

Investment Vehicles for ERISA Qualified Plans

Eric Dyson CFP[®], AIF[®]
SWBA November 2018

Agenda

- Overview of some of the different investment vehicles available in ERISA Qualified Plans
 - Group Variable Annuity
 - Separately Managed Investment Accounts
 - 1940 Act Mutual Funds
 - Collective Investment Trusts
- 403b Considerations

Group Variable Annuity (GVA) Contract

- Record keeper is a typically life insurance company
- Record keeper will typically have a platform (product) for the GVA investments and a different platform for 1940 Act/NAV Mutual Funds
- Underlying investment is typically the same or very similar to a mutual fund
- Quoted in “Unit,” price as opposed to the “Share,” price of the underlying mutual fund
- In most cases (but not always) the GVA has an fee on top of the underlying fund fee.
- The additional fee typically covers:
 - Revenue share for recordkeeping cost
 - Revenue share for investment advisor compensation

Group Variable Annuity (GVA) Contract

- GVA structure allows for multiple fee/revenue structure for a given investment option
- Correct use of ERISA/DOL required 404(a)5 and 408(b)2 disclosures provide a mechanism for plan sponsors to understand this fee structure
- Can provide the ability for the insurance company to replace underperforming fund managers in an underlying investment
- Typically found in smaller plans
- The word “annuity,” as part of the GVA does not imply that the individual is in an annuity contract, does not have to take payment as an annuity and there is typically not a mortality and expense fee. However, some group annuity contracts may still provide these features and additional associated costs.

Separately Managed Account

- Typically offered by insurance companies as record keepers
- A separately managed account (SMA) is a portfolio of assets managed by a professional investment firm.
- Can be referred to as a pooled separate account, or a separate investment account
- Separate accounts are typically regulated by state insurance companies
- “Pooled” separate accounts will sometimes use multiple assets managers as part of the underlying offering. For example a Large Cap Growth Separate Account may have two different well know Large Cap managers from different companies managing roughly half of the SMA assets

Mutual Funds

- Although Mutual Funds existed before 1940, the Investment Company Act of 1940 set forth the modern mutual fund.
- Financial Service Industry nomenclature refers to these as “40 Act Funds,” to distinguish from GVA’s SMA’s and CIT’s
- Most mutual funds have different share classes that provide for different levels of fees and revenue sharing
- “Institutional,” and “Retail,” class are generic share class terms that simply the fee structure of funds designed for smaller plans and individual investors compared to larger plans and little or no revenue share

Collective Investment Trusts

- Typically operated by a bank or trust company.
- The trust groups assets from individual organizations into a larger diversified portfolio.
- Intent is to take advantage of economies of scale by:
 - Allowing only large institutional accounts
 - Pooling the institutional accounts
- Regulated by the Office of the Comptroller of the Currency instead of the Securities & Exchange Commission

Collective Investment Trusts

- In Practice:

- CITs typically offer a lower investment expense when compared to mutual funds
- When first introduced for qualified plans there were large account minimums (typically \$10M+ per investment option) and many mutual funds did not offer institutional and/or zero revenue share classes
- More recently:
 - Most mutual fund companies offer a zero revenue share class to provide for lower fund expense
 - Many collective investment trusts have lowered their minimum account size
- Collective Investment Trusts are worth consideration for “larger,” qualified plans.
 - The word “consider,” implies simply implies that you should discuss the option and document where applicable and practical.
 - Example – \$60 million dollar plan with no single investment option balance above \$10 million. Ask your investment advisor and your record keeper if a Collective Investment Trust is available for your plan. Weigh the advantages and disadvantages

403b Considerations

As a reminder, 403b plans are limited to mutual funds and annuity contracts

Passive Investing Considerations

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- Investment Policy Statement Considerations
- The Efficient Market Hypothesis
- Determinants of Portfolio Performance
- Returns of the Average Investor
- Passive Investing Overview
- S&P Indices vs Active – SPIVA
- Considerations in Passive Fund Selection
- Summary
- Questions

Investment Policy Statement Considerations

- As a reminder, a key ERISA principle is that plan fiduciaries are required to follow provisions of the plan document unless the document conflicts with ERISA.
- It is generally considered that “documents,” includes not only THE plan document, but also include other documents such as Investment Policy Statement
- A plan’s specific Investment Policy Statement may or may not reflect a preference toward passive or active management.
- Be certain that you review and follow guidelines of your plan’s IPS

Efficient Market Hypothesis

- There are 3 different versions of the efficient market hypothesis (EMH)
- In general the EMH states that stock prices generally reflect all publicly available information at any given time
- The conclusion of the EMH is that it is very difficult for anyone to **consistently** beat the market.
- The reason for this is that any efforts to conduct research and transaction costs to buy and sell securities will raise a fund's expense and these additional costs will only reduce a fund managers net performance to one that equals the market return MINUS expenses.

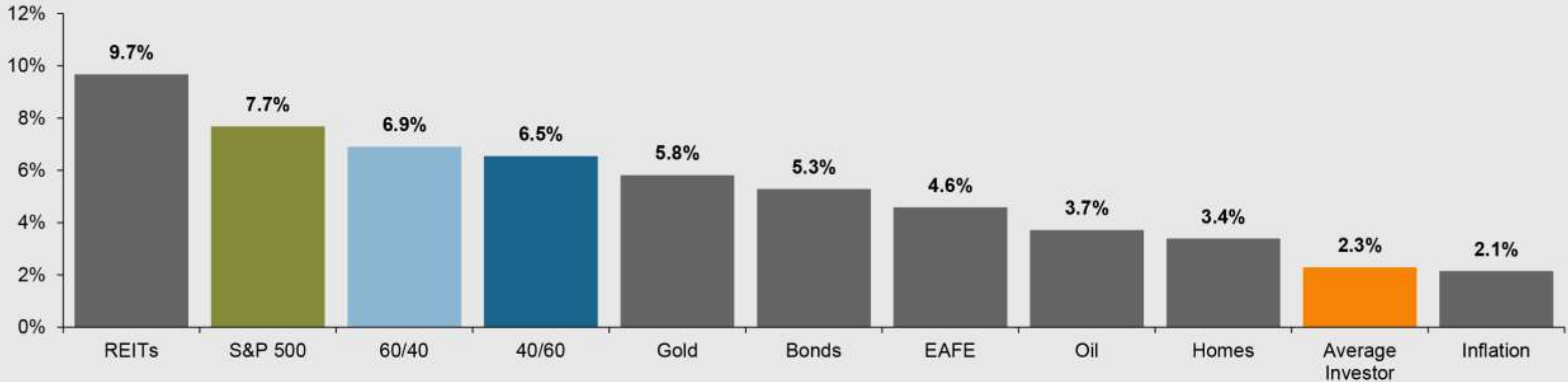
Determinants of Portfolio Performance⁽¹⁾

- 1986 Study of 91 Large US Pension Funds found that the primary determinant of a portfolio's return is asset allocation.
 - Asset allocation explains 93.6% of portfolio return
 - The following factors play minor roles:
 - Specific security selection
 - Market timing
 - Active vs passive management

(1) Determinants of Portfolio Performance, Financial Analysts Journal January-February 1995, Gary P. Brinson, L. Randolph Hood & Gilbert I. Beebower

The Average Investor Does Poorly

20-year annualized returns by asset class (1997 – 2016)



Source: J.P. Morgan Asset Management; (Top) Barclays, FactSet, Standard & Poor's; (Bottom) Dalbar Inc.

Indexes used are as follows: REITs: NAREIT Equity REIT Index, EAFE: MSCI EAFE, Oil: WTI Index, Bonds: Barclays U.S. Aggregate Index, Homes: median sale price of existing single-family homes, Gold: USD/troy oz., Inflation: CPI. 60/40: A balanced portfolio with 60% invested in S&P 500 Index and 40% invested in high quality U.S. fixed income, represented by the Barclays U.S. Aggregate Index. The portfolio is rebalanced annually. Average asset allocation investor return is based on an analysis by Dalbar Inc., which utilizes the net of aggregate mutual fund sales, redemptions and exchanges each month as a measure of investor behavior. Returns are annualized (and total return where applicable) and represent the 20-year period ending 12/31/16 to match Dalbar's most recent analysis.

Guide to the Markets – U.S. Data are as of December 31, 2017.

J.P.Morgan
Asset Management

WELLSPRING
FINANCIAL PARTNERS

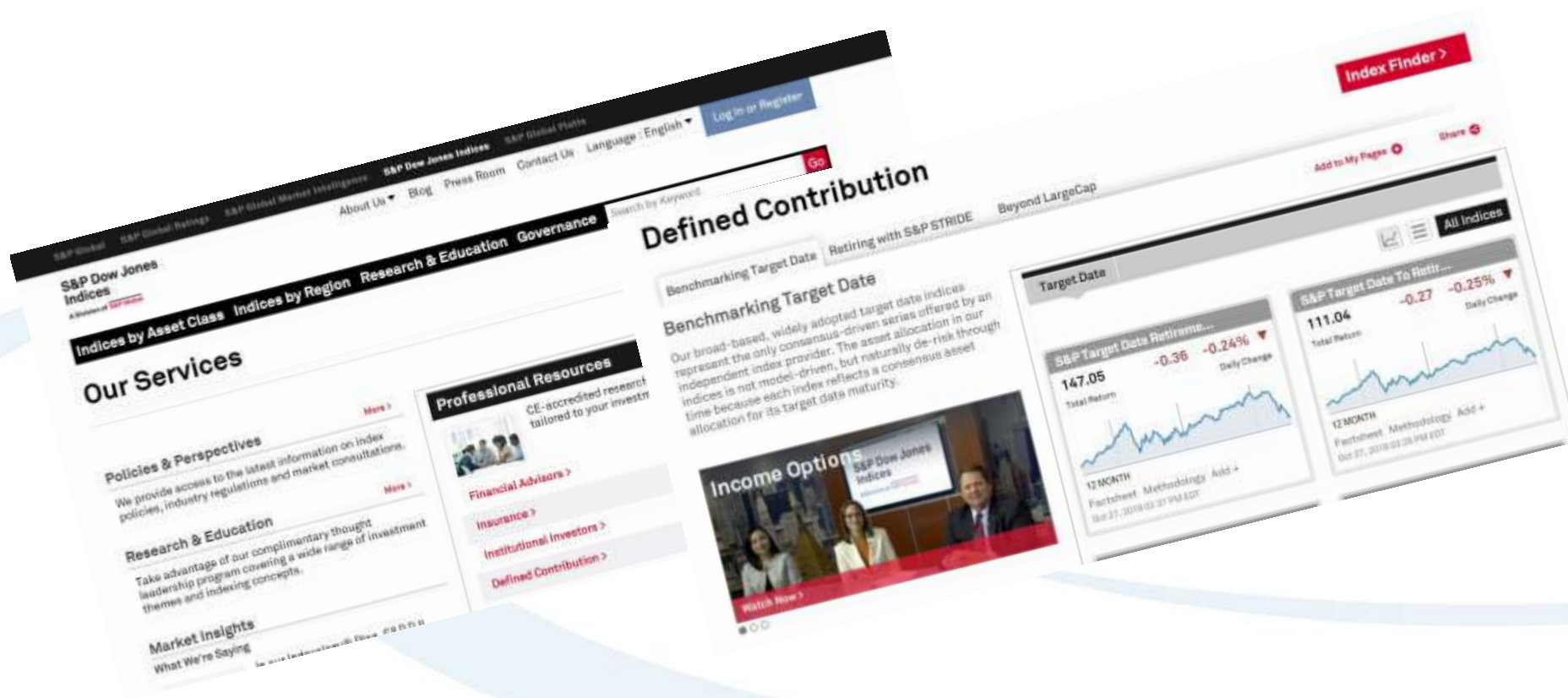
Passive Investing Overview

- Passive fund managers attempt to replicate a benchmark.
- Different methods such as price-weighted and capitalization-weighted are used among different mutual funds
- A different index can be selected for various asset classes.
- Examples and some of the most common benchmarks:
 - S&P 500 – Large Cap Stock Index
 - Russell 2000 – Small Cap Stock Index
 - Barclays Aggregate Bond Index – Intermediate Term Bond Index

Passive Investing in DB and DC Plans

- By choosing primarily a passive investing philosophy investors/investment committee's make the following assumptions:
 - A low cost passive approach will minimize expenses by avoiding costs of active management
 - The Efficient Market Hypothesis holds true
 - The additional expense of active management will in most cases result in returns that lag the benchmark over the long term
 - Passive investment returns will be near the benchmark return and should never be much above or below the benchmark.
 - In general passive investing returns should equal the benchmark return minus expenses
 - Investment analysis should focus on validating these assumptions in the selection of investment options for a DB or DC plan.

S&P Dow Jones Indices⁽¹⁾



(1) <http://www.spindices.com>

S&P Indices Versus Active (SPIVA)

UNITED STATES

PERCENTAGE OF LARGE-CAP FUNDS THAT UNDERPERFORMED THE S&P 500®

Data as of Jun 30, 2018

FIVE-YEAR

76.49%

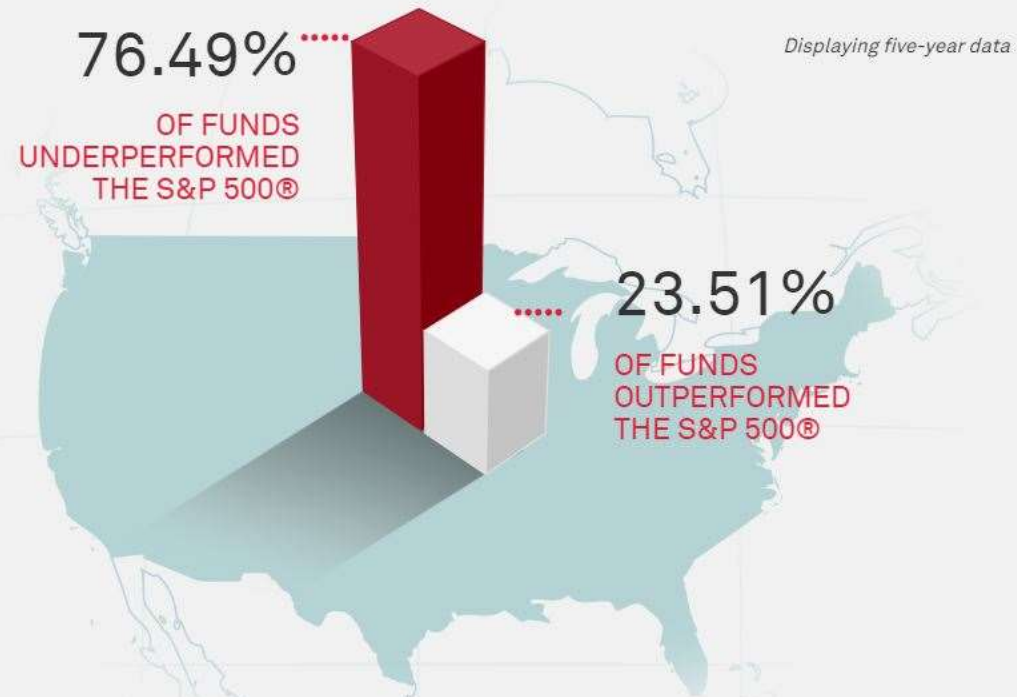
THREE-YEAR

78.64%

ONE-YEAR

63.46%

[GET STATS FOR OTHER MARKET SEGMENTS >](#)



SPIVA U.S. Scorecard

SPIVA U.S. Scorecard

Mid-Year 2018

REPORTS

| Report 1: Percentage of U.S. Equity Funds Outperformed by Benchmarks | | | | | | |
|--|---------------------------|------------|------------|------------|-------------|-------------|
| FUND CATEGORY | COMPARISON INDEX | 1-YEAR (%) | 3-YEAR (%) | 5-YEAR (%) | 10-YEAR (%) | 15-YEAR (%) |
| All Domestic Funds | S&P Composite 1500 | 57.98 | 82.12 | 80.13 | 85.93 | 83.76 |
| All Large-Cap Funds | S&P 500 | 63.46 | 78.64 | 76.49 | 89.15 | 92.43 |
| All Mid-Cap Funds | S&P MidCap 400 | 54.18 | 83.28 | 81.74 | 92.68 | 95.13 |
| All Small-Cap Funds | S&P SmallCap 600 | 72.88 | 93.59 | 92.90 | 93.36 | 97.70 |
| All Multi-Cap Funds | S&P Composite 1500 | 60.84 | 82.42 | 81.01 | 89.07 | 88.26 |
| Large-Cap Growth Funds | S&P 500 Growth | 36.29 | 66.67 | 66.31 | 91.54 | 92.82 |
| Large-Cap Core Funds | S&P 500 | 71.38 | 89.67 | 88.10 | 94.01 | 92.68 |
| Large-Cap Value Funds | S&P 500 Value | 42.01 | 68.73 | 75.08 | 76.21 | 83.05 |
| Mid-Cap Growth Funds | S&P MidCap 400 Growth | 31.54 | 81.13 | 73.08 | 94.08 | 94.05 |
| Mid-Cap Core Funds | S&P MidCap 400 | 77.59 | 88.98 | 91.06 | 93.33 | 96.81 |
| Mid-Cap Value Funds | S&P MidCap 400 Value | 75.47 | 87.93 | 87.88 | 87.37 | 95.40 |
| Small-Cap Growth Funds | S&P SmallCap 600 Growth | 42.05 | 86.60 | 86.49 | 90.40 | 98.76 |
| Small-Cap Core Funds | S&P SmallCap 600 | 93.31 | 99.15 | 99.56 | 95.15 | 98.56 |
| Small-Cap Value Funds | S&P SmallCap 600 Value | 90.72 | 93.16 | 100.00 | 96.97 | 94.57 |
| Multi-Cap Growth Funds | S&P Composite 1500 Growth | 52.78 | 81.97 | 75.81 | 91.14 | 86.26 |
| Multi-Cap Core Funds | S&P Composite 1500 | 76.17 | 94.90 | 91.38 | 89.63 | 90.64 |
| Multi-Cap Value Funds | S&P Composite 1500 Value | 56.60 | 79.63 | 79.59 | 85.38 | 85.88 |
| Real Estate Funds | S&P United States REIT | 53.66 | 74.12 | 67.09 | 77.19 | 82.76 |

Source: S&P Dow Jones Indices LLC. Data as of June 30, 2018. Returns shown are annualized. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

SPIVA International Scorecard

Report 6: Percentage of International Equity Funds Outperformed by Benchmarks

| FUND CATEGORY | COMPARISON INDEX | 1-YEAR (%) | 3-YEAR (%) | 5-YEAR (%) | 10-YEAR (%) | 15-YEAR (%) |
|-------------------------------|---------------------------------|------------|------------|------------|-------------|-------------|
| Global Funds | S&P Global 1200 | 62.13 | 75.42 | 75.44 | 79.84 | 81.52 |
| International Funds | S&P 700 | 68.60 | 76.78 | 74.05 | 76.75 | 89.43 |
| International Small-Cap Funds | S&P Developed Ex-U.S. Small Cap | 58.33 | 67.53 | 71.93 | 63.27 | 74.19 |
| Emerging Markets Funds | S&P/IFCI Composite | 72.02 | 73.89 | 86.19 | 86.25 | 94.44 |

Source: S&P Dow Jones Indices LLC. Data as of June 30, 2018. Returns shown are annualized. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Considerations in Passive Fund Selection

- R-Squared Measurement – explains how much of a fund's return is explained by the benchmark. 100%, or an R-Squared of 1.00 would be perfect correlation. In general this number should be as high as possible.
- Tracking Error – in simplified terms compares how closely the fund returns match the stated benchmark. Factors that may cause this error are:
 - How much of the fund is held in cash
 - Weighted holding differences
 - Expenses

Considerations in Passive Fund Selection

- Expense Ratio – as with most investment decisions the lower the expense ratio the better.
- Revenue Share – any revenue share in an index fund will result in an increased expense ratio.

Summary

- Be sure to follow your plan's Investment Policy Statement
- Investor behavior and portfolio asset allocation are by far the most significant determinants of results
- Few active fund managers outperform the benchmark over time.
- Reference: <https://us.spindices.com/>
- In selecting passive funds for a DC or DB plan, be sure to understand some underlying analysis for index fund selection such as R-Squared, Tracking Error, and Expense Ratio

Questions?

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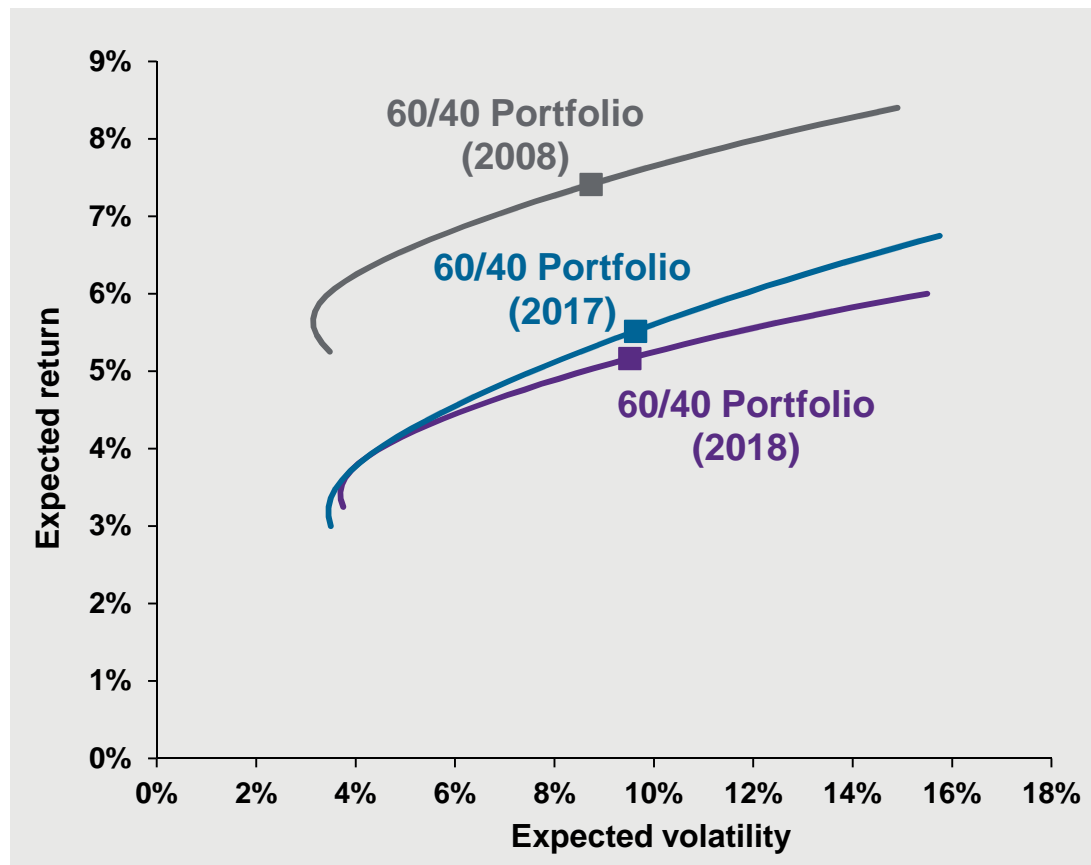
Contact Information

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J.P. MORGAN'S ACTIVE ADVANTAGE

The return challenge: Achieving 7-8% is increasingly difficult

Efficient frontiers & 60/40 Portfolios (J.P. Morgan's 2018 vs. 2008 LTCMA)*



Tools for stronger portfolios

Asset Allocation

- Strategic
- Tactical

Manager selection

- Proven track records
- Value over market cycles
- Active
- Market cap-weighted
- Strategic beta

Staying invested

- Small gains over time yield significant benefits

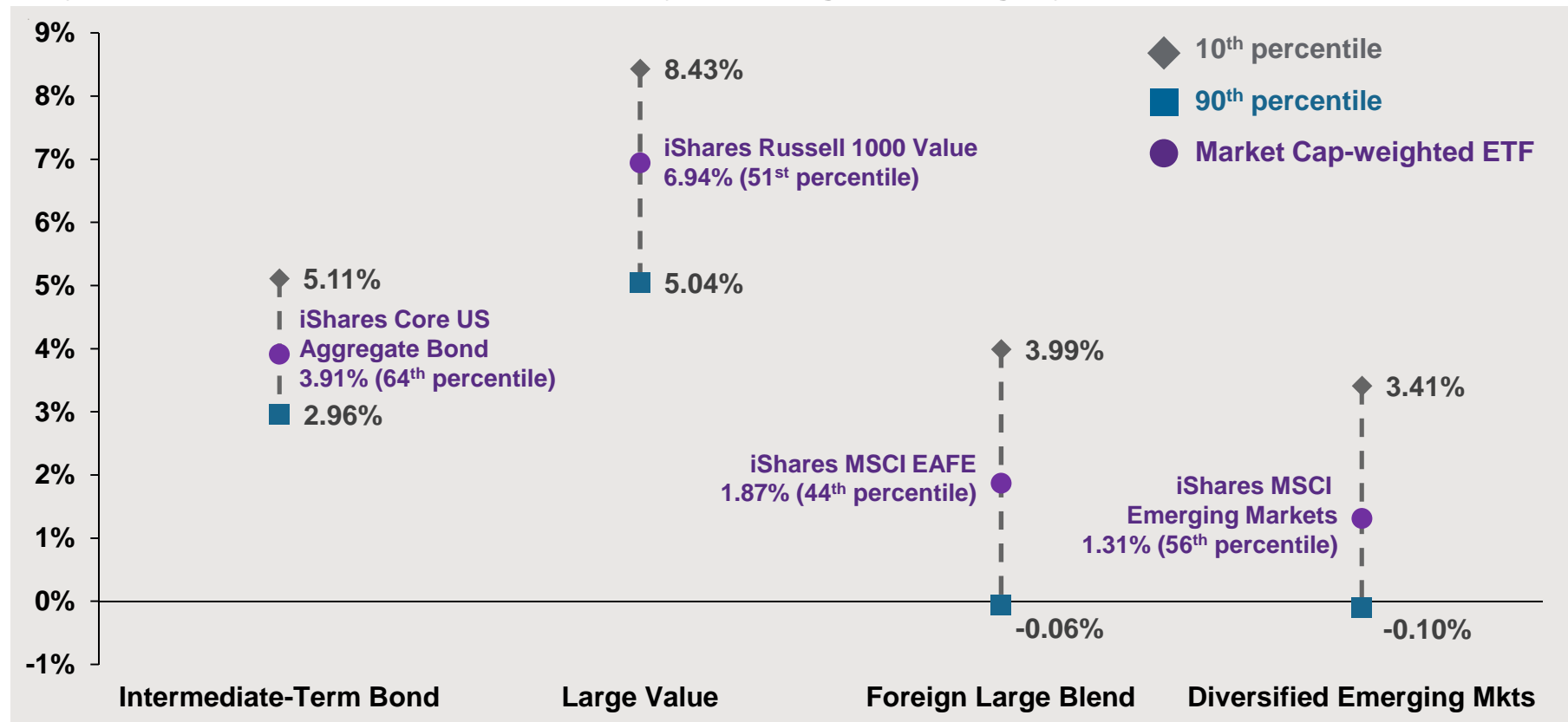
Source: J.P. Morgan Asset Management. For illustrative purposes only. Expected risk and returns are based on J.P. Morgan's 2018 Long-term Capital Market Assumptions (LTCMA). *60/40 portfolio comprises of 60% MSCI ACWI and 40% Barclays US Aggregate Bond.

J.P. Morgan's Long-Term Capital Market Assumptions provides risk and return expectations, over a 10- to 15-year horizon, for more than 50 asset and strategy classes. The product of in-depth analysis and J.P. Morgan's best thinking, our assumptions are designed to inform asset allocation decisions.

J.P.Morgan
Asset Management

Manager selection matters significantly

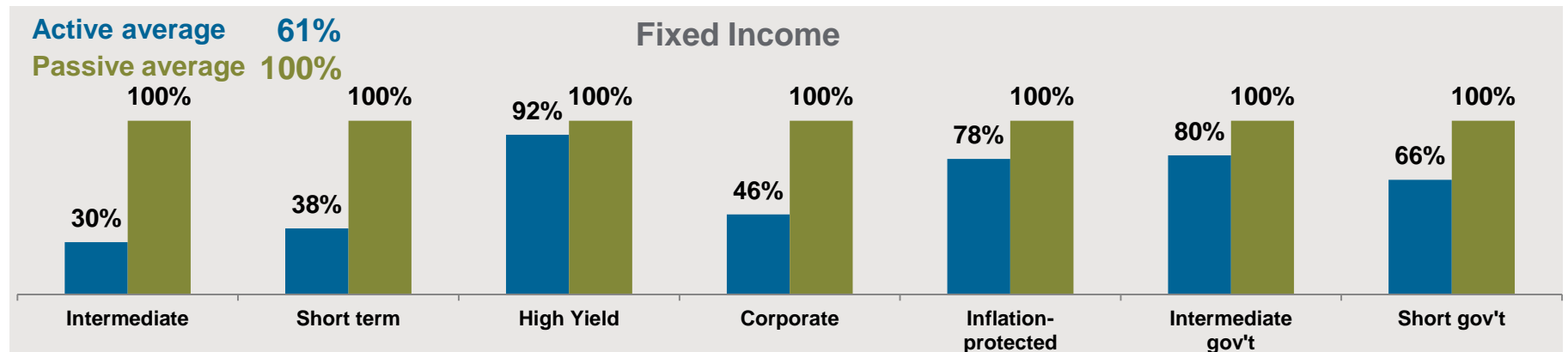
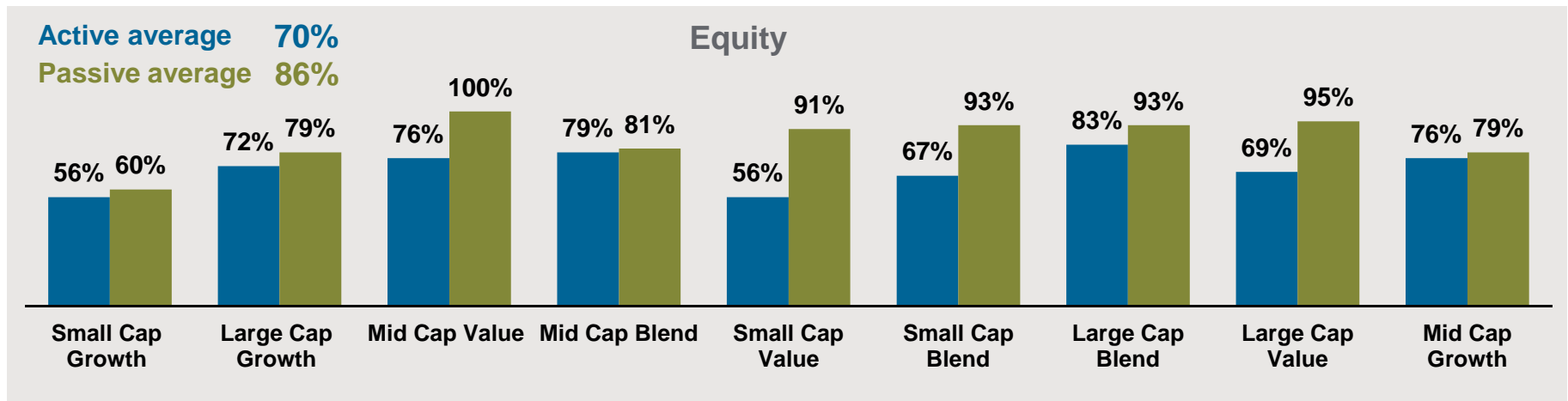
10-year portfolio return dispersion* by Morningstar category



Source: Morningstar as of 12/31/2017. *Represents average annual portfolio return dispersion between the 10th and 90th percentile over a 10-year period for each Morningstar category that includes both ETFs and Mutual Funds. The ETFs listed above are the largest by AUM within their category. World Allocation not shown as it does not currently have any prevalent ETFs with significant AUM. ETF shares are bought and sold throughout the day on an exchange at market price (not NAV) through a brokerage account, and are not individually redeemed from the fund. ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday. This information is shown for illustrative purposes only, does not reflect actual investment results, is not a guarantee of future results and is not a recommendation. *The performance quoted is past performance and is not a guarantee of future results. Mutual funds are subject to certain market risks. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Current performance may be higher or lower than the performance data shown.*

Historically, more passive have underperformed than their active counterparts

Underperformance vs. benchmark over 10 years by Morningstar category



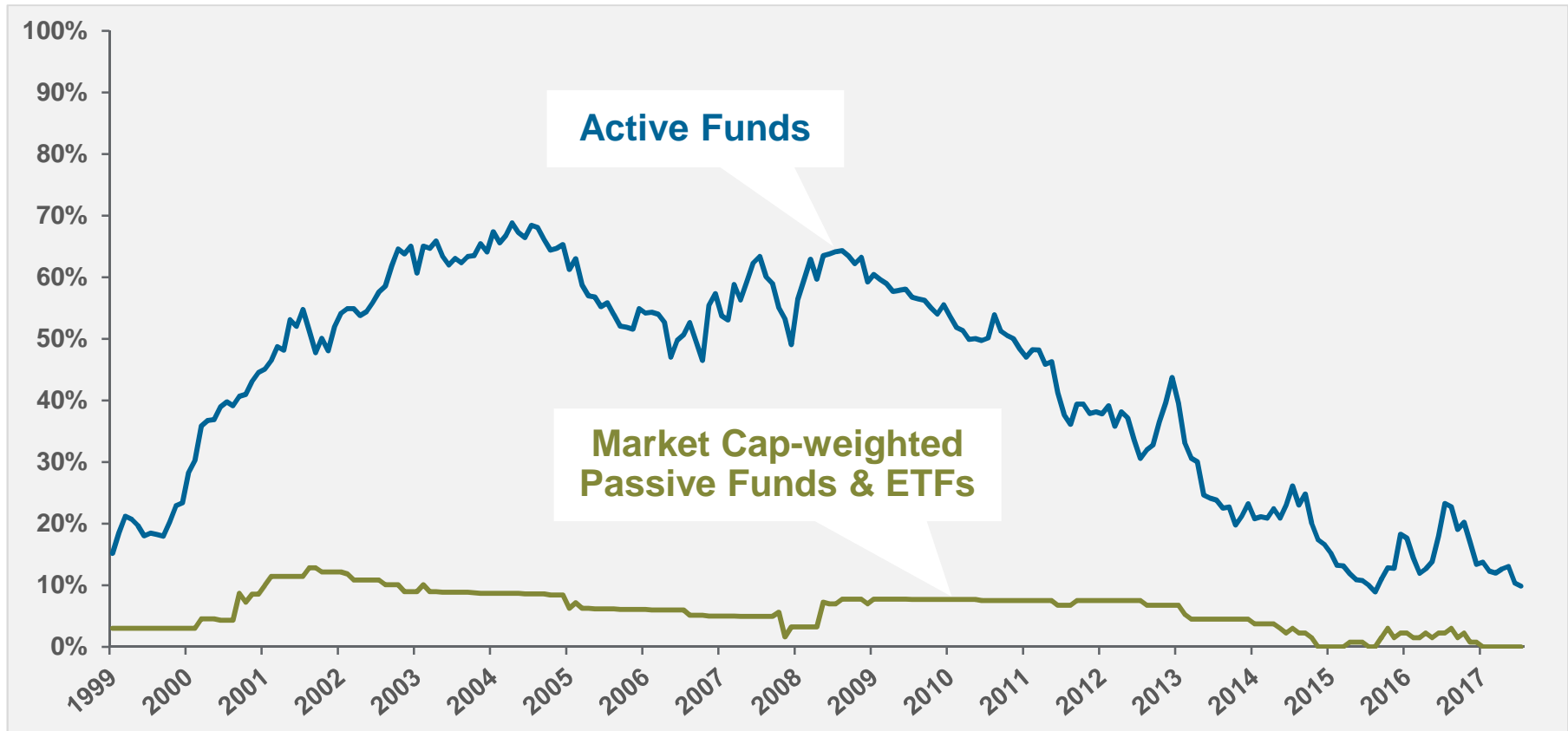
Source: Morningstar as of 6/30/18. Equity section includes all share classes of open-end mutual funds and ETFs in all Morningstar US Equity categories. Fixed income section includes all share classes of open-end mutual funds and ETFs in the largest passive fixed income categories that have passive funds with a 10 year track record. Active includes all active open-end mutual funds. Passive includes all ETFs and passive open-end mutual funds. Outperformance is determined by the arithmetic excess return of each fund versus its stated primary prospectus benchmark over 10 years.

Past performance is not indicative of future returns.

Active equity outperformance is cyclical

Passive equity underperformance is structural

% of Large Blend Funds beating the S&P 500 (rolling 5-year excess returns)



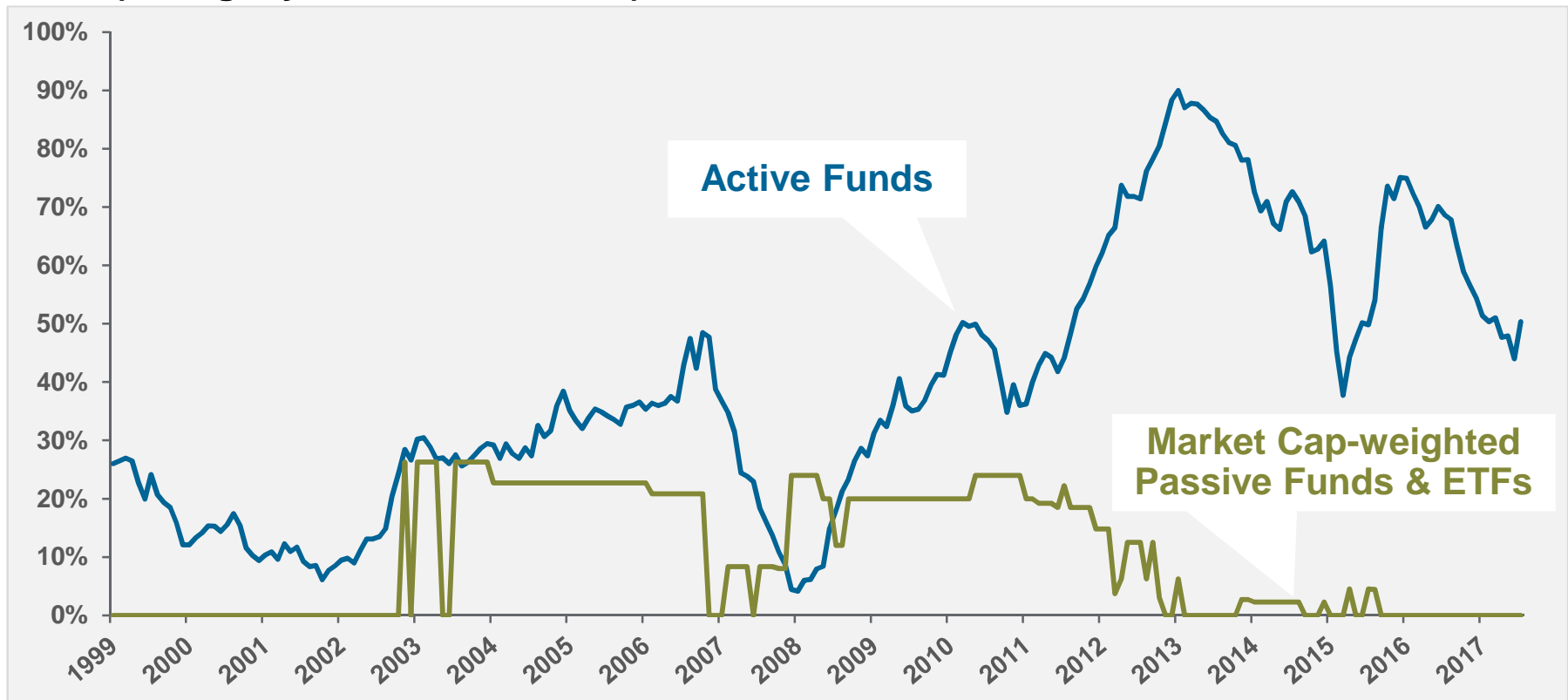
Source: Morningstar as of 6/30/18. As of 6/30/18, active funds in Large Blend category includes 969 open-end mutual funds and 3 ETFs; passive S&P 500 index tracking funds in Large Blend category with S&P 500 as primary prospectus benchmark includes 130 open-end mutual funds and 3 ETFs – regardless of whether the funds have a 5-year track record over any time period. Excess returns are calculated vs. S&P 500 TR USD Index. The total number of return observations for each 5-year period changes month over month and will differ from the current number of funds in the category as of 6/30/18. All returns are net of fees. Past performance is not indicative of future returns.

ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday.

Active fixed income outperformance is cyclical

Passive fixed income underperformance is structural

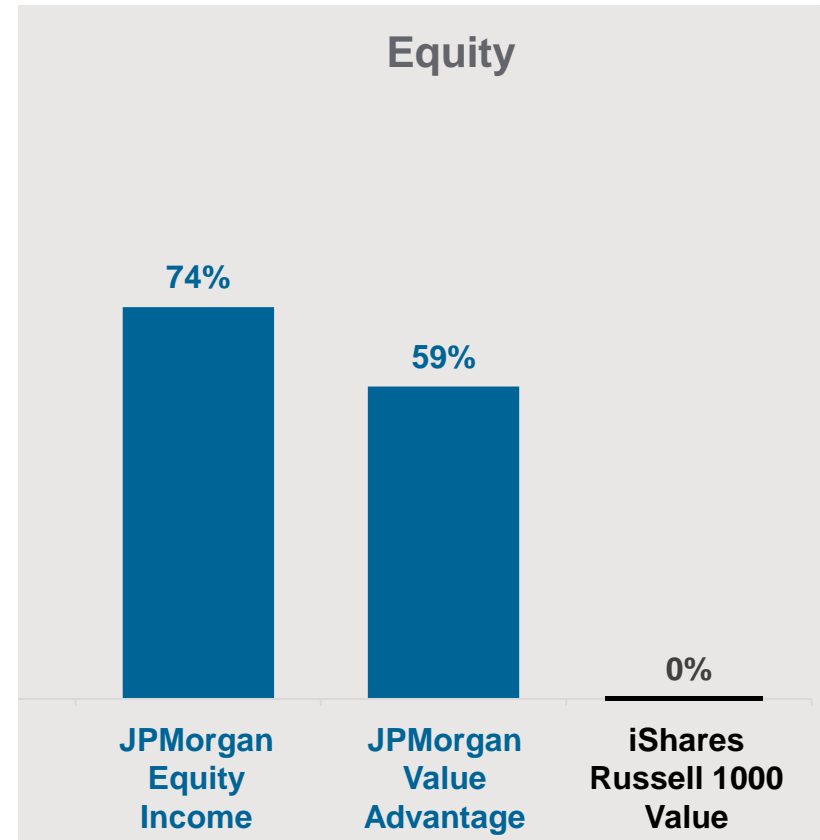
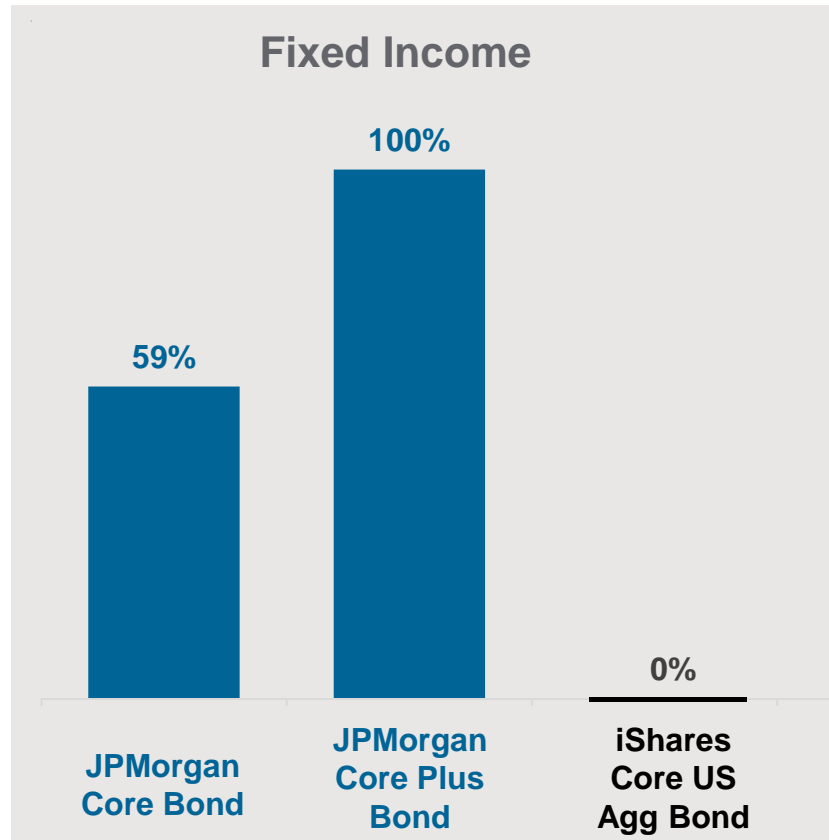
% of Intermediate-Term Bond Funds beating the Bloomberg Barclays US Aggregate Bond (rolling 5-year excess returns)



Source: Morningstar as of 6/30/18. As of 6/30/18, active funds in Intermediate-term Bond category includes 861 open-end mutual funds and 1 ETF; passive Barclays US Agg index tracking funds in Intermediate-term Bond category with Barclays US Agg as primary prospectus benchmark includes 42 open-end mutual fund and 3 ETFs – regardless of whether the funds have a 5-year track record over any time period. Excess returns are calculated vs. Bloomberg Barclays US Aggregate Bond TR USD Index. The total number of return observations for each 5-year period changes month over month and will differ from the current number of funds in the category as of 6/30/18. All returns are net of fees. Past performance is not indicative of future returns. ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday.

J.P. Morgan's active advantage

Rolling 5-year outperformance over 10 years



Source: Morningstar as of 6/30/18. Performance for JPMorgan Funds is represented by the I-share class, with minimum investment requirement of \$1,000,000. Outperformance is determined by the arithmetic excess return of each fund versus the following benchmarks over all rolling monthly 5-year observations for the past 10 years: JPMorgan Core Bond, JPMorgan Core Plus Bond, iShares Core US Agg Bond – BbgBarc US Agg Bond TR USD; JPMorgan Equity Income, JPMorgan Value Advantage, iShares Russell 1000 Value – Russell 1000 Value TR USD. Past performance is not indicative of future returns.

ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday.

Please see standardized performance on following pages.

Performance & Expenses - as of 6/30/18

| | PERFORMANCE AT NAV | | | | | | EXPENSES ¹ | |
|---|--------------------|---------------|---------------|--------------|---------------|---------------|-----------------------|--------------|
| | 3 MONTHS | YTD | 1 YEAR | 3 YEARS | 5 YEARS | 10 YEARS | GROSS | NET |
| JPMorgan Core Bond Fund (I Shares) | -0.16% | -1.43% | -0.22% | 1.69% | 2.14% | 3.99% | 0.66% | 0.50% |
| JPMorgan Core Plus Bond Fund (I Shares) | -0.13% | -1.38% | 0.03% | 2.21% | 2.94% | 4.78% | 0.68% | 0.46% |
| Bloomberg Barclays U.S. Aggregate Index | -0.16% | -1.62% | -0.40% | 1.72% | 2.27% | 3.72% | - | - |
| JPMorgan Equity Income Fund (I Shares) | 1.26% | -0.95% | 10.22% | 9.77% | 11.10% | 10.31% | 0.75% | 0.75% |
| Russell 1000 Value Index | 1.18% | -1.69% | 6.77% | 8.26% | 10.34% | 8.49% | - | - |
| JPMorgan Value Advantage Fund (I Shares) | 1.77% | -1.17% | 8.07% | 7.65% | 10.13% | 10.24% | 1.00% | 0.89% |
| Russell 3000 Value Index | 1.71% | -1.16% | 7.25% | 8.48% | 10.40% | 8.60% | - | - |

The performance quoted is past performance and is not a guarantee of future results. Mutual funds are subject to certain market risks. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Current performance may be higher or lower than the performance data shown. For performance current to the most recent month-end, please call 1-800-338-4345.

These funds have a minimum investment requirement of \$1,000,000.

Source: J.P. Morgan Asset Management; as of 6/30/18. Please see disclosure page for index definitions.

¹ The Fund's adviser and/or its affiliates have contractually agreed to waive fees and/or reimburse expenses to the extent Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses, dividend and interest expenses related to short sales, interest, taxes, expenses related to litigation and potential litigation and extraordinary expenses) exceed 0.50% for core bond, 0.46% for core plus bond, 0.79% for equity income, and 0.89% for value advantage fund of the average daily net assets. The waivers are in effect through 6/30/19 for core bond and core plus bond, 10/31/18 for equity income, and 10/31/2019 for value advantage at which time the adviser and/or its affiliates will determine whether to renew or revise it.

J.P.Morgan
Asset Management

J.P. Morgan's active advantage

JPMorgan Equity Income Fund excess growth of \$1mm over 10 years

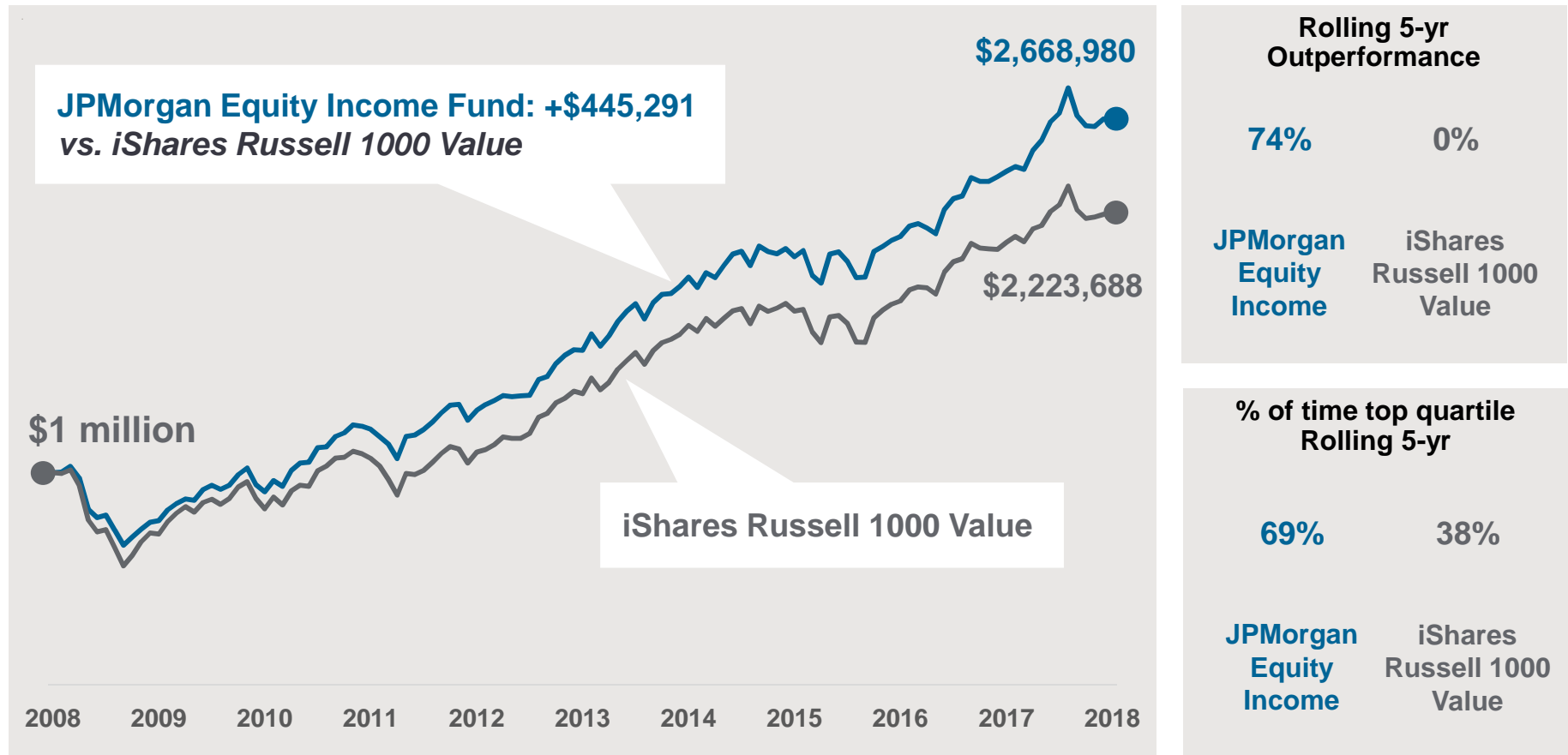
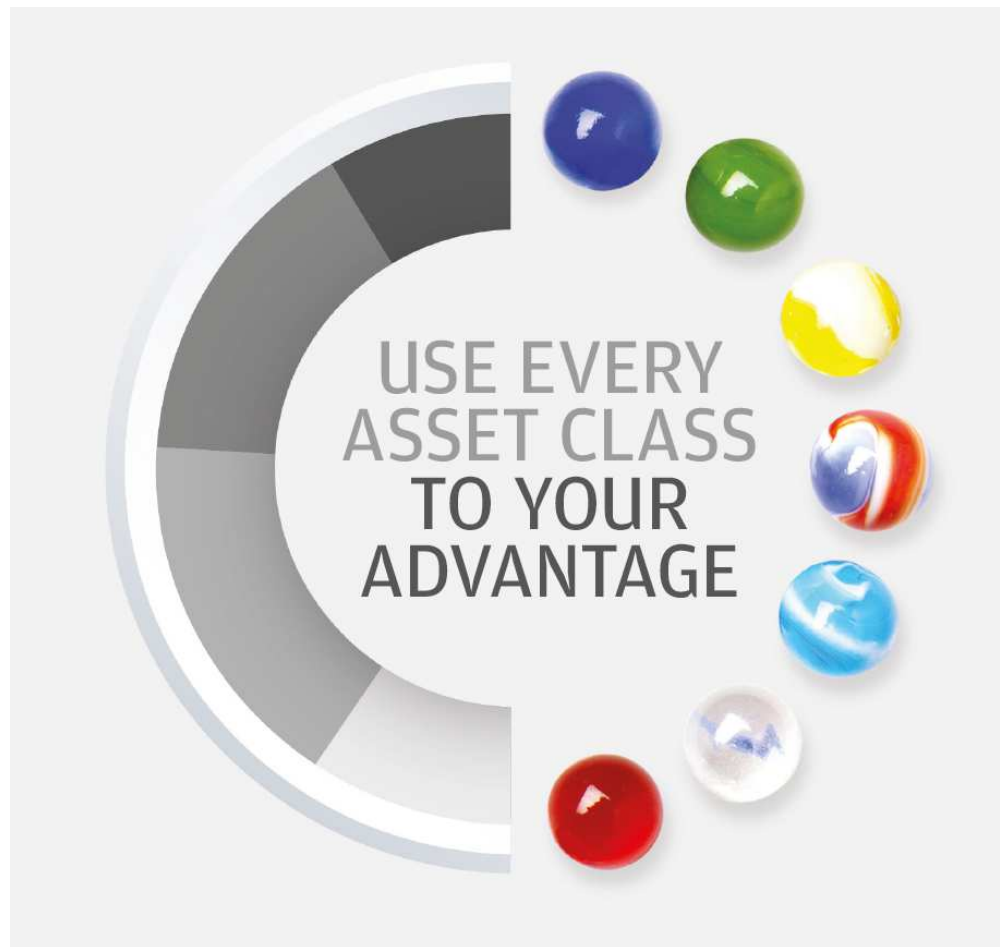


Chart source: Morningstar, J.P. Morgan Asset Management; data from 6/30/2008 through 6/30/2018. Benchmark Russell 1000 Value Index. Primary competitor iShares Russell Value ETF. Returns for I Share class. Other share classes may have higher expenses, which would result in lower returns. Growth with dividends and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated Fund performance.

Source: Morningstar as of 6/30/18. Performance for JPMorgan Funds is the I-share class, with minimum investment requirement of \$1,000,000. Outperformance is determined by the arithmetic excess return of each fund versus the following benchmarks over all rolling monthly 5-year observations for the past 10 years: JPMorgan Equity Income, iShares Russell 1000 Value – Russell 1000 Value TR USD. Past performance is not indicative of future returns.

See previous slide for JPMorgan Equity Income Fund standardized performance.

The path to stronger portfolios begins here



GLOBAL NETWORK OF PROFESSIONALS

ACTIVELY SHARING THEIR EXPERTISE

INSIGHTS AND TOOLS

TO EMPOWER BETTER DECISIONS

DEPTH AND BREADTH

ACROSS ALL ASSET CLASSES

150-YEAR LEGACY

OF RESPONDING TO INVESTOR NEEDS

J.P.Morgan
Asset Management

Disclosure

Objectives, investment strategy, risk, AUM and number of holdings as of 6/30/18

| Fund | Objective | Strategy | Risks |
|-------------------------------|--|--|--|
| JPMorgan Core Bond Fund | The Fund seeks to maximize total return by investing primarily in a diversified portfolio of intermediate- and long-term debt securities. | The Fund is designed to maximize total return by investing in a portfolio of investment grade intermediate- and long-term debt securities. As part of its main investment strategy, the Fund may principally invest in corporate bonds, U.S. treasury obligations including treasury coupon strips and treasury principal strips, and other U.S. government and agency securities, and asset-backed, mortgage-related and mortgage-backed securities. Mortgage-related and mortgage-backed securities may be structured as collateralized mortgage obligations (agency and non-agency), stripped mortgage-backed securities, commercial mortgage-backed securities, mortgage pass-through securities and cash and cash equivalents. These securities may be structured such that payments consist of interest-only (IO), principal-only (PO) or principal and interest. As a matter of fundamental policy, the Fund will invest at least 80% of its Assets in bonds. | General market, Interest Rate, Credit, government securities, asset-backed, mortgage-related and mortgage-backed securities, prepayment, foreign issuer, geographic focus, industry and sector focus, transactions risks. |
| JPMorgan Core Plus Bond Fund | The Fund seeks a high level of current income by investing primarily in a diversified portfolio of high-, medium- and low-grade debt securities. | As part of its main investment strategy, the Fund may principally invest in corporate bonds, U.S. treasury obligations and other U.S. government and agency securities, and asset-backed, mortgage-related and mortgage-backed securities. The Fund also may invest in bonds, convertible securities, preferred stock, loan participations and assignments (Loans) and commitments to loan assignments (Unfunded Commitments), and foreign and emerging market debt securities rated below investment grade (i.e., high yield or junk bonds) or the unrated equivalent. As a matter of fundamental policy, the Fund will invest at least 80% of its Assets in bonds. | General market, Interest Rate, Credit, government securities, foreign securities and emerging markets, geographic focus, sovereign debt, currency, asset-backed, mortgage-related and mortgage-backed securities, prepayment, high yield securities and loan, derivatives, equity market, convertible securities, industry and sector focus, transactions risks. |
| JPMorgan Equity Income Fund | The Fund seeks capital appreciation and current income. | Under normal circumstances, at least 80% of the Fund's Assets will be invested in the equity securities of corporations that regularly pay dividends, including common stocks and debt securities and preferred stock convertible to common stock. Although the Fund invests primarily in securities of large cap companies, it may invest in equity investments of companies across all market capitalizations. In implementing this strategy, the Fund invests primarily in common stock and real estate investment trusts (REITs). "Assets" means net assets, plus the amount of borrowings for investment purposes. | Equity market, general market, value strategy, large cap company, smaller company, derivatives, real estate securities, industry and sector focus, and transactions risks. |
| JPMorgan Value Advantage Fund | The Fund seeks to provide long-term total return from a combination of income and capital gains. | The Fund will invest primarily in equity securities across all market capitalizations. The Fund may at any given time invest a significant portion of its assets in companies of one particular market capitalization category, such as large-capitalization companies. Equity securities in which the Fund primarily invests include common stocks and real estate investment trusts (REITs). | Equity market, general market, large cap company, smaller company, value investing, real estate securities, derivatives, industry and sector focus, transactions risks. |

Disclosure

Competitor objectives, investment strategy, risk, performance and expenses as of 6/30/2018

| Fund | Objective | Strategy | | | | Risks |
|--------------------------------|---|---|----------------|----------------|-----------------|--|
| iShares Russell 1000 Value ETF | The ETF seeks to track investment results of an index composed of large- and mid-capitalization U.S. equities that exhibit value characteristics. | The Fund seeks to track the investment results of the Russell 1000® Value Index (the "Underlying Index"), which measures the performance of large- and mid-capitalization value sectors of the U.S. equity markets defined by FTSE Russell (the "Index Provider" or "Russell"). The underlying index is a subset of the Russell 1000® Index, which measures the performance of the large- and mid-capitalization sector of the U.S. equity market. As of March 31, 2017, the Underlying Index represented approximately 49.70% of the total market value of the Russell 1000 Index. BFA uses a "passive" or indexing approach to try to achieve the Fund's investment objective. Unlike many investment companies, the Fund does not try to "beat" the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. | | | | Asset Class, AUM, Authorized participant concentration, concentration, cyber security, equities securities, financials sector, index-related, issuer, large-cap companies, management, market, market trading, operational, passive investment, risk of investing in the US, securities lending, tracking error, and value securities risks. |
| | | 1 year | 3 years | 5 years | 10 years | Gross Expense Ratio |
| Returns at NAV | 6.60% | 8.08% | 10.14% | 8.32% | 0.20% | |
| Market Price Returns | 6.63% | 8.09% | 10.16% | 8.34% | | |

| Fund | Objective | Strategy | | | | Risks |
|------------------------------------|--|---|----------------|----------------|-----------------|--|
| iShares Core US Aggregate Bond ETF | The ETF seeks to track the investment results of an index composed of the total U.S. investment-grade bond market. | The Fund seeks to track the investment results of the Bloomberg Barclays U.S. Aggregate Bond Index (the "Underlying Index"), which measures the performance of the total U.S. investment-grade (as determined by Bloomberg Index Services Limited (the "Index Provider" or "Bloomberg")) bond market. As of February 28, 2018, there were 9,826 issues in the Underlying Index. BFA uses a "passive" or indexing approach to try to achieve the Fund's investment objective. Unlike many investment companies, the Fund does not try to "beat" the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. | | | | Asset class, authorized participant concentration, call, concentration, credit, cyber security, extension, geographic, high portfolio turnover, income, index-related, industrials sector, interest rate, issuer, liquidity, management, market, market trading, mortgage-backed securities, operational, passive investment, prepayment, risk of investing in the US, securities lending, Sovereign and quasi-sovereign obligations, tracking error, US agency debt, US treasury obligations risks. |
| | | 1 year | 3 years | 5 years | 10 years | Gross Expense Ratio |
| Returns at NAV | -0.47% | 1.65% | 2.23% | 3.60% | 0.05% | |
| Market Price Returns | -0.54% | 1.68% | 2.23% | 3.57% | | |

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than original cost. Current performance may be higher or lower than the performance data shown. Source: performance from iShares website as of 6/30/18 and each funds respective prospectus. Refer to each fund prospectus for additional information. ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday. Market cap-weighted passive strategies may have lower turnover than actively managed strategies, which can impact potential capital gain distributions and therefore tax considerations. The inherent structure of ETFs in general may also be more tax-efficient than that of mutual funds. Please consult an investment or tax professional for more information.

Disclosure

Competitor objectives, investment strategy, risk, performance and expenses as of 6/30/2018

| Fund | Objective | Strategy | | | | Risks |
|-----------------------|---|--|----------------|----------------|-----------------|---|
| iShares MSCI EAFE ETF | The ETF seeks to track the investment results of an index composed of large- and mid-capitalization developed market equities, excluding the U.S. and Canada. | The Fund seeks to track the investment results of the MSCI EAFE Index (the "Underlying Index"), which has been developed by MSCI Inc. (the "Index Provider" or "MSCI") to measure the equity market performance of developed markets outside of the U.S. and Canada. The Underlying Index includes stocks from Europe, Australasia and the Far East and, as of July 31, 2017, consisted of securities from the following 21 developed market countries or regions: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. BFA uses a "passive" or indexing approach to try to achieve the Fund's investment objective. Unlike many investment companies, the Fund does not try to "beat" the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. | | | | Asset class, AUM, authorized participant concentration, concentration, currency, cyber security, equity securities, financial sector, geographic, index related, issuer, large capitalization companies, management, market, market trading, mid-capitalization companies, national closed market trading, non-U.S. securities, operational, passive investment, reliance on trading partners, risk of investing in developed countries, risk of investing in Japan, securities lending, structural, tracking error, and valuation risks. |
| | | 1 year | 3 years | 5 years | 10 years | Gross Expense Ratio |
| Returns at NAV | | 6.77% | 4.85% | 6.34% | 2.77% | 0.32% |
| Market Price Returns | | 5.98% | 4.77% | 6.21% | 2.79% | |

| Fund | Objective | Strategy | | | | Risks |
|-----------------------------------|---|--|----------------|----------------|-----------------|--|
| iShares MSCI Emerging Markets ETF | The ETF seeks to track the investment results of an index composed of large- and mid-capitalization emerging market equities. | The Fund seeks to track the investment results of the MSCI Emerging Markets Index (the "Underlying Index"), which is designed to measure equity market performance in the global emerging markets. As of August 31, 2017, the Underlying Index consisted of securities from the following 24 emerging market countries: Brazil, Chile, China, Colombia, Czechia, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Pakistan, Peru, the Philippines, Poland, Qatar, Russia, South Africa, South Korea, Taiwan, Thailand, Turkey and the United Arab Emirates. BFA uses a "passive" or indexing approach to try to achieve the Fund's investment objective. Unlike many investment companies, the Fund does not try to "beat" the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued. | | | | Asset class, authorized participant concentration, commodity, concentration, currency, custody, cyber security, equity securities, financial sector, geographic, index related, information technology sector, issuer, large capitalization companies, management, market, market trading, national closed market trading, non-U.S. securities, operational, passive investment, privatization, reliance on trading partners, risk of investing in China, emerging markets, India, Russia, securities lending, security, structural, tracking error, treaty/tax and valuation risks. |
| | | 1 year | 3 years | 5 years | 10 years | Gross Expense Ratio |
| Returns at NAV | | 7.50% | 4.99% | 4.42% | 1.58% | 0.69% |
| Market Price Returns | | 6.93% | 5.18% | 4.44% | 1.55% | |

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than original cost. Current performance may be higher or lower than the performance data shown. Source: performance from iShares website as of 6/30/18 and each funds respective prospectus. Refer to each fund prospectus for additional information. ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday. Market cap-weighted passive strategies may have lower turnover than actively managed strategies, which can impact potential capital gain distributions and therefore tax considerations. The inherent structure of ETFs in general may also be more tax-efficient than that of mutual funds. Please consult an investment or tax professional for more information.

Disclosure

Contact JPMorgan Distribution Services at 1-800-338-4345 for a fund prospectus. You can also visit us at www.jpmorganfunds.com. Investors should carefully consider the investment objectives and risks as well as charges and expenses of the mutual fund before investing. The prospectus contains this and other information about the mutual fund. Read the prospectus carefully before investing.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be a recommendation for any specific investment product, strategy, plan feature or other purpose. Any examples used are generic, hypothetical and for illustration purposes only. Prior to making any investment or financial decisions, an investor should seek individualized advice from a personal financial, legal, tax and other professional advisors that take into account all of the particular facts and circumstances of an investor's own situation.

Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable. These views and strategies described may not be suitable for all investors. References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations. Past performance is no guarantee of future results.

RISK SUMMARY – JPMORGAN CORE BOND FUND

The following risks could cause the fund to lose money or perform more poorly than other investments. For more complete risk information, see the prospectus. Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops. The value of investments in mortgage-related and asset backed securities will be influenced by the factors affecting the housing market and the assets underlying such securities. The securities may decline in value, face valuation difficulties, become more volatile and/or become illiquid. They are also subject to prepayment risk, which occurs when mortgage holders refinance or otherwise repay their loans sooner than expected, creating an early return of principal to holders of the loans.

Investments in derivatives may be riskier than other types of investments. They may be more sensitive to changes in economic or market conditions than other types of investments. Many derivatives create leverage, which could lead to greater volatility and losses that significantly exceed the original investment.

The Fund could experience a loss and its liquidity may be negatively impacted when selling securities to meet redemption requests by shareholders. The risk of loss increases if the redemption requests are unusually large or frequent or occur in times of overall market turmoil or declining prices. Similarly, large purchases of Fund shares may adversely affect the Fund's performance to the extent that the Fund is delayed in investing new cash and is required to maintain a larger cash position than it ordinarily would.

The Barclays U.S. Aggregate Index is an unmanaged Index that represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The performance of the index does not reflect the deduction of expenses associated with a fund, such as investment management fees. By contrast, the performance of the Fund reflects the deduction of the fund expenses, including sales charges if applicable. An individual cannot invest directly in an index. The performance of the Lipper Intermediate U.S. Government Funds Index includes expenses associated with a mutual fund, such as investment management fees. These expenses are not identical to the expenses charged by the Fund. There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success.

There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success. Any securities/portfolio holdings mentioned throughout the presentation are shown for illustrative purposes only and should not be interpreted as recommendations to buy or sell.

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

Disclosure

RISK SUMMARY – JPMORGAN CORE PLUS BOND FUND

The Fund primarily invests in bonds; it is subject to interest rate risks. Bond prices generally fall when interest rates rise. Ordinarily the Fund will invest at least 80% of its total assets in bonds, both domestic and foreign. Under normal conditions at least 65% of the Fund's total assets must be invested in securities that are, at the time of purchase, rated investment grade. The Fund may invest in foreign and emerging markets debt securities that are rated below investment grade (i.e. high yield or junk bonds) or the unrated equivalent. Under normal circumstances the Fund will not invest more than 35% of its total assets in below investment grade securities. They generally are rated in the fifth or lower rating categories of Standard & Poor's and Moody's Investors Service. The Fund may invest up to 35% of its net assets in foreign securities. International investing involves a greater degree of risk and increased volatility. The Fund may also invest in securities issued or guaranteed by foreign governmental entities (known as sovereign debt securities). Sovereign debt securities are subject to the risk of payment delay or defaults, and are subject to risks related to large debt positions relative to the country's economy or failure to implement economic reforms. The Fund may invest in futures contracts and derivatives. Many derivatives create leverage thereby causing the Fund to be more volatile than it would be if it had not used derivatives. Under normal circumstances, the Fund invests a small portion of its total assets in equity securities. The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition.

There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success. Any securities/portfolio holdings mentioned throughout the presentation are shown for illustrative purposes only and should not be interpreted as recommendations to buy or sell.

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

The Barclays U.S. Aggregate Index is an unmanaged Index that represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The performance of the index does not reflect the deduction of expenses associated with a fund, such as investment management fees. By contrast, the performance of the Fund reflects the deduction of the fund expenses, including sales charges if applicable. An individual cannot invest directly in an index. The performance of the Lipper Intermediate U.S. Government Funds Index includes expenses associated with a mutual fund, such as investment management fees. These expenses are not identical to the expenses charged by the Fund. There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success.

Disclosure

RISK SUMMARY – JPMORGAN EQUITY INCOME FUND

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

There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success. Any securities/portfolio holdings mentioned throughout the presentation are shown for illustrative purposes only and should not be interpreted as recommendations to buy or sell.

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

The Russell 1000 Value Index is an unmanaged index, which measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The performance of the index does not reflect the deduction of expenses associated with a fund, such as investment management fees. By contrast, the performance of the Fund reflects the deduction of the fund expenses, including sales charges if applicable. Investors can not invest directly in an index.

RISK SUMMARY – JPMORGAN VALUE ADVANTAGE FUND

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

There can be no assurance that the professionals currently employed by JPMAM will continue to be employed by JPMAM or that the past performance or success of any such professional serves as an indicator of such professional's future performance or success. Any securities/portfolio holdings mentioned throughout the presentation are shown for illustrative purposes only and should not be interpreted as recommendations to buy or sell.

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

The Russell 3000 Value Index is an unmanaged index which measures the performance of those Russell 3000 companies (largest 3000 U.S. companies) with lower price-to-book ratios and lower forecasted growth values. The performance of the index does not reflect the deduction of expenses associated with a mutual fund, such as investment management fees. By contrast, the performance of the Fund reflects the deduction of mutual fund expenses, including sales charges if applicable. An investor can not invest directly in an index.

JPMorgan Funds are distributed by JPMorgan Distribution Services, Inc. (JPMDS) and offered by J.P. Morgan Institutional Investments, Inc. (JPMII); both affiliates of JPMorgan Chase & Co. Affiliates of JPMorgan Chase & Co. receive fees for providing various services to the funds. JPMDS and JPMII are both members of FINRA.

J.P. Morgan Asset Management is the marketing name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide.

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USE ACTIVE TO YOUR ADVANTAGE



BUILD STRONGER PORTFOLIOS WITH J.P. MORGAN

While asset allocation is an important driver of success, the ability to take an active approach to managing individual asset classes can also reap benefits. Investors can add significant value by:

- Selecting active managers with a track record of long-term success
- Investing in active strategies that have been able to add value across market cycles
- Moving beyond traditional indexing for better risk-adjusted return potential
- Taking a long-term view and compounding the benefit of active outperformance over time

Together, J.P. Morgan's global network of investment professionals and broad capabilities enable us to partner with our clients to build stronger portfolios.



LET'S SOLVE IT.®

J.P. MORGAN'S ACTIVE ADVANTAGE

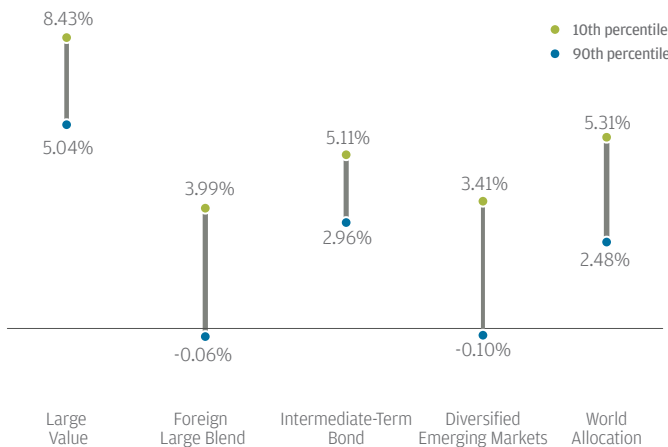
With equity markets at all-time highs and interest rates near all-time lows, simply being in the market is no longer enough. Individual and institutional investors alike may benefit from an active manager's ability to identify and invest in those securities, sectors, factors and markets best poised for future growth.

MANAGER SELECTION MATTERS

Traditional indexing is often compared to the average performance of active managers. In practice, the gap between top and bottom performing active investments can be significant.

Those managers who have demonstrated a track record of outperformance can, over time, deliver superior outcomes.

BROAD RETURN DISPERSION



BROAD RETURN DISPERSION chart disclosure

Chart source: Morningstar, J.P. Morgan Asset Management. Data as of 12/31/17. Represents dispersion between the 10th and 90th percentile over 10 years.

MANAGER OUTPERFORMANCE - ACTIVE VS. MARKET CAP-WEIGHTED PASSIVE charts disclosure

ETF shares are bought and sold throughout the day on an exchange at market price (not NAV) through a brokerage account, and are not individually redeemed from the fund. ETFs and Mutual Funds are different investment vehicles. ETFs are funds that trade like other publicly traded securities. Similar to shares of an index mutual fund, each ETF share represents an ownership interest in an underlying portfolio of securities and other instruments typically intended to track a market index. Unlike shares of a mutual fund, shares of an ETF may be bought and sold intraday. This information is shown for illustrative purposes only, does not reflect actual investment results, is not a guarantee of future results and is not a recommendation.

Left chart source: Morningstar as of 6/30/18. As of 6/30/18, active funds in Large Blend category includes 969 open-end mutual funds and 3 ETFs; passive S&P 500 index tracking funds in Large Blend category with S&P 500 as primary prospectus benchmark includes 130 open-end mutual funds and 3 ETFs – regardless of whether the funds have a 5-year track record over any time period. Excess returns are calculated vs. S&P 500 TR USD Index. The total number of return observations for each 5-year period changes month over month and will differ from the current number of funds in the category as of 6/30/18. All returns are net of fees. Past performance is not indicative of future returns.

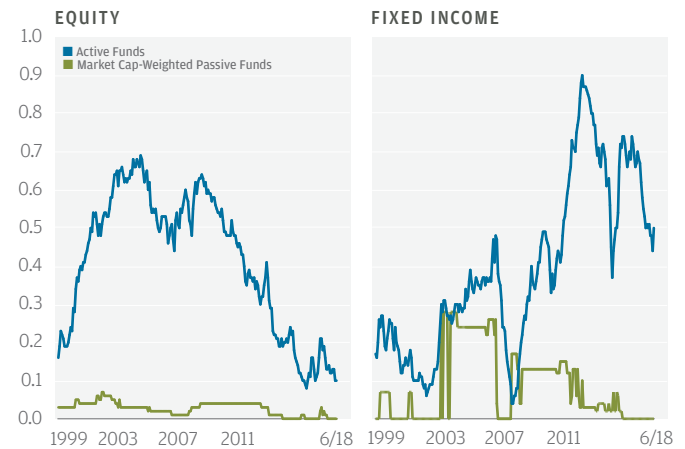
Right chart source: Morningstar as of 6/30/18. As of 6/30/18, active funds in Intermediate-term Bond category includes 861 open-end mutual funds and 1 ETF; passive Barclays US Agg index tracking funds in Intermediate-term Bond category with Bloomberg Barclays US Aggregate Index as primary prospectus benchmark includes 42 open-end mutual fund and 3 ETFs – regardless of whether the funds have a 5-year track record over any time period. Excess returns are calculated vs. Bloomberg Barclays US Aggregate Bond TR USD Index. The total number of return observations for each 5-year period changes month over month and will differ from the current number of funds in the category as of 6/30/18. All returns are net of fees. Past performance is not indicative of future returns.

ONLY AVERAGE MANAGERS ARE AVERAGE

At various points in the market cycle, active managers in aggregate may out- or underperform their respective indexes. But by design, passive strategies will almost always underperform after fees.

While even the best active managers underperform on occasion, they are also well-positioned to gain from the cyclical nature of markets.

MANAGER OUTPERFORMANCE – ACTIVE VS. MARKET CAP-WEIGHTED PASSIVE



SMALL GAINS, SIGNIFICANT IMPACT

The compounding of even small gains can have a significant impact. Over 25 years, a hypothetical \$100,000 portfolio would have gained \$142,105 more had it grown at 8% vs. 7%.

A few years of tremendous outperformance aren't necessary for an active manager to deliver superior outcomes (and may signal that a manager is taking considerable risk). Instead, prudent managers need only outperform modestly with some level of consistency to deliver compelling long-term results.

COMPOUNDING CAN DRIVE MEANINGFUL GAINS

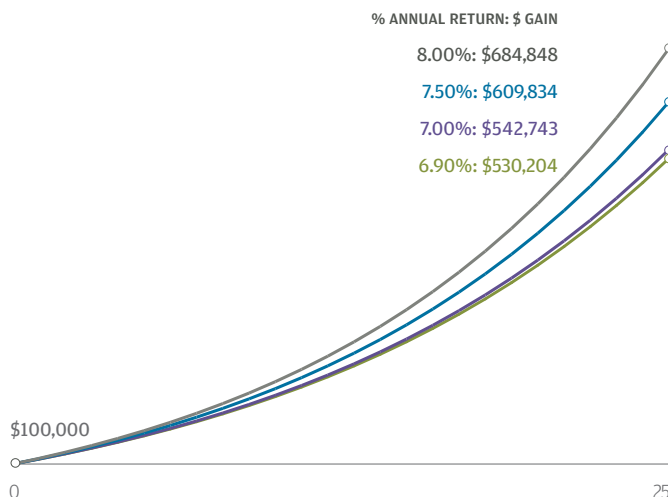
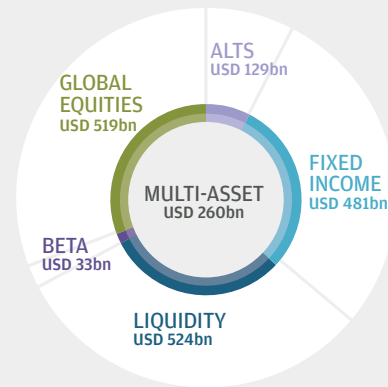


Chart source: J.P. Morgan Asset Management. Hypothetical gains shown for illustrative purposes.

J.P. MORGAN'S ACTIVE ADVANTAGE



ASSETS UNDER MANAGEMENT
\$1.7 TRIL. AUM

Source: J.P. Morgan Asset Management as of 9/30/18. Stated AUM figures exclude retail advisory and glide path portfolios.

For more than 150 years, we've built stronger portfolios with a focus on keeping our clients invested and on course through changing markets.

That's why the path to stronger portfolios starts here:

- 65 of our funds are rated either ★★★★★ or ★★★★★ stars by Morningstar¹
- 71% of our Multi-Asset Solutions funds have outperformed their benchmarks over 10 years²
- 78% of our Taxable Fixed Income funds have outperformed their benchmarks over 10 years²
- We have an award-winning³ suite of innovative, precision-built ETFs to address changing investment needs
- We employ a disciplined, consistent risk management framework across all of our funds, powered by J.P. Morgan Spectrum™

¹ Morningstar 9/30/18. Ratings reflect risk-adjusted performance. Different share classes may have different rankings. The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics.

² Morningstar; data as of 9/30/18. Excess returns calculated for I shares vs. their respective prospectus benchmarks. Funds without a 10-year track record and funds using a Behavioral Finance approach are not included.

³ Source: ETF.com, JPHF – “Best new alternatives ETF” 2016 awards announced 3/30/17. JPMF – “Best new alternatives ETF” 2017 announced 3/22/18. ETF.com Award winners are selected in a three-part process designed to leverage the insights and opinions of leaders throughout the ETF industry. The awards process began with an open nomination period running from 12/4/17, through 1/2/18 for 2017 award and from 12/5/16, through 1/4/17 for 2016 award. ETF.com received hundreds of nominations from participants in all corners of the ETF space. Following the open nominations process, the ETF.com Awards Nominating Committee – made up of senior leaders at ETF.com, Inside ETFs and FactSet – voted to select up to five finalists in each category. Votes were tallied on a majority basis. Winners from these finalists were selected by a majority vote of the ETF.com Awards Selection Committee, a group of independent ETF experts. Committee members recused themselves from voting in any category in which they or their firms appeared as finalists. Ties were decided where possible with head-to-head runoff votes. Voting was completed by 1/20/18 for 2017 award and 1/20/17 for 2016 award, but results were kept secret until their announcement at the ETF.com U.S. Awards Dinner on 3/22/18 for 2017 award and 3/30/17 for 2016 award. J.P. Morgan Asset Management and JPMDS are not affiliated with ETF.com.

U.S. EQUITY

JPMorgan Equity Income Fund

A SHARES: OIEIX | I SHARES: HLIEX | C SHARES: OINCX

A conservative approach to equities pays dividends. The Equity Income Fund, which focuses on high-quality U.S. companies with healthy and sustainable dividends, seeks to provide lower volatility access to stock market growth.

Analyst Rating **SILVER** (6/11/18)

Overall Morningstar Rating ★★★★★

Category Large Value

- **Outperformed Russell 1000 Value Index 74% of the time** over rolling five years.
- **Top quartile 64% of the time** over rolling five years for total return within Morningstar Large Value category.

EXCESS GROWTH OF \$100,000 OVER 10 YEARS

Compared to benchmark and category average, in thousands (difference vs. benchmark)

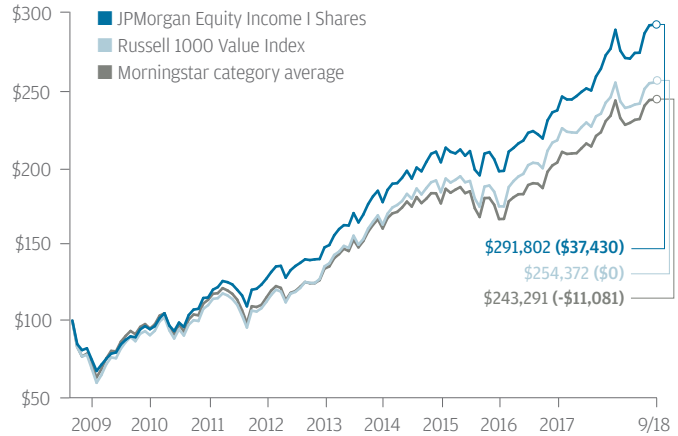


Chart source: Morningstar, J.P. Morgan Asset Management; as of 9/30/18. Morningstar Large Value category. Returns for I Share class. Other share classes may have higher expenses, which would result in lower returns. Ten-year growth with dividends and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund. The \$0 value for benchmark growth is the baseline for the over and under comparison. Large Cap Value category, rolling five-year periods over 10 years, as of 9/30/18, benchmark Russell 1000 Value Index. Ranked: 1-year (279/1274), 3-year (309/1109), 5-year (147/948) and 10-year (55/696). Rated as follows: 3-year, 4 stars/1109 funds, 5-year, 4 stars/948 funds and 10-year 5 stars/696 funds. 1109 overall funds rated.

JPMorgan Value Advantage Fund

A SHARES: JVAAX | I SHARES: JVASX | C SHARES: JVACX

The freedom to find value. With a focus on large-cap stocks, the Value Advantage Fund has the freedom to seek out compelling value opportunities across all market capitalizations.

Analyst Rating **SILVER** (1/5/18)

Overall Morningstar Rating ★★★

Category Large Value

- **Outperformed Russell 3000 Value Index 59% of the time** over rolling five years.
- **Top quartile 69% of the time** over rolling five years for total return within Morningstar Large Value category.

EXCESS GROWTH OF \$100,000 OVER 10 YEARS

Compared to benchmark and category average, in thousands (difference vs. benchmark)

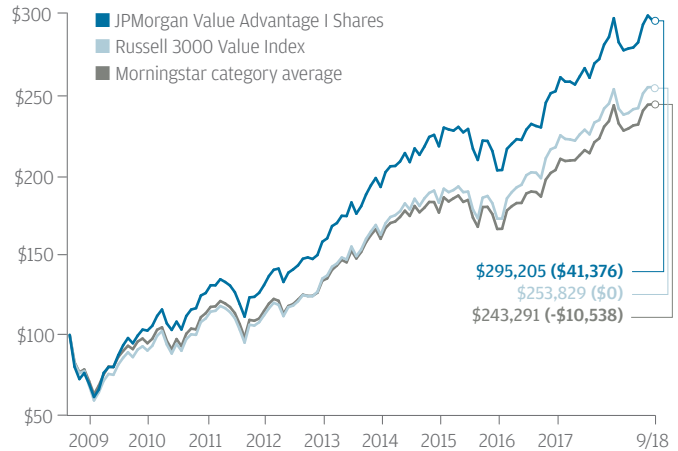


Chart source: Morningstar, J.P. Morgan Asset Management; as of 9/30/18. Morningstar Large Value category. I Shares. Other share classes may have higher expenses, resulting in lower returns. 10-year growth with dividends and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund. The \$0 value for benchmark growth is the baseline for the over and under comparison. Large Cap Value category, rolling five-year periods over 10 years, as of 9/30/18, benchmark Russell 3000 Value Index. Ranked: 1-year (703/1274), 3-year (807/1109), 5-year (405/948) and 10-year (45/696). Rated as follows: 3-year 2 stars/1109 funds, 5-year 3 stars/948 funds and 10-year 4 stars/696 funds. 1109 overall funds rated.

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

JPMorgan Growth Advantage Fund

A SHARES: VHIAX | I SHARES: JGASX | C SHARES: JGACX

Growth investing with freedom to roam. Anchored in large-cap growth stocks, the Growth Advantage Fund has the flexibility to pursue compelling growth opportunities across all market capitalizations.

Analyst Rating **BRONZE** (9/12/18)

Overall Morningstar Rating ★★★★★

Category Large Growth

- **Outperformed Russell 3000 Growth Index 100% of the time** over rolling five years.
- **Top quartile 100% of the time** over rolling five years for total return within Morningstar Large Growth category.

EXCESS GROWTH OF \$100,000 OVER 10 YEARS Compared to benchmark and category average, in thousands (difference vs. benchmark)

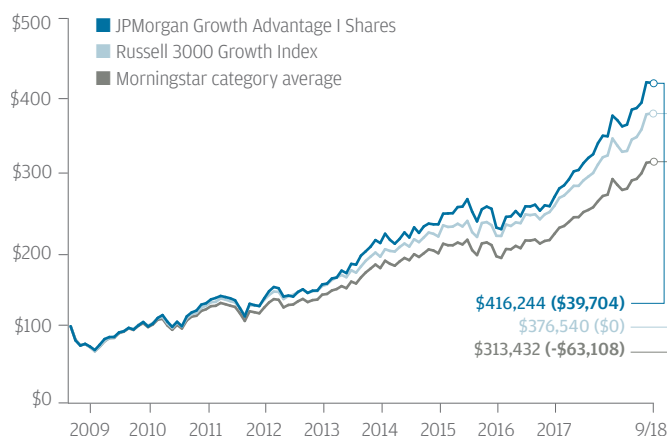


Chart source: Morningstar, J.P. Morgan Asset Management; as of 9/30/18. Morningstar Large Growth category, I Shares. Other share classes may have higher expenses, resulting in lower returns. 10-year growth with dividends and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund. The \$0 value for benchmark growth is the baseline for the over and under comparison. Large Cap Growth category, rolling five-year periods over 10 years, as of 9/30/18, benchmark Russell 3000 Growth Index. Ranked: 1-year (241/1430), 3-year (152/1258), 5-year (118/1129) and 10-year (61/818). Rated as follows: 3-year 4 stars/1258 funds, 5-year 4 stars/1129 funds and 10-year 5 stars/818 funds. 1258 overall funds rated.

JPMorgan Hedged Equity Fund

A SHARES: JHQAX | I SHARES: JHEQX | C SHARES: JHQCX

Get invested, stay invested. Combining our proven equity research with a disciplined index options strategy, the Hedged Equity Fund enables investors to participate in equity market gains, while mitigating risk in declining markets.

Analyst Rating **SILVER** (9/24/18)

Overall Morningstar Rating ★★★★★

Category Options-based

- **Top-quintile performance** over the trailing three-year period and top-decile since inception in Morningstar Options-based category.
- **Has delivered approximately half the volatility of the S&P 500,** leading to competitive risk-adjusted returns that rank top-decile in its category since inception.

RISK/RETURN VS. THE S&P 500 SINCE INCEPTION

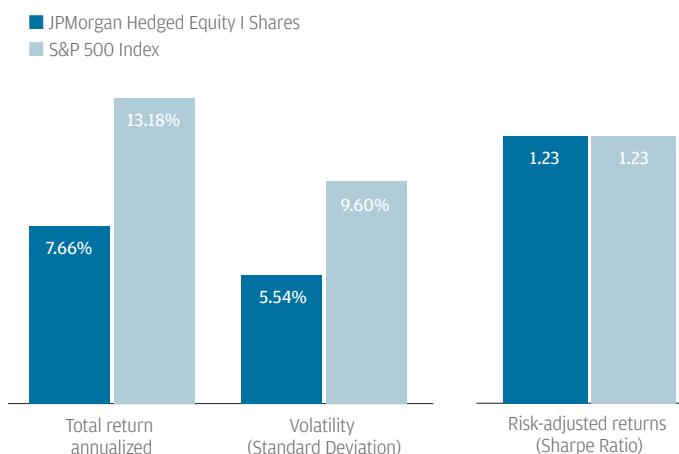


Chart source: Morningstar Direct, I Shares as of 9/30/18. No representation is being made that any portfolio will or is likely to achieve profits or losses similar to those shown. Numbers for Sharpe Ratio and Standard Deviation are monthly calculations. Source: Morningstar, I Shares as of 9/30/18. Options-based category. Ranked: 1-year (42/150), 3-year (11/87), 5- and 10-years n/a. Rated as follows: 3-year 4 stars/87 funds, 5- and 10-year not yet rated. 87 overall funds rated. Sharpe ratio is a measurement of a fund's returns relative to its risks. Higher numbers for risk-adjusted returns are better. Ranked: 1-year (40/154), 3-year (3/101) and since inception (5/76), 5- and 10-years n/a.

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Past performance is no guarantee of future results. Source: Morningstar, I Shares. five-year rolling returns represent the annualized return over the five-year period, advancing monthly. Ratings reflect risk-adjusted performance. Different share classes may have different rankings. The Overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with the fund's three-, five- and 10-year (as applicable) Morningstar Rating metrics. There can be no assurance that the current portfolio manager will continue to manage the fund or that past performance is an indicator of future performance.

INTERNATIONAL EQUITY

JPMorgan International Unconstrained Equity Fund

A SHARES: IUAEX | I SHARES: IUESX | C SHARES: IUCEX

Harness a world of opportunity. The International Unconstrained Equity Fund focuses on maximizing return potential by flexibly pursuing our best investment ideas across all regions and sectors of the international markets.

Overall Morningstar Rating ★★ ★★

Category Foreign Large Blend

- **Outperformed the MSCI ACWI ex USA Index** since inception by over 1% annually.
- **Top-quintile batting average** over five-year period and since inception.¹
- **Outperformed its benchmark 89% of the time** over rolling three-year periods since inception.¹

EXCESS GROWTH OF \$100,000 SINCE INCEPTION
Compared to benchmark and category average, in thousands (difference vs. benchmark)

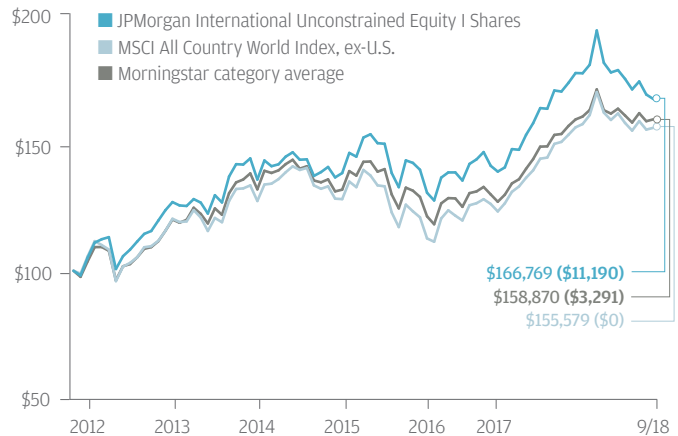


Chart source: Morningstar, J.P. Morgan Asset Management; as of 9/30/18. Foreign Large Blend category. Shown for the I Share class. Other share classes may have higher expenses, which would result in lower returns. Since inception (11/30/11) with dividend and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund. The \$0 value for benchmark growth is the baseline for the over and under comparison. ¹Source: Morningstar as of 9/30/18. I Shares. Ranked: 1-year (753/783), 3-year (421/655), 5-year (238/535), since inception (164/615) and 10-year period n/a. Consistency is measured by batting average – calculated by dividing the number of quarters/months where the manager beats/matches the index by the total number of quarters/months in the period: 1-year (734/819), 3-year (217/735), 5-year (73/654), since inception (48/613) and 10-year period n/a. Rated as follows: 3-year 2 stars/655 funds, 5-year 3 stars/535 funds and 10-year not yet rated. 655 overall funds rated.

JPMorgan Emerging Markets Equity Fund

A SHARES: JFAMX | I SHARES: JEMSX | C SHARES: JEMCX

Your guide to the world's most dynamic economies. Leveraging our global research and local insights on the world's fastest-growing markets, the Emerging Markets Equity Fund seeks to identify high-quality businesses that compound earnings sustainably over the long term.

Analyst Rating BRONZE (5/29/18)

Overall Morningstar Rating ★★ ★★ ★★

Category Diversified Emerging Markets

- **Outperformed its benchmark 100% of the time** over rolling three-year periods for the past five years.²
- **Top-quintile performance** over three- and five-year periods.³

EXCESS GROWTH OF \$100,000 OVER 5 YEARS
Compared to benchmark and category average, in thousands (difference vs. benchmark)

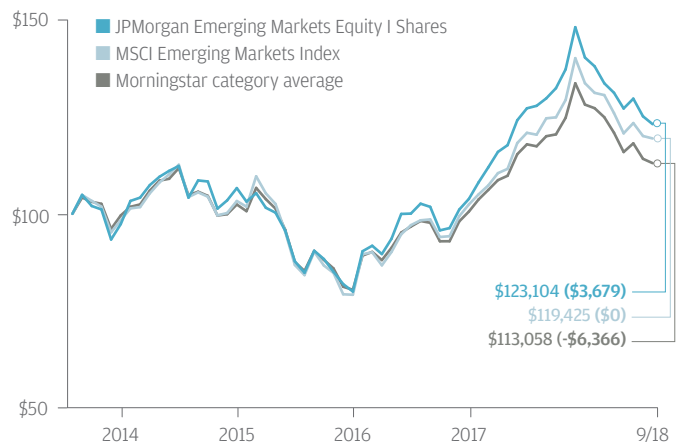


Chart source: Morningstar, J.P. Morgan Asset Management; as of 9/30/18. Morningstar Diversified Emerging Markets Category. Returns shown are for the I Shares. Other share classes may have higher expenses, resulting in lower returns. Returns with dividend and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund. Past performance does not guarantee future results. ²Source: For I Shares as of 9/30/18. ³Morningstar, as of 9/30/18. Diversified Emerging Markets category. I Shares. Ranked: 1-year (410/838), 3-year (76/708), 5-year (93/508) and 10-year (87/218). Consistency is measured by batting average – calculated by dividing the number of quarters/months where the manager beats/matches the index by the total number of quarters/months in the period. Ranked: 1-year (321/860), 3-year (78/792), 5-year (102/616) and 10-year (138/328). Rated as follows: 3-year 4 stars/708 funds, 5-year 4 stars/508 funds and 10-year 4 stars/218 funds. 708 overall funds rated.

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MULTI-ASSET SOLUTIONS

JPMorgan Global Allocation Fund

A SHARES: GAOAX | I SHARES: GAOSX | C SHARES: GAOXC

There's growth to be found when you know where to look. With access to the entirety of J.P. Morgan's global investment platform, the Global Allocation Fund searches worldwide to maximize total return, while also managing risk.

Analyst Rating **SILVER** (8/31/18)

Overall Morningstar Rating ★★★★★

Category World Allocation

- **Outperformed 60%/40% Index¹ 76% of the time** over rolling three years over the 5-year period.
- **Top quartile 92% of the time** over rolling three years over the 5-year period for total return within Morningstar World Allocation category.

ANNUALIZED RETURNS SINCE INCEPTION, I SHARES (5/31/11 - 9/30/18)

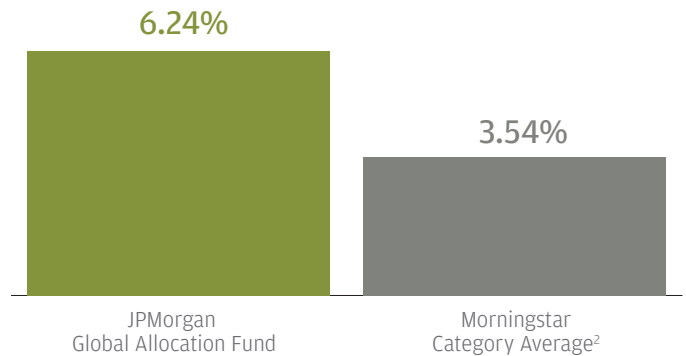


Chart source: Morningstar, J.P. Morgan Asset Management. Data as of 9/30/18. Past performance is no guarantee of future results. ¹Benchmark 60% MSCI World/40% Bloomberg Barclays U.S. Aggregate Bond Index. ²World Allocation Category. Morningstar as of 9/30/18. I Shares. Ranked: 1-year (133/466), 3-year (95/399), 5-year (23/334), since inception (51/346) and 10-year period n/a. Rated as follows: 3-year 4 stars/399 funds, 5-year 5 stars/334 funds and 10-year n/a. 399 overall funds rated.

JPMorgan Income Builder Fund

A SHARES: JNBAX | I SHARES: JNBXS | C SHARES: JNBXC

Scour the world, find more yield. Using a flexible multi-asset approach that seeks only the best income opportunities from around the globe, the Income Builder Fund aims to provide investors with a consistent and attractive income stream.

Analyst Rating **BRONZE** (4/10/18)

Overall Morningstar Rating ★★★★★

Category Allocation 30% to 50% Equity

- **Top quartile 93% of the time** over rolling five years over the 10-year period for total return within Morningstar's Allocation 30-50% Equity category.

FUND YIELD VS. SIX-MONTH CD RATE

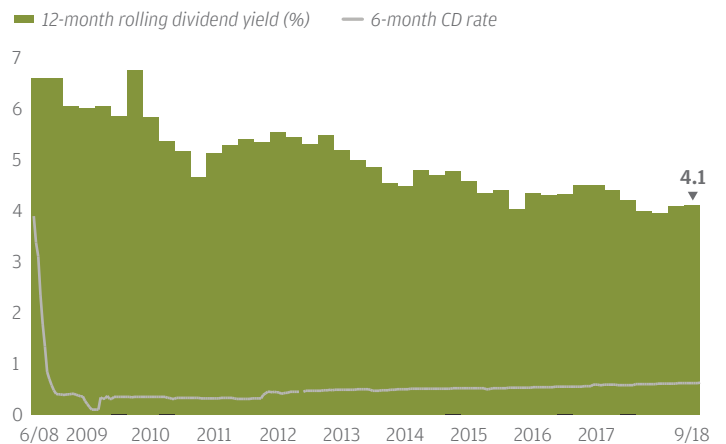


Chart source: Bankrate.com, J.P. Morgan Asset Management (JPMAM). Distributions shown since June 1, 2008. CDs and mutual funds are different investment vehicles. The comparison is intended to show excess income from the fund versus a generally safe investment. Unlike a mutual fund whose principal value and dividends fluctuate, CDs are savings certificates providing interest over a predetermined timeframe. CDs are typically less liquid and early withdrawal may incur penalties. In the mutual fund, investment returns will fluctuate so that the redemption amount may be worth more or less than the original investment. Unlike a mutual fund which charges a management fee, CDs are insured by the FDIC up to specific limits and only have fees if there is an early withdrawal. Income from both sources is taxed as income but mutual funds may incur capital gains (or losses). Unlike a mutual fund whose principal value and dividends fluctuate, CDs are savings certificates providing interest over a predetermined timeframe. CDs are typically less liquid and early withdrawal may incur penalties. In the mutual fund, investment returns will fluctuate so that the redemption amount may be worth more or less than the original investment. Unlike a mutual fund which charges a management fee, CDs are insured by the FDIC up to specific limits and only have fees if there is an early withdrawal. Income from both sources is taxed as income but mutual funds may incur capital gains (or losses). Morningstar as of 9/30/18. I Shares. Ranked: 1-year (242/508), 3-year (84/439), 5-year (92/355) and 10-year (16/256). Ratings reflect risk-adjusted performance. Different share classes may have different ratings and rankings. Ratings reflect risk-adjusted performance. Different share classes may have different ratings and rankings. ³Benchmark 60% MSCI World/40% Bloomberg Barclays U.S. Aggregate Bond Index. Rated as follows: 3-year 4 stars/439 funds, 5-year 4 stars/355 funds and 10-year 5 stars/256 funds. 439 overall funds rated.

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FIXED INCOME

JPMorgan Core Bond Fund

A SHARES: PGBOX | I SHARES: WOBDX | C SHARES: OBOCX

Quality at the core. A value-driven approach that emphasizes intermediate bonds of the highest quality, the Core Bond Fund serves as a foundation for investors seeking a well-diversified portfolio.

Analyst Rating **SILVER** (5/11/18)

Overall Morningstar Rating ★★☆☆

Category Intermediate-Term Bond

- **Outperformed Barclays U.S. Aggregate Index 54% of the time** over rolling five years over 10-year period.
- **Strong performance in down markets (+3.96% in 2008).**

COMPETITIVE RISK-ADJUSTED RETURNS AND VOLATILITY

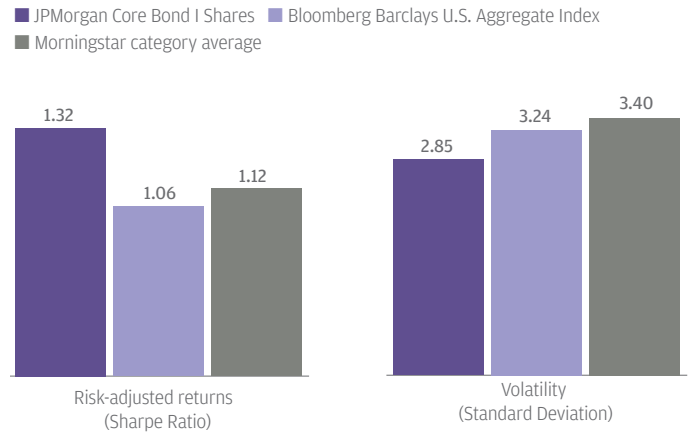


Chart source: Morningstar, J.P. Morgan Asset Management. Morningstar Intermediate-Term Bond category, I Shares. Intermediate-Term Bond Category, rolling five-year periods over 10 years as of 9/30/18, benchmark Bloomberg Barclays U.S. Aggregate Bond Index. Sharpe ratio is a measurement of a fund's returns relative to its risks. Higher numbers for risk-adjusted returns are better. Ranked: 1-year (371/1039), 3-year (578/902), 5-year (425/796) and 10-year (311/577). Rated as follows: 3-year 3 stars/902 funds, 5-year 3 stars/796 funds and 10-year 3 stars/577 funds. 902 overall funds rated.

JPMorgan Core Plus Bond Fund

A SHARES: ONIAX | I SHARES: HLIPIX | C SHARES: OBDX

Enhance your core. The Core Plus Bond Fund expands opportunities for returns and income by combining a broad foundation of high quality core bonds with dynamic sector allocation and a macro overlay.

Overall Morningstar Rating ★★★★★

Category Intermediate-Term Bond

- **Outperformed Bloomberg Barclays U.S. Aggregate Index 100% of the time** over rolling five years over the 10-year period.
- Disciplined exposure to extended sectors has provided a compelling yield advantage: **3.32% SEC yield***.

COMPETITIVE RISK-ADJUSTED RETURNS AND YIELD

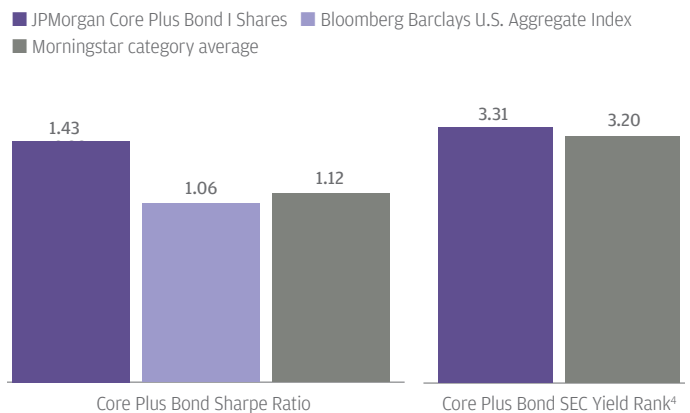


Chart source: Morningstar as of 9/30/18. Ranked: 1-year (276/1039), 3-year (240/902), 5-year (136/796) and 10-year (71/577). Ratings reflect risk-adjusted performance. Morningstar, I Shares. Rated as follows: 3-year 4 stars/902 funds, 5-year 4 stars/796 funds and 10-year 4 stars/577 funds. 902 overall funds rated. Different share classes may have different ratings and rankings. Sharpe Ratio measures a manager's excess return over the risk-free rate of return (normally the cash return), divided by the standard deviation; 1-year (215/1076), 3-year (258/987), 5-year (161/939) and 10-year (50/826). *Yield: 3.11% SEC yield (unsubsidized) as of 9/30/18. ⁴I Shares: five-year monthly windows over the past 10 years as of 9/30/18.

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Past performance is no guarantee of future results. Source: Morningstar. I Shares, five-year rolling returns represent the annualized return over the five-year period, advancing monthly. Ratings reflect risk-adjusted performance. Different share classes may have different rankings. The Overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with the fund's three-, five- and 10-year (as applicable) Morningstar Rating metrics. There can be no assurance that the current portfolio manager will continue to manage the fund or that past performance is an indicator of future performance.

JPMorgan Global Bond Opportunities Fund

A SHARES: GBOAX | I SHARES: GBOSX | C SHARES: GBOCX

Broaden the borders of your bond portfolio. The Global Bond Opportunities Fund seeks to deliver total returns by providing flexible, high-conviction exposure across more than 15 fixed income sectors and 50 countries.

Overall Morningstar Rating ★★★★★

Category Multisector Bond

- Since inception, the Fund has provided **top-quintile performance and top-decile risk-adjusted returns.**

RISK/RETURN SINCE INCEPTION

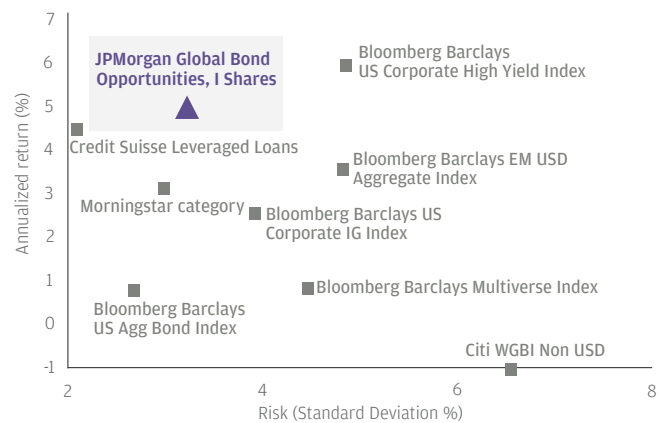


Chart source: Morningstar, J.P. Morgan Asset Management. Morningstar Multisector Bond category, rolling one-year period since inception (9/4/12), as of 9/30/18, benchmark Bloomberg Barclays Multiverse Index. Ranked: 1-year (126/319), 3-year (79/278), 5-year (41/215), since inception (38/244) and 10-year n/a. Sharpe Ratio measures a manager's excess return over the risk-free rate of return (normally the cash return), divided by the standard deviation. Ranked: 1-year (128/327), 3-year (72/298), 5-year (45/257), since inception (19/244) and 10-year n/a. Ratings reflect risk-adjusted performance. Morningstar. I Shares. Rated as follows: 3-year 4 stars/278 funds, 5-year 4 stars/215 funds and 10-year n/a. 278 overall funds rated.

JPMorgan Strategic Income Opportunities Fund

A SHARES: JSOAX | I SHARES: JSOSX | C SHARES: JSOCX

Complement your core. Using an absolute-return-oriented approach, the Strategic Income Opportunities Fund invests flexibly across traditional, alternative and private fixed income which seeks to provide uncorrelated, low volatility returns regardless of market environment.

Overall Morningstar Rating ★★★★★

Category Nontraditional Bond

- **Delivered positive returns 100% of the time** over rolling three years over the five year period.
- The Fund has historically provided **strong, uncorrelated returns** relative to traditional fixed income.

PERFORMANCE DURING PERIODS OF RATE VOLATILITY*

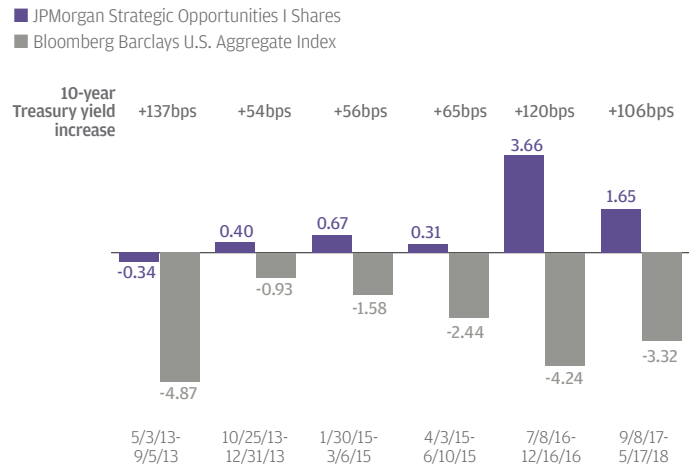


Chart source: Morningstar, Inc. All rights reserved. J.P. Morgan Asset Management; as of 9/30/18. Nontraditional Bond category. I Shares. Rolling five-year periods since inception (10/10/08), as of 9/30/18, secondary prospectus benchmark of BofA ML U.S. Treasury Bill 3-Month Index. Ranked: 1-year (79/319), 3-year (71/281), 5-year (68/175) and 10-year n/a. Sharpe ratio measures a manager's excess return over risk-free rate of return (normally cash return), divided by the standard deviation; Ranked: 1-year (66/329), 3-year (62/312), 5-year (58/209) and 10-year n/a. Rated as follows: 3-year 4 stars/281 funds, 5-year 3 stars/175 funds, 10-year not yet rated. 281 overall funds rated. * Showing six most recent rate volatility periods since I Shares inception date 10/10/08.

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Returns

ANNUALIZED RETURNS

| I SHARES (%) as of 9/30/18 | Qtr | YTD | 1 year | 3 years | 5 years | 10 years | Inception ¹ |
|--|-------|--------|--------|---------|---------|----------|------------------------|
| EQUITY | | | | | | | |
| Equity Income Fund | 6.64 | 5.63 | 12.98 | 14.54 | 11.58 | 11.30 | |
| <i>Russell 1000 Value Index</i> | 5.70 | 3.92 | 9.45 | 13.55 | 10.72 | 9.79 | |
| Value Advantage Fund | 4.80 | 3.58 | 9.90 | 12.26 | 10.41 | 11.43 | |
| <i>Russell 3000 Value Index</i> | 5.39 | 4.17 | 9.46 | 13.75 | 10.65 | 9.76 | |
| Growth Advantage Fund | 8.54 | 20.03 | 28.70 | 20.79 | 16.78 | 15.33 | |
| <i>Russell 3000 Growth Index</i> | 8.88 | 16.99 | 25.89 | 20.36 | 16.23 | 14.18 | |
| Hedged Equity Fund | 3.78 | 4.98 | 8.09 | 10.45 | | | 7.66 |
| <i>S&P 500 Index</i> | 7.71 | 10.56 | 17.91 | 17.31 | | | 13.18 |
| <i>BofA Merrill Lynch 3-Month U.S. Treasury Bill Index</i> | 0.49 | 1.30 | 1.59 | 0.84 | | | 0.54 |
| INTERNATIONAL EQUITY | | | | | | | |
| International Unconstrained Equity Fund | -2.20 | -7.40 | -3.64 | 7.97 | 4.07 | | 7.77 |
| <i>MSCI All Country World Index, ex U.S.</i> | 0.71 | -3.09 | 1.76 | 9.97 | 4.12 | | 6.68 |
| Emerging Markets Equity Fund | -3.19 | -10.31 | -3.71 | 13.23 | 4.24 | 5.19 | |
| <i>MSCI Emerging Markets Index</i> | -1.09 | -7.68 | -0.81 | 12.36 | 3.61 | 5.40 | |
| MULTI-ASSET SOLUTIONS | | | | | | | |
| Global Allocation Fund | 1.98 | 0.85 | 4.75 | 8.35 | 6.56 | | 6.24 |
| <i>MSCI World Index (net of foreign withholding taxes)</i> | 4.98 | 5.43 | 11.24 | 13.54 | 9.28 | | 8.91 |
| <i>Bloomberg Barclays Global Aggregate Index (ex-USD)</i> | -0.92 | -2.37 | -1.32 | 1.98 | 0.75 | | 0.97 |
| <i>Global Allocation Composite Benchmark</i> | 2.59 | 2.31 | 6.12 | 8.89 | 5.91 | | 5.82 |
| Income Builder Fund | 2.20 | 0.57 | 3.40 | 7.32 | 5.33 | 7.91 | |
| <i>MSCI World Index (net of foreign withholding taxes)</i> | 4.98 | 5.43 | 11.24 | 13.54 | 9.28 | 8.56 | |
| <i>Bloomberg Barclays U.S. Aggregate Index</i> | 0.02 | -1.60 | -1.22 | 1.31 | 2.16 | 3.77 | |
| <i>Income Builder Composite Benchmark</i> | 2.98 | 2.65 | 6.18 | 8.61 | 6.51 | 6.94 | |
| FIXED INCOME | | | | | | | |
| Core Bond Fund | -0.01 | -1.43 | -0.97 | 1.23 | 2.07 | 4.11 | |
| <i>Bloomberg Barclays U.S. Aggregate Index</i> | 0.02 | -1.60 | -1.22 | 1.31 | 2.16 | 3.77 | |
| Core Plus Bond Fund | 0.15 | -1.22 | -0.76 | 2.08 | 2.78 | 5.14 | |
| <i>Bloomberg Barclays U.S. Aggregate Index</i> | 0.02 | -1.60 | -1.22 | 1.31 | 2.16 | 3.77 | |
| Global Bond Opportunities Fund | 1.63 | 0.09 | 0.83 | 4.99 | 4.02 | | 4.49 |
| <i>Bloomberg Barclays Multiverse Index</i> | -0.80 | -2.36 | -1.32 | 2.34 | 0.94 | | 0.62 |
| Strategic Income Opportunities Fund | 0.99 | 2.13 | 2.26 | 4.44 | 2.65 | | 5.10 |
| <i>Bloomberg Barclays U.S. Universal Index</i> | 0.27 | -1.41 | -1.00 | 1.98 | 2.53 | | 4.45 |
| <i>BofA Merrill Lynch 3-Month U.S. Treasury Bill Index</i> | 0.49 | 1.30 | 1.59 | 0.84 | 0.52 | | 0.33 |

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¹ Inception dates: Hedged Equity Fund: 12/13/13; Global Allocation Fund: 5/31/11; International Unconstrained Equity: 11/30/11; Global Bond Opportunities Fund: 9/4/12; Strategic Income Opportunities Fund: 10/10/08;

Yields

| I SHARES (%) as of 9/30/18 | SEC 30-day yield | SEC 30-day yield (unsubsidized) |
|-------------------------------------|------------------|---------------------------------|
| Equity Income Fund | 1.71 | 1.70 |
| Income Builder | 4.25 | 4.03 |
| Core Bond Fund | 2.94 | 2.79 |
| Core Plus Bond Fund | 3.32 | 3.11 |
| Global Bond Opportunities Fund | 3.95 | 3.67 |
| Strategic Income Opportunities Fund | 2.89 | 2.82 |

Must be preceded or accompanied by a prospectus. Source: J.P. Morgan Asset Management.

Annual expenses

| I SHARES (%) as of 9/30/18 | Gross | Net |
|-------------------------------------|-------|------|
| Equity Income Fund | 0.75 | 0.75 |
| Growth Advantage Fund | 1.00 | 0.89 |
| Hedged Equity Fund | 0.66 | 0.60 |
| Value Advantage Fund | 1.00 | 0.89 |
| International Unconstrained Equity | 1.19 | 0.75 |
| Emerging Markets Equity | 1.27 | 0.99 |
| Global Allocation Fund | 1.04 | 0.82 |
| Income Builder Fund | 0.81 | 0.60 |
| Core Bond Fund | 0.66 | 0.50 |
| Core Plus Bond Fund | 0.68 | 0.46 |
| Global Bond Opportunities Fund | 0.94 | 0.65 |
| Strategic Income Opportunities Fund | 0.87 | 0.79 |

The Funds advisers and/or its affiliates have contractually agreed to waive fees and/or reimburse expenses to the extent Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses, dividend and interest expenses related to short sales, interest, taxes, expenses related to litigation and potential litigation and extraordinary expenses) exceed 0.79% for Equity Income Fund, 0.89% for Growth Advantage and Value Advantage Funds, 0.60% for Hedged Equity and Income Builder Funds, 0.99% for Emerging Markets Equity Fund, 0.50% for Core Bond Fund, 0.46% for Core Plus Bond Fund, 0.65% for Global Bond Opportunities Fund, 0.75% for Strategic Income Opportunities and International Unconstrained Equity Funds, and 0.78% for Global Allocation Fund of the average daily net assets. This waiver is in effect through 6/30/19 for Core Bond, Core Plus Bond and Strategic Income Opportunities Funds, 10/31/18 for Equity Income and Hedged Equity Funds, 12/31/18 for Global Bond Opportunities Fund, 2/28/19 for Global Allocation and Income Builder Funds and 10/31/19 for Growth Advantage, Value Advantage, International Unconstrained Equity and Emerging Markets Equity Funds. at which time the adviser and/or its affiliates will determine whether to renew or revise it.

Any of the following risks could cause the fund to lose money or perform less well than other investments. For more complete risk information, see the prospectus.

Equity Income Fund: The prices of equity securities are sensitive to a wide range of factors, from economic to company-specific news, and can fluctuate rapidly and unpredictably, causing an investment to decrease in value. There is no guarantee that companies will declare, continue to pay or increase dividends. **Growth Advantage Fund:** Small-capitalization investments typically carry more risk than investments in well-established “blue-chip” companies since smaller companies generally have a higher risk of failure. Historically, smaller companies’ stock has experienced a greater degree of market volatility than the average stock. **Hedged Equity Fund:** The prices of equity securities are sensitive to a wide range of factors, from economic to company-specific news, and can fluctuate rapidly and unpredictably, causing an investment to decrease in value. Utilizing a strategy with a diversified equity portfolio and derivatives, with a Put/Spread Collar options overlay, may not provide greater market protection than other equity investments nor reduce volatility to the desired extent, as unusual market conditions or the lack of a ready option market could result in losses. Derivatives expose the Fund to risks of mispricing or improper valuation and the Fund may not realize intended benefits due to underperformance. When used for hedging, the change in value of a derivative may not correlate as expected with the risk being hedged. **Value Advantage Fund:** The prices of equity securities are sensitive to a wide range of factors, from economic to company-specific news, and can fluctuate rapidly and unpredictably, causing an investment to decrease in value. **International Unconstrained Equity:** International investing involves a greater degree of risk and increased volatility due to political and economic instability of some overseas markets. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can affect returns. The prices of equity securities are sensitive to a wide range of factors, from economic to company-specific news, and can fluctuate rapidly and unpredictably, causing an investment to decrease in value. **Emerging Markets Equity:** International investing bears greater risk due to social, economic, regulatory and political instability in countries in “emerging markets.” This makes emerging market securities more volatile and less liquid than developed market securities. Changes in exchange rates and differences in accounting and taxation policies outside the U.S. can also affect returns. Investments in foreign currencies and foreign issuers are subject to additional risks, including political and economic risks, greater volatility, civil conflicts and war, currency fluctuations, higher transaction costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, and less stringent investor protection and disclosure standards of foreign markets. These risks are magnified in countries in “emerging markets.” **Global Allocation Fund:** International investing involves a greater degree of risk and increased volatility due to political and economic instability of some overseas markets. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can affect returns. Asset allocation does not guarantee investment returns and does not eliminate the risk of loss. **Income Builder Fund:** The prices of equity securities are sensitive to a wide range of factors, from economic to company-specific news, and can fluctuate rapidly and unpredictably, causing an investment to decrease in value. Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops. Investments in derivatives may be riskier than other types of investments. They may be more sensitive to changes in economic or market conditions than other types of investments. Many derivatives create leverage, which could lead to greater volatility and losses that significantly exceed the original investment. **Core Bond Fund:** Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops. **Core Plus Bond Fund:** Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops. The value of investments in mortgage-related and asset-backed securities will be influenced by the factors affecting the housing market and the assets underlying such securities. The securities may decline in value, face valuation difficulties, become more volatile and/or become illiquid. They are also subject to prepayment risk, which occurs when mortgage holders refinance or otherwise repay their loans sooner than expected, creating an early return of principal to holders of the loans. CMOs are collateralized mortgage obligations, which are issued in multiple classes, and each class may have its own interest rate and/or final payment date. A class with an earlier final payment date may have certain preferences in receiving principal payments or earning interest. As a result, the value of some classes may be more volatile and may be subject to higher risk of nonpayment. Securities rated below investment grade are considered “high-yield,” “non-investment grade,” “below investment-grade,” or “junk bonds,” and are usually rated in the fifth or lower rating categories of Standard & Poor’s and Moody’s Investors Service. Although they tend to provide higher yields than higher rated securities, they can carry greater risk. **Global Bond Opportunities Fund:** Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops. International investing bears greater risk due to social, economic, regulatory and political instability in countries in “emerging markets.” This makes emerging market securities more volatile and less liquid developed market securities. Changes in exchange rates and differences in accounting and taxation policies outside the U.S. can also affect returns. Securities rated below investment grade are considered “high-yield,” “non-investment grade,” “below investment-grade,” or “junk bonds,” and are usually rated in the fifth or lower rating categories of Standard & Poor’s and Moody’s Investors Service. Although they tend to provide higher yields than higher rated securities, they can carry greater risk. **Strategic Income Opportunities Fund:** Securities rated below investment-grade are considered “high-yield,” “non-investment-grade,” “below investment-grade,” or “junk bonds.” They generally are rated in the fifth or lower rating categories of Standard & Poor’s and Moody’s Investors Service. Although these securities tend to provide higher yields than higher rated securities, they tend to carry greater risk. International investing bears greater risk due to social, economic, regulatory and political instability in countries in “emerging markets.” This makes emerging market securities more volatile and less liquid developed market securities. Changes in exchange rates and differences in accounting and taxation policies outside the U.S. can also affect returns.

Contact JPMorgan Distribution Services, Inc. at 1.800.480.4111 for a fund prospectus. You can also visit us at www.jpmorganfunds.com. Investors should carefully consider the investment objectives and risks as well as charges and expenses of the mutual fund before investing. The prospectus contains this and other information about the mutual fund. Read the prospectus carefully before investing.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be a recommendation for any specific investment product, strategy, plan feature or other purpose. Any examples used are generic, hypothetical and for illustration purposes only. Prior to making any investment or financial decisions, an investor should seek individualized advice from personal financial, legal, tax and other professional advisors that take into account all of the particular facts and circumstances of an investor's own situation.

Mutual funds have fees that reduce their performance: indexes do not. You cannot invest directly in an index. **Equity Income Fund:** The Russell 1000 Value Index is an unmanaged index measuring the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. **Growth Advantage Fund:** The Russell 3000 Growth Index is an unmanaged index measuring the performance of those Russell 3000 companies (largest 3000 U.S. companies) with lower price-to-book ratios and lower forecasted growth values. **Hedged Equity Fund:** The S&P 500 Index is an unmanaged index generally representative of the performance of large companies in the U.S. stock market. Index levels are in total return USD. **Value Advantage Fund:** The Russell 3000 Value Index is an unmanaged index measuring the performance of those Russell 3000 companies (largest 3000 U.S. companies) with lower price-to-book ratios and lower forecasted growth values. **International Unconstrained Equity:** The MSCI All Country World Index, ex-U.S. (net of foreign withholding taxes) is a free float-adjusted market capitalization weighted index measuring equity market performance of developed and emerging markets, excluding the United States. **Emerging Markets Equity:** The MSCI Emerging Markets Index (net of foreign withholding taxes) is a free float-adjusted market capitalization-weighted index measuring emerging market equity performance. **Global Allocation Fund:** MSCI World Index (net of foreign withholding taxes) is a broad measure of the performance of developed countries' equity markets. The Global Allocation Composite Index is a composite benchmark of unmanaged indexes that includes 60% MSCI World Index (net of foreign withholdings taxes) and 40% Bloomberg Barclays U.S. Aggregate Index. **Income Builder Fund:** MSCI World Index (net of foreign withholding taxes) is a broad measure of the performance of developed countries' equity markets. The Bloomberg Barclays U.S. Aggregate Index is an unmanaged index representing SEC-registered taxable and dollar-denominated securities. It covers the U.S. investment-grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through, and asset-backed securities. The Income Builder Composite Benchmark is a composite benchmark of unmanaged indexes that includes 60% MSCI World Index (net of foreign withholding taxes) and 40% Bloomberg Barclays U.S. Aggregate Index. **Core Bond Fund:** The Bloomberg Barclays U.S. Aggregate Index is an unmanaged index representing SEC-registered taxable and dollar-denominated securities. It covers the U.S. investment-grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through, and asset-backed securities. **Core Plus Bond Fund:** The Bloomberg Barclays U.S. Aggregate Index is an unmanaged index representing SEC-registered taxable and dollar-denominated securities. It covers the U.S. investment-grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through, and asset-backed securities. **Global Bond Opportunities Fund:** The Bloomberg Barclays Multiuniverse Index is a measure of the international fixed-income bond market that combines the Bloomberg Barclays Global Aggregate Index and the Bloomberg Barclays Global High Yield Index. The Bloomberg Barclays Global Aggregate Index measures grade debt from twenty-four different local currency markets. The Bloomberg Barclays Global High-Yield Index measures the global high-yield fixed income markets. **Strategic Income Opportunities Fund:** The Bloomberg Barclays U.S. Universal Index represents the U.S. Aggregate Index, the U.S. High-Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, and the non-ERISA portion of the CMBS Index. The BofA Merrill Lynch 3-Month U.S. Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. The index is rebalanced monthly and the issue selected is the outstanding Treasury Bill that matures closest to, but not beyond 3 months from the rebalancing date.

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