DH

### Head office

60 Victoria Embankment

London EC4Y 0JP

**Other contact information** Tel 0800 20 40 20.

**Legal form of company** Limited liability company.

**Incorporated** 27 November 1936 (as Scottish Bank Insurance and Trust Shares Limited).

**Registration number in Scotland** SCO19438.

**Duration** Indefinite.

**Ultimate holding company** JPMorgan Chase & Co., a US corporation.

**Regulatory authority** Financial Conduct Authority (FCA)

12 Endeavour Square

London

E20 1JN

Tel 0300 500 0597

**Share capital** The ACD is a private limited company with issued share capital of 250,000 ordinary shares of £1 each fully paid.

The ACD is the sole director of the Company. The ACD typically serves for an indefinite period, although under the ACD Agreement it can resign or be terminated on 12 months' notice, or in certain cases immediately, although it must remain in place until a replacement approved by the FCA has been appointed.

The ACD is responsible for the Company's investment activities and other operations and has broad powers to act on its behalf, including:

- appointing and supervising the service providers indicated below
- setting investment policies and approving the appointment of the Investment Manager that are not JPMorgan entities
- making all determinations regarding the launch, modification, merger or termination of Funds and Share Classes, including such matters as timing, pricing, fees, Dealing Days, distribution policy and other conditions
- determining whether to list a Fund's Shares on any stock exchange (currently there are no such listings)
- determining how requests for transactions in Fund shares may be transmitted to the ACD

- determining when and in what manner the Company 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 Depositary is consistent with the COLL Sourcebook and any applicable contracts of the Company

The ACD has delegated the day-to-day management of the Company and its Funds to the Investment Manager. The ACD remains responsible for the delegated duties and acts.

The ACD is responsible for the information in this Prospectus and has taken all reasonable care to ensure that it is materially accurate and complete. The ACD is responsible for preparing, getting regulatory approval for, and making available a new version of this Prospectus whenever there is a change of a Fund's investment objective, investment policy or fees, a change of Investment Manager or Depositary, the addition or closure of a Fund, and on other occasions as required by regulation. The ACD also produces, distributes and approves marketing material for the Funds.

The ACD has established policies and procedures and made arrangements to ensure the fair treatment of investors. All rights and obligations to investors, including those related to subscription and redemption requests, are set out in this Prospectus or the Instrument of Incorporation. The ACD has established fair and transparent pricing models and valuation systems and procedures for the assets of the Funds. The ACD endeavours to ensure that there are no undue costs being charged to the Funds and investors. The ACD has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of investors. The ACD has established a process for recognising and dealing with complaints fairly.

The ACD may provide advance notification of information to Shareholders, their agents or financial intermediaries or additional information to certain investors, their agents or financial intermediaries in order for them to comply with any regulatory, reporting or other type of obligations they may have with their underlying investors. The ACD must ensure that investors are fairly treated and that any additional information offered as above does not materially disadvantage other investors.

The ACD Agreement provides indemnities from the Company to the ACD other than for matters arising by reason of its negligence, default, breach of duty or breach of trust in the performance of its duties and obligations. The ACD is under no obligation to account to the Depositary or the Shareholders for any profit it makes on the issue or re-issue of Shares or cancellation of Shares it redeems.

The ACD is entitled to its pro-rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for.

The ACD has assessed the fees and commissions that it pays or is paid. All fees and commissions are considered to be within the requirements of the rules on inducements set out in section 2.3 of the FCA Conduct of Business Sourcebook and no additional disclosure is required.

In addition to serving as ACD for the Company, the same entity serves as an ACD for a number of other open-ended investment companies, including JPMorgan Fund I ICVC and JPMorgan Fund II ICVC. It only advises on products and services that it offers.

## Remuneration Policy

The ACD 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 Shareholder's 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 remuneration practices
  - avoid conflicts of interest

The remuneration policy can be found at [am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/policies/remuneration-policy/jpmam-emea-remuneration-policy.pdf](https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/policies/remuneration-policy/jpmam-emea-remuneration-policy.pdf). It applies to all employees, including employees whose professional activities materially impact the risk profile of the ACD or the Company, 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 can be requested free of charge from the ACD.

Professional liability risks resulting from those activities which the ACD carries out pursuant to the UK AIFM Regime, are covered by the ACD through 'own funds' (within the meaning of the UK AIFM Regime).

## DIRECTORS OF THE ACD

**Kate Jones, Chair (Non-Executive Director)**  
**Karen Prooth (Non-Executive Director)**  
**Ruston Smith (Non-Executive Director)**  
**Nicholas Bloxham (Executive Director)**  
**James Reeves (Executive Director)**  
**Malcolm Smith (Executive Director)**

Directors serve until their term ends, they resign, or they are revoked, in accordance with the Instrument. Any additional Directors will be appointed in accordance with the Instrument and UK law.

## Service Providers Engaged by the ACD

### INVESTMENT MANAGER

**JPMorgan Asset Management (UK) Limited**  
 60 Victoria Embankment, London  
 EC4Y 0JP

Under the terms of the agreement with the ACD, the Investment Manager is responsible for the management of each Fund's portfolio in accordance with the Prospectus, Instrument of Incorporation including the stated investment objectives and policies, FCA rules and regulation. 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. The Investment Manager has the discretion to act on behalf of the relevant Fund, without further reference to the ACD, in accordance with the mandate set out in the investment management agreement entered into between the ACD and the Investment Manager.

The agreement between the ACD and Investment Manager can be terminated on six months' notice by any party to the other party and under certain circumstances such as where the ACD considers this to be in the best interests of Shareholders.

The Investment Manager is authorised and regulated by the Financial Conduct Authority.

## DEPOSITARY

### NatWest Trustee and Depositary Services Limited

#### Registered office and Head office

250 Bishopsgate London  
EC2M 4AA

The Depositary is incorporated in England and Wales as a private limited company. The ultimate holding company of the Depositary is NatWest Group plc which is incorporated in Scotland. The principal business activity of the Depositary is the provision of trustee and depositary services. The Depositary was appointed under a depositary agreement dated 2 October 2018 between the ACD, the Company and the Depositary (the "Depositary Agreement").

Under the Depositary Agreement, the Depositary is free to render similar services to others and the Depositary, the Company and the ACD are subject to a duty not to disclose confidential information. The powers, duties, rights and obligations of the Depositary, the Company and the ACD under the Depositary Agreement shall, to the extent of any conflict, be overridden by the FCA Rules.

The Depositary will be liable to the Company for any losses and liabilities suffered by the Company and Shareholders as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to applicable laws and the terms of the Depositary Agreement. It also provides that the Company will indemnify the Depositary for any loss suffered in the performance or non-performance of its obligations except in the case of fraud, willful default, negligence, bad faith, recklessness or breach of applicable laws by the Depositary.

The Depositary Agreement may be terminated on three months' notice by the Company or the Depositary or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary Agreement will not take effect, nor may the Depositary retire voluntarily, until the appointment of a new depositary.

Details of the fees to which the Depositary is entitled are set out in section [Share Classes and Costs](#).

The Company has appointed the Depositary, which will assume its functions and responsibilities in accordance with the UK AIFM Rules. The Depositary is responsible for such services as:

- maintaining custody of the assets of the Company
- verifying the ownership, and maintaining an up-to-date record, of all assets held by the Company
- monitoring the cash flows of the Funds
- ensuring that various activities are carried out in accordance with the ACD's instructions and, above all, with law, regulation and the Instrument; these activities include the calculation of NAV, the processing of dealing requests and the receipt and allocation of income and revenues to each Fund and Share Class, among others

The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company or a particular Fund and/or other funds managed by the ACD

or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.

Nevertheless, as the Depositary operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

The Depositary is not allowed to carry out activities with regard to the Company that may create conflicts of interest between the Company, 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 Funds and that are available in full upon request to the ACD.

The Depositary must act independently from the Company and the ACD, in the interest of the Company and the Shareholders.

The Depositary can, with the Company's consent, entrust the Company's assets to third-party banks, financial institutions or clearing houses, and permit these entities to further delegate 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 Company.

The Depositary must use reasonable care in exercising its duties and is liable to the Company 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, and shall be indemnified by the Company, 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.

Full updated details regarding the Depositary, description of the Depositary's duties, information on the safekeeping function delegated by the Depositary, an up-to-date list of delegates and sub-delegates, any conflicts of interest that may arise between the Depositary and the Company or ACD or Shareholders or delegates and sub-delegates, are available on request from the ACD. Also see the section below on the Custodian.

Except for the information about itself as Depositary, the Depositary is not responsible for the information contained in this Prospectus and accordingly does not accept any responsibility under the COLL Sourcebook or otherwise.

## CUSTODIAN

### **JPMorgan Chase Bank, N.A.**

25 Bank Street, Canary Wharf  
London, E14 5JP

The Depositary has delegated safekeeping of the Scheme Property to the Custodian, who in turn has delegated the custody of assets in certain markets to various sub-custodians. For a current list of sub-custodians, go to [am.jpmorgan.co.uk/investor/sub-custodian.aspx](http://am.jpmorgan.co.uk/investor/sub-custodian.aspx) or visit the ACD's office. The Custodian, and by extension all sub-custodians, are contractually prohibited from releasing the Company's assets into the possession of a third party without the consent of the Depositary.

## REGISTRAR

### **SS&C Financial Services Europe Limited**

DST House, Saint Nicholas Lane, Basildon,  
Essex, SS15 5FS

The Registrar provides such services as maintaining the Company's register of shareholders, opening and closing accounts, processing requests for transactions in Fund shares, and providing documentation of these transactions to Shareholders.

The Register is kept at the above address. The Register may be inspected during normal business hours by any Shareholder or any Shareholder's duly authorised agent at the above address.

The Registrar typically serves for an indefinite period, although it can resign or be terminated at any time with prior notice. The Registrar cannot alter the manner in which it carries out its duties without the prior written consent of the Company or the ACD.

## ADMINISTRATOR

### **JPMorgan Chase Bank, National Association, London Branch**

25 Bank Street Canary Wharf,  
London, E14 5JP

The Administrator carries out pricing and valuation functions and prepares the accounts of the Company. The Administrator typically serves for an indefinite period, although it can resign or be terminated on six months' notice.

## AUDITOR

### **PricewaterhouseCoopers LLP**

141 Bothwell Street  
Glasgow  
G2 7EQ

The auditor provides independent review of the financial statements of the Company and all Funds once a year.

# Past Performance

The returns below are based on the price per Share (including, for Income Shares, reinvestment of all distributions paid). Past performance is not a guide to future returns. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. Investment in Shares of these Funds should be regarded as a long-term investment.

<b>Fund and Share Class*</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
JPM Diversified Growth Fund C Acc (A Acc to 2021, C Acc from 2022)	9.20	10.27	7.52	-14.06	14.55
JPM Multi-Asset Cautious Fund C Acc	9.85	5.75	6.43	-13.66	5.38
JPM Multi-Asset Growth Fund C Acc	17.26	12.63	10.92	-10.15	16.98
JPM Multi-Asset Moderate Fund C Acc	14.68	10.45	9.72	-11.37	12.94

\* Performance returns are based on the price per Share for Accumulation Shares and for Income Shares based on the price per Share with the net distribution paid per Share re-invested.

Source: JPM/JPMorgan Chase.

# 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.

**ACD** JPMorgan Funds Limited, the authorised corporate director of the Company, also the alternative investment fund manager within the meaning of UK AIFM Rules.

**AIF** An alternative investment fund, as defined in the FCA Rules.

**Approved Bank** As defined in the FCA Rules.

**Approved Derivative** A derivative that is traded or dealt in on an Eligible Derivatives Market.

**Approved Money Market Instrument** An approved money market instrument normally dealt in on the money market, is liquid and has a value that can be accurately determined at any time.

**Approved Security** A transferable security that is admitted to an official listing in the UK or in an EEA State or is traded on, or under the rules of, an Eligible Securities Market (otherwise than by specific permission of the market authority).

**Base Currency** The currency in which a 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 Fund. The particular purposes for which a Fund uses its benchmark are stated in [Fund Descriptions](#) and may be one of the following:

- Performance Target
- Constraining
- Performance Comparator

The choice and use of benchmark is determined by considering how benchmarks are referenced in the investment objective and policy for the Fund. Where a benchmark name is referenced in the objective or policy, such benchmark is typically classified as target or constraining; where there is no reference in the objective or policy the benchmark is typically classified as a performance comparator. The investment universe and strategy of the relevant Fund are also important considerations used to determine the choice and use of a benchmark. Benchmarks that are classified as performance comparators are chosen as a point of reference against which performance can be evaluated. The benchmark may also be used as a basis for relative VaR calculations or as a point of reference against which performance is measured for the purposes of calculating a performance fee.

With respect to benchmarks, “Net” means the return is quoted after any withholding tax on dividends. Unless a rate of withholding tax is specified alongside the benchmark name, or the benchmark relates solely to the UK Equity market, the rates of withholding tax used will be those of the standard published approach of the index vendor. Note that these may be higher than those that apply to some investors. For example, an index of German equities might be calculated assuming the German 26.375% tax rate on dividends from German companies, whereas a UK-domiciled fund would generally only be liable for a 15% withholding tax on such dividends. In such situations, this may make a Fund’s performance relative to its benchmark appear slightly better than it actually is.

**Class** All of the Shares related to a Fund or a particular class of Share related to a Fund, as context requires.

**COLL Sourcebook or “COLL”** The Collective Investment Schemes Sourcebook of the FCA Handbook, as amended from time to time. Citations mentioning “COLL” are citations to the relevant chapter or rule in the COLL Sourcebook.

**Company** JPMorgan Funds III ICVC, which qualifies as an alternative investment fund within the meaning of the UK AIFM Rules.

**Dealing Day** Monday to Friday, except (unless the ACD decides otherwise):

- the last working day before Christmas Day or New Year’s Day;
- a bank holiday in England and Wales;
- at the discretion of the ACD, a day or days on which any exchange or market on which a substantial portion of a Fund’s investments are traded is closed; and
- other days at the ACD’s discretion (“non-dealing days”)

A list of non-dealing days will be included on [jpmorgan.co.uk/investor](http://jpmorgan.co.uk/investor). However, as the list is subject to change investors should contact the ACD for further details on any non-dealing days which may be relevant to their investment.

**Depository** NatWest Trustee and Depository Services Limited, the depository of the Company.

**Director** A Director of the ACD or the Company.

**Distributor** Any person or entity appointed by the ACD to distribute or arrange for the distribution of Shares.

**Dormant Assets Scheme** The dormant asset scheme which aims to distribute unclaimed monies for the benefit of the community, whilst also protecting Shareholders’ rights to reclaim their money at any time, as described in Section 1 of the Dormant Assets Act 2022.

**EEA States** Currently, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, the Republic of Ireland, Romania, the Slovak Republic, Slovenia, Spain and Sweden.

**EEA UCITS** A collective investment scheme established in accordance with the UCITS Directive in an EEA State.

**Eligible Amount** In the context of the Dormant Assets Scheme, any unclaimed client money held by the ACD, in accordance with the Client Money Rules, owed to a Shareholder.

**Eligible Derivatives Market** A derivatives market that the ACD, after consultation with the Depository, has decided is appropriate for the purpose of investment of or dealing in the Scheme Property, in accordance with the COLL Sourcebook and other applicable FCA guidance. See [Eligible Markets](#).

**Eligible Institution** As defined in the FCA Rules.

**Eligible Market** An Eligible Derivatives Market or Eligible Securities Market, a list of which appears in [Eligible Markets](#).

**Eligible Securities Market** A securities market that is a Regulated Market and is established in the UK or in an EEA State, and on which Transferable Securities and Approved Money Market Instruments admitted to official listing in that country are dealt or traded, or is one of the securities markets listed in [Eligible Markets](#) and permitted by the Fund’s objective and policies.

**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.

**EUWA** The European Union (Withdrawal) Action 2018.

**FCA** The Financial Conduct Authority, of 12 Endeavour Square, London E20 1JN or any successor or replacement regulator.

**FCA Handbook** The FCA Handbook of Rules and Guidance, as amended from time to time.

**FCA Rules** The FCA Handbook, as amended from time to time, including for avoidance of doubt the COLL Sourcebook, excluding for the avoidance of doubt, any guidance or evidential provisions.

**Financial Year** The Company's fiscal year.

**Foreign Law Contract** Any contract other than a contract: (a) governed by the laws of any part of the United Kingdom; and (b) whose parties agree to the exclusive jurisdiction of the courts of any part of the United Kingdom.

**Fund** A sub-fund of the Company.

**Hedged Shares** A Class or Classes of Shares which allow the use of currency hedging transactions to reduce the effect of exchange rate fluctuations.

**Instrument** The instrument of incorporation of the Company, as amended from time to time, registered by the Company in accordance with the UK AIFM Rules and the COLL Sourcebook. The Instrument may be amended by resolution of the ACD to the extent permitted by the COLL Sourcebook. In the event of any conflict arising between any provision of the Instrument and either the UK AIFM Rules or the COLL Sourcebook, the UK AIFM Rules will prevail.

**Investment Manager** The entity that performs the investment management functions for a Fund.

**JPMorgan Chase & Co.** The ACD'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 include all entities named in this Prospectus that contain the name "Morgan".

**KIID** The Key Investor Information Document, a two-page, legally required document describing in brief the objectives, policies, risks, costs, past performance and other relevant information for a given Share Class of a given Fund.

**NAV** Net asset value of the Scheme Property of the Company or any Fund.

**NURS** Non-UCITS Retail Scheme as defined in the FCA Rules.

**OECD** The Organisation for Economic Co-operation and Development, an intergovernmental economic organisation with 35 member countries.

**Performance Comparator** Benchmarks that are chosen as a point of reference against which performance can be evaluated.

**Prospectus** This document.

**Privacy Policy** The Privacy Policy issued by JPMorgan Asset Management International Limited on behalf of itself, its subsidiaries and its affiliates which is available at [jpmorgan.com/emea-privacy-policy](http://jpmorgan.com/emea-privacy-policy).

**Regulated Market** A market that is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator, is open to the public, is adequately liquid, and has adequate arrangements for the unimpeded transmission of income and capital to or for the order of investors.

**Retail Prices Index (RPI)** An inflation indicator that measures the change in the general level of prices charged on a fixed basket of UK retail goods and services bought for the purpose of retail consumption in the UK. RPI is different from the Consumer Prices

Index (CPI), the inflation rate targeted by the Bank of England in the UK in making interest rate decisions, in that RPI includes mortgage interest rates and other housing costs (and is therefore more sensitive to changes in mortgage rates).

**RFL** Reclaim Fund Limited, the operator of the Dormant Assets Scheme.

**Share** A share of any Fund.

**Scheme Property** The property of the Company, or of a Fund where appropriate, to be given for safe-keeping to the Depositary in accordance with the COLL Sourcebook.

**Share Class** A class of Shares.

**Shareholder** Any investor recorded as an owner of Shares in the register of the Company.

**Shareholder Reports** The annual and semi-annual reports of the Company.

**Transferable Security** A share, debenture, alternative debenture, government and public security, warrant, or Certificate Representing Certain Securities (the investment specified in article 80 of the Regulated Activities Order) whose title is transferable without the consent of a third party (noting that in the case of a share or debenture issued by a body corporate, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored).

An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

A Fund may invest in a transferable security only to the extent that the transferable security fulfils the criteria in COLL 5.2.7A R relating to potential loss, liquidity, reliable valuation, availability of information and negotiability.

A unit in a closed ended fund is a transferable security for the purposes of investment by a Fund provided it fulfils the criteria for Transferable Securities set out in COLL 5.2.7AR and the rules relating to the constitution of such a closed ended fund as set out in COLL 5.2.7CR.

**UCI** An Undertaking for Collective Investment.

**UCITS Directive** Refers to Directive 2009/65/EC on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended by Directive 2014/91/EU and which applies to EEA UCITS.

**UK AIFM Rules** The FUND Sourcebook, the Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 No. 328, the rules issued by the FCA (at any time) and ESMA (prior to 31 December 2020) and any provisions of Directive 2011/01/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as supplemented by Commission Delegated Regulations (EU) No. 231/2013 of 19 December 2012, which form part of UK law by virtue of the EUWA, in each case including any amendments or updates made in relation thereto.

**UK** The United Kingdom of Great Britain and Northern Ireland.

**UK UCITS** as defined in the FCA Rules.

**UK UCITS Rules** The COLL Sourcebook and the Collective Investment Schemes (Amendment etc) (EU Exit) Regulations 2019 No. 325.

**US Person**

- 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.

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.

**Valuation Point** The point, whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company or a Fund (as the case may be) for the purpose of determining the price at which Share may be issued, canceled, sold or redeemed.

**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.

**alpha** The risk-adjusted performance of an investment.

**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.

**collateral** Assets provided by a borrower as security to the lender in case the borrower fails to meet its obligations.

**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).

**commodity index instrument** A type of derivative Instrument (commonly a total return swap) which provides exposure to indices of commodity prices.

**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 Linked Note (CLN)** A credit linked note is a structured product that provides credit exposure to a reference credit instrument (such as a bond).

**currency derivative** A derivative whose reference asset is a currency value or exchange rate.

**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 derivative.

**diversified** In connection with a 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.

**efficient portfolio management (EPM)** An investment technique aimed at either reducing risk, reducing cost or generating additional capital or income with a level of risk consistent with the risk profile of the relevant Fund.

**exchange traded commodity (ETC)** 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.

**frontier markets** The least developed of the emerging market countries, such as those included in the MSCI Frontier Market Index or similar indices.

**funds** Any investment collective schemes.

**government bond** Bonds issued or guaranteed by governments or their agencies, US municipalities, 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.

**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. International investment grade ratings of Chinese bond issues/issuers by an independent international rating agency may be applied to the corresponding unrated onshore Chinese bond issue if determined to be equivalent.

**leverage** Leverage means any method by which a Fund increases its exposure whether through borrowing cash or securities, or leverage embedded in derivative positions or by any other means.

**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 position** A market position that increases in value when the value of the asset(s) in question increases in value.

**maturity** The amount of time remaining before a bond is due to be repaid.

**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 Fund is systematically hedged to the Share Class Currency of the currency hedged Share Class.

**near cash** Securities that can be readily converted into cash, such as a treasury bill or other short-term government bond, a bank certificate of deposit or an approved money market instrument or fund.

**net exposure** A Fund's long positions minus its short positions, often expressed as a percentage of total net assets.

**OTC derivative** A derivative instrument traded solely over the counter.

**participation note** A type of instrument which derives its value from an underlying financial instrument such as an equity. Participation notes involve an OTC derivative transaction with a third party. Also known as "outperformance notes".

**portfolio hedge** A hedging method whereby the currency exposures of the 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.

**rating agency** An independent organisation that rates the creditworthiness of debt security issuers. Examples are Standards & 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.

**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.

**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.

**short exposure, short position** A market position that increases in value when the value of the asset(s) in question decreases in value.

**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.

**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.

**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 Fund. Commonly, the higher the volatility, the riskier the security or 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.

# Contacting Us

At J.P. Morgan, we understand that all of our clients are unique and a one size fits all approach is not viable when communicating with you. Please see below for the various options available to help those who need some extra assistance.

**Correspondence** - If you would like to write to us, our address is shown below in the [Useful Links](#) section. We are also able to send all of our letters and prospectuses in braille or large print. Please let us know if you would like your prospectus or correspondence to be issued in a different format.

**Telephone** - Our client administration centre is open 9am - 5.30pm Monday to Friday where a number of experienced associates will be able to take your call. If you simply require a valuation of your account, we now have an automated service available for UK clients which will provide you with the most recent value. In order to use this, please call our number below and select option 1.

If you are hard of hearing, you may wish to use the Text Relay service which is provided by BT. To use this service, please dial 18001 then our telephone number 0800 20 40 20. Your call will be directed to a relay assistant in a call centre who will act as an

intermediary, you can then type your message to the assistant, who will then speak to us. For further information, please visit [rmid.org.uk/information-and-support/technology-and-products](http://rmid.org.uk/information-and-support/technology-and-products).

**Email** - If you wish to email us with a query, our email address is: [accounts@uk-email.jpmorgan.com](mailto:accounts@uk-email.jpmorgan.com). However, please do not send any personal or confidential information as this is not guaranteed to be a secure communication method.

**Online** - We have an online service available for UK based clients. To access the service, please visit [jpmorgan.myaccountonline.co.uk](http://jpmorgan.myaccountonline.co.uk) and you will be able to:

- Manage your profile with the option of updating your address, email or phone number
- View your valuation and transaction history
- Place investments, switches and withdrawal transactions (please note you will be unable to place withdrawals on a joint account).

Alternatively, we have produced a number of support guides which cover frequently asked questions and provide additional information for your account. Please visit [am.jpmorgan.com/gb/en/asset-management/per/contact-us/](http://am.jpmorgan.com/gb/en/asset-management/per/contact-us/) to access these documents.

## Useful Links

Whilst we are always happy to communicate with you directly, we encourage clients to work with a financial adviser. Among other things, a financial adviser can help you with all of the issues addressed here.

You can locate an adviser in your area at:

[financialplanning.org.uk](http://financialplanning.org.uk)  
[vouchedfor.co.uk](http://vouchedfor.co.uk)  
[unbiased.co.uk](http://unbiased.co.uk)

### PHONE

UK 0800 20 40 20  
Outside UK +44 1268 44 44 70

### EMAIL

[accounts@uk-email.jpmorgan.com](mailto:accounts@uk-email.jpmorgan.com)  
[fundinfo@jpmorgan.com](mailto:fundinfo@jpmorgan.com)

### WEBSITE

[am.jpmorgan.com](http://am.jpmorgan.com)

### POST

J.P. Morgan Client  
Service  
PO Box 12272  
Chelmsford,  
Essex, CM99  
UK

### The ACD

J.P. Morgan Asset Management  
60 Victoria Embankment  
London EC4Y 0JP  
Tel 0800 20 40 20

E-mail:

[fundinfo@jpmorgan.com](mailto:fundinfo@jpmorgan.com)

Website:

[jpmorganassetmanagement.com](http://jpmorganassetmanagement.com)

LV-JPM57432 | 03/26

---

NOT FOR USE BY OR DISTRIBUTION TO US PERSONS

**J.P.Morgan**  
ASSET MANAGEMENT