# STANLIB Offshore Unit Trusts

**PROSPECTUS**

June 2022

STANLIB

STANLIB is an authorised financial service provider.

*If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.*

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### Information

This prospectus is prepared, and a copy of it has been sent to the Jersey Financial Services Commission, in accordance with the Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012 (the "**Order**") of the Bailiwick of Jersey for the purpose of the marketing and selling of units in the various investment portfolios constituted in terms of the STANLIB Offshore Unit Trusts (the "**Trust**").

The Trust is available for investment in its domicile of registration.

This prospectus is divided into two parts. The general structure and information about the Trust is contained in this section. It must be read in conjunction with the section entitled 'Class Fund Details' which deals specifically with the individual class funds and investment portfolios. You may, on request to STANLIB Fund Managers Jersey Limited (the "**Manager**"), obtain, free of charge, a copy of the latest annual report and any subsequent half-yearly report, or alternatively visit the web-site at www.stanlib.com.

No person has been authorised to give any information or to make any representations, other than those contained in this document, in connection with the offering of units in the Trust and, if given or made, such information or representations must not be relied on as having been authorised by Apex Financial Services (Corporate) Limited (the "**Trustee**") or the Manager. Neither the delivery of this document nor the creation or sale of units shall, under any circumstances, imply that there has been no change in the affairs of the Trust since the date hereof.

The Trustee and the Manager have taken all reasonable care to ensure that the facts stated in this prospectus are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement in this prospectus, whether of fact or opinion. The Trustee and the Manager accept responsibility accordingly.

This prospectus is intended to be a brief summary of the more important provisions of the Trust Instrument and class rules. For full details of the Trust investors are referred to the Trust Instrument and class rules, copies of which are available from the Manager.

If you are in any doubt about the contents of this prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The Jersey Financial Services Commission does not take any responsibility for the financial soundness of the Trust or for the correctness of any statements made or expressed in this prospectus.

It should be remembered that the price of units and the income from them can go down as well as up and that unit holders may not receive, on sale or the cancellation or redemption of their units, the amount that they invested.

It is intended that units in the Trust will be sold to investors resident in South Africa, Africa and elsewhere by or on behalf of STANLIB Collective Investments (RF) Proprietary Limited. However, units in the Global GoalStandard class funds will be sold to investors resident elsewhere than South Africa by Standard Bank Jersey Limited ("**SBJL**"). References to the "**Distributor**" throughout this Prospectus shall generally refer to STANLIB Collective Investments (RF) Proprietary Limited, save in relation to investors who have invested in one or more Global GoalStandard class funds through SBJL (in which case such references should be read as referring to SBJL).

This prospectus does not constitute and may not be used for the purpose of an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

In particular, the Trust has not been registered under the United States Securities Act of 1933 (as amended) (the "**Act**") and except in a transaction which does not violate that Act, units may not be directly or indirectly offered or

sold in the United States of America (which for purposes of these provisions includes its territories, possessions and areas subject to its jurisdiction) or to or for the benefit of a United States person. For these purposes, a United States person includes a national or resident of the United States of America, a partnership organised or existing in any of its states, territories or possessions, or any estate or trust, other than an estate or trust the income of which originates from sources outside the United States of America (which is not effectively connected with the conduct of trade or business within the United States of America) and is not included in gross income for the purposes of computing United States federal income tax and other than a person who is an accredited investor as defined in Regulation D under the Act.

This prospectus shall under no circumstances be distributed to or constitute an offer to any person or entity resident or domiciled in any restricted jurisdiction identified in respect of a class.

As a potential applicant for units, you should inform yourself as to (a) the possible tax consequences (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which might apply under the laws of the countries of your citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of units. The applicant is strongly recommended to read and consider this prospectus before completing an application.

**United Kingdom**

The Trust and each of its component class funds is a collective investment scheme as defined in Section 235 of the UK's Financial Services and Markets Act 2000 and is an unregulated collective investment scheme for UK law purposes.

The Manager and SBJL will ensure that promotions comply with their respective obligations so as to ensure compliance with Section 21 of the UK Financial Services and Markets Act 2000, with promotions being made as exempt financial promotions (for example, to other investment professionals) and/or, in the case of promotions issued or approved by SBJL, in accordance with the restrictions in the FCA's Conduct of Business Rules on promotion of unregulated collective investment schemes.

This document has not been approved by the Financial Conduct Authority for the purposes of Section 85 of the UK's Financial Services and Markets Act 2000.

SBJL is acting exclusively for each of the class funds and the Manager and not for anyone else in connection with this document. Persons receiving this document should note that SBJL will not be responsible to anyone other than the Manager for providing the protections afforded to its customers nor for providing advice in relation to the transactions or arrangements detailed in this document.

**Definitions**

Defined terms used in this prospectus shall have the meanings set out in the Trust Instrument relating to the Trust or the class rules of the relevant class fund(s) (as applicable). To the extent that such terms are not so defined, the following definitions shall apply:

"approved fund" means (i) any unit trust scheme which is an authorised unit trust for the purposes of the Financial Services and Markets Act 2000 (the "**FSMA**") of the United Kingdom, (ii) any collective investment fund which is recognised in terms of sections 264 and 272 of the FSMA or (iii) any investment trust listed on the London Stock Exchange Limited and approved as such under s.842 of the Income and Corporation Taxes Act 1988 of the United Kingdom, (iv) STANLIB Funds Limited, (v) Fidelity Institutional Liquidity Fund plc, (vi) JPMorgan Funds, being a SICAV established in Luxembourg and/or (vii) any fund approved by the Manager from time to time, investment in which is consistent with the relevant class fund's investment restrictions (as applicable in each case).

"authorised investment" means any share, stock, loan stock, warrant, commodity, note, certificate, bond, debenture, debenture stock, unit or sub-unit or share in a unit trust scheme or fund, participation in a mutual fund or collective investment or similar scheme, certificate of deposit, depository receipt, acceptance, promissory note, bill (whether or not any of the same is payable or transferable by delivery to bearer) or any other security or negotiable instrument or instrument of whatsoever nature evidenced or representing a debt, denominated in any currency or currencies whatsoever, issued, payable or repayable by, any person, body (whether incorporated or not), partnership, fund, trust, government, government department or agency or any country, territory or public or local authority in any part of the world and any option to acquire or dispose of any such investment and any security or instrument entitling the holder to subscribe for, or to switch such security into, any such investment and any futures or similar contract (other than contracts relating to real property) and rights arising under such contracts and any derivative of any of the foregoing.

"business day" means in relation to a class fund any day normally treated as a business day in the Island of Jersey and in any other jurisdiction determined by the Manager where administration of that class fund takes place and for the avoidance of doubt does not include Saturdays, Sundays and bank and public holidays.

"class" means any class of units which may be created pursuant to clause 9 of the Trust Instrument.

"class fund" means a fund maintained in accordance with clause 9 of the Trust Instrument, each such fund being attributable to a separate class or classes of units regulated by class rules pertaining to that class fund.

"collective investment fund" has the meaning given in the Collective Investment Funds (Jersey) Law 1988, as amended.

"dealing day" means any business day.

"dilution levy" means a levy imposed by the Manager to counteract the effect of a dilution or reduction in the value of the Trust's assets as a result of dealing costs incurred.

"feeder fund" means any unit trust scheme or fund, participation in a mutual fund or collective investment or similar scheme whose principal investment objective is to invest in a single, specified, collective investment scheme or in one constituent part of an umbrella fund.

"fund of funds" means any unit trust scheme or fund, participation in a mutual fund or collective investment or similar scheme whose principal investment objective is to invest in other collective investment schemes.

"net asset value" means in respect of any class the value of the assets less liabilities of the class fund attributable to the units of that class as determined in accordance with the Trust Instrument.

"real property fund" means a unit trust or mutual fund that invests only in listed property shares, that is, in shares that trade on stock exchanges. Such shares or property companies own office blocks, shopping centres, hotels, industrial property, etc and receive rental income from letting their space to customers.

"Recognised Jurisdiction Schemes" means any collective investment schemes which may be designated as such by the Jersey Financial Services Commission from time to time, for the purposes of the OCIF Guide.

"Recognised Market" means any stock exchange, over the counter market or other organized securities market that operates regularly and is open to the international public and on which such securities are regularly traded.

"RSA" means the Republic of South Africa.

“Trust” means STANLIB Offshore Unit Trusts.

"Trust Instrument" means the trust instrument between STANLIB Fund Managers Jersey Limited as Manager and Apex Financial Services (Corporate) Limited as Trustee, constituting STANLIB Offshore Unit Trusts as amended from time to time.

"unit" means an undivided share in a class fund.

"UK" means the United Kingdom of Great Britain and Northern Ireland.

"Unclassified Fund" means an OCIF (as defined in the OCIF Guide published by the Jersey Financial Services Commission).

Currencies are denoted as follows:

| | |
|---|---|
| Euro | : EUR |
| Pounds sterling | : GBP (£) |
| US dollar | : USD (US$) |

## Directory

### The Trust

STANLIB Offshore Unit Trusts
Standard Bank House
47-49 La Motte Street
St Helier
Jersey
Channel Islands

### A. Management and administration

**Manager**
STANLIB Fund Managers Jersey Limited
Standard Bank House
47-49 La Motte Street
St Helier
Jersey
Channel Islands

**Promoter and Investment Manager (Excluding Investment Management to the Global GoalStandard class funds)**
STANLIB Asset Management (Pty) Limited
17 Melrose Boulevard
Melrose Arch
Johannesburg
South Africa

**Trustee and Custodian**
Apex Financial Services (Corporate) Limited
12 Castle Street
St. Helier
Jersey
Channel Islands

### B. Auditors and legal advisers

**Auditors**
PricewaterhouseCoopers (Chartered Accountants)
One Spencer Dock
North Wall Quay
Dublin 1, Ireland

**Legal Advisers**
Carey Olsen Jersey LLP
47 Esplanade
St Helier
Jersey
Channel Islands

## C. Distributors and representative

### Distributor and only approved representatives in South Africa

STANLIB Collective Investments (RF) Proprietary Limited
17 Melrose Boulevard, Melrose Arch, 2196, RSA
PO Box 202, Melrose Arch, 2076, RSA
Telephone: (+27) 11 448 5000
Contact Centre (South Africa only): 0860 123 003
Fax (South Africa only): 0867 277 507
E-mail address: contact@stanlib.com
Website: www.stanlib.com

### Distributor
### (solely to the Global GoalStandard class funds in all jurisdictions other than South Africa)

Standard Bank Jersey Limited
Standard Bank House
47-49 La Motte Street
St Helier
Jersey
JE2 4SZ

**Structure**

STANLIB Offshore Unit Trusts has been designed to enable investors to diversify their investment portfolios on a global basis while retaining the administrative simplicity of a single umbrella entity. This provides the flexibility to switch efficiently and cost effectively between classes/class funds as investment preferences change.

The Trust is an open-ended umbrella fund established in Jersey in accordance with the provisions of the Trusts (Jersey) Law 1984, as amended (the "**TJL**") and governed by the Trust Instrument. The Trust is constituted in accordance with the Collective Investment Funds (Jersey) Law, 1988 as amended (the "**Law**"). A single class or a number of classes may comprise the unit trust funds, each with its own investment portfolio and specific investment objectives.

The Trustee holds the assets of the Trust on trust for the benefit of the holders of units of the class or classes comprised in the Trust, and the Trustee has all the administrative powers of an absolute beneficial owner of the assets of the Trust (subject to the terms of the Trust Instrument). The Trust Instrument is binding on each unitholder and any person claiming through a unitholder as if they had been a party to the Trust Instrument.

Each unit in each class constitutes an equal undivided share in the class fund attributable to it and entitles the holder to participate in the property of the class fund. Except as expressly provided in the Trust Instrument, no holder has any interest in the individual assets of the trust fund. Any moneys forming part of the trust fund may be invested at the discretion of the Manager in accordance with the provisions of the Trust Instrument. The Trust Instrument and the application form are governed by, and construed in accordance with the laws of Jersey.

The Trust Instrument requires that the trust fund be constituted out of the proceeds of the creation of units. The Trust Instrument creates a separate segregated trust in respect of each class fund. The Trustee holds each class fund in trust for the benefit of the holders of units of the respective class or classes. The Trust Instrument is binding on each holder and any person claiming through a holder as if they had been a party to the Trust Instrument.

The Trustee, may from time to time create new classes of units and shall establish with the agreement of the Manager, a class fund for such class or classes of units (save where a new class of units is to form part of an existing class fund) and issue new units at any time without reference to holders of units in other class funds. The assets and liabilities of each class fund shall be calculated separately with reference to each class of units forming part of that class fund. The investment and valuation rules for each class fund are defined in the class rules applicable to each class and are summarised in the section 'Class Fund Details'. Subject to certain exceptions detailed in the Trust Instrument, the class rules of any existing class fund may not be changed unless the holders of units in that fund have voted to accept the changes in accordance with the provisions of the Trust Instrument.

The Trustee may with the agreement of the Manager (a) merge two or more classes or class funds with one another; (b) sub-divide any class into two or more classes and divide the assets of the former class between the latter classes accordingly; (c) re-designate units of one class as units of an alternative class; and/or (d) re-designate a class forming part of any class fund as a class of an alternative class fund. The Trustee may only carry out such actions where it considers such actions would not prejudice the interests of the affected holders of units other than to an insignificant extent, in each case upon one month's notice to holders of units in the affected class(es) or class fund(s) (as applicable) and on such terms as the Trustee may determine in its absolute discretion.

By virtue of derogations from the OCIF Guide which have been granted by the Jersey Financial Services Commission:

1. Collective investment schemes (and their nominees) may invest in the class funds of the Trust, including those structured as feeder funds or funds of funds.
2. Notwithstanding that the Global GoalStandard class funds are funds of funds, they may invest in a minimum of three, rather than five, underlying funds.
3. Not more than 35 per cent of a Global GoalStandard class fund's total net asset value may be invested in any one scheme, unless the scheme is a multi-managed or cash scheme (as determined by the Manager in its discretion).

4. A Global GoalStandard class fund shall not invest in another Jersey fund of funds or into a Jersey feeder fund (but may invest in such funds if they are domiciled elsewhere than Jersey).

Certain additional OCIF Guide derogations have been obtained in relation to the STANLIB Global Multi-Strategy Diversified Growth Fund. These are detailed in the summary of investment restrictions relating to that class fund.

The Trustee is in a fiduciary position and must exercise its powers only in the best interests of the unitholders as beneficiaries. Although the Trust does not have a separate legal identity, the TJL provides that the Trust is separate to, and does not form part of, the Trustee's personal assets. In the event of the Trustee becoming bankrupt, its creditors will not have any right to the Trust to satisfy the Trustee's personal debts and the Trust is therefore protected from their claims.

Subject to the provisions of the Judgments (Reciprocal Enforcement) (Jersey) Law 1960 and the Rules under that Law, if a final and conclusive judgment under which a sum of money is payable (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty) were obtained in England in the High Court of Justice, Court of Appeal, House of Lords or Supreme Court of the United Kingdom against the Trustee in respect of any documentation relating to the Trust in relation to which the Trustee has submitted to the jurisdiction of such courts or in relation to which the said courts otherwise had jurisdiction, such judgment would, on application to the Royal Court of Jersey, be registered and would thereafter be enforceable.

Additionally, subject to the principles of private international law, by which for example foreign judgments may be impeachable, as applied by Jersey law (which are broadly similar to the principles accepted under the common law of England), if a final and conclusive judgment under which a debt or definite sum of money is payable (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty or multiple damages) were obtained in the courts of any territory having jurisdiction against the Trustee in respect of such documentation, (a) the Royal Court would, on application properly made to it, recognise such judgment and give a judgment for liquidated damages in the amount of that judgment without reconsidering its merits and (b) such judgment of the Royal Court would thereafter be enforceable.

**Choice of class funds**

Investors can choose from the following range of class funds in the denominated currency:

**Equity**
STANLIB European Equity Fund (EUR)
STANLIB Global Equity Fund (USD)
STANLIB Global Emerging Markets Fund (USD)

**Bond**
STANLIB Global Bond Fund (USD)

**Currency**
STANLIB Euro Cash Fund (EUR)
STANLIB Sterling Cash Fund (GBP)
STANLIB US Dollar Cash Fund (USD)

**Balanced**
STANLIB Global Balanced Fund (USD)
STANLIB Global Balanced Cautious Fund (USD)

**Property**
STANLIB Global Property Fund (USD)

**Multi-Manager**
STANLIB Multi-Manager Global Equity Fund (USD)
STANLIB Multi-Manager Global Bond Fund (USD)

**Global GoalStandard class funds**
Standard Bank Global GoalConserver Fund of Funds (USD)
Standard Bank Global GoalConserver Fund of Funds (GBP)
Standard Bank Global GoalBuilder Fund of Funds (USD)
Standard Bank Global GoalBuilder Fund of Funds (GBP)
Standard Bank Global GoalAdvancer Fund of Funds (USD)
Standard Bank Global GoalAdvancer Fund of Funds (GBP)

**STANLIB Global class funds**
STANLIB Global Growth Fund (USD)
STANLIB Global Multi-Strategy Diversified Growth Fund (USD)

N.B. Whilst the STANLIB Offshore America Fund and the STANLIB Global Aggressive Fund remain registered with the South African Financial Services Conduct Authority and the Jersey Financial Services Commission, they are currently closed to new business.

**Investor eligibility criteria**

*Class funds other than the Global GoalStandard class funds:*

Please note that sub-classes A, B1, B5 and (where a wholesale sub-class is available) B2 or X have been created within certain class funds of the Trust to reflect the management fees payable in respect of each such sub-class. Details of the affected class funds are available from the Manager upon request. In each case, the A class units are available to such unitholders as the Manager shall determine in its in discretion from time to time. The B1 class units are available to unitholders investing via a linked investment platform. Where a B2 or other 'wholesale' class is available, there is an increased minimum investment level of US$100,000 (or currency equivalent), and such classes may only be available to certain categories of investor (please contact the Manager for further details in that regard). The B5 class units are available to unitholders investing in the Trust through a financial adviser. Further details of the management fees payable in respect of each sub-class are contained under the heading 'Charges and expenses' below and in the relevant class rules.

*The Global GoalStandard class funds:*

Please note that sub-classes B1, B2, B3 and B4 have been created within each of the above Global GoalStandard class funds to reflect the management fees payable in respect of each such sub-class.

The B1 class units are available to unitholders investing in any of the above class funds either directly or via any platforms on which the class fund is available. Please note that the investor eligibility criteria applicable to the B2, B3 and B4 class units (see below) does not apply to potential investors in the B1 class units.

The B2 class units are available to customers of Liberty and other institutional clients as approved from time to time.

The B3 class units are available to companies within the Standard Bank and STANLIB group, which will provide substantial seed capital to assist the GoalStandard class funds to become established. There is an increased minimum investment level of 20,000 pounds Sterling (on a GBP-denominated class fund) and 20,000 US Dollar (on a USD-denominated class fund) for investments made in the B3 class units, compared to 2,500 Sterling and 2,500 US Dollar respectively for the B1 class units. The minimum investment levels of 20,000 pounds and 20,000 US dollar may be reduced at the discretion of the Manager

The B4 class units will become available to potential unitholders in due course. These may be from within or outside the Standard Bank Group, approved at the discretion of the Manager.

Further classes of units may be credited within the Global GoalStandard class funds on the terms set out in this prospectus (or any supplement thereto).

**Investment objectives and policy**

Investors have the opportunity to invest in the major world markets and currencies. The Trust provides investment in professionally managed pools of securities in different geographical areas, industrial sectors and currencies, with an opportunity to achieve capital growth. Class funds invest either in the markets of a single country or a selection of countries. Full details are provided in the section 'Class Fund Details'.

**Equity funds**
The aim is to provide investors with long term capital growth from a diverse and actively managed range of portfolios of securities selected from global stock markets. The equity funds provide the opportunity to invest in equities in the markets reflected in the title of each individual class fund and in companies established outside those markets but which derive a significant proportion of their earnings from those markets.

The **STANLIB Global Equity Fund** covers markets throughout the world including major markets and smaller emerging markets. The STANLIB Global Equity Fund invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB High Alpha Global Equity Fund.

The **STANLIB Global Emerging Markets Fund** invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Emerging Markets Fund, which invests in a number of emerging market territories which may include (among others) the Pacific Basin regions, Brazil and Russia and other regions characterised as developing or emerging by the World Bank, the United Nations or the MSCI Emerging Markets Index.

The **STANLIB European Equity Fund** invests as a feeder fund into a class fund of STANLIB Funds Limited - STANLIB European Equity Fund, whose investment policy is to invest the assets of the Fund primarily in the equity of large companies domiciled in Continental Europe or the UK or with significant Continental European or UK activities.

**Bond funds**
The aim of the bond funds is to provide investors with the possibility of capital gains.

The **STANLIB Global Bond Fund** is invested in worldwide bond markets to maximise performance, measured in US dollars and invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Bond Fund.

**Currency funds**
The overall objective of the currency funds is to provide a wholesale rate of return for a currency chosen by the investor with the opportunity to switch at any time between the various currency funds, without any switching charge and at wholesale rates of foreign exchange. The underlying investments are primarily in cash deposits denominated in the currency of the relevant currency fund. The currency funds invest as feeder funds into Fidelity Institutional Liquidity Fund plc.

**Balanced funds**
The **STANLIB Global Balanced Fund** invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Balanced Fund, which seeks to achieve its investment objective by investing in a balanced and well-diversified portfolio of international equities, fixed interest securities including government and corporate bonds. Investments may also be made in regulated collective investment schemes, money market instruments, cash deposits and listed funds which invest in property to provide further diversification. It will also seek to limit downside risk, through a prudent asset allocation strategy.

The **STANLIB Global Balanced Cautious Fund** invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Balanced Cautious Fund, which seeks to achieve its investment objective by investing in a conservatively balanced and well-diversified portfolio of international equities, fixed interest securities including

government and corporate bonds. Investments may also be made in regulated collective investment schemes, money market instruments and, cash deposits and listed funds which invest in property to provide further diversification. It also seeks to limit downside risk, through a prudent asset allocation strategy.

**Property fund**
The aim of the property fund is to provide investors with both capital and income growth.

The **STANLIB Global Property Fund** aims to maximise investors' returns by investing in shares in global property companies and property related securities listed on exchanges in major markets (and, to a lesser degree, smaller emerging markets), and real estate investment trusts. The STANLIB Property Fund invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Property Fund.

**Multi-Manager Funds**

The **STANLIB Multi-Manager Global Equity Fund** invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Multi-Manager Global Equity Fund and aims to maximise the long term total return achieved by investing in global equities, by generating annualised investment returns in excess of the benchmark index.

The **STANLIB Multi-Manager Global Bond Fund** invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Multi-Manager Global Bond Fund and aims to provide attractive returns from investment in major international bond markets with a focus on capital preservation.

**Global GoalStandard class funds**

The **Standard Bank Global GoalConserver Fund of Funds** class funds aim to achieve consistent growth of capital, with a low probability of capital loss over any short-to-medium term investment horizon typically between 2 and 4 years.

The **Standard Bank Global GoalBuilder Fund of Funds** class funds aim to achieve consistent growth of capital, with a low probability of capital loss over any medium term investment horizon typically between 4 and 7 years.

The **Standard Bank Global GoalAdvancer Fund of Funds** class funds aim to achieve consistent growth of capital, with a low probability of capital loss over any long term investment horizon typically between 7 and 11 years.

Each of those class funds will be a fund of funds, investing in at least three underlying funds which share those objectives.

**STANLIB Global class funds**

The **STANLIB Global Growth Fund** aims to provide long-term capital growth by investing primarily in a growth style biased portfolio of shares in global companies.

The **STANLIB Global Multi-Strategy Diversified Growth Fund** aims to outperform the total return of the Benchmark (as defined below) through investing in a globally diversified multi-asset portfolio denominated in US Dollar by 4.5–5.5% per annum (gross of management fees) over a market cycle (5-7 years).

For these purposes, the "**Benchmark**" is US CPI as defined by the Consumer Price Index for All Urban Consumers (CPI-U), seasonally adjusted, published monthly by the US Bureau of Labor Statistics (Bloomberg Ticker: CPI INDX).

Where a class fund invests in participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of other underlying securities in which that class fund invests.

In addition, the underlying collective investment schemes must be regulated and supervised to the same extent as the jurisdiction of Jersey.

Please also refer to the below section 'Class Fund Details'.

**Important note**
The value of units in the class funds depends upon the value of the underlying assets, which may fluctuate. The value of assets and income on those assets may also be affected by fluctuations in currency rates and, in some markets, exchange control and fiscal regulations. Hence the capital value of units may fluctuate and is not guaranteed. The purchase of a unit in a currency fund or any of the other funds is not the same as placing funds on deposit with a bank. The Manager has no obligation to redeem units at the amount of the original investment. The funds do not pay dividends. Income is capitalised and can only be realised by selling units.

## Risk Factors

An investment in the Trust involves various risk factors, including the possibility of partial or total loss of the invested monies, and potential investors should not subscribe unless they can readily bear the consequences of such loss. Potential investors are encouraged to discuss their individual circumstances with their legal counsel, and financial, accounting, regulatory and tax advisers, before investing in the Trust. Potential investors must conduct their own due diligence assessment of an investment in the Trust, independently and without reliance on the Manager, the Trustee or their affiliates and advisers.

### Specific Risk Factors - feeder funds

For details of the applicable risk factors, please refer to the prospectus for the corresponding underlying fund (as appended hereto).

In addition, some or all of the risk factors set out in the below section in relation to the Global GoalStandard class funds may apply to an investment in the remaining class funds of the Trust.

### Specific Risk Factors – Global GoalStandard class funds

Investors should carefully review the following risk factors prior to subscribing for units in the Global GoalStandard class funds. As the Global GoalStandard class funds will invest in underlying funds, they will be exposed to all of the risks associated with investment in those underlying funds (including the risk factors set out in the current prospectus for each underlying fund). Copies of those prospectuses are available from the Distributor or Manager upon request.

#### *General*

*Loss of Investment*

An investment in the Trust involves various risk factors, and potential investors should not subscribe unless they can readily bear the consequences of a complete loss of their investment.

*Investment Objective, Investment Strategy*

The investment objectives and investment strategies for each class fund have been established as of the date of this prospectus based on existing market conditions and available investment opportunities. There can be no assurance that the class funds will achieve their investment objectives, or that there will be any return on invested capital. Market conditions and available investment opportunities may change significantly during the term of the class funds.

The success of the investment strategies followed by the portfolio managers of the underlying funds selected by the Manager depends in part upon their abilities to correctly interpret market data and/or anticipate market developments. Any factor which makes it more difficult for a portfolio manager to execute timely purchases and sales might also have a negative impact on the return profile of the Trust. Certain of these strategies may be new or may be rapidly developing which may increase the difficulties faced by the underlying portfolio in successfully pursuing these strategies. As the strategies currently employed by the portfolio managers may be altered from time to time, it is possible that the strategies used by portfolio managers in the future, may be different from those currently in use. No assurance can be given that the strategies used or to be used will be successful under all or any market conditions.

*General Economic Conditions*

General economic conditions may affect the Trust's activities. Interest rates, the availability of financing, the price of investments and participation by other investors may adversely affect the value and number of investments made by the Trust.

***Risks arising from the investment in target investments generally***

*Limited Operating History*

Underlying funds in which the Trust invests may be newly organised and therefore will have no, or only a limited, operating history. The Manager intends to reduce this risk by favouring newly organised underlying funds or managers which, through the quality of the managers and their teams, and their prior investment management experience, provide the Trust with some comfort in respect of this risk.

*Underlying Funds*

Although the Manager seeks to monitor investments and trading activities of the underlying funds to which the Trust has allocated assets, investment decisions are made independently at the level of the underlying fund and it is possible that some managers of the underlying funds will take positions in the same security or in issues of the same industry or country at the same time. Consequently, the possibility also exists that one underlying fund purchases an instrument at about the same time when another underlying fund decides to sell it. There is no guarantee that the selection of the managers of the underlying fund will actually result in a diversification of investment styles and that the positions taken by the underlying funds will always be consistent.

There are a number of portfolio managers whose services are not generally available to the investing public. These portfolio managers generally place stringent restrictions on the number of investors whose money they will invest or the aggregate assets under management. As a result, certain portfolio managers and underlying funds to which the Trust would like to subscribe may limit or be unwilling or unable to accept an allocation of the Trust’s assets. This could adversely affect the Trust’s investment strategy and, consequently, its returns.

*Illiquid Securities*

Securities purchased by the Trust may lack a liquid trading market, which may result in the inability of the Trust to sell any such security or other investment or to close out a transaction involving a domestic or foreign currency.

*Valuation of Underlying Funds*

Uncertainties surrounding, or delay of, the valuation of investments of any underlying fund could have a material adverse effect on the shareholders of the Trust. Valuation of the investments, which will affect the management fee paid, may involve estimates, uncertainties and judgements. Similarly, redemptions may be based upon such overstated or understated net asset value, which may adversely affect incoming or redeeming investors or remaining investors.

***Other risks arising from the Trust's investment strategy***

*Risks relating to Market Events*

The credit markets are currently experiencing a liquidity crisis which introduces a variety of risks to the Trust. Such risks include, among others, difficulty in arranging debt finance on favourable terms, or at all, (i) for the Trust in connection with acquiring or re-financing investments, and (ii) for potential purchasers in connection with acquiring investments from the Trust. Each of these risks could materially adversely affect investors in the Trust, in that the acquisition, re-finance or disposal of investments may be completed on less favourable terms to the Trust than would otherwise have been the case, or may not complete at all, potentially causing poorer Fund performance. It is not known at this time when the current liquidity crisis will ease and there can be no assurance that a similar crisis will not occur at a later date during the term of the Trust.

*Emerging Market Risks*

Investment in instruments of emerging markets countries involve certain considerations not usually associated with investing in developed countries. These include:

- more frequent currency devaluations;
- political uncertainty and instability;
- higher rates of inflation;
- less government supervision and regulation of financial markets and the participants of those markets;
- controls on foreign investments and limitations on repatriation of invested capital and on the ability to exchange local currency for US dollars;
- greater price volatility, substantially less liquidity and significant smaller market capitalisation of financial markets;
- the risk of nationalisation or expropriation of assets or confiscatory taxation;
- the difference in, or lack of, auditing and financial reporting standards, which may result in unavailability of material information about issuers; and
- the risk that it may be more difficult to obtain and/or enforce a judgment in a court in an emerging market country.

*Contingent Liabilities on Dispositions*

In connection with the disposition of an investment, the Trust may be required to make warranties and/or representations about the business and financial affairs of the investment typical of those made in connection with the sale of any business. The Trust may also be required to indemnify the purchasers of such investment to the extent that any such representation turns out to be inaccurate, or for other matters. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the investors making contributions to the Trust out of previous distributions from the Trust.

*Currency risk and hedging*

The base currency of the Global GoalStandard class funds will be US$ or GBP, and although it is intended that most (if not all) of the Trust's investments will be denominated in the same currency, some of them may be denominated in other currencies. Investors may therefore be exposed to currency exchange rate fluctuations. In addition, the Trust may (but shall not be obliged to) enter into transactions to hedge currency and interest rate risk. However, there can be no assurance that such hedging techniques will be successful. Such transactions have special risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by the Trust relating thereto. Although the transactions may reduce the Trust's exposure to currency and interest rate fluctuations, the costs associated with these arrangements may reduce the returns that the Trust would have otherwise achieved if these transactions were not entered into by the Trust.

Movements in the exchange rate between a class fund's base currency and the currency applicable to a particular investor may have an impact upon such investor's returns in their own currency of account.

*Follow-on Investments*

The Trust may be called upon to provide additional funding for its investments, and there can be no assurance that the Trust will have sufficient funds to do so. The inability of the Trust to make a follow-on investment may have a substantial negative impact on such investment.

*Management of Assets*

The Trust will rely on third party service providers that have extensive experience in the day-to-day operations of its investments. Consequently, the operational success of such business will be dependent on the continued efforts of such service providers. The loss of key personnel, or the inability to retain or replace qualified employees, could have an adverse effect on the Trust's business. There may be a limited number of service providers with the expertise necessary to successfully maintain and operate investments.

*Bank Risk*

Although it is the intention that the Trust should be substantially invested at all times and notwithstanding that the Manager and the Trustee will take all reasonable steps to ensure that any cash belonging to the Trust (whether held in the name of the Trust or the Manager) is deposited with robust and secure financial institutions, there remains the risk that one or more financial institutions could fail and that, as a result, the Trust might lose some or all of the cash lodged with the relevant financial institution or institutions.

***Risks arising from the Trust's other terms***

*No Right to Control Operations; Reliance on the Trustee and Manager*

Investors will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Trust. Investors must rely entirely on the Manager and the Trustee to conduct and manage the affairs of the Trust, with advice from the Manager. The Trust's success will to a significant extent depend upon the skill and expertise of the Manager and there can be no assurance that key individuals will continue to be employed by the Manager or to be involved in activities on behalf of the Trust. Loss of key personnel could have a materially adverse effect on the potential performance of the Trust.

*Lack of separate representation*

The same legal counsel may from time to time represent the Manager and the Trustee. Such legal counsel does not represent the investors.

***Other Risks***

*Tax Risks*

The operation of the Trust will be substantially driven by a wide range of legal and fiscal requirements and regulations. To ensure compliance with regulations and laws which affect one group of investors, the Manager or the Trustee may, acting reasonably and in good faith, take actions or omit to take actions which ensure compliance with a particular set of regulations and/or laws. Such actions or omissions may have an adverse effect on certain other investors as regards their own taxation position.

While it is intended to structure the Trust's investments in a manner that achieves each class fund's investment objectives, there can be no guarantee that the structure of any investment will be tax efficient for a particular investor or that any particular tax result will be achieved.

If the Trust makes an investment in a jurisdiction, the Trust or the investors may be subject to income or other tax in that jurisdiction. Additionally, withholding taxes or branch taxes may be imposed on earnings of the Trust from investments in such jurisdiction. In addition, local tax incurred in a jurisdiction by the Trust or vehicles through which it invests may not entitle investors to either (i) a credit against tax that may be owed in their respective home jurisdictions, or (ii) a deduction against income taxable in such home jurisdictions by the investors.

Investors may, depending on their circumstances, be liable to tax on capital gains on their apportioned share of gain arising on the disposal of the underlying assets held for the Trust whether or not such gains are distributed to investors. In particular, the exchange of units in one class fund for units in another class fund may in some jurisdictions be a realisation for the purposes of capital gains taxation.

Investors should review the "Taxation" section of this prospectus, which provides an overview of other significant tax risks and implications that may arise from an investment in the Trust.

*Diverse Membership*

The investors may have conflicting investment, tax and other interests with respect to their investments in the Trust. The conflicting interests of individual investors may relate to or arise from, amongst other things, the nature of the investments made by the Trust, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with the decision made by the Manager, including with respect to the nature of structuring of investments, that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for each class fund, the Manager will consider the investment and tax objectives of the class fund and its investors as a whole, not the investment, tax or other objectives of any particular investor individually.

*Changes in Tax and Regulatory Regimes*

Changes in tax legislation, administrative practices or understandings in any of the countries in which the Trust invests or in which an investor in the Trust resides, or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Trust.

The regulatory considerations affecting the ability of the Trust to achieve its investment objective are subject to change. Regulatory changes could occur during the term of the Trust that may adversely affect the Trust.

**How to buy units**

**Applications**

Investors buying units for the first time should complete the application form, a copy of which is available at www.stanlib.com or from the Distributor. Subsequent purchases of units can be made by transaction authority and sent to the Distributor or Manager by letter, fax or email (subject to the relevant indemnity being in place).

Purchase instructions will only be fulfilled upon notification of receipt of cleared monies (see section entitled 'Settlement' below).

By making an application, investors acknowledge that measures under the Proceeds of Crime (Jersey) Law 1999 and the Money Laundering (Jersey) Order 2008 are aimed towards the prevention and detection of money laundering and the financing of terrorism and require investors to verify their identity. Applications for units will not be processed until the Distributor or the Manager (as applicable) has been provided with all information and documentation requested in that regard.

Units in all class funds will be valued at 23:59 (GMT) on each business day on which the Manager is open for business for the full normal business hours (the **"Valuation Point"**), except when there is a suspension of issue of units.

In the case of all class funds, applications, together with cleared monies, received by the Manager prior to 14:30 on any business day will normally be processed on the following business day.

Applications received later than the relevant specified time will be held over and processed at the next business day.

Investors should note that there are occasions when a business day elsewhere in the world is not a business day on the Island of Jersey. In these instances, orders will be processed on the next Island of Jersey business day.

**Price**

There is a single price for each class for buying, selling and switching units which represents the net asset value per unit of the relevant class. Prices of units are calculated daily using the forward pricing method. A sales charge (initial fee) is added in the case of purchases and a switch charge, (where appropriate), in the case of switches, details of which are set out on pages 29 and 30. The Manager determines the net asset value every dealing day in accordance with the Trust Instrument and the class rules for the applicable class fund. These are described below in the sections on 'Valuation Procedure' and 'Class Fund Details'.

The number of units issued is rounded to the nearest one thousandth of a unit.

Unit prices are obtainable from the Distributor, the Manager and on the following website: www.stanlib.com

**Minimum investment**

***Class Funds other than the Global GoalStandard class funds***

The minimum investment in the sub-classes A, B1 and B5 is normally US$2,500 or its equivalent in other currencies. The minimum investment in the B2 and X sub-classes is US$100,000. The minimum subsequent investment for all sub-classes is US$1,000 or its equivalent in other currencies.

The Manager may at its discretion waive this amount and from time to time accept subsequent investments below US$1,000, but this needs to be agreed in advance by the Manager.

***The Global GoalStandard class funds***

The minimum investment in the sub-class B1 of each class fund is normally £2,500 (for a GBP-denominated class fund) or US$2,500 (for a USD-denominated class fund). The minimum investment in the sub-class B2 of each class fund is normally US$2,500 (for a USD-denominated class fund). The minimum investment in the B3 sub-class is £20,000 or US$20,000 for a USD-denominated class fund. The minimum investment in the sub-class B4 of each class fund is normally US$2,500 (for a USD-denominated class fund). The minimum subsequent investment for all sub-classes is £1,000 or US$1,000 for a USD-denominated class fund.

The Manager may at its discretion waive this amount and from time to time accept lower minimum and subsequent investment amounts, but this needs to be agreed in advance by the Manager.

**Currencies**
Settlement must be made in the relevant class fund's base currency. Investors may place orders in South African rand through the Distributor and the Distributor will carry out the foreign exchange transaction to the relevant class fund's base currency, but this must be agreed by the Manager in advance.

**Settlement**
Settlement should be made by electronic bank transfer net of all bank charges. Payment should be made to the bank account published or advised by the Distributor or the Manager for the currency of settlement. The application form details the bank accounts and can be obtained at http://www.stanlib.com. Please note that it is not the policy of the Manager to accept third party payments.

Where the payment method does not result in the immediate receipt of cleared funds, the application will not be processed until cleared monies and relevant documents are received, unless agreed in advance by the Manager.

**Contract notes/Statement of Activity**
Contract notes/Statement of Activity setting out the details of each transaction will normally be issued by post within two business days after the deal has been processed. Contract notes/Statement of Activity may be despatched by email in order to avoid postal delays and possible interception, or when requested by unit holders.

**Form of class units**
Units are only available in registered form. Registered units will be held in a registered account, established in the name of the beneficial owner or the owner's nominee, without the issue of a certificate.

**How to sell units**

**Instructions to repurchase**
Instructions for the Manager to repurchase units may be made in the form of a transaction authority, letter, fax or email (subject to the relevant indemnity being in place), addressed to the Distributor or the Manager, and must be signed by the relevant unit holder(s) and contain full details of registration, name(s) of class(es)/class fund(s), settlement currency and the number or value of units to be repurchased. Subject as stated below, the Manager will be available to receive redemption requests during ordinary business hours (being 9.00 – 17.00 (GMT)) on each business day.

In the case of all class funds, instructions received by the Manager prior to 14.30 (GMT) on any business day will normally be processed on the following business day.

Investors may not withdraw notices to repurchase units without the consent of the Manager.

The proceeds of the redemption will normally be transferred to the client's personal bank account by electronic transfer, for which the client is charged separately. Please note that it is not the policy of the Manager to make third party payments. The Manager's standard charge at this time for an electronic bank transfer is up to a maximum of £25 or currency equivalent. Other correspondent bank charges may be deducted.

In the case of the class funds other than the Global GoalStandard class funds, the minimum value of the remaining units in the A and B1 Classes must amount to at least US$2,500, or its equivalent in another currency, and US$100,000 in the B2 or X Class. In relation to the Global GoalStandard class funds, the minimum value of the remaining units in the: (i) B1 classes must amount to at least £2,500 or US$2,500 for a USD-denominated class fund, (ii) B2 classes must amount to at least US$2,500, (iii) B3 classes must amount to at least £20,000 or US$20,000 for a USD-denominated class fund, and (iv) B4 classes must amount to at least US$2,500.

Should a holding fall below the relevant minimum amount for any reason other than market movement, then the Manager may redeem the residual balance and transfer the proceeds to the investors' nominated bank account on record. The Manager may at its discretion waive this amount and from time to time allow holdings that fall below the minimum investment amount, but this needs to be agreed in advance by the Manager.

Where the Manager receives instructions from unit holders to repurchase in aggregate more than 10% of the total number of units of any class on any one dealing day it can elect either to:

(a) scale down the necessary number of units to be repurchased to keep within this limit provided it carries forward the balance of repurchase instructions to the next available dealing day until all instructions have been carried out in order of priority; or
(b) repurchase the units at a certain price calculated in accordance with the provisions of the Trust Instrument.

Where the Manager cannot calculate the above mentioned proportions in an exact manner it may make certain adjustments as the Trust Instrument allows to ensure that the amount payable to each unit holder is as near as if exact calculations have been made.

Units in a class will not be repurchased during any period when the valuation of the net asset value of that class has been suspended.

Investors should note that there are occasions when a business day elsewhere in the world is not a business day in the Island of Jersey and South Africa. In these instances, orders will be processed on the next business day in those jurisdictions.

**Price**
Units will be repurchased at the single price determined by the Manager in accordance with the Trust Instrument and class rules.

**Settlement**
Settlement will be made by electronic bank transfer in the currency of denomination of the relevant class fund. Payment on repurchased units will normally be made within 7 business days of receipt of the proper documentation.

Payments may be made in other currencies acceptable to the Manager if requested by the unit holder at the time of the repurchase instruction.

Settlement amounts will be subject to bank charges as detailed above.

**Contract notes**
Contract notes setting out the details of each transaction will normally be issued by post within two business days after the deal has been processed. Contract notes may be despatched by email in order to avoid postal delays and possible interception, or when requested by unit holders.

**How to switch between funds**

**Procedure**
Investors can easily switch between classes/class funds in the Trust whose class rules allow for switching, and subject to meeting any relevant eligibility criteria, to take advantage of different market conditions. Instructions to switch units must be addressed to the Distributor or the Manager and may be made in the form of a transaction authority, fax, letter or email (subject to the relevant indemnity being in place). Instructions should include full account details together with the number or value of units to be converted between the specified funds. Instructions received by the Manager prior to 14.30 (GMT) on any business day will normally be processed on the following business day. Instructions received later than the specified time will be held over and processed at the next Valuation Point, normally on the following business day. Applicants may not withdraw notices to switch without the consent of the Manager.

**Amounts to be switched**
Unit holders may switch no less than the minimum amount (as set out above) as an initial investment into a class and must retain at least the minimum amount in other classes in which they are invested. The minimum amount that may be switched between existing holdings in the classes is £1,000 or US$1,000 (as applicable in each case).

The Manager may at its discretion waive this amount and from time to time allow switches that fall below the minimum amount, but this needs to be agreed in advance by the Manager.

**Price**
Switch instructions received by the Manager before 14.30 (GMT) on any business day will be processed at the single prices determined at the next possible valuation of the classes involved. A switch fee may be levied. Investors should refer to pages 29 and 30 for details. The switch fee incorporates the initial fee for switches from currency funds to equity, balanced, property and bond funds for the first time.

The exchange rate to be applied where the prices of the relevant funds are denominated in different currencies will be the exchange rate applicable for unit purchases on the next business day following the dealing day. The number of units will be rounded to the nearest one thousandth of a unit.

A unit holder who switches units from one class to another has no right by law to reverse the transaction except by a subsequent transaction.

**Conversion**
The number of units to be issued in the class into which the investment has been switched (the "**new class**") will be determined according to the following formula:

$$A = \frac{B \times C \times D}{E + F}$$

Where

A is the number of units of the new class
B is the number of units in the original class to be switched
C is the price of a unit of the original class on the dealing day the switch takes place
D is the currency conversion factor if the switch is between classes denominated in different currencies
E is the price of a unit in the new class on the dealing day the switch takes place
F is the switching charge determined in accordance with the class rules covering the classes involved in the switch.

**Contract notes/Statement of Activity**
Contract notes/Statement of Activity setting out the details of each transaction will normally be issued by post within two business days after the deal has been processed. Contract notes/Statement of Activity may be despatched by email in order to avoid postal delays and possible interception, or when requested by unit holders.

**Valuation procedure**
The net asset value of a class fund is determined by the Manager each dealing day in the currency of denomination at the times prescribed in the class rules applicable to that class fund. The net asset value per unit is determined by dividing the market value of all the assets held for the relevant class fund less the liabilities attributable to that class fund by the number of units in that class fund in issue. Valuation rules and procedures shall apply separately to the assets and liabilities of each class forming part of a class fund, where applicable.

Assets are valued in accordance with the provisions of the Trust Instrument as summarised below.

(a) Securities traded on an investment exchange which are priced on a bid/offer spread basis are valued at the middle market price at the time when the valuation is carried out.

(b) Securities traded on an investment exchange which are priced on a single price basis are valued at the latest available market price at the time when the valuation is carried out.
(c) Certificates of deposit, acceptances, bills and similar securities are valued at middle market prices.
(d) Cash, deposits and similar securities are valued at their principal amount plus accrued interest from the date of acquisition.
(e) All other assets are valued at a fair value as determined by the Manager with the approval of the Trustee from time to time.

In calculating the net asset value, the Manager may provide for any purchase, fiscal or other charges that would have been incurred had all the assets of the relevant class fund been bought or sold at that time.

The Trust Instrument provides that the Manager may, subject to monitoring by the Trustee, carry out a special valuation of the net assets and calculation of the price of units on any dealing day in respect of any class fund if, in the view of the Manager, circumstances merit such a calculation. In such event, the specially calculated prices and valuation shall apply for all relevant purposes on that dealing day.

The number of units to which an investor is entitled in return for a given value of investment depends on the price of the units.

**Dilution levy**
A class fund may suffer dilution (reduction) in its net asset value as a result of the costs incurred in dealing in its underlying investments and any spread between the buying and selling prices of such investments. To counter this, the Manager may apply a Dilution Levy (as defined in the Trust Instrument) as an adjustment to the single price on the creation or sale and/or on the cancellation or repurchase of a unit. It must be imposed in a manner that is, so far as practicable, fair to all unit holders and potential unit holders. Where a dilution levy is deducted by the Manager from the dealing price on the repurchase of a unit, the holder submitting the unit for repurchase shall be entitled to receive only the net amount after such dilution levy has been deducted from the dealing price.

The dilution levy must be paid to the Trustee to become part of the assets of the class fund.

**Distributions**

The class funds are accumulating funds and do not distribute income. The net income of a class fund contributes to an increase in its net asset value.

**Management and administration**

**Manager**
The Manager, STANLIB Fund Managers Jersey Limited, is a company incorporated with limited liability in Jersey on 30 November 1984. It has an issued and paid up share capital of £25,000. The Manager is 100% owned by STANLIB Limited, which is wholly owned by STANLIB Limited, which is wholly owned by Liberty Holdings Limited, which is wholly owned by Standard Bank Group Limited, a company incorporated in the Republic of South Africa with its registered office at 5 Simmonds Street, Johannesburg, Republic of South Africa. The Manager's principal business activity is acting as manager to certain Jersey collective investment funds.

Under the terms of the Trust Instrument, the Manager is responsible for managing the investments of the funds. The Trustee may remove the Manager in certain circumstances detailed in the Trust Instrument. These include if the Trustee believes that a change of manager is desirable in the interests of unit holders, in which case the removal may in certain circumstances be subject to approval by the unit holders. The Manager has the power to retire in favour of another company approved by the Trustee. A resolution of unit holders is required to approve the appointment of a new manager unless the terms of appointment of the new manager do not differ materially from the terms of appointment of the retiring Manager, or the Trustee and the retiring Manager agree that such appointment does not prejudice the interests of unit holders.

The Manager is responsible for the periodic calculation of the net asset value of units in each class fund, administering the issue, redemption and switching of units and the general administration of the class funds.

The Manager is entitled to receive a monthly management fee from each class fund, details of which are given under the heading 'Charges and Expenses' below.

The Manager has taken out appropriate professional indemnity insurance cover against liability resulting from the carrying out of its functions in relation to the Trust. In addition, the Manager may have recourse to its own funds to meet such liability.

The registered office of the Manager is the Manager's address stated in the 'Directory' section of this prospectus.

The Manager also carries out the function of registrar.

The directors of the Manager are as follows:

- Matthew Scriven.
- Derrick Msibi.
- Mickey Gambale.
- Neil Deacon.

None of the directors of the Manager have any significant activities not connected with the business of the Trust and the Manager, save for Neil Deacon, details for whom are as follows:

**Neil Deacon:** Mr Deacon has over twenty years of financial services experience. He is a Chartered Fellow of the Chartered Institute for Securities and Investment. He has worked for Ogier Group LP (1996 – 1999), Morgan Stanley Quilter (1999 – 2001) and Collins Stewart C.I. Ltd. (2001 – 2008), is the proprietor of Deacon Independent Governance (2008 to date) and has acted as an adviser to RBS Coutts Channel Islands (2010 – 2011) and Standard Bank Jersey Limited (2011 – 2012). He has experience as a stockbroker, and has performed asset management roles with two hedge funds, and a fund of hedge funds. He has held risk management positions in both wealth and fund management businesses, and has provided compliance advice to fund boards. He is chairman of the board of STANLIB Fund Managers Jersey Limited, and a non-executive director of STANLIB Funds Limited. He is a non-executive director of a hedge fund managed account platform based in Guernsey, and of the general partner of a number of limited partnerships which invest in asset-backed situations. He is regulated as a director (in a personal capacity) by the Jersey Financial Services Commission.

The Manager may delegate its investment management functions in accordance with the terms of the Trust Instrument. The Manager has appointed the Investment Manager (as defined below), which is associated with the Manager, as investment manager to the class funds of the Trust other than the Global GoalStandard class funds (in relation to which the Manager retains the investment management function).

Certain administrative and support functions will be undertaken on behalf of the Manager by STANLIB Multi-Manager Limited, whose registration number is 1999/012566/06 and whose registered office is situated at 17 Melrose Boulevard, Melrose Arch, Johannesburg, South Africa.

The Manager has appointed Silica Administration Services Proprietary Limited of 128 Peter Road, Sandton, South Africa to provide certain transfer agency services to the Trust. Additionally, BNY Mellon Fund Services (Ireland) Designated Activity Company of Riverside Two, Sir John Rogerson’s Quay, Grand Canal Dock, Dublin 2, Ireland provides services as an administrative agent in relation to the Trust.

**Promoter and Investment Manager**

STANLIB Asset Management (Pty) Limited (the "**Investment Manager**") has been appointed as investment manager to provide discretionary investment management services in respect of each of the class funds of the Trust other than the Global GoalStandard class funds (in relation to which the Manager retains the investment management function) pursuant to an amended and restated agreement dated 7 August 2018 between (among

others) the Manager, the Investment Manager and the Trustee (the "**IMA**"). The exercise by the Investment Manager of its duties and discretions under the IMA is expressed to be subject to the supervision and discretion of the Trustee. The IMA provides that, subject to such supervision (and the provisions of the class rules of the relevant class funds), the Investment Manager has the authority to, inter alia, purchase, sell and invest in investments for the accounts of the relevant class funds and to enter into all such agreements as may, in its opinion, be necessary or advisable in this regard. The IMA contains provisions indemnifying and exempting the Investment Manager from liability to the extent that there has not been a breach of duty (namely, fraud, bad faith, negligence, or wilful default on the part of the Investment Manager). The IMA may be terminated, inter alia, by the Manager, the Trustee or the Investment Manager on three months' notice (to expire no earlier than the first anniversary of the IMA having been entered into, in the case of such notice being given by the Investment Manager). In certain circumstances, the Investment Manager may delegate the whole or any part of its functions to other parties with the prior approval of both the Manager and the Trustee.

The Investment Manager is a limited liability company incorporated in South Africa on 25th February 1969 having an authorised share capital of R1,000,000 (one million ordinary Shares of one Rand each) and issued share capital of R600,100 (six hundred thousand one hundred Rand). STANLIB is a wholly owned subsidiary of Liberty Holdings Limited, which is wholly owned by Standard Bank Group Limited, which is listed on the Johannesburg Stock Exchange.

As the driving force behind the Trust, the Investment Manager is considered the Trust's promoter under the policy on promoters of public and private collective investment funds issued by the Jersey Financial Services Commission. The principal business activity of the Investment Manager is the management of separate client focused equity, fixed income and balanced portfolios and mutual funds for its clients.

**Trustee**

Apex Financial Services (Corporate) Limited (formerly known as Link Corporate Services (Jersey) Limited) is the trustee (and custodian) of all the class funds constituted in terms of the Trust.

The Trustee was incorporated in Jersey on the 28 April 1956 with limited liability under the Companies (Jersey) Law 1991, as amended. The ultimate holding company of the Trustee is Apex Group Ltd, a company incorporated in Bermuda, whose registered office is at 20 Reid Street, 3rd Floor Williams House, Hamilton, HM11, Bermuda.

The Trustee has an authorised, issued and fully paid-up share capital of 53,975 shares divided into 50 000 shares of £1 each issued at par and 3,975 shares of £1 each issued at the price of £1,000.

The principal business activity of the Trustee is that of acting as trustee and custodian to collective investment funds. The directors of the Trustee and those significant activities of the directors not connected with the Trust and the Trustee are as follows:

***Paul Horton***

As a Director within Apex's Corporate solutions department in Jersey, Paul heads up the Fund Custody department. He has responsibility for a broad range of clients ranging from Jersey Recognised, Expert, Listed and Unclassified funds through to overseas regulated non-domiciled funds.

Paul has been at Apex since 1989 and was appointed to the board of Apex Financial Services (Corporate) Limited in February 2014. Paul has held a number of key person roles including those of acting as a Director of Apex's offshore share registration business as well as being appointed the Compliance Officer and Money Laundering Reporting Officer to the wider Jersey business.

***Stephen Reilly***

Stephen Reilly is Managing Director, Corporate Solutions, Apex Jersey. Prior to joining Apex, Stephen spent 30 years with RBS Group, initially working for the Investment Banking in the UK, where he was responsible for

managing a large portfolio of Institutional clients service their foreign exchange and interest rate risk management needs.

Stephen joined RBS International in Jersey in 2003, where he led the Bank's Financial Markets business across Jersey, Guernsey, Isle of Man and Gibraltar. Prior to leaving RBS International in 2019 Stephen led the banks' Corporate Banking & Financial Markets business, was an Executive Director of RBS International (Holdings) Limited and RBS International Limited.

Stephen is a Chartered Banker, has an MBA from the University of Edinburgh and is a qualified Director.

***Jamie McIntosh***

Jamie joined Apex in December 2014 as Head of Treasury Services and was appointed to the board of Apex Financial Services (Corporate) Limited in February 2017. Jamie's principal role is to support client directors and our clients in Treasury, cash management and foreign exchange activities. This also involves acting as the main relationship point for Apex with numerous banks and financial institutions.

Jamie has over 20 years banking experience having worked for several global institutions both in Jersey and in London and has over 12 years' experience in structuring credit facilities having worked on several MBO's and wider structured credit solutions. More latterly Jamie's banking experience has involved structuring liquidity facilities for clients whilst working to implement more practical solutions against the backdrop of the changing bank, regulatory environment, including Basel III and bank ring-fencing.

The Trustee was appointed by the Manager to act as trustee of the Trust in place of Standard Bank Trust Company (Jersey) Limited (the former trustee and the former custodian) pursuant to an Instrument of Appointment and Retirement dated 16 May 2000. The Trustee also acts as custodian of the Trust.

The Trustee may delegate certain duties as trustee and/or custodian to third parties. The Trustee has appointed The Bank of New York Mellon, London Branch ("**BNY**") of The Bank of New York Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA, United Kingdom as sub-custodian of the Trust, to undertake certain safe-keeping and other duties.

The Trustee is responsible for the fiduciary duties of the Trust. The Trustee is the holder of a registration certificate issued under Article 9 of the Financial Services (Jersey) Law 1998, as amended (the "**FS(J)L**").

**Distributors and Representative**

***Distributor***

STANLIB Collective Investments (RF) Proprietary Limited acts as distributor to all of the class funds in South Africa, and the class funds other than the Global GoalStandard class funds in all other relevant jurisdictions, pursuant to a distribution agreement made between it and the Manager (in its own capacity and as manager of the Trust) dated 7 August 2018 (the "**Distribution Agreement**"). Its duties include canvassing investments, marketing and distribution activities and making appropriate regulatory notifications. Its fees are paid directly by the Manager from its management fee. Either party may terminate the Distribution Agreement upon a material breach of that agreement (if such breach is not remedied within fourteen days of receipt of a notice detailing the breach), upon the other party being placed into liquidation or otherwise upon sixty days' written notice.

***Distributor in relation to the Global GoalStandard class funds (in all jurisdictions other than South Africa)***

The Manager has appointed SBJL (formerly, Standard Bank International Investments Limited) pursuant to a distribution agreement made between it and the Manager (in its own capacity and as manager of the Trust) dated 11 February 2019 (the "**SBJL Distribution Agreement**"). SBJL's duties include canvassing investments, marketing and distribution activities and making appropriate regulatory notifications in jursidctions other than South Africa, and its fees are paid directly by the Manager from its management fee. Either party may terminate the SBJL Distribution Agreement upon a material breach of that agreement (if such breach is not remedied within

fourteen business days of receipt of a notice detailing the breach), upon the other party being placed into liquidation or otherwise upon sixty days' written notice.

SBJL is incorporated in Jersey and registered under the FS(J)L. SBJL has an authorised share capital of GBP 100,000,000 (One hundred million) divided into 100,000,000 shares of GBP 1.00 each, with 36,300,001 shares issued and fully paid up. SBJL is a wholly owned subsidiary of Standard Bank Offshore Group Limited. SBJL is a member of the same group of companies as the Manager and its ultimate holding company is also Standard Bank Group Limited, but SBJL is not controlled by the Manager nor does it control the Manager.

**Representative in South Africa**

STANLIB Collective Investments (RF) Proprietary Limited acts as the Trust's local representative in South Africa, to ensure that the Trust complies with certain South African legal requirements and the regulatory requirements of the Financial Services Conduct Authority of South Africa. A representative agreement has been entered into between STANLIB Collective Investments (RF) Proprietary Limited, the Manager (in its own capacity and as manager of the Trust) and certain other funds for which it acts as representative (the "**Representative Agreement**"). Any fees charged by the Representative will be paid directly by the relevant class funds, (currently, no such fees are charged, although the Representative may charge reasonable expenses incurred by it in connection with the performance of its duties under the Representative Agreement). The Representative Agreement is dated 7 August 2018 and the terms of the Distribution Agreement referred to above apply equally to the Representative Agreement.

**Charges and expenses**

Save where otherwise specified in this Prospectus, all initial and ongoing fees, expenses and other costs associated with a class fund or category of class funds shall be borne solely by such class fund(s) and not by the Trust generally.

**Manager**
The Manager receives a management fee calculated as a percentage of the daily net asset value and is paid monthly in arrears.

The management fee for the class funds which consist of a single class of units, and the A class of units in the case of multi-class class funds, is currently as follows:

| | |
|---|---|
| **Equity** | |
| STANLIB European Equity Fund (EUR) | 1.20% per annum |
| STANLIB Global Equity Fund (USD) | 1.10% per annum |
| STANLIB Global Emerging Markets Fund (USD) | 1.20% per annum |
| **Bond** | |
| STANLIB Global Bond Fund (USD) | 0.90% per annum |
| **Currency** | |
| STANLIB Euro Cash Fund (EUR) | 0.50% per annum |
| STANLIB Sterling Cash Fund (GBP) | 0.50% per annum |
| STANLIB US Dollar Cash Fund (USD) | 0.50% per annum |
| **Balanced** | |
| STANLIB Global Balanced Fund (USD) | 1.10% per annum |
| STANLIB Global Balanced Cautious Fund (USD) | 1.10% per annum |
| **Property** | |
| STANLIB Global Property Fund (USD) | 1.10% per annum |

**Multi-Manager**

| | |
|---|---|
| STANLIB Multi-Manager Global Equity Fund (USD) | 0.90% per annum |
| STANLIB Multi-Manager Global Bond Fund (USD) | 0.65% per annum |

**STANLIB Global class funds**

| | |
|---|---|
| STANLIB Global Growth Fund (USD) | 1.10% per annum |
| STANLIB Global Multi-Strategy Diversified Growth Fund (USD) | 1.10% per annum |

The Manager pays trail commissions out of these fees to approved brokers and agents.

The management fees payable in respect of the B1 and B5 classes shall not exceed 2% per annum. Where a B2, X or other wholesale class has been established, the management fees payable for that class shall not exceed 1% per annum.

In respect of the class funds which invest in sub-funds of Fidelity Funds, JPMorgan Funds or STANLIB Funds Limited, the combined annual management fee that is charged to unit holders by the Manager, including the annual management fee already borne and deducted from the performance of underlying funds, is limited to 3% per annum

**Global GoalStandard class funds**

The management fee per annum for the Global GoalStandard class funds (excluding VAT and any ongoing advice fee agreed upon between the investors and their advisers) is currently as follows:

| ***Class Fund*** | ***B1 class*** | ***B2 class*** | ***B3 class*** | ***B4 class*** |
|---|---|---|---|---|
| Standard Bank Global GoalConserver Fund of Funds (USD) | 1.10% | Not exceeding 1% | 0.95% | Not exceeding 1.5% |
| Standard Bank Global GoalConserver Fund of Funds (GBP) | 1.10% | (N/A) | 0.95% | (N/A) |
| Standard Bank Global GoalBuilder Fund of Funds (USD) | 1.20% | Not exceeding 1% | 1.05% | Not exceeding 1.5% |
| Standard Bank Global GoalBuilder Fund of Funds (GBP) | 1.20% | (N/A) | 1.05% | (N/A) |
| Standard Bank Global GoalAdvancer Fund of Funds (USD) | 1.30% | Not exceeding 1% | 1.15% | Not exceeding 1.5% |
| Standard Bank Global GoalAdvancer Fund of Funds (GBP) | 1.30% | (N/A) | 1.15% | (N/A) |

No initial fees are charged by the Manager. Please note that investors may need to pay their advisers an initial advice fee of up to 3% (although this is a matter of negotiation between the investor and adviser in each case), which will be deducted from the initial amount invested. Ongoing advice fees of such advisers are facilitated by unit redemptions, as agreed between the unit holder and the adviser from time to time; these are subject to a limit of 1.00% per annum of daily net asset value of the affected units.

No performance fee will be charged in relation to the Global GoalStandard class funds.

**Investment Manager**
The Investment Manager shall be paid such fee as may be agreed between the Manager and the Investment Manager from time to time, which fee shall be paid from the above-mentioned management fees paid to the Manager relating to each class fund in respect of which the Investment Manager is appointed.

**Trustee**
The Trustee receives a fee of US$60,000 per annum.

The Trustee will be paid a further fee at the following rates in respect of its role as custodian, subject to an overall minimum fee of US$50,000 per annum (the "**Minimum Fee**"):

1. Where the total value of the Trust's assets in respect of a class fund is less than US$50 million, 0.035% per annum of the net asset value of that class fund.
2. Where the total value of the Trust's assets in respect of a class fund is US$50 million or more but less than US$100 million:
   a. 0.035% per annum on any and all amounts up to US$50 million of the net asset value of that class fund; and
   b. 0.025% per annum on any and all amounts above US$50 million of the net asset value of that class fund but only up to US$100 million.
3. Where the total value of the Trust's assets in respect of a class fund is US$100 million or more but less than US$500 million:
   a. 0.035% per annum on any and all amounts up to US$50 million of the net asset value of that class fund;
   b. 0.025% per annum on any and all amounts above US$50 million of the net asset value of that class fund but only up to US$100 million; and
   c. 0.010% per annum on any and all amounts above US$100 million of the net asset value of that class fund but only up to US$500 million.
4. Where the total value of the Trust's assets in respect of a class fund is US$500 million or more:
   a. 0.035% per annum on any and all amounts up to US$50 million of the net asset value of that class fund;
   b. 0.025% per annum on any and all amounts above US$50 million of the net asset value of that class fund but only up to US$100 million;
   c. 0.010% per annum on any and all amounts above US$100 million of the net asset value of that class fund but only up to US$500 million; and
   d. 0.005% per annum on any and all amounts above US$500 million of the net asset value of each class fund.

Such fees shall accrue daily and shall be payable to the Trustee by monthly payments in arrears becoming due on the first business day of each month in respect of the preceding month. The Minimum Fee shall increase in accordance with the Jersey Retail Price Index applicable on each anniversary of the agreement by virtue of which such fees were agreed.

The Trustee shall be entitled to charge the Trust on a time-spent basis for any work undertaken by it (including extraordinary visits to service providers) deemed by the Trustee (acting reasonably) to be necessary as a result of any breaches of the constitutional documents or prospectus of the Trust.

The Trustee is also entitled to be reimbursed out of the class funds for charges and transaction fees levied on it by any sub-custodian (including BNY) which shall be at rates which have been negotiated on an arm's length basis or are otherwise on commercial terms. Sub-custodians may apply global transaction and safekeeping fees based on individual country fees together with non-resident alien and reporting fees in respect of, respectively, income paid by USA incorporated companies and certain US beneficial owner accounts held with the sub-custodian. The Trustee is entitled to be reimbursed out of the class funds for out-of-pocket expenses, and any sub-custodian fees (which will be at normal commercial rates).

No increase in the rate of fees of the Manager or Trustee may be made without three months' prior notice to unit holders.

**Initial fee and switch of units**

| Initial fee | Switches between funds |
|---|---|
| Equity funds 3.0% | 1.0% equity to equity funds<br>1.0% equity to balanced funds<br>1.0% equity to bond funds<br>0.0% equity to currency funds<br>1.0% equity to property funds<br>1.0% equity to multi-manager funds<br>0.00% to global goalstandard funds*<br>0.00% to STANLIB Global funds* |
| Balanced funds 3.0% | 1.0% balanced to equity funds<br>1.0% balanced to balanced funds<br>1.0% balanced to bond funds<br>0.0% balanced to currency funds<br>1.0% balanced to property funds<br>1.0% balanced to multi-manager funds<br>0.00% to global goalstandard funds*<br>0.00% to STANLIB Global funds* |
| Bond funds 3.0% | 1.0% bond to equity funds<br>1.0% bond to balanced funds<br>0.0% bond to currency funds<br>1.0% bond to property funds<br>1.0% bond to multi-manager funds<br>0.00% to global goalstandard funds*<br>0.00% to STANLIB Global funds* |
| Currency funds 1.0% | 1.0% currency to equity funds<br>1.0% currency to balanced funds<br>1.0% currency to bond funds<br>0.0% currency to currency funds<br>1.0% currency to property funds<br>1.0% currency to multi-manager funds<br>0.00% to global goalstandard funds*<br>0.00% to STANLIB Global funds* |
| Property funds 3.0% | 1.0% property to equity funds<br>1.0% property to balanced funds<br>1.0% property to bond funds<br>0.0% property to currency funds<br>1.0% property to multi-manager funds<br>0.00% to global goalstandard funds*<br>0.00% to STANLIB Global funds* |
| Multi Manager Funds 3.0% | 1.0% multi-manager to equity funds<br>1.0% multi-manager to balanced funds<br>1.0% multi-manager to bond funds<br>0.0% multi-manager to currency funds<br>1.0% multi-manager to property funds<br>1.0% multi-manager to multi-manager funds<br>0.00% to global goalstandard funds*<br>0.00% to STANLIB Global funds* |

| | |
|---|---|
| Global GoalStandard class funds 3.0% | 0.00% global goalstandard funds to global goalstandard funds*<br>0.00% global goalstandard funds to any other category of class fund* |
| STANLIB Global class funds 3.0% | 1.0% STANLIB Global to equity funds<br>1.0% STANLIB Global to balanced funds<br>1.0% STANLIB Global to bond funds<br>0.0% STANLIB Global to currency funds<br>1.0% STANLIB Global to property funds<br>1.0% STANLIB Global to multi-manager funds<br>0.00% to global goalstandard funds* |

* Notwithstanding the above indicative fees, the Manager may agree fees of: (i) up to 1% in relation to switches between any other category of class fund and the Global GoalStandard class funds, and (ii) up to 3% in relation to switches to the STANLIB Global class funds from any other category of class fund, in its discretion.

The Manager may waive or reduce the above switching fees in its discretion, either generally or in any particular case.

The initial fee and the switch fee are expressed as a percentage of the gross amount invested (which is the total of the dealing price and the relevant fee). The Manager may pay commissions to financial intermediaries or institutions out of the initial or switch fee.

**Other expenses**

In addition to the Manager's and the Trustee's fees, various other costs and expenses are incurred by the Trust. These include audit fees, legal fees incurred by the Manager and Trustee in connection with the Trust, expenses reasonably and properly incurred by the Representative pursuant to the Representative Agreement, bank charges, stamp duty, fiscal and other charges on the purchase and sale of investments, registration and custodian fees on investments and other fees incidental to or incurred in relation to the registration, servicing and holding of investments or the documents of title thereto, interest on borrowings, income collection costs, taxation and expenses incurred in the determination or agreement thereof, costs of holding ballots and costs of price publication, costs of printing, preparation, publication, filing (as appropriate) and distribution of prospectuses, proxies, reports and statements, tax certificates (if any) and various other information, documents and communications, fees and charges of brokerage and transfer agents and the registrar, insurance charges, fees and charges incurred by the Manager and the Trustee in connection with the formation of the trust and launching additional class funds, the costs, charges, fees and expenses incurred in qualifying the Trust for the sale of units in any jurisdiction or for a listing on any exchange, the cost of advertising, the costs of calculating the net asset value, various fiscal charges, costs, fees and expenses arising in connection with the vesting of authorised investments in the Trustee in satisfaction of the dealing price and all day to day expenses of the Manager and the Trustee reasonably incurred in connection with the Trust including postage, telephone, fax and email costs. Costs and expenses incurred by the Trust are determined by the Manager. Administrative and other expenses of a regular or recurring nature may be calculated on an estimated basis for yearly or other periods in advance and the same may be accrued over any such period. Costs associated with a particular class fund are allocated to that class fund. General costs are allocated between class funds in proportion to the net asset values of the funds. The level of general costs and expenses to be borne by unit holders will be affected by the performance of investments held by the Trust. All expenses which do not relate specifically to one or more class funds shall be borne proportionately by all of the Trust's class funds.

**Feeder fund structure**

Investors are referred to the section 'Class Fund Details' for information regarding fees in respect of the underlying funds.

**Taxation**

Unitholders should take professional tax advice before investing in this Trust. The following is a general summary of certain Jersey tax issues only. Consequently, it is not a description of all the tax considerations that may be relevant to a decision to take part in the Trust. It does not constitute legal or tax advice and does not address all

aspects of Jersey tax law and practice (including such tax law and practice as it applies to any land or building situate in Jersey). The summary of certain Jersey tax issues is based on Jersey taxation law and practice as it is understood to apply as of the date of this prospectus and may be subject to any changes in Jersey law and practice occurring after that date.
On 1 July 2005, agreements on the taxation of savings income which were entered into between Jersey and each of the EU Member States came into effect. These agreements provided the same provisions as the EU Savings Tax Directive and required, in certain circumstances, the retention of tax from payments made by certain Jersey collective investment vehicles to EU resident individuals. The Trust is expected to be outside the scope of the agreements.

**Jersey Tax Regime - Trust Level**
By concession, where all unit holders are not resident in Jersey, income of the Trust arising outside Jersey and bank interest arising in Jersey are exempt from Jersey income tax. Any dividends paid by the Trust to non-Jersey residents may be paid without deduction of any withholding taxes.

The exemption is still available where there are Jersey resident individual unit holders provided that further conditions are met principally that the Trustee undertakes to deduct and account for income tax in respect of any distributions made to Jersey residents.

Jersey has introduced a five percent (5%) goods and services tax ("**GST**") on taxable goods and services supplied after 30th June 2011. The Manager, in its capacity as manager of the Trust, has obtained international services entity ("**ISE**") status, for which an annual fee of £500 is payable. As a result, GST is not chargeable on any supplies of goods and/or services made by or to the Manager or Trustee. The Manager and the Trustee intend to conduct the business of the Trust such that no GST will be incurred by the Trust.

**Jersey Tax Regime – Unit holder Level**
There is no stamp duty in Jersey on the creation, transfer, redemption or cancellation of units. Stamp duties may, however, be payable in Jersey where a unit forms part of the Jersey estate of a deceased individual or the worldwide estate of a deceased Jersey resident individual. Such duties are payable on a sliding scale at a rate of up to 0.75% of such estate.

The attention of Jersey residents is drawn to the provisions of article 134A of the Income Tax (Jersey) Law 1961, as amended which may in certain circumstances render their gains chargeable to Jersey income tax.

Investors should inform themselves of and, if necessary, consult their professional advisers on the possible tax consequences of and any exchange control restrictions on buying, holding, redeeming, selling or otherwise acquiring or disposing of units in a class fund under the laws of their country of citizenship, residence or domicile.

In particular, unit holders should note that in certain jurisdictions the switching of units from one class or class fund to another might give rise to a realisation for the purposes of capital gains or income tax.

**FATCA, the Common Reporting Standard and other tax information reporting rules**

The Foreign Account Tax Compliance provisions (FATCA) are US provisions contained in the US Hiring Incentives to Restore Employment Act 2010 which impose a withholding tax of 30% on (i) certain US source interest, dividends and certain other types of income; and (ii) the gross proceeds from the sale or disposition of assets which produce US source interest or dividends, which are received by a foreign (non-US) financial institution (FFI), unless the FFI complies with certain reporting and other related obligations under FATCA. Jersey has concluded an intergovernmental agreement (IGA) with the US to implement FATCA. The Trust will be an FFI for these purposes and will need to provide information about the identity of certain directors who are US persons or directors with beneficial owners who are US persons and, potentially, account holders, to the Jersey Comptroller of Taxes, who will then forward that information to the competent authority in the US. Provided that the Trust complies with its obligations, it should not suffer any FATCA withholding taxes. On 21 July 2014, the OECD released the Standard for Automatic Exchange of Financial Account Information in Tax Matters (Standard), following approval by the OECD Council on 15 July 2014. The Standard includes a model regime to serve as the common standard on reporting and due diligence for financial account information (CRS). Like FATCA and the

IGA, the CRS requires financial institutions in participating jurisdictions to follow common due diligence procedures and to report specified financial information to their tax authorities which is then automatically exchanged with other participating jurisdictions. Jersey is committed to domestic implementation of the CRS and the Trust is likely to be a financial institution for CRS purposes. In December 2014, the CRS was incorporated into EU-wide legislation (Council Directive 2014/107/EU, amending Council Directive 2011/16/EU) (DAC). Each unit holder is required to consent to the disclosure (to the US or any other taxing jurisdiction as may be required) of their identity as well as any related information that may be required under (a) FATCA, (b) the IGA, (c) the CRS or (d) any other law or agreement entered into with any other country relating to the sharing of tax information between countries (Tax Transparency Requirements). The scope and application of the Tax Transparency Requirements, including in respect of withholding and information reporting, are subject to review by the United States, the United Kingdom, Jersey and other governments, and the rules may change. Although the Trust intends to comply with applicable law, it cannot be predicted at this time as to the particular form that the Tax Transparency Requirements might take or as to the benefits or risks of complying with such Tax Transparency Requirements. Tax advisors should be consulted regarding the application of the Tax Transparency Requirements to particular circumstances.

Please note that the Trustee and the Manager require the Trust's service providers to comply with The Criminal Finances Act 2017 of the United Kingdom, including by warranting that such service providers: i) will not engage in any tax evasion or facilitation of tax evasion of any kind in any jurisdiction; (ii) will have in place their own reasonable prevention procedures to ensure no tax evasion or facilitation of tax evasion will take place; and (iii) will report any suspected tax evasion in the conduct of their services to the relevant authorities.

**OECD consultations on changes in tax law.**

Prospective unit holders in the Trust should be aware that the OECD published its Action Plan on Base Erosion and Profit Shifting (BEPS) in 2013 the final reports were published on 5 October 2015 and jurisdictions are starting to consider their response. Depending on how BEPS is introduced, changes to tax laws based on recommendations made by the OECD in relation to BEPS may, for example, result in: the restriction or loss of existing access by the Trust to tax relief under applicable double taxation agreements; the creation of a permanent establishment of the Trust or of unit holders in the Trust within a certain jurisdiction; or restrictions on permitted levels of deductibility of expenses (such as interest) for tax purposes. Such effects could lead to additional tax being suffered by the Trust, which may adversely affect the value of the investments held by investors in the Trust. There could also be additional tax reporting and disclosure obligations for investors.

**Investor services**

Investors will receive the following information concerning their investments within a reasonable period of the production of such information.

- Annual and semi-annual financial statements for the Trust and all the class funds.
- Information regarding the value of their units at the end of February and August each year.

The annual and semi-annual financial statements for the Trust and all the class funds will be published on the following web-site: www.stanlib.com. Accordingly, the historical performance of the Trust may be viewed on that web-site.

Investors will receive notice of the publication on the web-site by mail or electronic communication and Investors may at any time request hard copies directly from the Manager.

Investors may contact the Manager or Distributor on any business day for information about their investments, the Trust and class funds.

## General information

### 1. Constitution

The Trust was constituted on 2 May 1997. By an Instrument of Appointment and Retirement dated 16 May 2000 the Trustee was appointed to act as trustee of the Trust in place of Standard Bank Trust Company (Jersey) Limited, the former trustee and the former custodian.

The trust instrument, which was amended on 7 August 2018 in light of the General Data Protection Regulation (2016/679) (a) allows for multiple classes of units in each class fund, (b) allows holders of units, upon notification of the termination of a class or class fund the option of redeeming their investment or transferring their investment to another class or another class fund, and (c) requires the Trustee to give unitholders one month's notice upon the termination of the Trust, class fund or class.

The Trust is governed by the Law and the subordinate legislation made thereunder. A certificate issued to the Trustee granted under Article 8B of the Law is in force in relation to the Trust. The Manager and the Trustee are each registered to conduct the relevant classes of 'fund services business' under the FS(J)L.

The Jersey Financial Services Commission is protected by the Law and the FS(J)L against liability arising from the discharge of its functions under those laws.

### 2. Documents constituting the Trust

The Trust Instrument, as amended by supplemental instruments thereto.

### 3. Documents available for inspection

The following documents are available for inspection free of charge during normal business hours on any business day and are also available for purchase at a reasonable charge until further notice at the Manager's registered office in Jersey:

(a) The trust instrument (including any amendments thereto)
(b) Instrument of Appointment and Retirement
(c) The IMA
(d) The Distribution Agreement
(e) The Representative Agreement
(f) The class rules for each class fund
(g) The Law
(h) The FS(J)L
(i) The latest published annual and half yearly report and accounts of the Trust

The register of holders is available for inspection by unit holders at the registered office of the Manager and prior notice must be given. Certain documents can also be found at www.stanlib.com

### 4. Notices and ballots of unit holders

All notices will be posted or emailed to holders at the address appearing in the register. A notice served on one of several joint holders will be deemed effective service on all the joint holders.

If requested in writing by the Manager or by the holders of not less than one tenth of the value of the units in issue, subject to certain exceptions the Trustee must hold a ballot to obtain the votes of unit holders on any resolution regarding the removal of the Trustee, the removal of the Manager, the termination of the Trust or the modification of the Trust Instrument. For this purpose the rights attached to the units of the different class funds are the same, with each unit having the right to one vote.

Class rules may be amended by resolution of the holders of the units concerned or in certain other circumstances, for example, where the Manager and Trustee each certify that a variation or amendment does not materially prejudice the interests of the holders for the time being of the units of the relevant Class or any of them and does not operate to a material extent to release the Trustee from any responsibility to any such holders.

## 5. Suspension of valuation, sale, switching and repurchase of units

The Manager may suspend the pricing, sale, switching and repurchase of units of any class for any period during which there is a closure or suspension of trading on any investment exchange on which a substantial part of the investments of the relevant class fund are listed or traded or a breakdown in any of the means normally employed by the Manager in ascertaining the prices of such investments or, after consultation with the Trustee, the Manager believes that for any reason the prices of the investments of a class fund cannot be promptly or accurately ascertained or that circumstances exist in which it is not reasonably practicable to realise any investments of the relevant class fund.

Unit holders will be given notice of any suspension in writing by the Manager. Unit holders will be notified promptly when a suspension is lifted.

## 6. Termination of the Trust and class funds

The Trust will terminate on 2 May 2097 and may be terminated before then in the following ways:

(a) At the absolute discretion of the Trustee and Manager by giving not less than one month's notice.

(b) If at any time after the date of first creation of units of any class the aggregate net asset values of all the class funds is less than US$10,000,000 on each successive dealing day in any consecutive period of six weeks.

(c) By resolution of the unit holders.

(d) By notice in writing from the Trustee to the Manager if the Manager is declared bankrupt or is in the Trustee's opinion incapable of performing or has failed to perform its duties properly or if any law is passed which renders it illegal, impracticable or inadvisable to continue the Trust.

(e) At the discretion of the Trustee, if the Manager has failed to appoint a new trustee within 6 months of the retirement or removal of the Trustee.

(f) At the discretion of the Trustee, if no suitable replacement manager is found within a reasonable period after the Manager ceases to hold office.

The Manager and Trustee may by not less than one month's notice in writing to the unit holders of any class fund repurchase all the units of the class or classes of units that form the class fund if at any time from the date of the first creation of those units the net asset value of the class fund is less than the class fund minimum on each successive dealing day in any consecutive period of six weeks or (providing that not less than three months' notice is given to holders of units of that class) if the Manager and Trustee decide that a class fund shall be terminated.

The termination of the Trust, a class fund or a class (as further described below) will be carried out in accordance with the terms of the Trust Instrument, relevant class fund rules and Jersey law. The Trustee will sell all the Trust's or relevant class fund's investments in such a way and over such period after termination as it thinks advisable. Alternatively on the dealing day prior to the proposed closure of a class fund, the Trustee may switch all of the units in such class fund into such alternative class fund or class funds and shall notify the affected holders in writing as soon as possible, enclosing a copy of the new class fund's rules. The proceeds from the realisation of investments and all other cash will be distributed to unit holders, after providing in full for costs, expenses, claims and demands incurred or made by the Trustee in connection with or arising from the termination and for any unpaid formation costs and outstanding expenses of the Trustee and Manager.

For the avoidance of doubt, the procedure for the termination of a class fund set out herein may be applied separately to a class, in which case the class fund of which that class forms part shall be deemed not to have been terminated thereby.

## 7. Indemnities

The Trust Instrument includes the following provisions regarding indemnities:

(a) Any indemnity expressly given to the Trustee or the Manager is in addition to and without prejudice to any indemnity allowed by law.

(b) The Trustee is entitled to be indemnified out of, and have recourse to, a class fund in respect of any liabilities, costs, claims or demands which it may suffer arising directly or indirectly from making and varying arrangements for borrowing and making deposits for the account of a class fund.

(c) Subject to the provisions of the Trust Instrument, the Trustee is entitled to have recourse to a class fund for the purpose of indemnity against any actions, costs, claims, charges, damages, expenses or demands to which it may be put as Trustee or which may be incurred by the Trustee in connection with or arising out of termination of the Trust or a class fund.

(d) The Trustee is entitled to an indemnity from the Manager in respect of expenses or liability the Trustee may suffer as a result of appearing in, prosecuting or defending certain actions.

(e) The Trustee is entitled to be indemnified in respect of any costs, charges, expenses, claims and demands arising out of or in connection with the termination of the Trust or a class fund.

(f) Indemnities given to the Trustee and Manager shall not apply where they have failed to show the degree of diligence and care required by the Trust Instrument.

Additionally, the agreements appointing each of the Trust's distributors and the Representative (see 'Management and Administration', above) contain provisions whereby the Trust agrees to indemnify such service providers in relation to the performance of their duties, save where there has been negligence, fraud, wilful misconduct, bad faith, reckless disregard for the service provider's obligations and duties under the agreement or any material breach of the obligation to provide services to the agreed standard.

## 8. Conflicts of interest

Arrangements for borrowing of any type (subject to any restrictions contained in the class rules) may be made with any person approved by the Trustee, including the Manager or the Trustee or any associate (as defined in the Trust Instrument) of either of them provided that any such arrangement is made on no less favourable terms to the class fund concerned than would apply to any other customer and such person shall be entitled to retain for its own use and benefit all profits and advantages which may be derived from such arrangements.

The Trustee, the Manager, and any delegate (as defined in the Trust Instrument) and any associate of any of them may in circumstances where the vendor and purchaser are not identified to each other or in transactions entered into on an arm's length basis at market value having regard to the best interests of the Trust, sell or deal in the sale of investments to the Trustee for account of a class fund, purchase investments from the Trustee or, in certain circumstances, vest investments in the Trustee against the issue of units.

Subject to certification of the transaction as provided in the Trust Instrument and the Trustee being of the opinion that such transaction is not likely to prejudice unit holders, the Trust Instrument does not prevent the sale or purchase for the account of the Trust of any investment to or from the Trustee or Manager of any other unit trust scheme for the account of such scheme, despite the fact that the Trustee, Manager or a connected person (as defined in the Trust Instrument) has an interest in such Trustee or Manager (or a person to whom they have delegated investment powers or discretions).

Any restricted person or connected person may enter into any currency exchange transaction for the account of the Trust or any class fund(s) on normal terms and at the prevailing rates.

The Trust Instrument does not prevent the Trustee or the Manager, or any connected person, from becoming the owner of units in a class fund or of instruments similar to those held as part of the Trust and dealing with them with the same rights as if they did not perform those roles.

Each restricted person (including the Manager and the Trustee) and any connected person is entitled to retain for its own use and benefit any profits or benefits gained in connection with the above transactions and is not liable to account to the Trust or unit holders for any such profits or benefits.

The Trustee or any associate of the Trustee is entitled to retain for its own use any benefit accruing from cash forming part of the Trust which has been transferred to a current or deposit account with the Trustee or such associate (being a banker), provided that interest is allowed thereon in accordance with normal banking practice.

Subject to certain provisions of the Trust Instrument, the Trustee and its associates may enter into or be interested in any financial, banking or other transaction with the Manager, the Trust or any unit holder or any company or body any of whose shares or securities form part of the trust fund and the Trustee shall be entitled to retain for its own use and benefit any profit it makes in connection with such transactions provided that any such arrangement is made on no less favourable terms to the class fund concerned than would apply to any other customer. The Trust Instrument contains similar provisions in respect of the Manager.

The Trustee acts as custodian to each of the class funds of the Trust.

The IMA includes certain provisions relating to the potential conflicts of interest of the Investment Manager which include that the Investment Manager and its associates may be interested in the Trust as unit holders or otherwise and shall not be liable to account to any party by reason solely of such interest. Additionally, no provision of the IMA shall prevent the Investment Manager or its associates from, among other things, (i) dealing in any investments on their own account or for the account of their clients, notwithstanding that the same investments may be held by the Trust (and regardless of whether the price paid for such investments may have been lower than that paid by the Trust), (ii) selling investments to, purchasing investments from or vesting investments in the Trust or from entering into contracts with the Trust, the Manager or unit holders (provided that the terms of any transaction with the Trust are no less beneficial to the Trust than those which would have been applicable to such transaction entered into by a person other than the Investment Manager or its associates) and (iii) receiving any commissions which they may negotiate in relation to any sale or purchase of investments effected by them for the account of the Trust and retaining such commissions for their own benefit.

Investors are referred to the Trust Instrument and IMA (as applicable) for further details of conflicts of interest.

## 9. Data Protection

The Data Protection Notice issued by the Trustee and Manager confirming how personal information is collected, processed and disclosed, together with an investor's rights under (i) the General Data Protection Regulation (2016/679) and any national law issued under that regulation, (ii) the Data Protection (Jersey) Law 2005, and (iii) the Data Protection (Jersey) Law 2018 (read together with the Data Protection Authority (Jersey) 2018), each as amended from time to time (together, the "**DP Laws**") is included at Appendix 4.

It is a condition of accepting an investor's application for units in the Trust that every investor agrees and warrants that:

(a) any personal data provided to the Trust is accurate and complete and that it may be lawfully processed by the Trustee and/or the Manager for the purposes set out in the Data Protection Notice;

(b) where the consent of any data subject is required, it has all necessary authority to provide the personal information on behalf of any relevant individual; and

(c) it will make the Data Protection Notice available to each relevant individual and draw their attention to it.

The data protection registrations of the Trustee and the Manager can be found on the website of the Jersey Information Commissioner: www.oicjersey.org.

Each potential investor acknowledges and agrees that any telephone calls with the Trustee, Manager or any representative of either of them or the Trust may be recorded.

**10. Other information**

(a) Carey Olsen Jersey LLP and PricewaterhouseCoopers have given and have not withdrawn their consent to the inclusion of their names in this document.

(b) The accounting date of the Trust is 31 December. Half-yearly accounts of the Trust are prepared as at 30 June in each year.

(c) This prospectus is dated June 2022.

**Class fund details**

This section briefly summarises the various class funds and should be read in conjunction with the overall Trust particulars. For full details investors should refer to the Trust Instrument and the class rules for each class fund covering the one or more classes comprising that class fund. The class rules are updated periodically and may provide for different rules to apply to each such class in any respect.

Investors' units in a particular class fund give them an undivided share in that class fund attributable to the relevant class, this being their beneficial interest under the Trust.

**Equity funds**

The equity funds are currently feeder funds investing in matching class funds of STANLIB Funds Limited. The aim of the equity funds is to provide investors with long-term capital growth from diversified and actively managed portfolios of securities. The equity funds will provide investors with the opportunity to invest principally (that is, normally at least 75% in value) in equities in the markets reflected in the name of each individual fund and in companies established outside those markets but which derive a significant proportion of their earnings from those markets.

The equity funds invest in the following industries, areas, regions and countries:

The STANLIB European Equity Fund, which is invested in Europe, including the UK, invests in an appropriate class fund (the STANLIB European Equity Fund of STANLIB Funds Limited).

The STANLIB Global Equity Fund is a feeder fund that currently invests in the STANLIB High Alpha Global Equity Fund, a class fund of STANLIB Funds Limited, which invests in stocks through major markets in the world including some exposure to smaller markets. The Investment Manager of the Trust is also the investment manager of STANLIB Funds Limited. The asset manager appointed in relation to the STANLIB High Alpha Global Equity Fund is Columbia Threadneedle Investments (further details of which can be found on p46).

STANLIB Global Emerging Markets Fund is a feeder fund that invests in the STANLIB Global Emerging Markets Fund, a class fund of STANLIB Funds Limited, which invests in equities in companies located in various emerging market territories which may include (among others) the Pacific Basin region, Brazil and Russia.

The current prospectus relating to STANLIB Funds Limited is provided at Appendix 1 of this prospectus for further information.

**Bond funds**

The STANLIB Global Bond Fund is a feeder fund that currently invests in the STANLIB Global Bond Fund, a class fund of STANLIB Funds Limited, which invests primarily in fixed interest instruments on a global basis measured in

USD. The STANLIB Global Bond Fund allows investment in international markets to maximise performance measured in US dollars. As mentioned above, the Investment Manager also acts as investment manager to STANLIB Funds Limited. The asset manager appointed in relation to the Underlying Fund is Brandywine Global (further details of which can be found on page 55). As mentioned above, the current prospectus relating to STANLIB Funds Limited is appended hereto for further information (Appendix 1).

**Currency funds**

The currency funds are feeder funds investing in matching sub-funds of Fidelity Institutional Liquidity Fund plc (a UCITS fund domiciled in Ireland). The investment objective of the individual currency funds is to provide a wholesale rate of return for a currency chosen by the investor with the opportunity to convert at any time between currency funds, without conversion charge, at wholesale rates of foreign exchange.

The current investment policies of the currency funds are to achieve their investment objectives by following the same investment policy, the essential differences being the currency in which their assets are denominated.

The assets of a currency fund shall be converted into the relevant currency for that fund. The assets of the currency funds shall exclusively be composed of interest bearing transferable debt securities within the restrictions set out by law, in money market instruments and in cash. The types of debt securities in which the various currency funds may invest include those which are traded on various regulated markets.

These may include the following:
- commercial paper;
- obligations issued or guaranteed by governments, governmental agencies, or instrumentalities;
- variable rate notes;
- variable rate certificates of deposit;
- certain investment grade collateralised mortgage obligations and other asset-backed securities;
- issues of governments and supranational agencies, such as Treasury Bills, notes and bonds; and
- short dated corporate bonds.

The currency funds may also acquire, within the restrictions imposed by law, regularly traded money market instruments, the residual maturity of which does not exceed 12 months, which are regularly negotiated. With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, each currency fund may further hold cash and cash equivalents (including money market instruments which are regularly negotiated and the residual maturity of which does not exceed 12 months and time deposits). Money market instruments with a residual term of less than one year are considered for this purpose as liquid investments.

**Balanced funds**

The objectives of the STANLIB Global Balanced Fund and the STANLIB Global Balanced Cautious Fund, respectively, each of which invests in an appropriate class fund of STANLIB Funds Limited, are set out on p10 above.

**Property funds**

Each of the property funds is a feeder fund. The STANLIB Global Property Fund currently invests in the STANLIB Global Property Fund, a class fund of STANLIB Funds Limited, whose investment objective is to maximise long term total return by investing in global property companies, property related securities and real estate investment trusts. The Investment Manager of the Trust is also the investment manager of STANLIB Funds Limited. As mentioned above, the current prospectus relating to STANLIB Funds Limited is appended hereto for further information (Appendix 1).

**Multi-Manager funds**

Each of the multi-manager funds is a feeder fund, which invests in an appropriate class fund of STANLIB Funds Limited (as detailed above). The aim of the STANLIB Multi-Manager Global Equity Fund is to maximise the long term total return achieved by investing in global equities, by generating annualised investment returns in excess of the benchmark index, while the aim of the STANLIB Multi-Manager Global Bond Fund is to provide attractive returns from investment in major international bond markets with a focus on capital preservation.

**Global GoalStandard class funds**
Each of the Global GoalStandard class funds is a fund of funds which aims to achieve consistent growth of capital, with a low probability of capital loss over the investment horizon set out under the heading 'Investment objectives and policy', above, in each case.

**STANLIB Global class funds**
Each of the STANLIB Global class funds is a feeder fund, which invests in an appropriate class fund of JPMorgan Funds or STANLIB Funds Limited (as detailed above).

**Investment restrictions**
The class funds are subject to the investment restrictions below. Investors are advised to refer to the class rules for full details of the investment restrictions applicable to the class funds and their various classes.

The assets of the class fund shall not be invested directly and/or indirectly in physical commodities and the Trust does not permit investment in an instrument that compels the acceptance of physical delivery of a commodity.

**Equity, bond, currency and STANLIB Global unit classes**
The following is intended to bring together the investment restrictions contained in the separate class rules relating to the equity, bond and currency funds. The investment objectives of each fund together with the relevant restrictions are set out in detail in each class fund's class rules.

(1) The assets of a class fund shall not be invested in any collective investment fund while a class fund is a feeder fund or fund of funds SAVE as provided in paragraphs (2) and (3) below. In all other circumstances the assets of a class fund shall not be invested directly in any authorised investments or other property ("**Direct Investments**") SAVE as provided in the following provisions of this section.

(2) The Trustee may acquire for a class fund units or shares in any approved fund without restriction in the event that a class fund is at the time of acquisition a feeder fund in respect of that approved fund, and that the underlying approved fund is not a fund of funds or a feeder fund.

(3) (3.1) The Trustee may acquire for a class fund units or shares in any approved fund in the event that a class fund is at the time of acquisition a fund of funds PROVIDED THAT immediately after such acquisition:-

(a) the value of a class fund's total holding of units or shares in any one approved fund shall not exceed 20% of the net asset value and a class fund shall hold authorised investments in at least five approved funds;
(b) the value or nominal amount of a class fund's holding in any one class of units or shares in any one approved fund shall not in each case exceed 10% of the total value or nominal amount of all the issued units or shares of that class;
(c) no units or shares are held by a class fund in an approved fund which is itself a fund of funds or a feeder fund;
(d) the value or nominal amount of a class fund's holding in any one class of units or shares in any one warrant fund shall not in any case exceed 5% of the net asset value; and
(e) if a class fund includes participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of other underlying securities which may be included in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (South Africa).

(3.2) The Trustee may acquire for a class fund units or shares in any collective investment fund which is not an approved fund PROVIDED THAT immediately after such acquisition the class fund's total holding of all such units and shares does not exceed 15% of the net asset value of the class fund.

(4) Where a class fund invests in a collective investment fund such fund may not hold units in the class fund.

(5) A class fund may place deposits with, purchase certificates of deposit, commercial paper, negotiable receipts, notes, bonds and any other negotiable certificate or document evidencing the deposit of a sum of money which has been issued or purchase bills of exchange accepted by any bank provided that either such bank's assets less contra accounts (as shown by the latest edition of 'The Banker' magazine published by the Financial Times Business Publishing Limited or as shown by such other publication as the Trustee shall determine) are not less than the equivalent of three thousand million US dollars (US$3,000,000,000) or such bank's bills are eligible for discount at the Central Bank of the country where the principal place of business of such bank is situate and such bank is of substantial size and standing and is approved by the Trustee and for the purposes of this paragraph references to a bank shall mean and include any company or body corporate of which not less than 75% of its ordinary share capital is owned directly or indirectly by such bank.

No investment shall be made under the provisions of this paragraph (5) if the value of a class fund's total holding of investments in any one bank shall immediately after such acquisition exceed 25% of the net asset value or £200,000, whichever shall be the greater. In relation to the STANLIB Global Multi-Strategy Diversified Growth Fund, a derogation to the OCIF Guide has been obtained to clarify that this restriction shall not apply to subscription monies received in respect of a subscription for units in that class fund for a period starting on the date of receipt of those monies and ending either (i) fourteen calendar days from the initial issue of units in the class fund or (ii) (after the period in (i) has expired) two business days from the dealing day on which the units subscribed for are allotted. This restriction shall also not apply to monies allocated to the settlement of redemption proceeds in response to redemption instructions received in respect of units in that class fund. When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by Standard & Poors, a division of The McGraw-Hill Companies, Inc. ("**S&P**"), Moody's Investor Services, Inc. ("**Moody's**") or Fitch Ratings Limited ("**Fitch**").

(6) A class fund may purchase any bond, note, bill or other negotiable instrument issued by any company or body corporate provided that at the time of acquisition it qualifies for a rating of not less than an 'A' by Moody's or S&P or is otherwise considered by the Trustee to be of similar credit standing. No investment shall be made under the provisions of this paragraph (6) if the value of a class fund's total holding of investments in any one company or corporate body shall immediately after such acquisition exceed 10% of the net asset value. When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by S&P, Moody's or Fitch.

(7) A class fund may invest in warrants or other instruments entitling the holder to subscribe for shares, debentures or government and other public securities PROVIDED THAT the value of such instruments does not exceed 5% of the net asset value of a class fund.

(8) A class fund may invest in:

(8.1) (a) transferable securities admitted to official listing on a stock exchange in an EU Member State, having obtained full membership of the World Federation of Exchanges;
(b) transferable securities dealt in on another regulated market which operates regularly and is recognized and open to the public (a **"Regulated Market"**) in an EU Member State, having obtained full membership of the World Federation of Exchanges;
(c) transferable securities admitted to official listing on a recognised stock exchange, or dealt in on another regulated market which operates regularly and is recognised and open to the public, in any country of Europe, Asia, Oceania, the American continents or Africa, having obtained full membership of the World Federation of Exchanges; and
(d) recently issued transferable securities, provided the terms of issue include an undertaking that application will be made for official listing on any of the stock exchanges or regulated markets referred to above within a year of the issue and such admission is then achieved within a year of the issue, having obtained full membership of the World Federation of Exchanges.

(8.2) (a) transferable securities which are not eligible under (8.1) above; and
(b) debt instruments having the characteristics of transferable securities by being transferable, liquid and having a value which can be accurately determined on each Valuation Point;

PROVIDED the aggregate value of the securities in 8.2(a) above and the debt instruments in 8.2(b) above shall not exceed 10% of the value of the net assets relating to a class fund. When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by S&P, Moody's or Fitch.

(8.3) on an ancillary basis, cash and cash equivalents (including typical money market instruments which are regularly negotiated and the residual maturity of which does not exceed 12 months and time deposits), up to 49% of its net assets; such percentage may exceptionally be exceeded if the Trustee and the Manager consider this to be in the best interests of the unit holders.

(9) A class fund will not:

(9.1) invest more than 5% of the value of the net assets relating to a fund in the securities of any one issuer, except that a class fund, may invest:

(a) up to 10% of the value of the net assets relating to a fund in the securities of one issuer provided the total of such investments exceeding 5% (excluding transferable securities referred to in (9.1)(b) below) does not exceed 40% of such value;

(b) up to 35% of the value of the net assets relating to a fund in the securities issued or guaranteed by the government of any EU Member State, by its local authorities, by a non-EU Member State or by public international bodies of which one or more EU Member States are members; and

(c) an unlimited proportion of the value of the assets relating to a fund in the securities issued or guaranteed by the government of any EU Member State or of any member of the OECD or by a public international body of which one or more EU Member States are members, as well as securities issued or guaranteed by any local authorities of EU Member States, provided that at any one time securities from any one issue do not account for more than 30% of the value of the net assets of the class fund and securities of at least six different issues are held by that class fund.

(9.2) acquire units of other collective investment schemes of the open-ended type, unless they are undertakings within the meaning of Article 1(2) of EC Council Directive 85/611. A class fund may invest up to 5% of the value of the net assets of the class fund in units of such undertakings provided that no investment shall be made in any such undertaking to which, or to the management company of which the Manager is linked by common management or control or by substantial direct or indirect holding.

(9.3) acquire securities carrying voting rights which would enable the Manager to exercise a significant influence over the management of the issuer, or invest in more than 10% of the outstanding securities of any class of one issuer, provided that such restrictions shall not apply to:

(a) securities issued or guaranteed by an EU Member State or its local authorities;

(b) securities issued or guaranteed by a non-member State of the EU;

(c) securities issued by public international bodies of which one or more EU Member States are members;

(d) securities of an issuer incorporated in a non EU Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that state, where under the legislation of that state such a holding represents the only way in which a class fund may invest in bodies incorporated in that state, subject to the investment policy issuer complying with the limits laid down in Articles 22, 24 and 25 (1) and (2) of the EEC Council Directive 85/611/EEC; and

(e) securities of any wholly owned subsidiary acquired pursuant to Article 25(3)(e) of the EEC Council Directive 85/611/EEC to assist in the management of the assets of a class fund.

(9.4) purchase stock or other securities issued by the Manager, the Trustee, the Distributor or a Connected Person thereof.

(9.5) invest more than 10% of the Net Asset Value of the class fund in securities that are not listed or quoted on a recognised exchange having obtained full membership of the World Federation of Exchanges. Such securities must be listed within 12 months of the purchase date. Notwithstanding anything contained in this prospectus, listed securities must be traded on exchanges which have been granted full membership of the World Federation of Exchanges.

In the case of the STANLIB Global Multi-Strategy Diversified Growth Fund only, a derogation to the OCIF Guide has been obtained to include an additional restriction that the class fund may hold units or shares in other collective investment schemes whose aggregate value exceeds 70% of its total Net Asset Value, provided that if that class fund is considered by the Manager to be sub-scale in terms of assets under management during the class fund's ramp-up phase and that it is necessary for the purposes of efficient portfolio management, the value of the class fund's holding of units or shares in other collective investment schemes may in aggregate be as much as 100% of its total Net Asset Value. In addition, the objective of such collective investment schemes may not be to invest primarily in any investment prohibited by the relevant class rule and where such scheme's objective is to invest primarily in investments restricted by that class rule, such holdings may not be in contravention of the relevant limitation.

**"Connected Person"** of any investment adviser, investment manager, custodian or any share distributor means:

(a) any person beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise, directly or indirectly, 20% or more of the total votes in that company;

(b) any person controlled by a person who meets one or both of the requirements set out in (a) above;

(c) any company 20% or more of whose ordinary share capital is beneficially owned, directly or indirectly, by any investment adviser, investment manager or share distributor in aggregate; or

(d) any company 20% or more of the total votes in which can be exercised, directly or indirectly by such investment adviser, investment manager or share distributor or of any Connected Person of that company, as defined in (a), (b) or (c) above.

(10) A class fund shall not:

(10.1) sell securities short or trade in securities not owned by a class fund or otherwise maintain a short position;

(10.2) borrow money except on a short term basis for the purpose of effecting redemptions of units of a class fund and then only to the extent of 10% of the total value of the net assets of a class fund;

(10.3) mortgage, pledge, charge or in any manner transfer as security for indebtedness any assets of a class fund other than as may be necessary in connection with permitted borrowings (within the above limit of 10%) except that the foregoing shall not prevent a class fund from segregating or pledging assets as may be required in constituting margins for the purpose of using investments and hedging techniques as more fully described under (17) below;

(10.4) underwrite or participate (except as an investor) in the marketing of securities of any other company;

(10.5) make loans or guarantee the obligations of third parties, save that a class fund may make deposits with the Trustee or any bank or deposit-taking institution approved by the Trustee or hold debt instruments. Securities lending does not rank as a loan for the purpose of this restriction;

(10.6) except with the consent of the Trustee, purchase, sell, borrow or lend portfolio investments from or to or otherwise execute transactions with any appointed investment manager or investment adviser of a class fund, or any Connected Person (as defined above) of either of them;

(10.7) invest in securities of any class if the directors and officers of any such investment manager or investment adviser individually beneficially own more than 0.5% of the total nominal capital of the issued securities of that class, or collectively beneficially own more than 5% of those securities;

(10.8) invest in documents of title to merchandise;

(10.9) invest in another feeder fund or a fund of funds;

(10.10) borrow scrip; and

(10.11) hold any uncovered derivatives positions.

(11) A class fund need not comply with the investment limit percentages set out above when exercising subscription rights attaching to securities which form part of its assets.

(12) If the investment limit percentages set out above are exceeded as a result of events or actions after investment that are beyond the control of a class fund or by reason of the exercise of subscription rights attaching to securities held by it, a class fund shall give priority, consistent with the best interests of unit holders, upon sale of securities to dispose of these securities to the extent that they exceed such percentages; provided, however, that in any case where the foregoing percentages are imposed by any provision of Jersey law, a class fund need not give priority to disposing of such securities until such provision's higher limits have been exceeded, and then only to the extent of such excess.

(13) A class fund will not purchase or sell real estate or any option right or interest therein, provided that a class fund may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(14) The Manager and any of its Connected Persons may effect transactions by or through the agency of another person with whom the Manager and any of its Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Manager and any of its Connected Persons goods, services or other benefits, such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc, the nature of which is such that their provision can reasonably be expected to benefit the Trust as a whole and may contribute to an improvement in the Trust's performance and that of the Manager or any of its Connected Persons in providing services to the Trust and for which no direct payment is made but instead the Manager and any of its Connected Persons undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

(15) The Manager and any Connected Persons shall not retain the benefit of any cash commission rebate (being cash commission repayment made by broker or dealer to the Manager and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Manager or any Connected Person for or on behalf of the Trust. Any such cash commission rebate received from any such broker or dealer shall be held by the Manager and any Connected Person for the account of the Trust. Brokerage rates will not be excessive of customary brokerage rates. All transactions will be done with best execution.

(16) A class fund if acting as a feeder fund or fund of funds may not invest in an approved fund which is primarily invested in any investment prohibited in terms of a class fund's investment rules as set out above.

(17) For the purpose of efficient portfolio management a class fund may:

(a) if acting as a feeder fund or a fund of funds adopt such techniques and instruments, including but not limited to options, financial futures, securities lending, repurchase agreement transactions and currency hedging as are permitted in the investment restrictions in respect of the underlying fund into which a class fund feeds; and

(b) use the following techniques and instruments in relation to transferable securities:

(i) Options on securities

A class fund may buy and sell call or put options on transferable securities provided that these options are traded on options exchanges, having obtained full membership of the World Federation of Exchanges, and a class fund shall further comply with the following rules:

(1) The total amount of premiums paid for the purchase of call and put options which are considered here, together with the total amount of premiums paid for the purchase of call and put options described under 17(b)(iv) below, may not exceed 15% of the net asset value of the class fund;

(2) Derivatives shall only be used for efficient portfolio management (i.e. no gearing / leverage / margining will be allowed) save that in the case of the STANLIB Global Multi-Strategy Diversified Growth Fund, pursuant to an OCIF Guide derogation, margin purchases shall be permitted for up to 25% of the Net Asset Value of that class fund and up to 100% of the Net Asset Value of the class fund for hedging purposes. Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005, i.e. unlisted forward currency, interest rate or exchange rate swap transactions. No uncovered positions will be allowed;

(3) When selling call options, a class fund must hold either the underlying transferable securities, or matching call options or any other instruments (such as warrants) providing sufficient cover. The cover for call options sold may not be disposed of as long as the options exist unless they are covered in turn by matching options or other instruments used for the same purpose.; and

(4) When selling put options, a class fund must be covered during the full duration of the options by sufficient cash to pay for the transferable securities deliverable to a class fund by the counterparty on the exercise of the options.

(ii) Financial Futures, Options on Financial Futures and Interest Rate Swaps

Dealing in financial futures is the trading in contracts related to the future value of transferable securities or other financial instruments. Except as regards interest rate swaps on a mutual agreement basis and options, which may be traded as provided for under 17(b)(i) above, all transactions in financial futures may be made on a Regulated Market only, having obtained full membership of the World Federation of Exchanges. Subject to the following conditions, such transactions may be made for hedging purposes and for other purposes.

(iii) Hedging

(1) As a global hedge against the risk of unfavourable stock market movements, a class fund may sell futures on stock market indices. For the same purpose, a class fund may sell call options or buy put options on stock market indices. The objective of these hedging operations assumes that a sufficient correlation exists between the composition of the index used and a class fund portfolio;

(2) As a global hedge against interest rate fluctuations, a class fund may sell interest rate futures contracts. For the same purpose, it can also sell call options or buy put options on interest rates or make interest rate swaps on a mutual agreements basis with first class financial institutions specialised in this type of transaction; and

(3) The total commitment relating to futures and option contracts on stock market indices may not exceed the total valuation of securities held by the class fund in the market corresponding to each index. In the same way, the total commitment on interest rate futures contracts, option contracts on interest rates and interest rate swaps may not exceed the total valuation of the assets and liabilities to be hedged held by the class fund in the currency corresponding to these contracts.

(4) In the case of the STANLIB Global Funds, the duration exposure to interest-bearing instruments/non-equity securities may be hedged and netted with a derivative whose underlying asset is a government bond, a basket of government bonds or a government bond index, a corporate bond, a basket of corporate bonds or a corporate bond index, inflation rate, the repurchase rate, or any other rate that is an index. However, any consequential or residual spread exposure as a result of the netting must be accounted for and disclosed.

(iv) Efficient portfolio management

(1) Trading is based on the forecasting of future movements in financial markets. In this context and apart from option contracts on transferable securities (see 17(b)(i) above) and contracts relating to currencies (see 17(b)(vii) below), a class fund, may for a purpose other than hedging, buy and sell future contracts and options contracts on any type of financial instrument provided that the total commitment arising on these purchase and sale transactions together with the total commitment arising on the sale of call and put options on transferable securities in respect of the class fund at no time exceeds the net asset value of the class fund;

(2) Sales of call options on transferable securities for which a class fund has sufficient cover are not included in the calculation of the total commitment referred to above;

(3) In this context, the commitment arising on transactions, which do not relate to options on transferable securities is defined as follows:

(A) The commitment arising on futures contracts is equal to the liquidation value of the net position of contracts relating to identical financial instruments (after netting between purchase and sale position), without taking into account the respective maturities; and

(B) The commitment relating to options bought and sold is equal to the sum of the exercise prices of those options representing the net sold position in respect of the same underlying asset, without taking into account the respective maturities.

(4) The total of the premiums paid to acquire call and put options as described above, together with the total of the premiums paid to acquire call and put options on transferable securities as described under 17(b)(i) above may not exceed 15% of the net assets of a class fund.

(v) Securities lending and borrowing

A class fund may enter into securities lending transactions provided that they comply with the following rules:

(1) A class fund may only lend securities through a standardised system organised by a recognized clearing institution or through a first class financial institution specialising in this type of transaction;

(2) As part of lending transactions a class fund must in principle receive a guarantee, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent;

This guarantee must be given in the form of liquid assets and/or the form of securities issued or guaranteed by a Member State of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature and blocked in the name of a class fund until the expiry of the loan contract;

Such a guarantee shall not be required if the securities lending is made through CEDEL or EUROCLEAR or through any other organisation assuring to the lender a reimbursement of the value of the securities lent, by way of a guarantee or otherwise;

(3) Securities lending transactions may not exceed 50% of the global valuation of the securities portfolio of the class fund. This limitation does not apply where a class fund is entitled at all times to the cancellation of the contract and the restitution of the securities lent;

(4) Securities lending transactions may not extend beyond a period of 30 days; and

(5) No scrip borrowing shall be allowed.

A class fund may, on an ancillary basis, enter into repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and on terms specified by the two parties in their contractual arrangement.

A class fund can act either as purchaser or seller in repurchase agreement transactions. Its involvement in such transaction is, however, subject to the following rules:

(1) A class fund may not buy or sell securities using a repurchase agreement transaction unless the counterparty in such transactions is a first class financial institution specialising in this type of transaction;

(2) During the life of a repurchase agreement contract, a class fund cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired; and

(3) Where a class fund is exposed to redemptions of its own units, it must take care to ensure that the level of its exposure to repurchase agreement transactions is such that it is able to meet its redemption obligations.

Repurchase agreement transactions are expected to take place on an occasional basis only.

(vii) Currency hedging

In order to protect its present and future assets and liabilities against the fluctuation of currencies, a class fund may enter into transactions, the object of which is the purchase or sale of forward foreign exchange contracts, the purchase or sale of call options or put options in respect of currencies, the purchase or sale of currencies forward or the exchange of currencies on a mutual agreement basis provided that these transactions be made either on exchange or over-the-counter with first class financial institutions specialising in these types of transactions and being participants in the over-the counter markets.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency (including a currency bearing a substantial relation to the value of the reference currency (i.e. currency of denomination) of the relevant fund – known as 'Cross Hedging') may not exceed the total valuation of such assets and liabilities nor may they, as regards their duration, exceed the period during which such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

(18) In connection with the acquisition or disposal of any authorised investment or other property by a class fund the Trustee shall be entitled to pay such fees, commissions, brokerage or other payments whatsoever as the Trustee shall in its absolute discretion determine, such payment to be made in such manner and out of such income or other assets of a class fund as the Trustee shall in its absolute discretion determine and to be disclosed in the audited accounts of a class fund.

(19) The Trustee shall restrict borrowing attributable to a class fund so as to secure that the aggregate amount for the time being remaining undischarged of all monies borrowed by the Trustee and attributable to a class fund inclusive of any fixed or minimum premium payable on final repayment shall not exceed an amount equal to 10% of the net asset value and the Trustee shall ensure that such borrowing is restricted to short-term borrowing for the purposes of meeting redemption requests.

(20) If a class fund includes participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of other underlying securities which may be included in terms of the Collective Investment Schemes Control Act, No.45 of 2002.

**Property funds' investment restrictions**

(1) The assets of a class fund shall not be invested in any collective investment fund while a class fund is a feeder fund or fund of funds SAVE as provided in paragraphs (2) and (3) below. In all other circumstances the assets of a class fund shall not be invested directly in any authorised investments or other property ("**Direct Investments**") SAVE as provided in the following provisions of this section.

(2) The Trustee may acquire for a class fund units or shares in any approved fund without restriction in the event that a class fund is at the time of acquisition a feeder fund in respect of that approved fund, and that the underlying approved fund is not a fund of funds or a feeder fund.

(3) (3.1) The Trustee may acquire for a class fund units or shares in any approved fund in the event that a class fund is at the time of acquisition a fund of funds PROVIDED THAT immediately after such acquisition:-

(a) the value of a class fund's total holding of units or shares in any one approved fund shall not exceed 20% of the net asset value and a class fund shall hold authorised investments in at least five approved funds;
(b) the value or nominal amount of a class fund's holding in any one class of units or shares in any one approved fund shall not in each case exceed 10% of the total value or nominal amount of all the issued units or shares of that class;
(c) no units or shares are held by a class fund in an approved fund which is itself a fund of funds or a feeder fund;
(d) the value or nominal amount of a class fund's holding in any one class of units or shares in any one warrant fund shall not in any case exceed 5% of the net asset value; and
(e) if a class fund includes participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of other underlying securities which may be included in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (South Africa).

(3.2) The Trustee may acquire for a class fund units or shares in any collective investment fund which is not an approved fund PROVIDED THAT immediately after such acquisition the class fund's total holding of all such units and shares does not exceed 15% of the net asset value of the class fund.

(4) Where a class fund invests in a collective investment fund such fund may not hold units in the class fund.

(5) A class fund may place deposits with, purchase certificates of deposit, commercial paper, negotiable receipts, notes, bonds and any other negotiable certificate or document evidencing the deposit of a sum of money which has been issued or purchase bills of exchange accepted by any bank provided that either such bank's assets less contra accounts (as shown by the latest edition of 'The Banker' magazine published by the Financial Times Business Publishing Limited or as shown by such other publication as the Trustee shall determine) are not less than the equivalent of three thousand million US dollars (US$3,000,000,000) or such bank's bills are eligible for discount at the Central Bank of the country where the principal place of business of such bank is situate and such bank is of substantial size and standing and is approved by the Trustee and for the purposes of this paragraph references to a bank shall mean and include any company or body corporate of which not less than 75% of its ordinary share capital is owned directly or indirectly by such bank.

No investment shall be made under the provisions of this paragraph (5) if the value of a class fund's total holding of investments in any one bank shall immediately after such acquisition exceed 25% of the net asset value or £200,000, whichever shall be the greater. When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by Standard & Poors, a division of The McGraw-Hill Companies, Inc. ("**S&P**"), Moody's Investor Services, Inc. ("**Moody's**") or Fitch Ratings Limited ("**Fitch**").

(6) A class fund may purchase any bond, note, bill or other negotiable instrument issued by any company or body corporate provided that at the time of acquisition it qualifies for a rating of not less than an 'A' by Moody's or S&P or is otherwise considered by the Trustee to be of similar credit standing. No investment shall be made under the provisions of this paragraph (6) if the value of a class fund's total holding of investments in any one company or corporate body shall immediately after such acquisition exceed 10% of the net asset value. When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by S&P, Moody's or Fitch.

(7) A class fund may invest in warrants or other instruments entitling the holder to subscribe for shares, debentures or government and other public securities PROVIDED THAT the value of such instruments does not exceed 5% of the net asset value of a class fund.

(8) A class fund may invest in:

(8.1) (a) transferable securities admitted to official listing on a stock exchange in an EU Member State, having obtained full membership of the World Federation of Exchanges;
(b) transferable securities dealt in on another regulated market which operates regularly and is recognized and open to the public (a **"Regulated Market"**) in an EU Member State, having obtained full membership of the World Federation of Exchanges;
(c) transferable securities admitted to official listing on a recognised stock exchange, or dealt in on another regulated market which operates regularly and is recognised and open to the public, in any country of Europe, Asia, Oceania, the American continents or Africa, having obtained full membership of the World Federation of Exchanges; and
(d) recently issued transferable securities, provided the terms of issue include an undertaking that application will be made for official listing on any of the stock exchanges or regulated markets referred to above within a year of the issue and such admission is then achieved within a year of the issue, having obtained full membership of the World Federation of Exchanges.

(8.2) (a) transferable securities which are not eligible under (8.1) above; and
(b) debt instruments having the characteristics of transferable securities by being transferable, liquid and having a value which can be accurately determined on each Valuation Point;

PROVIDED the aggregate value of the securities in 8.2(a) above and the debt instruments in 8.2(b) above shall not exceed 10% of the value of the net assets relating to a class fund. When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by S&P, Moody's or Fitch.

(8.3) on an ancillary basis, cash and cash equivalents (including typical money market instruments which are regularly negotiated and the residual maturity of which does not exceed 12 months and time deposits), up to 49% of its net assets; such percentage may exceptionally be exceeded if the Trustee and the Manager consider this to be in the best interests of the unit holders.

(9) A class fund will not:

(9.1) sell securities short or trade in securities not owned by a class fund or otherwise maintain a short position;

(9.2) lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person without the prior written consent of the Trustee; or

(9.3) acquire any asset which involves the assumption of any liability which is unlimited.

(10) Where the class fund is a feeder fund in respect of an approved fund managed by the Manager or any Connected Person (as defined in the relevant class rules), the following provisions shall apply:

(10.1) No initial charges shall be levied on any investment made by the class fund in the approved fund; and

(10.2) Any rebate on fees or charges levied by the approved fund may be received by the Manager, provided that such rebates are paid into the class fund.

(11) The Manager and any Connected Persons shall not retain the benefit of any cash commission rebate (being cash commission repayment made by broker or dealer to the Manager and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Manager or any Connected Person for or on behalf of the Trust. Any such cash commission rebate received from any such broker or dealer shall be held by the Manager and any Connected Person for the account of the Trust. Brokerage rates will not be excessive of customary brokerage rates. All transactions will be done with best execution.

(12) A class fund if acting as a feeder fund or fund of funds may not invest in an approved fund which is primarily invested in any investment prohibited in terms of a class fund's investment rules as set out above.

(13) For the purpose of efficient portfolio management a class fund may:

(a) if acting as a feeder fund or a fund of funds adopt such techniques and instruments, including but not limited to options, financial futures, securities lending, repurchase agreement transactions and currency hedging as are permitted in the investment restrictions in respect of the underlying fund into which a class fund feeds; and

(b) use the following techniques and instruments in relation to transferable securities:

(i) Options on securities

A class fund may buy and sell call or put options on transferable securities provided that these options are traded on options exchanges, having obtained full membership of the World Federation of Exchanges, and a class fund shall further comply with the following rules:

(1) The total amount of premiums paid for the purchase of call and put options which are considered here, together with the total amount of premiums paid for the purchase of call and put options described under 13(b)(iv) below, may not exceed 15% of the net asset value of the class fund;

(2) Derivatives shall only be used for efficient portfolio management (i.e. no gearing / leverage / margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005, i.e. unlisted forward currency, interest rate or exchange rate swap transactions. No uncovered positions will be allowed;

(3) When selling call options, a class fund must hold either the underlying transferable securities, or matching call options or any other instruments (such as warrants) providing sufficient cover. The cover for call options sold may not be disposed of as long as the options exist unless they are covered in turn by matching options or other instruments used for the same purpose.; and

(4) When selling put options, a class fund must be covered during the full duration of the options by sufficient cash to pay for the transferable securities deliverable to a class fund by the counterparty on the exercise of the options.

(ii) Financial Futures, Options on Financial Futures and Interest Rate Swaps

Dealing in financial futures is the trading in contracts related to the future value of transferable securities or other financial instruments. Except as regards interest rate swaps on a mutual agreement basis and options, which may be traded as provided for under 13(b)(i) above, all transactions in financial futures may be made on a Regulated Market only, having obtained full membership of the World Federation of Exchanges. Subject to the following conditions, such transactions may be made for hedging purposes and for other purposes.

(iii) Hedging

(1) As a global hedge against the risk of unfavourable stock market movements, a class fund may sell futures on stock market indices. For the same purpose, a class fund may sell call options or buy put options on stock market indices. The objective of these hedging operations assumes that a sufficient correlation exists between the composition of the index used and a class fund portfolio;

(2) As a global hedge against interest rate fluctuations, a class fund may sell interest rate futures contracts. For the same purpose, it can also sell call options or buy put options on interest rates or make interest rate swaps on a mutual agreements basis with first class financial institutions specialised in this type of transaction; and

(3) The total commitment relating to futures and option contracts on stock market indices may not exceed the total valuation of securities held by the class fund in the market corresponding to each index. In the same way, the total commitment on interest rate futures contracts, option contracts on interest rates and interest rate swaps may not exceed the total valuation of the assets and liabilities to be hedged held by the class fund in the currency corresponding to these contracts.

(iv) Efficient portfolio management

(1) Trading is based on the forecasting of future movements in financial markets. In this context and apart from option contracts on transferable securities (see 13(b)(i) above) and contracts relating to currencies (see 13(b)(vii) below), a class fund, may for a purpose other than hedging, buy and sell future contracts and options contracts on any type of financial instrument provided that the total commitment arising on these purchase and sale transactions together with the total commitment arising on the sale of call and put options on transferable securities in respect of the class fund at no time exceeds the net asset value of the class fund;

(2) Sales of call options on transferable securities for which a class fund has sufficient cover are not included in the calculation of the total commitment referred to above;

(3) In this context, the commitment arising on transactions, which do not relate to options on transferable securities is defined as follows:

(A) The commitment arising on futures contracts is equal to the liquidation value of the net position of contracts relating to identical financial instruments (after netting between purchase and sale position), without taking into account the respective maturities; and

(B) The commitment relating to options bought and sold is equal to the sum of the exercise prices of those options representing the net sold position in respect of the same underlying asset, without taking into account the respective maturities.

(4) The total of the premiums paid to acquire call and put options as described above, together with the total of the premiums paid to acquire call and put options on transferable securities as described under 13(b)(i) above may not exceed 15% of the net assets of a class fund.

(v) Securities lending and borrowing

A class fund may enter into securities lending transactions provided that they comply with the following rules:

(1) A class fund may only lend securities through a standardised system organised by a recognized clearing institution or through a first class financial institution specialising in this type of transaction;

(2) As part of lending transactions a class fund must in principle receive a guarantee, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent;

This guarantee must be given in the form of liquid assets and/or the form of securities issued or guaranteed by a Member State of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature and blocked in the name of a class fund until the expiry of the loan contract;

Such a guarantee shall not be required if the securities lending is made through CEDEL or EUROCLEAR or through any other organisation assuring to the lender a reimbursement of the value of the securities lent, by way of a guarantee or otherwise;

(3) Securities lending transactions may not exceed 50% of the global valuation of the securities portfolio of the class fund. This limitation does not apply where a class fund is entitled at all times to the cancellation of the contract and the restitution of the securities lent;

(4) Securities lending transactions may not extend beyond a period of 30 days; and

(5) No scrip borrowing shall be allowed.

(vi) Repurchase Agreement transactions

A class fund may, on an ancillary basis, enter into repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and on terms specified by the two parties in their contractual arrangement.

A class fund can act either as purchaser or seller in repurchase agreement transactions. Its involvement in such transaction is, however, subject to the following rules:

(1) A class fund may not buy or sell securities using a repurchase agreement transaction unless the counterparty in such transactions is a first class financial institution specialising in this type of transaction;

(2) During the life of a repurchase agreement contract, a class fund cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired; and

(3) Where a class fund is exposed to redemptions of its own units, it must take care to ensure that the level of its exposure to repurchase agreement transactions is such that it is able to meet its redemption obligations.

Repurchase agreement transactions are expected to take place on an occasional basis only.

(vii) Currency hedging

In order to protect its present and future assets and liabilities against the fluctuation of currencies, a class fund may enter into transactions, the object of which is the purchase or sale of forward foreign exchange contracts, the purchase or sale of call options or put options in respect of currencies, the purchase or sale of currencies forward or the exchange of currencies on a mutual agreement basis provided that these

transactions be made either on exchange or over-the-counter with first class financial institutions specialising in these types of transactions and being participants in the over-the counter markets.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency (including a currency bearing a substantial relation to the value of the reference currency (i.e. currency of denomination) of the relevant fund – known as 'Cross Hedging') may not exceed the total valuation of such assets and liabilities nor may they, as regards their duration, exceed the period during which such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

(14) In connection with the acquisition or disposal of any authorised investment or other property by a class fund the Trustee shall be entitled to pay such fees, commissions, brokerage or other payments whatsoever as the Trustee shall in its absolute discretion determine, such payment to be made in such manner and out of such income or other assets of a class fund as the Trustee shall in its absolute discretion determine and to be disclosed in the audited accounts of a class fund.

(15) The Trustee shall restrict borrowing attributable to a class fund so as to secure that the aggregate amount for the time being remaining undischarged of all monies borrowed by the Trustee and attributable to a class fund inclusive of any fixed or minimum premium payable on final repayment shall not exceed an amount equal to 10% of the net asset value and the Trustee shall ensure that such borrowing is restricted to short-term borrowing for the purposes of meeting redemption requests.

(16) If a class fund includes participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of other underlying securities which may be included in terms of the Collective Investment Schemes Control Act, No.45 of 2002.

**Investment restrictions for the Multi-Manager funds**

(1) The scheme into which a class fund invests shall be one whose objective and investment limits do not materially differ to those of the class fund.
(2) The class fund shall not invest in another feeder fund or into a fund of funds.
(3) The class fund will not invest in a warrant fund, a leveraged fund, a futures and options fund, a geared futures and options fund or real estate.

(4) No short sale may be made.
(5) The class fund shall not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person without the prior written consent of the Trustee.
(6) The class fund shall not acquire any asset which involves the assumption of any liability which is unlimited.
(7) The class fund may borrow up to 10 per cent of its total net asset value but only on a temporary basis for the purposes of meeting redemption requests or defraying operating expenses.
(8) Where the class fund invests in any collective scheme managed by the Manager or any connected company, the following provisions shall apply:
   (a) initial charges shall not be levied on both investment in the class fund and on investments made by the class fund in the underlying fund; and
   (b) the potential conflict of interest of the Manager must be declared to the Trustee, who shall approve the use of any voting power which results from the underlying investment in the scheme concerned.
(9) The Manager may obtain a rebate on any fees or charges levied by an underlying fund or its manager provided such rebates are paid into the class fund.

**Investment restrictions for the Global GoalStandard class funds**

(1) The class fund may not invest more than a total of 10 per cent of its net asset value in collective investment schemes which are not Unclassified Funds or Recognised Jurisdiction Schemes or otherwise approved by the Jersey Financial Services Commission. In the event that a class fund invests in

participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of the other underlying securities in which that class fund invests.

(2) The class fund must invest in at least three schemes, and not more than 35 per cent of its total net asset value may be invested in any one scheme, unless the scheme is a multi-managed or cash scheme (as determined by the Manager in its discretion).

(3) The class fund shall not invest in another Jersey fund of funds or into a Jersey feeder fund.

(4) The class fund shall not hold more than 10 per cent of any class of security issued by any single issuer.

(5) The class fund will not invest in a warrant fund, a leveraged fund, a futures and options fund, a geared futures and options fund or real estate..

(6) No short sale may be made.

(7) The class fund may enter into any derivative transactions in the form of currency swaps without limit for the purposes of hedging the currency and price of investments or to close out other derivative transactions. Derivative transactions utilised other than for hedging purposes should be only those which are traded on or under the rules of a Recognised Market and have been so traded for a period of not less than six months.

(8) The class fund shall not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person without the prior written consent of the Trustee.

(9) The class fund shall not acquire any asset which involves the assumption of any liability which is unlimited.

(10) The class fund may borrow up to 10 per cent of its total net asset value but only on a temporary basis for the purposes of meeting redemption requests or defraying operating expenses.

(11) Where the class fund invests in any collective scheme managed by the Manager or any connected company, the following provisions shall apply:

(a) initial charges shall not be levied on both investment in the class fund and on investments made by the class fund in the underlying fund; and

(b) no other collective investment scheme or person as nominee of such a scheme shall be the holder of units in the class fund; and

(c) the potential conflict of interest of the Manager must be declared to the Trustee, who shall approve the use of any voting power which results from the underlying investment in the scheme concerned.

(12) The Manager may obtain a rebate on any fees or charges levied by an underlying fund or its manager provided such rebates are paid into the class fund.

The assets of the class fund shall not be invested directly and/or indirectly in physical commodities and the Trust does not permit investment in an instrument that compels the acceptance of physical delivery of a commodity.

Please note that, notwithstanding investment restriction (4), above, the class funds are funds of funds and, accordingly, it is intended that any holdings in securities will be held indirectly via those underlying funds.

**Feeder fund investment structure – changes to structure**

Subject to the obtaining of appropriate regulatory consents, the Manager has the right, in accordance with the class rules, to change the underlying fund(s) into which investments are fed, or to discontinue or change the feeder fund structure of all or any of the class funds of the Trust. Unit holders in the class fund(s) concerned will be given thirty days' written notice of any proposed change.

**Feeder fund investment structure – Fidelity**

All of the currency class funds in the Trust are currently feeder funds, wholly invested in matching funds of Fidelity Institutional Liquidity Fund plc, a UCITS fund domiciled in Ireland. This structure provides access to Fidelity's global network of investment management and research expertise.

A synopsis of Fidelity, its investment philosophy and global resources is provided on page 55.

The following table shows the relevant STANLIB funds (the "Fidelity class funds"), together with the corresponding Fidelity fund, currency denomination and respective dates of establishment:

**Currency**

| | |
|---|---|
| STANLIB Euro Cash Fund (EUR) (02.05.97) | The Euro Fund (EUR) (27.11.95) |
| STANLIB Sterling Cash Fund (GBP) (02.05.97) | The Sterling Fund (GBP) (24.09.95) |
| STANLIB US Dollar Cash Fund (USD) (02.05.97) | The United States Dollar Fund (USD) (30.11.95) |

The currency funds may invest in any class(es) of accumulating or distributing shares in the relevant Fidelity fund, in the Manager's absolute discretion.

The Fidelity funds are of unlimited duration.

Fidelity has waived initial charges in respect of all the funds involved in the Trust. The Fidelity funds carry annual management charges of 0.15% together with the expenses which are payable by the class funds themselves.

Subject to the obtaining of appropriate regulatory consents, the Manager has the right, in accordance with the class rules, to change the underlying fund(s) into which investments are fed, or to discontinue or change the feeder fund structure. Unit holders in the Fidelity class fund(s) concerned will be given thirty days' written notice of any proposed change.

**Fidelity**

Fidelity Institutional Liquidity Fund plc was incorporated in Ireland on 29 June 1995 and qualifies as an undertaking for collective investment in transferable securities (UCITS).

STANLIB Offshore Unit Trusts class funds are valued at the close of business on each dealing day. All orders to purchase, redeem or switch units received prior to 14.30 (GMT) result, where relevant, in the execution of the investment transaction with the appropriate Fidelity fund on the same or the following dealing day. Unit prices are calculated using the prices set at the underlying fund level at 5 p.m. UK time each dealing day.

Further details in relation to the Fidelity Institutional Liquidity Fund plc can be found in the current prospectus, which is appended hereto (Appendix 2).

**Feeder Fund investment structure - JPMorgan Funds**

The class fund set out in the below table is currently a feeder fund, wholly invested in a matching fund of JPMorgan Funds with the following currency denomination and respective dates of establishment.

| | |
|---|---|
| STANLIB Global Growth Fund (USD) (01.10.2021) | JPMorgan Funds: Global Growth Fund (USD) (16.11.1988) |

JPMorgan Funds was incorporated in Luxembourg on 20 June 1969 as a société d'investissement à capital variable (SICAV). It qualifies as an undertaking for collective investment in transferable securities (UCITS).

STANLIB Offshore Unit Trusts class funds are valued at the close of business on each dealing day. All orders to purchase, redeem or switch units received prior to 14.30 (GMT) result, where relevant, in the execution of the investment transaction with the appropriate JP Morgan fund on the same or the following dealing day. Unit prices are calculated using the prices set at the underlying fund level at 5 p.m. UK time each dealing day.

Further details in relation to JPMorgan Funds can be found in its current prospectus, which is appended hereto at Appendix 3.

**J.P. Morgan Asset Management**

J.P. Morgan is a global leader in financial services, offering solutions to the world's most important corporations, governments and institutions in more than 100 countries. For further information relating to J.P. Morgan, please visit the following website http://www.jpmorganassetmanagement.lu.

**Feeder fund investment structure – STANLIB Funds Limited**

The class funds set out in the below table are currently feeder funds, wholly invested in matching funds of STANLIB Funds Limited. This structure provides additional access to the Investment Manager's investment management and research expertise together with that of asset managers appointed by the Investment Manager.

Summaries of Brandywine Global and Columbia Threadneedle Investments (asset managers appointed in relation to the relevant underlying funds), including their investment philosophies and global resources are provided on pages 55 and 56.

The following table shows the relevant class funds of the Trust, together with the corresponding underlying class fund(s) in which such class funds may invest, currency denomination and respective dates of establishment.

| | |
|---|---|
| STANLIB Global Equity Fund (USD) (02.05.97) | STANLIB High Alpha Global Equity Fund (USD) (25.09.07) |
| STANLIB Global Bond Fund (USD) (02.05.97) | STANLIB Global Bond Fund (USD) (18.07.08) |
| STANLIB European Equity Fund (EURO) (02.05.97) | STANLIB European Equity Fund (EURO) (03.08.15) |
| STANLIB Global Property Fund (USD) (04.01.10) | STANLIB Global Property Fund (USD) (01.07.09) |
| STANLIB Global Emerging Markets Fund (USD) (02.05.97) | STANLIB Global Emerging Markets Fund (USD) (06.12.12) |
| STANLIB Global Balanced Fund (USD) (01.10.1999) | STANLIB Global Balanced Fund (USD) (28.06.13) |
| STANLIB Global Balanced Cautious Fund (USD) (01.10.1999) | STANLIB Global Balanced Cautious Fund (USD) (28.06.13) |
| STANLIB Multi-Manager Global Equity Fund (USD) (01.03.2016) | STANLIB Multi-Manager Global Equity Fund (USD) (21.12.1998) |
| STANLIB Multi-Manager Global Bond Fund (USD) (01.03.2016) | STANLIB Multi-Manager Global Bond Fund (USD) (21.12.1998) |
| STANLIB Global Multi-Strategy Diversified Growth Fund (USD) | STANLIB Global Multi-Strategy Diversified Growth Fund (USD) |

| | |
|---|---|
| (01.10.2021) | (04.08.2020) |

Please note that further class funds (as detailed above) invest as feeder funds into appropriate class funds of STANLIB Funds Limited.

STANLIB Funds Limited has waived any initial fee and the STANLIB Funds Limited class funds carry an annual service fee as detailed in the prospectus for that fund (Please see Appendix 1).

**STANLIB Funds Limited**

Further details in relation to the STANLIB Funds Limited equity, managed, property and bond funds can be found in the current STANLIB Funds Limited prospectus, which is appended hereto (Appendix 1).

**Feeder fund / fund of funds investment structure**
Certain class funds are feeder funds or funds of funds that currently invest in matching STANLIB Funds Limited class funds as described above. As previously outlined, the current prospectus relating to the STANLIB Funds Limited scheme is appended to this prospectus for ease of reference (Appendix 1).

**Brandywine Global**
Brandywine Global is a mid-sized boutique investment firm with USD60 billion under management. The company is an independent subsidiary of Legg Mason and operates as a fully autonomous entity with complete control over investments.

Since being founded in 1986, Brandywine Global Investment Management has emphasized personal relationships and an intelligent, committed approach to value investing. People are chosen for their thoughtful, intellectually rigorous methods, their strategic outlook, and their devotion to excellence. The company's mission is to seek value not yet recognized by others.

**History**
Brandywine Global was incorporated in the state of Delaware in 1986 as Brandywine Asset Management, LLC. After building a successful track record with large and small-cap domestic value strategies, Brandywine Global sought to increase the depth and breadth of products to meet the needs of our clients. Toward this end, Brandywine Global developed fixed-income and balanced products in 1992.

In January 1998, the asset manager was acquired by Legg Mason, Inc., a New York Stock Exchange listed company which has been providing investment services to institutions and individuals since 1899.

Since the late 1990s, the firm has grown significantly, building its assets from about USD6 billion to the current level of USD74 billion (as of 30/09/2018). This growth has been fuelled, primarily, by an increasing presence in international markets, particularly in Europe, Asia, the Middle East, and South Africa.

**Investment approach**
Fixed Income strategies strive to provide investors with excellent risk-adjusted total returns relative to the unhedged global bond indices over a 3-5 year period. To do so, Brandywine Global concentrates portfolio assets in countries with high real (inflation-adjusted) interest rates and appreciating currencies. Brandywine seeks to limit risk by investing primarily in the sovereign debt of developed countries.

**Columbia Threadneedle Investments**

Columbia Threadneedle Investments is a leading global asset management group that provides a broad range of actively managed investment strategies and solutions for individual, institutional and corporate clients around the world.

With more than 2000 people including over 450 investment professionals based in North America, Europe and Asia, they manage £370 billion of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives.

Their priority is the investment success of their clients. They aim to deliver the investment outcomes they expect through an investment approach that is team-based, performance driven and risk-aware. Their culture is dynamic and interactive. By sharing their insights across asset classes and geographies they generate richer perspectives on global, regional and local investment landscapes. The ability to exchange and debate investment ideas in a collaborative environment enriches their teams' investment processes. More importantly, it results in better informed investment decisions for their clients.

They are the 13th largest manager of long term mutual fund assets in the US and the 4th largest manager of retail funds in the UK.

Columbia Threadneedle Investments is the global asset management group of Ameriprise Financial, Inc. (NYSE: AMP), a leading US-based financial services provider. As part of Ameriprise, they are supported by a large and well-capitalised diversified financial services firm.

Source: Columbia Threadneedle Investments as at 30 September 2018.

Further details of the scheme, including dealing instructions can be found at www.stanlib.com.

## APPENDIX 1

## STANLIB Funds Limited prospectus

# STANLIB FUNDS LIMITED

# PROSPECTUS

## 28 June 2022

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128729.0007/30824425-3

***If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.***

## Table of Contents

# Regulatory Details

STANLIB Funds Limited (the "**Company**") is an open-ended investment company incorporated in Jersey, Channel Islands, with limited liability on 18th March 1996 having the registered number 64639. This Prospectus is prepared for the purpose of the marketing and sale of participating redeemable preference shares ("**Shares**" or "**Participating Shares**") in the Company. The Company comprises a number of sub funds details of which are on pages 7 and 8 of this Prospectus.

The Company has been granted a certificate pursuant to the Collective Investment Funds (Jersey) Law 1988 (as amended) (the "**CIF Law**") by the Jersey Financial Services Commission (the "**Commission**") and is subject to the Codes of Practice for Certified Funds issued by the Commission. Each of STANLIB Fund Managers Jersey Limited (the "**Manager**") and Apex Financial Services (Corporate) Limited (formerly named Link Corporate Services (Jersey) Limited) (the "**Custodian**") are licensed to carry on fund services business pursuant to the Financial Services (Jersey) Law 1998 (as amended) (the "**FS Law**"). The Commission is protected under the CIF Law and the FS Law against liabilities arising from the discharge of its functions under such laws.

This Prospectus is prepared, and a copy of it has been sent to the Commission, in accordance with the Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012 as amended.

The Commission does not take any responsibility for the financial soundness of the Company or for the correctness of any statements made or expressed in this Prospectus.

The Participating Shares issued or to be issued in respect of the STANLIB Multi-Manager Global Bond Fund A Share Class, the STANLIB Multi-Manager Global Equity Fund A Share Class, the STANLIB Global Bond Fund, the STANLIB Global Property Fund, the STANLIB High Alpha Global Equity Fund, the STANLIB Global Emerging Markets Fund, the STANLIB Global Balanced Fund, the STANLIB Global Balanced Cautious Fund and the STANLIB European Equity Fund have been admitted to the Official List and trading on the Main Securities Market of Euronext Dublin (formerly the Irish Stock Exchange). No application has been made to list the Shares on any other Stock Exchange. Notwithstanding the listing of Shares on Euronext Dublin, the directors of the Company (the "**Directors**") do not anticipate that an active secondary market will develop in the Participating Shares.

No application has been made to list the Participating Shares issued or to be issued in respect of STANLIB Global Multi-Strategy Stable Performance Fund X Class, STANLIB Global Multi-Strategy Moderate Growth Fund X Class, STANLIB Global Multi-Strategy Diversified Growth Fund X Class and STANLIB Global Multi-Strategy Aggressive Growth Fund X Class to the Official List and trading on the Main Securities Market of Euronext Dublin (formerly the Irish Stock Exchange).

Neither the admission of the Shares to the Official List and trading on the Main Securities Market of Euronext Dublin nor the approval of the Listing Particulars (as defined below) pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

This document, including the Fund Rules (as defined below) attached hereto, comprises listing particulars ("**Listing Particulars**") for the purpose of the listing of the Shares on Euronext Dublin.

This Prospectus shall under no circumstances be distributed to or constitute an offer to any person or entity resident or domiciled in, or any citizen of any member state of the European Union or any state within the European Economic Area to which the Alternative Investment Fund Managers Directive applies or any restricted jurisdiction identified in respect of a Class Fund. The Company is available for investment in its domicile of registration (Jersey).

The Directors whose names appear on page 6 of this Prospectus have taken all reasonable care to ensure that the facts contained in the Prospectus published as at the date hereof are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement therein whether of fact or opinion. The Manager and all the Directors accept responsibility accordingly. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Shares have not been registered under the United States Securities Act of 1933 (as amended) and the Company has not been registered as an investment company under the United States Investment Company Act of 1940 and, except in a transaction which does not violate such Acts, the Shares may not be directly or indirectly

offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States Person as defined on page 16.

No person has been authorised to give any information or to make any representations (other than those contained herein) in connection with the offering, issue and sale of the Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Manager. Neither the delivery of this Prospectus, nor any allotment, issue or sale of Shares made thereunder shall, under any circumstances, create any implication that the affairs of the Company have remained unaltered since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company and the Manager to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Persons interested in acquiring Shares in the Company should satisfy themselves as to (i) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for such acquisition, (ii) any foreign exchange control requirement which they might encounter on the acquisition or sale of Shares and (iii) the income tax and other tax consequences which might be relevant to the acquisition, holding, conversion or disposal of Shares in the Company.

The Directors may issue additional classes of Participating Shares in the Company and create new Class Funds of the Company at a later date in accordance with the terms of a revised prospectus or supplement to this Prospectus.

This Prospectus should be read in conjunction with the latest report and accounts of the Company when available.

This Prospectus is based on the laws and practices currently in force in Jersey and is subject to changes therein.

The Company is not registered in Ireland and is not subject to controls in or from Ireland.

**International Tax Compliance**

The Foreign Account Tax Compliance Act ("**FATCA**") was introduced by the United States of America (the "**US**") in 2010 as part of the HIRE Act with the purpose of reducing tax evasion by their citizens. FATCA requires financial institutions outside the US to report information on financial accounts held by their US customers to the Internal Revenue Service. The information to be reported by foreign financial institutions is equivalent in substance to that required to be reported by US citizens in their US tax returns.

The US has developed an intergovernmental approach to the implementation of FATCA. On 13 December 2013, Jersey and the US signed an agreement to improve international tax compliance and to implement FATCA (the "**IGA**"). The terms of the IGA were implemented in Jersey by the Taxation (Implementation) (International Tax Compliance) (United States of America) (Jersey) Regulations 2014 which came into force on 18 June 2014.

Jersey has also signed, along with 102 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard ("**CRS**").

The Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015 came into force on 1 January 2016 to give effect to the CRS (together with the Taxation (Implementation) (International Tax Compliance) (United States of America) (Jersey) Regulations 2014, the "**AEOI Regulations**"). The Jersey government has issued draft guidance notes in respect of CRS in Jersey which are supplementary to the core guidance issued by the OECD. There are also separate guidance notes in respect of the IGA.

All Jersey "**Financial Institutions**" will be required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless they can rely on an exemption that allows them to become a "Non-Reporting Financial Institution" (as defined in the relevant AEOI Regulations). The Company does not propose to rely on any reporting exemption and will therefore comply with such requirements of the AEOI Regulations.

The AEOI Regulations require the Company to, amongst other things (i) register with the Internal Revenue Service ("**IRS**") to obtain a Global Intermediary Identification Number ("**GIIN**") (in the context of the IGA only), (ii) register with and notify the Comptroller of Taxes in Jersey of the Company's status as a "**Reporting Financial**

**Institution**", (iii) conduct due diligence on its accounts to identify whether any such accounts are considered "**Reportable Accounts**", and (iv) report information on such Reportable Accounts to the Comptroller of Taxes in Jersey. The Comptroller of Taxes in Jersey will transmit the information reported to it to the overseas fiscal authority relevant to a reportable account (i.e. the IRS in the case of a US Reportable Account, the HMRC in the case of a U.K. Reportable Account, etc.) annually on an automatic basis.

The Company's ability to satisfy its obligations under the AEOI Regulations will depend on each Shareholder in the Company providing the Company with any information, including information concerning the direct or indirect owners of the Company, that the Company determines is necessary to satisfy such obligations. Each Shareholder will be required to provide such information upon request from the Company. If the Company fails to satisfy its obligations under the IGA, it may, in certain circumstances, be treated as a Non-participating Financial Institution by the US tax authorities and therefore subject to a 30% withholding on its US source income and any proceeds from the sale of property that could give rise to US source income. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA and the IGAs on their interest in the Company.

By investing in the Company and/or continuing to invest in the Company, Shareholders shall be deemed to acknowledge that further information may need to be provided to the Company, the Company's compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where a Shareholder fails to provide any requested information (regardless of the consequences), the Company reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption of the shares of the Shareholder concerned.

**If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.**

**The applicant is strongly recommended to read and consider this Prospectus before completing an application.**

**It should be remembered that the price of Shares and the income from them can go down as well as up and that investors may not receive, on the redemption of their Shares, the amount they invested.**

**An investment in any class of Shares should not be made without careful consideration of this Prospectus. The attention of investors is drawn to the section of this Prospectus entitled "Risk Factors" on page 11 and to the investment objectives identified in relation to each class of Shares in Appendices 1 to 6 to this Prospectus.**

**This Prospectus is dated 28 June 2022 and supersedes all previous versions.**

# Directory

## *Directors*

- Michael Farrow (Chairman)
- Sidney Place
- Michael Mitchell
- Neil Deacon

Details of the Directors are set out on page 24 of this Prospectus.

## *Company's Registered Office*

Standard Bank House, 47-49 La Motte Street, St. Helier, Jersey, JE2 4SZ

## *Manager*

STANLIB Fund Managers Jersey Limited, Standard Bank House, 47-49 La Motte Street, St. Helier, Jersey, JE2 4SZ

## *Auditors*

PricewaterhouseCoopers (Chartered Accountants), One Spencer Dock, North Wall Quay, Dublin 1, Ireland

## *Custodian*

Apex Financial Services (Corporate) Limited, 12 Castle Street, St. Helier, Jersey JE2 3RT

## *Sub-Custodian and Bankers*

The Bank of New York Mellon SA/NV, London Branch, 160 Queen Victoria Street, London EC4V 4LA

## *Legal Advisers*

Bedell Cristin, 26 New Street, St. Helier, Jersey JE2 3RA

## *Investment Manager, Promoter and Distributor*

STANLIB Asset Management (Pty) Limited, 17 Melrose Boulevard, Melrose Arch 2196, South Africa (investment manager to all Class Funds).

## *Sub-Investment Managers*

Brandywine Global Investment Management LLC ("**Brandywine**"), 2929 Arch St, 8th Floor, Philadelphia, PA 19104 (STANLIB Global Bond Fund – A Class shares).

Threadneedle Asset Manangement Limited ("**Threadneedle**"), 60 St Mary Axe, :London, EC3A 8JQ (STANLIB High Alpha Global Equity Fund, STANLIB Global Emerging Markets Fund, STANLIB Global Balanced Fund, STANLIB Global Balanced Cautious Fund and STANLIB European Equity Fund).

JP Morgan Asset Manangement (UK) Limited ("**JPMorgan**"), 60 Victoria, Embankment, EC4Y 0JP (STANLIB Global Multi-Strategy Stable Performance Fund, STANLIB Global Multi-Strategy Moderate Growth Fund, STANLIB Global Multi-Strategy Diversified Growth Fund and STANLIB Global Multi-Strategy Aggressive Growth Fund).

## *Administrative Agent*

BNYMellon Fund Services (Ireland) Designated Activity Company, Riverside Two, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2, Ireland

### *Sponsoring Broker*

J&E Davy, Davy House, 49 Dawson Street, Dublin 2, Ireland

### *Sole Representative in South Africa*

STANLIB Collective Investments (RF) Proprietary Limited, 17 Melrose Boulevard, Melrose Arch 2196, South Africa

# Company Details

## *The Company*

STANLIB Funds Limited is an open-ended investment company, incorporated with limited liability in Jersey on 18th March 1996 with the name Liberty International Funds Limited. The name was changed to Liberty Ermitage Funds Limited on 1st March 2001 and to STANLIB Funds Limited on 16th May 2006. STANLIB Funds Limited is a vehicle which offers a choice of professionally managed series of investment portfolios (each a "**Class Fund**"). The assets and liabilities of the Company attributable to each Class Fund are segregated in the books of the Company. Participating Shares are issued in designated classes (each a "**Share Class**" or collectively the "**Share Classes**") linked to the chosen Class Fund. Different Share Classes, which may be denominated in different reference currencies and/or having different charging structures or other features, will share in the performance of the relevant Class Fund. Due to the different currencies, charging structures or other features, the overall performance of, and return on, different Share Classes will differ. Each Class Fund will normally have more than one Share Class.

Participating Shares are offered in the Company as Shares investing in the following Class Funds: the STANLIB Global Property Fund, the STANLIB Multi-Manager Global Bond Fund, the STANLIB Multi-Manager Global Equity Fund, the STANLIB High Alpha Global Equity Fund, the STANLIB Global Bond Fund, the STANLIB Global Emerging Markets Fund, the STANLIB Global Balanced Fund, the STANLIB Global Balanced Cautious Fund and the STANLIB European Equity Fund.

The different Share Classes and related Class Funds which have been created as at the date of this Prospectus are set out below:

| **Share Class** | | **Related Class Fund** |
|---|---|---|
| STANLIB Global Property Fund A Class (USD)<br>STANLIB Global Property Fund B Class (USD) | | STANLIB Global Property Fund |
| | | |
| STANLIB Multi-Manager Global Bond Fund A Class (USD)<br>STANLIB Multi-Manager Global Bond Fund B Class (USD)<br>STANLIB Multi-Manager Global Bond Fund C Class (USD)<br>STANLIB Multi-Manager Global Bond Fund X Class (USD) | | STANLIB Multi-Manager Global Bond Fund |
| | | |
| STANLIB Multi-Manager Global Equity Fund A Class (USD)<br>STANLIB Multi-Manager Global Equity Fund B Class (USD)<br>STANLIB Multi-Manager Global Equity Fund C Class (USD)<br>STANLIB Multi-Manager Global Equity Fund X Class (USD) | | STANLIB Multi-Manager Global Equity Fund |
| | | |
| STANLIB High Alpha Global Equity Fund A Class (USD)<br>STANLIB High Alpha Global Equity Fund B Class (USD) | | STANLIB High Alpha Global Equity Fund |
| | | |
| STANLIB Global Bond Fund A Class (USD)<br>STANLIB Global Bond Fund B Class (USD) | | STANLIB Global Bond Fund |
| | | |
| STANLIB Global Emerging Markets Fund A Class (USD)<br>STANLIB Global Emerging Markets Fund B (USD) | | STANLIB Global Emerging Markets Fund |
| | | |
| STANLIB Global Balanced Fund A Class | | |

| | | |
|---|---|---|
| (USD)<br>STANLIB Global Balanced Fund B Class (USD) | | STANLIB Global Balanced Fund |
| | | |
| STANLIB Global Balanced Cautious Fund A Class (USD)<br>STANLIB Global Balanced Cautious Fund B Class (USD) | | STANLIB Global Balanced Cautious Fund |
| | | |
| STANLIB European Equity Fund A Class (EUR)<br>STANLIB European Equity Fund B Class (EUR) | | STANLIB European Equity Fund |
| | | |
| STANLIB Global Multi-Strategy Stable Performance Fund X Class (USD) | | STANLIB Global Multi-Strategy Stable Performance Fund |
| | | |
| STANLIB Global Multi-Strategy Moderate Growth Fund X Class (USD) | | STANLIB Global Multi-Strategy Moderate Growth Fund |
| | | |
| STANLIB Global Multi-Strategy Diversified Growth Fund X Class (USD) | | STANLIB Global Multi-Strategy Diversified Growth Fund |
| | | |
| STANLIB Global Multi-Strategy Aggressive Growth Fund X Class (USD) | | STANLIB Global Multi-Strategy Aggressive Growth Fund |

***STANLIB Multi-Manager Global Bond Fund X Class* shares and *STANLIB Multi-Manager Global Equity Fund X Class shares* are only available to the Investment Manager and other Standard Bank group companies and/or institutional investors at the Manager's discretion.**

**STANLIB Global Multi-Strategy Stable Performance Fund X Class shares, STANLIB Global Multi-Strategy Moderate Growth Fund X Class shares, STANLIB Global Multi-Strategy Diversified Growth Fund X Class shares and STANLIB Global Multi-Strategy Diversified Growth Fund X Class shares are only available to Liberty Holdings Limited and its subsidiaries.**

## *Management and Custodianship*

### The Manager

Pursuant to an agreement dated 12 April 1996 as amended and restated on 21 December 1998 the Company appointed Liberty Ermitage Asset Management Jersey Limited, to act as the manager of the Company. By novation agreement to the management agreement dated 16 May 2006 as supplemented by a supplemental management agreement dated 19 November 2012 (together the "**Management Agreement**") the Company appointed STANLIB Fund Managers Jersey Limited (the "**Manager**") as Manager of the Company. The Manager is a limited liability company incorporated in Jersey on 13 November 1984 and has an issued and paid up share capital of £25,000.

The Manager is wholly owned by STANLIB Limited, which is wholly owned by Liberty Holdings Limited, which is wholly owned by Standard Bank Group Limited, a company incorporated in the Republic of South Africa, which has its registered office at 5 Simmonds Street, Johannesburg, Republic of South Africa.

The Manager is responsible, subject to the overall supervision of the Directors of the Company, for investment management in relation to the Class Funds, for administration of the Company and the Class Funds, and for the provision of secretarial and registrar services to the Company.

The Manager may delegate its duties in accordance with the terms of the Management Agreement. The Manager has appointed STANLIB Asset Management (Pty) Limited as the investment manager for each of the Class Funds.

The Manager has also delegated certain administrative functions in relation to the Company to BNYMellon Fund

Services (Ireland) Designated Activity Company (the "**Administrative Agent**").

## The Custodian

Apex Financial Services (Corporate) Limited (formerly named Link Corporate Services (Jersey) Limited) (the "**Custodian**") was appointed as the custodian of the Company pursuant to an agreement dated 19 November 2012 (the "**Custodian Agreement**"). The Custodian is responsible for the custody of all the assets of the Company. All assets of the Company will be held in segregated accounts and will be unavailable to the Custodian and its creditors in the event of insolvency. The Custodian was incorporated in Jersey on the 28 April 1956. The ultimate holding company of the Custodian is Apex Group Ltd, a company incorporated in Bermuda, whose registered office is at 20 Reid Street, 3rd Floor Williams House, Hamilton, HM11, Bermuda. The Custodian has an authorised, issued and fully paid-up share capital of 53,975 shares divided into 50,000 shares of £1 each issued at par and 3,975 shares of £1 each issued at a price of £1,000.

The Custodian is licensed to carry on fund services business under the FS Law and is regulated by the Jersey Financial Services Commission. The Custodian's license entitles it to act as custodian of funds such as the Company and currently has in excess of $9.9bn of assets under its custody.

The Custodian with the consent of the Company may appoint sub-custodians to hold certain assets of the Company. The Custodian will exercise reasonable skill, care and diligence in the selection of any such sub-custodian and will be responsible to the Company for satisfying itself as to the ongoing suitability of such sub-custodian to provide custodian services to the Company, and will maintain an appropriate level of supervision over such sub-custodian and will make appropriate enquiries periodically to confirm that the obligations of such sub-custodian continue to be competently discharged.

If the sub-custodian is a wholly owned subsidiary of or another branch of the Custodian, the Custodian shall remain liable for the acts and omissions of that sub-custodian as though they were the acts and omissions of the Custodian itself. The Custodian shall not be liable for the insolvency of any such sub-custodians, nor for the loss of any assets held by other sub-custodians.

The Custodian has appointed the Bank of New York Mellon SA/NV, London Branch (the "**Sub-Custodian**") as its first sub-custodian pursuant to an agreement dated 19th November 2012. The Sub-Custodian is responsible for the safekeeping of the Company's assets, including holding any cash, distributions and monies received for deposit for the account of the Company.

### The Investment Manager, Promoter and Distributor

STANLIB Asset Management (Pty) Limited ("**STANLIB**" or the "**Investment Manager**") was appointed as investment manager to provide discretionary investment management services in respect of each of the Class Funds pursuant to an agreement dated 21 December, 1998 as amended by supplemental agreements dated 31 January, 2000 and 6 October, 2000 and novated by novation agreement dated 16 May 2006 as supplemented by further supplemental agreements dated 19 November 2012 and 20 August 2020 (together the "**Investment Management Agreement**"). The Investment Management Agreement contains provisions indemnifying and exempting STANLIB from liability not due to its wilful default or negligence or fraud. The agreement may be terminated, inter alia, by the Manager or STANLIB on three months' notice. STANLIB may delegate the whole or any part of its powers and duties to other parties with the consent of the Manager.

STANLIB Limited is a limited liability company incorporated in South Africa on 25 February 1969 having an authorised share capital of R1,000,000 (one million ordinary Shares of one Rand each) and issued share capital of R600,100 (six hundred thousand one hundred Rand). STANLIB Limited is a wholly owned subsidiary of Liberty Holdings Limited. Liberty Holdings Limited is wholly owned by Standard Bank Group Limited, which is listed on the Johannesburg Stock Exchange.

As the driving force behind the Company, STANLIB is considered the Company's promoter under the policy on promoters of public and private collective investment funds issued by the Jersey Financial Services Commission. The principal business activity of STANLIB is the management of separate client focused equity, fixed income and balanced portfolios and mutual funds for its clients.

The Company has appointed STANLIB as distributor (in such capacity, the "**Distributor**") of the Company pursuant to an agreement dated 12 June 2013 (the "**Distribution Agreement**") as set out in more detail on page 25 (Material Contracts) of this Prospectus. The Distributor's responsibilities include marketing, advertising and otherwise promoting the Company and the Shares. Pursuant to a side letter dated 12 June 2013 between the Distributor and the Company, the Distributor has agreed to waive its right to be remunerated in respect of the services being provided under the Distribution Agreement.

## The Administrative Agent

The Manager with the approval of the Company has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "**Administrative Agent**") as administrator, registrar and transfer agent of the Company with responsibility for performing the day to day administration of the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share of each Class Fund. The Administrative Agent is a private limited company incorporated in Ireland on 31 May 1994 and is engaged in the provision of fund administration, accounting, registration, transfer agency and related shareholders services to collective investment schemes and investment funds. The Administrative Agent is authorised by the Irish Central Bank under the Investment Intermediaries Act, 1995.

The Administrative Agent shall not, in the absence of fraud, bad faith, negligence or willful misconduct, be liable to the Company or to any holder of Shares in the Company (each a "**Shareholder**") for any act or omission in the course of or in connection with the discharge by the Administrative Agent of its duties. The Company has agreed to indemnify the Administrative Agent or any entities appointed by it from and against any and all costs, expenses, damages, liabilities and claims and attorneys' and accountants' fees relating thereto (other than those resulting from the fraud, bad faith, negligence or wilful misconduct on the part of the Administrative Agent) which may be imposed on, incurred by or asserted against the Administrative Agent in performing its obligations or duties hereunder.

**The Administrative Agent will have no decision-making discretion relating to the Company's investments. The Administrative Agent is a service provider to the Manager and is not responsible for the preparation of this Prospectus or the activities of the Company and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus.**

## The Sub-Investment Managers

The Investment Manager has delegated its discretionary investment management services in respect of certain Class Funds to the following sub-investment managers:

**Brandywine Global Investment Management LLC**

Pursuant to an institutional investment management agreement dated 28 March 2002 between (1) the Investment Manager and (2) Brandywine, as amended and replaced by an amendment investment management agreement dated 19 December 2014 between (1) the Investment Manager and (2) Brandywine, Brandywine has been appointed as sub- investment manager to perform investment management and advisory services to STANLIB Global Bond Fund – A Class shares. Brandywine is a Delaware limited liability company.

**Threadneedle Asset Management Limited**

Pursuant to a principal investment management agreement dated 17 October 2012 between (1) the Investment Manager and (2) Threadneedle, as amended and restated pursuant to a discretionary management agreement dated 13 August 2014 between (1) the Investment Manager and (2) Threadneedle, Threadneedle has been appointed to provide discretionary investment management services to STANLIB High Alpha Global Equity Fund, STANLIB Global Emerging Markets Fund, STANLIB Global Balanced Fund, STANLIB Global Balanced Cautious Fund and STANLIB European Equity Fund. Threadneedle is a private limited company incorporated under the laws of England and Wales.

**JPMorgan Asset Management (UK) Limited**

Pursuant to a sub-advisory agreement dated 25 August 2020 between (1) the Investment Manager and (2) JPMorgan, JPMorgan has been appointed as discretionary investment manager in relation to STANLIB Global Multi-Strategy Stable Performance Fund, STANLIB Global Multi-Strategy Moderate Growth Fund, STANLIB Global Multi-Strategy Diversified Growth Fund and STANLIB Global Multi-Strategy Aggressive Growth Fund. JPMorgan is a private limited company incorporated under the laws of England and Wales.

# Investment and Dividend Policy

## *Investment Policy*

The Investment Policy and details of the investment and borrowing restrictions for each Class Fund are set out in Appendices 1 to 6 to this Prospectus.

## *Dividend Policy*

Dividends may be declared on individual Share Classes from time to time in accordance with the provisions of the Companies (Jersey) Law, 1991 (as amended). The Fund Rules for each Share Class (the "**Fund Rules**") may also specify whether or not dividends may be paid.

## *Risk Factors*

Whilst the investment policy of each of the Class Funds renders it highly unlikely that the assets attributable to any one Class Fund will be insufficient to meet liabilities attributable to that Class Fund, if such event should occur, investors should appreciate that this would affect the other Class Funds since whilst each Share Class and each Class Fund is to be treated as bearing its own liabilities, the Company as a whole remains liable to third parties. As at the date of this Prospectus the Directors are not aware of any such existing or contingent liability.

Changes in currency rates of exchange may have an adverse effect on the value, price or any income of the Shares of the Company.

The investments of the Company in securities are subject to normal market fluctuations and other risks inherent in investing in securities.

The Company and the Manager will not have control over the activities of any collective investment scheme invested in by a Class Fund. Managers of collective investment schemes may take undesirable tax positions, employ excessive leverage, or otherwise manage the collective investment schemes in a manner not anticipated by the Manager.

# Dealing Procedures for Investors

## *Dealing Days and Times*

At present, Dealing Days (the "**Dealing Day**") for each of the Share Classes will be every weekday on which banks in Jersey are open for normal banking business.

Shares in respect of the Share Classes may be allotted or redeemed on any Dealing Day. Deals will be accepted by the Company in Jersey and Ireland between the hours of 9am and 2.30pm Jersey time on any Business Day before a Dealing Day.

The Share Classes will normally be valued as at the Valuation Point unless the issue and redemption of Shares has been suspended. At present, the Valuation Point for all Share Classes will be 11.59p.m. Jersey time on each Business Day before a Dealing Day provided that, for the purpose of valuing any investment of a Class Fund where such value is determined by reference to market price, the Valuation Point shall be closure of the relevant market on the Business Day immediately preceding the Dealing Day.

Applications for Shares and redemption requests received after 2.30pm Jersey time on any Business Day will not be dealt on the Dealing Day falling on the following Business Day but will be dealt on the next succeeding Dealing Day.

The Manager reserves the right to alter the above cut-off times if considered appropriate, while respecting the principle of equal treatment of shareholders and the Jersey and Ireland rules and regulations on the prevention of late trading and market timing. For the avoidance of any doubt, the Manager will bear all liabilities in that connection, the Administrative Agent being not responsible for such action or decision.

The Manager may elect to satisfy any application for Shares by selling Shares of the relevant Share Class to the applicant at a price equal to the issue price of the Shares of that Share Class at the relevant time and may elect to satisfy any application to redeem Shares by purchasing those Shares at a price equal to the Redemption Price of Shares of the relevant Share Class on the relevant Dealing Day. Information as to the calculation of subscription and redemption price is set out at pages 17 and 18.

## *The Initial Offer*

The Company was launched at an initial offer price of Shares of each of the Class Funds (in existence at that time) of US$1,000, with the initial offer period being open from 21 December 1998 to 31 January 1999. The initial offer price of Shares of a particular Class Fund is set out in the relevant Fund Rules.

## *Applications*

Applications for Shares should be made on the Application Form available from the Administrative Agent or the Manager.

A contract note will be issued by the Administrative Agent on behalf of the Manager as soon as practicable providing details of the transaction. Unless specifically requested in writing at the time of application share certificates will not be issued. Applications may be accepted or rejected in the sole discretion of the Manager.

The Administrative Agent or the Manager shall require any applicant to provide further information and/or declarations as part of the Administrative Agent or the Manager's 'know your client' procedures and generally in compliance with Irish or Jersey law and measures aimed towards the prevention of money laundering. Details of such further information and declarations are more fully explained in the Application Form.

The Administrative Agent or the Manager reserves the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrative Agent or the Manager (as applicable) may refuse to accept the application. Full details of the information required in connection with such matters are set out in the Application Form.

Applications in writing should be addressed to the Company as follows:

BNYMellon Fund Services (Ireland) Designated Activity Company
Transfer Agency
Rocheston
Drinagh
Wexford
Ireland

Subsequent investments may be made by fax identifying the Share Class and amount to be invested therein: -

Fax: +353 1 900 5055

**Investors must complete the Fax Indemnity contained in the Application Form in order for fax instructions to be accepted.**

Every investor will be allocated an account number which should be quoted in all communications with the Manager, the Company and the Administrative Agent.

## *Settlement Procedure*

Shares will be registered only against cleared funds in US$, or Euro for the STANLIB European Equity Fund, which should be sent so as to reach the Administrative Agent on or before 2.30pm Jersey time on the Business Day before the relevant Dealing Day. Payments by bank transfer should be made for the relevant Class Fund as specified in the Application Form.

To ensure good value is received on incoming funds, the remitting bank should be requested to send a direct payment advice to BNY Mellon by way of a SWIFT MT103 message to SWIFT address IRVTBEBB quoting full beneficiary details.

For payments sent by bank transfer an advice should be sent by fax to the Administrative Agent at fax number: +353 1 900 5055.

## *Minimum Subscription and Minimum Holding*

The minimum subscription amount for Participating Shares of each Share Class is US$100,000 (for Shares priced in US Dollars) or the Euro equivalent of US$100,000 for the STANLIB European Equity Fund.

The minimum holding for Participating Shares is US$5,000 (for Shares priced in US Dollars) or the Euro equivalent of US$5,000 for the STANLIB European Equity Fund (the "**Minimum Holding**").

## *Share Registration*

Shares will be in registered form and no share certificate will be issued unless requested. Registration of the Shares comprised in the application will normally be effected after receipt of completed documentation, provided that the subscription monies have been cleared. Ownership is recorded by an entry in the share register. Where no certificate is to be issued the account number allocated to the investor must be quoted in all communications with the Company, the Manager and the Administrative Agent. The Manager and the Administrative Agent will be deemed to be authorised to act on any redemption, conversion or other instruction received (by fax or in writing) from any person purporting to be the Shareholder and quoting such Shareholder's account number. The Share Register may be inspected at the registered office of the Manager during normal hours of business. It is intended that each registered Shareholder will receive a statement of ownership of the total number of Shares of each Share Class held, on a six monthly basis by post, fax or by email.

## *Redemptions*

Shareholders may redeem the whole or part of their holding of Shares in the Company on a Dealing Day and in any amount provided that the residual balance of Shares of the relevant class held does not fall below the Minimum Holding as a result. Where the residual balance of Shares held falls below the Minimum Holding, all of the applicant's Shares of that Share Class will be redeemed. Instructions for the redemption of the Shares may be given in writing or fax quoting the relevant shareholder account number, and the number and Share Class to be redeemed. Faxed instructions are binding where the Company has been provided with Standing Redemption Payment Instructions (as defined and to be contained in the Application Form available from the Administrative Agent or the Manager) by a Shareholder giving details of a bank account in the name of the Shareholder to which payment of the redemption proceeds is to be made. Payment of redemption proceeds will be made in accordance with instructions already held (or subsequently advised by the Shareholder in writing (and provided that any other bank account advised by the Shareholder is held in the name of the Shareholder)) after return of the relevant Share Certificates (if any).

Settlement of redemption proceeds may take up to 14 Business Days following the relevant Dealing Day or, if later, receipt of instructions in writing (if required) and relevant Share Certificates (if any). Generally, in the case of each Share Class settlement of redemption proceeds will be made in the currency of the relevant Share Class within seven Business Days following the relevant Dealing Day unless receipt of instructions in writing (if required) and relevant Share Certificates (if any) delay settlement.

The Directors may, in their absolute discretion, but with the consent of the redeeming Shareholder, arrange that the settlement of redemption proceeds be made either in whole or in part by a transfer to the redeeming Shareholder of assets attributable to the relevant Share Class equal in value to the amount to which the redeeming Shareholder would have been entitled if the payment had been made in cash PROVIDED THAT any such "in-specie" redemption will not materially prejudice the interests of the remaining shareholders in the Company.

In normal circumstances, there is no charge or fee for redemptions, however in all cases, bank charges will be applied.

The Directors will in certain circumstances use Swing Pricing for redemptions and subscriptions received from investors as disclosed on page 19.

## *Conversions*

Details of Share Classes which are available for conversion into one or more of the other Share Classes of the Company may be obtained from the Administrative Agent or the Manager.

There are no initial fees charged on conversions.

The right to convert is subject to the Fund Rules of the relevant Share Class, to there being no temporary suspension of dealings and to the Directors' discretion (to be exercised fairly and equitably) to reject a conversion application where they consider it to be in the interests of the Company or its Shareholders to do so.

A shareholder who converts Shares of one class into Shares of another will not have a right by law to reverse the transaction. The shareholder will have to request the conversion of the Shares of the new class concerned back to Shares of the original class and this will be a new transaction.
Conversion instructions may not be withdrawn except in the case of the suspension of the determination of the Net Asset Value of the relevant class of Shares.

A conversion of Shares of one class into Shares of another may in some jurisdictions be a realisation for the purposes of capital gains taxation.

### *Transfers*

Shares may be transferred in the usual way provided that the identity of the transferee(s) has been verified to the satisfaction of the Administrative Agent in accordance with the Administrative Agent's client identification procedures. All stock transfer forms together with renounced share certificates, if applicable, or other acceptable evidence of title should state the full name and address of the transferor and transferee, and should be signed by them.

### *Publication of Prices*

Prices are available from the Administrative Agent or the Manager and published on the Euronext Dublin website: www.euronext.com/en/listings/euronext-dublin. Prices are also available on the Investment Manager's website: www.stanlib.com and are published through Morningstar and Bloomberg.

## Fees and Charges

### *The Company*

The Company is responsible for the normal costs and expenses of its business such as those associated with investment transactions, statutory and regulatory maintenance costs and audit fees which will be allocated where possible to the Class Fund in respect of which they are incurred or otherwise pro rata to the Net Asset Values of the Class Funds or as the Directors otherwise shall determine to be appropriate. The costs of establishing the Company were financed by the previous Manager and have been fully amortised.

### *The Manager*

The Manager is entitled to receive out of each of the Class Funds, attributable to each Share Class, a management fee in an amount specified in the applicable Fund Rules but in no case exceeding 2.5% per annum of the average Net Asset Value of each Share Class of the respective Class Funds to be calculated and accrued on each Dealing Day and payable on the first Business Day of each month in respect of the preceding month. An initial charge of up to 5% of the subscription price of Shares of any Class Fund may also be paid to the Manager. The Manager will meet the charges of the Investment Manager and the Administrative Agent.

The Manager is entitled to be reimbursed out of the Class Funds for out-of-pocket expenses. For each Class Fund, details of the management fees payable to the Manager will be supplied in the Fund Rules of the relevant Share Class. These expenses will be reviewed by the board on an annual basis.

Such fees shall accrue daily and shall be payable to the Manager by monthly payments in arrears becoming due on the first Business Day of each month in respect of the preceding month.

The Company, Custodian and Manager may agree variations to the Manager's Fees within the specified maximum of 2.5% subject to not less than 3 months' notice being given to holders of Shares in each Share Class of the Class Funds.

### *The Custodian*

The Custodian has agreed with the Company that it will be paid a fee at the following rates, subject to an overall minimum fee in respect of each Class Fund of US$5,000 per annum (such minimum fee to be waived in respect of cash funds) (the "**Minimum Fee**"):

1) Where the total value of the Company's assets in respect of a Class Fund is less than US$50 million, 0.035% per annum of the Net Asset Value of that Class Fund.

2) Where the total value of the Company's assets in respect of a Class Fund is US$50 million or more but less than US$100 million:

   (a) 0.035% per annum on and any all amounts up to US$50 million of the Net Asset Value of that Class Fund; and

   (b) 0.025% per annum on any and all amounts above US$50 million of the Net Asset Value of that Class Fund but only up to US$100 million.

3) Where the total value of the Company's assets in respect of a Class Fund is US$100 million or more but less than US$500 million:

   (a) 0.035% per annum on any and all amounts up to US$50 million of the Net Asset Value of that Class Fund;

   (b) 0.025% per annum on any and all amounts above US$50 million of the Net Asset Value of that Class Fund but only up to US$100 million; and

   (c) 0.010% per annum on any and all amounts above US$100 million of the Net Asset Value of that Class Fund but only up to US$500 million.

4) Where the total value of the Company's assets in respect of a Class Fund is US$500 million or more:

   (a) 0.035% per annum on any and all amounts up to US$50 million of the Net Asset Value of that Class Fund;

   (b) 0.025% per annum on any and all amounts above US$50 million of the Net Asset Value of that Class Fund but only up to US$100 million;

   (c) 0.010% per annum on any and all amounts above US$100 million of the Net Asset Value of that Class Fund but only up to US$500 million; and

   (d) 0.005% per annum on any and all amounts above US$500 million of the Net Asset Value of each Class Fund.

Such fees shall accrue daily and shall be payable to the Custodian by monthly payments in arrears becoming due on the first Business Day of each month in respect of the preceding month

The Minimum Fee shall increase in accordance with the Jersey Retail Price Index applicable on each anniversary of the Custodian Agreement.

The Custodian shall be entitled to charge the Company on a time-spent basis for any work undertaken by the Custodian (including extraordinary visits to service providers) deemed by the Custodian (acting reasonably) to be necessary as a result of any breaches by the Company or the Manager of the constitutional documents, offering documents or other regulations of the Company.

The Custodian is also entitled to be reimbursed out of the Class Funds for charges and transaction fees levied on it by the Sub-Custodian and other sub-custodians which shall be at rates which have been negotiated on an arm's length basis or are otherwise on commercial terms. The Sub-Custodian applies global transaction and safekeeping fees based on individual country fees together with non-resident alien and reporting fees in respect of, respectively, income paid by USA incorporated companies and certain US beneficial owner accounts held with the Sub-Custodian.

The Custodian is entitled to be reimbursed out of the Class Funds for out-of-pocket expenses, and any sub-custodian fees (which will be at normal commercial rates).

# Investment and Borrowing Restrictions

## *Investment Restrictions*

In the Fund Rules for each Share Class, the Directors of the Company have adopted investment rules which determine the investment restrictions to be applied in respect of each Share Class (the same rules and restrictions applying to all Share Classes relating to each Class Fund). The investment restrictions adopted are detailed in Appendices 1 to 7 to this Prospectus and more fully described in the Fund Rules. In general, restrictions apply as at the date of the relevant transaction or commitment to invest and changes to the Share Classes do not have to be effected merely because owing to appreciations or depreciations in value any of the limits would thereby be breached, but regard must be had to these limits when considering changes or additions to the Share Classes.

## *Borrowing Restrictions*

The Directors may exercise all the powers of the Company to borrow solely for the purposes of meeting redemption requests. The Articles of Association of the Company (the "**Articles**") require the Directors to restrict the borrowings of any Class Fund so as to ensure that amounts outstanding from time to time do not exceed an amount equal to 5 per cent of the Net Asset Value of that Class Fund or such lesser amount as may be specified for this purpose in the relevant Fund Rules for that Class. In the Fund Rules for each Share Class, the Directors of the Company have adopted borrowing restrictions which determine the borrowing restrictions to be applied in respect of each Share Class (the same restrictions applying to all Share Classes relating to each Class Fund). The borrowing restrictions adopted are detailed in Appendices 1 to 7 to this Prospectus.

# General Information

## *Definitions*

References to "U.S. Dollars", "USD", "US$", "dollars", "cents", "$" and "c" in this Prospectus are to dollars and cents of the United States of America; references to "£", "GBP" and "Sterling" are to the currency of the United Kingdom; references to "EUR" and "Euros" are to the currency of the European Union. References to "Rand" and "R" in this Prospectus are to the currency of the Republic of South Africa. All references to "Jersey time" herein are a reference to the local time in Jersey, Channel Islands, and a "Business Day" is any day on which Banks are normally open for business (other than on a Saturday) in Jersey.

For the purpose of this Prospectus, any reference to a United States Person includes a national or resident of the United States of America, a partnership organised or existing in any state, territory or possession of the United States of America, a corporation organised under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which arises from sources outside the United States of America (which is not effectively connected with the conduct of a trade or business within the United States of America) and is not included in gross income for the purposes of computing United States federal income tax.

## *New Share Classes and New Class Funds*

The Articles permit the Directors to introduce new Share Classes for existing Class Funds and/or to establish new Class Funds from time to time. The Directors intend to use these powers to extend the range of Share Classes and/or Class Funds offered by the Company.

## *Expenses*

The Company is responsible for its own operating expenses, including audit and legal fees and charges incurred on the acquisition and realisation of investments. Such operating expenses will be borne by the Class Funds as the Directors shall determine, and usually pro rata if not clearly attributable to a specific Class Fund.

The expenses of introducing new Share Classes shall be charged to the relevant new Share Class.

The Manager may, at its discretion and without recourse to the Company, pay commissions directly to investors or to investors' agents in respect of subscriptions for Shares, subject to the general overriding requirement to treat

Shareholders equally.

# Taxation

## *General*

The taxation of income and capital gains of the Company and the Shareholders is subject to the fiscal law and practice of the investee jurisdictions, of Jersey and of the jurisdictions in which Shareholders are resident or otherwise subject to tax. The following summary of the anticipated tax treatment in Jersey applies only to persons holding Shares as an investment and does not constitute legal or tax advice. The summary is based on the taxation law and practice in force in Jersey at the date of this Prospectus and prospective investors should be aware that the relevant fiscal rules and practice or their interpretation may change.

The comments below are of a general nature, are not a full description of all relevant tax considerations and may not be applicable to certain categories of investor. Prospective investors should consult their own professional advisers on the possible consequences of making an investment in, holding, converting, redeeming or disposing of Shares under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements.

## *The Company*

Jersey's corporate tax regime is known as 'zero/ten'. The general rate of corporate income tax is 0% under the regime. A 10% rate applies to certain regulated financial services companies. The 0% rate will apply to the Company on the basis that it does not engage in what are considered relevant regulated activities.

The Directors further intend to conduct the affairs of the Company in such a manner as to minimise, so far as they consider reasonable, taxation suffered by it. However, as the Company will make a range of investments in various jurisdictions, some of the income and the gains on the investments in certain Class Funds may be subject to withholding and other taxes. The Company will not generally benefit from any treaties for the relief of double taxation.

## *Shareholders*

Shareholders are not subject to any death duties, capital gains, gift, inheritance, capital transfer or income taxes in Jersey. No stamp duty is levied in Jersey on the transfer, redemption or conversion of Shares. However, Jersey probate or letters of administration must usually be obtained on the death of an individual sole Shareholder (unless assets in Jersey have an aggregate value of less than £10,000) and stamp duty of up to 0.75% is payable on their respective registrations. The attention of Jersey residents is drawn to the provisions of Article 134A of the Income Tax (Jersey) Law, 1961 which may in certain circumstances render a resident liable to income tax on the undistributed income or profits on their Shares.

In some jurisdictions a conversion of Participating Shares of one class into Participating Shares of another class may be a realisation for the purposes of capital gains taxation. Dividends paid on Shares held by persons who are not resident in Jersey, will not suffer Jersey withholding tax.

# Valuations

## *Subscription and Redemption Price*

The subscription and redemption price(s) of each Share Class will be calculated based on the Net Asset Value of the associated Class Fund at the Valuation Point for that Class Fund with such adjustments as are necessary to take account of the different fees, characteristics and entitlements of the relevant Share Class. The Net Asset Value of each Class Fund is determined by reference to valuation principles for the underlying assets as set out in the Articles and in accordance with generally accepted accounting principles in the United Kingdom.

Deposits are valued at their principal amount plus accrued interest. Investments listed on a stock exchange are valued at their quoted price. Where bid and offer prices are quoted, investments are valued at a middle market price. Investments in collective investment funds are valued at the last mid-price or the net asset value available from the managers thereof at the Valuation Point. Financial futures contracts and traded options are valued by reference to the latest available prices at the Valuation Point on any market created by any method of dealing in such contracts or options (as the case may be) which in the opinion of the Manager provides a satisfactory market for such contracts or options. Where no price quotation is available for any asset the fair value thereof is to be

determined by the Directors with the approval of the Auditors.

Notwithstanding the above, where the Company has entered into any forward contract of sale or purchase or when any investment has been contracted to be realised, there shall be included in the relevant Class Fund any amount or amounts payable or receivable under such contract, and, only in the case of a contract of purchase, an amount equal to the forward price which would be payable to the Company for the sale of the relevant investment.

If the Directors consider that some other method of valuation better reflects the fair value of a particular investment then in such case the Directors are entitled to substitute what is in their opinion a fair value, with the approval of the Auditors.

Where for the purpose of calculating the Net Asset Value of any Class Fund or any Share Class, any amount in one currency is required to be translated into another currency, the foreign exchange rates applicable shall be the latest available spot exchange rates at the relevant Valuation Point on the London inter-bank market.

The liabilities attributed to the relevant Class Fund for the purpose of computing net assets shall be deemed to include all its liabilities, including accrued liabilities of whatsoever kind and nature except liabilities represented by Shares of the Company and liabilities which relate exclusively to a specific class of Participating Shares (which liabilities shall be allocated to and taken into account when calculating the Net Asset Value of the Share Class). In determining such liabilities the Directors may calculate any liabilities of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

In order to calculate redemption and subscription prices, the Directors may deduct from or add to (as the case may be) the Net Asset Value of the relevant Class Fund appropriate allowances for duties and charges in relation to the realisation or purchase of investments respectively and make such adjustment as is necessary to account for any liabilities or assets which are specific to the relevant Share Class. Accordingly, the subscription price for a particular Share Class on any Dealing Day may be higher than the redemption price for Shares of the same Share Class on that Dealing Day and the subscription and redemption prices of different Share Classes may differ notwithstanding that they relate to the same Class Fund.

Notwithstanding any of the above relating to the time at which any valuation is to be made, the Directors may at any time in relation to any Dealing Day carry out a valuation to determine the Net Asset Value and calculate the subscription and redemption prices of Shares of any Share Class if at that time in the view of the Directors circumstances merit such a calculation and in such event the latest calculated prices and Net Asset Value shall apply for all purposes on the relevant Dealing Day.

The Articles provide that (subject to any relevant regulatory consent) Participating Shares may be offered for fixed periods not to exceed six days at fixed prices so long as such prices shall not be higher or lower than the subscription price for Shares of that class at the relevant time by more than 2%. However, for so long as the Shares of the Company are listed on the Official List and trading on the Main Securities Market of Euronext Dublin, Shares may only be offered at the subscription price.

The Net Asset Value per Share will be notified by the Administrative Agent to Euronext Dublin immediately upon calculation.

In calculating the Net Asset Value and Net Asset Value per Share, the Administrative Agent may rely upon such automatic pricing services as it shall determine or, if so instructed by the Company, the Manager or the Investment Manager, it may use information provided by particular pricing services, brokers, market makers or other intermediaries. In such circumstances, the Administrative Agent shall not, in the absence of fraud, negligence or wilful default on the part of the Administrative Agent, be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Net Asset Value and Net Asset Value per Share resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary.

## *Swing Pricing*

The Company is a single-priced fund.

A characteristic of frequent investor dealing ("**capital activity**") is that transaction costs are incurred which dilute the value of existing shareholders' interests in a single-priced fund. This fall in value happens because the single price ("**mid-price**") at which investors buy and sell the fund's shares only reflects the value of its net assets. It does not take into account the dealing costs that arise when the investment manager trades as a result of capital activity incurring a spread on the underlying securities and related trade charges. In other words, for a single-priced fund, the costs incurred with capital activity do not fall only on the investor who has just traded, but on all

existing shareholders in the fund.

To treat all existing and new investors equally, and so isolating existing shareholders from the impact of net capital activity, a fund's Net Asset Value price can 'swing' to reflect the costs to the fund of the underlying net capital activity. For example, a net subscription will lead to the Net Asset Value price per Share swinging upwards to an 'offer' price, and a net redemption will lead to the Net Asset Value per Share price swinging downwards to a 'bid' price. The process is triggered and the Net Asset Value swung when net capital activity is of a material level.

The swing factor calculation is derived from (i) the bid-offer spread of the underlying portfolio of investment; and (ii) associated trade charges. The Manager may apply a swing factor of up to 2% of the Net Asset Value per Share.

Investors should note that in the event that they subscribe on a day in which total subscriptions exceed redemptions, the price will swing above the mid-price. Investors should also note that in the event that they redeem on a day in which total redemptions exceed subscriptions, the price will swing below the mid-price.

As a consequence of the application and publishing of swing pricing on a particular day, the Net Asset Value may not reflect the true portfolio performance when compared to the Company's benchmark that day.

### *Suspension of Valuations*

The Directors may declare a suspension of the issue, redemption, conversion and valuation of Shares during any period when there is a closure of, or the suspension of trading on, any market on which a substantial portion of assets are traded or for any other reason circumstances exist as a result of which in the Directors' opinion it is not reasonably practicable to dispose of a substantial portion of investments or to determine the subscription or redemption prices or a breakdown occurs in any of the means normally employed by the Directors in ascertaining the subscription and/or redemption prices of a substantial portion of assets, or the remittance of funds involved in the realisation of or in the payment for investments cannot be carried out without undue delay or at normal rates of exchange.

Notice of the imposition or lifting of the suspension of valuations will be notified without delay to applicants for the issue or redemption of Shares and published on the following website, www.stanlib.com, and in the daily newspapers (if any) in which the subscription and redemption prices of Shares may have been published during the preceding six months. Shareholders wishing to redeem Shares of that Share Class may withdraw their requests for redemption by notifying the Company or the Manager in writing on or before 2.30pm Jersey time on the Business Day immediately before the relevant Dealing Day preceding the termination of the suspension. Unless withdrawn, requests for redemption will be considered on the first Dealing Day following the lifting of a suspension. All reasonable steps will be taken by the Directors to bring any period of suspension to an end as soon as possible. Notice of any suspension of redemptions and the calculation of the Net Asset Value will be notified immediately to Euronext Dublin.

## Further Details Concerning Conversions & Redemptions

### *Conversion*

Shares of any Share Class may only be converted into Shares of another Share Class if the Fund Rules of the relevant Class Funds so provide. The Directors have discretion subject to the fair and equitable exercise thereof to reject any application to convert Shares where they consider it to be in the interest of the Company or of the holders of any Share Class to do so.

The number of Shares of the new Share Class resulting from conversion shall be determined by the Directors in accordance (or as nearly as may be in accordance) with the following formula:

$$A = \frac{B \times (C \times D)}{E}$$

Where:

A = the number of Shares of the new Share Class to be issued;

B = the aggregate number of Shares of the original Share Class to be converted comprised in the conversion notice;

C = the redemption price per Share of the original Share Class ruling on the relevant Dealing Day;

D = the currency conversion factor determined by the Directors on the relevant Dealing Day (or in the event that the redemption price is recalculated, then at the time of such recalculation) as representing the effective rate of exchange between two relevant currencies. Where both Funds are denominated in the same currency, the currency conversion factor shall be one;

E = the Issue Price per Share for the new Share Class ruling on the relevant Dealing Day.

There is no conversion charge levied.

### *Compulsory Redemption of Shares*

a) If at the relevant time or times over a period of four consecutive weeks, the aggregate Net Asset Value of all the Class Funds maintained by the Company shall be less than the equivalent of US$10,000,000, the Company may by not less than four weeks' notice to all holders of Shares, redeem on the Dealing Days designated in such notice at the respective redemption prices all (but not some only) of the Shares not previously redeemed.

(b) If, at the relevant time or times over a period of four consecutive weeks, the Net Asset Value of any Class Fund maintained by the Company shall be less than the equivalent of US$5,000,000, the Company may, by not less than four weeks' notice to all holders of Shares of the relevant Class, redeem on the Dealing Day nominated in such notice at the relevant Redemption Price calculated on that day all (but not some only) of the Shares of that Share Class not previously redeemed.

(c) The Directors are entitled by notice to require the redemption or transfer of Shares acquired or held by a person in breach of any law or requirement of any country or governmental authority or in circumstances where the holding of such Shares may result in the regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or its Shareholders as a whole.

### *Deferral of Redemption*

The Directors may restrict redemption of Shares to no more than 20% of the issued Shares of any Share Class on any Dealing Day, with excess requests being scaled back on a pro-rata basis, with the balance being carried forward to the next Dealing Day and so on until all the Shares concerned have been redeemed.

## Corporate Structure

### *Capital Structure*

The Company was incorporated with limited liability in Jersey on 18th March 1996 under the provisions of the Companies (Jersey) Law, 1991 (as amended) with an authorised share capital of US$5,000,100 divided into 100 Founders Shares of $1 each and 500,000,000 unclassified Shares of one cent each. Pursuant to a special resolution of the Shareholders of the Company passed on 21st December 1998 the 500,000,000 unclassified Shares of one cent each have been consolidated into 5,000,000 unclassified Shares of $1 each. The unclassified Shares may be issued as Participating Redeemable Preference Shares ("**Shares**") of any Class, or as Nominal Shares. The constitution of the Company is defined in the Articles which may be altered by special resolution. The authorised share capital of the Company may be altered by special resolution in accordance with the Companies (Jersey) Law 1991 as amended.

The Directors have resolved pursuant to powers vested in them by the Articles to issue Participating Shares on the terms set out herein.

### *Founders Shares*

Founders Shares may only be issued at par value to the Manager or to its nominees provided that the Directors may at any time direct that any Founders Shares not held by or on behalf of the Manager shall be compulsorily purchased from the holder thereof by the Manager at the par value thereof. On a winding up or repayment of capital, the Founders Shares rank for repayment of the nominal amount paid up thereon after repayment of the nominal amount paid up on the Shares and the Nominal Shares (if any). Holders of Founders Shares are entitled to receive notices of General Meetings and to attend and vote thereat. On a poll a holder is entitled to one vote

for each Founders Share held. Founders Shares do not carry the right to any dividend.

### *Participating Redeemable Preference Shares ("Participating Shares" or "Shares")*

The Shares rank first in a winding up for repayment of the nominal amount paid up thereon and, in addition, have the right to a pro-rata share of all dividends paid and to surplus assets available for distribution to Shareholders after repayment of the nominal amount paid up on the Nominal Shares (if any) and the Founders Shares. Holders of Shares receive notice of General Meetings and are entitled to attend and vote thereat. On a poll a holder is entitled to one vote for each whole Share held. A Member may appoint any person to act as his proxy at any Meeting of the Company. A Member may be registered as the holder of and may transfer a fraction of a Share.

### *Nominal Shares*

The Articles allow for the issue to the Manager of unclassified shares as Nominal Shares for the purpose of providing funds for redemptions. Nominal Shares carry no right to dividend and are subordinated to the Participating Shares on a winding up or repayment of capital. A holder of Nominal Shares has only one vote on a poll or on a show of hands no matter how many Nominal Shares are held by him.

### *Winding up*

The Company will exist until wound up pursuant to a special resolution of its Members and then be dissolved according to the Companies (Jersey) Law 1991.

In a liquidation, the liquidator is authorised to transfer assets to and from the Class Funds in such a way as may be necessary in order that the effective burden of creditors' claims is shared among the holders of Shares of different classes in such proportions as the liquidator thinks equitable.

The assets available for distribution among the Shareholders will be applied in the following priority:

(i) firstly, in the payment to the shareholders of each class of the nominal amount paid upon their Shares;

(ii) secondly, in the payment to the holders of the Nominal Shares of the nominal amount paid upon their Shares but without recourse to assets of any Class Fund;

(iii) thirdly, in the payment to the holders of the Founders Shares of the nominal amount paid upon their Shares, but without recourse to the assets of any Class Fund;

(iv) fourthly, in the payment to the Shareholders of each Share Class of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares of that class held; and

(v) fifthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Class Funds, such payment being made in proportion to the number of Shares held.

### *Fund Rules*

The Directors are required, pursuant to the Articles to adopt and maintain in respect of each Share Class in issue Fund Rules which make such provisions as the Directors consider appropriate but which shall include: -

(i) the investment rules relating to the relevant Share Class;

(ii) the Valuation Point for the relevant Share Class;

(iii) details of the terms and conditions, and the Dealing Day or Days on which the relevant Shares may be allotted, redeemed or converted, and the periods of notice and procedures to be adopted by persons wishing to convert;

(iv) restrictions (if any) on the conversion of Participating Shares of the relevant Share Class

(v) details of any charges which may be levied on an allotment redemption or conversion.

The provisions of the Fund Rules may be varied only with the consent of the Custodian and the sanction of an Ordinary Resolution of holders of the relevant Share Class, save that such sanction will not be required if such variation or amendment is necessary to make possible compliance with fiscal or other statutory or official requirements, actual or proposed, or if:-

(i) such variation or amendment is not a variation of the provisions regulating any of the determination of the Net Asset Value of the Class of Shares, the prices at which Shares may be issued, redeemed or converted, or the remuneration or charges of the Manager; and

(ii) the Custodian and the Manager each certify that the variation does not materially prejudice the interests of Shareholders, nor release the Company from any responsibility to such holders.

## *Variation of Class Rights*

(a) All or any of the special rights attached to any class of Shares (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be altered or abrogated with the consent in writing of the holders of not less than 75% of the issued Shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the Shares of that class by a majority of at least 75% of the votes cast at such a meeting. To every such separate meeting, the provisions of the Articles relating to general meetings shall apply mutatis mutandis, except that the necessary quorum shall be the holders of at least one-third of the Shares of that class.

(b) The Company in general meeting or its Directors may at any time and from time to time confer on the holders of Shares of any class such further rights and privileges in addition to those herein contained as it or they may think fit without conferring such rights or privileges on the holders of all classes of Shares provided that the rights of such other holders as to voting on a poll dividend, redemption, return of capital on a winding up or the application of the assets of the Company relating to that class are not thereby reduced or abrogated.

(c) Subject to paragraph (b) above, the special rights conferred upon the holders of any Shares of any class issued with preferred rights shall (unless otherwise expressly provided by the terms of issue of the Shares of that class) be deemed not to be varied by the creation allotment or issue of further Shares ranking pari passu therewith, or of Founders Shares, or the creation of unclassified Shares, or the allotment, issue, redemption, or conversion of Shares or Nominal Shares, or by the payment of a dividend on Shares of any class out of the assets attributable to that class, or by the exercise by the Directors of their discretions in relation to the adoption of Fund Rules and the attribution of assets or liabilities between Funds, or by the exercise by a liquidator of his powers in a winding up.

## *Attribution between Class Funds*

There are separate Class Funds and separate Share Classes corresponding thereto and the following provisions apply thereto:-

(a) the proceeds from the allotment and issue of each Share Class are required to be applied in the books of the Company to the Share Class and the corresponding Class Fund and the assets, liabilities, income and expenditure attributable thereto shall be applied to such Share Class and the corresponding Class Fund subject to the provisions set out below;

(b) where any asset is derived from another asset (whether cash or otherwise) such derivative asset is required to be applied in the books of the Company to the same Class Fund as the asset from which it was derived and, on each revaluation, the increase or diminution in value shall be applied to the relevant Class Fund;

(c) in the case of any assets of the Company (not attributable to the Founders Shares or Nominal Shares, if any) which are not considered attributable to a particular Class Fund or Funds, the Directors will have discretion to determine the basis upon which any asset is to be allocated between Class Funds and Directors have power (subject to the fair and equitable exercise of such power) at any time and from time to time to vary such basis;

(d) where the assets of the Company attributable to the Founders Shares or Nominal Shares, if any, give rise to any net profits, the Directors may allocate assets representing such net profits to such Class Funds as they deem equitable;

(e) the Directors have a discretion, subject to the approval of the Auditors, to determine the basis upon which any liability shall be allocated between Class Funds and, if required, different Share Classes (including conditions as to subsequent reallocation thereof if circumstances so permit or require) and have power (subject to the fair and equitable exercise) at any time and from time to time, to vary such basis and charge expenses of the Company against either the revenue or the capital of the Company;

(f) subject to the approval of the Auditors, the Directors may in the books of the Company transfer any assets to and from each Share Class and Class Funds if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability would be borne in a different manner from that in which it would have been borne under paragraph (e) above, or in any similar circumstances.

# Directors

## *Directors of the Company*

The Directors control the affairs of the Company at regular board meetings and are responsible for the overall investment policy to be pursued in respect of each of the Class Funds from time to time. The Directors of STANLIB Funds Limited are:-

Michael Farrow (British): Having been company secretary to an offshore banking group and then running an ultra high net worth family office for 7 years, Mr Farrow co-founded a mid-sized, Jersey regulated trust, corporate and fund administration firm. He led its corporate and fund services for 15 years prior to selling the business. He currently sits on the boards of directors of a number of listed companies and a variety of private equity based collective investment schemes, investing in such diverse activities as equities, bonds, international commercial property, clean energy generation and commercial farming. Mr Farrow holds an MSc in Corporate Governance and is a Fellow of the Institute of Chartered Secretaries & Administrators. Mr Farrow's business address is Le Rondin, Les Chenoles, St John, Jersey, Channel Island, JE3 4FB.

Neil Deacon (British): Mr Deacon is a Chartered Fellow of the Chartered Institute for Securities and Investment. He has over twenty years of experience in financial services. He has worked for Ogier Group LP (1996 – 1999), Morgan Stanley Quilter (1999 – 2001) and Collins Stewart C.I. Ltd. (2001 – 2008), is the proprietor of Deacon Independent Governance (2008 to date) and has acted as an adviser to RBS Coutts Channel Islands (2010 – 2011) and Standard Bank Jersey Limited (2011 – 2012). He has experience as a stockbroker, and has performed asset management roles with two hedge funds, and a fund of hedge funds. He has held risk management positions in both wealth and fund management businesses, and has provided compliance advice to fund boards. He is a non-executive director of a number of asset backed private equity vehicles and is a director of IntelliQuant Asset Management Limited. He is non-executive chairman of the board of STANLIB Fund Managers Jersey Limited, and is a non-executive director of a hedge fund managed account platform based in Guernsey (SCIENS Group Alternative Strategies PCC Limited). Mr Deacon's business address is Grassmere House, La Rue du Rondin, St Mary, Jersey, Channel Islands JE3 3AU.

Sidney Place (South African): In May 2004, Mr Place retired as Group chief investment officer of STANLIB Asset Management Limited with responsibility for investments of more than $23 billion. His career with the Liberty Group and its associated investment company STANLIB Asset Management spanned 24 years and was primarily involved in institutional portfolio management for life assurers, pension funds and mutual funds. Mr Place previously worked at the South African electricity utility Eskom where he was extensively involved in financial planning and stock pricing. He has worked with the African Alliance Group of Companies since 2005 in developing financial capabilities in several African countries, excluding South Africa. Mr Place's business address is 49 Carlisle Avenue, Hurlingham, 2196, Johannesburg, Republic of South Africa.

Michael Mitchell (South Africa): Michael Mitchell is the Head of Risk Management for STANLIB. Mr Mitchell joined STANLIB in May 2002 from Liberty Asset Management. Mr Mitchell is a CA (SA) and a CFA charterholder and has previously held positions in finance, operations, risk management and compliance within the asset management industry. Mr Mitchell is a director of STANLIB Wealth Management Nominees (Proprietary) Limited and 1nvest Fund Managers (Proprietary) Limited. Mr Mitchell's business address is c/o STANLIB Asset Management (Pty) Limited, 17 Melrose Boulevard, Melrose Arch 2196, Johannesburg, Republic of South Africa.

## *Directors' remuneration*

(a) The Directors are entitled to such remuneration as shall be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid travelling, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Directors or other meetings or in connection with the business of the Company. The Directors may

grant special remuneration to any Director performing any special or extra services to, or at the request of, the Company.

(b) The maximum permitted aggregate of directors' fees at the current rates amount to £92,000 each year.

(c) No Director or intending Director shall be disqualified by his office from contracting with the Company, nor shall any such contract (or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested) be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established, but the nature of his interest must be disclosed by him as soon as practicable after he is aware of the circumstances which will give rise to his duty to so disclose.

(d) A Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in Shares or debentures or other securities or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting. However, a Director shall be entitled to vote (and be counted in the quorum) in respect of: -

(i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries,

(ii) any proposal concerning the purchase by the Company of directors and officers liability insurance,

(iii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by giving of security,

(iv) any proposal concerning an offer of Shares, debentures or securities of or by the Company or any of its subsidiaries for subscription or purchase in which he is or is to be interested as a participant in the underwriting or sub-underwriting, and

(v) any proposal concerning any other company in which he is interested directly or indirectly and whether as an officer, shareholder or otherwise provided that he is not the holder of a material interest in such company (as determined by the Articles).

(e) A Director may be or may become a director or other officer or member of any company in which the Company may be interested and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as director or other officer or member of such other company.

(f) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director on such terms as to tenure of office and otherwise as the Directors may determine.

(g) To the extent permitted by Jersey law every Director, the Secretary and other officer or servant of the Company may be indemnified and secured harmless out of the assets and profits of the Company against all costs, losses and expenses which are incurred as a result of their duties in relation to the Company and are entitled to a lien on the Company assets in respect thereof in priority to Shareholders' claims.

(h) The Articles permit the Directors to create further Classes of Shares.

(i) A Director is not required to hold any Shares by way of qualification. A Director is required to retire at the Annual General Meeting following his/her seventieth birthday.

(j) There are no existing or proposed service contracts between any of the Directors and the Company.

(k) None of the Directors have had any convictions in relation to indictable offences, been involved in any bankruptcies, individual voluntary arrangements, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company or partnership voluntary arrangements, any composition or arrangements with its creditors generally or any class of its creditors of any company where they were a director or partner with an executive function, nor have any had any official public incrimination and/or

sanctions by statutory or regulatory authorities (including recognised professional bodies) nor has any director ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

## *Directors of the Manager*

The directors of the Manager are: Neil Deacon, Mickey Gambale, Derrick Msibi and Matthew Scriven.

With the exception of the independent non-executive director, none of the directors of the Manager have any significant activities not connected with the business of the Company and the Manager.

## *Material Contracts*

The following contracts have been entered into by the Company since its incorporation and are material:

(a) A Management Agreement dated 12 April 1996 between (1) the Company and (2) Liberty Ermitage Asset Management Jersey Limited (the **"Original Manager**") as amended and restated by an agreement between the same parties dated 21 December 1998, novated by a novation agreement between (1) the Company, (2) the Original Manager and (3) the Manager dated 16 May 2006 and supplemented by a supplemental management agreement between (1) the Company and (2) the Manager dated 19 November 2012, whereby the Manager has been appointed (with powers of sub-delegation) to manage the Company's business, investments and administrative affairs and to promote the distribution of its Shares, subject to the control of the Directors. The Agreement contains provisions indemnifying and exempting the Manager from liability not due to its wilful default or negligence or fraud. The Agreement may be terminated, inter alia, by either party on 6 months' notice but no such notice shall be effective unless and until a replacement manager has been appointed.

(b) A Custodian Agreement dated 19 November 2012 between (1) the Company and (2) the Custodian under which the Custodian has been appointed to be responsible for the safe custody of the assets of each Class Fund. The Custodian has the discretion to appoint sub-custodians whom it satisfies itself are reputable and creditworthy financial institutions having the appropriate expertise and capability to act as a sub-custodian of Company assets and where arrangements are in place to safeguard the assets against the sub-custodian's own creditors in the event of a winding up. The Custodian has appointed the Sub-Custodian as its first sub-custodian pursuant to an agreement dated 19 November 2012.

The Custodian Agreement contains provisions indemnifying and exempting the Custodian from liability not due to its wilful default, negligence or fraud or failure to exercise due care and diligence and the Custodian may have recourse to the assets of the Company to satisfy any such rights of indemnification. The Custodian Agreement may be terminated, inter alia, by the Custodian or the Company on 6 months' notice but no such notice shall be effective unless and until a replacement custodian has been appointed.

(c) An Investment Management Agreement dated 21 December 1998 between (1) the Original Manager, (2) the Investment Manager and (3) the Company as amended by Amendment Agreements dated 31 January 2000 and 6 October 2000 and novated by a novation agreement between (1) the Company, (2) the Original Manager (3) the Manager and (4) the Investment Manager dated 16 May 2006 and supplemented by Supplemental Investment Management Agreements between (1) the Manager, (2) the Investment Manager and (3) the Company dated 19 November 2012, 28 June 2013, 29 July 2015 and 20 August 2020 whereby the Manager appointed the Investment Manager as its delegate to provide discretionary investment management services in respect of the Class Funds (with powers of sub-delegation). The Investment Management Agreement contains provisions indemnifying and exempting the Investment Manager from liability not due to its wilful default or negligence or fraud. The Company is providing no indemnity to any sub-delegate of the Investment Manager. The agreement may be terminated, inter alia, by the Manager or the Investment Manager on three months' notice. The Manager will pay the fees of the Investment Manager.

(d) An Administrative Services Agreement dated 19 November 2012 between (1) the Manager and (2) the Administrative Agent as supplemented by a Supplemental Administrative Services Agreement dated 28 June 2013 whereby the Manager has appointed the Administrative Agent to undertake certain administrative functions in relation to the Company on behalf of the Manager. The Manager is responsible for the fees of the Administrative Agent and indemnifies the Administrative Agent other than in respect of fraud, bad faith, negligence and willful misconduct of the Administrative Agent. The Agreement may be terminated, inter alia, by either party on 90 days' prior notice in writing.

(e) A Distribution Agreement dated 12 June 2013 between (1) the Company and (2) the Distributor whereby the Distributor has been appointed (with powers of sub-delegation) to provide certain distribution services to the Company, including marketing, advertising and otherwise promoting the Company and the Shares, subject to the control of the Directors. The Company is providing no indemnity to any sub-delegate of the Distributor. The Distribution Agreement may be terminated, inter alia, by the Distributor or the Company on 90 days' notice. Pursuant to a side letter dated 12 June 2013 between the Distributor and the Company, the Distributor has agreed to waive its right to be remunerated in respect of the services being provided under the Distribution Agreement.

(f) An institutional investment management agreement dated 28 March 2002 between (1) the Investment Manager and (2) Brandywine as amended and replaced by an amendment investment management agreement dated 19 December 2014 between (1) the Investment Manager and (2) Brandywine pursuant to which Brandywine has been appointed as sub-investment manager to perform investment management and advisory services to STANLIB Global Bond Fund – A Class shares.

(g) A principal investment management agreement dated 17 October 2012 between (1) the Investment Manager and (2) Threadneedle as amended and restated pursuant to a discretionary management agreement dated 13 August 2014 and made between (1) the Investment Manager and (2) Threadneedle pursuant to which Threadneedle has been appointed as investment advisor to provide discretionary investment management services to STANLIB High Alpha Global Equity Fund, STANLIB Global Emerging Markets Fund, STANLIB Global Balanced Fund, STANLIB Global Balanced Cautious Fund and STANLIB European Equity Fund.

(h) A sub-advisory agreement dated 25 August 2020 between (1) the Investment Manager and (2) JPMorgan, pursuant to which JPMorgan has been appointed as discretionary investment manager in relation to STANLIB Global Multi-Strategy Stable Performance Fund, STANLIB Global Multi-Strategy Moderate Growth Fund, STANLIB Global Multi-Strategy Diversified Growth Fund and STANLIB Global Multi-Strategy Aggressive Growth Fund.

## *Conflicts of Interest*

The following conflicts of interest may arise:

(a) The Manager may as principal acquire and hold Participating Shares and may at its sole discretion satisfy, in whole or in part, an application or request:

(i) for the purpose of the buying of Participating Shares by the applicant by effecting a transfer to the applicant of Participating Shares owned by the Manager at a price determined by the Manager, but in no circumstances to be greater than the relevant Issue Price; or

(ii) for the purpose of a redemption of Participating Shares by a Shareholder by buying such Participating Shares from the Shareholder at a price determined by the Manager, but in no circumstances to be at a price less than the relevant Redemption Price.

The Manager is under no obligation to account to the Company or a Shareholder for any profit which it makes on the issue of Participating Shares or on the re-issue or cancellation of Participating Shares which are repurchased.

(b) Cash forming part of the property of the Company may be placed by the Custodian or Sub-Custodian in any current deposit or loan account with itself or with any associate (being a banker) of the Custodian or Sub-Custodian (as applicable) so long as that banker pays interest thereon at no lower rate than is, in accordance with normal banking practice, the commercial rate for deposits of the size of the deposit in question negotiated at arm's length.

(c) Money which may be borrowed for the account of the Company may be borrowed from the Custodian or from any associate (being a banker) of the Custodian or of the Manager so long as the banker charges interest at no greater rate than is, in accordance with normal banking practice, the commercial rate for a loan of the size of loan in question negotiated at arm's length.

(d) A person who is the Manager, the Custodian, any associate of either of them, or the Investment Manager is authorised:

(i) to become the owner of Shares in the Company and to hold, dispose of or otherwise to deal with

those Shares as if that person were not such a person; and

(ii) to deal in property of any description on that person's individual account notwithstanding the fact that property of that description is included in the property of the Company; or

(iii) to act as agent in the sale or purchase of property to or from the Custodian for the account of the Company:

without that person having to account to any other such person, to the Company, the holders of Participating Shares or any of them for any profits or benefits made by or derived from or in connection with any such transaction.

(e) The Directors, the Manager, its holding company, its holding Company's shareholders, any subsidiaries of its holding company, the Investment Manager and any sub-delegated investment manager appointed by the Investment Manager and any of their directors, officers, employees, agents and affiliates (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may on occasion give rise to conflicts of interest with the Company. The Company will use its reasonable endeavors to avoid conflicts of interests arising with any Interested Party or other service provider to the Company but it may not always be practical or possible to do so, in which event the Company and the relevant Interested Party or service provider will address such conflicts though internal rules of confidentiality, or by declining to act, or by disclosing the nature of the conflict to Shareholders. Subject to the policies described above, the Manager and any appointed investment manager may provide services similar to those provided to the Company and shall not be liable to account for any profit earned from any such services. In relation to the allocation of investment opportunities to different clients, the Manager and any appointed investment manager may be faced with conflicts of interest with regard to such duties. The Manager is required to ensure that investment opportunities in those circumstances will be allocated fairly and to impose a similar obligation on any investment manager appointed by it. Should a conflict of interest arise the Directors will endeavor to ensure that it is resolved fairly.

# Additional Information

## *Complaints*

The Company, through the Manager, operates a written procedure for the effective consideration and proper handling of complaints from Shareholders. If a Shareholder has a complaint against the Company, the Shareholder should write to the Manager with details of the complaint marking the letter for the attention of the Manager. A copy of the complaints handling procedures can be obtained from the Manager on request.

## *Accounting Dates*

The Company's financial year ends on 31 December. Annual audited reports and accounts will be published on the website below and Euronext Dublin within six months of the financial year end of the Company. Interim unaudited reports and accounts to 30 June will be published on the website annually.

Website address: www.stanlib.com (see publications/annual reports)

Financial statements will be prepared in accordance with generally accepted accounting principles in the International Financial Reporting Standard and will include a portfolio report for each of the Class Funds.

## *Meetings*

The Directors may call an Extraordinary General Meeting at any time. Shareholders representing at least one-tenth in nominal value of the Shares which carry the right to vote at the relevant meeting may require the Directors to call an Extraordinary General Meeting or, as the case may be, a meeting of the holders of a class of Shares, provided that the requisition is signed by the Shareholders requisitioning the meeting and that it states the matter or matters to be submitted for consideration at the meeting. The Custodian may require the Directors to call an Extraordinary General Meeting or a meeting of the holders of a class of Shares in relation to its position or interests of Shareholders.

The Annual General Meeting of the Company will usually be held in Jersey and must be held in each year provided that not more than 18 months shall elapse between the date of one Annual General Meeting and the next and within six months of the Company's financial year end.

At least 21 days' notice (or such lesser period as permitted by the Articles and the Companies (Jersey) Law, 1991 (as amended)) must be given of an Annual General Meeting or a General Meeting at which special resolutions are to be proposed. At least 14 days' notice will be given of any other Meeting of Shareholders. Shareholders unable to attend in person may appoint one or more proxies to vote on their behalf, a proxy need not also be a Shareholder of the Company. Only Shareholders who are present in person may vote on a show of hands and shareholders or their appointed proxy may vote on a poll. A poll may be demanded by the chairman of the meeting or by a Shareholder present at the meeting.

The Directors, the Manager, the Auditors and the Custodian shall be entitled to receive notice of and attend and speak at any general meeting of the Company but shall not be entitled to vote other than as Shareholders. Where the Manager, the Custodian, the Investment Manager and any of their associates beneficially own any Shares, such party may not and must procure that its associates do not exercise any voting rights conferred by such Shares or be counted in the quorum for the relevant meeting where, in the case of the Manager and the Investment Manager, any such vote is to approve a variation in the terms of the agreement by which they are appointed or the making of a new agreement by the Company with them or any other matter in which they or their associates have a material interest and, in the case of the Custodian, in all cases except in relation to voting rights in respect of Shares held by it as a trustee or nominee on behalf of a person (other than an associate) from whom it has received voting instructions.

## *Notices*

Written notices to shareholders will be posted to the address shown in the register. In the case of holdings in joint names, notices will be sent to the joint holder whose name stands first in the register.

## *Appointment of Manager and Custodian*

The Articles contain provisions to the following effect:-

(a) the Company shall appoint a manager of its affairs and a custodian to hold its assets and the Directors may confer on the manager any of the powers exercisable by the Directors and may confer on the Custodian such other duties as the Directors and the Custodian may agree;

(b) the terms of any agreement entered into by the Company appointing any manager or Custodian (other than the original agreements entered into appointing the first manager and the first Custodian prior to the initial issue of Shares) and any variation made after the issue of Shares shall be subject to approval by resolution passed by the majority of the holders for the time being of Shares present or represented at a general meeting but no such approval shall be required if:

(i) the terms of any new management agreement or custodian agreement (as the case may be) should not differ materially from those in force with the former Manager or Custodian (as the case may be) on the termination of its appointment, or

(ii) the Company, the Manager, the Custodian and the Auditors each certify that the variation is necessary or expedient having regard to actual or proposed legislation or fiscal or other official requirements, or that the variation does not materially prejudice the interests of the holders of Shares or release the Manager or Custodian or any other person from any responsibility or liability to members and does not increase the costs and charges payable by the Company other than to allow for the payment by the Company of any costs and charges arising after and as a result of the creation of a new Class of Shares; and

(c) that the terms of appointment of the Manager and the Custodian may include indemnities in their favour (other than in respect of matters arising as a result of their failure to exercise due care and diligence).

## *General*

(a) The Company is not engaged in any litigation or arbitration and the Directors are not aware of any litigation, arbitration or claims pending or threatened against the Company since its incorporation.

(b) The Company has not established, and does not intend to establish, a place of business in the United Kingdom or South Africa and has no subsidiaries.

(c) The Company is an overseas company and is not regulated under the UK Financial Services and Markets Act 2000 and as such investors will not benefit from the rules and regulations made under that Act for the protection of investors nor benefit from the UK Investors' Compensation Scheme. Investors will have no rights of cancellation under Financial Services (Cancellation) Rules 1989 (as amended) of the UK.

(d) Neither the Articles nor the Companies (Jersey) Law 1991, as amended contain pre-emption rights in favour of the holders of Shares of any class of the Company.

(e) In addition:-

(i) no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company;

(ii) no Shares or loan capital of the Company have been or are agreed or proposed to be issued as fully or partly paid up otherwise than in cash provided that the Manager may accept subscriptions for Shares in the Class Funds partly or wholly in specie pursuant to the Articles;

(iii) no Shares or loan capital of the Company are under option or agreed conditionally or unconditionally to be put under option;

(iv) none of the Directors intend to subscribe for Participating Shares and as at the date hereof none of the Directors are aware that any person connected with him intends to acquire any interest in the share capital or any options in respect of such share capital of the Company; and

(v) the Company has not entered into and does not anticipate any transactions which are unusual in their nature or conditions or significant to the Company in which any Director has an interest.

(vi) as of the date of this Prospectus the Company has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges, debentures, or other borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

(f) STANLIB (the Investment Manager) receives fees from its clients in respect of the management of their funds invested in part in Class Funds in the Company.

## *Documents for Inspection*

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, bank and public holidays excepted) at the registered office of the Company, and at the office of the Manager, Sponsoring Broker, J&E Davy as specified at page 6.

(i) The Memorandum and Articles of Association (as amended) of the Company;

(ii) the Fund Rules;

(iii) the material contracts described above;

(iv) the Companies (Jersey) Law 1991, as amended;

(v) the Collective Investment Funds (Jersey) Law 1988, as amended;

(vi) the Financial Services (Jersey) Law 1998, as amended;

(vii) the latest published audited Annual Report and Accounts of the Company and the latest published unaudited Semi-Annual Interim Report of the Company;

(viii) the schedule of regulatory differences between Jersey and South Africa;

(ix) the Listing Particulars dated 1 September 2000 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the Global Bond Fund (now called the STANLIB Multi-Manager Global Bond Fund) and the Global Equity Fund (now called the STANLIB Multi-Manager Global Equity Fund) to be admitted to the Official List and trading on the Main Securities Market of Euronext Dublin;

(x) the Listing Particulars dated 20 August 2007 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the STANLIB High Alpha Global Equity Fund to be admitted to the Official List of Euronext Dublin;

(xi) the Listing Particulars dated 14 July 2008 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the STANLIB Global Bond Fund to be admitted to the Official List of Euronext Dublin;

(xii) the Listing Particulars dated 1 July 2009 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the STANLIB Global Property Fund to be admitted to the Official List of Euronext Dublin;

(xiii) the Listing Particulars dated 20 January 2013 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the STANLIB Global Emerging Markets Fund to be admitted to the Official List of Euronext Dublin;

(xiv) the Listing Particulars dated 2 July 2013 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the STANLIB Global Balanced Fund and the STANLIB Global Balanced Cautious Fund to be admitted to the Official List of Euronext Dublin;

(xv) the Listing Particulars dated 29 July 2015 submitted to Euronext Dublin for the purposes of the application for the Participating Shares of the STANLIB European Equity Fund to be admitted to the Official List of Euronext Dublin;

(xvi) Copies of the Company's Prospectus and the Application Form; and

(xvii) A list of past and current directorships and partnerships held by each Director over the last five years.

## *Data Protection*

Information collected from investors by or on behalf of the Manager may constitute "personal data" for the purposes of the Data Protection (Jersey) Law 2018 (the "**Data Protection Law**").

The Company is the "data controller" (as defined in the Data Protection Law) in respect of such data, which may be processed as part of, and for the purposes of, the business of the Company as a collective investment fund, including the purposes of maintaining accurate records of investor interests in the Company, communicating with investors and complying with anti-money laundering regulations.

More information on how the Company processes personal data collected from investors, how it maintains the security of that data and the rights of data subjects in respect of that data is set out in the Company's privacy notice, a copy of which is available by contacting the Manager at sfmj@stanlib.com.

## Investment Objectives and Investment & Borrowing Restrictions of the Class Funds of STANLIB Funds Limited

### *Investment Policy*

There is no limitation or restriction on the activities or corporate capacity of the Company by reference to the Company's Memorandum of Association.

The investments in which the Class Funds will be invested may be listed or unlisted, exchange traded or over-the-counter, and rated or unrated.

The objectives of the STANLIB Global Balanced Fund, the STANLIB Global Balanced Cautious Fund, the STANLIB Multi-Manager Global Bond Fund, the STANLIB Multi-Manager Global Equity Fund the STANLIB European Equity Fund, STANLIB Global Multi-Strategy Stable Performance Fund, STANLIB Global Multi-Strategy Moderate Growth Fund, STANLIB Global Multi-Strategy Diversified Growth Fund and STANLIB Global Multi-Strategy Aggressive Growth Fund are summarised separately in Appendices 2 to 7 to this Prospectus. The objectives of the following Class Funds are as follows:

- **STANLIB Global Property Fund**

The primary objective is to maximize long term total return, both capital and income growth, by investing in global property company shares and REITS.

- **STANLIB High Alpha Global Equity Fund**

The objective is to maximise long term total return by investing in global equities. Tracking error of the fund to the benchmark is expected to be in the region of 6-10%.

- **STANLIB Global Bond Fund**

The primary objective of this single manager fund is to provide attractive investment returns from investment in major international bond markets. The criteria for investment are the preservation of capital and appropriate weighted average credit rating.

- **STANLIB Global Emerging Markets Fund**

The primary objective of this single manager fund is to maximise long term total return by investing in emerging market equities.

The returns of each of the Class Funds, as well as the selected benchmarks, will be measured in US Dollars.

The objectives shall be sought on the basis of the investment restrictions and subject to the risks normally associated with a conservative and balanced approach to portfolio management. Due regard shall be paid to risk control and security of the capital of the Class Funds.

Each of the Class Funds will (in the absence of unforeseen circumstances) adhere to the material investment objectives and policies. Any changes to the objectives and policies will be made only in exceptional circumstances and, where applicable, in accordance with ISE rules, and then only with the consent of a majority of Shareholders of the relevant Class Fund.

### *Investment Restrictions*

Save in respect of the STANLIB Global Balanced Fund, the STANLIB Global Balanced Cautious Fund, the STANLIB Multi-Manager Global Bond Fund, the STANLIB Multi-Manager Global Equity Fund and the STANLIB European Equity Fund which are summarised separately in Appendices 2 to 6 to this Prospectus, and save in respect of the STANLIB Global Multi-Strategy Stable Performance Fund, the STANLIB Global Multi-Strategy Moderate Growth Fund, the STANLIB Global Multi-Strategy Diversified Growth Fund and the STANLIB Global Multi-Strategy Aggressive Growth Fund which are summarised in Appendix 7, the investment restrictions of the Class Funds are summarised below:

For the purpose of these investment restrictions:-

1) "**Approved Bank**" means:

(a) Any corporate body which is a banking institution which has capital which is shareholders' funds of an amount not less than the equivalent of five hundred million dollars (US$500,000,000) (as shown by the latest available edition of The Banker Magazine, published by Financial Times Information Limited, or as shown by such other publication as the Directors shall with the approval of the Custodian determine); or

(b) which is authorised and regulated by the Financial Services Authority (or any successor body or authority) in the United Kingdom.

2) "**Authorised Investment Instruments**" means:

(a) In the case of all Class Funds:

(i) call or time deposits with an Approved Bank; and

(ii) participations in any form of collective investment fund including without limitation any fund, trust, company, partnership or other entity having the majority of underlying investment corresponding to those in sub-paragraph (i) above ("**Funds**") subject to paragraph 4)(n) below;

(iii) if a class fund includes participatory interests of other collective investment schemes, such participatory interests must have a risk profile which is not significantly higher than the risk profile of other underlying securities which may be included in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (South Africa).

(b) In the case of the STANLIB High Alpha Global Equity Fund, the STANLIB Global Property Fund and the STANLIB Global Emerging Markets Fund:

(i) Shares and equivalent equity participations quoted, listed or traded on a Stock Exchange that is a full member of the World Federation of Exchanges ("**WFE**") and for the avoidance of doubt this also includes the London Stock Exchange and Euronext. However, a maximum of ten per cent (10%) of the net asset value of any Class Fund may be invested in such instruments that are not so quoted, listed or traded.

(c) In the case of the STANLIB Global Bond Fund:

(i) bonds, notes, debentures, money market instruments, negotiable instruments, or debt securities issued by banks, financial institutions, corporations or sovereign borrowers of which not less than 90% shall be investment grade and not more than 10% shall be non-investment grade and all of which shall be rated by Standard and Poor's or Moody's Investor Services or Fitch (the "**Rating Agencies**"). Should the rating of an instrument differ between the Rating Agencies, the "Blended Weighted Average Rating" is determined as follows: In line with the methodology used by Barclays Capital Global indices, the middle rating from the three Rating Agencies (S&P, Moody's and Fitch) will be assigned to each security. In the event that the ratings are provided by only two agencies, the lowest rating will be assigned. If only one agency assigns a rating, that rating will be applied. The equivalent numerical rating is assigned to each security based on the Security Level scale.

(d) In the case of the STANLIB Global Emerging Markets Fund:

(i) Fixed interest instruments.

Save in respect of the STANLIB Global Balanced Fund, the STANLIB Global Balanced Cautious Fund, the STANLIB Multi-Manager Global Bond Fund, the STANLIB Multi-Manager Global Equity Fund and the STANLIB European Equity Fund, which are summarised separately in Appendices 2 to 6 to this Prospectus, and save in respect of the STANLIB Global Multi-Strategy Stable Performance Fund, the STANLIB Global Multi-Strategy Moderate Growth Fund, the STANLIB Global Multi-Strategy Diversified Growth Fund and the STANLIB Global Multi-Strategy Aggressive Growth Fund which are summarised in Appendix 7, the investment restrictions of the Class Funds are as follows:

1) Save as provided in paragraph 5) below the Class Fund shall only be invested in Authorised Investment

Instruments in accordance with these provisions.

2) Subject as hereinafter provided no Authorised Investment Instrument shall be acquired or made which after the acquisition or making thereof result in:-

(a) the value of the investments of a Class Fund issued, made, accepted or guaranteed by any one Approved Bank or other issuer (including for the avoidance of doubt monies held on call or on deposit with an Approved Bank) exceeding ten per cent (10%) of the Net Asset Value of such Class Fund as determined immediately before such investments are acquired or made PROVIDED HOWEVER THAT the aggregate of amounts held on call or deposit accounts with the Sub-Custodian or such other Approved Bank or Approved Banks as the Directors may from time to time determine may represent up to 20% of the Net Asset Value of such Class Fund. Notwithstanding the foregoing, the Company may for the account of the STANLIB Global Bond Fund purchase for the account of such funds without limit bonds notes or other negotiable instruments issued or guaranteed by sovereign borrowers or by federal or supra national agencies thereof; or

(b) the total nominal amount of a Class Fund's holding of any investment exceeding ten per cent (10%) of the total nominal amount of all issued securities of the same class in the corporation in which such investment is held or made as determined immediately before such investments are acquired.

The fund rules for each Share Class currently provide that the restrictions referred to at paragraph 2(a) above shall not apply for the period of three months immediately following the initial issue of Participating Shares relevant to a new Class Fund or during the two Business Days following a day on which the Net Asset Value of a Class Fund is increased by subscriptions for Participating Shares of the relevant class or classes which amount to more than 10% of the Net Asset Value and, in the case of the STANLIB Global Bond Fund and the STANLIB Global Property Fund, do not exceed more than 20% of the Net Asset Value ("**New Funds**") when paragraph 2(a) above shall be applied as if the reference therein to the Net Asset Value of such Class Fund excludes the New Funds. However, for so long as the Share Classes are listed on the Official List and trading on the Main Securities Market of Euronext Dublin, these derogations will not apply.

3) Where a Class Fund includes investments in any fund managed or advised by the Manager or its delegate or any of their associates the value of any of a Class Fund's assets so invested will be excluded from the value of such Class Fund's assets upon which the Manager's fee is based;

4) The Company shall not, for the account of a Class Fund;

(a) invest or lend more than 20% of the value of the Net Asset Value of the Company in the securities of any one issuer (including the issuer's subsidiaries or affiliates) (applicable to those Class Funds listed or to be listed on Euronext Dublin);

(b) expose more than 20% of the value of the Net Asset Value of the Company to the creditworthiness and solvency of any one counter party including the counterparty's subsidiaries and affiliates (applicable to those Class Funds listed or to be listed on Euronext Dublin);

(c) acquire any real property;

(d) indulge in short selling of securities, uncovered call options, (i.e. selling securities at a time when it has no exercisable or unconditional right at the time of sale to the securities to be vested in the purchaser) or purchase securities on margin (i.e. purchasing securities in circumstances where the Company cannot pay for any part of the purchase price without selling such securities before the end of the relevant account period);

(e) acquire any investment which would require the assumption by the Company of an unlimited liability, which for the avoidance of doubt shall include participation as a general partner in a limited partnership;

(f) invest in any country where at the time of the investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Company of monies so invested;

(g) invest in securities which are not readily realisable (provided however that up to ten per cent (10%) of Net Asset Value of a Class Fund may be invested in securities which are not readily realisable);

(h) save in respect of the STANLIB Global Bond Fund, invest more than ten per cent (10%) of the Net Asset Value of any Class Fund in shares and equivalent equity participations that are quoted, listed or traded on Stock Exchanges that are not full members of the WFE;

(i) acquire any investment which is a commodity or an interest in a commodity or which confers a right to purchase a commodity;

(j) acquire gold or silver bullion, platinum or other precious metals or coins;

(k) take or seek to take legal or management control of the issuer of any of its underlying investments;

(l) invest in any asset where, in the reasonable opinion of the Custodian, the custody facilities available (whether through the Custodian or any delegate thereof) in the relevant jurisdiction in respect of that asset are not adequate to protect the interests of the holders of Participating Shares attributable to the Class Fund including, without limitation, where the Custodian is not satisfied that title to that asset is adequately protected or if for any other reason the Custodian is of the opinion that it will be unable to provide custody facilities in respect of that asset to the standard required pursuant to the Custodian Agreement, provided that any investment made in a jurisdiction which has been previously identified by the Custodian to the Manager or its delegate as a jurisdiction in relation to which it has no reason to believe that the provisions of this restriction may apply, shall not be held to constitute a breach of this restriction;

(m) invest in any security of any class in any company or body in which a director of the Manager owns more than half of one per cent (½%) of the total nominal amount of all the issued securities of that class, or collectively the directors and officers of the Manager own more than five per cent (5%) of those securities;

(n) invest more than twenty per cent. (20%) in aggregate of the Net Asset Value of a Class Fund in the units, shares or participations of any Funds;

(o) without the consent of the Custodian acquire or hold any securities which are for the time being partly paid unless according to the terms of the issue thereof the security will or may at the option of the holder become within one year of the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid;

(p) invest in a fund of funds or a feeder fund, in terms of paragraph 6(h) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time;

(q) engage in scrip borrowing;

(r) invest in an instrument that compels the acceptance of physical delivery of a commodity.

The restriction outlined in (a) above will not apply in relation to investment in securities issued by a government, government agency or instrumentality of a European Union Member State or an OECD Member State or by any supranational authority of which one or more European Union or OECD Member States are members, and any other state approved by such purpose by Euronext Dublin.

In any such case as is mentioned in (o) above, notwithstanding that the Custodian may not be required to give its consent as aforesaid, the Custodian shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of a Class Fund as is approved by the Directors or the Manager (such approval not to be unreasonably withheld) as is acceptable to the Custodian sufficient to provide for paying up such securities in full. The cash or other property so appropriated shall not be available for application without the consent of the Custodian in any way otherwise than as may be required for paying up the security in respect of which the appropriation was made so long as and to the extent that such security remains an asset of such Class Fund.

5) Notwithstanding the foregoing the Company may from time to time for the account of a Class Fund:

(a) without restriction enter into contracts for the sale or purchase of a fixed amount of one currency in exchange for another currency which is held or contracted to be held whether such contract is to be completed immediately or at a pre-determined future date PROVIDED ALWAYS that there shall be

no overall net short position in any one currency;

(b) for the purposes of efficient portfolio management in reducing, transferring, or eliminating investment risk and on a temporary basis to effect efficient strategic asset allocation policy adjustments between markets, enter into contracts (hereinafter called "**forward purchases**") for the purchase of Investments on a pre-determined date after the date of the contract and at a specified price PROVIDED THAT the aggregate amount which the Company shall or may be required to pay in respect of such forward purchases for a Class Fund shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of such Class Fund;

(c) purchase and sell call or put options (other than options to purchase money market or other financial instruments) upon Authorised Investment Instruments where such call or put options are traded on markets or exchanges having obtained full membership of the WFE, PROVIDED THAT no call option shall be purchased or sold for the account of the Class Fund if the proportion of the assets of the Class Fund committed to option dealings (including any further amount which the Company may be required to pay at some future date in respect of such option dealing) shall exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund as determined immediately before such call option is to be dealt in.

(d) invest in or acquire financial futures contracts including Stock Market indices futures contracts, or options to purchase money market or other financial instruments provided always that the aggregate of the nominal value of all such futures contracts held by the Company for the account of a Class Fund and the cost of the Company's total holding in such options for such Class Fund (which cost shall include any further amount which the Company may elect to pay at some future date on the exercise of such option) shall not immediately after the acquisition of such a futures contract or an option exceed fifteen per cent. (15%) of the Net Asset Value of such Class Fund.

PROVIDED HOWEVER THAT for the purpose of facilitating the orderly investment of assets, the percentage limitations specified in sub-paragraphs b), c) and d) above shall not apply until three months shall have elapsed from the time of the first issue of Participating Shares of the Share Class and PROVIDED FURTHER THAT thereafter the aggregate net exposure of the Class Fund under sub paragraphs c) and d) shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of any Class Fund. Notwithstanding anything stated in the Prospectus, derivatives shall only be used for efficient portfolio management (i.e. no gearing / leverage / margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002 i.e. unlisted forward currency, interest rate or exchange rate swap transactions.

6) Save as otherwise expressly provided in the last proviso to paragraph 5) above the foregoing limitations shall apply as at the date of the relevant transaction or commitment to invest and changes do not have to be effected merely because owing to appreciations or depreciations in value, or redemptions or conversions of Participating Shares, or any scheme or arrangement for amalgamation, reconstruction, conversion or exchange in respect of any investment any of such limitations would thereby be breached but the Manager shall take immediate corrective action to rectify the position or may seek the approval of the Directors to the temporary continuation of the position on such basis and for such period as may be agreed.

The Manager may impose on the Investment Manager (or on any investment manager appointed in relation to a Class Fund) investment restrictions which may be more restrictive than the Fund Rules adopted in respect of Shares of the relevant class. The Investment Manager may reflect the Manager's restrictions or itself impose investment restrictions more restrictive than the Fund Rules adopted in respect of Shares of the relevant class on any person to whom it delegates any of its powers. It must not be assumed, therefore, that the assets of a particular Class Fund are invested in the maximum proportions allowed by the Fund Rules.

## *Borrowing Restrictions*

The borrowing and lending restrictions relating to all Class Funds are summarised below:

Borrowings for a Class Fund shall be restricted so as to ensure that the amounts outstanding from time (including any amounts pursuant to Article 33.2 of the Articles) do not exceed five per cent. (5%) of the Net Asset Value of the Class Fund PROVIDED THAT at all times all such borrowings shall be of a temporary nature and shall have been made solely for the purposes of meeting redemption requests or, in the case of the STANLIB Global Bond

Fund, for making provision for the late settlement of monies following a switch from another Class Fund.

Investments of a Class Fund may not be loaned out without the prior written consent of the Custodian and otherwise subject to the Articles (including without limitation Article 32.7).

# Appendix 2

## Investment Objectives and Investment & Borrowing Restrictions of the STANLIB Global Balanced Fund (the "Class Fund")

The primary objective is to provide investors with long-term capital growth from a diversified and actively managed portfolio of equities, property company shares, bonds and cash.

The principal investment objective and policy of the Class Fund will be adhered to for at least three years from the date of admission of Participating Shares of the Class Fund to the Official List of Euronext Dublin other than in exceptional circumstances and then only with the consent of a majority of Shareholders.

1. **Base Currency**

Participating Shares of the Share Classes of the Class Fund will be designated and priced in US Dollars and the Class Fund valued in US Dollars.

2. **Subscription Price and Minimum Subscription Amount**

After the initial offer period, Shares may be purchased on any Dealing Day at a Subscription Price calculated in accordance with the procedure set out on pages 17 and 18 of this Prospectus.

The minimum subscription amount is US$100,000.

3. **Investment Rules**

(1) Unless the context otherwise requires and except as varied or otherwise specified in this Rule.

(a) "Approved Bank" means any corporate body:-

(i) which is a banking institution which has capital which is shareholders' funds of an amount not less than the equivalent of five hundred million dollars (US $500,000,000) (as shown by the latest available edition of The Banker Magazine, published by Financial Times Information Limited, or as shown by such other publication as the Directors shall with the approval of the Custodian determine); or

(ii) which is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority (or any successor body or authority) in the United Kingdom.

(b) "Authorised Investment Instruments" means:

(i) call or time deposits with an Approved Bank;

(ii) Shares and equivalent equity participations quoted of listed or traded on a Stock Exchange that is a full member of the World Federation of Exchanges (WFE) and for the avoidance of doubt this also includes the London Stock Exchange and Euronext; However, a maximum of ten per cent (10%) of the net asset value of the Class Fund may be invested in such instruments that are not so quoted, listed or traded;

(iii) Fixed interest instruments, of which not less than 90% shall be investment grade and not more than 10% shall be non-investment grade and all of which shall be rated by Standard and Poor's or Moody's Investor Services or Fitch (the "**Rating Agencies**"). Should the rating of an instrument differ between the Rating Agencies, the "Blended Weighted Average Rating" is determined as follows: in line with the methodology used by Barclays Capital Global indices, the middle rating from the three Rating Agencies (S&P, Moody's and Fitch) will be assigned to each security. In the event that the ratings are provided by only two agencies, the lowest rating will be assigned. If only one agency assigns a rating, that rating

will be applied. The equivalent numerical rating is assigned to each security based on the Security Level scale; and

(iv) participations in any form of collective investment fund including without limitation any fund, trust, company, partnership or other entity having the majority of underlying investments corresponding to those in sub-paragraphs (i) and (ii) above ("**Funds**") subject to paragraph (6)(n) below.

(2) Save as provided in paragraph (7) below, the Class Fund shall only be invested in Authorised Investment Instruments in accordance with the provisions of this Fund Rule.

(3) Subject as hereinafter provided no Authorised Investment Instrument shall be acquired or made which would immediately after the acquisition or making thereof result in :-

(i) the value of the investments of the Class Fund issued, made, accepted or guaranteed by any one Approved Bank or other issuer (including for the avoidance of doubt monies held on call or on deposit with an Approved Bank) exceeding ten per cent. (10%) of the Net Asset Value of the Class Fund as determined immediately before such investments are acquired or made PROVIDED HOWEVER THAT the aggregate of amounts held on call or deposit accounts with The Bank Of New York Mellon SA/NV, London Branch (the "**Sub-Custodian**"), as the Custodian's delegate, or such other Approved Bank or Approved Banks as the Directors may from time to time determine may represent up to 20% of the Net Asset Value of the Class Fund; or

(ii) the total nominal amount of the Class Fund's holding of any investment exceeding ten per cent. (10%) of the total nominal amount of all issued securities of the same class in the corporation in which such investment is held or made as determined immediately before such investments are acquired.

(4) The restriction referred to at paragraph (3)(i) above shall not apply for the period of three months immediately following the initial issue of Participating Shares of the Share Classes of the Class Fund or during the two Business Days following a day on which the Net Asset Value of the Class Fund is increased by subscriptions for Participating Shares of the relevant class which amount to more than 10% of Net Asset Value but not more than 20% of the Net Asset Value ("**New Funds**") when paragraph (3)(i) above shall be applied as if the reference therein to the Net Asset Value of the Class Fund excludes the New Funds.

(5) Where the Class Fund is invested in any Funds managed or advised by the Manager, its delegate, or any investment manager or the associates of any of them, the value of any of the Class Fund's assets so invested will be excluded from the value of the Class Fund's assets upon which the Manager's fee is based;

(6) The Company shall not, for the account of this Class Fund:

(a) invest or lend more than 20% of the value of the Net Asset Value of the Company in the securities of any one issuer (including the issuer's subsidiaries or affiliates);

(b) expose more than 20% of the value of the Net Asset Value of the Company to the creditworthiness or solvency of any one counterparty including the counterparty's subsidiaries and affiliates;

(c) acquire any real property;

(d) indulge in short selling of securities, including with reference to paragraph 7(b)(ii) below, uncovered call options (i.e. selling securities at a time when it has no exercisable or unconditional right at the time of sale to the securities to be vested in the purchaser); or purchase securities on margin;

(e) acquire any Investment which would require the assumption by the Company of an unlimited liability, which for the avoidance of doubt shall include participation as a general partner in a limited partnership;

(f) invest in any country where at the time of the investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Company of monies so invested;

(g) invest in securities which are not readily realisable (provided however that up to ten per cent. (10%) of the Net Asset Value of the Class Fund may be invested in securities which are not readily realisable);

(h) invest more than ten per cent (10%) of the Net Asset Value of the Class Fund in shares and equivalent equity participations that are quoted, listed or traded on Stock Exchanges that are not full members of the WFE;

(i) acquire any Investment which is a commodity or an interest in a commodity or which confers a right to purchase a commodity;

(j) invest directly in gold or silver bullion, platinum or other precious metals or coins;

(k) take legal or management control of the issuer of any Investment;

(l) invest in any asset where, in the reasonable opinion of the Custodian, the custody facilities available (whether through the custodian or any delegate thereof) in the relevant jurisdiction in respect of that asset are not adequate to protect the interests of the holders of Participating Shares attributable to the Class Fund including, without limitation, where the Custodian is not satisfied that title to that asset is adequately protected or if for any other reason the Custodian is of the opinion that it will be unable to provide custody facilities in respect of that asset to the standard required pursuant to the Custodian Agreement, provided that any investment made in a jurisdiction which has been previously identified by the Custodian to the Manager or its delegate as a jurisdiction in relation to which it has no reason to believe that the provisions of this restriction may apply, shall not be held to constitute a breach of this Fund Rule, provided that such an investment shall be reported to the Directors immediately and the relevant asset disposed of over a period to be agreed between the Directors and the Custodian, such period not to exceed twelve months from the date of acquisition of the asset;

(m) invest in any security of any class in any company or body in which a director of the Manager owns more than half of one per cent. (½ %) of the total nominal amount of all the issued securities of that class, or collectively the directors and officers of the Manager own more than five per cent. (5%) of those securities;

(n) invest more than twenty per cent. (20%) of the Net Asset Value of the Class Fund in the units, shares or participations of any Funds;

(o) without the consent of the Custodian acquire or hold any securities which are for the time being partly paid unless according to the terms of the issue thereof the security will or may at the option of the holder become within one year of the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid;

(p) invest in a fund of funds or a feeder fund, in terms of paragraph 6(h) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time;

(q) invest in an instrument that compels the acceptance of physical delivery of a commodity.

In any such case as is mentioned in (o) above, notwithstanding that the Custodian may not be required to give its consent as aforesaid, the Custodian shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of the Class Fund as is approved by the Directors or the Manager (such approval not to be unreasonably withheld) as is acceptable to the Custodian sufficient to provide for paying up such securities in full. The cash or other property so appropriated shall not be available for application without the consent of the Custodian in any way otherwise than as may be required for paying up the security in respect of which the appropriation was made so long as and to the extent that such security remains an asset of the Class Fund.

(7) Notwithstanding the foregoing the Company may from time to time for the account of this Class Fund:

(a) without restriction enter into contracts for the sale or purchase of a fixed amount of one currency in exchange for another currency which is held or contracted to be held whether such contract is to be completed immediately or at a pre-determined future date PROVIDED ALWAYS that there shall be no overall net short position in any one currency;

(b) for the purposes of efficient portfolio management in reducing, transferring, or eliminating investment risk and on a temporary basis to effect efficient strategic asset allocation policy adjustments between markets:-

(i) enter into contracts (hereinafter called "**forward purchases**") for the purchase of Investments on a pre-determined date after the date of the contract and at a specified price PROVIDED THAT the aggregate amount which the Company shall or may be required to pay in respect of such forward purchases for this Class Fund shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund;

(ii) purchase and sell call or put options upon Authorised Investment Instruments as defined in paragraph 3(1)(b) where such call or put options are traded on markets or exchanges having obtained full membership of the WFE, PROVIDED THAT no call option shall be purchased or sold for the account of the Class Fund if the proportion of the assets of the Class Fund committed to option dealings (including any further amount which the Company may be required to pay at some future date in respect of such option dealing) shall exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund as determined immediately before such call option is to be dealt in;

(iii) invest in or acquire financial futures contracts including Stock Market indices futures contracts, or options to purchase money market or other financial instruments provided always that the aggregate of the nominal value of all such futures contracts held by the Company for the account of this Class Fund and the cost of the Company's total holding in such options and futures for the Class Fund (which cost shall include any further amount which the Company may elect to pay at some future date on the exercise of such option) shall not immediately after the acquisition of such a futures contract or an option exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund.

PROVIDED HOWEVER THAT the aggregate net exposure of the Class Fund under sub-paragraphs (i), (ii) and (iii) shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund. Notwithstanding anything stated in these Fund Rules, derivatives shall only be used for efficient portfolio management (i.e. no gearing/leverage/margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time, i.e. unlisted forward currency, interest rate or exchange rate swap transactions.

(8) Save as otherwise expressly provided in the last proviso to paragraph (7) above the foregoing limitations in this Fund Rule 3 shall apply as at the date of the relevant transaction or commitment to invest and changes do not have to be effected merely because owing to appreciations or depreciations in value, or redemptions or conversions of Participating Shares, or any scheme or arrangement for amalgamation reconstruction conversion or exchange in respect of any investment any of such limitations would thereby be breached but the Manager shall take immediate corrective action to rectify the position or may seek the approval of the Directors to the temporary continuation of the position on such basis and for such period as may be agreed.

4. **Borrowing and Lending**

Net borrowings for the Class Fund shall be restricted so as to ensure that the amounts outstanding from time to time (including any amounts pursuant to Article 33.2) do not exceed five per cent. (5%) of the Net Asset Value of the Class Fund PROVIDED THAT at all times all such borrowings shall be of a temporary nature and shall have been made solely for the purposes of meeting redemption requests or making provision for the late settlement of monies following a switch from another Class Fund.

Investments of the Class Fund may not be loaned out without the prior written consent of the Custodian and otherwise subject to the Articles (including without limitation Article 32.7).

Establishment Date: 28 June 2013
Date(s) amended: 20 November 2018

# Appendix 3

## Investment Objectives and Investment & Borrowing Restrictions of the STANLIB Global Balanced Cautious Fund (the "Class Fund")

The primary objective is to adopt a conservative approach to investment from a diversified and actively managed portfolio of equities, property company shares, bonds and cash.

The principal investment objective and policy of the Class Fund will be adhered to for at least three years from the date of admission of Participating Shares of the Class Fund to the Official List of Euronext Dublin other than in exceptional circumstances and then only with the consent of a majority of Shareholders.

1. **Base Currency**

Participating Shares of the Share Classes of the Class Fund will be designated and priced in US Dollars and the Class Fund valued in US Dollars.

2. **Subscription Price and Minimum Subscription Amount**

After the initial offer period, Shares may be purchased on any Dealing Day at a Subscription Price calculated in accordance with the procedure set out on pages 17 and 18 of this Prospectus.

The minimum subscription amount is US$100,000.

3. **Investment Rules**

(1) Unless the context otherwise requires and except as varied or otherwise specified in this Rule.

(a) "Approved Bank" means any corporate body:-

(i) which is a banking institution which has capital which is shareholders' funds of an amount not less than the equivalent of five hundred million dollars (US $500,000,000) (as shown by the latest available edition of The Banker Magazine, published by Financial Times Information Limited, or as shown by such other publication as the Directors shall with the approval of the Custodian determine); or

(ii) which is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority (or any successor body or authority) in the United Kingdom.

(b) "Authorised Investment Instruments" means:

(i) call or time deposits with an Approved Bank;

(ii) Shares and equivalent equity participations quoted of listed or traded on a Stock Exchange that is a full member of the World Federation of Exchanges (WFE) and for the avoidance of doubt this also includes the London Stock Exchange and Euronext; However, a maximum of ten per cent (10%) of the net asset value of the Class Fund may be invested in such instruments that are not so quoted, listed or traded;

(iii) Fixed interest instruments, of which not less than 90% shall be investment grade and not more than 10% shall be non-investment grade and all of which shall be rated by Standard and Poor's or Moody's Investor Services or Fitch (the "**Rating Agencies**"). Should the rating of an instrument differ between the Rating Agencies, the "Blended Weighted Average Rating" is determined as follows: in line with the methodology used by Barclays Capital Global indices, the middle rating from the three Rating Agencies (S&P, Moody's and Fitch) will be assigned to each security. In the event that the ratings are provided by only two agencies, the lowest rating will be assigned. If only one agency assigns a rating, that rating

will be applied. The equivalent numerical rating is assigned to each security based on the Security Level scale; and

(iv) participations in any form of collective investment fund including without limitation any fund, trust, company, partnership or other entity having the majority of underlying investments corresponding to those in sub-paragraphs (i) and (ii) above ("**Funds**") subject to paragraph (6)(n) below.

(2) Save as provided in paragraph (7) below, the Class Fund shall only be invested in Authorised Investment Instruments in accordance with the provisions of this Fund Rule.

(3) Subject as hereinafter provided no Authorised Investment Instrument shall be acquired or made which would immediately after the acquisition or making thereof result in :-

(i) the value of the investments of the Class Fund issued, made, accepted or guaranteed by any one Approved Bank or other issuer (including for the avoidance of doubt monies held on call or on deposit with an Approved Bank) exceeding ten per cent. (10%) of the Net Asset Value of the Class Fund as determined immediately before such investments are acquired or made PROVIDED HOWEVER THAT the aggregate of amounts held on call or deposit accounts with The Bank Of New York Mellon SA/NV, London Branch (the "**Sub-Custodian**"), as the Custodian's delegate, or such other Approved Bank or Approved Banks as the Directors may from time to time determine may represent up to 20% of the Net Asset Value of the Class Fund; or

(ii) the total nominal amount of the Class Fund's holding of any investment exceeding ten per cent. (10%) of the total nominal amount of all issued securities of the same class in the corporation in which such investment is held or made as determined immediately before such investments are acquired.

(4) The restriction referred to at paragraph (3)(i) above shall not apply for the period of three months immediately following the initial issue of Participating Shares of the Share Classes of the Class Fund or during the two Business Days following a day on which the Net Asset Value of the Class Fund is increased by subscriptions for Participating Shares of the relevant class which amount to more than 10% of Net Asset Value but not more than 20% of the Net Asset Value ("**New Funds**") when paragraph (3)(i) above shall be applied as if the reference therein to the Net Asset Value of the Class Fund excludes the New Funds.

(5) Where the Class Fund is invested in any Funds managed or advised by the Manager, its delegate, or any investment manager or the associates of any of them, the value of any of the Class Fund's assets so invested will be excluded from the value of the Class Fund's assets upon which the Manager's fee is based;

(6) The Company shall not, for the account of this Class Fund:

(a) invest or lend more than 20% of the value of the Net Asset Value of the Company in the securities of any one issuer (including the issuer's subsidiaries or affiliates);

(b) expose more than 20% of the value of the Net Asset Value of the Company to the creditworthiness or solvency of any one counterparty including the counterparty's subsidiaries and affiliates;

(c) acquire any real property;

(d) indulge in short selling of securities, including with reference to paragraph 7(b)(ii) below, uncovered call options (i.e. selling securities at a time when it has no exercisable or unconditional right at the time of sale to the securities to be vested in the purchaser); or purchase securities on margin;

(e) acquire any Investment which would require the assumption by the Company of an unlimited liability, which for the avoidance of doubt shall include participation as a general partner in a limited partnership;

(f) invest in any country where at the time of the investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Company of monies so invested;

(g) invest in securities which are not readily realisable (provided however that up to ten per cent. (10%) of the Net Asset Value of the Class Fund may be invested in securities which are not readily realisable);

(h) invest more than ten per cent (10%) of the Net Asset Value of the Class Fund in shares and equivalent equity participations that are quoted, listed or traded on Stock Exchanges that are not full members of the WFE;

(i) acquire any Investment which is a commodity or an interest in a commodity or which confers a right to purchase a commodity;

(j) invest directly in gold or silver bullion, platinum or other precious metals or coins;

(k) take legal or management control of the issuer of any Investment;

(l) invest in any asset where, in the reasonable opinion of the Custodian, the custody facilities available (whether through the custodian or any delegate thereof) in the relevant jurisdiction in respect of that asset are not adequate to protect the interests of the holders of Participating Shares attributable to the Class Fund including, without limitation, where the Custodian is not satisfied that title to that asset is adequately protected or if for any other reason the Custodian is of the opinion that it will be unable to provide custody facilities in respect of that asset to the standard required pursuant to the Custodian Agreement, provided that any investment made in a jurisdiction which has been previously identified by the Custodian to the Manager or its delegate as a jurisdiction in relation to which it has no reason to believe that the provisions of this restriction may apply, shall not be held to constitute a breach of this Fund Rule, provided that such an investment shall be reported to the Directors immediately and the relevant asset disposed of over a period to be agreed between the Directors and the Custodian, such period not to exceed twelve months from the date of acquisition of the asset;

(m) invest in any security of any class in any company or body in which a director of the Manager owns more than half of one per cent. (½ %) of the total nominal amount of all the issued securities of that class, or collectively the directors and officers of the Manager own more than five per cent. (5%) of those securities;

(n) invest more than twenty per cent. (20%) of the Net Asset Value of the Class Fund in the units, shares or participations of any Funds;

(o) without the consent of the Custodian acquire or hold any securities which are for the time being partly paid unless according to the terms of the issue thereof the security will or may at the option of the holder become within one year of the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid;

(p) invest in a fund of funds or a feeder fund, in terms of paragraph 6(h) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time;

(q) invest in an instrument that compels the acceptance of physical delivery of a commodity.

In any such case as is mentioned in (o) above, notwithstanding that the Custodian may not be required to give its consent as aforesaid, the Custodian shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of the Class Fund as is approved by the Directors or the Manager (such approval not to be unreasonably withheld) as is acceptable to the Custodian sufficient to provide for paying up such securities in full. The cash or other property so appropriated shall not be available for application without the consent of the Custodian in any way otherwise than as may be required for paying up the security in respect of which the appropriation was made so long as and to the extent that such security remains an asset of the Class Fund.

(7) Notwithstanding the foregoing the Company may from time to time for the account of this Class Fund:

(a) without restriction enter into contracts for the sale or purchase of a fixed amount of one currency in exchange for another currency which is held or contracted to be held whether such contract is to be completed immediately or at a pre-determined future date PROVIDED ALWAYS that there shall be no overall net short position in any one currency;

(b) for the purposes of efficient portfolio management in reducing, transferring, or eliminating investment risk and on a temporary basis to effect efficient strategic asset allocation policy adjustments between markets:-

(i) enter into contracts (hereinafter called "**forward purchases**") for the purchase of Investments on a pre-determined date after the date of the contract and at a specified price PROVIDED THAT the aggregate amount which the Company shall or may be required to pay in respect of such forward purchases for this Class Fund shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund;

(ii) purchase and sell call or put options upon Authorised Investment Instruments as defined in paragraph 3(1)(b) where such call or put options are traded on markets or exchanges having obtained full membership of the WFE, PROVIDED THAT no call option shall be purchased or sold for the account of the Class Fund if the proportion of the assets of the Class Fund committed to option dealings (including any further amount which the Company may be required to pay at some future date in respect of such option dealing) shall exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund as determined immediately before such call option is to be dealt in;

(iii) invest in or acquire financial futures contracts including Stock Market indices futures contracts, or options to purchase money market or other financial instruments provided always that the aggregate of the nominal value of all such futures contracts held by the Company for the account of this Class Fund and the cost of the Company's total holding in such options and futures for the Class Fund (which cost shall include any further amount which the Company may elect to pay at some future date on the exercise of such option) shall not immediately after the acquisition of such a futures contract or an option exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund.

PROVIDED HOWEVER THAT the aggregate net exposure of the Class Fund under sub-paragraphs (i), (ii) and (iii) shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund. Notwithstanding anything stated in these Fund Rules, derivatives shall only be used for efficient portfolio management (i.e. no gearing/leverage/margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time, i.e. unlisted forward currency, interest rate or exchange rate swap transactions.

(8) Save as otherwise expressly provided in the last proviso to paragraph (7) above the foregoing limitations in this Fund Rule 3 shall apply as at the date of the relevant transaction or commitment to invest and changes do not have to be effected merely because owing to appreciations or depreciations in value, or redemptions or conversions of Participating Shares, or any scheme or arrangement for amalgamation reconstruction conversion or exchange in respect of any investment any of such limitations would thereby be breached but the Manager shall take immediate corrective action to rectify the position or may seek the approval of the Directors to the temporary continuation of the position on such basis and for such period as may be agreed.

4. **Borrowing and Lending**

Net borrowings for the Class Fund shall be restricted so as to ensure that the amounts outstanding from time to time (including any amounts pursuant to Article 33.2) do not exceed five per cent. (5%) of the Net Asset Value of the Class Fund PROVIDED THAT at all times all such borrowings shall be of a temporary nature and shall have been made solely for the purposes of meeting redemption requests or making provision for the late settlement of monies following a switch from another Class Fund.

Investments of the Class Fund may not be loaned out without the prior written consent of the Custodian and otherwise subject to the Articles (including without limitation Article 32.7).

Establishment Date: 28 June 2013
Date(s) amended: 20 November 2018

# Appendix 4

## Investment Objectives and Investment & Borrowing Restrictions of the STANLIB Multi-Manager Global Bond Fund (the "Class Fund")

The primary objective is to provide attractive investment returns from investment in major international bond markets.

The principal investment objective and policy of the Class Fund will be adhered to for at least three years from the date of admission of Participating Shares of the Class Fund to the Official List of Euronext Dublin other than in exceptional circumstances and then only with the consent of a majority of Shareholders.

1. **Base Currency**

Participating Shares of the Share Classes of the Class Fund will be designated and priced in US Dollars and the Class Fund valued in US Dollars.

2. **Subscription Price and Minimum Subscription Amount**

After the initial offer period, Shares may be purchased on any Dealing Day at a Subscription Price calculated in accordance with the procedure set out on pages 17 and 18 of this Prospectus.

The minimum subscription amount is US$100,000.

3. **Investment Rules**

(1) Unless the context otherwise requires and except as varied or otherwise specified in this Rule.

(a) "Approved Bank" means any corporate body:-

(i) which is a banking institution which has capital which is shareholders' funds of an amount not less than the equivalent of five hundred million dollars (US$500,000,000) (as shown by the latest available edition of The Banker Magazine, published by Financial Times Information Limited, or as shown by such other publication as the Directors shall with the approval of the Custodian determine); or

(ii) which is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority (or any successor body or authority) in the United Kingdom.

(b) "Authorised Investment Instruments" means:

(i) call or time deposits with an Approved Bank;

(ii) bonds, notes, debentures, money market instruments, negotiable instruments, or debt securities issued by banks, financial institutions, corporations or sovereign borrowers of which not less than 90% shall be investment grade and not more than 10% shall be non-investment grade and all of which shall be rated by Standard and Poor's or Moody's Investor Services or Fitch (the "Rating Agencies"). Should the rating of an instrument differ between the Rating Agencies, the "Blended Weighted Average Rating" is determined as follows: in line with the methodology used by Barclays Capital Global indices, the middle rating from the three Rating Agencies (S&P, Moody's and Fitch) will be assigned to each security. In the event that the ratings are provided by only two agencies, the lowest rating will be assigned. If only one agency assigns a rating, that rating will be applied. The equivalent numerical rating is assigned to each security based on the Security Level scale.

(iii) participations in any form of collective investment fund including without limitation any fund, trust, company, partnership or other entity having the majority of

underlying investments corresponding to those in sub-paragraphs (i) and (ii) above ("Funds") subject to subject to paragraph (7)(m) below.

(2) Save as provided in paragraph (8) below, the Class Fund shall only be invested in Authorised Investment Instruments in accordance with the provisions of this Fund Rule.

(3) Subject as hereinafter provided no Authorised Investment Instrument shall be acquired or made which would immediately after the acquisition or making thereof result in :-

(i) the value of the investments of the Class Fund issued, made, accepted or guaranteed by any one Approved Bank or other issuer (including for the avoidance of doubt monies held on call or on deposit with an Approved Bank) exceeding ten per cent. (10%) of the Net Asset Value of the Class Fund as determined immediately before such investments are acquired or made PROVIDED HOWEVER THAT the aggregate of amounts held on call or deposit accounts with The Bank Of New York Mellon SA/NV, London Branch (the "**Sub-Custodian**"), as the Custodian's delegate, or such other Approved Bank or Approved Banks as the Directors may from time to time determine may represent up to 20% of the Net Asset Value of the Class Fund; or

(ii) the total nominal amount of the Class Fund's holding of any investment exceeding ten per cent. (10%) of the total nominal amount of the issued securities of each issue made by a corporation as determined immediately before such securities are acquired.

(4) The restriction referred to at paragraph (3)(i) above shall not apply for the period of three months immediately following the initial issue of Participating Shares of this Share Class or during the two Business Days following a day on which the Net Asset Value of the Class Fund is increased by subscriptions for Participating Shares of the relevant class which amount to more than 10% of Net Asset Value ("**New Funds**") when paragraph (3)(i) above shall be applied as if the reference therein to the Net Asset Value of the Class Fund excludes the New Funds.

(5) Notwithstanding paragraph (3)(i) above the Company may for the account of the Class Fund purchase for the account of the Class Fund without limit bonds notes or other negotiable instruments issued or guaranteed by sovereign borrowers or by federal or supra national agencies thereof.

(6) Where the Class Fund is invested in any Funds managed or advised by the Manager, its delegate, or any investment manager or the associates of any of them, the value of any of the Class Fund's assets so invested will be excluded from the value of the Class Fund's assets upon which the Manager's fee is based.

(7) The Company shall not, for the account of this Class Fund:

(a) invest or lend more than 20% of the value of the Net Asset Value of the Company in the securities of any one issuer (including the issuer's subsidiaries or affiliates);

(b) expose more than 20% of the value of the Net Asset Value of the Company to the creditworthiness or solvency of any one counterparty including the counterparty's subsidiaries and affiliates;

(c) acquire any real property;

(d) indulge in short selling of securities, including with reference to paragraph 8(b)(ii) below, uncovered call options, (i.e. selling securities at a time when it has no exercisable or unconditional right at the time of sale to the securities to be vested in the purchaser) or purchase securities on margin (i.e. purchasing securities in circumstances where the Company cannot pay for any part of the purchase price without selling such securities before the end of the relevant account period);

(e) acquire any Investment which would require the assumption by the Company of an unlimited liability, which for the avoidance of doubt shall include participation as a general partner in a limited partnership;

(f) invest in any country where at the time of the investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Company of monies so invested;

(g) invest in securities which are not readily realisable (provided however that up to ten per cent. (10%) of the Net Asset Value of the Class Fund may be invested in securities which are not readily realisable);

(h) acquire any Investment which is a commodity or an interest in a commodity or which confers a right to purchase a commodity;

(i) invest directly in gold or silver bullion, platinum or other precious metals or coins;

(j) take legal or management control of the issuer of any Investment;

(k) invest in any asset where, in the reasonable opinion of the Custodian, the custody facilities available (whether through the custodian or any delegate thereof) in the relevant jurisdiction in respect of that asset are not adequate to protect the interests of the holders of Participating Shares attributable to the Class Fund including, without limitation, where the Custodian is not satisfied that title to that asset is adequately protected or if for any other reason the Custodian is of the opinion that it will be unable to provide custody facilities in respect of that asset to the standard required pursuant to the Custodian Agreement, provided that any investment made in a jurisdiction which has been previously identified by the Custodian to the Manager or its delegate as a jurisdiction in relation to which it has no reason to believe that the provisions of this restriction may apply, shall not be held to constitute a breach of this Fund Rule, provided that such an investment shall be reported to the Directors immediately and the relevant asset disposed of over a period to be agreed between the Directors and the Custodian, such period not to exceed twelve months from the date of acquisition of the asset;

(l) invest in any security of any class in any company or body in which a director of the Manager owns more than half of one per cent. (½ %) of the total nominal amount of all the issued securities of that class, or collectively the directors and officers of the Manager own more than five per cent. (5%) of those securities;

(m) invest more than twenty per cent. (20%) of the Net Asset Value of the Class Fund in the units, shares or participations of any Funds;

(n) without the consent of the Custodian acquire or hold any securities which are for the time being partly paid unless according to the terms of the issue thereof the security will or may at the option of the holder become within one year of the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid;

(o) invest in a fund of funds or a feeder fund, in terms of paragraph 6(h) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time;

(p) engage in scrip borrowing;

(q) invest in an instrument that compels the acceptance of physical delivery of a commodity.

The restriction outlined in (a) above will not apply in relation to investment in securities issued by a government, government agency or instrumentality of a European Union Member State or an OECD Member State or by any supranational authority of which one or more European Union or OECD Member States are members, and any other state approved by such purpose by Euronext Dublin.

In any such case as is mentioned in (n) above, notwithstanding that the Custodian may not be required to give its consent as aforesaid, the Custodian shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of the Class Fund as is approved by the Directors or the Manager (such approval not to be unreasonably withheld) as is acceptable to the Custodian sufficient to provide for paying up such securities in full. The cash or other property so appropriated shall not be available for application without the consent of the

Custodian in any way otherwise than as may be required for paying up the security in respect of which the appropriation was made so long as and to the extent that such security remains an asset of the Class Fund.

(8) Notwithstanding the foregoing the Company may from time to time for the account of this Class Fund:

(a) without restriction enter into contracts for the sale or purchase of a fixed amount of one currency in exchange for another currency which is held or contracted to be held whether such contract is to be completed immediately or at a pre-determined future date PROVIDED ALWAYS that there shall be no overall net short position in any one currency;

(b) for the purposes of efficient portfolio management in reducing, transferring, or eliminating investment risk and on a temporary basis to effect efficient strategic asset allocation policy adjustments between markets:-

(i) enter into contracts (hereinafter called "**forward purchases**") for the purchase of Investments on a pre-determined date after the date of the contract and at a specified price PROVIDED THAT the aggregate amount which the Company shall or may be required to pay in respect of such forward purchases for this Class Fund shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund;

(ii) purchase and sell call or put options (other than options to purchase money market or other financial instruments) upon Authorised Investment Instruments as defined in paragraph 3(1)(b) where such call or put options are traded on markets or exchanges having obtained full membership of the WFE, PROVIDED THAT no call option shall be purchased or sold for the account of the Class Fund if the proportion of the assets of the Class Fund committed to option dealings (including any further amount which the Company may be required to pay at some future date in respect of such option dealing) shall exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund as determined immediately before such call option is purchased and only call options held as purchased for the account of the Class Fund may be sold;

(iii) invest in or acquire financial futures contracts including Stock Market indices futures contracts, or options to purchase money market or other financial instruments provided always that the aggregate of the nominal value of all such futures contracts held by the Company for the account of this Class Fund and the cost of the Company's total holding in such options and futures for the Class Fund (which cost shall include any further amount which the Company may elect to pay at some future date on the exercise of such option) shall not immediately after the acquisition of such a futures contract or an option exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund.

PROVIDED HOWEVER THAT the aggregate net exposure of the Class Fund under sub-paragraphs (i), (ii) and (iii) shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund. Notwithstanding anything stated in these Fund Rules, derivatives shall only be used for efficient portfolio management (i.e. no gearing/leverage/margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act 2002, as amended from time to time, i.e. unlisted forward currency, interest rate or exchange rate swap transactions.

(9) Save as otherwise expressly provided in the last proviso to paragraph (8) above the foregoing limitations in this Fund Rule 3 shall apply as at the date of the relevant transaction or commitment to invest and changes do not have to be effected merely because owing to appreciations or depreciations in value, or redemptions or conversions of Participating Shares, or any scheme or arrangement for amalgamation reconstruction conversion or exchange in respect of any investment any of such limitations would thereby be breached but the Manager shall take immediate corrective action to rectify the position or may seek the approval of the

Directors to the temporary continuation of the position on such basis and for such period as may be agreed.

4. **Borrowing and Lending**

Net borrowings for the Class Fund shall be restricted so as to ensure that the amounts outstanding from time to time (including any amounts pursuant to Article 33.2) do not exceed five per cent. (5%) of the Net Asset Value of the Class Fund PROVIDED THAT at all times all such borrowings shall be of a temporary nature and shall have been made solely for the purposes of meeting redemption requests or making provision for the late settlement of monies following a switch from another Class Fund.

Investments of the Class Fund may not be loaned out without the prior written consent of the Custodian and otherwise subject to the Articles (including without limitation Article 32.7).

Establishment Date: 15 October 2007
Date(s) amended: 4 December 2013 and 20 November 2018

# Appendix 5

## Investment Objectives and Investment & Borrowing Restrictions of the STANLIB Multi-Manager Global Equity Fund (the "Class Fund")

The objective is to maximise long term total return by investing in global equities. The investment objective is to generate annualized investment returns in excess of the benchmark.

The principal investment objective and policy of the Class Fund will be adhered to for at least three years from the date of admission of Participating Shares of the Class Fund to the Official List of Euronext Dublin other than in exceptional circumstances and then only with the consent of a majority of Shareholders.

1. **Base Currency**

Participating Shares of the Share Classes of the Class Fund will be designated and priced in US Dollars and the Class Fund valued in US Dollars.

2. **Subscription Price and Minimum Subscription Amount**

After the initial offer period, Shares may be purchased on any Dealing Day at a Subscription Price calculated in accordance with the procedure set out on pages 17 and 18 of this Prospectus.

The minimum subscription amount is US$100,000.

3. **Investment Rules**

(1) Unless the context otherwise requires and except as varied or otherwise specified in this Rule.

(a) "Approved Bank" means any corporate body:-

(i) which is a banking institution which has capital which is shareholders' funds of an amount not less than the equivalent of five hundred million dollars (US $500,000,000) (as shown by the latest available edition of The Banker Magazine, published by Financial Times Information Limited, or as shown by such other publication as the Directors shall with the approval of the Custodian determine); or

(ii) which is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority (or any successor body or authority) in the United Kingdom.

(b) "Authorised Investment Instruments" means:

(i) call or time deposits with an Approved Bank;

(ii) Fixed interest instruments, Bonds and Debt instruments;

(iii) Shares and equivalent equity participations quoted, listed or traded on a Stock Exchange that is a full member of the World Federation of Exchanges ("**WFE**") and for the avoidance of doubt this also includes the London Stock Exchange and Euronext;

(iv) participations in any form of collective investment fund including without limitation any fund, trust, company, partnership or other entity having the majority of underlying investments corresponding to those in sub-paragraphs (i) to (iii) above ("**Funds**") subject to paragraph (6)(n) below.

(2) Save as provided in paragraph (7) below, the Class Fund shall only be invested in Authorised Investment Instruments in accordance with the provisions of this Fund Rule.

(3) Subject as hereinafter provided no Authorised Investment Instrument shall be acquired or made which would immediately after the acquisition or making thereof result in :-

(i) the value of the investments of the Class Fund issued, made, accepted or guaranteed by any one Approved Bank or other issuer (including for the avoidance of doubt monies held on call or on deposit with an Approved Bank) exceeding ten per cent. (10%) of the Net Asset Value of the Class Fund as determined immediately before such investments are acquired or made PROVIDED HOWEVER THAT the aggregate of amounts held on call or deposit accounts with The Bank Of New York Mellon SA/NV, London Branch (the "**Sub-Custodian**"), as the Custodian's delegate, or such other Approved Bank or Approved Banks as the Directors may from time to time determine may represent up to 20% of the Net Asset Value of the Class Fund; or

(ii) the total nominal amount of the Class Fund's holding of any investment exceeding ten per cent. (10%) of the total nominal amount of all issued securities of the same class in the corporation in which such investment is held or made as determined immediately before such investments are acquired.

(4) The restriction referred to at paragraph (3)(i) above shall not apply for the period of three months immediately following the initial issue of Participating Shares of this Share Class or during the two Business Days following a day on which the Net Asset Value of the Class Fund is increased by subscriptions for Participating Shares of the relevant class which amount to more than 10% of Net Asset Value ("**New Funds**") when paragraph (3)(i) above shall be applied as if the reference therein to the Net Asset Value of the Class Fund excludes the New Funds.

(5) Where the Class Fund is invested in any Funds managed or advised by the Manager, its delegate, or any investment manager or the associates of any of them, the value of any of the Class Fund's assets so invested will be excluded from the value of the Class Fund's assets upon which the Manager's fee is based.

(6) The Company shall not, for the account of this Class Fund:

(a) invest or lend more than 20% of the value of the Net Asset Value of the Company in the securities of any one issuer (including the issuer's subsidiaries or affiliates);

(b) invest more than 10% in fixed interest instruments, Bonds and Debt instruments;

(c) expose more than 20% of the value of the Net Asset Value of the Company to the creditworthiness or solvency of any one counterparty including the counterparty's subsidiaries and affiliates;

(d) acquire any real property;

(e) indulge in short selling of securities, including with reference to paragraph 7(b)(ii) below, uncovered call options, (i.e. selling securities at a time when it has no exercisable or unconditional right at the time of sale to the securities to be vested in the purchaser) or purchase securities on margin (i.e. purchasing securities in circumstances where the Company cannot pay for any part of the purchase price without selling such securities before the end of the relevant account period);

(f) acquire any Investment which would require the assumption by the Company of an unlimited liability, which for the avoidance of doubt shall include participation as a general partner in a limited partnership;

(g) invest in any country where at the time of the investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Company of monies so invested;

(h) (i) invest in securities which are not readily realisable (provided however that up to ten per cent. (10%) of the Net Asset Value of the Class Fund may be invested in securities which are not readily realisable);

(ii) invest more than ten per cent (10%) of the Net Asset Value of the Class Fund in shares and equivalent equity participations that are quoted, listed or traded on Stock Exchanges that are not full members of the WFE.

(i) acquire any Investment which is a commodity or an interest in a commodity or which confers a right to purchase a commodity;

(j) invest directly in gold or silver bullion, platinum or other precious metals or coins;

(k) take legal or management control of the issuer of any Investment;

(l) invest in any asset where, in the reasonable opinion of the Custodian, the custody facilities available (whether through the custodian or any delegate thereof) in the relevant jurisdiction in respect of that asset are not adequate to protect the interests of the holders of Participating Shares attributable to the Class Fund including, without limitation, where the Custodian is not satisfied that title to that asset is adequately protected or if for any other reason the Custodian is of the opinion that it will be unable to provide custody facilities in respect of that asset to the standard required pursuant to the Custodian Agreement, provided that any investment made in a jurisdiction which has been previously identified by the Custodian to the Manager or its delegate as a jurisdiction in relation to which it has no reason to believe that the provisions of this restriction may apply, shall not be held to constitute a breach of this Fund Rule, provided that such an investment shall be reported to the Directors immediately and the relevant asset disposed of over a period to be agreed between the Directors and the Custodian, such period not to exceed twelve months from the date of acquisition of the asset;

(m) invest in any security of any class in any company or body in which a director of the Manager owns more than half of one per cent. (½ %) of the total nominal amount of all the issued securities of that class, or collectively the directors and officers of the Manager own more than five per cent. (5%) of those securities;

(n) invest more than twenty per cent. (20%) of the Net Asset Value of the Class Fund in the units, shares or participations of any Funds;

(o) without the consent of the Custodian acquire or hold any securities which are for the time being partly paid unless according to the terms of the issue thereof the security will or may at the option of the holder become within one year of the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid.

(p) invest in a fund of funds or a feeder fund, in terms of paragraph 6(h) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time;

(q) engage in scrip borrowing;

(r) invest in an instrument that compels the acceptance of physical delivery of a commodity.

The restriction outlined in (a) above will not apply in relation to investment in securities issued by a government, government agency or instrumentality of a European Union Member State or an OECD Member State or by any supranational authority of which one or more European Union or OECD Member States are members, and any other state approved by such purpose by Euronext Dublin.

In any such case as is mentioned in (o) above, notwithstanding that the Custodian may not be required to give its consent as aforesaid, the Custodian shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of the Class Fund as is approved by the Directors or the Manager (such approval not to be unreasonably withheld) as is acceptable to the Custodian sufficient to provide for paying up such securities in full. The cash or other property so appropriated shall not be available for application without the consent of the Custodian in any way otherwise than as may be required for paying up the security in respect of which the appropriation was made so long as and to the extent that such security remains an asset of the Class Fund.

(7) Notwithstanding the foregoing the Company may from time to time for the account of this Class Fund:

(a) without restriction enter into contracts for the sale or purchase of a fixed amount of one currency in exchange for another currency which is held or contracted to be held whether such contract is to be completed immediately or at a pre-determined future date PROVIDED ALWAYS that there shall be no overall net short position in any one currency;

(b) for the purposes of efficient portfolio management in reducing, transferring, or eliminating investment risk and on a temporary basis to effect efficient strategic asset allocation policy adjustments between markets:-

(i) enter into contracts (hereinafter called "**forward purchases**") for the purchase of Investments on a pre-determined date after the date of the contract and at a specified price PROVIDED THAT the aggregate amount which the Company shall or may be required to pay in respect of such forward purchases for this Class Fund shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund;

(ii) purchase and sell call or put options (other than options to purchase money market or other financial instruments) upon Authorised Investment Instruments as defined in paragraph 3(1)(b) where such call or put options are traded on markets or exchanges having obtained full membership of the WFE, PROVIDED THAT no call option shall be purchased or sold for the account of the Class Fund if the proportion of the assets of the Class Fund committed to option dealings (including any further amount which the Company may be required to pay at some future date in respect of such option dealing) shall exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund as determined immediately before such call option is purchased and only call options held as purchased for the account of the Class Fund may be sold;

(iii) invest in or acquire financial futures contracts including Stock Market indices futures contracts, or options to purchase money market or other financial instruments provided always that the aggregate of the nominal value of all such futures contracts held by the Company for the account of this Class Fund and the cost of the Company's total holding in such options and futures for the Class Fund (which cost shall include any further amount which the Company may elect to pay at some future date on the exercise of such option) shall not immediately after the acquisition of such a futures contract or an option exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund.

PROVIDED HOWEVER THAT the aggregate net exposure of the Class Fund under sub-paragraphs (i), (ii) and (iii) shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund. Notwithstanding anything stated in these Fund Rules, derivatives shall only be used for efficient portfolio management (i.e. no gearing/leverage/margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act 2002, as amended from time to time, i.e. unlisted forward currency, interest rate or exchange rate swap transactions.

(8) Save as otherwise expressly provided in the last proviso to paragraph (7) above the foregoing limitations in this Fund Rule 3 shall apply as at the date of the relevant transaction or commitment to invest and changes do not have to be effected merely because owing to appreciations or depreciations in value, or redemptions or conversions of Participating Shares, or any scheme or arrangement for amalgamation reconstruction conversion or exchange in respect of any investment any of such limitations would thereby be breached but the Manager shall take immediate corrective action to rectify the position or may seek the approval of the Directors to the temporary continuation of the position on such basis and for such period as may be agreed.

4. **Borrowing and Lending**

Net borrowings for the Class Fund shall be restricted so as to ensure that the amounts outstanding from time to time (including any amounts pursuant to Article 33.2) do not exceed five per cent. (5%) of the Net Asset Value of the Class Fund. PROVIDED THAT at all times all such borrowings shall be of a temporary nature and shall have been made solely for the purposes of meeting redemption requests or making provision for the late settlement of monies following a switch from another Class Fund.

Investments of the Class Fund may not be loaned out without the prior written consent of the Custodian and otherwise subject to the Articles (including without limitation Article 32.7).

Establishment Date: 15 October 2007
Date(s) amended: 4 December 2013, 29 July 2015 and 20 November 2018

# Appendix 6

## Investment Objectives and Investment & Borrowing Restrictions of the STANLIB European Equity Fund (the "Class Fund")

The objective is to maximise long-term capital growth by investing in an actively managed portfolio of primarily pan-European equities.

The principal investment objective and policy of the Class Fund will be adhered to for at least three years from the date of admission of Participating Shares of the Class Fund to the Official List of Euronext Dublin other than in exceptional circumstances and then only with the consent of a majority of Shareholders.

1. **Base Currency**

Participating Shares of the Share Classes of the Class Fund will be designated and priced in Euros and the Class Fund valued in Euros.

2. **Subscription Price and Minimum Subscription Amount**

After the initial offer period, Shares may be purchased on any Dealing Day at a Subscription Price calculated in accordance with the procedure set out on pages 17 and 18 of this Prospectus.

The minimum subscription amount is the equivalent in Euros to US$100,000.

3. **Investment Rules**

(1) Unless the context otherwise requires and except as varied or otherwise specified in this Rule.

(a) "Approved Bank" means any corporate body:-

(i) which is a banking institution which has capital which is shareholders' funds of an amount not less than the equivalent of five hundred million dollars (US $500,000,000) (as shown by the latest available edition of The Banker Magazine, published by Financial Times Information Limited, or as shown by such other publication as the Directors shall with the approval of the Custodian determine); or

(ii) which is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority (or any successor body or authority) in the United Kingdom.

(b) "Authorised Investment Instruments" means:

(i) call or time deposits with an Approved Bank;

(ii) Fixed interest instruments;

(iii) Shares and equivalent equity participations, being within Europe or Turkey, quoted, listed or traded on a Stock Exchange that is a full member of the World Federation of Exchanges ("**WFE**") and for the avoidance of doubt this also includes the London Stock Exchange and Euronext However, a maximum of ten per cent (10%) of the net asset value of the Class Fund may be invested in such instruments that are not so quoted, listed or traded; and

(iv) participations in any form of collective investment fund including without limitation any fund, trust, company, partnership or other entity having the majority of underlying investments corresponding to those in sub-paragraphs (i) to (iii) above ("**Funds**") subject to paragraph (6)(m) below.

(2) Save as provided in paragraph (7) below, the Class Fund shall only be invested in Authorised Investment Instruments in accordance with the provisions of this Fund Rule.

(3) Subject as hereinafter provided no Authorised Investment Instrument shall be acquired or made which would immediately after the acquisition or making thereof result in :-

(i) the value of the investments of the Class Fund issued, made, accepted or guaranteed by any one Approved Bank or other issuer (including for the avoidance of doubt monies held on call or on deposit with an Approved Bank) exceeding ten per cent. (10%) of the Net Asset Value of the Class Fund as determined immediately before such investments are acquired or made PROVIDED HOWEVER THAT the aggregate of amounts held on call or deposit accounts with The Bank Of New York Mellon SA/NV, London Branch (the "**Sub-Custodian**"), as the Custodian's delegate, or such other Approved Bank or Approved Banks as the Directors may from time to time determine may represent up to 20% of the Net Asset Value of the Class Fund; or

(ii) the total nominal amount of the Class Fund's holding of any investment exceeding ten per cent (10%) of the total nominal amount of all issued securities of the same class in the corporation in which such investment is held or made as determined immediately before such investments are acquired.

(4) The restriction referred to in paragraph (3)(i) above shall not apply for the period of three months immediately following the initial issue of Participating Shares of this Share Class or during the two Business Days following a day on which the Net Asset Value of the Class Fund is increased by subscriptions for Participating Shares of the relevant class which amount to more than 10% of Net Asset Value ("**New Funds**") when paragraph (3)(i) above shall be applied as if the reference therein to the Net Asset Value of the Class Fund excludes the New Funds.

(5) Where the Class Fund is invested in any Funds managed or advised by the Manager, its delegate, or any investment manager or the associates of any of them, the value of any of the Class Fund's assets so invested will be excluded from the value of the Class Fund's assets upon which the Manager's fee is based.

(6) The Company shall not, for the account of this Class Fund:

(a) invest or lend more than 20% of the value of the Net Asset Value of the Company in the securities of any one issuer (including the issuer's subsidiaries or affiliates);

(b) expose more than 20% of the value of the Net Asset Value of the Company to the creditworthiness or solvency of any one counterparty including the counterparty's subsidiaries and affiliates;

(c) acquire any real property;

(d) indulge in short selling of securities, including with reference to paragraph 7(b)(ii) below, uncovered call options, (i.e. selling securities at a time when it has no exercisable or unconditional right at the time of sale to the securities to be vested in the purchaser) or purchase securities on margin (i.e. purchasing securities in circumstances where the Company cannot pay for any part of the purchase price without selling such securities before the end of the relevant account period);

(e) acquire any Investment which would require the assumption by the Company of an unlimited liability, which for the avoidance of doubt shall include participation as a general partner in a limited partnership;

(f) invest in any country where at the time of the investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Company of monies so invested;

(g) (i) invest in securities which are not readily realisable (provided however that up to ten per cent. (10%) of the Net Asset Value of the Class Fund may be invested in securities which are not readily realisable);

(ii) invest more than ten per cent (10%) of the Net Asset Value of the Class Fund in shares and equivalent equity participations that are quoted, listed or traded on Stock Exchanges that are not full members of the WFE.

(h) acquire any Investment which is a commodity or an interest in a commodity or which confers a right to purchase a commodity;

(i) invest directly in gold or silver bullion, platinum or other precious metals or coins;

(j) take legal or management control of the issuer of any Investment;

(k) invest in any asset where, in the reasonable opinion of the Custodian, the custody facilities available (whether through the custodian or any delegate thereof) in the relevant jurisdiction in respect of that asset are not adequate to protect the interests of the holders of Participating Shares attributable to the Class Fund including, without limitation, where the Custodian is not satisfied that title to that asset is adequately protected or if for any other reason the Custodian is of the opinion that it will be unable to provide custody facilities in respect of that asset to the standard required pursuant to the Custodian Agreement, provided that any investment made in a jurisdiction which has been previously identified by the Custodian to the Manager or its delegate as a jurisdiction in relation to which it has no reason to believe that the provisions of this restriction may apply, shall not be held to constitute a breach of this Fund Rule, provided that such an investment shall be reported to the Directors immediately and the relevant asset disposed of over a period to be agreed between the Directors and the Custodian, such period not to exceed twelve months from the date of acquisition of the asset;

(l) invest in any security of any class in any company or body in which a director of the Manager owns more than half of one per cent. (½ %) of the total nominal amount of all the issued securities of that class, or collectively the directors and officers of the Manager own more than five per cent. (5%) of those securities;

(m) invest more than twenty per cent. (20%) of the Net Asset Value of the Class Fund in the units, shares or participations of any Funds;

(n) without the consent of the Custodian acquire or hold any securities which are for the time being partly paid unless according to the terms of the issue thereof the security will or may at the option of the holder become within one year of the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid.

(o) invest in a fund of funds or a feeder fund, in terms of paragraph 6(h) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act, 2002, as amended from time to time;

(p) engage in scrip borrowing;

(q) invest in an instrument that compels the acceptance of physical delivery of a commodity.

The restriction outlined in (a) above will not apply in relation to investment in securities issued by a government, government agency or instrumentality of a European Union Member State or an OECD Member State or by any supranational authority of which one or more European Union or OECD Member States are members, and any other state approved by such purpose by Euronext Dublin.

In any such case as is mentioned in (n) above, notwithstanding that the Custodian may not be required to give its consent as aforesaid, the Custodian shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of the Class Fund as is approved by the Directors or the Manager (such approval not to be unreasonably withheld) as is acceptable to the Custodian sufficient to provide for paying up such securities in full. The cash or other property so appropriated shall not be available for application without the consent of the Custodian in any way otherwise than as may be required for paying up the security in respect of which the appropriation was made so long as and to the extent that such security remains an asset of the Class Fund.

(7) Notwithstanding the foregoing the Company may from time to time for the account of this Class Fund:

(a) without restriction enter into contracts for the sale or purchase of a fixed amount of one currency in exchange for another currency which is held or contracted to be held whether such contract is to be completed immediately or at a pre-determined future date PROVIDED ALWAYS that there shall be no overall net short position in any one currency;

(b) for the purposes of efficient portfolio management in reducing, transferring, or eliminating investment risk and on a temporary basis to effect efficient strategic asset allocation policy adjustments between markets:-

(i) enter into contracts (hereinafter called "**forward purchases**") for the purchase of Investments on a pre-determined date after the date of the contract and at a specified price PROVIDED THAT the aggregate amount which the Company shall or may be required to pay in respect of such forward purchases for this Class Fund shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund;

(ii) purchase and sell call or put options (other than options to purchase money market or other financial instruments) upon Authorised Investment Instruments as defined in paragraph 3(1)(b) where such call or put options are traded on markets or exchanges having obtained full membership of the WFE, PROVIDED THAT no call option shall be purchased or sold for the account of the Class Fund if the proportion of the assets of the Class Fund committed to option dealings (including any further amount which the Company may be required to pay at some future date in respect of such option dealing) shall exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund as determined immediately before such call option is purchased and only call options held as purchased for the account of the Class Fund may be sold;

(iii) invest in or acquire financial futures contracts including Stock Market indices futures contracts, or options to purchase money market or other financial instruments provided always that the aggregate of the nominal value of all such futures contracts held by the Company for the account of this Class Fund and the cost of the Company's total holding in such options and futures for the Class Fund (which cost shall include any further amount which the Company may elect to pay at some future date on the exercise of such option) shall not immediately after the acquisition of such a futures contract or an option exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund.

PROVIDED HOWEVER THAT the aggregate net exposure of the Class Fund under sub-paragraphs (i), (ii) and (iii) shall not at any time exceed fifteen per cent. (15%) of the Net Asset Value of the Class Fund. Notwithstanding anything stated in these Fund Rules, derivatives shall only be used for efficient portfolio management (i.e. no gearing/leverage/margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005 pursuant to the South African Collective Investment Schemes Control Act 2002, as amended from time to time, i.e. unlisted forward currency, interest rate or exchange rate swap transactions.

(8) Save as otherwise expressly provided in the last proviso to paragraph (7) above the foregoing limitations in this Fund Rule (3) shall apply as at the date of the relevant transaction or commitment to invest and changes do not have to be effected merely because owing to appreciations or depreciations in value, or redemptions or conversions of Participating Shares, or any scheme or arrangement for amalgamation reconstruction conversion or exchange in respect of any investment any of such limitations would thereby be breached but the Manager shall take immediate corrective action to rectify the position or may seek the approval of the Directors to the temporary continuation of the position on such basis and for such period as may be agreed.

4. **Borrowing and Lending**

Net borrowings for the Class Fund shall be restricted so as to ensure that the amounts outstanding from time to time (including any amounts pursuant to Article 33.2) do not exceed five per cent. (5%) of the Net

Asset Value of the Class Fund. PROVIDED THAT at all times all such borrowings shall be of a temporary nature and shall have been made solely for the purposes of meeting redemption requests or making provision for the late settlement of monies following a switch from another Class Fund.

Investments of the Class Fund may not be loaned out without the prior written consent of the Custodian and otherwise subject to the Articles (including without limitation Article 32.7).

Establishment Date: 29 July 2015
Date(s) amended: 20 November 2018

# Appendix 7

## Investment Objectives and Investment & Borrowing Restrictions of STANLIB Global Multi-Strategy Stable Performance Fund, STANLIB Global Multi-Strategy Moderate Growth Fund, STANLIB Global Multi-Strategy Diversified Growth Fund and STANLIB Global Multi-Strategy Aggressive Growth Fund (each a "Class Fund")

The objectives of Class Funds are as follows:

- **STANLIB Global Multi-Strategy Stable Performance Fund**

The objective is to seek to outperform the total return of the Benchmark (as defined below) through investing in a globally diversified multi-asset portfolio denominated in US Dollar by 2.5 – 4.0% per annum (gross of management fees) over a market cycle (3-5 Years).

There is no guarantee that the Manager will meet the investment objectives in respect of this mandate.

### Benchmark

The benchmark for this mandate is US CPI as defined by the Consumer Price Index for All Urban Consumers (CPI-U), Seasonally adjusted, published monthly by the US Bureau of Labor Statistics (Bloomberg Ticker: CPI INDX).

- **STANLIB Global Multi-Strategy Moderate Growth Fund**

The objective is to seek to outperform the total return of the Benchmark (as defined below) through investing in a globally diversified multi-asset portfolio denominated in US Dollar by 4.0 – 4.5% per annum (gross of management fees) over a market cycle (3-5 Years).

There is no guarantee that the Manager will meet the investment objectives in respect of this mandate.

**Benchmark**

The benchmark for this mandate is US CPI as defined by the Consumer Price Index for All Urban Consumers (CPI-U), Seasonally adjusted, published monthly by the US Bureau of Labor Statistics (Bloomberg Ticker: CPI INDX).

- **STANLIB Global Multi-Strategy Diversified Growth Fund**

The objective is to seek to outperform the total return of the Benchmark (as defined below) through investing in a globally diversified multi-asset portfolio denominated in US Dollar by 4.5–5.5% per annum (gross of management fees) over a market cycle (5-7 Years).

There is no guarantee that the Manager will meet the investment objectives in respect of this mandate.

**Benchmark**

The benchmark for this mandate is US CPI as defined by the Consumer Price Index for All Urban Consumers (CPI-U), Seasonally adjusted, published monthly by the US Bureau of Labor Statistics (Bloomberg Ticker: CPI INDX).

- **STANLIB Global Multi-Strategy Aggressive Growth Fund**

The objective is to seek to outperform the total return of the Benchmark (as defined below) through investing in a globally diversified multi-asset portfolio denominated in US Dollar by 5.5 – 6.0% per annum (gross of management fees) over a market cycle (5-7 Years).

There is no guarantee that the Manager will meet the investment objectives in respect of this mandate.

**Benchmark**

The benchmark for this mandate is US CPI as defined by the Consumer Price Index for All Urban Consumers (CPI-U), Seasonally adjusted, published monthly by the US Bureau of Labor Statistics (Bloomberg Ticker: CPI INDX).

The objectives shall be sought on the basis of the investment restrictions and subject to the risks normally associated with a conservative and balanced approach to portfolio management. Due regard shall be paid to risk control and security of the capital of the Class Funds.

Each of the Class Funds will (in the absence of unforeseen circumstances) adhere to the material investment objectives and policies. Any changes to the objectives and policies will be made only in exceptional circumstances, and then only with the consent of a majority of Shareholders of the relevant Class Fund.

1. **Base Currency**

Participating Shares of the Share Classes of each Class Fund will be designated and priced in US Dollars and the Class Fund valued in US Dollars.

2. **Subscription Price and Minimum Subscription Amount**

After the initial offer period, Shares may be purchased on any Dealing Day at a Subscription Price calculated in accordance with the procedure set out on pages 17 and 18 of this Prospectus.

3. **Investment Rules**

(1) Unless the context otherwise requires and except as varied or otherwise specified in this Rule:

(a) "Approved Bank" means any corporate body or un-incorporate partnership or association being a deposit-taking institution which:

(i) has capital which is shareholders' funds of an amount, as most recently quoted in "The Banker" magazine published by Financial Times Information Limited of US$ 300,000,000 or more; or

(ii) whose bills are eligible for discount at the central bank of the country where the principal place of business of such body is situate and which is a member of the OECD; or

(iii) is registered under the Banking Business (Jersey) Law 1991, as amended; or

(iv) is a subsidiary (as defined in the Collective Investment Funds (Jersey) Law 1988, as amended) of any body which fulfils the conditions in (i) or (ii) above;

(b) "Derivative Transactions" includes forward foreign exchange contracts, futures contracts, warrants and put or call options whether written or purchased.

(2) The following investment limits shall apply to the Class Fund (meaning the Company for the account of the Class Fund) unless stated otherwise;

<u>Spread of investments</u>

(a) The value of the Class Fund's holding of securities, issued by any single issuer (other than issuers that are collective investment schemes, as referred to in 3(2)(s) below) may not exceed 10 per cent of the Class Fund's Net asset Value;

(b) The Company may not hold more than 10 per cent of any class of securities issued by any single issuer;

<u>Unlisted and illiquid securities</u>

(c) The value of the Class Fund's holding of securities not listed or quoted on a recognised market may not exceed 10 per cent of its total net asset value;

(d) The Class Fund may not invest in securities which are not readily realisable (provided however that up to 10 per cent of the total net asset value of the Class Fund may be invested in securities which are not readily realisable);

Government and other public securities

(e) Notwithstanding 3(2)a and 3(2)b above, up to 30 per cent of the total net asset value of the Class Fund may be invested in government or other public securities of the same issue;

(f) Subject to 3(2)d above the Class Fund may invest all of its assets in government and other public securities in at least six difference issues;

Non-Equity Securities

(g) The Class Fund may invest in bonds, notes, debentures, money market instruments, negotiable instruments, securitised debt, special purpose vehicles (SPVs) or debt securities issued by banks, financial institutions, corporations or sovereign borrowers. The value of the Class Fund's holding of non-equity securities issued by any single government may not exceed 30 per cent of the total net asset value of the Class Fund and the value of the Class Fund's holding of non-equity securities issued by any other single issuer, not being a government, may not exceed 10 per cent of the total net asset value of the Class Fund;

Bank deposits

(h) No more than 10 per cent of the net asset value of the Class Fund or US$1,000,000, whichever is the greater, should be kept on deposit with or on loan to any one person, or any connected company of that person unless the person is an Approved Bank, in which case the maximum shall be 20 per cent of the net asset value of the Class Fund. This restriction shall not apply to subscription monies received in respect of a subscription for Participating Shares in the Class Fund for a period starting on the date of receipt of those monies and ending either (i) fourteen calendar days from the initial issue of Participating Shares in the Class Fund or (ii) (after the period in (i) has expired) two Business Days from the Dealing Day on which the Participating Shares subscribed for are allotted. This restriction shall also not apply to monies allocated to the settlement of redemption proceeds in response to redemption instructions received in respect of Participating Shares in the Share Class;

Derivative Transactions

(i) The Class Fund will maintain cover at all times for derivative positions;

(j) The Class Fund may enter into any Derivative Transactions without limit for the purposes of hedging the currency and price of investments or to close out other Derivative Transactions;

(k) Derivative Transactions utilised other than for hedging purposes should be only those which are traded on or under the rules of a recognised market and have been so traded for a period of not less than twelve months;

(l) For the purposes of this Rule: the percentages referred to in (p) and (q) shall include the total of all cash or other property transferred or deposited by way of premium or initial margin and all other acquisition costs of any Derivative Transaction together with the amount liable to be paid or, as the case may be, the value of the securities which must be sold or surrendered, on the expiry or completion of the contract, whichever is the greater

(m) For the purposes of this Rule:

(i) cover for Derivative Transactions under which the Company is or may be liable to deliver assets may comprise property, or rights or obligations to acquire assets of the same kind, which is sufficient to enable the discharge of the obligation under the contract.

(ii) cover for Derivative Transactions under which the Company is or may be liable to acquire assets may comprise cash or near cash which is not to be taken into account for any other purpose and which is sufficient to discharge the obligation, or rights or obligations to dispose of assets, should the obligation to acquire it arise.

(n) The Class Fund shall not invest in contracts for difference.

(o) If the Class Fund enters into any Derivative Transaction under which additional premia or margin payments may arise, its assets should include cash or near cash which is not taken onto account for other purposes and which is sufficient to meet all such payments.

(p) The value of all Derivative Transactions entered into by the Class Fund should not exceed 25 per cent of the net asset value of the Class Fund. Within this limit, the Class Fund shall not invest in warrants or options, the aggregate value of which is more than 15 per cent of the net asset value of the Class Fund;

(q) The Company may write call options on portfolio investments or put options, providing that:

(i) the total value of all such options does not exceed 25 per cent of the net asset value of the Class Fund;

(ii) cover is maintained throughout the period of the contract; and

(iii) in the case of put options, the property which the Company is obliged to purchase if the option is exercised may be acquired without contravening the investment limits of the Class Fund;

(r) The writing of uncovered options is prohibited;

Investment in other schemes

(s) The value of the Class Fund's holding of units or shares in other collective investment schemes may not in aggregate exceed 70 per cent of its total net asset value provided that if the Class Fund is considered by the Manager to be sub-scale in terms of assets under management during the Class Fund's ramp-up phase and that it is necessary for the purposes of efficient portfolio management, the value of the Class Fund's holding of units or shares in other collective investment schemes may in aggregate be as much as 100 per cent of its total net asset value. In addition, the objective of such collective investment schemes may not be to invest primarily in any investment prohibited by this Rule and where such scheme's objective is to invest primarily in investments restricted by this Rule, such holdings may not be in contravention of the relevant limitation.

(t) Where the Class Fund invests in any collective scheme managed by the manager or any connected company (a "**Connected Scheme**"), the following provisions shall apply:

(i) initial charges should not be levied on both investment in the Class Fund and on investments made by the Class Fund in the Connected Scheme;

(ii) no Connected Scheme in which the Class Fund has invested, nor any person as nominee of such scheme, may be the holder of shares in the Class Fund; and

(iii) the potential conflict of interest of the manager must be declared to the trustee/custodian who shall approve the use of any voting power which results from the underlying investment in the scheme concerned.

Real Estate Investments

(u) The Class Fund may not invest in any type of real estate (including buildings) or interests in real estate (including options or rights but excluding shares in real estate companies);

Commodities

(v) Investment in commodities must be limited to gold, silver, platinum or other bullion and the value of the Class Fund's holding of such physical commodities and commodity based investments (other than shares in companies engaged in producing, processing or trading in commodities), may not exceed 10 per cent of the total net asset value of the Class Fund. The assets of the Class Fund shall not be invested directly in physical commodities and the Class Fund does not permit investment in an instrument that compels the acceptance of physical delivery of a commodity.

Short Selling and Margin Purchases

(w) The Class Fund may not short sell. Margin Purchases are permitted for up to 25 per cent of the net asset value of the Class Fund and up to 100 per cent of the net asset value of the Class Fund for hedging purposes.

Unlimited liability investments

(x) The Class Fund may not acquire any asset which involves the assumption of any liability which is unlimited;

Realisation Risk

(y) The Class Fund may not invest in any country where at the time of investment withdrawal of the proceeds of sale or other realisation is restricted or when there is any material risk to the repatriation to the Class fund of monies so invested;

Investment in securities in which Directors/Officers have interests

(z) The Class Fund may not invest in any security of any class in any company or body if any director or officer of the Manager owns more than 0.5 per cent of the total nominal amount of all the issued securities of that class, or, collectively the directors and officers of the Manager own more than 5 per cent of those securities; and

Investment in nil paid/partly paid securities

(aa) The portfolio of the Class Fund may not include any security where a call is to be made for any sum unpaid on that security unless that call could be met in full out of cash or near cash by the Class Fund's portfolio, the amount of which has not already been taken into account for the purposes of providing cover for any financial instrument.

Making loans

(bb) The Class Fund may not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for, or in connection with, any obligation or indebtedness of any persons.

Limitations on borrowing

(cc) The maximum borrowing of the Class Fund must not exceed 5 per cent of its total net asset value. For the purposes of this requirement, back-to-back loans may be not counted as borrowing.

Establishment Date: 27 August 2020

## APPENDIX 2

## Fidelity Institutional Liquidity Fund plc prospectus

The Directors of the Company, whose names are set out in this Prospectus, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Shares are not and will not be offered or sold in the United States, or to or for the account of U.S. persons as defined by U.S. securities laws. Each purchaser of a Share will be deemed to represent that such purchaser is not a U.S. person, is not receiving the Share in the United States, and is not acquiring the Share for the account of a U.S. person except as otherwise authorised by the Directors of the Company as set out in Appendix 3 under "United States" in the section entitled "Subscriptions and Transfers to US Persons".

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# FIDELITY INSTITUTIONAL LIQUIDITY FUND PLC

(an investment company with variable capital incorporated with limited liability in Ireland
with registered number 235175 and established as an umbrella fund with segregated liability between sub-funds)

# CONSOLIDATED PROSPECTUS FOR GERMANY

For

THE EURO FUND
THE STERLING FUND
THE UNITED STATES DOLLAR FUND

**THIS PROSPECTUS IS A CONSOLIDATION OF THE PROSPECTUS OF THE COMPANY DATED 19 JUNE 2020, THE SUPPLEMENTS IN RESPECT OF THE EURO FUND, THE STERLING FUND AND THE UNITED STATES DOLLAR FUND DATED 19 JUNE 2020, ALONG WITH THE GERMAN COUNTRY SUPPLEMENT DATED 25 JUNE 2020 (TOGETHER, THE "PROSPECTUS"). THIS PROSPECTUS IS A CONSOLIDATED PROSPECTUS FOR INVESTORS IN GERMANY. IT IS SOLELY INTENDED FOR THE OFFER AND THE DISTRIBUTION OF THE SHARES IN THE FUNDS IN OR FROM GERMANY. IT ONLY CONTAINS INFORMATION RELATING TO THE FUNDS AUTHORISED IN GERMANY AND DOES NOT CONSTITUTE A PROSPECTUS UNDER IRISH LAW.**

25 June 2020

CONTENTS

This Prospectus may only be issued with one or more Supplements, each containing information relating to a separate Fund. Details relating to Classes may be dealt with in the relevant Fund Supplement or in separate Supplements for each Class. Each Supplement shall form part of, and should be read in conjunction with this Prospectus. To the extent that there is any inconsistency between this Prospectus and any Supplement, the relevant Supplement shall prevail.

# INTRODUCTION

## IMPORTANT INFORMATION FOR INVESTORS

If you are in any doubt about the contents of this Prospectus, or any document referred to in it, you should consult your stockbroker or other financial adviser. This Prospectus is not to be construed as legal, tax or investment advice."

The Company is structured as an umbrella investment company with segregated liability between sub-funds and will comprise several funds each representing a separate portfolio of assets (each, a "Fund", and together, the "Funds"). The share capital of the Company may also be divided into different classes with one or more classes of Shares (each, a "Class") representing a Fund.

The Directors consider that investment in the Funds is subject to a low degree of investment risk as the Funds are investing in a wide range of short-term instruments of high quality. Nevertheless it should be appreciated that the value of the investments and the income from them may go down as well as up and accordingly an investor may not get back the full amount invested. Further details of the investment risks for an investor are set out under the section entitled "Principal Risks" of this document. At the date of this Prospectus, each of The Euro Fund, The Sterling Fund and The United States Dollar Fund are rated Aaa-mf by Moody's Investor Services, Inc. and rated AAAm by Standard & Poor's. These ratings are not intended to evaluate the prospective performance of the relevant Fund with respect to appreciation, volatility of Net Asset Value, or yield. Such ratings were solicited by the Manager and financed by either the Manager or the relevant Fund.

The Company was authorised by the Central Bank as a UCITS pursuant to the Regulations (as hereinafter defined). The authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. Authorisation of the Company by the Central Bank does not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.

Each Fund is authorised by the Central Bank as a money market fund under the MMF Regulations and investors should note that: (a) a money market fund is not a guaranteed investment; (b) an investment in a money market fund is different from an investment in deposits, including, in particular, because of the risk that the principal invested in a money market fund is capable of fluctuation; (c) a money market fund does not rely on external support for guaranteeing liquidity or stabilising the Net Asset Value per Share; and (d) the risk of loss of the principal is borne by the investor.

The admission of any Shares to the Official List and to trading on the Main Securities Market ("MSM") of Euronext Dublin shall not constitute a warranty or representation by Euronext Dublin as to the competence of the service providers to or any other party connected with a listed fund, the adequacy of information contained in the listing particulars or the suitability of a listed fund for investment or for any other purpose.

Short-term or excessive trading in the Funds may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager and/or Sub-Distributors may refuse to accept applications for Shares from investors who are considered to have a history of short-term or excessive trading in the Funds or in other funds managed by the FIL Group or whose trading has been or may be disruptive.

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or the accompanying Share Purchase Agreement Form in any such jurisdiction may treat this Prospectus or such Share Purchase Agreement Form as constituting an invitation to them to subscribe for Shares, nor should they use such Share Purchase Agreement Form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Share Purchase Agreement Form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of any person or persons wishing to apply for Shares pursuant to this Prospectus to ensure that they understand and observe any and all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should also ensure that they are aware of the legal requirements of so applying and any applicable exchange control regulations and taxes in the relevant country of their citizenship, residence or domicile. In particular, applicants must certify that they are not US Persons, except as otherwise authorised by the Directors of the Company as set out in Appendix 3 under "United States" in the section entitled "Subscriptions and Transfers to US Persons". Shareholders are also required to notify the Company and/or the Manager immediately in the event that they become a US Person or a US Related Investor (as described in this Prospectus), and the Company may, at its discretion, redeem or otherwise dispose of the Shares of any such Shareholder to non-US Persons. Applicants are also directed to the section entitled "Taxation" and the other Country Specific Details in Appendix 3 in this Prospectus. For Irish tax purposes, all investors acquiring Shares by subscription or transfer for the first time are currently required to complete an Irish tax declaration. Applicants are directed to the section entitled "Taxation" in this Prospectus.

Shares are offered only on the basis of the information contained in the current Prospectus and the Key Investor Information Document which outlines information relating to individual Classes established in the Company (together, hereinafter referred to as the "Key Investor Information Documents"). The Company's annual and half yearly reports and accounts are incorporated by reference. They are available on request from the Company, the General Distributor or any of the Sub-Distributors. Any further information or representation given or made by any dealer, salesman or other person should be disregarded and accordingly should not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date of this Prospectus. Statements made in this Prospectus are based on the laws and practice currently in force in Ireland and are subject to changes in such laws and practice.

Shareholders are bound by the Memorandum of Association and Articles of Association of the Company (including any amendments to them) and the current Prospectus is subject to these documents.

This Prospectus, the Key Investor Information Document(s), as appropriate, and any other documents referred to in the Prospectus should be read in their entirety before making an application for Shares. This Prospectus may be translated into other languages, provided such translation is a direct translation of the English text. In the event of any inconsistency or ambiguity in the meaning of any word or phrase in any translated version of the English language Prospectus, the translation of the English language Prospectus shall prevail, to the extent (but only to the extent) required under the laws of the relevant jurisdiction where the Shares are sold. In any action based upon a disclosure in a prospectus in a language other than English, the language of the prospectus on which such action is based shall prevail.

# DEFINITIONS

In this Prospectus the following words and phrases shall have the meanings indicated below:

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| "Accumulating Shares" | means Shares in a Fund in respect of which the net income and net capital gains arising will be rolled-up; |
| "Accumulating Class" | means a class of Shares in a Fund in respect of which the net income and net capital gains arising will be rolled-up; |
| "Administrator" | means J.P. Morgan Administration Services (Ireland) Limited, which acts as administrator, registrar and transfer agent of the Company or any successor company approved by the Central Bank as administrator, registrar and transfer agent of the Company; |
| "Administration Agreement" | means the administration agreement dated 31 August 2018 between the Manager and the Administrator, as amended by an amendment agreement dated 21 February 2020, as may be further amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank; |
| "AIF" | means an alternative investment fund; |
| "Articles of Association" | means the Articles of Association of the Company; |
| "Base Currency" | means the currency of account of a Fund as specified in the relevant Supplement; |
| "Beneficial Ownership Regulations" | means the European Union (Anti-Money Laundering: Beneficial Ownership of Corporate Entities) Regulations 2016; |
| "Business Day" | means a day on which the banks are open for normal banking business in London (excluding Saturdays and Sundays) which is also a normal banking day in the denominated currency of the Funds or such other day as may be determined by the Directors; |
| "CBI UCITS Regulations" | means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended, supplemented, replaced or consolidated from time to time; |
| "Central Bank" | means Central Bank of Ireland or any successor entity thereto; |
| "Company" | means Fidelity Institutional Liquidity Fund plc, an investment company with variable capital organised in Ireland pursuant to the Companies Act 2014 and authorised pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011); |
| "Constant NAV" | means a Net Asset Value calculated using the valuation methodologies described in the section of the Prospectus entitled "Valuation of Assets – Constant NAV"; |
| "Data Protection Acts" | means the Data Protection Acts 1988 to 2018 and the General Data Protection Regulation (EU 2016/679); |
| "Dealing Cycle" | means the period(s) on a Dealing Day within which subscriptions, transfers and redemptions (as applicable) of Shares, will be accepted for execution in that Dealing Cycle, as set out for a given Fund in the relevant Supplement; |
| "Dealing Day" | means each Business Day; |
| "Dealing Times" | means the dealing times as set out in the section of the relevant Supplement entitled "Dealing Times"; |
| "Depositary" | means J.P. Morgan Bank (Ireland) plc, which acts as depositary of the Company or any successor company approved by the Central Bank as depositary of the Company; |
| "Depositary Agreement" | means the depositary agreement dated 22 December 2016 between the Company, the Manager and the Depositary, as amended by a supplemental depositary agreement dated 29 December 2017, and as may be further amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank; |
| "Directors" | means the Directors of the Company for the time being and any duly constituted committee thereof; |
| "ESMA" | means the European Securities and Markets Authority; |

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| "EU" | means the European Union; |
| "Euro" | means the currency which was introduced at the start of the third stage of the economic and monetary union pursuant to the Treaty establishing the EU; |
| "Euronext Dublin" | means The Irish Stock Exchange plc, trading as Euronext Dublin; |
| "Exempt Irish Investor" | means:<br>▪ a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;<br>▪ a company carrying on life business within the meaning of Section 706 of the Taxes Act;<br>▪ an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;<br>▪ a special investment scheme within the meaning of Section 737 of the Taxes Act;<br>▪ a unit trust to which Section 731(5)(a) of the Taxes Act applies;<br>▪ a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;<br>▪ a qualifying management company within the meaning of Section 739B of the Taxes Act;<br>▪ a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;<br>▪ a personal retirement savings account ("PRSA") administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;<br>▪ a credit union within the meaning of Section 2 of the Credit Union Act, 1997;<br>▪ the National Pensions Reserve Fund Commission;<br>▪ the National Asset Management Agency;<br>▪ a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Company;<br>▪ a company that is within the charge to corporation tax in accordance with Section 739G(2) of the Taxes Act, in respect of payments made to it by the Company, that has made a declaration to that effect and that has provided the Company with its tax reference number; or<br>▪ any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to tax in the Company,<br>provided that they have completed the appropriate Relevant Declaration under Schedule 2B of the Taxes Act; |
| "FIL Group" | means FIL Limited, a company incorporated in Bermuda and/or any of its subsidiary or affiliated companies; |
| "Flex Distributing Shares" | means Shares in a Fund in respect of which the net income and capital gains arising will be distributed; |
| "Fund Cash Account" | means a cash account opened in the name of the Company on behalf of a Fund into which: (i) subscription monies received from investors who have subscribed for Shares are deposited and held until Shares are issued as of the relevant Dealing Cycle; (ii) redemption monies due to investors who have redeemed Shares are deposited and held until paid to the relevant investors; and (iii) dividend payments owing to Shareholders are deposited and held until paid to such Shareholders; |

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| "Funds" | means the sub-funds of the Company established by the Directors from time to time with the prior approval of the Central Bank and "Fund" means any one of them; |
| "GBP" | means Pounds Sterling, the lawful currency of the United Kingdom; |
| "General Distributor" | means FIL Distributors; |
| "General Distribution Agreement" | means the General Distribution Agreement between the Manager and the General Distributor dated 30 May 2012, as amended by an amendment agreement dated 29 December 2017, and as may be further amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank; |
| "High Quality" | means an instrument or issuer that has received a favourable credit assessment, as described in the section of the Prospectus entitled "Credit Assessment"; |
| "Intermediary" | means a person who:<br>▪ carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or<br>▪ holds shares in an investment undertaking on behalf of other persons; |
| "Investment Manager" | means FIL Investments International; |
| "Investment Management Agreement" | means the amended and restated investment management agreement dated 18 March 2019, as may be amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank; |
| "Ireland" | means the Republic of Ireland; |
| "Irish Resident" | means:<br>▪ in the case of an individual, an individual who is resident in Ireland for tax purposes;<br>▪ in the case of a trust, a trust that is resident in Ireland for tax purposes; and<br>▪ in the case of a company, a company that is resident in Ireland for tax purposes.<br>An individual will be regarded as being resident in Ireland for a twelve month tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that twelve month tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is resident in Ireland for at least 31 days in each twelve month period. In determining days present in Ireland, an individual is deemed to be present if he/she was in Ireland at any time during the day.<br>A trust will generally be Irish resident where the trustee is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.<br>A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:<br>▪ the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised stock exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country; or<br>▪ the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.<br>It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act; |
| "LVNAV Fund" | means a low volatility NAV money market fund pursuant to the MMF Regulations. All LVNAV Funds are Short-Term Money Market Funds; |

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| "Manager" | means FIL Fund Management (Ireland) Limited or such other manager as may be appointed by the Company; |
| "Management Agreement" | means the management agreement dated 1 October 2005 between the Company and the Manager, as amended by amendment agreements dated 29 December 2017 and 25 May 2018, and as may be further amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank; |
| "Market Price NAV" | means a Net Asset Value calculated using the valuation methodologies described in the section of the Prospectus entitled "Valuation of Assets – Market Price NAV"; |
| "Memorandum of Association" | means the Memorandum of Association of the Company; |
| "MMF Regulations" | means Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds and any delegated regulation published pursuant to it; |
| "Money Market Instruments" | means transferable securities and money market instruments as described in Regulation 68(a), (b), (c) and (h) of the Regulations; |
| "Net Asset Value" or "NAV" | means the Net Asset Value of the Company or of a Fund or Class, as appropriate, calculated as described herein; |
| "Net Asset Value per Share" | means in respect of any Class, the Net Asset Value divided by the number of Shares in issue in such Class; |
| "Normal Market Environment" | means any period other than a Stressed Market Environment; |
| "OECD" | means the Organisation for Economic Co-Operation and Development; |
| "Ordinarily Resident in Ireland" | means:<br>▪ in the case of an individual, an individual who is ordinarily resident in Ireland for tax purposes; and<br>▪ in the case of a trust, a trust that is ordinarily resident in Ireland for tax purposes.<br>An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (ie, he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2018 to 31 December 2018 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2021 to 31 December 2021.<br>The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence; |
| "Paying Agent" | means one or more paying agents appointed by the Company and/or the Manager in certain jurisdictions; |
| "Prospectus" | means the current prospectus of the Company and any Supplements thereto which form part of, and should be read in conjunction with, the Prospectus; |
| "Redemption Cut-Off Time" | means the deadline for receipt of redemption requests in any Dealing Cycle for settlement the same day as set out on the section of the relevant Supplement entitled "Dealing Times"; |
| "Regulated Market" | means any exchange or market on which the Company may invest and which is regulated, recognised, open to the public and operating regularly. A list of these exchanges and markets is listed in Appendix 1 hereto; |
| "Regulations" | means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended, any rules made by the Central Bank pursuant thereto and any implementing or delegated regulations made pursuant to the UCITS directive (Directive 2009/65/EC, as amended); |
| "Relevant Declaration" | means the declaration relevant to the Shareholders as set out in Schedule 2B of the Taxes Act; |
| "Relevant Period" | means a period of eight years beginning with the acquisition of a Share by a Shareholder and each subsequent period of eight years beginning immediately after the preceding relevant period; |

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| "Series" | means a Class representing interests in a Fund having the voting rights more particularly set out in the section of the relevant Supplement entitled "Classes of Shares"; |
| "Service Fee" | means the additional fee applied to certain Classes, as detailed in the relevant Supplement, if applicable; |
| "Settlement Day" | means the relevant Business Day for settlement of redemptions and subscriptions having regard to the Redemption Cut-Off Time and Subscription Cut-Off Time or as otherwise determined by the Directors; |
| "Share Purchase Agreement Form" | means the agreement made between the Company and a potential investor for purchasing shares; |
| "Shareholder" | means a person who is registered as a holder of Shares in the Company; |
| "Shares" | means shares in the capital of the Company and Share means any one of them; |
| "Short-Term Money Market Fund" | means Short-Term Money Market Fund pursuant to the MMF Regulations; |
| "Stressed Market Environment" | means a period declared by the Manager to be a Stressed Market Environment, as described in the section entitled "Stressed Market Environment"; |
| "STS Regulation" | means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012; |
| "Sub-Distributors" | means any company appointed as a sub-distributor to the Company by the General Distributor; |
| "Subscriber Shares" | means the initial share capital of 30,000 Shares of no par value subscribed for an amount equal to Euro 38,092.14; |
| "Subscription Cut-Off Time" | means the deadline for subscriptions in a Dealing Cycle for Shares to begin earning interest on the Settlement Day as set out in the section of the relevant Supplement entitled "Dealing Times"; |
| "Supplement" | means a supplement to this Prospectus specifying certain information in respect of a Fund or a Class. |
| "SWIFT" | means the Society for World Interbank Financial Telecommunications; |
| "Taxes Act" | means the Taxes Consolidation Act, 1997 (of Ireland) as amended; |
| "Transferable Securities" | means (i) shares in companies and other securities equivalent to shares in companies; (ii) bonds and other forms of securitised debt; (iii) any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, excluding techniques and instruments used for efficient portfolio management purposes, which fulfil the criteria set out in the Regulations; |
| "UCITS" | means an undertaking for collective investment in transferable securities established pursuant to the Regulations; |
| "UK" | means the United Kingdom of Great Britain and Northern Ireland; |
| "US" | means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction; |
| "USD" or "US$" | means United States Dollars, the lawful currency of the United States of America; |

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| "US Person" | means, unless otherwise determined by the Directors, a person resident in the US, a citizen of the US, a corporation, partnership or other entity created or organised in or under the laws of the US, an estate or trust treated as a resident of the US for income tax purposes, or any person falling within the definition of the term "US Person" under Regulation S of the US Securities Act of 1933, as amended (the "Securities Act") to mean: (i) any natural person resident in the US; (ii) any partnership or corporation organized or incorporated under the laws of the US; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a non-United States entity located in the US; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary, organized, incorporated, or (if an individual) resident in the US; and (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any non-US jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts; |
| "US Related Investor" | means an investor in which a US Person owns, or by virtue of attribution by application of Section 958 of the US Code is deemed to own, or has the opportunity to acquire, 10% or more of the voting power or ownership or beneficial interest in that investor; |
| "Valuation Point" | means the time in a given Dealing Cycle as of which the Net Asset Value is calculated, as set out for a given Fund in the relevant Supplement; and |
| "VNAV Fund" | means a variable NAV money market fund pursuant to the MMF Regulations. All VNAV Funds of the Company are Short-Term Money Market Funds. |

## REFERENCES

References to any legislation, rule or regulation and to articles and sections of any legislation, rule or regulation shall include references to any amendments, modifications, re-enactments, re-statements or replacements thereof for the time being in force. Words importing the singular include the plural and vice versa.

# 1. THE COMPANY

## GENERAL

The Company is an umbrella fund with segregated liability between Funds established as an open-ended investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014. It was incorporated on 29 June 1995 under registration number 235175 and authorised by the Central Bank as a designated investment company on 6 July 1995. On 30 July 1998, it was authorised by the Central Bank under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 1989 and is subject to the Regulations. The object of the Company as set out in clause 2 of its Memorandum of Association is the collective investment in either or both Transferable Securities and other liquid financial assets referred to in Regulation 45 of the Regulations of capital raised from the public and which operates on the basis of risk spreading.

The Company is organised in the form of an umbrella fund with segregated liability between Funds. The Articles of Association provide that the Company may offer separate Classes, each representing interests in a Fund comprising a distinct portfolio of investments. Within each Fund, the Company may issue Accumulating Shares and Flex Distributing Shares which shall represent interests in the same distinct portfolio of investments. Flex Distributing Shares may be issued in two Series.

This Prospectus is issued with one or more Supplements, each containing information relating to a separate Fund. Information relating to specific Classes may be dealt with in the relevant Fund Supplement or in separate Supplements for the relevant Class. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus. To the extent that there is any inconsistency between this Prospectus and any Supplement, the relevant Supplement shall prevail.

There are currently six Funds established in the Company. Each is regulated as a Short-Term Money Market Fund pursuant to the MMF Regulations and holds the particular authorisation indicated in the table below:

| Name | Regulatory Authorisation |
|---|---|
| The Euro Fund | LVNAV Fund |
| The Sterling Fund | LVNAV Fund |
| The United States Dollar Fund | LVNAV Fund |
| The Euro VNAV Fund | Short Term VNAV Fund |
| The Sterling VNAV Fund | Short Term VNAV Fund |
| The United States Dollar VNAV Fund | Short Term VNAV Fund |

Each Fund comprises a distinct portfolio of investments investing in a diversified range of short-term instruments with the aim of preserving capital value and liquidity whilst offering a return to investors in line with money market rates.

Each of The Euro Fund, The Sterling Fund and The United States Dollar Fund offers both Accumulating Shares and Flex Distributing Shares and The Euro VNAV Fund, The Sterling VNAV Fund and The United States Dollar VNAV Fund offers Accumulating Shares only.

### Accumulating Shares

In addition to the Classes disclosed below at the section entitled “Information for investors in the STANLIB Classes”, Accumulating Shares may be issued, as specified in the relevant Supplement, in the following Classes: Class A, Class B and Class C.

### Flex Distributing Shares

Flex Distributing Shares may be issued, as specified in the relevant Supplement, in the following Classes: Class A, Class B, Class C, Class F and Class G Flex Distributing Shares. Class A, Class B, Class C, Class F and Class G Flex Distributing Shares shall be issued in two Series. Series 1 shall comprise Shares with full voting rights. Series 2 shall comprise Shares with restricted voting rights in respect of any resolution relating to the appointment, removal or replacement of a Director of the Company.

Further detail pertaining to the Classes shall be outlined in the relevant Fund or Class Supplement as appropriate.

The Company and the Shareholders, to the extent that they are not Irish Resident and not Ordinarily Resident in Ireland and have made a declaration to the Company to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, will be exempt from Irish income, corporation, capital gains and, subject to certain requirements, capital acquisitions taxes. Further details are set out in the section entitled “Taxation” in this Prospectus and in Appendix 3 in this Prospectus.

With the prior consent of the Central Bank, the Company may from time to time create an additional Fund or Funds. In such case, the investment policies and objectives of such Fund or Funds shall be outlined in the relevant Fund Supplement together with details of the initial subscription price

for each Share and other information as the Directors may deem appropriate or the Central Bank requires. Each Fund Supplement shall form part of, and should be read in conjunction with this Prospectus.

### Information for investors in the STANLIB Classes

Information specific to the STANLIB Euro Short-Term Money Market Class, STANLIB GBP Short-Term Money Market Class and STANLIB USD Short-Term Money Market Class is set out in the relevant Class Supplement. These Classes shall be distributed exclusively by STANLIB.

## INVESTMENT OBJECTIVE AND POLICIES

The specific investment objective and policies of each of the Funds in the Company is set out in the relevant Supplement hereto. Each of the Funds is a money market fund pursuant to the MMF Regulations. Notwithstanding the fact that, as such, part of their investment objective is to provide a return in line with money market rates, the Funds are actively managed without reference to a benchmark.

Where the Shares of a particular Fund have been listed on Euronext Dublin, the Directors will ensure that the investment objectives and policies of a Fund will be adhered to, in the absence of any unforeseen circumstances, for a period of three years following the admission of the Shares of the relevant Fund to the Main Market of the Euronext Dublin. Any change in the investment objective or material change in investment policy of a Fund will be subject to the prior written approval of all Shareholders of the relevant Fund or approved by ordinary resolution passed at a general meeting of the relevant Fund duly convened or held. In the event of a change in the investment objective or material change to the investment policy of a Fund, on the basis of a majority of votes cast at a general meeting, a reasonable notification period will be provided by the Company to the Shareholders of the relevant Fund. This is to enable Shareholders, who wish to do so, to redeem their Shares prior to implementation of the changes.

It is expected that each Fund will purchase securities principally on the market comprising listed money market institutions as described in the publication entitled "The Interim Prudential Sourcebook: Investment Business" produced by the Financial Conduct Authority (which replaces the previous Bank of England publications and the "Grey Paper") (as amended or revised from time to time). Each Fund may also purchase securities on the Regulated Markets listed in Appendix 1 to the Prospectus.

### Risk and Reward Profile of the Funds

The Funds are generally considered to be subject to a lower investment risk as they invest in a wide variety of short-term instruments with high credit quality. All investments are however subject to credit and counterparty risk, provide limited potential for capital appreciation and generally lower income than investments in medium- or long-term instruments would. Furthermore, as more particularly outlined in the section entitled "Principal Risks" the performance of the Company may be affected by changes in economic and marketing conditions and in legal, regulatory and tax requirements and a Fund may have exposure to investments with zero or negative yields in adverse market conditions. The Company will be responsible for paying its fees and expenses regardless of the level of its profitability.

### Profile of a Typical Investor

Each of the Funds is suitable for those who wish to preserve capital while receiving a return in line with money market rates.

### Asset Classes

Subject to the specific investment policies set out relevant Supplement(s) and the restrictions set out below under "Investment Restrictions", the Funds may invest only in:

(a) High Quality Money Market Instruments

A Fund may invest in Money Market Instruments, which may be fixed or floating rate, provided they are High Quality. These include:

(i) Government Securities: Government securities are debt securities issued or guaranteed by a government, its agencies, authorities or instrumentalities (e.g. loans, bonds, debentures and notes, such as treasury notes, unsecured notes and promissory notes). Such securities may be supported either by the full faith and credit of the government, the right of the issuer to borrow from the government, the discretionary authority of the government to purchase the obligations or only the credit of the issuer;

(ii) Bank Obligations: Bank obligations are securities issued or guaranteed by banks, including debt obligations issued by subsidiaries of such banks and may be general obligations of the parent bank or may be limited to the issuing branch by the terms of the specific obligations or by government regulation; and

(iii) Commercial Paper and Other Short-Term Corporate Obligations: Commercial paper is a short-term obligation issued or guaranteed by a corporation or other non-governmental, non-banking entity.

(b) High Quality securitisations and asset-backed commercial paper

A Fund may invest in a High Quality securitisation or asset-backed commercial paper ("ABCP"), provided it is sufficiently liquid and is any of the following:

(i) a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61 (namely, a securitisation of high liquidity and credit quality that meet the level 2B liquidity requirements imposed on credit institutions);

(ii) the ABCP issued by a programme which: (1) is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP; (2) is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position; and (3) does not include a synthetic securitisation (ie, a securitisation where the transfer of risk is achieved by the use of credit derivatives or guarantees and the exposures being securitised remain exposures of the originator institution); or

(iii) a simple, transparent and standardised (STS) securitisation or ABCP, as determined in accordance with the criteria and conditions laid down in the STS Regulation.

(c) Deposits with credit institutions

Deposits must: (i) be repayable on demand or be capable of being withdrawn at any time; (ii) mature in no more than 12 months; and (iii) be with a credit institution whose registered office is in a European Union member state or a third country which has prudential rules considered equivalent by the European Commission to those of the European Union.

(d) Repurchase agreements and reverse repurchase agreements

The repurchase agreements and reverse repurchase agreements in which Funds may invest are described in detail in Appendix 2.

(e) Units or shares in money market funds

Such units or shares must be units or shares in a Short-Term Money Market Fund. In addition, such fund must invest in securities, instruments or obligations of the type in which the relevant Fund is permitted to invest and the Investment Manager must be satisfied that the investment objectives, policies and restrictions of the fund are substantially similar to those of the Fund.

The particular instruments in which a Fund may invest are specified in the relevant Supplement. The Funds do not engage in the use of financial derivative instruments and, for the avoidance of doubt, shall not invest in equity or equity related securities.

### Credit Assessment

The Investment Manager shall follow a credit analysis process agreed with the Manager in determining whether a given investment or issuer is "High Quality". This process takes into account and documents the assessment of at least the following factors:

(a) the quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument;

(b) qualitative indicators on the issuer of the instrument, including in the light of the macroeconomic and financial market situation;

(c) the short-term nature of money market instruments;

(d) the asset class of the instrument;

(e) the type of issuer distinguishing at least the following types of issuers: national, regional or local administrations, financial corporations and non-financial corporations;

(f) for structured financial instruments, the operational and counterparty risk inherent within the structured financial transaction and, in case of exposure to securitisations, the credit risk of the issuer, the structure of the securitisation and the credit risk of the underlying assets;

(g) the liquidity profile of the instrument.

If a Fund holds a security supported by a guarantee or demand feature, the Investment Manager may rely on the credit quality of the guarantee or demand feature in determining the credit quality of the investment.

### Maturity

Each Fund will invest in accordance with the following requirements:

(a) securities, instruments and obligations other than securitisations and ABCP shall have remaining maturities (ie, length of time remaining until the final maturity date) of 397 days or less at the time of purchase;

(b) securitisations and ABCP described at (b)(i) under "Asset Classes" above shall either (i) have a legal maturity at issuance of two years or less and time remaining until the next interest rate reset date of 397 days or less or (ii) be amortising instruments with a weighted average life of two years or less;

(c) securitisations and ABCP described at (b)(ii) under "Asset Classes" above shall have a legal maturity at issuance or residual maturity of 397 days or less; and

(d) securitisations and ABCP described at (b)(iii) under "Asset Classes" above shall either (i) have a legal maturity at issuance or residual maturity of 397 days or less or (ii) be amortising instruments with a weighted average life of two years or less; and

(e) the Fund will maintain a weighted average maturity of no more than 60 days and a weighted average life of 120 days or less. The calculation of both will take into account the impact of deposits used by the Fund.

Weighted average maturity is a measure of the average length of time to maturity of all of the underlying instruments weighted to reflect the relative holdings in each instrument, assuming that the maturity of a floating or variable rate instrument is the time remaining until the next interest rate reset date rather than the time remaining before the principal value of the instrument must be repaid, while weighted average life is the average of the length of time to maturity of all of the underlying instruments weighted to reflect the relative holdings in each instrument, meaning the time until the principal is repaid in full.

### Liquidity Management

The Manager shall, in accordance with the requirements of the MMF Regulations, establish, implement and consistently apply prudent and rigorous liquidity management procedures to ensure compliance with the following liquidity thresholds.

For each VNAV Fund, at least 7.5% of the Fund's assets will be daily maturing and at least 15% of the Fund's assets will be weekly maturing (provided that money market instruments or units or shares in other money market funds may be included in the weekly maturity assets, up to 7.5%, provided they can be redeemed and settled within five Business Days).

For each LVNAV Fund, at least 10% of the Fund's assets will be daily maturing and at least 30% of the Fund's assets will be weekly maturing (provided that highly liquid government securities which can be redeemed and settled within one day and have a residual maturity of up to 190 days may be included in the weekly maturity assets, up to 17.5%). If the proportion of weekly maturing assets falls below 30% of the total assets and net redemptions on any Business Day for a Fund exceed 10% of the Net Asset Value of the relevant Fund, the Directors shall apply one or more of the following measures:

(a) imposing liquidity fees on redemptions that adequately reflect the cost to the relevant Fund of achieving liquidity and ensure that Shareholders who remain in the relevant Fund are not unfairly disadvantaged when other Shareholders redeem their Shares during the period;

(b) imposing redemption gates that limit the amount of Shares to be redeemed on any one Business Day to a maximum of 10% of the Shares in the relevant Fund for any period up to 15 Business Days;

(c) imposing a suspension of redemptions for any period up to 15 Business Days; or

(d) taking no immediate action other than adopting as a priority objective steps to ensure compliance with the applicable liquidity thresholds.

If the proportion of assets that are weekly maturing (provided that highly liquid government securities which can be redeemed and settled within one day and have a residual maturity of up to 190 days may be included in the weekly maturity assets, up to 17.5%) falls below 10% of the total assets, the Directors are obliged to implement either (a) or (c) above.

## INVESTMENT RESTRICTIONS

Pursuant to the provisions of the Regulations and the MMF Regulations, a UCITS is subject to the following investment restrictions and set out herein for information purposes.

If the Regulations or the MMF Regulations are altered during the life of the Company, the investment restrictions may be changed to take account of any such alterations. Shareholders will be advised of such changes in the next succeeding annual or half yearly report of the relevant Fund.

| 1 | Eligible Assets |
|---|---|
| | An MMF shall invest only in one or more of the following categories of financial assets and only under the conditions specified in the Money Market Fund Regulation ("MMFR"): |
| 1.1 | Money market instruments. |
| 1.2 | Eligible securitisations and asset-backed commercial paper ("ABCPs"). |
| 1.3 | Deposits with credit institutions. |
| 1.4 | Financial derivative instruments. |
| 1.5 | Repurchase agreements that fulfil the conditions set out in Article 14. |
| 1.6 | Reverse repurchase agreements that fulfil the conditions set out in Article 15. |

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| 1.7 | Units or shares of other MMFs. |
| 2 | Investment Restrictions |
| 2.1 | An MMF shall invest no more than:<br>(a) 5% of its assets in money market instruments, securitisations and ABCPs issued by the same body;<br>(b) 10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the MMF is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution. |
| 2.2 | By way of derogation from point (a) of paragraph 2.1, a VNAV MMF may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such money market instruments, securitisations and ABCPs held by the VNAV MMF in each issuing body in which it invests more than 5% of its assets does not exceed 40% of the value of its assets. |
| 2.3 | The aggregate of all of an MMF's exposures to securitisations and ABCPs shall not exceed 20% of the assets of the MMF, whereby up to 15% of the assets of the MMF may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS securitisations and ABCPs. |
| 2.4 | The aggregate risk exposure of an MMF to the same counterparty to OTC derivative transactions which fulfil the conditions set out in Article 13 of the MMFR shall not exceed 5% of the assets of the MMF. |
| 2.5 | The cash received by the MMF as part of the repurchase agreement does not exceed 10% of its assets. |
| 2.6 | The aggregate amount of cash provided to the same counterparty of an MMF in reverse repurchase agreements shall not exceed 15% of the assets of the MMF. |
| 2.7 | Notwithstanding paragraphs 2.1 and 2.4 above, an MMF shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following:<br>(a) investments in money market instruments, securitisations and ABCPs issued by that body;<br>(b) deposits made with that body;<br>(c) OTC financial derivative instruments giving counterparty risk exposure to that body. |
| 2.8 | By way of derogation from the diversification requirement provided for in paragraph 2.7, where the structure of the financial market in the Member State in which the MMF is domiciled is such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible for the MMF to use financial institutions in another Member State, the MMF may combine the types of investments referred to in points (a) to (c) up to a maximum investment of 20% of its assets in a single body. |
| 2.9 | An MMF may invest up to 100% of its assets in different money market instruments issued or guaranteed separately or jointly by the European Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong. |
| 2.10 | Paragraph 2.9 shall only apply where all of the following requirements are met:<br>(a) the MMF holds money market instruments from at least six different issues by the issuer;<br>(b) the MMF limits the investment in money market instruments from the same issue to a maximum of 30% of its assets;<br>(c) the MMF makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets;<br>(d) the MMF includes a prominent statement in its prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets. |
| 2.11 | Notwithstanding the individual limits laid down in paragraph 2.1, an MMF may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. |
| 2.12 | Where an MMF invests more than 5% of its assets in the bonds referred to in paragraph 2.11 issued by a single issuer, the total value of those investments shall not exceed 40% of the value of the assets of the MMF. |
| 2.13 | Notwithstanding the individual limits laid down in paragraph 2.1, an MMF may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 2.11. |

| | |
|---|---|
| 2.14 | Where an MMF invests more than 5% of its assets in the bonds referred to in paragraph 2.13 issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of the MMF, including any possible investment in assets referred to in paragraph 2.11, respecting the limits set out therein. |
| 2.15 | Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 2.1 to 2.8. |
| 3 | Eligible units or shares of MMFs |
| 3.1 | An MMF may acquire the units or shares of any other MMF ('targeted MMF') provided that all of the following conditions are fulfilled:<br>a) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other MMFs;<br>b) the targeted MMF does not hold units or shares in the acquiring MMF. |
| 3.2 | An MMF whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it. |
| 3.3 | An MMF may acquire the units or shares of other MMFs, provided that no more than 5% of its assets are invested in units or shares of a single MMF. |
| 3.4 | An MMF may, in aggregate, invest up to 10% of its assets in units or shares of other MMFs. |
| 3.5 | Units or shares of other MMFs shall be eligible for investment by an MMF provided that all of the following conditions are fulfilled:<br>(a) the targeted MMF is authorised under the MMFR;<br>(b) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF; |
| 3.6 | Short-term MMFs may only invest in units or shares of other short-term MMFs. |
| 3.7 | Standard MMFs may invest in units or shares of short-term MMFs and standard MMFs. |

In addition, a Fund may not hold more than 10% of the money market instruments, securitisations and ABCPs issued by a single body, provided however that this shall not apply in respect of holdings of money market instruments issued or guaranteed by a body referred to in paragraph 2.9 above.

## BORROWINGS

A Fund may not borrow or lend cash, save that, in accordance with the Regulations, neither: (i) repurchase agreements and reverse repurchase agreements; nor (ii) committed overdraft facilities constitute borrowing or lending for this purpose.

## OPERATION OF FUND CASH ACCOUNTS IN THE NAME OF THE COMPANY ON BEHALF OF EACH FUND

The Company operates a Fund Cash Account opened in the name of the Company on behalf of each Fund, which shall be denominated in the Base Currency of the relevant Fund. A Fund Cash Account is operated for each Fund into which: (i) subscription monies received from investors who have subscribed for Shares are deposited and held until Shares are issued as of the relevant Dealing Cycle; (ii) redemption monies due to investors who have redeemed Shares are deposited and held until paid to the relevant investors; and (iii) dividend payments owing to Shareholders are deposited and held until paid to such Shareholders. All subscriptions, redemptions and dividends payable to or from a Fund are channelled and managed through the relevant Fund Cash Account in respect of that Fund.

Further information relating to such accounts is set out in the following sections/sub-sections of the Prospectus:

i. "The Shares" – "The Treatment of Subscription Monies held in a Fund Cash Account";

ii. "The Shares" – ""Opening a Shareholder Account";

iii. "The Shares" - "The Treatment of Redemption Monies held in a Fund Cash Account";

iv. "The Shares - "Flex Distributing Shares", and

v. "Principal Risks" – "Operation of Fund Cash Accounts".

## BENEFICIAL OWNERSHIP REGULATIONS

The Company may request such information (including by means of statutory notices) as may be required for the establishment and maintenance of the Company's beneficial ownership register in accordance with the Beneficial Ownership Regulations. It should be noted that a beneficial owner, as

defined in the Beneficial Ownership Regulations (a "Beneficial Owner") has, in certain circumstances, obligations to notify the Company in writing of relevant information as to his/her status as a Beneficial Owner and any changes thereto (including where a Beneficial Owner has ceased to be a Beneficial Owner).

Applicants should note that it is an offence under the Beneficial Ownership Regulations for a Beneficial Owner to: (i) fail to comply with the terms of a beneficial ownership notice received from or on behalf of the Company; (ii) provide materially false information in response to such a notice; or (iii) fail to comply with his/her obligations to provide relevant information to the Company as to his/her status as a Beneficial Owner or changes thereto in certain circumstances or in purporting to comply, provide materially false information.

## 2. THE SHARES

## SUBSCRIPTIONS, REDEMPTIONS AND TRANSFERS OF SHARES

### Opening a Shareholder Account

Before making a subscription, a potential investor must open a Shareholder Account with the Company. The Manager and/or Administrator must have received all applicable documentation required by the Directors, including a completed Share Purchase Agreement Form and the documentation required to discharge the Directors' duties in respect of any anti-money laundering and countering the financing of terrorism laws and/or regulations applicable to the Company from time to time. The Manager and/or Administrator may accept fax and email copies of a complete Share Purchase Agreement Form in respect of an initial subscription of Shares, provided that an investor sends the Share Purchase Agreement Form and all supporting documentation relating to anti-money laundering and countering the financing of terrorism prevention checks to the Manager and/or Administrator promptly (with the originals, where required, to follow by post). Neither the Company nor the Manager will make any redemption payments to such investor until a complete Share Purchase Agreement Form and all applicable documentation has been received by the Company or the Manager and/or Administrator (including original documents, where required). If the Directors agree to accept a potential investor, a Shareholder Account will be activated on receipt of all required documentation in good order. Any subsequent amendments to an investor's registration details and/or payment instructions shall be effected only on receipt of documentation as required by the Directors.

Any failure to supply the Manager and/or Administrator with any documentation requested by it for anti-money laundering and countering the financing of terrorism procedures may result in a delay in the settlement of redemption proceeds or dividend monies. In circumstances where a redemption request is received, the Manager and/or Administrator will process any redemption request received by a Shareholder, however the redeeming Shareholder will cease to be a Shareholder with respect to the redeemed Shares and the proceeds of that redemption will be held in the relevant Fund Cash Account and therefore shall remain an asset of the Fund. Similarly the proceeds of any dividend payment will be held in the relevant Fund Cash Account and therefore shall remain an asset of the relevant Fund. The redeeming Shareholder/Shareholder entitled to the dividend monies will rank as a general creditor of the relevant Fund until such time as the Manager and/or Administrator is satisfied that its anti-money laundering and countering the financing of terrorism procedures have been fully complied with, following which redemption proceeds/dividend monies will be released. Any outstanding issues in this regard shall be addressed promptly.

Your attention is drawn to the section of the Prospectus titled "*Principal Risks*" – "*Operation of Fund Cash Accounts*" which includes inter alia the risk that in the event of insolvency an investor/Shareholder may not recover all monies originally paid into a Fund Cash Account for onward transmission to that investor/Shareholder.

Therefore, a Shareholder is advised to ensure that all relevant documentation requested by the Manager and/or Administrator in order to comply with anti-money laundering and countering the financing of terrorism procedures is submitted to the Manager and/or Administrator promptly on subscribing for Shares in the Company.

Prospective Shareholders will be required to indicate on the Share Purchase Agreement Form that they agree to the terms of investment in the Company and have read and understood the Key Investor Information Documents(s) as appropriate prior to the Manager and/or Administrator opening a Shareholder Account on their behalf.

### Making a Subscription

Shares may be purchased by eligible investors in any Dealing Cycle. Subscriptions must be made by the relevant Subscription Cut-Off Time (see below). Subscriptions made subsequent to the opening of a Shareholder Account may be made:

(i) through SWIFT messaging where the investor agrees in writing to the Manager's terms and conditions in relation to the use of SWIFT messaging;
(ii) by telephone where the investor has authorised the Company in writing to accept and execute telephonic instructions on terms agreed with the Company;
(iii) in writing or by fax or email on the terms agreed with the Company; or
(iv) by such other means as the Directors may from time to time determine with the prior approval of the Central Bank and as disclosed in the Prospectus.

Existing Shareholders who wish to subscribe by telephone or by using SWIFT messaging who have not previously agreed written terms with the Company or the Manager (where applicable) should contact the Manager for further details.

The subscription price per Share and the minimum initial subscription, minimum holding and minimum subsequent subscription if applicable to each Class shall be set down in the relevant Fund or Class Supplement, as appropriate. The Company may, however, at its discretion, accept subscriptions in amounts less than the amount set out in the relevant Fund or Class Supplement. No initial fee will apply.

### Subscription Price

For Shares in a Class of which there are no Shares currently issued, Shares are available at the initial offer period, which shall commence at 9.00 am (Irish time) on 22 June 2020 and end at the final Subscription Cut-Off Time on 21 December 2020 or such other date and/or time as the Directors may agree. Such Shares shall be issued following the initial offer period at the initial offer price set out below:

| | Base Currency of: | | |
|---|---|---|---|
| | Euro | Sterling | US Dollar |
| Accumulating Shares | €10,000.00 | GBP10,000.00 | USD10,000.00 |
| Flex Distributing Shares | N/A | N/A | USD1.00 |

Following the initial offer of Shares, Shares are issued in any Dealing Cycle as follows:

- in the case of the LVNAV Funds in a Normal Market Environment, the Shares are issued at the last calculated Net Asset Value per Share; and
- in the case of the LVNAV Funds in a Stressed Market Environment, and in the case of the VNAV Funds at all times, Shares are issued at the next calculated Net Asset Value per Share.

Where appropriate, fractions of Shares, not less than one hundredth of a Share will be issued.

The Flex Distributing Shares operate a policy of a stable Net Asset Value. This means that the Directors seek to ensure that the Net Asset Value of the Flex Distributing Shares remains constant at the initial subscription price. The Investment Manager constantly reviews the subscription price of the Flex Distributing Shares. The Investment Manager will rebase this price periodically, if necessary as a result of currency fluctuations. In addition, Shareholders holding Flex Distributing Shares in the LVNAV Funds should be aware that, in the circumstances described in the section entitled "Stressed Market Environment" and as described above, during a Stressed Market Environment, Shares will be issued using the Market Price NAV rather than the Constant NAV (as would be the case in a Normal Market Environment), with the result that the Net Asset Value of the Flex Distributing Shares will not remain constant. Please refer to the risk disclosure "LVNAV Risk" for further details.

### Subscription Cut-Off Times

The Subscription Cut-Off Times for each Fund are set out in the section entitled "Dealing Times" in the relevant Supplement to this Prospectus.

The Manager, General Distributor and/or Sub-Distributors will have the discretion to limit the number of subscriptions (or applications to convert Shares in any Class to Shares in another Class) per Shareholder per day and to reject an application in whole or in part, in which event any application monies or the balance thereof shall be returned to the applicant at the applicant's risk.

No Share shall be allotted or issued during any period where the determination of the Net Asset Value has been suspended for dealing purposes. This will not apply to those for which applications have been previously received and accepted by or on behalf of the Company.

### Settlement

Settlement shall be made for value as on the Settlement Day by electronic funds transfer to the bank account as specified on the Share Purchase Agreement Form. It is the responsibility of investors to transmit payment for purchase orders promptly, with clear customer identification. Investors shall be responsible for their own bank charges, including any lifting fees or commissions. The value received in the Fund's bank account must equal the subscription amount. Settlement for Shares by a third party on behalf of a Shareholder will not be accepted.

### The Treatment of Subscription Monies held in a Fund Cash Account

Subscription monies received from an investor in advance of a Dealing Cycle in respect of which an application for Shares has been, or is expected to be, received will be deposited and held in the relevant Fund Cash Account and will be treated as an asset of the relevant Fund upon receipt and will not benefit from the application of any investor money protection rules (ie, the subscription monies in such circumstance will not be held on trust as investor monies for the relevant investor). In such circumstance, the investor is not a Shareholder and will be an unsecured creditor of the relevant Fund with respect to the amount subscribed and held in the relevant Fund Cash Account until such Shares are issued as of the relevant Dealing Cycle. Your attention is drawn to the section of the Prospectus titled "Principal Risks" – "Operation of Fund Cash Accounts".

### Late Settlement and Non Settlement

The cost of late settlement shall be borne by the investor. This amount shall be equal to the cost to the relevant Fund plus at the discretion of the Directors: (i) a premium of up to 2% per annum; and/or (ii) an administration fee of up to US$200.00 (or its equivalent in another currency) for each late settlement transaction. If settlement does not take place the Company reserves the right to cancel the relevant Shares as appropriate. Any costs incurred by the Company shall be borne by the relevant investor.

### Confirmations

The Manager shall maintain a share account for each Shareholder of record. Neither registered certificates nor bearer securities shall be issued. Confirmations of each subscription or redemption shall be sent to Shareholders following each transaction within 24 hours of the relevant Settlement Day.

### Subscription In Specie

In accordance with the Articles of Association and the requirements of the Central Bank, the Directors may in any Dealing Cycle allot Shares in any Fund or Class on terms that settlement shall be made by the vesting in the Company of assets of the type in which the subscription monies for the relevant

Shares may be invested in accordance with the investment objective policy and restrictions of the relevant Fund and otherwise upon such terms as the Directors may think fit.

### Redemption Procedures

Shareholders may arrange to redeem all or some of their Shares in any Dealing Cycle. Instructions should be given:

(i) through SWIFT messaging where the investor agrees in writing to the Manager's terms and conditions in relation to the use of SWIFT messaging;
(ii) by telephone where the investor has authorised the Company in writing to accept and execute telephonic instructions on terms agreed with the Company;
(iii) in writing or by fax or email on the terms agreed with the Company; or
(iv) by such other means as the Directors may from time to time determine with the prior approval of the Central Bank and as disclosed in the Prospectus,

and must be received by the Manager and/or the relevant Sub-Distributor not later than the Redemption Cut-Off Time for the relevant Dealing Cycle on the Settlement Day upon which the redemption is to take place. Existing investors who wish to request the redemption of their Shares by telephone or by using SWIFT messaging who have not previously agreed written terms with the Company or the Manager (where applicable) should contact the Manager for further details. Redemption requests received after the Redemption Cut-Off Time for a given Dealing Cycle will be effected on the next succeeding Dealing Cycle, which may be on the following Settlement Day.

Further information relating to the redemption of Shares, including, but not limited to, the Redemption Cut-Off Times and minimum redemption amounts for each Fund if applicable are set out in the relevant Supplement to this Prospectus.

### Redemption Proceeds

Redemption proceeds will be denominated in the Base Currency. In the case of the LVNAV Funds in a Normal Market Environment, the redemption will be processed at the last calculated Net Asset Value per Share. In the case of the LVNAV Funds in a Stressed Market Environment, and in the case of the VNAV Funds at all times, the redemption will be processed at the next calculated Net Asset Value per Share.

These proceeds will normally be dispatched by the Manager on the Settlement Day and paid by electronic transfer to the Shareholder at its risk. Changes to bank mandate instructions must be made in writing by the investor's authorised persons. Any redemptions for which instructions are received within a 24-hour period of a change being made to the bank mandate instructions on record will be sent to the old mandate instructions. The redemption proceeds will usually be received by the Shareholder on the Settlement Day. However, this may not be the case if the Base Currency is not the normal currency of the country into which the proceeds are transferred. In this case, the proceeds will usually be received on the following Business Day. Under no circumstances will the redemption proceeds be paid to any party other than the registered Shareholder. Information relating to the operation of a Fund Cash Account which may hold redemption proceeds is set out herein under the heading "The Treatment of Redemption Monies held in a Fund Cash Account".

The Company reserves the right to charge a redemption fee of up to 0.10% (ten basis points). Such a redemption fee will only be charged if the Company in its absolute discretion determines that the Shareholder is purchasing or selling Shares in the Fund on considerations of a short-term nature or for trading or arbitrage purposes.

### The Treatment of Redemption Monies held in a Fund Cash Account

Redemption monies payable to an investor subsequent to a given Dealing Cycle of a Fund as of which Shares of that investor were redeemed (and consequently the investor is no longer a Shareholder of the Fund as of the relevant Dealing Cycle) will be held in the relevant Fund Cash Account and will be treated as an asset of the Fund until paid to that investor and will not benefit from the application of any investor money protection rules (ie, the redemption monies in such circumstance will not be held on trust for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the redemption amount held in the relevant Fund Cash Account until paid to the investor.

Your attention is drawn to the section of the Prospectus titled "Principal Risks" – "Operation of Fund Cash Accounts".

### Compulsory Redemption

Shares may be compulsorily redeemed or transferred if it comes to the notice of the Manager, the Investment Manager, the General Distributor or any of the Sub-Distributors that they are held directly or beneficially in breach of any law or requirement of any country or governmental authority or that any person is not qualified to hold such Shares by virtue of such law or requirement or that such Shares are held by any person whose holding of Shares may: (i) prejudice the tax status or residence of the Company; (ii) result in regulatory, pecuniary, legal, taxation or material administrative disadvantages for the Company or the Shareholders as a whole; or (iii) cause the Company to be classified as an "investment company" under the US Investment Company Act of 1940. In such circumstances the Directors may appoint an agent to effect the compulsory redemption of Shares if the holder of Shares fails to act within 30 days of the serving of a notice on such holder by the Directors requiring it to do so.

### Deferred Redemption

If the Company receives aggregate requests for the redemption of Shares in excess of 10% of the outstanding Shares in any Fund or in excess of 10% of the Net Asset Value of the relevant Fund on any Dealing Day, the Company may elect to restrict the total number of Shares redeemed to 10% of the outstanding Shares in the Fund or to 10% of the Net Asset Value of the relevant Fund. In this case all requests will be scaled down on a

pro rata basis and Shares which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all Shares to which the original request related have been redeemed. The remaining balance will be redeemed (subject always to the foregoing limit) on a pro rata basis to subsequent redemption requests on the next Dealing Day, in accordance with the requirements of the Central Bank. In addition, in certain circumstances (described above under "Liquidity Management"), the Directors may impose redemption gates that limit the amount of Shares to be redeemed on any one Business Day to a maximum of 10% of the Shares in the relevant Fund for any period up to 15 Business Days.

### Redemption In Specie

The Directors may, with the consent of the individual Shareholder, satisfy any application for a redemption of Shares by the transfer to a Shareholder of assets of the relevant Fund attributable to those Shares in specie, provided that: (i) the value of such assets will not exceed the amount which otherwise would have been payable on a cash redemption of those Shares; and (ii) any such redemption, if effected, is in the best interest of all of the Shareholders of the relevant Fund. A determination to provide redemption in specie may be solely at the discretion of the Directors where the redeeming Shareholder requests redemption of a number of Shares that represent 5% or more of the Net Asset Value of the relevant Fund provided that any such Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant Shareholder. The particular assets to be transferred will be determined by the Directors on such basis as the Directors in their discretion, with the approval of the Depositary, consider not to be prejudicial to the interests of the remaining Shareholders in the Fund. The value of the assets to be transferred will be determined on the same basis as used in calculating the Net Asset Value and may be adjusted as the Directors may be determine to reflect the liabilities of the Fund as a result of the transfer of such assets. Any shortfall between the value of the assets transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption will be satisfied in cash. Any decline in the value of the assets to be transferred in settlement of a redemption between the relevant Dealing Day and the day on which such assets are delivered to the redeeming Shareholder will be borne by the redeeming Shareholder.

### Flex Distributing Shares – Automatic Transfer

Prospective holders of Flex Distributing Shares in the LVNAV Funds are advised to refer to the section in the main body of the Prospectus entitled "Net Negative Income and Stable Net Asset Value Considerations" regarding the automatic transfer process that may by invoked by the Company if net investment income is negative.

### Account Closure

The Manager may at any time and at its discretion close an account of a Shareholder which has zero balance on written notice to the Shareholder. Shareholders are advised that in accordance with the Data Protection Acts and the requirements of the Central Bank the information relating to Shareholder Accounts shall be retained for a period of six years from the date of closure of the account and thereafter all records shall be destroyed in accordance with the Data Protection Acts.

### Share Transfers

All transfers of Shares shall be effected by transfer in writing in any usual or common form or any other form and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of Shares shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided, however, that such registration shall not be suspended for more than 30 days in any year.

The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the Company or at such other place as the Directors may reasonably require, together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and/or any evidence required to discharge the Director's duties in respect of any applicable anti-money laundering and countering the financing of terrorism laws and/or regulations. Such evidence may also include a declaration as to whether the proposed transferee is a US Person. Further provisions applicable to US Persons can be found in Appendix 3 under "United States". In addition, where Shares are acquired by investors for the first time, an Irish tax declaration will be required to be completed.

### Repurchase by the Company

All of the Shares in the Company or in any Fund or Class may be repurchased by the Company provided that not more than six and not less than four weeks' notice has been provided to the holders of the relevant Shares of such repurchase.

Where a redemption of Shares would result in the number of Shareholders falling below two or such other minimum number stipulated by statute or where a redemption of Shares would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain pursuant to applicable law, the Company may defer the redemption of the minimum number of Shares sufficient to ensure compliance with applicable law. The redemption of such Shares will be deferred until the Company is wound up or until the Company procures the issue of sufficient Shares to ensure that the redemption can be effected. The Company shall be entitled to select the Shares for deferred redemption in such manner as it may deem to be fair and reasonable and as may be approved by the Depositary.

On a winding up or if all of the Shares in any Fund are to be redeemed, the assets available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in proportion to the value of Shares held in that Fund. The balance of any assets of the Company then remaining not comprised in any of the other Funds shall be apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders and shall be distributed among the Shareholders of each Fund pro rata to the value

of Shares in that Fund held by them. With the authority of an ordinary resolution of the Shareholders, the Company may make distributions in specie to Shareholders. If all of the Shares are to be redeemed and it is proposed to transfer all or part of the assets of the Company to another company, the Company, with the sanction of a special resolution of Shareholders, may exchange the assets of the Company for shares or similar interests of equivalent value in the transferee company for distribution among Shareholders.

## CONVERSION OF SHARES

The Articles of Association permit Shareholders with the consent of the Directors to convert their Shares in any Fund to Shares in any other Fund on giving notice to the Manager in such form as the Manager may request. Conversion shall take place in accordance with the following formula:

$$NS = \frac{(S \times R \times F) - X}{P}$$

Where

| | | |
|---|---|---|
| NS | = | the number of Shares which will be issued in the new Fund; |
| S | = | the number of the Shares to be converted; |
| R | = | the redemption price per Share after deduction of any redemption charge (if any); |
| F | = | the currency conversion factor (if any) as determined by the Manager; |
| P | = | the price of a Share of the new Fund after the addition of a subscription charge (if any); and |
| X | = | a handling charge (if any) which will not exceed 0.5% of the Net Asset Value of the Shares to be converted. |

If NS is not an integral number of Shares, the Manager reserves the right to issue fractional Shares in the new Fund or to return the surplus to the Shareholder seeking to convert the Shares.

## RESTRICTIONS ON SUBSCRIPTIONS AND CONVERSIONS

A Fund may be closed to new subscriptions and conversions if, in the opinion of the Directors, closure is necessary to protect the interests of existing Shareholders. Without limiting the circumstances where a closure may be appropriate, one such circumstance would be where further inflows would be detrimental to the performance of a Fund.

## DETERMINATION OF NET ASSET VALUE

### Constant NAV and Market Price NAV

In each Dealing Cycle, each VNAV Fund shall calculate a Market Price NAV and shall use that Market Price NAV for all purposes and references herein to the Net Asset Value should be read accordingly. Such Funds will not calculate a Constant NAV.

In each Dealing Cycle, each LVNAV Fund shall calculate both a Constant NAV and a Market Price NAV and shall publish, on a daily basis, the difference between the most recent of them. Each LVNAV Fund shall use the Constant NAV for all other purposes, including the issue and redemption of Shares, save that in a Stressed Market Environment, the Market Price NAV will be used as described in the section “Stressed Market Environment”. References herein to the Net Asset Value should be read accordingly.

### Valuation of Assets – Constant NAV

In calculating the Constant NAV, investments that have a residual maturity up to 75 days may be valued by the amortisation of premiums or discounts until maturity, but only in circumstances where the amortised cost valuation of the given investment does not deviate from the price of that investment calculated in accordance with the Market Price NAV principles below by more than 10 basis points. In such cases and for investments with a residual maturity above 75 days, the value of the investment, for the purposes of the Constant NAV, shall be the value calculated in accordance with the Market Price NAV principles below.

### Valuation of Assets – Market Price NAV

In calculating the Market Price NAV, investments shall be valued using mark-to-market whenever possible. When using mark-to-market: (a) an investment shall be valued at the more prudent side of bid and offer unless the investment can be closed out at mid-market; and (b) only good quality market data shall be used and such data shall be assessed on the basis of all of the following factors: (i) the number and quality of the counterparties; (ii) the volume and turnover in the market of the investment; and (iii) the issue size and the portion of the issue that the Fund plans to buy or sell.

Where use of mark-to-market is not possible or the market data is not of sufficient quality (e.g. because the market data is unrepresentative in the opinion of the Directors (or their delegate)), an investment shall be valued conservatively by using mark-to-model. The model shall accurately estimate the intrinsic value of the investment (ie, its probable realisation value) based on all of the following up-to-date key factors: (a) the volume and turnover in the market of that investment; (b) the issue size and the portion of the issue that the Fund plans to buy or sell; and (c) market risk, interest rate risk and credit risk attached to the investment. When using mark-to-model, the amortised cost shall not be used.

### Valuation of Assets – All Funds

Notwithstanding the above provisions, the Manager may, with the approval of the Depositary: (a) adjust the valuation of any listed investment where such adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other

considerations which are deemed relevant; or (b) in relation to a specific asset permit an alternative method of valuation approved by the Depositary to be used if they deem it necessary.

Values of assets expressed in a currency other than the Base Currency of a Fund will be converted into the Base Currency of the Fund at the latest available exchange rate when the NAV is calculated. The officially quoted exchange rate may be determined prior to or after the close of a particular securities market. If such quotations are not available, the rate of exchange will be determined in accordance with policies established in good faith by the Directors.

Cumulative net realised capital gains and losses realised from time to time on the sale of securities may be spread across the daily yield calculations within such value and time limits as agreed between the Manager or the Board of Directors and other relevant parties and considered to be in the best interests of Shareholders.

For the purpose of performing the review of any discrepancies between the market value and the amortised cost value of the investments as required by the Central Bank in circumstances where the market prices are temporarily unavailable, the Investment Manager will use a fair value process which will be used to determine a fair value price for those investments for which no market price is available.

### Calculation of Net Asset Value – Accumulating Shares

The Net Asset Value of Accumulating Shares shall be expressed in each denomination as a per Share figure, rounded to the nearest cent (e.g, €10,000.00). Accumulating Shares shall carry no right to any distribution of income. The net investment income attributable to Accumulating Shares shall be retained within each Fund. The price per Accumulating Share shall change each day by the net investment income earned per Accumulating Share and by the mark-to-market movement in the value of assets which are not valued at amortised cost. As a result, if net investment income or such mark-to-market movement in value is negative, Shareholders may get back less than they have invested.

The Net Asset Value per Accumulating Share shall be calculated for each Fund as at the Valuation Point in each Dealing Cycle. The Net Asset Value shall be the value of the gross assets attributable to the Accumulating Shares less all of the liabilities attributable to the Accumulating Shares (including such provisions and allowances for contingencies as the Manager considers appropriate in respect of the costs and expenses payable in relation to each Fund) and dividing the remainder by the number of the relevant Accumulating Shares allotted and outstanding.

### Calculation of Net Asset Value – Flex Distributing Shares

The Net Asset Value of Flex Distributing Shares shall be expressed in each denomination as a per Share figure, rounded to the nearest cent (e.g., €1.00) in the case of the Constant NAV and to four decimal places in the case of the Market Price NAV (e.g., €1.0000). The Manager shall operate procedures designed to stabilise the Net Asset Value at the initial subscription price. Such procedures shall consist of declaring dividends attributable to the Shares daily out of a Fund's positive net investment income (ie, income from dividend, interest or otherwise less a Fund's accrued expenses) and by valuing a Fund's investments using, in part, the amortised cost method. Dividends will be declared following the valuation on each Business Day and will be payable to Shareholders of record in the form of additional Shares or the payment of cash as more particularly outlined in the relevant Fund or Class Supplement.

Pending payment to the relevant Shareholder, dividend payments will be held in the relevant Fund Cash Account and will be treated as an asset of the Fund until paid to that Shareholder and will not benefit from the application of any investor money protection rules (ie, the dividend monies in such circumstance will not be held on trust for the relevant Shareholder). In such circumstance, the Shareholder will be an unsecured creditor of the relevant Fund with respect to the dividend amount held in the relevant Fund Cash Account until paid to the Shareholder.

The Net Asset Value per Flex Distributing Share shall be calculated for each Fund as at the Valuation Point on each Dealing Cycle. The Net Asset Value shall be the value of the gross assets attributable to the Flex Distributing Shares less all of the liabilities attributable to the Flex Distributing Shares (including such provisions and allowances for contingencies as the Manager considers appropriate in respect of the costs and expenses payable in relation to each Fund) and dividing the remainder by the number of the relevant Flex Distributing Shares allotted and outstanding as appropriate.

If two Series are issued in respect of the Flex Distributing Shares in any Fund, the Net Asset Value per Share of each such Series shall be the same and it is not proposed that separate prices for each Series be issued.

While the Company shall attempt to stabilise the Net Asset Value of each of the Flex Distributing Shares at the initial subscription price, the Company cannot guarantee this result.

### Calculation of Net Asset Value – All Shares

Shares subscribed for before the final Subscription Cut-Off Time on a Dealing Day shall begin earning income on the same day (ie, the Net Asset Value per Share that is paid by the Shareholder will not include income for that Dealing Day – such income will be accrued at the end of the Dealing Day). Shares with respect to which a redemption request is received before the final Redemption Cut-Off Time on a Dealing Day shall not earn income on that same day (ie, the Net Asset Value per Share that is received by the Shareholder will not include income for that Dealing Day – such income would have been accrued at the end of that Dealing Day, had the Shareholder remained in the relevant Fund). Dividends may be declared at a different rate for each Fund.

As described above under "Subscription Price" and "Redemption Proceeds", Shares are issued and redeemed in each VNAV Fund (and, during a Stressed Market Environment, in each relevant LVNAV Fund) at the next calculated Net Asset Value per Share. As a result and in order to reflect the income accrual process described in the paragraph above, the Net Asset Value per Share calculated for any given Dealing Cycle does not include

any accrual of income for that Dealing Day. Such accrual will occur in the Net Asset Value per Share calculated for the first Dealing Cycle of the following Dealing Day. However, in order to provide Shareholders on each Dealing Day with details of the income that is accrued on that Dealing Day, each VNAV Fund (and, during a Stressed Market Environment, each relevant LVNAV Fund) shall perform a Net Asset Value calculation in the usual manner described above at the end of the Dealing Day and shall include therein accruals for income earned on that Dealing Day (whether positive or negative). Such Net Asset Value per Share is for information purposes only and will not be used for dealing.

Shareholders' attention is drawn to the section of the Prospectus titled "Principal Risks" – "Operation of Fund Cash Accounts".

The Articles of Association provide that any unclaimed dividends may be forfeited after six years and on forfeiture will form part of the assets of the Company.

## NET NEGATIVE INCOME AND STABLE NET ASSET VALUE CONSIDERATIONS

Where the Company determines in its sole discretion that a Class of Flex Distributing Shares in an LVNAV Fund may not be able to maintain a stable Net Asset Value per Share due to the net yield (ie, the yield net of all costs and expenses) attributable to that Class being negative, the Directors may, upon the provision of at least seven days' advance notice to the relevant Shareholders and in accordance with the provisions of the Articles of Association, transfer the holders of the relevant Flex Distributing Shares into an equivalent Class of Accumulating Shares. The negative income will be accrued in to the Net Asset Value and as such the Net Asset Value per Share for these Classes will not remain stable. The Directors reserve the right to reverse the transfer if they deem it to be in the interests of the Shareholders.

As at the date of this Prospectus, the Directors have implemented the transfer to Accumulating Shares for the Flex Distributing Classes in The Euro Fund. Holders of such Shares were transferred from the relevant Flex Distributing Class into the equivalent Accumulating Class and the relevant Flex Distributing Shares are currently not available for subscription as at the date of this Prospectus. In the event that the negative yield environment ceases and the Directors or the Manager on behalf of the Company determine that the relevant Flex Distributing Shares are able to maintain a stable Net Asset Value per Share, the Company may offer Flex Distributing Shares for subscription once more.

## STRESSED MARKET ENVIRONMENT

As described in the section entitled "Constant NAV and Market Price NAV", for each LVNAV Fund, the difference between the Constant NAV and the Market Price NAV is measured at each Valuation Point. Pursuant to the MMF Regulations, where the difference between the Constant NAV and the Market Price NAV (the "NAV Difference") is more than 20 basis points, the LVNAV Fund must use the Market Price NAV for the issue and redemption of Shares.

Where the Manager, in its sole discretion, considers it prudent in light of the extent of the NAV Difference and in the best interests of Shareholders to do so, it may (with respect to one or more LVNAV Funds) declare a "Stressed Market Environment". The Manager is obliged to declare a Stressed Market Environment when the NAV Difference exceeds 20 basis points.

As described above under "Subscription Price" and "Redemption Proceeds", during a Stressed Market Environment, Shares will be issued and redeemed in each relevant LVNAV Fund at the next calculated Net Asset Value per Share (rather than the last calculated Net Asset Value per Share, as would be the case in a Normal Market Environment) and the relevant LVNAV Fund shall use the Market Price NAV for these purposes (rather than the Constant NAV, as would be the case in a Normal Market Environment). In addition, the Subscription Cut-Off Time, Redemption Cut-Off Time and Valuation Point will, if detailed in the Supplement for a given LVNAV Fund, be amended during a Stressed Market Environment.

The declaration of a Stressed Market Environment (and the declaration of the cessation of a Stressed Market Environment) shall be made, with respect to a given Dealing Day, prior to the start of business on that Dealing Day.

Where the Manager, in its sole discretion, considers it prudent in light of the extent of the NAV Difference and in the best interests of Shareholders to do so, it may (with respect to one or more LVNAV Funds) declare that a Stressed Market Environment has ceased.

Shareholders shall be notified as soon as practicable following the declaration of a Stressed Market Environment (and the declaration of the cessation of a Stressed Market Environment).

## TEMPORARY SUSPENSION OF VALUATION OF SHARES, SALES AND REDEMPTIONS

The Directors may temporarily suspend the determination of the Net Asset Value per Share for dealing purposes in any Fund for the whole or any part of a period:

(i) during which any approved market on which any portion of the investments of a Fund (having a value at the last valuation in excess of 5% of the Net Asset Value of a Fund) are listed, quoted, traded or dealt in is closed (other than customary weekend and holiday closing) or the trading on any such market is restricted;

(ii) when circumstances exist as a result of which in the opinion of Directors it is not reasonably practicable for a Fund to dispose of investments owned by it or as a result of which any such disposal would be materially prejudicial to Shareholders;

(iii) when a breakdown occurs in any of the means normally employed in ascertaining the value of the investments or when for any other reason the value of the investments or other assets of a Fund cannot reasonably be ascertained;

(iv) during which the Company is unable to repatriate funds required for the purpose of making payments due on redemption of Shares or during which any transfer of funds in the realisation or acquisition of investments or payments due on redemptions of Shares cannot in the opinion of Directors be effected at normal rates of exchange;

(v) lasting no more than 15 Business Days in which the proportion of weekly maturing assets of an LVNAV Fund falls below 30% of the total assets and net redemptions on any Business Day exceeds 10% of the Net Asset Value of the relevant Fund; or

(vi) lasting no more than 15 Business Days in which the proportion of weekly maturing assets of an LVNAV Fund falls below 10% of the total assets.

No Shares may be issued (except where an application as described below has been previously received and accepted by or on behalf of the Company, redeemed or purchased during a period of suspension. Any such suspension shall terminate when the Directors declare that the suspension is at an end and in any event on the first Business Day on which the condition giving rise to the suspension shall cease to exist and no other condition under which suspension is authorised shall exist. Any such suspension shall be published by the Manager on https://www.fidelity.ie/liquidity-funds, and such other publications as the Directors may decide from time to time, if, in the opinion of the Directors, the suspension period is likely to exceed 14 days. Any such suspension shall be notified immediately to the Central Bank and Euronext Dublin. All reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Shares may not be redeemed during any period when the determination of the dealing Net Asset Value of a Fund has been suspended. The right of a Shareholder to redeem during a period of suspension is similarly suspended. A Shareholder may not withdraw a request for redemption except in the event of suspension of the determination of the dealing Net Asset Value of the Fund concerned. In this event, a withdrawal will only be effective if actually received in writing by the Manager and/or the relevant Sub-Distributor before termination of the period of suspension. If the request is not withdrawn, the redemption of the Shares will be made on the Settlement Day next following the end of the suspension.

## TAX LIABILITY OF THE COMPANY

If the Company becomes liable to account for tax in any jurisdiction in the event that a Shareholder or beneficial owner of a Share were to receive a distribution in respect of Shares or to dispose (or be deemed to have disposed) of Shares in any way (a "Chargeable Event"), the Directors shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax and/or where applicable, to appropriate, cancel or compulsorily repurchase such number of Shares held by the Shareholder or such beneficial owner as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against any loss arising to the Company by reason of the Company becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event if no such deduction, appropriation, cancellation or compulsory repurchase has been or could be made.

## PUBLICATION OF PRICES

Except where the determination of the sale and redemption prices has been suspended in the circumstances described in the section "Temporary Suspension of Valuation of Shares, Sales and Redemptions", the sale and redemption prices of the Shares held by a Shareholder will be notified by the Manager to the relevant Shareholder by email on each Settlement Day and the up-to-date sale and redemption prices, as well as (for the LVNAV Funds) the difference between the Constant NAV and the Market Price NAV, shall also be published on each Settlement Day on https://www.fidelity.ie/liquidity-funds and such other publications as the Directors or the Manager may decide from time to time. The sale and redemption prices shall also be available from the offices of the Manager and shall be notified to Euronext Dublin without delay.

## 3. MANAGEMENT AND ADMINISTRATION OF THE COMPANY

## DIRECTORS

The Directors of the Company are:

### Catherine Fitzsimons

With Fidelity International since 2015, Catherine Fitzsimons acts as Head of Legal for Fidelity's European products, with responsibility for the legal support and advice in relation to all aspects of Fidelity's European fund ranges. She also advises on the products, operations and business of Fidelity International in Ireland, as well as in relation to certain of Fidelity's key global initiatives. Prior to joining Fidelity, Catherine practiced financial services law with both international and domestic law firms, with specific focus on asset management and investment funds, advising a wide range of domestic and international clients on all aspects of their business, including their asset management activities and the structuring, establishment, marketing and sale of investment vehicles and products in Ireland and other jurisdictions. A member of the Law Society of Ireland, Catherine has also acted as a lecturer and internal examiner for the Law Society of Ireland. Catherine holds a Bachelor in Civil Law from University College Dublin, as well as a Post Graduate Diploma in International Financial Services Law and a Diploma in Applied Finance Law.

### David Greco

David Greco has over twenty five years' global experience working in the Financial Services Industry and has been with Fidelity International for the last twelve years. David is Head of Asset Management Operations for Fidelity International based in Dublin, Ireland. In this role he leads an organization that supports operational processing for over $350 billion in assets under management. He is responsible for managing several operational teams including Trade Management, Asset Valuation, Fund Accounting, Corporate Actions, Investment Performance and Publishing. The organization focus is on providing high quality administration services to both the business and our clients. Previously, David was Head of Investment Services & Fund Accounting for Asia Pacific and the Head of Japan Operations & Services based in Hong Kong from 2011 to July 2016. In this capacity he had responsibility for a number of functional areas, covering six countries, including an offshore servicing team located in Dalian, China. From 2007 to 2011, he worked for FIL Investments (Japan) Limited based in Tokyo, Japan as Head of Investment Administration – Asia Pacific, where he was responsible for a range of activities including Fund Accounting, Investment Operations and Project Management. Prior to this he worked for three years in the UK as a Director in Investment Administration. Before joining Fidelity International he spent eight years with Deutsche Asset Management in the USA as Vice President of Investment Accounting, and for the period between 1986 and 1995 David worked for Fidelity Investments in Boston, in a number of roles within Fund Accounting, Fund Operations and Audit. David holds an MBA from the Questrom School of Business at Boston University and a Bachelor of Science degree in Business Administration from Northeastern University in Boston.

### Nick King

Nick King is Head of Exchange Traded Funds at Fidelity International, with responsibility for developing the firm's ETF capabilities and product development. Prior to joining Fidelity International in 2015, Mr King worked for BlackRock (since 2006) undertaking senior roles in ETF Product Development and Portfolio Management. In his time at BlackRock, Mr King was responsible for the design and launch of ETF products covering multiple asset classes. He was also Portfolio Manager for a number of flagship iShares ETFs. Earlier in his career, Mr King worked as a Portfolio Manager within the Structured Beta & Indexing team UBS Global Asset Management (2003-2006). Mr King holds a BSc in Management Science & IT from the University of Exeter and an MSc in Mathematical Trading & Finance from Cass Business School. He is a CFA Charterholder.

### Denise Kinsella

Denise Kinsella is an independent non-executive director with over 30 years' experience in international financial services. She is a former partner of Dillon Eustace Solicitors (1999 to 2005) and prior to that held a number of senior executive roles at Bank of Ireland including Director of Client Services at Bank of Ireland Securities Services (since acquired by Northern Trust). Denise is a past Chairman of Irish Funds (the Irish funds industry association) and its legal and regulatory sub-committee and represented the funds industry on a number of funds industry bodies including An Taoiseach's International Financial Services Committee and FEFSI (now EFAMA). She served on the Central Bank of Ireland's Committee on Collective Investment Governance, was consulting editor to "Collective Investment Schemes in Luxembourg, Law and Practice" published by Oxford University Press and has lectured on financial services law at the Law Society of Ireland. She holds a law degree from Trinity College Dublin, was admitted as a solicitor by the Law Society of Ireland and holds a diploma in company direction from the Institute of Directors (UK).

### Dominic Rossi

Dominic Rossi is a Senior Advisor at Fidelity International. He acts as Director and Chairman at various internal Boards and Committees and is Chairman of the FIL UK Pension Plan. Previously he was Global CIO, Equities at Fidelity International for seven years and joined the company from Gartmore in March 2011. Dominic holds a BA in Politics from Sussex University and an MBA from CASS University (formerly City University). Dominic is also Chairman of the University of Sussex School of Business Management and Economics Advisory Board and is an Executive Fellow at the London Business School.

### Bronwyn Wright

Bronwyn Wright is a former Managing Director for a global financial institution having worked in Capital Markets and Banking, where she was Head of Securities and Fund Services for Ireland with responsibility for the management, growth and strategic direction of the securities and fund services business which included funds, custody, security finance and global agency and trust. Due to her role in managing, leading and growing the European fiduciary business, Ms. Wright has extensive knowledge of regulatory requirements and best market practice in the UK, Luxembourg, Jersey and

Ireland. She has sat and chaired the boards of the applicable legal vehicles for the fiduciary businesses in each jurisdiction. Due to her engagement in due diligence exercises she also understands the Nordics, Germany and Asia. She has also been engaged in pre-acquisition due diligence in Asia and led a post-acquisition integration across EMEA. Ms. Wright holds a degree in Economics and Politics as well as a Masters degree in Economics from University College Dublin. Ms. Wright is past chairperson of the Irish Funds Industry Association committee for Trustee Services. Ms. Wright has contributed to the Irish Funds educational development in various capacities, including co-author of a Diploma in Mutual Funds, virtual web-based lectures in financial services and part of an executive committee for a PhD finance programme. She has written numerous industry articles and chairs and participates in industry seminars in Europe and the US. Ms. Wright currently sits on the boards of a number of Irish regulated funds.

## MANAGEMENT OF THE COMPANY

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles of Association.

The Directors have delegated the day-to-day management and running of the Company to the Manager. The address of the Directors is the registered office of the Company.

The Company Secretary is FIL Fund Management (Ireland) Limited.

The Articles of Association provide that the Directors shall be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of the Directors' remuneration in any one year shall not exceed US$50,000.

The Articles of Association do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles of Association provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested, provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5% or more of the issued shares of any class of such company or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Articles of Association provide that the Directors may exercise all the powers of the Company to borrow money, to charge its undertaking, property or any part thereof and may delegate these (and other) powers to the Manager.

The Directors state that the Company was incorporated on 29 June 1995.

Neither the Company nor any Fund is involved in any litigation or arbitration and no litigation or claim is known to the Directors to be pending or threatened against the Company or any Fund.

Except as described herein, there are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.

The interests of the Directors and their interests in companies associated with the management, administration, promotion and marketing of the Company, the Funds and the Shares are set out below:

(i) All of the Directors are directors of the Manager.

(ii) Ms. Fitzsimons, Mr. Greco, Mr. King, Ms. Kinsella. Mr. Rossi and Ms. Wright each serve as employees or officers of other FIL Group entities.

(iii) No shareholding qualification for Directors is required under Irish law. The Directors or companies of which they are officers or employees may, however, subscribe for Shares in the Company. Their applications will rank pari passu with all other applications for the same Class.

At the date of this Prospectus, neither the Directors nor their connected persons have any beneficial interest in the share capital of the Company or any options in respect of such capital.

At the date of this document, neither the Directors nor their spouses nor their infant children have any interest in the share capital of the Company or any options in respect of such capital.

The Company does not have, nor has it had since its incorporation, any employees or subsidiary companies.

## MANAGER

Pursuant to the Management Agreement, the Manager will be responsible for the investment management, distribution and general administration of the Company with power to delegate such functions subject to the overall supervision and control of the Directors. The Manager acts as promoter to

the Company and delegates the performance of the investment management function to the Investment Manager, the distribution function to the General Distributor and the administration, registrar and transfer agency functions to the Administrator.

The Manager was established under the laws of Ireland on 11 October 2000 as a private limited company. It has an authorised share capital of 10,000,000 ordinary shares of 1 Euro each and an issued paid up share capital of 701,000 ordinary shares of 1 Euro each. It was established as a financial services company to provide administration and other services to collective investment schemes and is authorised by the Central Bank to act as a management company pursuant to the Regulations. It is a wholly-owned subsidiary of FIL Limited. The Manager is regulated in Ireland by the Central Bank and, subject to approval by the Central Bank, may act as manager for other collective investment schemes. The Manager also acts as company secretary to the Company.

The Manager has organised and structured its operation to ensure compliance with the Regulations.

The directors of the Manager (whose biographical details are set out above) are Ms. Catherine Fitzsimons, Mr. David Greco, Mr. Nick King, Ms. Denise Kinsella, Mr. Dominic Rossi and Ms. Bronwyn Wright.

The company secretary of the Manager is FIL Administration Limited.

The Management Agreement may be terminated by either party on giving not less than 90 days prior written notice to the other party (or such shorter notice as the parties may agree). The Management Agreement may also be terminated forthwith by either party giving notice in writing to the other party upon certain breaches or upon the insolvency of a party (or upon the happening of a like event).

The Management Agreement provides that the Company shall indemnify and hold harmless the Manager its employees, delegates and agents against all actions, proceedings, claims, damages, costs, demands and expenses which may be brought against, suffered or incurred by the Manager, its employees, delegates or agents in the performance of its duties thereunder other than those resulting from the fraud, negligence or wilful default of the Manager, its employees, delegates or agents.

## ADMINISTRATOR

The Manager appointed the Administrator as administrator, registrar and transfer agent of the Company by the Administration Agreement.

The Administrator is a limited liability company incorporated under the laws of Ireland on 28 May 1990. The Administrator is a wholly-owned subsidiary company of J.P. Morgan Bank (Ireland) Plc, which is a supplier of processing and administration services to financial institutions.

Under the terms of the Administration Agreement, the Administrator is responsible for registrar and transfer agency duties, as well as certain administrative duties, including inter alia maintaining the Company's financial and accounting records, determining the Net Asset Value and the Net Asset Value per Share and preparing the financial statements of the Company, subject to the overall supervision of the Manager.

The Administration Agreement may be terminated by either party on 90 days' written notice or immediately by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Administrator has the power to delegate its duties with the prior approval of the Central Bank. The Administration Agreement provides that the Manager, out of the assets of the Funds, shall indemnify and hold harmless the Administrator, its affiliates and nominees, and their respective directors, officers, employees and agents (together, the "Administrator Indemnitees") against any liabilities, losses, claims, costs, damages, penalties, fines, obligations, taxes or expenses of any kind whatsoever that may be imposed on, incurred by or asserted against any of the Administrator Indemnitees in connection with or arising out of the Administrator's performance under the Administration Agreement provided the Administrator Indemnitees have not acted with bad faith, negligence or recklessness or engaged in fraud or wilful default in connection with the liabilities, losses, claims, costs, damages, penalties, fines, obligations, taxes or expenses in question.

## INVESTMENT MANAGER

The Manager appointed FIL Investments International as investment manager by the Investment Management Agreement. The Investment Manager was incorporated in the United Kingdom and FIL Limited is its ultimate parent company. The Investment Manager is authorised and regulated in the United Kingdom by the Financial Conduct Authority. The Investment Manager acts as investment manager or investment adviser to a range of collective investment schemes.

Under the terms of the Investment Management Agreement, the Investment Manager provides day-to-day investment management of the Funds to the Company under the supervision and subject to the control of the Manager. It also provides statistical and other related services. The Investment Manager is authorised to act on behalf of the Company and to select agents, brokers and dealers through whom it can execute transactions and provide the Manager with such reports as it may require.

The Investment Manager may delegate certain of its investment management responsibilities but the Investment Manager remains responsible for the proper performance by any such company of those responsibilities, including the authority to trade in the underlying assets of the Company. Any delegation by the Investment Manager will be made in accordance with the requirements of the Central Bank.

The Investment Management Agreement will remain in force until terminated by either party on not less than 90 days' notice. The Investment Management Agreement shall terminate automatically upon the Manager determining that termination is in the interests of the Shareholders.

Where the appointment of the Investment Manager is terminated and a replacement Investment Manager not part of the FIL Group is appointed, the Manager shall procure as soon as reasonably practicable after the date of termination that an extraordinary general meeting of the Shareholders is

convened for the purpose of sanctioning by special resolution a change in the name of the Company without reference to the title of the Investment Manager.

The Investment Manager and any other person, corporation or other entity retained by the Investment Manager shall not be liable for any error of judgement or any loss suffered by the Manager or the Company in connection with the subject matter of the Investment Management Agreement, except loss resulting from negligence, wilful default, fraud or bad faith on the part of the Investment Manager in the performance of, or from reckless disregard by the Investment Manager of, its obligations and duties under the Investment Management Agreement.

Pursuant to the Investment Management Agreement, the Manager undertakes to hold harmless and indemnify the Investment Manager against all actions, proceedings, claims, costs, demands and expenses (including legal and professional expenses) which may be brought against, suffered or incurred by the Investment Manager by reason of its performance of its duties under the terms of the Investment Management Agreement (otherwise than due to the wilful default, fraud, bad faith or negligence of the Investment Manager). The Investment Manager shall not be required to take any legal action unless fully indemnified to its reasonable satisfaction for all costs and liabilities that may be incurred or suffered by the Investment Manager and not attributable to its wilful default, fraud, bad faith or negligence and if the Manager requires the Investment Manager to take any action of whatsoever nature which in the reasonable opinion of the Investment Manager might make the Investment Manager liable for the payment of money or liable in any other way, the Investment Manager shall be and be kept indemnified in any reasonable amount and form satisfactory to the Investment Manager as a prerequisite to taking action.

## GENERAL DISTRIBUTOR

The Manager has appointed FIL Distributors as general distributor to assist in the promotion of Shares in the Company pursuant to the General Distribution Agreement. The General Distributor has appointed the Sub-Distributors to distribute Shares. The Sub-Distributors always act as the agent for the General Distributor. Shareholders transact directly with the Company as principal.

The General Distribution Agreement may at any time be terminated by the Manager or the General Distributor upon not less than 90 days' written notice.

Either party may terminate the General Distribution Agreement if the other party commits any material breach of its obligations thereunder and fails to remedy such breach within seven days of receipt of notice requiring it to do so. The General Distribution Agreement shall terminate automatically in the event of the appointment of a liquidator (except a voluntary liquidation for the purposes of, and following, a bona fide reconstruction or amalgamation), receiver or administrative receiver over all or any of the assets of any party thereto or upon the happening of a like event or upon the General Distributor ceasing to be permitted to act as distributor pursuant to applicable law or upon the General Distributor becoming otherwise unable to perform its duties thereunder. The General Distribution Agreement shall terminate automatically upon the Manager determining that termination is in the interest of Shareholders and on termination of the Management Agreement.

In the absence of negligence, wilful default, fraud, bad faith or reckless disregard of its obligations and duties under the General Distribution Agreement, the General Distributor shall not be liable to the Company or the Manager or any Shareholder for any loss or damage sustained or suffered by the Company or the Manager arising directly or indirectly out of any error of judgement or oversight or mistake made or committed in good faith by the General Distributor in the course of, or in any way connected with the performance of his duties as distributor. The Manager shall indemnify and hold harmless the General Distributor against all liabilities, damages and claims (including costs and expenses arising therefrom or incidental thereto) which may be incurred or asserted or made against the General Distributor in respect of any loss or damage sustained or suffered or alleged to have been sustained or suffered by any third party otherwise than by reason of the bad faith, negligence, fraud or wilful default of the General Distributor or reckless disregard of its obligations and duties under the General Distribution Agreement. The General Distributor shall indemnify and hold the Manager harmless from any loss suffered by the Manager as a result of or arising from the negligence, bad faith, wilful default or fraud of the General Distributor or any of its employees, directors or agents or reckless disregard of the General Distributor's duties and obligations under the General Distribution Agreement.

Any appointment by the General Distributor of a Sub-Distributor shall terminate immediately on the termination of the General Distribution Agreement.

## PAYING AGENTS

The Manager may appoint Paying Agents in one or more countries. Where a Paying Agent is appointed details of the appointment of that Paying Agent shall be set out in "Appendix 3: IMPORTANT INFORMATION FOR INVESTORS: COUNTRY SPECIFIC DETAILS" or in a separate country supplement.

## DEPOSITARY

*Biography of the Depositary*

J.P. Morgan Bank (Ireland) plc has been appointed as the Depositary to provide depositary, custodial, settlement and certain other associated services to the Company.

The Depositary was incorporated in Ireland as a public company limited by shares and has its registered office at 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin 2, D02 RK57, Ireland. It has engaged in banking activities since its incorporation.

*Duties of the Depositary*

In accordance with the Regulations, the Depositary will:

a) ensure that the issue, redemption and cancellation of Shares effected by the Company or on its behalf are carried out in accordance with the Regulations and the Articles of Association;

b) ensure that the Net Asset Value per Share of the Company is calculated in accordance with the Regulations and the Articles of Association;

c) carry out, or where applicable, cause any delegate or sub-delegate to carry out the instructions of the Company or the Manager unless they conflict with the Regulations or the Articles of Association;

d) ensure that in transactions involving the assets of the Company, the consideration is remitted to it within the usual time limits; and

e) ensure that the income of the Company is applied in accordance with the Articles of Association.

The Depositary will be responsible for the safekeeping and ownership verification of the assets of the Company, cash flow monitoring and oversight in accordance with the Regulations. In carrying out its role as depositary, the Depositary shall act independently from the Company and the Manager and solely in the interest of the Company and its investors.

The Depositary shall assume its functions and responsibilities in accordance with the Regulations, as further described in the Depositary Agreement. Further information relating to the Depositary Agreement is set out below at the section entitled "Depositary Agreement".

*Delegation*

The Depositary may entrust all or part of the assets of the Company that it holds in custody to such sub-custodians as may be determined by the Depositary from time to time. Except as provided in the Investment Funds Legislation, the Depositary's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

When selecting and appointing a sub-custodian or other delegate, the Depositary shall exercise all due skill, care and diligence as required by the Investment Funds Legislation to ensure that it entrusts the Company's assets only to a delegate who may provide an adequate standard of protection.

The current list of sub-custodians and other delegates used by the Depositary is set down at Appendix 4 of the Prospectus, and the latest version of such list may be obtained by investors from the Company upon request.

*Depositary Liability*

Pursuant to the Regulations, the Depositary is liable to the Company and the Shareholders for the loss of a financial instrument held in custody by the Depositary or any of its delegates. The Depositary shall, however, not be liable pursuant to the Regulations if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. Pursuant to the Regulations, the Depositary is also liable to the Company and its Shareholders for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with the Investment Funds Legislation.

*Conflicts of Interest*

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group such as JPMorgan Chase Group, from time to time conflicts may arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds, for instance foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under the Depositary Agreement and all applicable laws, including the Regulations.

*Depositary Agreement*

The Company has appointed the Depositary as depositary under the Depositary Agreement.

The Depositary shall perform all the duties and obligations of a depositary under the Investment Funds Legislation as outlined in the Depositary Agreement.

The Depositary Agreement may be terminated by either party on 90 days' notice in writing (or such shorter notice period as the other party may agree to accept or as the Depositary in its sole discretion may determine where, acting in good faith, it determines that the investments of the Company are not sufficiently protected) or forthwith by notice in writing in certain circumstances such as the insolvency of either party or the unremedied breach after notice. Subject to the Investment Funds Legislation, the Depositary Agreement may also be terminated by the Depositary on 30 days' notice in writing if: (i) it is unable to ensure the required level of protection of the Company's investments under the Investment Funds Legislation because of the investment decisions of the Company; or (ii) the Company wishes to invest or to continue to invest in any jurisdiction notwithstanding the fact that (a) such investment may expose the Company or its assets to material country risk, or (b) the Depositary is not able to obtain satisfactory legal advice confirming, among other things, that in the event of an insolvency of a sub-custodian or other relevant entity in such jurisdiction, the assets of the Company held locally in custody are unavailable for distribution among, or realisation for the benefit of, creditors of the such sub-custodian or other relevant entity.

The Depositary Agreement contains provisions governing the responsibility and limitations on the responsibility of the Depositary and provides for its indemnification in certain circumstances other than where such circumstances arise as a result of the Depositary's negligent or intentional failure to properly fulfil its duties under the Regulations or where the Depositary is otherwise liable under applicable law and the Depositary Agreement.

*Up-to-date Information*

Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise and the Depositary's delegation arrangements and any conflicts of interest that may arise from such a delegation will be made available to investors on request

## CONFLICTS OF INTEREST

The Manager, the Depositary, the Investment Manager, the Administrator, the General Distributor or any other associated company or group company of any of these parties may each from time to time act as administrator, depositary, investment manager, investment adviser, distributor or sub-distributor respectively in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Company. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Company. Each will, at all times, have regard in such event to its obligations to the Company. In addition, any of the foregoing may deal, as principal or agent, with the Company, provided that such dealings are carried out in accordance with the provisions set out below under "Dealings with Connected Persons.

The Investment Manager and/or its affiliates may invest, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Company. Neither the Investment Manager nor any of its affiliates is under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with the Company or inform the Company of) any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities on an equitable basis between the Company and other clients.

The Directors shall endeavour to ensure that any conflicts of interest are resolved fairly and in the best interests of Shareholders.

### Dealings with Connected Persons

There is no prohibition on transactions between the Company and the Depositary or the Manager or the delegates or sub-delegates of the Depositary or the Manager (excluding any non-group sub-delegates appointed by the Depositary) or any associated or group company of the Depositary or the Manager or any delegate or sub-delegate of such entities ("Connected Persons")[1] and none of them shall have any obligation to account to the Company for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are in best interests of Shareholders and dealings are conducted at arm's length.

Any transaction between the Company and any Connected Persons must comply with one of the following conditions: (i) a certified valuation of any such transaction by a person approved by the Depositary (or in the case of a transaction involving the Depositary, a person approved by the Manager) as independent and competent is obtained; (ii) the transaction is executed on best terms on an organised investment exchange under the rules of such exchange; or (iii) the transaction is executed on terms which the Depositary, or the Manager in the case of a transaction involving the Depositary, is satisfied is in the best interests of the Shareholders and conducted at arm's length.

The Depositary (or the Manager in the case of transactions involving the Depositary) will document how it has complied with the provisions of (i), (ii) or (iii) above. Where transactions are conducted in accordance with (iii) above, the Depositary (or the Manager in the case of transactions involving the Depositary) will document its rationale for being satisfied that the transaction conformed to the principles outlined above.

The periodic reports of the Company will confirm: (i) whether the Directors are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out above are applied to all transactions with Connected Persons; and (ii) whether the Directors are satisfied that the transactions with Connected Persons entered into during the period complied with the obligations outlined above.

Information relating to conflicts of interest which may arise in respect of the Depositary is set out above under the section entitled "Management and Administration of the Company" - "Depositary" - "Conflicts of Interest".

## CHARGES AND EXPENSES

The maximum amount which shall be charged by the Manager to the Company shall be 1% per annum of the Net Asset Value of each Fund. From this amount the Manager shall discharge all fees and expenses to the Investment Manager, the Depositary, the Administrator, other service providers and the establishment costs of the Company and of any Fund.

Such fees and expenses (discharged out of the Manager's fee) may also include, but shall not be limited to, the following:

(i) fees in respect of the publication and circulation of details of the Net Asset Value and Share prices;
(ii) fees and expenses of the auditors and of tax, legal and other professional advisers of the Company;
(iii) costs of convening and holding annual general meetings and other Shareholder meetings (including Class meetings);
(iv) costs of printing and distributing reports, accounts and notices to Shareholders including notices of general meetings and any related administrative expenses;

[1] For the avoidance of doubt, the Investment Manager shall be treated as a Connected Person.

(v) costs incurred as a result of periodic updates or re-issue of the Prospectus or amendment of the Memorandum of Association and Articles of Association of the Company and any other administrative expenses;
(vi) expenses incurred in distributing income to Shareholders and related notifications;
(vii) taxation and duties payable by the Company except taxation, commissions and brokerage fees incurred with respect to the Company's investments;
(viii) any amount payable by the Company under any indemnity provisions contained in the Memorandum of Association and Articles of Association of the Company or any agreement with a functionary of the Company;
(ix) fees of any regulatory authority in Ireland or any country or territory outside Ireland in which Shares of the Company are or may be marketed, and any related costs incurred in relation to determining the regulatory status of the Company in connection with the marketing of the Company in a country or territory outside Ireland or to obtaining and/or maintaining the regulatory status of the Company in a country or territory outside Ireland; and
(x) such other expenses as the Company resolves are properly payable out of the Manager's fee.

As of the date of this Prospectus, the Manager's fee for each Fund will be capped at 0.25% per annum of the Net Asset Value of each Fund. The Manager may, subject to the maximum limit of 1% per annum set out above, introduce a different charging structure for any Fund or Class. In this case, the Manager shall give Shareholders 30 days' notice in writing.

The following expenses shall be borne by the Company out of the assets of the Funds:

(i) bank charges relating to, and incurred in negotiating, effecting or varying the terms of, committed overdraft facilities; and
(ii) taxation, commissions and brokerage fees incurred with respect to the Company's investments.

In addition to the fee payable to the Manager described above, a Shareholder Service Fee or other fees may be charged on certain Classes as specified in the relevant Supplement.

The Directors' total emoluments are subject to a limit on the total amount in any one year of US$50,000, as prescribed in the Articles of Association of the Company. The Directors' fees and expenses, including out-of-pocket expenses, shall be borne by the Manager.

The Company reserves the right to charge a redemption fee of up to 0.10% (ten basis points) if the Company in its absolute discretion determines that the Shareholder is purchasing or selling Shares in any Fund on considerations of a short-term nature or for trading or arbitrage purposes. Otherwise and apart from this exceptional circumstance as outlined, Shareholders are advised that no redemption fee shall apply. In addition, in certain circumstances (described above under "Liquidity Management"), the Directors may impose liquidity fees on redemptions that adequately reflect the cost to the relevant Fund of achieving liquidity and ensure that Shareholders who remain in the relevant Fund are not unfairly disadvantaged when other Shareholders redeem their Shares during the period.

## REMUNERATION POLICY OF THE MANAGER

The Manager is subject to remuneration policies, procedures and practices (together, the "Remuneration Policy") which comply with the Regulations. The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed not to encourage risk-taking which is inconsistent with the risk profile of the Funds. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Manager and the Funds, and includes measures to avoid conflicts of interest. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the Manager or the Funds, and ensures that no individual will be involved in determining or approving their own remuneration. Details of the Remuneration Policy (including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits) is available via https://www.fil.com. A paper copy can be obtained, free of charge, upon request.

## 4. PRINCIPAL RISKS

The risks described below should not be considered to be an exhaustive list of the risks which potential investors should consider in addition to all of the information in this Prospectus before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to normal market fluctuations and other risks from time to time. Although care is taken to understand and manage the risks described below, the Funds and accordingly the Shareholders in the Funds will ultimately bear the risks associated with the investments of the Funds. Potential investors should consult their professional tax and financial advisers before making an investment.

Among the principal risks of investing in the Funds which could adversely affect their Net Asset Value, yield and total return, are:

### Investing in Money Market Instruments

An investment in the Company is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of each Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. **Although the Company seeks to maintain capital value and liquidity whilst producing a return to the investor in each Fund, maintenance of capital value and liquidity (including, in particular, a stable Net Asset Value in the case of the Flex Distributing Shares) is not guaranteed.** An investment in each Fund involves certain investment risks, including the possible loss of principal and there is no assurance that any appreciation in the value of investments will occur or that the investment objective of a Fund will actually be achieved.

### Liquidity Risk

Liquidity risk is the risk of a Fund being unable, due, for example, to it having insufficient same day realisable cash or investments, to fund redemption requests net of subscriptions. In normal market conditions, a Fund's assets comprise mainly realisable securities which can be readily sold. A Fund's liabilities arise primarily through its exposure to the redemption of any Shares that investors wish to sell. The Investment Manager endeavours to manage a Fund's investments, including cash, such that it can meet its liabilities. However, investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals is sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of a Fund. If investments cannot be realised in time to meet any potential liability, the Directors may, at their discretion elect to restrict the total number of Shares redeemed in any Fund on any Dealing Day to a maximum percentage of the outstanding Shares in the Fund in accordance with the limits set down in the section of the Prospectus entitled "Deferred Redemptions", in which case all requests will be scaled down pro rata to the number of Shares requested to be redeemed. The remaining balance of such Shares may be redeemed in the first Dealing Cycle on the next Dealing Day, provided no such restriction is applicable.

### Market Risk

Market risk can be described as the potential change in the value of a portfolio of financial instruments resulting from adverse movements in equity, bond, currency or other market prices, indices or changes in the volatility of such movements. A typical transaction or position may be exposed to a number of different types of market risk. Types of market risks include interest rate risks, foreign currency exchange rate risk and equity risk. Interest rate risk can arise from: changes in the level, slope and curvature of the yield curve; changes in the implied volatility of interest rate derivatives; changes in the rate of mortgage prepayments; and changes in credit spreads. Instruments with longer maturity dates can be more sensitive to interest rate changes. Foreign currency exchange rate risk can arise from changes in the spot prices and the implied volatility of currency derivatives. Equity risk can arise from changes in the price of individual equity securities and indices, changes in the implied volatility of equity derivatives and dividend risk. In adverse market conditions, a Fund's investments may yield zero or negative returns which may impact on the return of a Fund and result in negative investment income.

### Pricing and Valuation Risk

The Funds' assets comprise mainly Money Market Instruments and quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. Where a Fund may use the amortised method of calculation of Net Asset Value, it shall not be affected by the closure of these exchanges for holidays or other reasons. As described above under "Determination of the Net Asset Value", the difference between the amortised cost value and the value calculated using market prices or mark-to-model prices is measured and, where there is a difference between them of greater than 0.10% (ten basis points), the market price or mark-to-model price value shall be used. Investors are advised that the mark-to-model process involves assumptions and subjectivity.

### Credit Risk

In accordance with the Regulations, a Fund may invest in deposits of credit institutions. Shareholders are advised that: (i) a Fund's investments may be adversely affected if any of the institutions with which its money is deposited suffers insolvency or other financial difficulties; and (ii) the Shares of the Funds are not deposits and the amount invested is not guaranteed and may fluctuate up and/or down. Credit risk also arises from the uncertainty surrounding the ultimate repayment of principal and interest or other debt instrument investments by the issuers of such securities. Although the Funds may invest in high quality credit instruments, there can be no assurance that the institutions or securities in which a Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such institutions, securities or other instruments.

### Counterparty Risk

All security investments are transacted through brokers who have been approved by the FIL Group as an acceptable counterparty. The list of approved brokers is reviewed regularly.

There is a risk of loss if a counterparty fails to perform its financial or other obligations to a Fund, for example, the possibility that a counterparty may default by failing to make payments due, or failing to repay principal and interest in a timely manner. If settlement never occurs, the loss incurred by the Fund will be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Fund meets its settlement obligations but the counterparty fails before meeting its obligations under the relevant contract.

### Market Capitalisation Risk

The securities of small-to-medium-sized (by market capitalisation) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports. Transactions involving such securities, particularly those transactions which are large in size, are likely to have a greater impact on the costs of running a Fund than similar transactions in securities of a company with a large market capitalisation and broad trading market due to the relatively illiquid nature of markets in securities of small and medium sized companies.

### Investing in Fixed Income Securities

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. A Fund could lose money if the issuer or guarantor of a fixed income security is unable to make timely principal and/or interest payments, or to otherwise honour its obligations. The credit quality of debt instruments is often assessed by rating agencies. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of depreciation and default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments and may be subject to wider fluctuations in yield, wider bid-offer spreads, greater liquidity premium and accentuated market expectations and consequently greater fluctuations in market values to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time. Changes in such ratings, or the expectations of such changes, may cause changes in yield and market values.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets. Accordingly, a Fund's investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

### Reverse Repurchase Transactions

Reverse repurchase transactions involve risks in that: (a) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; and that (b) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment.

### Currency Risk

Assets of a Fund may be designated in a currency other than the Base Currency and changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. In addition, governments and central banks can, from time to time, intervene directly and by regulation, in the currency markets to influence prices, restrict the availability of a currency or impose or modify foreign exchange controls on a currency.

### Political and Economic Risk

Political unrest and other factors may disrupt financial markets and economic conditions in certain markets. A government's political inexperience, the instability of the political system and domestic or international policies and events affecting the economic system may increase the risk of fundamental shifts in the economy and politics of a nation or region. The consequences can include confiscation of assets with no compensation, the restriction of rights of disposal over assets, or a dramatic reduction in the value of assets as a result of state intervention or the introduction of state monitoring and control mechanisms affecting the operation of markets in that country. These and other actions could also adversely affect the ability to value investments in a Fund which could result in a temporary suspension of the determination of the Net Asset Value in any Fund during which time investors may not be able to acquire or redeem Shares in that Fund, as further outlined in Section 2 of the Prospectus entitled "The Shares". Emerging market economies are more sensitive to changes in interest and inflation rates, which are subject to greater swings than in other established countries. Funds which invest in multiple countries have less exposure to the risks of any one country, but will be exposed to a larger number of countries.

### Potential Implications of Brexit

In a referendum held on June 23, 2016, the electorate of the United Kingdom resolved to leave the EU and the United Kingdom formally left the EU on 31 January 2020. The result has led to political and economic instability and volatility in the financial markets of the United Kingdom and more broadly across Europe. It may also lead to weakening in consumer, corporate and financial confidence in such markets as the United Kingdom finalises the terms of its exit from the EU. The extent of the impact will depend in part on the nature of the arrangements that are put in place between the United Kingdom and

the EU following the Brexit deal and the extent to which the United Kingdom continues to apply laws that are based on EU legislation. The longer term process to implement the political, economic and legal framework that is agreed between the United Kingdom and the EU is likely to lead to continuing uncertainty and periods of exacerbated volatility in both the UK and in wider European markets. The United Kingdom's exit from the EU and the anticipation of the final terms of the exit could also create significant uncertainty in the United Kingdom (and potentially global) financial markets, which may materially and adversely affect the performance of the Funds, their Net Asset Value per Share, the Funds' earnings and returns to Shareholders. It could also potentially make it more difficult to raise capital in the EU and/or increase the regulatory compliance burden which could restrict some or all of the Funds' future activities and thereby negatively affect returns.

Volatility resulting from this uncertainty may mean that the returns of the Funds and their investments are adversely affected by market movements, potential decline in the value of GBP and/or Euro, and any downgrading of the United Kingdom's sovereign credit rating. This may also make it more difficult, or more expensive, for the Funds to execute prudent currency hedging policies.

This mid to long term uncertainty may have an adverse effect on the economy generally and on the ability of the Funds and their investments to execute their respective strategies and to receive attractive returns, and may also result in increased costs to the Funds

### Cross-Liability Risk

The Company is established as an umbrella fund with segregated liability between Funds. Pursuant to the Companies Act 2014, the assets of one Fund are not available to satisfy the liabilities of, or attributable to, another Fund. Any liability incurred or attributable to any one Fund may only be discharged solely out of the assets of that Fund. However, the Company may operate or have assets in countries other than Ireland which may not recognise segregation between Funds and there is no guarantee that creditors of one Fund will not seek to enforce one Fund's obligations against another Fund.

### Legal and Tax Risks

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of Shareholder's rights under such laws and regulations may involve significant uncertainties, may not be consistent with those of other nations and may vary from region to region. Furthermore, there may be differences in accounting and auditing standards, reporting practices and disclosure requirements to those generally accepted internationally. The information provided in this Prospectus is based upon the laws and regulations as at the date of the Prospectus but it is not exhaustive and does not constitute legal or tax advice. Laws and regulations of any country may change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where a Fund is registered, listed, marketed, or invested could affect the tax status of the Fund, the value of the Fund's investments in the affected jurisdiction, the Fund's ability to achieve its investment objective, and/or alter the post-tax returns to Shareholders. The availability and value of any tax reliefs available to investors depend on the individual circumstances of investors.

### Investment Manager Risk

The Manager may consult the Investment Manager with respect to the valuation of certain investments. There is a potential conflict of interest between the involvement of the Investment Manager in determining the valuation price of each Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Funds. In relation to other potential conflicts, please refer to the section entitled "Conflicts of Interest" in this Prospectus.

### Principle Risk

The Company's operations (including investment management) are carried out by the service providers mentioned in the Prospectus. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

### Custody Risk

The Company's assets are safe-kept by the Depositary which exposes the Company to the risk of loss of assets placed in custody as a result of insolvency, negligence or fraudulent trading by the Depositary. The Depositary does not directly hold all the assets of the Company and may delegate some of its custodial duties to third-party custodians. Investors are also exposed to the risk of bankruptcy of the third party delegates. A Fund of the Company may invest in markets where custodial and/or settlement systems are not fully developed.

### Operation of Fund Cash Accounts

The Company operates a Fund Cash Account opened in the name of the Company on behalf of each Fund. A Fund Cash Account is operated for each Fund into which: (i) subscription monies received from investors who have subscribed for Shares are deposited and held until Shares are issued as of the relevant Dealing Cycle; (ii) redemption monies due to investors who have redeemed Shares are deposited and held until paid to the relevant investors; and (iii) dividend payments owing to Shareholders are deposited and held until paid to such Shareholders. All subscriptions, redemptions or dividends payable to or from a Fund are channelled and managed through the relevant Fund Cash Account in respect of that Fund.

Certain risks associated with the operation of the Fund Cash Accounts are set out in the following sections/sub-sections of the Prospectus:

(i) "The Shares" – "The Treatment of Subscription Monies held in a Fund Cash Account";

(ii) "The Shares" – "Opening a Shareholder Account";

(iii) "The Shares" - "The Treatment of Redemption Monies held in a Fund Cash Account"; and

(iv) "The Shares" - "Flex Distributing Shares".

In circumstances where subscription monies are received from an investor in advance of a Dealing Cycle in respect of which an application for Shares has been, or expected to be, received and are held in the relevant Fund Cash Account, any such investor shall rank as a general creditor of the Fund until such time as Shares are issued as of the relevant Dealing Cycle. Therefore, in the event that such monies are lost prior to the issue of Shares to the relevant investor as of the relevant Dealing Cycle, the Company on behalf of the Fund may be obliged to make good any losses which the Fund incurs in connection with the loss of such monies to the investor (in its capacity as a creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Fund.

Similarly in circumstances where redemption monies are payable to an investor subsequent to a given Dealing Cycle of a Fund as of which Shares of that investor were redeemed or dividend monies are payable to an investor and such redemption/dividend monies are held in the relevant Fund Cash Account, any such investor/Shareholder shall rank as an unsecured creditor of the relevant Fund until such time as such redemption/dividend monies are paid to the investor. Therefore, in the event that such monies are lost prior to payment to the relevant investor/Shareholder, the Company, on behalf of the Fund, may be obliged to make good any losses suffered by the investor/Shareholder (in its capacity as a general creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Fund.

In the event of an insolvency of the relevant Fund or the Company, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Investors who have forwarded subscription monies in advance of a Dealing Cycle and which are held in a Fund Cash Account and investors/Shareholders due redemption/dividend monies which are held in a Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore, in such circumstances, the investor subscribing for Shares may not recover all monies originally paid into the Fund Cash Account in relation to the application for Shares and the redeeming investor entitled to redemption monies and the Shareholder entitled to a dividend payment may not recover all monies originally paid into the Fund Cash Account for onward transmission to that investor/Shareholder.

### Liquidity Fee and Redemption Gate Risk

As described in the section entitled "Liquidity Management" with respect to LVNAV Funds, the Directors have discretion to impose a liquidity fee upon sale of Shares or may temporarily suspend dealing in Shares in certain circumstances, including if a Fund's liquidity falls below required minimums because of market conditions or other factors. Accordingly, Shareholders may not be able to sell Shares or redemptions may be subject to a liquidity fee at certain times. In addition, in the event that within a period of 90 days the total duration of suspensions exceeds 15 days, the relevant LVNAV Fund shall cease to be authorised as such and the Directors shall immediately inform Shareholders in writing of that fact.

### LVNAV Risk

As described in the section entitled "Constant NAV and Market Price NAV", each LVNAV Fund shall use the Constant NAV for the purpose of the issue and redemption of Shares, save that in a Stressed Market Environment, the relevant LVNAV Fund shall use the Market Price NAV for the purposes of the issue and redemption of Shares. Shareholders should note that, in such cases and where the Constant NAV is higher than the Market Price NAV, redemptions will be processed at the Market Price NAV, which will be lower than the Constant NAV. Furthermore, in such cases and where the Constant NAV is lower than the Market Price NAV, subscriptions will be processed at the Market Price NAV, which will be higher than the Constant NAV.

### Money Market Fund Reform

EU Regulation 2017/1131 on money market funds applied to the LVNAV Funds other than The Euro Fund from 4 February 2019 and to the VNAV Funds and The Euro Fund from 18 March 2019. There remains some uncertainty regarding the full impact that this regulation will ultimately have on the Company, the Funds and the markets in which they trade and invest. Such uncertainty may itself be detrimental to the Funds. Further, the impact potential future regulatory requirements or changes to regulatory requirements applicable to a Fund (whether through implementation of the regulation or otherwise) is unknown and may be detrimental to the Funds. It may impact the ability of the Funds to execute their respective strategies and may also result in increased costs to the Funds. The Company and the Manager will adopt such arrangements as they deem necessary or desirable to comply with applicable regulatory requirements, with a view to ensuring that the Company and the Funds continue to operate execute their respective strategies in the best interests of Shareholders.

## 5. TAXATION

### GENERAL

The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, transferring or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.

Distributions may be tax inefficient for investors in certain countries. Investors are advised to consult their local tax adviser about their individual tax position.

The following is a brief summary of certain aspects of Irish taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

Dividends, interest and capital gains (if any) which the Company receive with respect to its investments (other than securities of Irish issuers) may be subject to taxes including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

## IRISH TAXATION

*The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.*

*The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.*

### Taxation of the Company

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an 'investment undertaking' for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms 'resident' and 'ordinarily resident' are set out at the end of this summary.

### Taxation of Non-Irish Shareholders

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder's Shares once the declaration set out in the application form has been received by the Company confirming the Shareholder's non-resident status. The declaration may be provided by an Intermediary who holds Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary's knowledge, the investors are not resident (or ordinarily resident) in Ireland. An explanation of the term 'Intermediary' is set out at the end of this summary.

If this declaration is not received by the Company, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder's declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The Company must be informed if a Shareholder becomes Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

### Taxation of exempt Irish Shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) of the Taxes Consolidation Act of Ireland ("TCA"), the Company will not deduct Irish tax in respect of the Shareholder's Shares once the declaration set out in the application form has been received by the Company confirming the Shareholder's exempt status.

The categories listed in section 739D(6) TCA can be summarised as follows:

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).

2. Companies carrying on life assurance business (within the meaning of section 706 TCA).

3. Investment undertakings (within the meaning of section 739B TCA).

4. Investment limited partnerships (within the meaning of section 739J TCA).

5. Special investment schemes (within the meaning of section 737 TCA).

6. Unauthorised unit trust schemes (to which section 731(5)(a) TCA applies).

7. Charities (within the meaning of section 739D(6)(f)(i) TCA).

8. Qualifying managing companies (within the meaning of section 734(1) TCA).

9. Specified companies (within the meaning of section 734(1) TCA).

10. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) TCA).

11. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) TCA).

12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).

13. The National Asset Management Agency.

14. the National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.

15. Qualifying companies (within the meaning of section 110 TCA).

16. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the Company without requiring the Company to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the Company in respect of a Shareholder, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.

### Taxation of Other Irish Shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an 'exempt' Shareholder (see above), the Company will deduct Irish tax on distributions, redemptions and transfers and, additionally, on 'eighth anniversary' events, as described below.

*Distributions by the Company*

If the Company pays a distribution to a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and

2. 41% of the distribution, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

*Redemptions and Transfers of Shares*

If the Company redeems Shares held by a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the redemption payment made to the Shareholder. Similarly, if such an Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the Company will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being redeemed or transferred and will be equal to:

1. 25% of such gain, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and

2. 41% of the gain, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax

liability.

If Shares are not denominated in euro, a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

*Eighth Anniversary' Events*

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the Company will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and

2. 41% of the increase in value, in all other cases.

The Company will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the Company may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Fund are held by non-exempt Irish resident Shareholders, the Company may elect not to account for Irish tax on this deemed disposal. To claim this election, the Company must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and

2. notify any non-exempt Irish resident Shareholders that the Company is electing to claim this exemption.

If the exemption is claimed by the Company, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Company on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

*Share Exchanges*

Where a Shareholder exchanges Shares on arm's length terms for other Shares in the Company or for Shares in another Fund of the Company and no payment is received by the Shareholder, the Company will not deduct Irish tax in respect of the exchange.

### Stamp Duty

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution in specie of assets from the Company, a charge to Irish stamp duty could potentially arise.

### Gift and Inheritance Tax

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident.

The Shares could be treated as Irish situate assets because they have been issued by an Irish company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);

2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and

3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

### Meaning of Terms

*Meaning of 'Residence' for Companies*

A company which has its central management and control in Ireland is tax resident in Ireland irrespective of where it is incorporated. A company

which does not have its central management and control in Ireland but which was incorporated in Ireland on or after 1 January 2015 is tax resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

A company which does not have its central management and control in Ireland but which was incorporated before 1 January 2015 in Ireland is resident in Ireland except where:

1. the company (or a related company) carries on a trade in Ireland and either the company is ultimately controlled by persons resident in EU member states or in countries with which Ireland has a double tax treaty, or the company (or a related company) are quoted companies on a recognised stock exchange in the EU or in a tax treaty country; or

2. the company is regarded as not resident in Ireland under a double tax treaty between Ireland and another country.

Finally, a company that was incorporated in Ireland before 1 January 2015 will also be regarded as resident in Ireland if the company is (i) managed and controlled in a territory with which a double taxation agreement with Ireland is in force (a 'relevant territory'), and such management and control would have been sufficient, if exercised in Ireland, to make the company Irish tax resident; and (ii) the company would have been tax resident in that relevant territory under its laws had it been incorporated there; and (iii) the company would not otherwise be regarded by virtue of the law of any territory as resident in that territory for the purposes of tax.

*Meaning of 'Residence' for Individuals*

An individual will be regarded as being tax resident in Ireland for a calendar year if the individual:

1. spends 183 days or more in Ireland in that calendar year; or

2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this 'two year' test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

*Meaning of 'Ordinary Residence' for Individuals*

The term 'ordinary residence' (as distinct from 'residence') relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2018 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2021.

*Meaning of 'Intermediary'*

An 'intermediary' means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or

2. holds units in such an investment undertaking on behalf of other persons.

## FATCA

The Hiring Incentives to Restore Employment Act includes provisions generally known as Foreign Account Tax Compliance (''FATCA''). The objective of FATCA provisions is to require non-US financial institutions to identify and appropriately report on US taxpayers holding assets outside the US as a safeguard against US tax evasion. Ireland has an intergovernmental agreement with the United States of America (the "IGA") in relation to FATCA, of a type commonly known as a 'model 1' agreement. Ireland has also enacted regulations to introduce the provisions of the IGA into Irish law. The Company intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA. Unless an exemption applies, the Company shall be required to register with the US Internal Revenue Service as a 'reporting financial institution' for FATCA purposes and report information to the Irish Revenue Commissioners relating to Shareholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified US persons. Exemptions from the obligation to register for FATCA purposes and from the obligation to report information for FATCA purposes are available only in limited circumstances. Any information reported by the Company to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Company should generally not be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Company if the Company did not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Company as being a 'non-participating financial institution' for FATCA purposes.

## OECD COMMON REPORTING STANDARD

The automatic exchange of information regime known as the "Common Reporting Standard" developed by the Organisation for Economic Co-operation and Development applies in Ireland. Under this regime, the Company is required to report information to the Irish Revenue Commissioners relating to all Shareholders, including the identity, residence and tax identification number of Shareholders and details as to the amount of income and sale or redemption proceeds received by Shareholders in respect of the Shares. This information may then be shared by the Irish Revenue Commissioners with tax authorities in other EU member states and other jurisdictions which implement the OECD Common Reporting Standard.

The OECD Common Reporting Standard replaces the previous European information reporting regime in respect of savings income under Directive 2003/48/EC (commonly known as the EU Savings Directive regime).

## 6. GENERAL

### MATERIAL CONTRACTS

The following contracts, details of which are summarised in the section entitled "Management of the Company" which follows, are, or may be, material:

- the Depositary Agreement;
- the Management Agreement;
- the Administration Agreement;
- the Investment Management Agreement; and
- the General Distribution Agreement.

### SUPPLY AND INSPECTION OF DOCUMENTS

The following documents are available for inspection free of charge during normal business hours on weekdays (Saturdays and UK public holidays excepted) at the registered office of the Company:

(i) Memorandum of Association and Articles of Association of the Company;
(ii) the Regulations and the CBI UCITS Regulations;
(iii) the publication entitled "The Investment Business Interim Prudential Sourcebook" produced by the Financial Conduct Authority (which replaces the previous Bank of England publications and the "Grey Paper") (as amended or revised from time to time); and
(iv) the Annual Report and audited accounts of the Company and the unaudited half yearly reports incorporating financial statements.

Copies of the Prospectus, the Key Investor Information Documents, the Memorandum of Association and Articles of Association of the Company (each as amended from time to time) and the latest financial reports of the Company, as appropriate shall be available on the website https://www.fidelity.ie/liquidity-funds or may be obtained, free of charge, upon request at the registered office of the Company.

### REPORTS AND ACCOUNTS

In each year the Directors shall cause to be prepared an annual report and audited accounts for the Company. Audited annual reports incorporating financial statements and unaudited half yearly reports incorporating financial statements shall be sent to the Companies Announcements Office of Euronext Dublin and such annual reports shall be sent by email to each Shareholder to the most current email address provided by the Shareholder to the Company or if no such email address has been received by the Company, by post to the Shareholder's registered address and shall also be published on https://www.fidelity.ie/liquidity-funds within four months of the end of the period to which it relates. Half yearly reports shall be sent either: (i) by email to each Shareholder to the most current email address provided by the Shareholder to the Company; (ii) if no such email address has been received by the Company, by post to the Shareholder's registered address; or (iii) published on https://www.fidelity.ie/liquidity-funds in which case notification of such publication shall be sent by email or by post, as appropriate, to each Shareholder within two months of the end of the relevant period to which they relate.

Annual accounts shall be made up to 31 August in each year, and unaudited half yearly reports shall be made up to 28 February or 29 February, as appropriate, in each year.

### SHARE CAPITAL AND VOTING RIGHTS

The share capital of the Company shall at all times equal the Net Asset Value of the Company. The Directors are empowered to issue up to one trillion Shares of no par value in the Company at the Net Asset Value per Share on such terms as they may think fit. Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder.

The proceeds from the issue of Shares shall be applied in the books of the Company to the relevant Fund and shall be used in the acquisition on behalf of the relevant Fund of assets in which the Fund may invest. The records and accounts of each Fund shall be maintained separately with assets and liabilities allocated to the correct Fund.

Although each Fund will be treated as bearing its own liabilities, the Company as a whole will remain liable to third parties. At the date of this document, the Directors are not aware of any such existing or contingent liabilities. Accordingly, the Directors reserve the right, with the approval of the Depositary to transfer any assets to and from Funds if it is necessary to do so to satisfy any creditor proceeding against certain of the assets of the Company or otherwise. The Directors also reserve the right to redesignate any Class from time to time, provided that Shareholders in that Class shall first be notified by the Company that the Shares will be redesignated and shall be given the opportunity to have their Shares repurchased by the Company. In the event that the Directors transfer any asset to and from any Fund they shall advise Shareholders of any such transfer in the next succeeding annual or half yearly report to Shareholders.

There are seven Subscriber Shares in issue. The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company and have the same voting rights as attach to the other Shares in the Company, with the exception of Series 2 Shares which have restricted voting rights in respect of any resolution relating to the appointment, removal or replacement of any Director of the Company. The Subscriber Shares do not entitle the holders to participate in the net assets of any Fund. The Subscriber Shares' entitlement on a winding up shall be limited to the amount subscribed and any accrued income thereon. A holder of a Share shall be entitled to attend at meetings of the Company or of the Fund in

respect of which the Share is issued. Shares may be issued with restricted voting rights. As outlined above, the only restriction currently in existence relates to Series 2 Shares to the extent that Series 2 Shareholders are precluded from voting on any resolution in respect of the appointment, removal or replacement of any Director of the Company and from exercising any casting vote in relation to any such resolution.

Any resolution to alter the rights attaching to a Class requires the approval in writing of three quarters of the holders of the Shares of the Class or with the sanction of an Ordinary Resolution passed at a separate general meeting of holders of Shares of that Class represented or present and voting at a general meeting duly convened in accordance with the Articles of Association. The quorum for any general meeting convened to consider any alteration to the rights attaching to the Shares of a Class shall be such number of Shareholders being two or more persons whose holdings comprise one third of the Shares.

## MEETINGS

All general meetings of the Company shall be held in Ireland. In each year, the Company shall hold a general meeting as its annual general meeting. Twenty-one days' notice (excluding the day of dispatch and the day of the meeting) shall be given in respect of each general meeting of the Company. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. The requirements for quorum and majorities at all general meetings are set out in the Articles of Association. Two members present in person or by proxy shall constitute a quorum, provided that the quorum for a general meeting convened to consider any alteration to the rights attributable to a Class shall be two Shareholders present in person or by proxy together holding at least one third of the issued Shares of the relevant Class. An ordinary resolution is a resolution passed by a simple majority of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. The Articles of Association provide that matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by five Shareholders or by Shareholders holding not less than 10% of the Shares or unless the chairman of the meeting requests a poll. Each Share gives the holder one vote in relation to any matter relating to the Company which is submitted to Shareholders for a vote by poll save that the holders of Series 2 Shares are precluded from voting on any resolution in respect of the appointment, removal or replacement of any Director and from exercising any casting vote in relation to any such resolution.

## DATA PROTECTION

If you are, or are associated with, a Shareholder, please note that the Company and the Manager will use, process and share your personal data in accordance with the General Data Protection Regulation (EU) 2016/679, as amended from time to time, and the Manager's privacy statement, the current version of which is available on the website, https://www.fidelity.ie.

## THE FUNDS AND SEGREGATION OF LIABILITY

The Company is an umbrella fund with segregated liability between Funds. Accordingly, any liability incurred on behalf of or attributable to any Fund of the Company shall be discharged solely out of the assets of that Fund, and neither the Company nor any director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction of any liability incurred on behalf of or attributable to any other Fund of the Company, irrespective of when such liability was incurred. Separate records shall be maintained in respect of each Fund.

APPENDIX 1

## THE REGULATED MARKETS

With the exception of permitted investments in unlisted securities, the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) and which are listed below.

The Regulated Markets shall comprise any stock exchange in the European Union and also any investments listed, quoted or dealt in on any stock exchange in Australia, Canada, Japan, New Zealand, Norway, Switzerland, the UK or the US which is a stock exchange within the meaning of the law of the country concerned relating to stock exchanges, the market organised by the International Securities Markets Association, NASDAQ, the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York, the over-the-counter market in the US conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation, the market conducted by listed money market institutions as described in the publication entitled "The Investment Business Interim Prudential Sourcebook" produced by the Financial Conduct Authority in the UK (which replaces the previous Bank of England publications and the "Grey Paper") (as amended or revised from time to time), the over-the-counter market in Tokyo regulated by the Securities Dealers Association of Japan, AIM - the Alternative Investment Market in the UK, regulated by the London Stock Exchange and the following stock exchanges: the Istanbul Stock Exchange, the Stock Exchange of Hong Kong, the Bombay Stock Exchange, the Kuala Lumpur Stock Exchange, the Stock Exchange of Singapore, the Taiwan Stock Exchange, the Stock Exchange of Thailand, the Korea Stock Exchange, the Bangalore Stock Exchange, the Calcutta Stock Exchange, the Delhi Stock Exchange Association, the Gauhati Stock Exchange, the Hyderabad Stock Exchange, the Ludhiana Stock Exchange, the Madras Stock Exchange, the Pune Stock Exchange, the Uttar Pradesh Stock Exchange Association, the Jakarta Stock Exchange, the Surabaya Stock Exchange, the Shenzhen Stock Exchange, the Shanghai Securities Exchange, the Colombo Stock Exchange, the Karachi Stock Exchange, the Lahore Stock Exchange, the Philippines Stock Exchange, the Buenos Aires Stock Exchange, the Rio de Janeiro Stock Exchange, the Sao Paolo Stock Exchange, the Santiago Stock Exchange, the Bogota Stock Exchange, the Medellin Stock Exchange, the Caracas Stock Exchange, the Maracaibo Stock Exchange, the Lima Stock Exchange, the Mexican Stock Exchange, the Tel Aviv Stock Exchange, the Dhaka Stock Exchange, the Cairo Stock Exchange, the Amman Stock Exchange, the Casablanca Stock Exchange, the Morocco Stock Exchange and the Johannesburg Stock Exchange. These exchanges and markets are listed here in accordance with the regulatory criteria as defined in the CBI UCITS Regulations. The Central Bank which does not issue a list of approved exchanges and markets.

The aggregate amount of the Net Asset Value of a Fund which may be invested in securities traded on the Karachi Stock Exchange and the Lahore Stock Exchange is 30% of the Net Asset Value of that Fund.

The Regulated Markets set forth below are subject to the following restrictions as of the date of this Prospectus:

(i) no more than 10% of the Net Asset Value of a Fund may be invested in securities traded on any one of the Regulated Markets listed below; and

(ii) the aggregate amount of the Net Asset Value of a Fund which may be invested in securities traded on the Regulated Markets listed below is 30% of the Net Asset Value of a Fund.

The Colombo Stock Exchange

The Bogota Stock Exchange

The Dhaka Stock Exchange

The Medellin Stock Exchange

The Maracaibo Stock Exchange

The Lima Stock Exchange

The Amman Stock Exchange

The Casablanca Stock Exchange

The Morocco Stock Exchange

## APPENDIX 2

## REPURCHASE AGREEMENTS AND REVERSE REPURCHASE AGREEMENTS

In accordance with the CBI UCITS Regulations and the MMF Regulations, a Fund may use repurchase and reverse repurchase agreements as set out in this Appendix 2.

### General

Repurchase agreements involve the sale of securities with an agreement to repurchase the securities at an agreed upon price, date and interest payment. Reverse repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate of maturity of the purchased securities. The securities to which repurchase agreements and reverse repurchase agreements relate will be money market instruments described in the "Asset Classes" paragraph of the "Investment Objective and Policies" section above.

Any counterparty to a repurchase agreement or reverse repurchase agreement shall be subject to an appropriate internal credit assessment carried out by the Investment Manager on behalf of the Company which shall include, amongst other considerations, external or implied credit ratings of the counterparty, capital adequacy, regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk. Where such counterparty: (a) is subject to a credit rating by an agency registered and supervised by ESMA, that rating shall be taken into account by the Investment Manager in the credit assessment process; and (b) where the relevant counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Investment Manager on behalf of the Company without delay.

The Company may not enter into total return swaps, margin lending transactions or stock lending transactions. Similarly, the Company may not make use of financial derivative instruments. The counterparties to securities financing transactions ("SFTs") will generally be financial institutions based in an OECD Member State having an investment grade credit rating. Counterparties to such transactions must be subject to prudential supervision rules considered by the Central Bank as equivalent to those prescribed by EU law and specialised in these types of transactions.

The expected proportion of the NAV per Fund subject to repurchase and reverse repurchase agreements is in line with the current investment objectives outlined in the Prospectus. In the event that the proportion of the NAV subject to repurchase agreements of a Fund changes, the investment objective will be amended accordingly. The expected proportion of the assets that can be subject to repurchase and reverse repurchase agreements typically range between 0% and 100%, the latter being the maximum. The expected usage cannot be estimated precisely as the use of these instruments is dependent on multiple factors, including market conditions, and may fluctuate over time. Based on historical data, the Funds usage of these transactions typically range between 0% and 5% of the Net Asset Value, however the historical range is not a predictor of future use.

Where the Company, on behalf of a Fund, engages in repurchase agreements or reverse repurchase agreements, all revenues, net of direct and indirect operational costs and fees arising from the relevant transaction are paid into the assets of the relevant Fund. These direct and indirect operational costs will not contain hidden revenue. The Company will disclose information on the direct and indirect operational costs and fees incurred by each Fund as a result of engaging in such repurchase agreements or reverse repurchase agreements, as well as the identity of the entity or entities, to which such costs and fees are paid, indicating whether or not these are related parties to the Manager or the Depositary, in the annual report of the Company.

### Repurchase agreements

A Fund that enters into a repurchase agreement must ensure that:

(a) the repurchase agreement is used on a temporary basis, for no more than seven Business Days, only for liquidity management purposes and not for investment purposes other than as referred to at (c) below;

(b) the counterparty is prohibited from selling, investing, pledging or otherwise transferring the collateral without the Fund's prior consent;

(c) the cash received by the Fund is able to be used in accordance with the requirements described under "Collateral" below;

(d) the cash received by the Fund does not exceed 10% of its assets; and

(e) the Fund has the right to terminate the repurchase agreement at any time upon giving prior notice of no more than two Business Days.

### Reverse repurchase agreements

A Fund that enters into a reverse repurchase agreement must ensure that:

(a) the Fund has the right to terminate the agreement at any time upon giving prior notice of no more than two Business Days;

(b) the market value of assets received by the Fund is at all times at least equal to the value of the cash paid out by the Fund;

(c) the aggregate amount of cash provided to the same counterparty to reverse repurchase agreements shall not exceed 15% of the assets of the Fund;

(d) the assets received by the Fund are money market instruments and must comply with the requirements described below under "Collateral";

and

(e) the Fund must be able to recall the full amount of cash either an accrued basis or a mark-to-market basis (when the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value).

Collateral

1. Collateral received by a Fund as a result of engaging in the above-referenced transactions must, at all times, meet with the following criteria:

   (i) Liquidity: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.

   (ii) Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.

   (iii) Issuer credit quality: Collateral received should be of High Quality.

   (iv) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.

   (v) Diversification (asset concentration): In the context repurchase agreements, collateral must be in the form of cash. Collateral received in the context of reverse repurchase agreements should be sufficiently diversified such that the maximum exposure to any one issuer is 15% of the Fund's Net Asset Value, except where the collateral complies with the requirements described in paragraph 2 below.

   (vi) Immediately available: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

2. Collateral received in the context of reverse repurchase agreements, where the maximum exposure to a given issuer is equal to or greater than 15% of the Fund's Net Asset Value, should be either: (a) money market instruments with remaining maturities (e.g. a final maturity date) of 397 days or less which comply with paragraphs 2.9 and 2.10 of the "Investment Restrictions" section; or (b) liquid transferable securities and money market instruments issued or guaranteed by the European Union, a central authority or central bank of a Member State, a central authority or central bank of a third country, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility that comply with paragraph 2.10 of the "Investment Restrictions" section.

3. Risks relating to the management of collateral, such as operational and legal risks should be identified, managed and mitigated by the risk management process of the Company.

4. Collateral received on a title transfer basis should be held by the Depositary. For other types of collateral arrangements, the collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated and unconnected to the provider of the collateral.

5. The level of collateral required will, subject to the minimum transfer amount and threshold provisions, be at least 100% of the exposure to the relevant counterparty.

6. Non-cash collateral cannot be sold, pledged or re-invested.

7. Cash collateral received in the context of repurchase agreements can only be: (i) placed on deposit in accordance with the Regulations; or (ii) invested in High Quality liquid transferable securities or money market instruments they are issued or guaranteed by the European Union, a central authority or central bank of a Member State, a central authority or central bank of a third country, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility. Such securities or money market instruments shall comply with paragraph 2.10 of the "Investment Restrictions" section.

8. A Fund receiving collateral for at least 30% of its assets shall have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

   (a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;

   (b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;

   (c) reporting frequency and limit/loss tolerance threshold/s; and

   (d) mitigation actions to reduce loss including haircut policy and gap risk protection.

9. Each Fund shall have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, a Fund shall take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with Regulation 21 of the CBI UCITS Regulations. This policy shall be documented and shall justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets. In this regard, the collateral received by each Fund shall comprise of high quality government bonds which shall not be subject to any haircut.

10. The following type of assets can be subject to repurchase and reverse repurchase agreements: cash and bonds.

Shareholders are advised that the Company is not required to calculate global exposure because: (i) it does not engage in the use of financial derivative instruments; and (ii) it does not generate leverage through the re-investment of collateral. Repurchase agreements, reverse repurchase agreements and securities lending do not constitute borrowing or lending for the purpose of Regulations 103 and 111

of the Regulations, respectively.

## WHEN-ISSUED SECURITIES

A Fund may purchase debt obligations on a “when-issued” basis, that is, for delivery to the Fund later than the normal settlement date for such securities, at a stated price and yield. A Fund generally would not pay for such securities or start earning interest on them until they are received. However, when a Fund undertakes a when-issued purchase obligation, it immediately assumes the risks of ownership, including the risk of price fluctuation. Failure by the issuer to deliver a security purchased on a when-issued basis may result in a loss or missed opportunity to make an alternative investment.

## APPENDIX 3

## IMPORTANT INFORMATION FOR INVESTORS: COUNTRY SPECIFIC DETAILS

### CHILE

Neither the Company nor the Shares have been registered with the Superintendencia de Valores Y Seguros pursuant to Law No. 18.045 the Ley De Mercado de Valores, and the Regulations thereunder. This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase the Shares in the Republic of Chile, other than to individually identified buyers pursuant to a private offering within the meaning of Article 4 of the Ley de Mercado de Valores (an offer that is not addressed to the public at large or to a certain sector or specific group of the public) in respect of the Shares in The United States Dollar Fund only (with the exception of the STANLIB USD Short-Term Money Market Class and Class F).

### HONG KONG

The Company has not been authorised by the Securities and Futures Commission in Hong Kong. Consequently, Shares in the Company are not available to the general public in Hong Kong and must not be distributed in Hong Kong by way of public offer, public advertisement or in any similar manner. Shares in the Company may be made available only to suitably qualified professional investors or by way of private placement. This Prospectus has not been reviewed by any regulatory authority in Hong Kong and no regulatory authority in Hong Kong takes responsibility for the financial soundness of the scheme or for the accuracy of any statement made or opinion expressed in this Prospectus. Investors are advised to exercise caution in relation to the offer. Any investor who is in doubt about the contents of the Prospectus is strongly recommended to seek independent professional advice.

### IRELAND

The Company is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997 of Ireland, as amended. For Irish tax purposes, all investors acquiring Shares by subscription or transfer for the first time will be required to complete an Irish tax declaration. Applicants are directed to the section entitled "Taxation" in this Prospectus.

### ITALY

The marketing of The Euro Fund, The Sterling Fund and The United States Dollar Fund, exclusively addressed to professional investors, as defined in Annex 3.I of Consob Regulation n. 16190/2007, as amended, was authorised in Italy by Consob and Bank of Italy on 29 April and on 4 May 2004 respectively pursuant to Art. 42, par. 2, let. b) of Legislative Decree of February 24, 1998, no. 58, as amended. Investors in Italy are advised that the documents of the Company, including the Prospectus, the Key Investor Information Documents(s) and the Annual Reports and Accounts shall be available on the website of the Company, https://www.fidelity.ie/liquidity-funds,Error! Hyperlink reference not valid., in English.

### SWITZERLAND

The Company has not been authorised by the Swiss Federal Banking Commission as a foreign investment fund pursuant to Article 120 of the Swiss Collective Investment Schemes Act. Accordingly, the Shares may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Banking Commission, and neither this Prospectus nor any other offering material relating to the Shares may be distributed in connection with any such offering or distribution. Any subscriber should clearly note that he does not benefit from any protection as offered by the said Swiss law on investment funds.

### UNITED STATES

The Company and the Funds are not registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act"), nor are Shares registered under the US Securities Act of 1933 (the "Securities Act") or under any state "Blue Sky" laws. Accordingly, Shares may not be offered or sold in the US or, directly or indirectly, to or for the benefit of a US Person, except with the consent of the Directors in a private transaction which does not result in a violation of applicable US federal or state securities laws. Each purchaser of a Share will be deemed to represent that such purchaser is not a U.S. person, is not receiving the Share in the United States, and is not acquiring the Share for the account of a U.S. person except as otherwise authorised by the Directors of the Company in the section below entitled "Subscriptions and Transfers to US Persons". Neither the Manager nor the Investment Manager is a registered investment adviser or an exempt reporting adviser under the US Investment Advisers Act of 1940, as amended. Neither the Manager nor the Investment Manager is registered with the US Commodity Futures Trading Commission and neither the Manager nor the Investment Manager is obligated to pursue or obtain any such registration with respect to the Company or the Funds.

To the extent that there are U.S. Persons invested in the Company, the Manager will monitor the number of US Persons invested in the Company and the qualifications of US Persons investing in the Company. The Directors will require redemption of Shares by a Shareholder who becomes a US Person and does not qualify as an "accredited investor" (as defined under Regulation D) or as otherwise provided in this Prospectus. The Directors may also refuse an application for Shares or require the redemption of Shares by Shareholders who are US Persons to maintain its exemption from the Investment Company Act and/or to ensure that neither the Manager nor the Investment Manager is required to be an registered investment adviser or an exempt reporting adviser under the US Investment Advisers Act of 1940, as amended or any U.S. state securities laws. The Directors may also refuse an application for Shares or require the redemption of Shares by Shareholders who are US Persons in circumstances which, in the

opinion of the Directors, might prejudice the tax status or residence of the Company. The procedure for determining which Shares will be redeemed in a particular case is at the discretion of the Directors. In exercising its discretion and in making a determination as to whether to require the redemption of Shares, and in determining which Shareholders will be subject to compulsory redemption, the Directors may act upon the basis of such information as may be known to them, without any obligation to make special inquiries, and may rely upon the advice of U.S. counsel. In no event will the Directors, the Company, the Funds, the Manager or the Investment Manager be liable to any Shareholder for any consequences of exercising any discretion or making any determination in good faith with respect to such a redemption.

The Directors currently do not accept US Persons as investors in the Company; in particular, the Directors do not accept Employee Retirement Income Security Act (ERISA) investors.

Subscriptions and Transfers to US Persons

The Directors may authorise the purchase or transfer of Shares to a US Person provided that:

(i) such purchase or transfer does not result in a violation of the Securities Act or the securities laws of States of the US;

(ii) such purchase or transfer would not require the Company to register under the Investment Company Act;

(iii) such purchase or transfer would not require the Manager or the Investment Manager to be a registered investment adviser or an exempt reporting adviser required to register or report under the US Investment Advisers Act of 1940, as amended or any U.S. state securities laws;

(iv) there will be no adverse tax consequences to the Company or the Shareholders as a result of such a purchase or transfer; and

(v) subject to the overriding provisions of the Prospectus.

In addition, the Directors may authorise the purchase or transfer of Shares to a US Person resident outside the US if the US Person declares that they are making their application as a "professional discretionary fiduciary" or otherwise for the beneficial account of a person who is not a US Person.

Each applicant for Shares who is a US Person will be required to provide such representations, warranties or documentation as may be required by the Directors to ensure that such requirements are met prior to approval of such sale or transfer by the Directors.

US Taxation

The discussion contained in this Prospectus as to US federal tax considerations is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties. Such discussion is written to support the promotion or marketing of the transactions or matters addressed herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

US Persons who invest directly in the Company or whose non-US subsidiaries or affiliates invest in the Company may be subject to US income tax consequences. Prospective investors who are such US Persons or who are subsidiaries or affiliates of US Persons should seek their own professional advice as to the potential US tax consequences of such investment.

The following is only a summary of certain aspects of the Internal Revenue Code (the "Code") that may be applicable, and is not intended to be a summary of all relevant US tax considerations.

The Company (or possibly each Fund) will be considered a "passive foreign investment company" ("PFIC") within the meaning of Section 1297(a) of the Code. Status as a PFIC may result in adverse US State and local tax consequences to any US taxpayer which is an investor, and to any US taxpayer which is a partner in, or a beneficiary of, an investor, or which is a shareholder of an investor which is itself a PFIC, or which is a 50% or greater shareholder of an investor which is not a PFIC. The Company does not intend to prepare the annual information statements needed by US taxpayers in order to make a US tax election (the so-called "QEF election").

The Prospectus provides that each Fund may invest in other collective investment schemes. Under the relevant attribution rules applicable to PFICs, if a U.S. person owns any interest in a PFIC (the "top-tier PFIC"), and the top-tier PFIC owns any interest in another PFIC (the "lower-tier PFIC"), the U.S. person is deemed to own an interest in the lower-tier PFIC. As a result, as a technical matter, the PFIC rules will apply to the U.S. person's deemed interest in the lower-tier PFIC. Consequently, the top-tier PFIC's disposition of shares in the lower-tier PFIC or receipt of a distribution from the lower-tier PFIC may result in a tax liability and a reporting obligation by the U.S. person.

US taxpayers who are investors, or who are shareholders, partners or beneficiaries of an investor, may also suffer adverse US income tax consequences if the Company (or any Fund) is a Controlled Foreign Corporation ("CFC") under the Code. The Company will attempt to operate so as to avoid classification as a CFC, but cannot guarantee that it will be able to do so. In order to minimise the risk of classification as a CFC, the Company intends to issue only Series 2 Shares (vote restricted Shares) to US Persons and US Related Investors as more particularly outlined in the relevant Fund Supplement under the section entitled "Classes of Shares".

The above comments are of a general nature only. They relate to complex areas of US taxation and securities law. Investors are strongly recommended to contact their professional advisers.

Prospective investors who are either a US Person and/or US Related Investor should also note the following important information:

- Neither the Company nor the Shares have been approved or disapproved by the US Securities and Exchange Commission, any State Securities Commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy of these offering materials. Any representation to the contrary is unlawful.

- No representations or warranties of any kind are intended or should be inferred with respect to the economic return or the tax consequences from an investment in the Funds. No assurance can be given that the Funds' investment objective(s) will be achieved. No assurance can be given that existing laws will not be changed or interpreted adversely.

- This Prospectus is not to be construed as legal or tax advice. Each investor should consult his or her own counsel and accountant for advice concerning the various legal tax and economic considerations relating to his or her investment. Each prospective investor is responsible for the fees of his or her own counsel, accountants and other advisors.

- Prospective investors should not subscribe for Shares unless satisfied that they and their investment representative, if any, have asked for and received all information which would enable them to evaluate the merits and risks of the proposed investment.

- The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable State securities laws, pursuant to registration or exemption therefrom, as well as in accordance with the requirements set forth in the Prospectus. Each US Person subscribing for Shares must agree that the Company or the Fund may reject any proposed transfer of those Shares at their discretion.

- Certain information contained in the Prospectus may constitute "Forward-Looking Statements" that can be identified by the use of forward looking terminology such as "may", "should" "expect", "anticipate", "project", "estimate", "intend", "continue", or believe, or the negatives thereof, or other variations thereon, or comparable terminology. Due to various risks and uncertainties, including those set forth in the Prospectus, actual events or results or the actual performance of the Funds may differ materially from those reflected or contemplated in such forward looking statements.

- This Prospectus has been submitted to you confidentially in connection with a Private Placement of Shares in the US and does not constitute an offer to sell or the solicitation of an offer to buy Shares in any State or jurisdiction in which the offer or sale of the Shares would be prohibited or to any entity or individual not possessing the qualifications described in this Prospectus.

APPENDIX 4

LIST OF DELEGATES AND SUB-DELEGATES OF THE DEPOSITARY

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **ARGENTINA** | HSBC Bank Argentina S.A.<br>Bouchard 680, 9th Floor<br>C1106ABJ Buenos Aires<br>ARGENTINA | HSBC Bank Argentina S.A.<br>Buenos Aires |
| **AUSTRALIA** | JPMorgan Chase Bank, N.A.**<br>Level 31, 101 Collins Street<br>Melbourne 3000<br>AUSTRALIA | Australia and New Zealand Banking Group Ltd.<br>Melbourne |
| **AUSTRIA** | UniCredit Bank Austria AG<br>Julius Tandler Platz - 3<br>A-1090 Vienna<br>AUSTRIA | J.P. Morgan AG**<br>Frankfurt am Main |
| **BAHRAIN** | HSBC Bank Middle East Limited<br>Road No 2832<br>Al Seef 428<br>BAHRAIN | HSBC Bank Middle East Limited<br>Al Seef |
| **BANGLADESH** | Standard Chartered Bank<br>Portlink Tower<br>Level-6, 67 Gulshan Avenue<br>Gulshan<br>Dhaka -1212<br>BANGLADESH | Standard Chartered Bank<br>Dhaka |
| **BELGIUM** | BNP Paribas Securities Services S.C.A.<br>Central Plaza Building<br>Rue de Loxum, 25<br>7th Floor<br>1000 Brussels<br>BELGIUM | J.P. Morgan A.G.**<br>Frankfurt am Main |
| **BERMUDA** | HSBC Bank Bermuda Limited<br>6 Front Street<br>Hamilton HM 11<br>BERMUDA | HSBC Bank Bermuda Limited<br>Hamilton |
| **BOTSWANA** | Standard Chartered Bank Botswana Limited<br>5th Floor, Standard House<br>P.O. Box 496<br>Queens Road, The Mall<br>Gaborone<br>BOTSWANA | Standard Chartered Bank Botswana Limited<br>Gaborone |
| **BRAZIL** | J.P. Morgan S.A. DTVM**<br>Av. Brigadeiro Faria Lima, 3729, Floor 06<br>Sao Paulo SP 04538-905<br>BRAZIL | J.P. Morgan S.A. DTVM**<br>Sao Paulo |
| **BULGARIA** | Citibank Europe plc<br>Serdika Offices<br>10th Floor<br>48 Sitnyakovo Blvd<br>Sofia 1505<br>BULGARIA | ING Bank N.V.<br>Sofia |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **CANADA** | Canadian Imperial Bank of Commerce<br>1 York Street, Suite 900<br>Toronto Ontario M5J 0B6<br>CANADA<br><br>Royal Bank of Canada<br>155 Wellington Street West,<br>Toronto Ontario M5V 3L3<br>CANADA | Royal Bank of Canada<br>Toronto |
| **CHILE** | Banco Santander Chile<br>Bandera 140, Piso 4<br>Santiago<br>CHILE | Banco Santander Chile<br>Santiago |
| **CHINA A-SHARE** | HSBC Bank (China) Company Limited<br>33/F, HSBC Building, Shanghai ifc<br>8 Century Avenue, Pudong<br>Shanghai 200120<br>THE PEOPLE'S REPUBLIC OF CHINA | HSBC Bank (China) Company Limited<br>Shanghai |
| **CHINA B-SHARE** | HSBC Bank (China) Company Limited<br>33/F, HSBC Building, Shanghai ifc<br>8 Century Avenue, Pudong<br>Shanghai 200120<br>THE PEOPLE'S REPUBLIC OF CHINA | JPMorgan Chase Bank, N.A.**<br>New York<br><br>JPMorgan Chase Bank, N.A.**<br>Hong Kong |
| **CHINA CONNECT** | JPMorgan Chase Bank, N.A.**<br>48th Floor, One Island East<br>18 Westlands Road, Quarry Bay<br><br>HONG KONG | JPMorgan Chase Bank, N.A.**<br>Hong Kong |
| **COLOMBIA** | Cititrust Colombia S.A.<br>Carrera 9 A # 99-02, 3rd floor<br>Bogota<br>COLOMBIA | Cititrust Colombia S.A.<br>Bogotá |
| ***COSTA RICA*** | Banco BCT, S.A.<br>150 Metros Norte de la Catedral Metropolitana<br>Edificio BCT<br>San Jose<br>COSTA RICA | Banco BCT, S.A.<br>San Jose |
| *RESTRICTED SERVICE ONLY. PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION* | | |
| **CROATIA** | Privredna banka Zagreb d.d.<br>Radnicka cesta 50<br>10000 Zagreb<br>CROATIA | Zagrebacka banka d.d.<br>Zagreb |
| **CYPRUS** | HSBC Bank plc<br>109-111, Messogian Ave.<br>115 26 Athens<br>GREECE | J.P. Morgan AG**<br>Frankfurt am Main |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **CZECH REPUBLIC** | UniCredit Bank Czech Republic and Slovakia, a.s.<br>BB Centrum - FILADELFIE<br>Zeletavska 1525-1<br>140 92 Prague 1<br>CZECH REPUBLIC | Ceskoslovenska obchodni banka, a.s.<br>Prague |
| **DENMARK** | Nordea Bank AB (publ)<br>Christiansbro<br>Strandgade 3<br>P.O. Box 850<br>DK-0900 Copenhagen<br>DENMARK | Nordea Bank AB (publ)<br>Copenhagen |
| **EGYPT** | Citibank, N.A.<br>The Boomerang Building,<br>Plot 46, 1st District,<br>5th Settlement, Off Road 90,<br>Cairo 11835<br>EGYPT | Citibank, N.A.<br>Cairo |
| **ESTONIA** | Swedbank AS<br>Liivalaia 8<br>15040 Tallinn<br>ESTONIA | J.P. Morgan AG**<br>Frankfurt am Main |
| **FINLAND** | Nordea Bank AB (publ)<br>Aleksis Kiven katu 3-5<br>FIN-00020 NORDEA Helsinki<br>FINLAND | J.P. Morgan AG**<br>Frankfurt am Main |
| **FRANCE** | BNP Paribas Securities Services S.C.A.<br>3, rue d'Antin<br>75002 Paris<br>FRANCE | J.P. Morgan AG**<br>Frankfurt am Main |
| **GERMANY** | Deutsche Bank AG<br>Alfred-Herrhausen-Allee 16-24<br>D-65760 Eschborn<br>GERMANY<br><br>J.P. Morgan AG#**<br>Taunustor 1 (TaunusTurm)<br>60310 Frankfurt am Main<br>GERMANY<br># Custodian for local German custody clients only. | J.P. Morgan AG**<br>Frankfurt am Main |
| **GHANA** | Standard Chartered Bank Ghana Limited<br>Accra High Street<br>P.O. Box 768<br>Accra<br>GHANA | Standard Chartered Bank Ghana Limited<br>Accra |
| **GREECE** | HSBC Bank plc<br>Messogion 109-111<br>11526 Athens<br>GREECE | J.P. Morgan AG**<br>Frankfurt am Main |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **HONG KONG** | JPMorgan Chase Bank, N.A.**<br>48th Floor, One Island East<br>18 Westlands Road, Quarry Bay<br><br>HONG KONG | JPMorgan Chase Bank, N.A.**<br>Hong Kong |
| **HUNGARY** | Deutsche Bank AG<br>Hold utca 27<br>H-1054 Budapest<br>HUNGARY | ING Bank N.V.<br>Budapest |
| ***ICELAND*** | Islandsbanki hf.<br>Kirkjusandur 2<br>IS-155 Reykjavik<br>ICELAND | Islandsbanki hf.<br>Reykjavik |
| *RESTRICTED SERVICE ONLY. PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION* | | |
| **INDIA** | JPMorgan Chase Bank, N.A.**<br>6th Floor, Paradigm 'B' Wing<br>Mindspace, Malad (West)<br>Mumbai 400 064<br>INDIA | JPMorgan Chase Bank, N.A.**<br>Mumbai |
| **INDONESIA** | PT Bank HSBC Indonesia<br>Menara Mulia 25th Floor<br>Jl. Jendral Gatot Subroto Kav. 9-11<br>Jakarta 12930<br>INDONESIA | PT Bank HSBC Indonesia<br>Jakarta |
| **IRELAND** | JPMorgan Chase Bank, N.A.**<br>25 Bank Street, Canary Wharf<br>London E14 5JP<br>UNITED KINGDOM | J.P. Morgan AG**<br>Frankfurt am Main |
| **ISRAEL** | Bank Leumi le-Israel B.M.<br>35, Yehuda Halevi Street<br>65136 Tel Aviv<br>ISRAEL | Bank Leumi le-Israel B.M.<br>Tel Aviv |
| **ITALY** | BNP Paribas Securities Services S.C.A.<br>Piazza Lina Bo Bardi, 3<br>20124 Milan<br>ITALY | J.P. Morgan AG**<br>Frankfurt am Main |
| **JAPAN** | Mizuho Bank, Ltd.<br>2-15-1, Konan<br>Minato-ku<br>Tokyo 108-6009<br>JAPAN<br><br>The Bank of Tokyo-Mitsubishi UFJ, Ltd.<br>1-3-2 Nihombashi Hongoku-cho<br>Chuo-ku<br>Tokyo 103-0021<br>JAPAN | JPMorgan Chase Bank, N.A.**<br>Tokyo |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **JORDAN** | Standard Chartered Bank<br>Shmeissani Branch<br>Al-Thaqafa Street<br>Building # 2<br>P.O. Box 926190<br>Amman<br>JORDAN | Standard Chartered Bank<br>Amman |
| **KAZAKHSTAN** | JSC Citibank Kazakhstan<br>Park Palace, Building A, Floor 2<br>41 Kazybek Bi<br>Almaty 050010<br>KAZAKHSTAN | Subsidiary Bank Sberbank of Russia Joint Stock Company<br>Almaty |
| **KENYA** | Standard Chartered Bank Kenya Limited<br>Chiromo<br>48 Westlands Road<br>Nairobi 00100<br>KENYA | Standard Chartered Bank Kenya Limited<br>Nairobi |
| **KUWAIT** | HSBC Bank Middle East Limited<br>Kuwait City, Sharq Area<br>Abdulaziz Al Sager Street<br>Al Hamra Tower, 37F<br>Safat 13017<br>KUWAIT | HSBC Bank Middle East Limited<br>Safat |
| **LATVIA** | Swedbank AS<br>Balasta dambis 1a<br>Riga LV-1048<br>LATVIA | J.P. Morgan AG**<br>Frankfurt am Main |
| **LITHUANIA** | AB SEB Bankas<br>12 Gedimino pr.<br>LT 2600 Vilnius<br>LITHUANIA | J.P. Morgan AG**<br>Frankfurt am Main |
| **LUXEMBOURG** | BNP Paribas Securities Services S.C.A.<br>60 Avenue John F. Kennedy<br>L-1855 Luxembourg<br>LUXEMBOURG | J.P. Morgan AG**<br>Frankfurt am Main |
| ***MALAWI*** | Standard Bank Limited, Malawi<br>1st Floor Kaomba House<br>Cnr Glyn Jones Road & Victoria Avenue<br>Blantyre<br>MALAWI | Standard Bank Limited, Malawi<br>Blantyre |
| *RESTRICTED SERVICE ONLY. PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION* | | |
| **MALAYSIA** | HSBC Bank Malaysia Berhad<br>2 Leboh Ampang<br>12th Floor, South Tower<br>50100 Kuala Lumpur<br>MALAYSIA | HSBC Bank Malaysia Berhad<br>Kuala Lumpur |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **MAURITIUS** | The Hongkong and Shanghai Banking Corporation Limited<br>HSBC Centre<br>18 Cybercity<br>Ebene<br>MAURITIUS | The Hongkong and Shanghai Banking Corporation Limited<br>Ebene |
| **MEXICO** | Banco Nacional de Mexico, S.A.<br>Act. Roberto Medellin No. 800 3er Piso Norte<br>Colonia Santa Fe<br>01210 Mexico, D.F.<br>MEXICO | Banco Santander (Mexico), S.A.<br>Mexico, D.F. |
| **MOROCCO** | Société Générale Marocaine de Banques<br>55 Boulevard Abdelmoumen<br>Casablanca 20100<br>MOROCCO | Attijariwafa Bank S.A.<br>Casablanca |
| **NAMIBIA** | Standard Bank Namibia Limited<br>2nd Floor, Town Square Building<br>Corner of Werner List and Post Street Mall<br>P.O. Box 3327<br>Windhoek<br>NAMIBIA | The Standard Bank of South Africa Limited<br>Johannesburg |
| **NETHERLANDS** | BNP Paribas Securities Services S.C.A.<br>Herengracht 595<br>1017 CE Amsterdam<br>NETHERLANDS | J.P. Morgan AG**<br>Frankfurt am Main |
| **NEW ZEALAND** | JPMorgan Chase Bank, N.A.**<br>Level 13, 2 Hunter Street<br>Wellington 6011<br>NEW ZEALAND | Westpac Banking Corporation<br>Wellington |
| **NIGERIA** | Stanbic IBTC Bank Plc<br>Plot 1712<br>Idejo Street<br>Victoria Island<br>Lagos<br>NIGERIA | Stanbic IBTC Bank Plc<br>Lagos |
| **NORWAY** | Nordea Bank AB (publ)<br>Essendropsgate 7<br>P.O. Box 1166<br>NO-0107 Oslo<br>NORWAY | Nordea Bank AB (publ)<br>Oslo |
| **OMAN** | HSBC Bank Oman S.A.O.G.<br>2nd Floor Al Khuwair<br>P.O. Box 1727 PC 111<br>Seeb<br>OMAN | HSBC Bank Oman S.A.O.G.<br>Seeb |
| **PAKISTAN** | Standard Chartered Bank (Pakistan) Limited<br>P.O. Box 4896<br>Ismail Ibrahim Chundrigar Road<br>Karachi 74000<br>PAKISTAN | Standard Chartered Bank (Pakistan) Limited<br>Karachi |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **PERU** | Citibank del Perú S.A.<br>Av. Canaval y Moreryra 480 Piso 3<br>San Isidro<br>Lima 27<br>PERU | Banco de Crédito del Perú<br>Lima |
| **PHILIPPINES** | The Hongkong and Shanghai Banking Corporation Limited<br>7/F HSBC Centre<br>3058 Fifth Avenue West<br>Bonifacio Global City<br>1634 Taguig City<br>PHILIPPINES | The Hongkong and Shanghai Banking Corporation Limited<br>Taguig City |
| **POLAND** | Bank Handlowy w. Warszawie S.A.<br>ul. Senatorska 16<br>00-923 Warsaw<br>POLAND | mBank S.A.<br>Warsaw |
| **PORTUGAL** | BNP Paribas Securities Services S.C.A.<br>Avenida D.João II, Lote 1.18.01, Bloco B,<br>7º andar<br>1998-028 Lisbon<br>PORTUGAL | J.P. Morgan AG**<br>Frankfurt am Main |
| **QATAR** | HSBC Bank Middle East Limited<br>2nd Floor, Ali Bin Ali Tower<br>Building 150 (Airport Road)<br>P.O. Box 57<br>Doha<br>QATAR | The Commercial Bank (P.Q.S.C.)<br>Doha |
| **ROMANIA** | Citibank Europe plc<br>145 Calea Victoriei<br>1st District<br>010072 Bucharest<br>ROMANIA | ING Bank N.V.<br>Bucharest |
| **RUSSIA** | J.P. Morgan Bank International (Limited Liability Company)**<br>10, Butyrsky Val<br>White Square Business Centre<br>Floor 12<br>Moscow 125047<br>RUSSIA | JPMorgan Chase Bank, N.A.**<br>New York |
| **SAUDI ARABIA** | HSBC Saudi Arabia<br>2/F HSBC Building<br>7267 Olaya Street North, Al Murooj<br>Riyadh 12283-2255<br>SAUDI ARABIA | HSBC Saudi Arabia<br>Riyadh |
| **SERBIA** | Unicredit Bank Srbija a.d.<br>Rajiceva 27-29<br>11000 Belgrade<br>SERBIA | Unicredit Bank Srbija a.d.<br>Belgrade |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **SINGAPORE** | DBS Bank Ltd<br>10 Toh Guan Road<br>DBS Asia Gateway, Level 04-11 (4B)<br>608838<br>SINGAPORE | Oversea-Chinese Banking Corporation<br>Singapore |
| **SLOVAK REPUBLIC** | UniCredit Bank Czech Republic and Slovakia, a.s.<br>Sancova 1/A<br>SK-813 33 Bratislava<br>SLOVAK REPUBLIC | J.P. Morgan AG**<br>Frankfurt am Main |
| **SLOVENIA** | UniCredit Banka Slovenija d.d.<br>Smartinska 140<br>SI-1000 Ljubljana<br>SLOVENIA | J.P. Morgan AG**<br>Frankfurt am Main |
| **SOUTH AFRICA** | FirstRand Bank Limited<br>1 Mezzanine Floor, 3 First Place, Bank City<br>Cnr Simmonds and Jeppe Streets<br>Johannesburg 2001<br>SOUTH AFRICA | The Standard Bank of South Africa Limited<br>Johannesburg |
| **SOUTH KOREA** | Standard Chartered Bank Korea Limited<br>47 Jongro, Jongro-Gu<br>Seoul 03160<br>SOUTH KOREA | Standard Chartered Bank Korea Limited<br>Seoul |
| | Kookmin Bank Co., Ltd.<br>84, Namdaemun-ro, Jung-gu<br>Seoul 100-845<br>SOUTH KOREA | Kookmin Bank Co., Ltd.<br>Seoul |
| **SPAIN** | Santander Securities Services, S.A.<br>Parque Empresarial La Finca<br>Pozuelo de Alarcón<br>28223 Madrid<br>SPAIN | J.P. Morgan AG**<br>Frankfurt am Main |
| **SRI LANKA** | The Hongkong and Shanghai Banking Corporation Limited<br>24 Sir Baron Jayatillaka Mawatha<br>Colombo 1<br>SRI LANKA | The Hongkong and Shanghai Banking Corporation Limited<br>Colombo |
| **SWEDEN** | Nordea Bank AB (publ)<br>Hamngatan 10<br>SE-105 71 Stockholm<br>SWEDEN | Svenska Handelsbanken<br>Stockholm |
| **SWITZERLAND** | UBS Switzerland AG<br>45 Bahnhofstrasse<br>8021 Zurich<br>SWITZERLAND | UBS Switzerland AG<br>Zurich |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **TAIWAN** | JPMorgan Chase Bank, N.A.**<br>8th Floor, Cathay Xin Yi Trading Building<br>No. 108, Section 5, Xin Yi Road<br>Taipei 11047<br>TAIWAN | JPMorgan Chase Bank, N.A.**<br>Taipei |
| ***TANZANIA*** | Stanbic Bank Tanzania Limited<br>Stanbic Centre<br>Corner Kinondoni and A.H. Mwinyi Roads<br>P.O. Box 72648<br>Dar es Salaam<br>TANZANIA | Stanbic Bank Tanzania Limited<br>Dar es Salaam |
| *RESTRICTED SERVICE ONLY. PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION* | | |
| **THAILAND** | Standard Chartered Bank (Thai) Public Company Limited<br>14th Floor, Zone B<br>Sathorn Nakorn Tower<br>90 North Sathorn Road Bangrak<br>Silom, Bangrak<br>Bangkok 10500<br>THAILAND | Standard Chartered Bank (Thai) Public Company Limited<br>Bangkok |
| **TUNISIA** | Banque Internationale Arabe de Tunisie, S.A.<br>70-72 Avenue Habib Bourguiba<br>P.O. Box 520<br>Tunis 1000<br>TUNISIA | Banque Internationale Arabe de Tunisie, S.A.<br>Tunis |
| **TURKEY** | Citibank A.S.<br>Inkilap Mah., Yilmaz Plaza<br>O. Faik Atakan Caddesi No: 3<br>34768 Umraniye, Istanbul<br>TURKEY | JPMorgan Chase Bank, N.A.**<br>Istanbul |
| **UGANDA** | Standard Chartered Bank Uganda Limited<br>5 Speke Road<br>P.O. Box 7111<br>Kampala<br>UGANDA | Standard Chartered Bank Uganda Limited<br>Kampala |
| ***UKRAINE*** | PJSC Citibank<br>16-G Dilova Street<br>03150 Kiev<br>UKRAINE | PJSC Citibank<br>Kiev<br><br>JPMorgan Chase Bank, N.A.**<br>New York |
| *RESTRICTED SERVICE ONLY. PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION* | | |
| **UNITED ARAB EMIRATES - ADX** | HSBC Bank Middle East Limited<br>Emaar Square, Level 4, Building No. 5<br>P.O. Box 502601<br>Dubai<br>UNITED ARAB EMIRATES | The National Bank of Abu Dhabi<br>Abu Dhabi |
| **UNITED ARAB EMIRATES - DFM** | HSBC Bank Middle East Limited<br>Emaar Square, Level 4, Building No. 5<br>P.O. Box 502601<br>Dubai<br>UNITED ARAB EMIRATES | The National Bank of Abu Dhabi<br>Abu Dhabi |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| **UNITED ARAB EMIRATES - NASDAQ DUBAI** | HSBC Bank Middle East Limited<br>Emaar Square, Level 4, Building No. 5<br>P.O. Box 502601<br>Dubai<br>UNITED ARAB EMIRATES | JPMorgan Chase Bank, N.A. **<br>New York |
| **UNITED KINGDOM** | JPMorgan Chase Bank, N.A.**<br>25 Bank Street, Canary Wharf<br>London E14 5JP<br>UNITED KINGDOM | JPMorgan Chase Bank, N.A.**<br>London |
| | Deutsche Bank AG Depository and Clearing Centre<br>10 Bishops Square<br>London E1 6EG<br>UNITED KINGDOM | Varies by currency |
| **UNITED STATES** | JPMorgan Chase Bank, N.A.**<br>4 New York Plaza<br>New York NY 10004<br>UNITED STATES | JPMorgan Chase Bank, N.A.**<br>New York |
| **URUGUAY** | Banco Itaú Uruguay S.A.<br>Zabala 1463<br>11000 Montevideo<br>URUGUAY | Banco Itaú Uruguay S.A.<br>Montevideo |
| **VENEZUELA** | Citibank, N.A.<br>Avenida Casanova<br>Centro Comercial El Recreo<br>Torre Norte, Piso 19<br>Caracas 1050<br>VENEZUELA | Citibank, N.A.<br>Caracas |
| **VIETNAM** | HSBC Bank (Vietnam) Ltd.<br>Centre Point<br>106 Nguyen Van Troi Street<br>Phu Nhuan District<br>Ho Chi Minh City<br>VIETNAM | HSBC Bank (Vietnam) Ltd.<br>Ho Chi Minh City |
| ***WAEMU - BENIN, BURKINA FASO, GUINEA-BISSAU, IVORY COAST, MALI, NIGER, SENEGAL, TOGO*** | Standard Chartered Bank Côte d'Ivoire SA<br>23 Boulevard de la Republique 1<br>01 B.P. 1141<br>Abidjan 17<br>IVORY COAST | Standard Chartered Bank Côte d'Ivoire SA<br>Abidjan |
| *RESTRICTED SERVICE ONLY. PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION* | | |
| **ZAMBIA** | Standard Chartered Bank Zambia Plc<br>Standard Chartered House<br>Cairo Road<br>P.O. Box 32238<br>Lusaka 10101<br>ZAMBIA | Standard Chartered Bank Zambia Plc<br>Lusaka |

| MARKET | SUBCUSTODIAN | CASH CORRESPONDENT BANK |
|---|---|---|
| ***ZIMBABWE*** | Stanbic Bank Zimbabwe Limited<br>Stanbic Centre, 3rd Floor<br>59 Samora Machel Avenue<br>Harare<br>ZIMBABWE | Stanbic Bank Zimbabwe Limited<br>Harare |

*RESTRICTED SERVICE ONLY.  PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION*

# DIRECTORY

The Company
Fidelity Institutional Liquidity Fund plc
Georges Quay House
43 Townsend Street
Dublin 2
D02 VK65
Ireland

Investment Manager
FIL Investments International
Oakhill House
130 Tonbridge Road
Hildenborough
Kent TN11 9DZ
England

Company Secretary
FIL Fund Management (Ireland) Limited
Georges Quay House
43 Townsend Street
Dublin 2
D02 VK65
Ireland

Depositary
J.P. Morgan Bank (Ireland) plc
200 Capital Dock
79 Sir John Rogerson's Quay
Dublin 2, D02 RK57
Ireland

Administrator
J.P. Morgan Administration Services (Ireland) Limited
200 Capital Dock
79 Sir John Rogerson's Quay
Dublin 2, D02 RK57
Ireland

General Distributor
FIL Distributors
Pembroke Hall
42 Crow Lane
Pembroke HM19
Bermuda

Manager
FIL Fund Management (Ireland) Limited
Georges Quay House
43 Townsend Street
Dublin 2
D02 VK65
Ireland

Sponsoring Brokers
J & E Davy
Davy House
49 Dawson Street
Dublin 2
Ireland

Independent Auditors
PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

# THE EURO FUND SUPPLEMENT
# THE EURO FUND

This Supplement contains information relating specifically to The Euro Fund (the "Fund"), a sub-fund of Fidelity Institutional Liquidity Fund plc (the "Company"), an open-ended umbrella investment company with segregated liability between sub-funds authorised by the Central Bank pursuant to the Regulations.

This Supplement dated 19 June 2020 forms part of and should be read in the context of and in conjunction with the prospectus for the Company dated 19 June 2020 and any supplements and or addenda from time to time thereto (the "Prospectus") which immediately precedes this Supplement and is incorporated herein.

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration of the Company" accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Directors consider that investment in the Fund is subject to a low degree of investment risk as the Fund is investing in a wide range of short-term instruments of high credit quality. Nevertheless it should be appreciated that the value of the investments and the income from them may go down as well as up and accordingly an investor may not get back the full amount invested. An investment in this Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of in this Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. Further details of the investment risks for an investor are set out under the section entitled "Principal Risks" of the Prospectus. At the date of this Supplement, the Fund is rated Aaa-mf by Moody's Investor Services, Inc. and rated AAAm by Standard & Poor's.

All defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## 1. Base Currency

The Base Currency shall be Euro.

## 2. Classes of Shares

Separate Classes have been established in the Fund, namely the following: Class A Accumulating Shares; Class A Flex Distributing Shares Series 1; Class A Flex Distributing Shares Series 2; Class B Accumulating Shares; Class B Flex Distributing Shares Series 1; Class B Flex Distributing Shares Series 2; Class C Accumulating Shares; Class F Flex Distributing Shares Series 1; Class F Flex Distributing Shares Series 2; and the STANLIB Euro Short-Term Money Market Class.

Information specific to the STANLIB Euro Short-Term Money Market Class, which shall be exclusively distributed by STANLIB, is detailed in a separate Class Supplement which immediately follows this Supplement.

Information relating to each of the other share classes of the Fund is set out below.

| | Currency | Minimum Initial Subscription | Minimum Holding | Minimum Transaction Size | ISIN |
|---|---|---|---|---|---|
| ACCUMULATING CLASSES | | | | | |
| Class A Accumulating Shares | Euro | 100,000 | None | 10,000 | IE0003323494 |
| Class B Accumulating Shares | Euro | 100,000 | None | 10,000 | IE00B134T973 |
| Class C Accumulating Shares | Euro | 100,000 | None | 10,000 | - |
| FLEX DISTRIBUTING CLASSES | | | | | |
| Class A Flex Distributing Shares Series 1 | Euro | 100,000 | None | 10,000 | IE0003323502 |
| Class A Flex Distributing Shares Series 2 | Euro | 100,000 | None | 10,000 | IE00B5PX3Z46 |
| Class B Flex Distributing Shares Series 1 | Euro | 100,000 | None | 10,000 | IE00B5YLGY93 |
| Class B Flex Distributing Shares Series 2 | Euro | 100,000 | None | 10,000 | IE0003511403 |
| Class F Flex Distributing Shares Series 1 | Euro | 100,000 | None | 10,000 | IE00B447NQ12 |
| Class F Flex Distributing Shares Series 2 | Euro | 100,000 | None | 10,000 | IE00B3QT8296 |

Additional Classes may be established in the Fund in accordance with the requirements of the Central Bank.

Series 1 Shares shall have full voting rights in respect of all resolutions submitted to the Shareholders of the Company or of any Class. The voting rights attaching to Series 2 Shares shall be identical to those attaching to Series 1 Shares. However, the Series 2 Shares as a Class shall be precluded from voting on any resolution relating to the appointment, removal or replacement of any Director of the Company. They shall also be precluded from exercising a casting vote in respect of any such resolution.

The Net Asset Value of Series 1 and Series 2 Flex Distributing Shares shall be the same and separate prices for each Series are not issued.

Class A Shares, Class B Shares, Class C Shares, Class F Shares and the STANLIB Euro Short-Term Money Market Class are currently offered. Class C Accumulating Shares are only available to persons to whom the Manager, associates of the Manager or persons to whom the Manager, or one of its associates, provides services under an investment management agreement or other agreement.

The difference between Class A Shares, Class B Shares, Class C Shares and Class F Shares are the charges to be borne by each Class.

Details of the current arrangements in respect of the Classes offered are set out in the sections below entitled "Dealing of Shares in the Fund" and "Charges and Expenses" or, in the case of the STANLIB Euro Short-Term Money Market Class, in the relevant Class Supplement hereto.

## 3. Investment Objective and Policy

### Aim of the Fund

The Fund is authorised by the Central Bank as an LVNAV Fund pursuant to the MMF Regulations.

The investment objective of the Fund is to invest in a diversified range of short-term instruments with the aim of maintaining capital value and liquidity whilst producing a return to the investor in line with money market rates. The Investment Manager believes that its investment practices will enable the Fund to achieve its stated policy although this cannot be guaranteed. The Fund shall invest in accordance with the policies outlined in the section below entitled "Permitted Investments".

### Permitted Investments

The Fund will invest in the High Quality instruments indicated below (and described in detail under "Asset Classes" in the "Investment Objective and Policies" section of the Prospectus), provided they are payable in Euro:

| Security/Instrument | Eligibility |
|---|---|
| Money market instruments (government) | Yes |
| Money market instruments (non-government) | Yes |
| Securitisations and ABCP | Yes |
| Deposits | Yes |
| Repurchase agreements | Yes |
| Reverse repurchase agreements | Yes |
| Money market funds | Yes |

## 4. Dealing in Shares of the Fund

### Minimum Initial Subscription, Minimum Holding and Minimum Subsequent Subscription

At the date of this Supplement, the minimum initial subscription for each Class in the Fund is €100,000. No minimum holding requirement shall be imposed and save where disclosed otherwise in the relevant Class Supplement, the minimum subsequent subscription for each Class in the Fund is €10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum initial subscription, minimum subsequent subscription and minimum holding for each Class in the Fund or in the case of any single investor in the Fund. Furthermore, the Company reserves the right in the future to vary the minimum initial subscription, minimum subsequent subscription and/or the minimum holding.

### Minimum Redemption

At the date of this Supplement, the minimum redemption for each Class in the Fund is €10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum redemption amount for each Class in the Fund or in the case of any single investor in the Fund. Furthermore, the Company reserves the right in the future to vary the minimum redemption in the case of the Fund.

### Dealing Times

In a Normal Market Environment, the Fund has one Dealing Cycle on each Business Day, as follows:

| Dealing Cycle | | |
|---|---|---|
| 1 | Subscription Cut-Off Time | 13:30 (Irish Time) |
| | Redemption Cut-Off Time | 13:30 (Irish Time) |
| | Valuation Point | 13:30 (Irish Time) |

In a Stressed Market Environment, the Fund has one Dealing Cycle on each Business Day, as follows:

| Dealing Cycle | | |
|---|---|---|
| 1 | Subscription Cut-Off Time | 13:00 (Irish Time) |
| | Redemption Cut-Off Time | 13:00 (Irish Time) |
| | Valuation Point | 13:00 (Irish Time) |

The relevant Settlement Day with respect to a given Subscription Cut-Off Time or Redemption Cut-Off Time is the same Business Day on which the Subscription Cut-Off Time or Redemption Cut-Off Time falls.

The Investment Manager reserves the right to advance the time by which purchase or redemption orders relating to Shares in the Fund must be received on any Business Day such as on a Business Day when the principal bond markets close early in advance of a holiday customarily observed by participants in such markets or in the case of the happening of an event outside the control of the Company which precipitates the early closing of the principal bond markets. Prior notification of the revised Dealing Times will be sent to the Central Bank and sent by email or by post to Shareholders unless it is not possible to do so in the case of the happening of an event outside of the control of the Company.

The Investment Manager further reserves the right to alter the Subscription Cut-Off Times and/or the Redemption Cut-Off Times in which case the Dealing Times will be amended. Prior notification of the revised Dealing Times shall be sent by email or by post to Shareholders in the event that such revised Dealing Times are in place on a temporary basis. If introduced on a permanent basis, the Prospectus will be updated and Shareholders will be notified in advance of such changes.

## 5. Distribution Policy

The net income per Flex Distributing Share in Class A and Class B will be accrued daily and distributed daily in the form of additional Shares to Shareholders. The net income per Flex Distributing Share in Class F will be accrued daily and distributed monthly in the form of a cash payment to Shareholders by wire transfer or by such other method as agreed between the Shareholder and the Manager. No declarations or distributions shall be made in respect of the Accumulating Shares. The price of Accumulating Shares shall rise each day by the net income earned per Accumulating Share.

Further information on the relevant distribution policies is set out in the Prospectus under the headings “Accumulating Shares” and “Flex Distributing Shares” in the section entitled “The Shares”.

## 6. Charges and Expenses

In addition to the fees outlined in the Prospectus under the heading “Charges and Expenses” in the section entitled “Management of the Company” which shall apply to each Class of the Fund, the following Classes will be subject to Shareholder Service Fees, which shall not exceed the fees disclosed in the table below. The Shareholder Service Fees are calculated based on the Net Asset Value of that particular Class, are calculated daily and will be paid quarterly to the relevant Sub-Distributor.

| | |
|---|---|
| Class B Accumulating Shares | 0.25% per annum |
| Class B Flex Distributing Shares Series 1 | 0.25% per annum |
| Class B Flex Distributing Shares Series 2 | 0.25% per annum |

## 7. Risks

The attention of investors is drawn to the “Principal Risks” section in the Prospectus.

# THE EURO FUND
# STANLIB EURO SHORT-TERM MONEY MARKET CLASS
# CLASS SUPPLEMENT

This Supplement contains information relating specifically to the STANLIB Euro Short-Term Money Market Class ((the "Class"), which is a share class of The Euro Fund (the "Fund"), a sub-fund of Fidelity Institutional Liquidity Fund plc (the "Company"), which is an open-ended umbrella investment company with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the Regulations.

This Supplement dated 19 June 2020 forms part of and should be read in the context of and in conjunction with the Prospectus of the Company and Supplement relating to the Fund, both dated 19 June 2020 and any supplements and or addenda from time to time thereto (the "Prospectus").

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration" accept responsibility for the information contained in the Prospectus, the Supplement of the Fund and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus, the Supplement of the Fund and this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

## 1. General

| Designated Currency | ISIN |
|---|---|
| Euro | IE00B65T4341 |

## 2. Minimum Initial Subscription, Minimum Holding and Minimum Subsequent Subscription

At the date of this Supplement, the minimum initial subscription for the Class is €100,000. No minimum holding requirement shall be imposed. The minimum subsequent subscription is €1,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum initial subscription, minimum subsequent subscription and minimum holding in the case of any single investor in the Class.

## 3. Distributor

This Class shall be exclusively distributed by STANLIB, having a registered address at 17 Melrose Boulevard Melrose Arch, 2196 Johannesburg, South Africa.

## 4. Distribution Policy

This Class shall be an Accumulating Class and accordingly no declarations on distributions shall be made in respect of the Accumulating Shares. Further information relating to the distribution policy of the Class is set out in the Prospectus under the heading "Accumulating Shares" and "Flex Distributing Shares" in the section entitled "The Shares".

## 5. Subscription Price

Shares in this Class issue at the Net Asset Value per Share.

## 6. Minimum Redemption

At the date of this Supplement, the minimum redemption for this Class is €1,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum redemption amount for the Class in the case of any single investor in the Class. Furthermore, the Company reserves the right in the future to vary the minimum redemption in the case of the Class as a whole.

## 7. Charges and Expenses

In addition to the fees outlined in Prospectus under the heading "Charges and Expenses" in the section entitled "Management of the Company", the Class will be subject to a management fee, which shall not exceed 0.10% per annum and is calculated daily based on the Net Asset Value of the Class and will be paid monthly to STANLIB.

# THE STERLING FUND SUPPLEMENT
# THE STERLING FUND

This Supplement contains information relating specifically to The Sterling Fund (the "Fund"), a sub-fund of Fidelity Institutional Liquidity Fund plc (the "Company"), an open-ended umbrella investment company with segregated liability between sub-funds authorised by the Central Bank pursuant to the Regulations.

This Supplement dated 19 June 2020 forms part of and should be read in the context of and in conjunction with the prospectus for the Company dated 19 June 2020 and any supplements and or addenda from time to time thereto (the "Prospectus") which immediately precedes this Supplement and is incorporated herein.

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration of the Company" accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Directors consider that investment in the Fund is subject to a low degree of investment risk as the Fund is investing in a wide range of short-term instruments of high credit quality. Nevertheless it should be appreciated that the value of the investments and the income from them may go down as well as up and accordingly an investor may not get back the full amount invested. An investment in this Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of in this Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. Further details of the investment risks for an investor are set out under the section entitled "Principal Risks" of the Prospectus. At the date of this Supplement, the Fund is rated Aaa-mf by Moody's Investor Services, Inc. and rated AAAm by Standard & Poor's.

All defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## 1. Base Currency

The Base Currency shall be Sterling.

## 2. Classes of Shares

Separate Classes have been established in the Fund, namely the following: Class A Accumulating Shares; Class A Flex Distributing Shares Series 1; Class A Flex Distributing Shares Series 2; Class B Accumulating Shares; Class B Flex Distributing Shares Series 1; Class B Flex Distributing Shares Series 2; Class C Accumulating Shares; Class F Flex Distributing Shares Series 1; Class F Flex Distributing Shares Series 2; and the STANLIB GBP Short-Term Money Market Class.

Information specific to the STANLIB GBP Short-Term Money Market Class, which shall be exclusively distributed by STANLIB, is detailed in a separate Class Supplement which immediately follows this Supplement.

Information relating to each of the other share classes of the Fund is set out below.

| | Currency | Minimum Initial Subscription | Minimum Holding | Minimum Transaction Size | ISIN |
|---|---|---|---|---|---|
| ACCUMULATING CLASSES | | | | | |
| Class A Accumulating Shares | GBP | 100,000 | None | 10,000 | IE0003323270 |
| Class B Accumulating Shares | GBP | 100,000 | None | 10,000 | IE00BLDGCK54 |
| Class C Accumulating Shares | GBP | 100,000 | None | 10,000 | IE00BD0NHL93 |
| FLEX DISTRIBUTING CLASSES | | | | | |
| Class A Flex Distributing Shares Series 1 | GBP | 100,000 | None | 10,000 | IE0003323387 |
| Class A Flex Distributing Shares Series 2 | GBP | 100,000 | None | 10,000 | IE0003358219 |
| Class B Flex Distributing Shares Series 1 | GBP | 100,000 | None | 10,000 | IE00B6094L75 |
| Class B Flex Distributing Shares Series 2 | GBP | 100,000 | None | 10,000 | IE0003511395 |
| Class F Flex Distributing Shares Series 1 | GBP | 100,000 | None | 10,000 | IE00B42LDN20 |
| Class F Flex Distributing Shares Series 2 | GBP | 100,000 | None | 10,000 | IE00B3TNFX84 |

Additional Classes may be established in the Fund in accordance with the requirements of the Central Bank.

Series 1 Shares shall have full voting rights in respect of all resolutions submitted to the Shareholders of the Company or of any Class. The voting rights attaching to Series 2 Shares shall be identical to those attaching to Series 1 Shares. However, the Series 2 Shares as a Class shall be precluded from voting on any resolution relating to the appointment, removal or replacement of any Director of the Company. They shall also be precluded from exercising a casting vote in respect of any such resolution.

The Net Asset Value of Series 1 and Series 2 Flex Distributing Shares shall be the same and separate prices for each Series are not issued.

Class A Shares, Class B Shares, Class C Shares, Class F Shares and the STANLIB GBP Short-Term Money Market Class are currently offered.

The difference between Class A Shares, Class B Shares, Class C Shares and Class F Shares are the charges to be borne by each Class.

Details of the current arrangements in respect of the Classes offered are set out in the sections below entitled "Dealing of Shares in the Fund" and "Charges and Expenses" or, in the case of the STANLIB GBP Short-Term Money Market Class, in the relevant Class Supplement hereto.

## 3. Investment Objective and Policy

### Aim of the Fund

The Fund is authorised by the Central Bank as an LVNAV Fund pursuant to the MMF Regulations.

The investment objective of the Fund is to invest in a diversified range of short-term instruments with the aim of maintaining capital value and liquidity whilst producing a return to the investor in line with money market rates. The Investment Manager believes that its investment practices will enable the Fund to achieve its stated policy although this cannot be guaranteed. The Fund shall invest in accordance with the policies outlined in the section below entitled "Permitted Investments".

### Permitted Investments

The Fund will invest in the High Quality instruments indicated below (and described in detail under "Asset Classes" in the "Investment Objective and Policies" section of the Prospectus), provided they are payable in Sterling:

| Security/Instrument | Eligibility |
|---|---|
| Money market instruments (government) | Yes |
| Money market instruments (non-government) | Yes |
| Securitisations and ABCP | Yes |
| Deposits | Yes |
| Repurchase agreements | Yes |
| Reverse repurchase agreements | Yes |
| Money market funds | Yes |

## 4. Dealing in Shares of the Fund

### Minimum Initial Subscription, Minimum Holding and Minimum Subsequent Subscription

At the date of this Supplement, the minimum initial subscription for each Class in the Fund is GBP£100,000. No minimum holding requirement shall be imposed. The minimum subsequent subscription for each Class in the Fund is GBP£10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum initial subscription, minimum subsequent subscription and minimum holding for each Class in the Fund or in the case of any single investor in the Fund. Furthermore, the Company reserves the right in the future to vary the minimum initial subscription, minimum subsequent subscription and/or the minimum holding.

### Minimum Redemption

At the date of this Supplement, the minimum redemption for each Class in the Fund is GBP£10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum redemption amount for each Class in the Fund or in the case of any single investor in the Fund. Furthermore, the Company reserves the right in the future to vary the minimum redemption in the case of the Fund.

### Dealing Times

In both a Normal Market Environment and a Stressed Market Environment, the Fund has one Dealing Cycle on each Business Day, as follows:

| Dealing Cycle | | |
|---|---|---|
| 1 | Subscription Cut-Off Time | 13:30 (Irish Time) |
| | Redemption Cut-Off Time | 13:30 (Irish Time) |
| | Valuation Point | 13:30 (Irish Time) |

The relevant Settlement Day with respect to a given Subscription Cut-Off Time or Redemption Cut-Off Time is the same Business Day on which the Subscription Cut-Off Time or Redemption Cut-Off Time falls.

The Investment Manager reserves the right to advance the time by which purchase or redemption orders relating to Shares in the Fund must be received on any Business Day such as on a Business Day when the principal bond markets close early in advance of a holiday customarily observed by participants in such markets or in the case of the happening of an event outside the control of the Company which precipitates the early closing of the principal bond markets. Prior notification of the revised Dealing Times will be sent to the Central Bank and sent by email or by post to Shareholders unless it is not possible to do so in the case of the happening of an event outside of the control of the Company.

The Investment Manager further reserves the right to alter the Subscription Cut-Off Times and/or the Redemption Cut-Off Times in which case the Dealing Times will be amended. Prior notification of the revised Dealing Times shall be sent by email or by post to Shareholders in the event that such revised Dealing Times are in place on a temporary basis. If introduced on a permanent basis, the Prospectus will be updated and Shareholders will be notified in advance of such changes.

## 5. Distribution Policy

The net income per Flex Distributing Share in Class A and Class B will be accrued daily and distributed daily in the form of additional Shares to Shareholders. The net income per Flex Distributing Share in Class F will be accrued daily and distributed monthly in the form of a cash payment to Shareholders by wire transfer or by such other method as agreed between the Shareholder and the Manager. No declarations or distributions shall be made in respect of the Accumulating Shares. The price of Accumulating Shares shall rise each day by the net income earned per Accumulating Share.

Further information on the relevant distribution policies is set out in the Prospectus under the headings “Accumulating Shares” and “Flex Distributing Shares” in the section entitled “The Shares”.

## 6. Charges and Expenses

In addition to the fees outlined in the Prospectus under the heading “Charges and Expenses” in the section entitled “Management of the Company” which shall apply to each Class of the Fund, the following Classes will be subject to Shareholder Service Fees, which shall not exceed the fees disclosed in the table below. The Shareholder Service Fees are calculated based on the Net Asset Value of that particular Class, are calculated daily and will be paid quarterly to the relevant Sub-Distributor.

| | |
|---|---|
| Class B Flex Distributing Shares Series 1 | 0.25% per annum |
| Class B Flex Distributing Shares Series 2 | 0.25% per annum |
| Class B Accumulating Shares | 0.25% per annum |

## 7. Risks

The attention of investors is drawn to the “Principal Risks” section in the Prospectus.

# THE STERLING FUND
# STANLIB GBP SHORT-TERM MONEY MARKET CLASS
# CLASS SUPPLEMENT

This Supplement contains information relating specifically to the STANLIB GBP Short-Term Money Market Class (the "Class"), which is a share class of The Sterling Fund (the "Fund"), a sub-fund of Fidelity Institutional Liquidity Fund plc (the "Company"), which is an open-ended umbrella investment company with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the Regulations.

This Supplement dated 19 June 2020 forms part of and should be read in the context of and in conjunction with the Prospectus of the Company and Supplement relating to the Fund, both dated 19 June 2020 and any supplements and or addenda from time to time thereto (the "Prospectus").

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration" accept responsibility for the information contained in the Prospectus, the Supplement of the Fund and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus, the Supplement of the Fund and this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

## 1. General

| Designated Currency | ISIN |
|---|---|
| Sterling | IE00B5MQM607 |

## 2. Minimum Initial Subscription, Minimum Holding and Minimum Subsequent Subscription

At the date of this Supplement, the minimum initial subscription for the Class is GBP£100,000. No minimum holding requirement shall be imposed. The minimum subsequent subscription is GBP£1,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum initial subscription, minimum subsequent subscription and minimum holding in the case of any single investor in the Class.

## 3. Distributor

This Class shall be exclusively distributed by STANLIB, having a registered address at 17 Melrose Boulevard Melrose Arch, 2196 Johannesburg, South Africa.

## 4. Distribution Policy

This Class shall be an Accumulating Class and accordingly no declarations on distributions shall be made in respect of the Accumulating Shares. Further information relating to the distribution policy of the Class is set out in the Prospectus under the heading "Accumulating Shares" and "Flex Distributing Shares" in the section entitled "The Shares".

## 5. Subscription Price

Shares in this Class issue at the Net Asset Value per Share.

## 6. Minimum Redemption

At the date of this Supplement, the minimum redemption for this Class is GBP£1,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum redemption amount for the Class in the case of any single investor in the Class. Furthermore, the Company reserves the right in the future to vary the minimum redemption in the case of the Class as a whole.

## 7. Charges and Expenses

In addition to the fees outlined in Prospectus under the heading "Charges and Expenses" in the section entitled "Management of the Company", the Class will be subject to a management fee, which shall not exceed 0.10% per annum and is calculated daily based on the Net Asset Value of the Class and will be paid monthly to STANLIB.

# THE UNITED STATES DOLLAR FUND SUPPLEMENT
# THE UNITED STATES DOLLAR FUND

This Supplement contains information relating specifically to The United States Dollar Fund (the "Fund"), a sub-fund of Fidelity Institutional Liquidity Fund plc (the "Company"), an open-ended umbrella investment company with segregated liability between sub-funds authorised by the Central Bank pursuant to the Regulations.

This Supplement dated 19 June 2020 forms part of and should be read in the context of and in conjunction with the prospectus for the Company dated 19 June 2020 and any supplements and or addenda from time to time thereto (the "Prospectus") which immediately precedes this Supplement and is incorporated herein.

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration of the Company" accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Directors consider that investment in the Fund is subject to a low degree of investment risk as the Fund is investing in a wide range of short-term instruments of high credit quality. Nevertheless it should be appreciated that the value of the investments and the income from them may go down as well as up and accordingly an investor may not get back the full amount invested. An investment in this Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of in this Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. Further details of the investment risks for an investor are set out under the section entitled "Principal Risks" of the Prospectus. At the date of this Supplement, the Fund is rated Aaa-mf by Moody's Investor Services, Inc. and rated AAAm by Standard & Poor's.

All defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## 1. Base Currency

The Base Currency shall be United States Dollar.

## 2. Classes of Shares

Separate Classes have been established in the Fund, namely the following: Class A Accumulating Shares; Class A Flex Distributing Shares Series 1; Class A Flex Distributing Shares Series 2; Class B Accumulating Shares; Class B Flex Distributing Shares Series 1; Class B Flex Distributing Shares Series 2; Class C Accumulating Shares; Class C Flex Distributing Shares Series 1; Class C Flex Distributing Shares Series 2; Class F Flex Distributing Shares Series 1; Class F Flex Distributing Shares Series 2; Class G Flex Distributing Shares Series 1; Class G Flex Distributing Shares Series 2; and the STANLIB USD Short-Term Money Market Class.

Information specific to the STANLIB USD Short-Term Money Market Class, which shall be exclusively distributed by STANLIB, is detailed in a separate Class Supplement which immediately follows this Supplement.

Information relating to each of the other share classes of the Fund is set out below.

| | Currency | Minimum Initial Subscription | Minimum Holding | Minimum Transaction Size | ISIN |
|---|---|---|---|---|---|
| ACCUMULATING CLASSES | | | | | |
| Class A Accumulating Shares | USD | 100,000 | None | 10,000 | IE0003323619 |
| Class B Accumulating Shares | USD | 100,000 | None | 10,000 | IE00B134MW13 |
| Class C Accumulating Shares | USD | 100,000 | None | 10,000 | IE00BYWJJJ42 |
| FLEX DISTRIBUTING CLASSES | | | | | |
| Class A Flex Distributing Shares Series 1 | USD | 100,000 | None | 10,000 | IE0003323726 |
| Class A Flex Distributing Shares Series 2 | USD | 100,000 | None | 10,000 | IE0003358763 |
| Class B Flex Distributing Shares Series 1 | USD | 100,000 | None | 10,000 | IE00B5M6N347 |
| Class B Flex Distributing Shares Series 2 | USD | 100,000 | None | 10,000 | IE0003511510 |
| Class C Flex Distributing Shares Series 1 | USD | 100,000 | None | 10,000 | IE00B3TRZP29 |
| Class C Flex Distributing Shares Series 2 | USD | 100,000 | None | 10,000 | IE00B673WP25 |
| Class F Flex Distributing Shares Series 1 | USD | 100,000 | None | 10,000 | IE00B3ZLRT64 |
| Class F Flex Distributing Shares Series 2 | USD | 100,000 | None | 10,000 | IE00B4NHMF49 |
| Class G Flex Distributing Shares Series 1 | USD | None | None | None | IE00BKTGY846 |
| Class G Flex Distributing Shares Series 2 | USD | None | None | None | IE00BKTGY952 |

Additional Classes may be established in the Fund in accordance with the requirements of the Central Bank.

Series 1 Shares shall have full voting rights in respect of all resolutions submitted to the Shareholders of the Company or of any Class. The voting rights attaching to Series 2 Shares shall be identical to those attaching to Series 1 Shares. However, the Series 2 Shares as a Class shall be precluded from voting on any resolution relating to the appointment, removal or replacement of any Director of the Company. They shall also be precluded from exercising a casting vote in respect of any such resolution.

The Net Asset Value of Series 1 and Series 2 Flex Distributing Shares shall be the same and separate prices for each Series are not issued.

Class A Shares, Class B Shares, Class C Shares, Class F Shares, Class G Shares and the STANLIB USD Short-Term Money Market Class are currently offered. Class C Flex Distributing Shares may be subscribed for only by investors which are UCITS or investors whose assets are held in accounts managed by the FIL Group. Class G Flex Distributing Shares are only available to persons to whom the Manager, associates of the Manager or persons to whom the Manager, or one of its associates, provides services under an investment management agreement or other agreement.

The difference between Class A Shares, Class B Shares, Class C Shares, Class F Shares and Class G Shares are the charges to be borne by each Class.

Details of the current arrangements in respect of the Classes offered are set out in the sections below entitled "Dealing of Shares in the Fund" and "Charges and Expenses" or, in the case of the STANLIB USD Short-Term Money Market Class, in the relevant Class Supplement hereto.

## 3. Investment Objective and Policy

### Aim of the Fund

The Fund is authorised by the Central Bank as an LVNAV Fund pursuant to the MMF Regulations.

The investment objective of the Fund is to invest in a diversified range of short-term instruments with the aim of maintaining capital value and liquidity whilst producing a return to the investor in line with money market rates. The Investment Manager believes that its investment practices will enable the Fund to achieve its stated policy although this cannot be guaranteed. The Fund shall invest in accordance with the policies outlined in the section below entitled "Permitted Investments".

### Permitted Investments

The Fund will invest in the High Quality instruments indicated below (and described in detail under "Asset Classes" in the "Investment Objective and Policies" section of the Prospectus), provided they are payable in United States Dollar:

| Security/Instrument | Eligibility |
|---|---|
| Money market instruments (government) | Yes |
| Money market instruments (non-government) | Yes |
| Securitisations and ABCP | Yes |
| Deposits | Yes |
| Repurchase agreements | Yes |
| Reverse repurchase agreements | Yes |
| Money market funds | Yes |

## 4. Dealing in Shares of the Fund

### Minimum Initial Subscription, Minimum Holding and Minimum Subsequent Subscription

At the date of this Supplement, the minimum initial subscription for each Class in the Fund is US$100,000. No minimum holding requirement shall be imposed. The minimum subsequent subscription for each Class in the Fund is US$10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum initial subscription, minimum subsequent subscription and minimum holding for each Class in the Fund or in the case of any single investor in the Fund. Furthermore, the Company reserves the right in the future to vary the minimum initial subscription, minimum subsequent subscription and/or the minimum holding.

### Minimum Redemption

At the date of this Supplement, the minimum redemption for each Class in the Fund is US$10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum redemption amount for each Class in the Fund or in the case of any single investor in the Fund. Furthermore, the Company reserves the right in the future to vary the minimum redemption in the case of the Fund.

### Dealing Times

In a Normal Market Environment, the Fund has one Dealing Cycle on each Business Day, as follows:

| Dealing Cycle | | |
|---|---|---|
| 1 | Subscription Cut-Off Time | 21:00 (Irish Time) |
| | Redemption Cut-Off Time | 21:00 (Irish Time) |
| | Valuation Point | 21:00 (Irish Time) |

In a Stressed Market Environment, the Fund has one Dealing Cycle on each Business Day, as follows:

| Dealing Cycle | | |
|---|---|---|
| 1 | Subscription Cut-Off Time | 20:00 (Irish Time) |
| | Redemption Cut-Off Time | 20:00 (Irish Time) |
| | Valuation Point | 20:00 (Irish Time) |

The relevant Settlement Day with respect to a given Subscription Cut-Off Time or Redemption Cut-Off Time is the same Business Day on which the Subscription Cut-Off Time or Redemption Cut-Off Time falls.

The Investment Manager reserves the right to advance the time by which purchase or redemption orders relating to Shares in the Fund must be received on any Business Day such as on a Business Day when the principal bond markets close early in advance of a holiday customarily observed by participants in such markets or in the case of the happening of an event outside the control of the Company which precipitates the early closing of the principal bond markets. Prior notification of the revised Dealing Times will be sent to the Central Bank and sent by email or by post to Shareholders unless it is not possible to do so in the case of the happening of an event outside of the control of the Company.

The Investment Manager further reserves the right to alter the Subscription Cut-Off Times and/or the Redemption Cut-Off Times in which case the Dealing Times will be amended. Prior notification of the revised Dealing Times shall be sent by email or by post to Shareholders in the event that such revised Dealing Times are in place on a temporary basis. If introduced on a permanent basis, the Prospectus will be updated and Shareholders will be notified in advance of such changes.

## 5. Distribution Policy

The net income per Flex Distributing Share in Class A, Class B and Class C will be accrued daily and distributed daily in the form of additional Shares to Shareholders. The net income per Flex Distributing Share in Class F will be accrued daily and distributed monthly in the form of a cash payment to Shareholders by wire transfer or by such other method as agreed between the Shareholder and the Manager. The net income per Flex Distributing Share in Class G will be accrued daily, and will be distributed monthly in the form of a cash payment to Shareholders by wire transfer or by such other method as agreed between the Shareholder and the Manager unless the Shareholder elects that such net income will be distributed monthly in the form of additional Shares by ticking the appropriate box in the Share Purchase Agreement. No declarations or distributions shall be made in respect of the Accumulating Shares. The price of Accumulating Shares shall rise each day by the net income earned per Accumulating Share.

Further information on the relevant distribution policies is set out in the Prospectus under the headings “Accumulating Shares” and “Flex Distributing Shares” in the section entitled “The Shares”.

## 6. Charges and Expenses

In addition to the fees outlined in the Prospectus under the heading “Charges and Expenses” in the section entitled “Management of the Company” which shall apply to each Class of the Fund, the following Classes will be subject to Shareholder Service Fees, which shall not exceed the fees disclosed in the table below. The Shareholder Service Fees are calculated based on the Net Asset Value of that particular Class, are calculated daily, and will be paid quarterly to the relevant Sub-Distributor.

| | |
|---|---|
| Class B Accumulating Shares | 0.25% per annum |
| Class B Flex Distributing Shares Series 1 | 0.25% per annum |
| Class B Flex Distributing Shares Series 2 | 0.25% per annum |
| Class G Flex Distributing Shares Series 1 | 0.10% per annum |
| Class G Flex Distributing Shares Series 2 | 0.10% per annum |

## 7. Risks

The attention of investors is drawn to the “Principal Risks” section in the Prospectus.

# THE UNITED STATES DOLLAR FUND
# STANLIB USD SHORT-TERM MONEY MARKET CLASS
# CLASS SUPPLEMENT

This Supplement contains information relating specifically to the STANLIB USD Short-Term Money Market Class (the "Class"), which is a share class of The United States Dollar Fund (the "Fund"), a sub-fund of Fidelity Institutional Liquidity Fund plc (the "Company"), which is an open-ended umbrella investment company with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the Regulations.

This Supplement dated 19 June 2020 forms part of and should be read in the context of and in conjunction with the Prospectus of the Company and Supplement relating to the Fund, both dated 19 June 2020 and any supplements and or addenda from time to time thereto (the "Prospectus").

The Directors of the Company whose names appear in the Prospectus under the heading "Management and Administration" accept responsibility for the information contained in the Prospectus, the Supplement of the Fund and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus, the Supplement of the Fund and this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

## 1. General

| Designated Currency | ISIN |
|---|---|
| United States Dollar | IE00B3X5FX05 |

## 2. Minimum Initial Subscription, Minimum Holding and Minimum Subsequent Subscription

At the date of this Supplement, the minimum initial subscription for the Class is US$100,000. No minimum holding requirement shall be imposed. The minimum subsequent subscription is US$1,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum initial subscription, minimum subsequent subscription and minimum holding in the case of any single investor in the Class.

## 3. Distributor

This Class shall be exclusively distributed by STANLIB having a registered address at 17 Melrose Boulevard Melrose Arch, 2196 Johannesburg, South Africa.

## 4. Distribution Policy

This Class shall be an Accumulating Class and accordingly no declarations on distributions shall be made in respect of the Accumulating Shares. Further information relating to the distribution policy of the Class is set out in the Prospectus under the heading "Accumulating Shares" and "Flex Distributing Shares" in the section entitled "The Shares".

## 5. Subscription Price

Shares in this Class issue at the Net Asset Value per Share.

## 6. Minimum Redemption

At the date of this Supplement, the minimum redemption for this Class is US$10,000. Subject to the requirements of the Central Bank, the Company may, at its discretion, vary the minimum redemption amount for the Class in the case of any single investor in the Class. Furthermore, the Company reserves the right in the future to vary the minimum redemption in the case of the Class as a whole.

## 7. Charges and Expenses

In addition to the fees outlined in Prospectus under the heading "Charges and Expenses" in the section entitled "Management of the Company", the Class will be subject to a management fee, which shall not exceed 0.10% per annum and is calculated daily based on the Net Asset Value of the Class and will be paid monthly to STANLIB.

COUNTRY SUPPLEMENT

GERMANY

THIS COUNTRY SUPPLEMENT DATED 25 JUNE 2020, FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE PROSPECTUS FOR FIDELITY INSTITUTIONAL LIQUIDITY FUND PLC (THE "COMPANY") DATED 19 JUNE 2020 AS MAY BE AMENDED FROM TIME TO TIME (HEREINAFTER REFERRED TO AS "THE PROSPECTUS"). THIS COUNTRY SUPPLEMENT AMENDS THE TABLE OF CONTENTS IN THE PROSPECTUS SUCH THAT REFERENCE IS SPECIFICALLY MADE TO THIS COUNTRY SUPPLEMENT AND IT WILL BE APPENDED TO THE PROSPECTUS WHICH IS DESIGNATED FOR THE DISTRIBUTION IN GERMANY.

The Bundesanstalt für Finanzdienstleistungsaufsicht has been notified of the intention to distribute Shares of the sub-funds of the Company (the "Funds") in the Federal Republic of Germany pursuant to § 310 of the German Investment Code (the "Investment Code")

The following information is intended for investors who wish to subscribe, redeem or switch Shares in the Federal Republic of Germany, and describes which additional facilities are available.

FIL Investment Services GmbH is the German Sub-Distributor, acting as the representative of the General Distributor, FIL Distributors. FIL Investment Services GmbH acquires neither possession nor ownership of customers' monies or shares. It is recommended to investors in Germany to effect the subscription, redemption and switching of Shares via

FIL Investment Services GmbH
Kastanienhöhe 1
D-61476 Kronberg im Taunus
Telephone: + 49 (0) 6173 5090
Fax: + 49 (0) 6173 509 4199.

The Company ensures to be in a position to effect the payment of redemption proceeds and any distributions and other payments to Shareholders in Germany. Redemption proceeds will normally be paid to the Shareholder's bank account by electronic transfer. Under no circumstances will the redemption proceeds be paid to any party other than the registered Shareholder.

The following information and Company documents as appropriate are available on the website of the Company www.fidelityilf.com: the daily prices and dealing cut-off times of the Classes of the Funds, the Prospectus, the Key Investor Information and, the latest annual and half yearly reports and accounts. The Prospectus, the Key Investor Information, the latest annual and half-yearly reports and accounts as well as a copy of the Memorandum of Association and Articles of Association are available free of charge in hard copy from FIL Investment Services GmbH. The Depositary Agreement-the Management Agreement, the Investment Management Agreement as amended, the General Distribution Agreement as amended, the Regulations and the CBI UCITS Regulations issued by the Central Bank thereunder and the publication entitled "The Investment Business Interim Prudential Sourcebook" produced by the Financial Conduct Authority in the UK may also be inspected at the offices of FIL Investment Services GmbH. The subscription, redemption and switching prices, can also be obtained free of charge from the same source.

Any other documents, notices and information in respect of the Company and/or the Fund(s) as appropriate shall be made available to Shareholders in Germany by way of letter. In accordance with § 298 (2) of the Investment Code investors in Germany shall be informed by way of a durable medium and publication in the electronic Federal Gazette under the following circumstances:

- suspension of the redemption of a Fund's Shares,
- termination of the management or winding-up of a Fund,
- amendments to the Memorandum and Articles which are inconsistent with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursements of expenses that may be paid out of the Company,
- merger of Funds,
- conversion of a Fund to a feeder fund or the changes to a master fund.

## Publication of Prices

The subscription and redemption prices of the Funds are published daily on the Company website www.fidelityilf.com and can be inquired at FIL Investment Services GmbH.

## Fees and Expenses

The fees and operating expenses of the Company are set out in detail under the heading "Charges and Expenses" in the Prospectus and the attention of prospective investors is drawn to this section.

## Taxation

The following German tax information is not intended to be exhaustive. It merely summarises some general features of current German taxation of current income and capital gains in relation to Shares in the Funds of the Company as existing. The information is solely of a general nature, refers to Shareholders with unlimited tax liability in Germany and is based on a current interpretation of the tax legislation. However, the applicable tax treatment of individual Shareholders depends on a number of different factors. Additionally, future changes in tax legislation and/or in the interpretation

of laws by the financial administration and courts may affect the tax situation of Shareholders, even with retroactive effect in certain circumstances. This overview does not constitute tax advice and, due to the complexity of German tax law, it cannot deal in detail with the tax implications that may arise for Shareholders to take account of their individual circumstances, or with other details of taxation. Therefore, Shareholders are strongly advised to consult their tax advisor with regard to German and non- German taxation in the context of an investment in, or other rights to the Company or its current or future Funds.

On 1 January 2018 a comprehensive reform of the German Investment Tax regime became effective triggering numerous changes regarding the German taxation of investment funds and their shareholders. The new rules differ between "normal" retail investment funds available to, amongst others, private individuals and so-called special investment funds, which are generally not available to private individuals (and which need to meet further requirements to qualify as special investment funds). Therefore, the following high-level description only refers to the rules applicable to "normal" investment funds.

The new regime introduced taxation at the level of the fund as well as amended the taxation at shareholder level.

Both German and foreign investment funds are now taxed at fund level, but only on certain categories of German source income - mainly German source dividend and dividend equivalent income as well as German source real property income. Other categories of income (e.g. German source ordinary interest income or foreign source income in general) are not subject to German tax at fund level. In case of dividend and dividend equivalent income the German tax is imposed by way of withholding at source at a rate of 15% (including 5.5% solidarity surcharge) whilst in case of German source real property income the investment fund has to report the taxable income in a tax return and is then be subject to German tax at a rate of 15% plus 5.5% solidarity surcharge thereon. The new regime also provides for tax relief at fund level with respect to certain categories of underlying tax-privileged shareholders if both the fund and the shareholders meet the to some extent comprehensive requirements posted by the new tax regime.

Shareholders are taxed on three different types of events: (1) actual cash distributions paid by a fund, (2) a lump-sum minimum amount of income (so-called "Vorabpauschale") which is applied if the actual cash distribution is too low compared to a given risk-free interest rate and (3) capital gains upon disposal/redemption/assignment of the shares. Whichever taxable event applies is subject to the Final Flat Tax regime at the level of private investors and the personal tax rate of the individual category at the level of business investors ((i.e. those subject to the German Income Tax Act and those subject to the German Corporate Income Tax Act).

Due to the additional tax at fund level introduced by the new regime as well as the abolition of foreign withholding tax credits at investor level shareholders may benefit from fixed rates of tax relief depending on fund and investor category. For instance, if a fund qualifies as "equity fund" according to the new regime, private investors can benefit from 30% and corporate investors from 80% tax relief on either of the three types of taxable events mentioned (the half of these ratios applies if a fund qualifies as "mixed fund" as per German tax law). If a Sub-Fund meets the underlying investment related requirements to qualify as equity fund (or mixed fund as the case may be) this is disclosed in the Supplement for the respective Sub-fund. None of the Sub-Fund's launched by the Company currently do qualify as equity or mixed fund.
The transition into the new regime with effect from 1 January 2018 also caused a "notional" disposal of the shares as at 31 December 2017, subject to tax rules in place until 31 December 2017, followed by a "notional" acquisition of shares on 1 January 2018, subject to the new rules. The German tax on the notional disposal is, however, not imposed immediately but only once the shares are effectively sold by the investor.

Finally, the grandfathering for fund shares acquired prior to 1 January 2009 was been abolished and replaced by a new transitional rule. Whilst the increase of the share value from the initial acquisition until 31 December 2017 remains tax free the capital gain derived from the increase of the share value from 1 January 2018 is taxable. However, this new taxable capital gain is subject to a new personal allowance of € 100,000 per individual which needs to be claimed via tax return.

In conclusion, we wish to emphasise once again that the above representations reflect our understanding of the current status of the stated existing legal regulations in force as at the date of issue of this Country Supplement. Future changes in fiscal legislation and the interpretation of the laws by financial authorities or courts may affect the tax situation of Shareholders. Shareholders are, therefore, strongly advised to consult a tax advisor regarding the tax implications of buying, holding and selling shares of the funds in Germany and outside Germany.

# APPENDIX 3

## JPMorgan Funds prospectus

PROSPECTUS - JULY 2021

# JPMorgan Funds

*Société d'Investissement à Capital Variable Luxembourg*

**VISA 2021/165416-23-0-PC**
L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2021-07-02
Commission de Surveillance du Secteur Financier

J.P.Morgan
Asset Management

# Contents

# Using This Prospectus

*This Prospectus is designed so that it can be read as a narrative as well as a reference document in which information on particular topics can easily be found. The information on this page indicates where to find the most commonly used information.*

## Portfolio Characteristics

**Investment objectives and policies** Portfolio management information relating to each Sub-Fund, see Sub-Fund Descriptions; for general information including what is permissible under UCITS law and regulation, see Investment Restrictions and Powers.

### Understanding investment policies

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

- Cash and cash equivalents Can be held by any Sub-Fund on an ancillary basis."% of assets" does not include ancillary cash and cash equivalents. Other investments in cash and cash equivalents for any specific purpose will be described in Sub-Fund Descriptions.
- Equities Includes investments in shares, depository receipts, warrants and other participation rights. To a limited extent equity exposure may also be achieved through convertible securities, index and participation notes and equity linked notes.
- Debt securities Includes investments in bonds and other securities such as debentures, capital notes and any other obligations paying fixed or floating (variable) interest.
- Domicile When a domicile is stated, it refers to the country in which the company is incorporated and has its registered office.

**Derivatives** See Sub-Fund Descriptions for derivatives usage for each Sub-Fund. See Investment Restrictions and Powers for general information, including what is permissible under UCITS law and regulation, and for details on derivatives usage and purposes for the Sub-Funds.

**Risks** See Sub-Fund Descriptions for a list of the risks for each Sub-Fund including a general note on risk; individual risks are described in Risk Descriptions.

**Environmental, Social and Governance integration and sustainable investing** See ESG Integration and Sustainable Investing Approaches for details of how environmental, social and governance information is integrated into the investment decision making process and how Sub-Funds with sustainable investing objectives go beyond such integration. Please also refer to Sustainability risk as described in Risk Descriptions.

## Costs

**One-time charges and annual fees and expenses** Stated in Sub-Fund Descriptions explained in Share Classes and Costs.

**Performance fees** Rate and mechanism used stated in Sub-Fund Descriptions; calculations and examples set out in Share Classes and Costs.

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

## Share Classes

**Eligibility** See Share Classes and Costs.

**Investment minimums** See Share Classes and Costs.

**Characteristics and naming conventions** See Share Classes and Costs.

**Dividends** See Share Classes and Costs.

**Currently available** Go to jpmorganassetmanagement.lu; for Share Classes registered for public sale in a particular country, contact the Management Company or the local representatives shown in Information for Investors in Certain Countries.

**ISIN** See applicable KIID.

## Dealing

**Cut-off time** See Sub-Fund Descriptions.

**Placing dealing requests** See Investing in the Sub-Funds.

**Transfers to another party** See Investing in the Sub-Funds.

**General tax considerations** See Investing in the Sub-Funds.

## Contact and Ongoing Communications

**Queries and complaints** Contact the Management Company, a financial adviser or J.P. Morgan representative.

**Notices and publications** See Investing in the Sub-Funds.

## Meanings of Various Terms

**Defined terms** See Glossary 1.

**General investment terms** See Glossary 2.

### Currency Abbreviations

| | | | |
|---|---|---|---|
| **AUD** | Australian dollar | **JPY** | Japanese yen |
| **CAD** | Canadian dollar | **NOK** | Norwegian krone |
| **CHF** | Swiss franc | **NZD** | New Zealand dollar |
| **CNH** | Offshore Chinese renminbi | **PLN** | Polish zloty |
| | | **RMB** | Chinese renminbi |
| **CNY** | Onshore Chinese renminbi | **SEK** | Swedish krona |
| | | **SGD** | Singapore dollar |
| **CZK** | Czech koruna | **USD** | United States dollar |
| **EUR** | Euro | | |
| **GBP** | British pound sterling | | |
| **HKD** | Hong Kong dollar | | |
| **HUF** | Hungarian forint | | |

# Sub-Fund Descriptions

## Introduction to the Sub-Funds

The Fund exists to offer investors a range of Sub-Funds with different objectives and strategies and to offer the potential benefits of diversification and professional management to both retail and professional investors. Except for the Money Market Sub-Funds, the Sub-Funds are intended for long-term investment.

Before investing in any Sub-Fund, an investor should understand the risks, costs, and terms of investment of that Sub-Fund and of the relevant Share Class and how the investment would align with their own financial circumstances and tolerance for investment risk.

Investors, including insurance undertakings (as defined in Directive 2009/138/EC), have sole responsibility for being aware of, and complying with, all laws and regulations which apply to them, whether imposed by their country of tax residence or any other jurisdiction. This includes understanding the potential legal and tax consequences and resolving any fines, claims or other penalties that arise from failure to comply.

The Board recommends that every investor obtain legal, tax and financial advice before investing initially (and under any other circumstances where legal, tax or investment concerns may be relevant) as they maintain and/or increase their investment.

## Before Making an Initial Investment

### WHAT TO KNOW ABOUT RISK

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

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

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

In addition, Shareholders may experience currency risk if the currency in which they subscribe or redeem is different to the Share Class Currency, Sub-Fund Base Currency or the currency of the Sub-Fund's assets. The exchange rates between the relevant currencies can have a significant impact on the returns of a Share Class.

The main risks of each Sub-Fund are listed on the following pages. By consulting the list of risks and their definitions which appear in Risk Descriptions, Shareholders can better understand the overall risk to an investment in a Sub-Fund.

### WHO CAN INVEST IN THESE SUB-FUNDS

Ability to invest in the Fund is based on a number of factors.

In a given jurisdiction, only certain Sub-Funds and Share Classes will be registered. Distributing this Prospectus or offering Shares for sale is legal only where the Shares are registered for public sale or where offer or sale is not prohibited by local law or regulation. This Prospectus is not an offer or solicitation in any jurisdiction, or to any investor, where such a solicitation is not legally permitted.

In the United States, Shares are not and will not be registered either with the US Securities and Exchange Commission or any other US entity, federal or otherwise. The Fund is not registered under the US Investment Company Act of 1940. Therefore, in principle, Shares are not available to, or for the benefit of, any US Person. See Information for Investors in Certain Countries for further details.

### WHO CAN INVEST IN WHICH SHARE CLASSES

Investors should consult Share Classes and Costs to see which Share Classes they are eligible to hold. Some Shares are available to all investors, others are available only to investors who meet specific requirements such as qualifying as Institutional Investors. In all cases, there are minimum investment requirements which the Management Company may waive at its discretion.

### WHICH INFORMATION TO USE

In deciding whether to invest in a Sub-Fund, prospective investors should read this Prospectus including the relevant Sub-Fund Descriptions (being the offering document), the relevant KIID if applicable, any relevant local disclosure document as required in a specific jurisdiction, the application form including the terms and conditions, the Articles and the Fund's most recent annual report. These documents are made available, together with any more recent semi-annual report, as described in Notices and Publications under Ongoing Communication. By buying Shares in a Sub-Fund, an investor is considered to have accepted the terms described in any of these documents. Together, all these documents contain the only approved information about the Sub-Funds and the Fund. Any information or representation given or made by any person which is not contained herein or in any other document which may be available for inspection by the public should be regarded as unauthorised and should accordingly not be relied upon.

The Directors believe that they have taken all reasonable care to ensure that the information contained in this Prospectus is accurate, is current at the date of this Prospectus, and does not omit any material information.

In case of any inconsistency in translations of this Prospectus, the English version will prevail.

For a guide to interpreting certain key investment policy terms, see Understanding investment polices under Using This Prospectus.

JPMorgan Funds -

# Africa Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in African companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Integrated

**Benchmark** Dow Jones Africa Titans 50 Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an African country. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest a significant portion of assets in natural resources companies and securities exposed to movements in commodities prices. Natural resource companies are those that are engaged in the exploration for the development, refinement, production and marketing of natural resources and their secondary products.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | Emerging markets<br>Smaller companies<br>Commodities | Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to African equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 May 2008.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 10.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# America Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a concentrated portfolio of US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Concentrated, high-conviction portfolio that seeks to identify the most attractive investment ideas from the value and growth investment universes.

**ESG approach** ESG Promote

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund will invest in approximately 20 to 40 companies.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data. The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Equities |

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets;
- understand the risks associated with a concentrated portfolio of equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.55% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# ASEAN Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of countries which are members of the Association of South East Asian Nations (ASEAN).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Promote

**Benchmark** MSCI AC ASEAN Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an ASEAN country, including emerging markets. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest in companies listed in ASEAN countries that may have exposure to other countries, in particular China. At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.
The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website ( www.jpmorganassetmanagement.lu ).
The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and Instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to ASEAN equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 Sept 2009.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Asia Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth by investing primarily in a concentrated portfolio of growth biased companies in Asia (excluding Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI All Country Asia ex Japan Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a portfolio of growth biased equities of companies that are domiciled, or carrying out the main part of their economic activity, in an Asian country (excluding Japan), including emerging markets. The Sub-Fund will invest in approximately 40-60 companies and may invest in small capitalisation companies. The Sub-Fund may be concentrated in a limited number of securities, sectors or markets from time to time.

The Sub-Fund may invest up to 20% in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 10% expected; 10% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | Smaller companies |
| Hedging | Emerging markets | |
| Style bias | Equities | |

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

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to Asian (ex Japan) equity markets;
- seek an equity strategy with a growth bias;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Nov 2005.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Asia Pacific Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies in the Asia Pacific Basin (excluding Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses fundamental and systematic research inputs to identify stocks with specific style characteristics, such as value and momentum in price and earnings trends.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Promote

**Benchmark** MSCI All Country Asia Pacific ex Japan Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an Asia Pacific Basin country (excluding Japan), including emerging markets. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest up to 20% of its assets in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | China<br>Emerging markets<br>Equities | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to Asia Pacific Basin (ex Japan) equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Sept 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Brazil Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth by investing primarily in a concentrated portfolio of Brazilian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Integrated

**Benchmark** MSCI Brazil 10/40 Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Brazil. The Sub-Fund is concentrated in approximately 25-50 companies.

The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Emerging markets<br>Equities<br>Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through single country exposure to Brazilian equity markets;
- understand the risks associated with a concentrated portfolio of emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Oct 2007.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.85% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# China Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of the People's Republic of China (PRC).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI China 10/40 Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the PRC. The Sub-Fund may invest up to 40% of its assets in China A-Shares: up to 20% directly through the China-Hong Kong Stock Connect Programmes and the RQFII and QFII programmes, and up to 20% indirectly by means of participation notes. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of securities or sectors from time to time.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 5% expected; 5% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | China<br>Emerging markets<br>Equities<br>Participation notes | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through single country exposure to Chinese equity markets;
- understand the risks associated with emerging market equities and China and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 Jul 1994.

| | One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# China A-Share Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of the People's Republic of China (PRC).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** CSI 300 (Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in China A-Shares of companies that are domiciled, or carrying out the main part of their economic activity, in the PRC through the China-Hong Kong Stock Connect Programmes and the RQFII and QFII programmes. These investments may include small capitalisation companies. The Sub-Fund may be concentrated in a limited number of securities or sectors from time to time.

The Sub-Fund may invest up to 15% in participation notes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* CNH. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | China<br>Emerging markets<br>Equities<br>Participation notes | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through single country exposure to domestic Chinese equity markets;
- understand the risks associated with emerging market equities and China and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Sep 2015.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Europe Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies in European emerging market countries including Russia (the "Emerging European Countries").

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Integrated

**Benchmark** MSCI Emerging Markets Europe 10/40 Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an Emerging European country. The Sub-Fund may invest in smaller companies and have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | Emerging markets<br>Equities<br>Smaller companies | UCITS, UCIs and ETFs |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging European equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 Jul 1994.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Diversified Equity Plus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth through exposure to a diversified portfolio of emerging market companies, by direct investments in securities of such companies and through the use of financial derivative instruments.

### INVESTMENT PROCESS

**Investment approach**

- Uses fundamental and systematic research inputs to identify stocks with specific style characteristics, such as value and momentum in price and earnings trends.
- Combines bottom-up stock selection with top-down views on countries and sectors.
- Uses an active extension approach, buying securities considered attractive and selling short securities (achieved through derivatives) considered less attractive to improve potential returns without increasing overall net exposure to the market.

**ESG approach** ESG Promote

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics. The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest a significant portion of its assets in small capitalisation companies.

The Sub-Fund will typically hold long positions of approximately 130%, and short positions of approximately 30% (achieved through derivatives) of net assets but may vary from these targets depending on market conditions.

The Sub-Fund may invest up to 20% in China A-Shares through the China-Hong Kong Stock Connect Programmes. At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data. The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website ( www.jpmorganassetmanagement.lu ). The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivative Usage *table under* How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 70% expected; 180% maximum. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 70% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** Securities lending: 0% to 10% expected; 10% maximum

**Currencies** *Sub-Fund Base Currency:* USD *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives | China | Smaller companies |
| Hedging | Emerging markets | |
| Short positions | Equities | |

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

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging equity markets;
- understand the risks associated with emerging market equities and an active extension strategy and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Dec 2020.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.30% | - | 0.30% |
| **C** | - | 1.00% | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.30% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.50% | - | 0.16% |
| **S2** | - | 1.00% | - | 0.33% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Emerging Markets Dividend Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income by investing primarily in dividend-yielding equity securities of emerging market companies, whilst participating in long term capital growth.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to balance attractive yield and capital appreciation.

**ESG approach** ESG Promote

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross hedged to the Share Class currency, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in dividend yielding equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in smaller companies.

The Sub-Fund may invest up to 20% of its assets in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage *table under* How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 10% expected; 10% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | China<br>Emerging markets<br>Equities | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek a combination of income and long-term capital growth through exposure to emerging markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Dec 2012.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

The Sub-Fund may invest up to 20% of its assets in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 10% expected; 10% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | China<br>Emerging markets<br>Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Apr 1994.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.85% | - | 0.20% |
| **C2** | - | 1.00% | - | - | 0.70% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.85% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.70% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in an aggressively managed portfolio of emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Promote

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

The Sub-Fund may invest up to 20% of its assets in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 10% expected; 10% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | China<br>Emerging markets<br>Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Jul 1990.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.85% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.70% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Small Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small capitalisation emerging market companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI Emerging Markets Small Cap Index (Total Return Net)

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equity securities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. Market capitalisation is the total value of a company's shares and may fluctuate materially over time. The Sub-Fund's weighted average market capitalisation will, at all times, be less than the weighted average market capitalisation of the MSCI Emerging Markets IMI Index.

The Sub-Fund may invest up to 20% in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Managers proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | China<br>Emerging markets<br>Equities | Smaller companies |

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

| | | |
|---|---|---|
| Currency | Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging market small capitalisation companies;
- understand the risks associated with emerging market smaller companies and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Nov 2007.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | - | 0.85% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | - | 0.85% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 10.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Sustainable Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in emerging market Sustainable Companies or companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.
- Integrates ESG aspects to identify companies with strong or improving sustainability characteristics.

**ESG approach** Best-in-Class

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics and that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The remainder of assets may be invested in equities of companies considered less sustainable than those described above.

Sustainable Companies and companies that demonstrate improving sustainable characteristics are selected through the use of proprietary research and third party data. Fundamental analysis is used to better understand sustainability risks and opportunities that may impact a company. This analysis is also an important driver behind active company engagement when seeking to positively influence business practices to improve sustainability.

The Sub-Fund may invest in smaller companies.

The Sub-Fund may invest up to 20% in China A-Shares through the China-Hong Kong Stock Connect Programmes.

The Sub-Fund systematically includes ESG criteria in investment analysis and investment decisions on at least 90% of securities purchased (excluding cash).

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to Investment risks and Other associated risks from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the Outcomes to the Shareholder that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | China<br>Emerging markets<br>Equities | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Nov 2019.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.85% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.70% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.43% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* ** Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Middle East Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of the emerging markets of the Middle East.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Integrated

**Benchmark** S&P Pan Arab Composite Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country of the Middle East. The Sub-Fund may also invest in Morocco and Tunisia and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest up to 20% in participation notes.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Participation notes |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

# Investor Considerations

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

- seek long-term capital growth through exposure to emerging equity markets of the Middle East region;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.
It is expected that the Sub-Fund will normally be closed on a Friday pursuant to the definition of Valuation Day.

**Sub-Fund launch date** 18 May 1998.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.85% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Euroland Dynamic Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of companies of countries that are part of the Eurozone ("Euroland Countries").

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** ESG Promote

**Benchmark** MSCI EMU Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 75% of net assets invested in equities (excluding convertible securities, index and participation notes and equity linked notes) of companies that are domiciled, or carrying out the main part of their economic activity, in a Euroland Country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Companies from other European countries to a limited extent.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* predominantly EUR. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Equities |

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

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to Eurozone equity markets;
- understand the risks associated with an equity strategy managed with minimal constraints and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

*Sub-Fund eligible for the Plan d'Épargne en Actions.*

**Performance fee** *Method:* claw-back. *Cap:* none.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Sept 2011.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 10.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Euroland Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies of countries that are part of the Eurozone ("Euroland Countries").

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis

**ESG approach** ESG Promote

**Benchmark** MSCI EMU Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 75% of net assets invested in equities (excluding convertible securities, index and participation notes and equity linked notes) of companies that are domiciled, or carrying out the main part of their economic activity, in a Euroland Country.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Up to 10% in companies from other continental European countries.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* predominantly EUR. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

# Investor Considerations

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

- seek long-term capital growth through exposure to Eurozone equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

*Sub-Fund eligible for the Plan d'Épargne en Actions.*

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 30 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Dynamic Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu). The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- understand the risks associated with an equity strategy managed with minimal constraints and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Dec 2000.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Dynamic Small Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of small capitalisation European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Small Cap Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in a European Country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the benchmark for the Sub-Fund at the time of purchase.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- understand the risks associated with a small cap equity strategy managed with minimal constraints and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 27 Jan 2005.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C (perf)** | - | 1.00% | - | 0.75% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | 0.75% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | 0.60% | - | 0.16% | 10.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Dynamic Technologies Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in technologies (including but not limited to technology, media and telecommunication) related companies in Europe.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Uses a best ideas approach to finding the most attractive investment ideas with minimal constraints.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Investable Market Information Technology 10/40 Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies related to technologies (including but not limited to technology, media and telecommunication) that are domiciled, or carrying out the main part of their economic activity, in a European country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through a specialist sector investment;
- understand the risks associated with an equity strategy managed with minimal constraints and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Nov 1999.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Equity Absolute Alpha Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a total return through long and short investments in European companies while maintaining low market exposure, by investing in such companies directly or through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Uses a long/short approach, buying securities considered attractive and selling short securities considered unattractive to generate investment returns with lower risk than the equity market.

**ESG approach** ESG Promote

**Benchmark** ICE BofA ESTR Overnight Rate Index Total Return in EUR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country. The Sub-Fund may invest in small capitalisation companies. At times such exposure may be obtained entirely through the use of derivatives and as a result the Sub-Fund may hold up to 100% of its assets in cash and cash equivalents.

The Sub-Fund will not typically hold long positions exceeding 130% of net assets and short positions (achieved through derivatives) exceeding 130% of net assets.

The Sub-Fund will seek to maintain low net exposure to the European equity market. Net market exposure will typically range from -40% to +40% of net assets.

At least 51% of assets (excluding short positions) are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 140% expected; 260% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Derivatives<br>Hedging<br>Short position | Equities<br>Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets with potentially lower volatility;
- seek low net exposure to the European equity market;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* High Water Mark. *Cap:* none.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 19 Dec 2013.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% | 15.00% |
| **C** | - | 1.00% | - | - | 1.65% | - | 0.20% | - |
| **C (perf)** | - | 1.00% | - | - | 0.75% | - | 0.20% | 15.00% |
| **D (perf)** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% | 15.00% |
| **I (perf)** | - | 1.00% | - | - | 0.75% | - | 0.16% | 15.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.60% | - | 0.16% | 15.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% | 15.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 15.00% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD :* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 01 Dec 1988.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.00% | - | 0.30% |
| **C** | - | 1.00% | - | 0.50% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.00% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.40% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Equity Plus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long term capital growth through exposure to European companies, by direct investments in securities of such companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis
- Uses an active extension approach, buying securities considered attractive and selling short securities considered less attractive to improve potential returns without increasing the overall net exposure to the market.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.
- Performance fee calculation.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European Country.

The Sub-Fund will typically hold long positions of approximatively 130%, and short positions of approximatively 30% (achieved through derivatives) of net assets but may vary from these targets depending on market conditions.

At least 51% of assets (excluding short positions) are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 70% expected; 180% maximum. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Derivatives<br>Hedging<br>Short positions | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- seek an equity investment with scope for additional returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 25 Jun 2007.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 10.00% |
| **C** | - | 1.00% | - | 1.10% | - | 0.20% | - |
| **C (perf)** | - | 1.00% | - | 0.80% | - | 0.20% | 10.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% | 10.00% |
| **I (perf)** | - | 1.00% | - | 0.80% | - | 0.16% | 10.00% |
| **I2 (perf)** | - | 1.00% | - | 0.65% | - | 0.16% | 10.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Small Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small capitalisation European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Small Cap Index (Total Return Net) . For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in a European country.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the benchmark for the Sub-Fund at the time of purchase.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types* : see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Smaller companies<br>Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European small cap equity markets;
- understand the risks associated with smaller companies and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Apr 1994.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Strategic Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Seeks to identify high quality companies with superior momentum.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Growth Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a growth style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European country.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging<br>Style bias | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- seek a growth style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Feb 2000.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Strategic Value Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a value style-biased portfolio of European companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Seeks to identify attractively valued companies that are fundamentally sound.

**ESG approach** ESG Promote

**Benchmark** MSCI Europe Value Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a value style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in a European country.
At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.
The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website ( www.jpmorganassetmanagement.lu ).
The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging<br>Style bias | Equities |

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

| | |
|---|---|
| Currency | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- seek a value style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Feb 2000.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe Sustainable Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in European Sustainable Companies or companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Integrates ESG aspects to identify companies with strong or improving sustainability characteristics.

**ESG approach** Best-in-Class

**Benchmark** MSCI Europe Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics and that are domiciled, or carrying out the main part of their economic activity, in a European country. The Sub-Fund may invest in small capitalisation companies.

Sustainable Companies and companies that demonstrate improving sustainable characteristics are selected through the use of proprietary research and third party data. Fundamental analysis is used to better understand sustainability risks and opportunities that may impact a company. This analysis is also an important driver behind active company engagement when seeking to positively influence business practices to improve sustainability.

The Sub-Fund systematically includes ESG criteria in investment analysis and investment decisions on at least 90% of securities purchased (excluding cash).

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities<br>Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European equity markets;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Dec 2016.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.55% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.55% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.45% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.33% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe Sustainable Small Cap Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small capitalisation European Sustainable Companies or small capitalisation companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Integrates ESG aspects to identify companies with strong or improving sustainability characteristics.

**ESG approach** Best-in-Class

**Benchmark** MSCI Europe Small Cap Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small capitalisation Sustainable Companies or small capitalisation companies that demonstrate improving sustainable characteristics and that are domiciled, or carrying out the main part of their economic activity, in a European country. The remainder of assets may be invested in equities of companies considered less sustainable than those described above.

Sustainable Companies and companies that demonstrate improving sustainable characteristics are selected through the use of proprietary research and third party data. Fundamental analysis is used to better understand sustainability risks and opportunities that may impact a company. This analysis is also an important driver behind active company engagement when seeking to positively influence business practices to improve sustainability.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the benchmark for the Sub-Fund at the time of purchase.

The Sub-Fund systematically includes ESG criteria in investment analysis and investment decisions on at least 90% of securities purchased (excluding cash).

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivative Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities<br>Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to European small cap equity markets;
- understand the risks associated with smaller companies and are willing to accept those risks in search of potential higher returns;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 06 Dec 2019.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.38% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Emerging Markets Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of emerging market companies; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Enhanced index approach that builds a portfolio in reference to the benchmark by overweighting the securities with the highest potential to outperform and underweighting the securities considered most overvalued.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**ESG approach** ESG Integrated

**Benchmark** MSCI Emerging Markets Index (Total Return Net). For currency hedged Share Classes, the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is an enhanced index strategy which is actively managed in reference to the composition and risk characteristics of the benchmark. As a result, it is likely the Sub-Fund's performance will bear a close resemblance to its benchmark and the majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in small capitalisation companies.

The Sub-Fund may invest up to 20% in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | China<br>Emerging markets<br>Equities | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to emerging equity markets;
- seek potential excess returns with similar risks to investing in securities representing the benchmark;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Oct 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 0.38% | 0.30% |
| **C** | - | 1.00% | - | 0.19% | 0.20% |
| **I** | - | 1.00% | - | 0.19% | 0.16% |
| **S2** | - | 1.00% | - | 0.10% | 0.16% |
| **X** | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To maximise long-term capital growth by investing primarily in a portfolio of companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.

**ESG approach** ESG Integrated

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies anywhere in the world, including emerging markets.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to global equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Dec 2000.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.00% | - | 0.30% |
| C | - | 1.00% | - | 0.50% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.00% | 0.75% | 0.30% |
| I | - | 1.00% | - | 0.50% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Focus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide superior long-term capital growth by investing primarily in an aggressively managed portfolio of large, medium and small companies globally, that the Investment Manager believes to be attractively valued and to have significant profit growth or earnings recovery potential.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on stock level analysis by a global research team.
- Uses a high-conviction approach to finding the best investment ideas with minimal constraints.

**ESG approach** ESG Promote

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of large, medium and small companies that the Investment Manager believes to be attractively valued and to have significant profit growth or earnings recovery potential. Companies may be located anywhere in the world, including emerging markets and the Sub-Fund may be concentrated in a limited number of securities, sectors or countries from time to time.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to global equity markets;
- understand the risks associated with an equity strategy managed with minimal constraints and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 23 May 2003.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental bottom-up stock selection process.
- Investment process built on stock level analysis by a global research team.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI All Country World Growth Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a portfolio of growth style biased equities of companies anywhere in the world, including emerging markets. The Sub- Fund may invest in companies of any size (including small capitalisation companies). The Sub-Fund may be concentrated in a limited number of securities, sectors and markets from time to time.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| Style bias | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to global equity markets;
- seek a growth style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Healthcare Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return by investing primarily in pharmaceutical, biotechnology, healthcare services, medical technology and life sciences companies ("Healthcare Companies"), globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on stock level analysis by a global research team.
- Targets innovative and attractively valued companies using strong scientific rationale as the basis for all investment decisions.

**ESG approach** ESG Promote

**Benchmark** MSCI World Healthcare Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in Healthcare Companies anywhere in the world. The Sub-Fund may invest in smaller capitalisation companies.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

# Investor Considerations

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

- seek long-term capital growth;
- seek a higher risk, specialist sector equity investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 02 Oct 2009.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.80% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.80% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Natural Resources Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in natural resources companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on stock level analysis by a global research team.

**ESG approach** ESG Integrated

**Benchmark** EMIX Global Mining & Energy Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of natural resources companies anywhere in the world, including emerging markets. Natural resource companies are those that are engaged in the exploration for and the development, refinement, production and marketing of natural resources and their secondary products. The Sub-Fund may invest in small capitalisation companies.

**Other investment exposures** Unquoted securities; UCITS and UCIs.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | Commodities<br>Emerging markets<br>Equities<br>Smaller Companies | UCITS, UCIs and ETFs |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth;
- seek a higher risk, specialist sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 21 Dec 2004.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.80% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| F | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.80% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Real Estate Securities Fund (USD)

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Real Estate Investment Trusts ("REITs") and in companies that own, develop, operate or finance real estate and whose real estate assets or activities account for more than 50% of the value of such companies' shares ("Real Estate Companies").

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on stock level analysis by a global research team.

**ESG approach** ESG Promote

**Benchmark** FTSE EPRA Nareit Developed Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of REITs and other Real Estate Companies anywhere in the world. The Sub-Fund may invest in small capitalisation companies.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically managed to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Smaller companies |
| Concentration | Equities |
| | REITs |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to real estate;
- seek a specialist sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 01 Sept 2006.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of companies globally; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on stock level analysis by a global research team.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**ESG approach** ESG Integrated

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is an enhanced index strategy which is actively managed in reference to the composition and risk characteristics of the benchmark. As a result, it is likely the Sub-Fund's performance will bear a close resemblance to its benchmark and the majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies anywhere in the world.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Consideration

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

- seek long-term capital growth through exposure to global equity markets;
- seek potential excess returns with similar risks to investing in securities representing the benchmark;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Jun 2010.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 0.38% | 0.15% |
| C | - | 1.00% | - | 0.19% | 0.15% |
| I | - | 1.00% | - | 0.19% | 0.11% |
| X | - | 1.00% | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

*A Share Classes will only be made available to certain eligible shareholders in the future. Please contact the Management Company for further information.*

JPMorgan Funds -

# Global Socially Responsible Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies globally that the Investment Manager believes to be socially responsible.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental bottom-up stock selection process.
- Investment process built on leveraging the insights of a global analyst team to identify attractively valued companies using a quality and growth framework.
- Uses negative screening to exclude specific companies. Companies from remaining sectors are assessed for certain corporate, social and environmental attributes prior to inclusion.

**ESG approach** ESG Promote

**Benchmark** ECPI Ethical Index Global (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of socially responsible companies anywhere in the world. Socially responsible companies are expected to work towards high standards of corporate, social and environmental responsibility and environmental sustainability, develop positive relationships with their shareholders, and uphold and support universal human rights.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging<br>Security exclusion | Equities |

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

| Currency | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to global equity markets;
- seek an equity strategy managed along ethical lines;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 02 Jun 2000.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.55% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.55% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.45% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Sustainable Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in global Sustainable Companies or companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Integrates ESG aspects to identify companies with strong or improving sustainability characteristics.

**ESG approach** Best-in-Class

**Benchmark** MSCI World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics anywhere in the world. The Sub-Fund may invest in small capitalisation companies.

Sustainable Companies and companies that demonstrate improving sustainable characteristics are selected through the use of proprietary research and third party data. Fundamental analysis is used to better understand sustainability risks and opportunities that may impact a company. This analysis is also an important driver behind active company engagement when seeking to positively influence business practices to improve sustainability.

The Sub-Fund systematically includes ESG criteria in investment analysis and investment decisions on at least 90% of securities purchased (excluding cash).

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities<br>Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to global equity markets;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Nov 2018.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.55% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.55% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.45% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.33% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Value Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a value style-biased portfolio of companies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a bottom-up stock selection process.
- Uses the full breadth of the eligible equity investment universe through a combination of fundamental research insights and quantitative analysis.
- Seeks to identify attractively valued companies that are fundamentally sound.

**ESG approach** ESG Promote

**Benchmark** MSCI World Value Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a value style biased portfolio of equities of companies anywhere in the world. The Sub-Fund may invest in small capitalisation companies. At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data. T he Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) . The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to Investment risks and Other associated risks from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the Outcomes to the Shareholder that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities |
| Style bias | Smaller companies |

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

| Currency | Market | Liquidity |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to global equity markets;
- seek a value style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** Not launched.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.37% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* ** Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Greater China Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies from the People's Republic of China, Hong Kong and Taiwan ("Greater China").

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI Golden Dragon Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Greater China. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time.

The Sub-Fund may invest up to 40% of its assets in China A-Shares: up to 20% directly through the China-Hong Kong Stock Connect Programmes and the RQFII and QFII programmes, and up to 20% indirectly by means of participation notes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 10% expected; 10% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | Smaller companies |
| Hedging | Emerging markets | |
| | Equities | |
| | Participation notes | |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to the equity markets of the Greater China region;
- understand the risks associated with emerging market equities and China and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 May 2001.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# India Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Indian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Integrated

**Benchmark** MSCI India 10/40 Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in India. The Sub-Fund may also invest in Pakistan, Sri Lanka and Bangladesh. The Sub-Fund may be concentrated in a limited number of securities or sectors from time to time.

A Mauritius Subsidiary, wholly-owned by JPMorgan Funds, may be used to facilitate an efficient means of investing.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through single country exposure to Indian equity markets;
- understand the risks associated with a concentrated portfolio of emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Aug 1995.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.80% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.80% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Japan Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Japanese companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** TOPIX (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Japan. The Sub-Fund may invest in small capitalisation companies.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* JPY. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through single country exposure to Japanese equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **J** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Korea Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a concentrated portfolio of Korean companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Integrated

**Benchmark** Korea Composite Stock Price Index (KOSPI).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Korea. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through single country exposure to Korean equity markets;
- understand the risks associated with a concentrated portfolio of emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 Sept 2007.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| I2 | - | 1.00% | - | 0.60% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Latin America Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Latin American companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Integrated

**Benchmark** MSCI Emerging Markets Latin America Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a Latin American country. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to Latin American equity markets;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 May 1992.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.85% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | - | 0.85% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.60% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Pacific Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in companies in the Pacific Basin (including Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process utilising country specialist and sector analyst inputs.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Promote

**Benchmark** MSCI All Country Asia Pacific Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in a country of the Pacific Basin, including Japan. The Sub-Fund may invest in small capitalisation companies and have significant positions in specific sectors or markets from time to time. Certain countries in the Pacific Basin may be considered emerging markets.

The Sub-Fund may invest up to 20% in China A-Shares through the China-Hong Kong Stock Connect Programmes.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration<br>Hedging | Smaller companies<br>China<br>Emerging markets | Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to equity markets of the Pacific region, including Japan;
- understand the risks associated with emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Russia Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a concentrated portfolio of Russian companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.

**ESG approach** ESG Integrated

**Benchmark** MSCI Russia 10/40 Index (Total Return Net).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Russia. The Sub-Fund may also invest in other members of the Commonwealth of Independent States and may be concentrated in a limited number of securities or sectors from time to time.

The Sub-Fund will invest in securities listed on the Moscow Exchange, which is classified as a Regulated Market.

**Other investment exposures** Up to 10% in securities traded on the non Regulated Markets of Russia and the Commonwealth of Independent States, and other securities not traded on a Regulated Market.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

# Investor Considerations

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

- seek long-term capital growth through single country exposure to Russian equity markets;
- understand the risks associated with a concentrated portfolio of emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Nov 2005.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.85% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.85% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Taiwan Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in Taiwanese companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process combined with top-down views on countries.
- Uses a high conviction approach to finding the best investment ideas.
- Seeks to identify high quality companies with superior and sustainable growth potential.

**ESG approach** ESG Integrated

**Benchmark** MSCI Taiwan 10/40 Index (Total Return Net) .

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in Taiwan. The Sub-Fund may invest in small capitalisation companies and may be concentrated in a limited number of sectors from time to time.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through single country exposure to Taiwanese equity markets;
- understand the risks associated with a concentrated portfolio of emerging market equities and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 May 2001.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | 0.75% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| I | - | 1.00% | - | 0.75% | - | 0.16% |
| X | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Thematics - Genetic Therapies

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return by investing in companies with exposure to the theme of genetic therapies, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses the ThemeBot which, through natural language processing, determines textual relevance and revenue attribution to identify companies with the highest exposure to the theme.
- Considers insights from a team of specialist sector analysts who review the ThemeBot's results to assess their appropriateness for the portfolio.
- Determines the position sizes of the securities identified as having the highest exposure to the theme by taking into consideration not only textual relevance and revenue attribution but also their quality, liquidity and market capitalisation.

**ESG approach** Thematic

**Benchmark** MSCI All Country World Index (Total Return Net). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** Will invest in equities of companies that have been identified by the Investment Manager as being involved in research, development, production or marketing of genetic therapies and their associated businesses anywhere in the world, including emerging markets.

To identify these companies, the Investment Manager uses the ThemeBot which is a proprietary natural language processing tool that:

- identifies and determines the relevance of key words and concepts related to the theme, and
- evaluates public documentation such as regulatory filings, broker reports, news reports or company profiles to identify those companies providing the highest exposure to the theme.

The Investment Manager supervises and monitors the theme identification and portfolio construction process and actively selects securities for the Sub-Fund's portfolio. At least 90% of companies purchased will be analysed against the theme.

The theme of genetic therapies, which is the thematic focus of the Sub-Fund, aligns with the pursuit of global principles aiming to improve sustainable and socially responsible finance in relation to the promotion of good health and well-being.

While not constrained to any sector, the Sub-Fund will have significant positions in specific sectors or markets such as healthcare and biotechnology.

The Sub-Fund may invest a significant portion of its assets in small capitalisation companies and have significant positions in specific sectors or markets from time to time. At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data. The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* USD . *Currencies of asset denomination:* any. *Hedging approach:* typically unhedged.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Emerging markets |
| Hedging | Equities |
| Thematic | Smaller companies |

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

| Currency | Liquidity | Market |
|---|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth;
- seek a higher risk, thematic equity investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** Portfolio hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 24 Oct 2019.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 0.72% | - | 0.30% |
| **C** | - | 1.00% | - | 0.36% | - | 0.20% |
| **C2** | - | 1.00% | - | 0.29% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 0.72% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.36% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.29% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Equity All Cap Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a portfolio of US companies across all market capitalisations.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Seeks to identify the most attractive investment ideas from the value and growth investment universes, across the market capitalisation spectrum.

**ESG approach** ESG Integrated

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies of all sizes that are domiciled, or carrying out the main part of their economic activity, in the US.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities<br>Smaller companies |

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

| Liquidity | Market |
|---|---|

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through broad exposure to US equity markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 Feb 2014.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| C | - | 1.00% | - | - | 0.65% | - | 0.20% |
| D | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| I | - | 1.00% | - | - | 0.65% | - | 0.16% |
| I2 | - | 1.00% | - | - | 0.55% | - | 0.16% |
| T | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| X | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Targets companies with strong fundamentals that have the ability to deliver higher earnings growth than market expectations.

**ESG approach** ESG Promote

**Benchmark** Russell 1000 Growth Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a growth style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data. The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) . The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending* : 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging<br>Style bias | Equities |

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets;
- seek a growth style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Oct 2000.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.20% |
| **C2** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Hedged Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth, with lower volatility than traditional long-only US equity strategies over a full market cycle, through direct exposure primarily to US companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Builds a portfolio in reference to the benchmark by overweighting securities with the highest potential to outperform and underweighting securities considered most overvalued.
- Combines bottom-up stock selection with a disciplined option overlay strategy that is intended to mitigate downside risk while limiting some capital appreciation potential.

**ESG approach** ESG Integrated

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund's equity portfolio follows an enhanced index strategy which is actively managed in reference to the composition and risk characteristics of the benchmark. As a result, it is likely the equity portfolio will bear a close resemblance to its benchmark. However due to the options overlay strategy, the overall performance and risk characteristics of the Sub-Fund are likely to be different.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund systematically purchases and sells exchange traded derivatives, typically based on the S&P 500.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Derivatives<br>Hedging | Equities |

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |
|---|---|---|

## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets with potentially lower volatility than traditional long-only US equities strategies;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 19 Dec 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 0.90% | 0.30% |
| **C** | - | 1.00% | - | 0.45% | 0.20% |
| **I** | - | 1.00% | - | 0.45% | 0.16% |
| **I2** | - | 1.00% | - | 0.36% | 0.16% |
| **S2** | - | 1.00% | - | 0.23% | 0.16% |
| **X** | - | 1.00% | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Opportunistic Long-Short Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a total return through the active management of long and short equity positions, with exposure primarily to US companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Employs an active long-short investment approach to maximise exposure to stocks representing the best ideas.
- Flexible market exposure seeks to limit losses in falling markets while capturing some of the upside when markets rise.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA SOFR Overnight Rate Index Total Return in USD. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** At least 67% gross equity exposure, either directly or through derivatives, to equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US. At times such exposure may be obtained entirely through the use of derivatives and as a result the Sub-Fund may hold up to 100% of its assets in cash and cash equivalents. The Sub-Fund may be concentrated in a limited number of securities or sectors from time to time.

The Sub-Fund will typically hold long positions of up to 140%, and short positions (achieved through derivatives) of up to 115%, of net assets.

Net market exposure will be flexibly managed and will typically range from net short 30% to net long 80% depending on the Investment Manager's outlook.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 15% to 50% expected; 200% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Derivatives<br>Hedging<br>Short positions<br>Concentration | Equities |

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek a return through exposure to US equity markets;
- are interested in an alternative US equity solution to complement traditional equity offerings;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Performance Cap:* 11.5% on cumulative excess return.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 30 Oct 2015.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% | 15.00% |
| **C (perf)** | - | 1.00% | - | 0.75% | - | 0.20% | 15.00% |
| **D (perf)** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% | 15.00% |
| **I (perf)** | - | 1.00% | - | 0.75% | - | 0.16% | 15.00% |
| **I2 (perf)** | - | 1.00% | - | 0.60% | - | 0.16% | 15.00% |
| **S2 (perf)** | - | 1.00% | - | 0.38% | - | 0.16% | 15.00% |
| **X** | - | 1.00% | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | 0.15% | 15.00% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Research Enhanced Index Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a long-term return in excess of the benchmark by investing primarily in a portfolio of US companies; the risk characteristics of the portfolio of securities held by the Sub-Fund will resemble the risk characteristics of the portfolio of securities held in the benchmark.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Enhanced index approach that builds a portfolio in reference to the benchmark by overweighting securities with the highest potential to outperform and underweighting securities considered most overvalued.
- Diversified portfolio with disciplined, risk-controlled portfolio construction.

**ESG approach** ESG Integrated

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is an enhanced index strategy which is actively managed in reference to the composition and risk characteristics of the benchmark. As a result, it is likely the Sub-Fund's performance will bear a close resemblance to its benchmark and the majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

**Techniques**
Hedging

**Securities**
Equities

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

**Loss** Shareholders could lose some or all of their money.

**Volatility** Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets;
- seek potential excess returns with similar risks to investing in securities representing the benchmark;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 18 Feb 2011.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | |
|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Operating and Administrative Expenses (Max) |
| C | - | 1.00% | - | 0.19% | 0.15% |
| I | - | 1.00% | - | 0.19% | 0.11% |
| X | - | 1.00% | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Select Equity Plus Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth, through exposure to US companies by direct investment in securities of such companies and through the use of derivatives.

### INVESTMENT PROCESS

**Investment approach**

- Uses a research-driven investment process that is based on the fundamental analysis of companies and their future earnings and cash flows by a team of specialist sector analysts.
- Uses an active extension approach, buying securities considered attractive and selling short securities considered less attractive to improve potential returns without increasing overall net exposure to the market.

**ESG approach** ESG Promote

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

The Sub-Fund will normally hold long positions of approximately 130%, and short positions (achieved through derivatives) of approximately 30% of net assets but may vary from these targets depending on market conditions.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) .

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 60% expected; maximum 200%. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 60% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Derivatives<br>Hedging<br>Short positions | Equities |

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets;
- seek an equity investment with scope for additional returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 05 Jul 2007.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.55% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Smaller Companies Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in small and micro capitalisation US companies.

### INVESTMENT PROCESS

**Investment approach**

- Diversified portfolio using a fundamental, bottom-up stock selection process.
- Seeks to identify high quality companies with predictable and durable business models.

**ESG approach** ESG Promote

**Benchmark** Russell 2000 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of small and micro capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in the US.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small and micro capitalisation companies are those whose market capitalisation is within the range of the market capitalisation of companies in the Sub-Fund's benchmark at the time of purchase.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) .

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Mid-capitalisation US companies; Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities<br>Smaller companies |

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

| | |
|---|---|
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to US small and micro cap equity markets;
- understand the risks associated with smaller companies and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.75% | - | 0.20% |
| **C2** | - | 1.00% | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | 0.75% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Small Cap Growth Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a growth style biased portfolio of small capitalisation US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Targets companies with strong fundamentals that have the ability to deliver higher earnings growth than market expectations.

**ESG approach** ESG Promote

**Benchmark** Russell 2000 Growth Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a growth style biased portfolio of equities of small capitalisation companies that are domiciled, or carrying out the main part of their economic activity, in the US.

Market capitalisation is the total value of a company's shares and may fluctuate materially over time. Small capitalisation companies are those whose market capitalisation is within the range of the market capitalisation of companies in the Sub-Fund's benchmark at the time of purchase.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) .

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Equities |
| Style bias | Smaller companies |

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

| | |
|---|---|
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to US small cap equity markets;
- understand the risks associated with a small cap growth-biased strategy and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Sept 1984.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.55% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Sustainable Equity Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in US Sustainable Companies or US companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (Sustainable Characteristics).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Investment process built on leveraging the insights of a team of US sector specialist analysts that seeks to identify attractive sustainable long-term investments
- Integrates ESG aspects to identify companies with strong or improving Sustainability Characteristics

**ESG approach** Best In Class

**Benchmark** S&P 500 Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics anywhere carrying out the main part of their economic activity, in the US.

Sustainable Companies and companies that demonstrate improving sustainable characteristics are selected through the use of proprietary research and third party data. Fundamental analysis is used to better understand sustainability risks and opportunities that may impact a company. This analysis is also an important driver behind active company engagement when seeking to positively influence business practices to improve sustainability.

The Sub-Fund systematically includes ESG criteria in investment analysis and investment decisions on at least 90% of securities purchased (excluding cash).

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

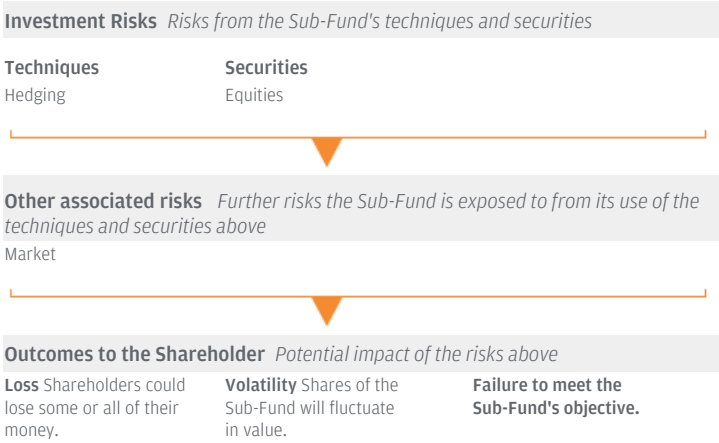
**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.



## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** Pre-launch

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **C2** | - | 1.00% | - | - | 0.40% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.25% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.75% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Technology Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in technologies (including but not limited to technology, media and communication services) related US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Seeks to identify the best investment ideas in technology-driven sectors.

**ESG approach** ESG Promote

**Benchmark** Russell 1000 Equal Weight Technology Index (Total Return Net of 30% withholding tax).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities of companies related to technologies (including but not limited to technology, media and communication services) that are domiciled, or carrying out the main part of their economic activity, in the US. The Sub-Fund may invest in small capitalisation companies.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) .

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration | Equities |
| Hedging | Smaller companies |

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

| | |
|---|---|
| Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth through exposure to the US equity market;
- seek a technology sector investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 05 Dec 1997.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.65% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 1.00% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.65% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.55% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years*

JPMorgan Funds -

# US Value Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing primarily in a value style-biased portfolio of US companies.

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up stock selection process.
- Targets companies with durable business models, consistent earnings, strong cash flows and experienced management teams.

**ESG approach** ESG Promote

**Benchmark** Russell 1000 Value Index (Total Return Net of 30% withholding tax). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in a value style biased portfolio of equities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

At least 51% of assets are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu) .

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Canadian companies.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging<br>Style bias | Equities |

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

Market

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

-

## Investor Considerations

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

- seek long-term capital growth through exposure to US equity markets;
- seek a value style investment approach;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Oct 2000.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | 0.50% | 1.50% | 0.75% | 0.30% |
| **I** | - | 1.00% | - | 0.60% | - | 0.16% |
| **I2** | - | 1.00% | - | 0.50% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Asia Pacific Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income and long term capital growth by investing primarily in income-generating securities of countries in the Asia Pacific region (excluding Japan).

### INVESTMENT PROCESS

**Investment approach**

- Uses a fundamental, bottom-up security selection process.
- Maintains a dynamic allocation between equities and fixed income.
- Seeks to balance attractive yield with capital appreciation.

**ESG approach** ESG Integrated

**Benchmark** 50% MSCI All Country Asia Pacific ex Japan Index (Total Return Net) / 50% J.P. Morgan Asia Credit Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency The equity component of the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities, debt securities, convertible securities of companies and REITs that are domiciled, or carrying out the main part of their economic activity in the Asia Pacific region (excluding Japan) including emerging markets. The Sub-Fund may have significant positions in specific sectors or markets from time to time.

The Sub-Fund will hold a minimum of 25% and a maximum of 75% of assets in equities and between 25% and 75% in debt securities.

There are no credit quality or maturity restrictions applicable to the investments and a significant proportion may be invested in below investment grade and unrated debt securities.

The Sub-Fund may invest up to 10% of its assets in onshore PRC securities including China A-Shares through the China-Hong Kong Stock Connect Programmes and onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

**Other investment exposures** Up to 10% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and Instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | - Unrated debt |
| Hedging | Contingent convertible bonds | Emerging markets |
| | Convertible securities | Equities |
| | Debt securities | REITs |
| | - Investment grade debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

## Investor Considerations

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

- seek a combination of income and long-term capital growth through exposure to the Asia Pacific region (excluding Japan);
- seek a flexible asset allocation approach;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market securities) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Jun 2001.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.45% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.50% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Total Emerging Markets Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve income and long-term capital growth by investing primarily in income generating emerging market equities and debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Diversified portfolio using a fundamental, bottom-up security selection process.
- Maintains a dynamic allocation between equities and fixed income.
- Seeks to balance attractive yield with capital appreciation.

**ESG approach** ESG Promote

**Benchmark** 50% MSCI Emerging Markets Index (Total Return Net)/ 25% J.P. Morgan Government Bond Index Emerging Markets Global Diversified (Total Return Gross)/ 15% J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross)/ 10% J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency. The equity component of the benchmark is cross-hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in equities and debt securities of companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country and in debt securities issued or guaranteed by emerging market governments or their agencies. The Sub-Fund may invest in small capitalisation companies.

The Sub-Fund will hold between 20% and 80% of assets in equities, and between 20% and 80% of assets in debt securities. The Sub-Fund may invest up to 20% in onshore PRC securities including China A-Shares through the China-Hong Kong Stock Connect Programmes and onshore debt securities issued within the PRC through the China-Hong Kong Bond Connect.

There are no credit quality or maturity restrictions applicable to the investments.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | China<br>Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt | - Below investment grade debt<br>Emerging markets<br>Equities<br>Smaller companies |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate<br>Liquidity | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek a combination of income and long-term capital growth through exposure to emerging debt and equity markets;
- seek a flexible asset allocation approach;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market securities) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 30 Sep 2013.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.65% | 0.30% |
| **I** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.30% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.25% | 0.65% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Convertibles Fund (EUR)

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide a return by investing primarily in a diversified portfolio of convertible securities, globally.

### INVESTMENT PROCESS

**Investment approach**

- Globally diversified convertible bond strategy.
- Fundamental approach that systematically focuses on high quality convertible issuers, diversified across geography, sectors and issuer.
- Aims to deliver a balanced delta profile (sensitivity of the portfolio value to changes in prices of underlying equities).

**ESG approach** ESG Promote

**Benchmark** Refinitiv Global Focus Convertible Bond Index (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested in convertible securities from issuers anywhere in the world, including emerging markets.

Convertible securities may include any suitable convertible or exchangeable instruments such as convertible bonds, convertible notes or convertible preference shares.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

**Other investment exposures** Debt securities, equities and warrants.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Convertible securities<br>Emerging markets<br>Equities |

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

| | | |
|---|---|---|
| Credit<br>Currency | Interest rate<br>Liquidity | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

## Investor Considerations

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

- some of the potential returns of an equity portfolio, with some of the lower volatility characteristics associated with bonds;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests placed before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 04 May 2001.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **C2** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.50% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.25% | 0.50% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global bond markets by investing primarily in global investment grade debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of global investment grade debt which includes government, government related, corporate, emerging markets and securitised debt.
- The Sub-Fund may also invest in high yield and currency exposure is typically hedged back to USD.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Global Aggregate Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade debt securities (including MBS/ABS) from issuers anywhere in the world, including emerging markets.

The Sub-Fund is expected to invest between 5% and 30% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS). MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

The Sub-Fund may invest to a limited extent in covered bonds and in below investment grade and unrated debt securities.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:*see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 400 % indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives | China | - Unrated debt |
| Hedging | Contingent convertible bonds | Emerging markets |
| | Debt securities | MBS/ABS |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Market | Interest rate |
| Liquidity | Currency | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to bond markets globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Nov 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.70% | - | 0.20% |
| **C** | - | 1.00% | - | 0.35% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.70% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.35% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.21% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# China Bond Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the China bond markets by investing primarily in Chinese debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top down decision making, which includes sector allocation, duration management and currency exposure, with bottom-up security selection.
- Uses an unconstrained approach in seeking the most attractive opportunities across all segments of the China fixed income universe including onshore CNY, offshore CNH and China USD denominated debt and taking a flexible approach to currency management.

**ESG approach** ESG Integrated

**Benchmark** 50% J.P. Morgan Asia Credit Index (JACI) China (Total Return Gross) / 50% FTSE Dim Sum Bond Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in onshore CNY-denominated debt securities issued within the PRC by Chinese issuers and in CNH or USD-denominated debt securities issued outside of the PRC by Chinese issuers.

The Sub-Fund may also invest a significant portion of its assets in CNY and CNH-denominated debt securities issued by non-Chinese issuers.

Such securities may include bonds, debt securities issued by governments and their agencies, financial institutions, corporations or other organisations or entities.

At least 50% of debt securities will be rated investment grade at the time of purchase. However, the Sub-Fund may temporarily hold less investment grade debt securities than this minimum threshold as a result of credit downgrades, removal of rating or default.

The Sub-Fund may have significant exposure to below investment grade and unrated debt securities.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect, PRC exchange-traded bond markets and/or the China Interbank Bond Market. The Sub-Fund will limit its investment in onshore debt securities issued within the PRC to 65% of its assets.

The Sub-Fund may hold up to 30% cash and cash equivalents temporarily for defensive purposes or until suitable investment opportunities are found.

The Investment Manager may take active currency positions to maximise returns.

**Other investment exposures** Up to 10% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 100% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD *Currencies of asset denomination:* CNH, CNY and USD. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging<br>Concentration<br>Derivatives | China<br>Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt | - Below investment grade debt<br>- Unrated debt<br>Emerging markets |

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

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to Chinese bond markets;
- understand the risks associated with emerging market debt and China and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Jan 2020.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **S2** | - | 1.00% | - | - | 0.25% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. * Reduces by 1.00% a year and is zero after 3 years.*
*China International Fund Management Co. Ltd (CIFM) will provide onshore PRC investment research support.*

JPMorgan Funds -

# Emerging Markets Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the bond markets of emerging market countries by investing primarily in emerging market debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.
- Invests in emerging markets debt including sovereign and corporate debt.

**ESG approach** ESG Integrated

**Benchmark** 50% J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross) / 50% J. P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by emerging market governments or their agencies; and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest in below investment grade and unrated debt securities.

**Other investment exposures** The Sub-Fund may invest up to 5% in convertible securities and up to 10% in contingent convertible bonds and up to 5% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* predominantly USD and EUR. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Convertible securities<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>Emerging markets<br>Equities |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Currency<br>Market | Interest rate |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to emerging market debt securities;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market debt) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 May 2015.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **C** | - | 1.00% | - | 0.35% | - | 0.20% |
| **I** | - | 1.00% | - | 0.35% | - | 0.10% |
| **I2** | - | 1.00% | - | 0.21% | - | 0.10% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Emerging Markets Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of corporate bond markets of emerging market countries by investing primarily in emerging market corporate debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.

**ESG approach** ESG Promote

**Benchmark** J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency. For duration hedged Share Classes, the benchmark is the J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified Duration Hedged (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in corporate debt securities issued by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

There are no credit quality or maturity restrictions applicable to the debt securities and the Sub-Fund may be concentrated in a limited number of emerging market corporate issuers.

The Sub-Fund may also invest in debt securities issued or guaranteed by governments of emerging market countries.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 10% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | Contingent convertible bonds | - Unrated debt |
| Derivatives | Debt securities | Emerging markets |
| Hedging | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Currency | Liquidity |
| Interest rate | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to emerging market corporate bonds;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market debt) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Jul 2010.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **C2** | - | 1.00% | - | - | 0.40% | - | 0.20% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **S2** | - | 1.00% | - | - | 0.25% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |
| **Y** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Debt Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the bond markets of emerging countries by investing primarily in emerging market debt securities, including corporate securities and securities issued in local currencies, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.

**ESG approach** ESG Promote

**Benchmark** J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by emerging market governments or their agencies and by companies that are domiciled or carrying out the main part of their economic activity in an emerging market country. These may include Brady bonds, Yankee bonds, government and corporate Eurobonds, and bonds and notes traded in domestic markets.

There are no credit quality or maturity restrictions applicable to the Investments.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 100% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | China<br>Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt | - Below investment grade debt<br>- Unrated debt<br>Emerging markets |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate<br>Liquidity | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

## Investor Considerations

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

- seek investment return through exposure to emerging markets bonds;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market debt) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 14 Mar 1997.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.15% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **C2** | - | 1.00% | - | - | 0.46% | - | 0.20% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.15% | 0.70% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.15% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.46% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Investment Grade Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of investment grade bond markets of emerging countries by investing primarily in emerging market investment grade USD-denominated debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection across the emerging markets investment grade bond universe.

**ESG approach** ESG Promote

**Benchmark** 50% J.P. Morgan Emerging Markets Bond Index Global Diversified Investment Grade (Total Return Gross) / 50% J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified Investment Grade (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in investment grade USD-denominated debt securities issued or guaranteed by emerging market governments or their agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country.

Debt securities will be rated investment grade at the time of purchase. However, the Sub-Fund may hold below investment grade securities or unrated securities to a limited extent as a result of credit downgrades, rating removal or default.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* primarily USD. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt<br>- Unrated debt | Contingent convertible bonds<br>Emerging markets |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Currency<br>Market | Interest rate |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to investment grade emerging markets bonds;
- understand the risks associated with emerging market debt and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 29 Nov 2010.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.20% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 0.80% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.32% | - | 0.16% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Local Currency Debt Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of government bond markets of emerging markets countries by investing primarily in emerging market local currency debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country allocation, duration management and currency exposure – with bottom-up security selection.

**ESG approach** ESG Promote

**Benchmark** J.P. Morgan Government Bond Index - Emerging Markets Global Diversified (Total Return Gross). For currency hedged Share Classes, the benchmark is cross hedged to the Share Class currency where possible, meaning it seeks to minimise the effect of currency fluctuations between the benchmark currency and the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by emerging market governments or their agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. Investments may be denominated in any currency however at least 67% will be denominated in an emerging market currency. The Sub-Fund may have significant positions in specific countries, sectors or currencies which may be concentrated from time to time.

Although derivatives may be denominated in EUR or USD, they may have exposure to emerging market currencies.

There are no credit quality or maturity restrictions applicable to the investments.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 350% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | - Investment grade debt |
| Derivatives | Contingent convertible bonds | - Unrated debt |
| Hedging | Debt Securities | Emerging markets |
| | - Below investment grade debt | |
| | - Government debt | |

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

| | | |
|---|---|---|
| Credit | Liquidity | Currency |
| Market | Interest rate | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

## Investor Considerations

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

- seek investment return through exposure to emerging market local currency bonds;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market debt) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 24 Jan 2008.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.20% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.30% |
| **F** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.30% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |
| **Y** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Emerging Markets Strategic Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by exploiting investment opportunities in emerging market debt and currency markets, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.
- Uses an unconstrained approach in seeking the most attractive opportunities across all segments of the emerging markets debt universe such as sovereign, corporate and local currency debt, with a focus on mitigating downside risk.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA SOFR Overnight Rate Index Total Return in USD. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested in debt securities issued or guaranteed by emerging market governments or their agencies, state and provincial governmental entities, supranationals and by companies that are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Sub-Fund may invest up to 5% of its assets in ABS.
There are no credit quality or maturity restrictions applicable to the investments.
The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit quality which may be concentrated from time to time. The Sub-Fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.
The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types :* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques . *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 350 % indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | - Investment grade debt |
| Derivatives | Contingent convertible bonds | - Unrated debt |
| Hedging | Emerging markets | ABS |
| Short positions | Debt Securities | |
| | - Government debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Liquidity | Currency |
| Market | Interest rate | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective** |

# Investor Considerations

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

- seek a positive return over the medium term through exposure to emerging markets bonds;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market debt) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Cap:* none.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 12 Apr 2011.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.30% | - | 0.30% | - |
| **A (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.30% | 10.00% |
| **C** | - | 1.00% | - | - | 0.95% | - | 0.20% | - |
| **C (perf)** | - | 1.00% | - | - | 0.50% | - | 0.20% | 10.00% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.30% | 0.95% | 0.30% | - |
| **D (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | 1.00% | 0.30% | 10.00% |
| **I** | - | 1.00% | - | - | 0.95% | - | 0.16% | - |
| **I (perf)** | - | 1.00% | - | - | 0.50% | - | 0.16% | 10.00% |
| **I2** | - | 1.00% | - | - | 0.85% | - | 0.16% | - |
| **I2 (perf)** | - | 1.00% | - | - | 0.40% | - | 0.16% | 10.00% |
| **T** | - | 1.00% | 3.00% | - | 1.30% | 0.95% | 0.30% | - |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.30% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.15% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.15% | 10.00% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# EU Government Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in EU-domiciled government debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return – including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in EU-domiciled government and government related debt.

**ESG approach** ESG Integrated

**Benchmark** J.P. Morgan EMU Government Investment Grade Bond Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** Assets primarily invested in debt securities issued or guaranteed by EU governments including agencies and local governments that are guaranteed by such governments and that are denominated in EUR or other currencies of the EU.

The Sub-Fund may invest up to 20% in debt securities issued or guaranteed by supranational organisations denominated in EUR or other currencies of the EU.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Currency<br>Interest rate | Market |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to EU government bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 17 Apr 2008.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.25% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | - | 0.25% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.18% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.40% | 0.20% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Euro Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of EUR-denominated bond markets by investing primarily in investment grade EUR-denominated debt securities and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return - including sector rotation, security selection and yield curve positioning.
- Invests across all sectors of investment grade euro denominated debt which includes government, government related, corporate and securitised debt.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Euro Aggregate Index (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade EUR-denominated debt securities from issuers in any country, including emerging markets.

The Sub-Fund may invest up to 15% of its assets in MBS/ABS and in covered bonds to a limited extent. The Sub-Fund may invest in below investment grade and unrated debt securities to a limited extent.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 50% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>MBS/ABS<br>Emerging markets |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to EUR bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 09 Nov 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.70% | - | 0.20% |
| **C** | - | 1.00% | - | 0.35% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.70% | 0.35% | 0.20% |
| **I** | - | 1.00% | - | 0.35% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.21% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Euro Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of EUR-denominated corporate bond markets by investing primarily in investment grade EUR-denominated corporate debt securities and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond investing by focusing on generating returns primarily through credit sector rotation and security selection across the Euro corporate bond universe.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Euro Aggregate Corporate Index (Total Return Gross). For currency hedging Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade EUR-denominated corporate debt securities from issuers in any country, including emerging markets.

The Sub-Fund may also invest in debt securities issued by governments for which their domestic currency is the EUR, excluding supranationals, local governments and agencies. The Sub-Fund may invest to a limited extent in below investment grade and unrated debt securities.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 5% in MBS/ABS.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 50% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** Securities lending: 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>Emerging markets<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Market | Interest rate |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to investment grade EUR-denominated corporate bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge

**Dealing** Requests received before 14:30 on any Valuation Day will be processed that day.

**Sub-Fund launch date** 27 Feb 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Euro Government Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in EUR-denominated short-term government debt securities issued by countries for which their domestic currency is the EUR.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return – including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in Euro denominated short-term government and government related debt.

**ESG approach** ESG Integrated

**Benchmark** J.P. Morgan EMU Government Investment Grade Bond 1-3 Year Index (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in EUR-denominated short-term debt securities issued or guaranteed by Eurozone governments, including agencies and local governments that are guaranteed by such governments. The Sub-Fund may invest up to 20% in EUR-denominated short-term debt securities issued or guaranteed by supranational organisations. The Sub-Fund may be concentrated in a limited number of issuers. The weighted average duration of the portfolio will typically not exceed three years and the remaining duration of each investment will typically not exceed five years at the time of purchase.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Market | Interest rate |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to EUR bond markets, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Feb 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.35% | - | 0.15% |
| **C** | - | 1.00% | - | 0.20% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.35% | 0.05% | 0.15% |
| **I** | - | 1.00% | - | 0.20% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.16% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Europe High Yield Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of European bond markets by investing primarily in European and non-European below investment grade bonds denominated in European currencies and other debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Bottom-up security selection approach based on assessing relative value across the European developed market high yield credit spectrum.

**ESG approach** ESG Promote

**Benchmark** ICE BofA Euro Developed Markets Non-Financial High Yield Constrained Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in below investment grade debt securities that are denominated in a European currency or that are issued or guaranteed by companies domiciled, or carrying out the main part of their economic activity, in a European country.

The Sub-Fund may invest in unrated debt securities.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds. The Sub-Fund may invest in emerging markets to a limited extent.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Below investment grade debt<br>- Unrated debt | Emerging markets |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Currency<br>Market | Interest rate |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to high yield European bond markets;
- understand the risks associated with high yield debt and are willing to accept those risks in search of potential higher returns;
- are looking to use it an part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 11 Sep 1998.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.75% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.75% | 0.55% | 0.20% |
| **I** | - | 1.00% | - | - | 0.45% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.34% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.75% | 0.55% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Europe High Yield Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of European short duration bond markets by investing primarily in below investment grade short-term bonds denominated in European currencies and other debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Bottom-up security selection approach based on assessing relative value across the European developed market short-term high yield credit spectrum.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA Euro Developed Markets High Yield ex-Financials BB-B 1-3 year 3% Constrained Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

The official name of the benchmark is ICE BofA Q936 Custom Index (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in below investment grade short-term debt securities that are denominated in a European currency or that are issued or guaranteed by companies domiciled, or carrying out the main part of their economic activity, in a European country.

The Sub-Fund may invest in unrated debt securities.

The weighted average duration of the portfolio will generally not exceed three years and the remaining maturity of each of the fixed rate debt securities will not exceed five years at the time of purchase.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 5% in distressed debt securities at time of purchase. The Sub-Fund may invest in emerging markets to a limited extent.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Below investment grade debt<br>- Unrated debt | - Distressed debt<br>Emerging markets |

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

| | | |
|---|---|---|
| Credit<br>Market | Liquidity<br>Interest rate | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to European high yield short-term bond markets, with lower sensitivity to interest rate changes;
- understand the risks associated with high yield debt and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 12 Jan 2017.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.75% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.75% | 0.55% | 0.20% |
| **I** | - | 1.00% | - | - | 0.45% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.34% | - | 0.11% |
| **S1** | - | 1.00% | - | - | 0.23% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.75% | 0.55% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Financials Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global bond markets by investing primarily in senior and subordinated debt securities issued by companies from the financial, banking and insurance sectors ("Financial Companies"), globally, and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond investing by focusing on generating returns through credit sector rotation and security selection across the financial bond universe globally.

**ESG approach** ESG Promote

**Benchmark** 33% Bloomberg Barclays Global Aggregate Corporate Senior Financials Index (Total Return Gross) Hedged to EUR / 67% Bloomberg Barclays Global Aggregate Corporate Subordinated Financials Index (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark indices are hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in senior and subordinated debt securities issued by Financial Companies located anywhere in the world, including emerging markets. The Sub-Fund may have significant exposure to below investment grade and unrated debt securities.

The Sub-Fund may invest significantly in preferred securities and other equity securities, in convertible securities and in contingent convertible bonds up to 20%.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Debt securities issued by governments globally, including supranationals, local governments and agencies; up to 5% in MBS/ABS.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives | Contingent convertible bonds | Equities |
| Hedging | Convertible securities | Emerging markets |
| | Debt securities | Preferred securities |
| | - Government debt | MBS/ABS |
| | - Below investment grade debt | |
| | - Subordinated debt | |
| | - Unrated debt | |

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

| | | |
|---|---|---|
| Credit | Interest rate | Currency |
| Market | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to financial sector bond markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 28 Nov 2011.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.32% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.80% | 0.40% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Flexible Credit Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a total return by exploiting investment opportunities in credit markets, globally, and using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Flexibly invests across a broad range of credit markets globally, such as investment grade, high yield and emerging markets debt, with a focus on generating the majority of returns from credit sector allocation and security selection while actively managing interest rate exposure as a complement to credit returns.
- Downside risk management through dynamic asset allocation, hedging and diversification across sectors.

**ESG approach** ESG Integrated

**Benchmark** Bloomberg Barclays Multiverse Corporate Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested in corporate debt securities globally. The Sub-Fund may also invest in other assets such as convertible securities, contingent convertible bonds (up to 20%), debt securities issued by government agencies, covered bonds and credit linked notes.

The Sub-Fund may invest up to 10% of its assets in MBS/ABS and may invest in distressed debt and securities in default to a limited extent.

There are no credit quality restrictions and issuers may be located anywhere in the world, including emerging markets.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit ratings which may be concentrated from time to time.

**Other investment exposures** Equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 200% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | Contingent convertible bonds | - Distressed debt |
| Derivatives | Convertible securities | - Unrated debt |
| Hedging | Debt securities | Equities |
| Short positions | - Government debt | Emerging markets |
| | - Investment grade debt | MBS/ABS |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

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

- seek investment return through exposure to corporate bond markets, globally;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield and emerging market debt) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Jan 2010.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.38% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.80% | 0.40% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global bond markets by investing primarily in global investment grade debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of global investment grade debt which includes government, government related, corporate, emerging markets and securitised debt.
- May also invest in high yield and currency exposure is typically hedged back to the currency weights of the benchmark.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Global Aggregate Index (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade debt securities (including MBS/ABS) from issuers anywhere in the world, including emerging markets.

The Sub-Fund is expected to invest between 5% and 30% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS). MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

The Sub-Fund may invest in below investment grade and unrated securities and may invest in covered bonds to a limited extent.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 400% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to the currency weights of the benchmark.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives | China | - Unrated debt |
| Hedging | Contingent convertible bonds | Emerging markets |
| | Debt securities | MBS/ABS |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Market | Interest rate |
| Liquidity | Currency | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to bond markets, globally;
- seek a broadly diversified investment grade bond investment;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Nov 1988.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.70% | - | 0.20% |
| **C** | - | 1.00% | - | 0.35% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.70% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.35% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.21% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Bond Opportunities Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by investing opportunistically in an unconstrained portfolio of debt securities and currencies, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to find the best investment ideas across multiple fixed income sectors and countries, with a focus on generating long-term total returns.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**ESG approach** ESG Integrated

**Benchmark** Bloomberg Barclays Multiverse Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in debt securities, including, but not limited to, debt securities issued by governments and their agencies, state and provincial governmental entities and supranational organisations, corporate debt securities, MBS/ABS, covered bonds and currencies. Issuers may be located anywhere in the world, including emerging markets.

The Sub-Fund is expected to invest between 10% and 30% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS) of any credit quality, however, due to the unconstrained investment approach, the actual investment level may vary. MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.
The Sub-Fund may hold up to 10% in convertible securities and up to 10% in contingent convertible bonds. The Sub-Fund may invest in below investment grade and unrated debt securities.
The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit ratings which may be concentrated from time to time. The Sub-Fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

**Other investment exposures** Up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures; equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 250% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | - Unrated debt |
| Derivatives | Contingent convertible bonds | Emerging markets |
| Hedging | Convertible securities | Equities |
| Short position | Debt securities | MBS/ABS |
| | - Below investment grade debt | |
| | - Government debt | |
| | - Investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

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

- seek investment return through an unconstrained portfolio of debt securities and currencies;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield, emerging market debt and MBS/ABS) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dividend rate for (div) and (mth) Share Classes** The Management Company may reduce the dividend rate for a Share Class in response to prevailing market conditions impacting that Share Class.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 22 Feb 2013.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.15% |
| **C2** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| **V** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*Reduces by 1.00% a year and is zero after 3 years.*

*A (fix) EUR 3.50 - EUR (hedged), C (perf) (fix) EUR 3.90 - EUR (hedged) and D (fix) EUR 3.00 - EUR (hedged) Share Classes are intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of EUR 3.50, EUR 3.90 and EUR 3.00 per Share respectively.*

JPMorgan Funds -

# Global Bond Opportunities Sustainable Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by investing opportunistically in an unconstrained portfolio of debt securities (positively positioned towards Sustainable Debt Securities and debt securities issued by companies and countries that demonstrate improving sustainable characteristics) and currencies, using derivatives where appropriate. Sustainable Debt Securities are those that the Investment Manager believes have been issued by companies and countries that demonstrate effective governance and superior management of environmental and social issues (sustainable characteristics).

### INVESTMENT PROCESS

#### Investment approach

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to find the best investment ideas across multiple fixed income sectors and countries, with a focus on generating long-term total returns.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.
- Seeks to provide the majority of its returns through Sustainable Debt Securities and debt securities issued by companies and countries that demonstrate improving sustainable characteristics by incorporating ESG factors and exclusions and positioning the portfolio positively towards issuers with above average ESG scores.

**ESG approach** Positive Tilt

**Benchmark** Bloomberg Barclays Multiverse Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

#### Benchmark uses and resemblance

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

#### Main investment exposure

Invested either directly or through derivatives, in a portfolio of debt securities positively positioned towards Sustainable Debt Securities and debt securities issued by companies and countries that demonstrate improving sustainable characteristics including, but not limited to, debt securities issued by governments and their agencies, state and provincial governmental entities and supranational organisations, corporate debt securities, MBS/ABS, covered bonds and currencies. Issuers may be located anywhere in the world, including emerging markets.

The Sub-Fund is expected to invest between 10% and 30% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS) of any credit quality, however, due to the unconstrained investment approach, the actual investment level may vary. MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases. The Sub-Fund may have significant exposure to below investment grade securities but will not invest in distressed debt securities (at the time of purchase). The Sub-Fund may hold up to 10% in convertible securities and up to 10% in contingent convertible bonds.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit ratings which may be concentrated from time to time. The Sub-Fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

The Sub-Fund will typically maintain an average asset-weighted MSCI ESG score above the average MSCI ESG score of the fixed income universe weighted to match the Sub-Fund's sector allocation, excluding cash holdings and currencies. The Sub-Fund's average asset-weighted MSCI ESG score will be calculated as the total of each security's market value by its MSCI ESG score. The average MSCI ESG score of the fixed income universe will be calculated using the ESG scores of relevant industry sector indices, weighted to reflect the sector exposure in the Sub-Fund. The average asset-weighted ESG score will not include those securities held by the Sub-Fund that do not have an MSCI ESG score, such as certain MBS/ABS securities. For those securities without an MSCI ESG score, the majority will be sustainable or demonstrate improving sustainable characteristics as determined by the Investment Manager.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG criteria in investment analysis and investment decisions on at least 90% of securities purchased (excluding cash).

**Other investment exposures** Up to 20% in unrated debt, up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures; equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. Global exposure calculation method: absolute VaR. *Expected level of leverage from derivatives:* 250% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

## MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | - Unrated debt |
| Derivatives | Contingent convertible bonds | Emerging markets |
| Hedging | Convertible securities | Equities |
| Short positions | Debt securities | MBS/ABS |
| | - Below investment grade debt | |
| | - Government debt | |
| | - Investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Liquidity | Currency |
| Market | Interest rate | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

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

- seek investment return through an unconstrained portfolio of Sustainable Debt Securities and currencies;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield, emerging market debt and MBS/ABS) and are willing to accept those risks in search of potential higher returns;
- seek an investment that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dividend rate for (div) and (mth) Share Classes** The Management Company may reduce the dividend rate for a Share Class in response to prevailing market conditions impacting that Share Class.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Nov 2019.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| C | - | 1.00% | - | - | 0.50% | - | 0.15% |
| D | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| I | - | 1.00% | - | - | 0.50% | - | 0.11% |
| I2 | - | 1.00% | - | - | 0.40% | - | 0.11% |
| S2 | - | 1.00% | - | - | 0.25% | - | 0.11% |
| T | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| X | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Corporate Bond Duration-Hedged Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of the benchmark by investing primarily in global investment grade corporate debt securities and hedging interest rate risks, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond investing by focusing on generating returns primarily through credit sector rotation and security selection across the global corporate bond universe.
- In addition, the investment process also seeks to hedge interest rate risk.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Global Aggregate Corporate Duration Hedged Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade corporate debt securities from issuers located anywhere in the world, including emerging markets.

The Sub-Fund may also invest in global debt securities issued by governments, including local governments (up to 5%), but excluding supranationals and agencies. The Sub-Fund may invest in below investment grade and unrated securities to a limited extent.

The interest rate risk of the portfolio is hedged to a target duration between zero and six months through the use of derivatives. At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager ' s proprietary ESG scoring methodology and/or third party data . The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu). The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 5% in MBS/ABS.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>Emerging markets<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate<br>Liquidity | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to investment grade corporate bond markets globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 31 Jul 2017.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.32% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Corporate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global corporate bond markets by investing primarily in global investment grade corporate debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Approaches corporate bond Investing by focusing on generating returns primarily through credit sector rotation and security selection across the global corporate bond universe.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Global Aggregate Corporate Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade corporate debt securities from issuers anywhere in the world, including emerging markets.

The Sub-Fund may also invest in global debt securities issued by governments, including local governments (up to 5%), but excluding supranationals and agencies. The Sub-Fund may invest in below investment grade and unrated debt securities to a limited extent. At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager ' s proprietary ESG scoring methodology and/or third party data . The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu). T he Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 5% in MBS/ABS.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 75% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>Emerging markets<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate<br>Liquidity | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to corporate bond markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedged.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 27 Feb 2009.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.80% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.80% | 0.40% | 0.20% |
| **I** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.32% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.80% | 0.40% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Global Government Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in global government debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return – including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in global government and government related debt.

**ESG approach** ESG Integrated

**Benchmark** J.P. Morgan Government Bond Index Global (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in debt securities issued or guaranteed by governments globally, including agencies and local governments guaranteed by such governments.

The Sub-Fund may invest up to 20% in debt securities issued or guaranteed by supranational organisations.
The Sub-Fund will not invest in convertible bonds, equities or other participation rights.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 400% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

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

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to government bond markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedged.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Feb 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | 0.25% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | 0.25% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.18% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Government Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in line with the benchmark by investing primarily in global government short-term debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Targets diversified sources of portfolio return – including duration management, yield curve positioning, inflation and cross markets trades.
- Invests in global short-term government and government related debt.

**ESG approach** ESG Integrated

**Benchmark** J.P. Morgan Government Bond Index 1-3 Year (Total Return Gross) Hedged to EUR. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in global short-term debt securities issued or guaranteed by governments, including agencies and local governments guaranteed by such governments.

The Sub-Fund may invest up to 20% in short- term debt securities issued or guaranteed by supranational organisations.
The Sub-Fund may be concentrated in a limited number of issuers.

The weighted average duration of the portfolio will typically not exceed three years and the remaining duration of each investment will typically not exceed five years at the time of purchase.

**Derivatives** *Used for*: efficient portfolio management; hedging. *Types*: see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD*: none. *Global exposure calculation method*: relative VaR. *Expected level of leverage from derivatives:* 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities |
|---|---|
| Concentration<br>Hedging | Debt securities<br>- Government debt<br>- Investment grade debt |

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

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to government bond markets globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 20 Feb 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.35% | - | 0.15% |
| **C** | - | 1.00% | - | 0.20% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.35% | 0.05% | 0.15% |
| **I** | - | 1.00% | - | 0.20% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.16% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of global short duration bond markets by investing primarily in global investment grade short-term debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of short-term global investment grade debt which includes government, government related, corporate and securitised debt.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Global Aggregate 1-3 Years Index (Total Return Gross) Hedged to USD. For currency hedged Share Classes, the benchmark index is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade short-term debt securities (including MBS/ABS) of issuers anywhere in the world, including emerging markets.

The Sub-Fund is expected to invest between 5% and 20% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS). MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

The weighted average duration of the portfolio will typically not exceed three years and the remaining duration of each investment will typically not exceed five years at the time of purchase.

The Sub-Fund may invest in covered bonds to a limited extent and from time to time may have exposure to below investment grade securities as a result of credit downgrades.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 150% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | China<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | Emerging markets<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate<br>Liquidity | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to government bond markets, globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 21 Jul 2009.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.60% | - | 0.20% |
| **C** | - | 1.00% | - | 0.30% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.60% | 0.30% | 0.20% |
| **I** | - | 1.00% | - | 0.30% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.18% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Strategic Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of its benchmark by exploiting investment opportunities in, amongst others, the debt and currency markets, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries, with a focus on mitigating downside risk.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**ESG approach** ESG Integrated

**Benchmark** ICE Overnight USD LIBOR. For currency hedged Share Classes, the benchmark used is the corresponding benchmark in the Share Class currency,

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested, either directly or through derivatives, in debt securities issued or guaranteed by governments or their agencies, state and provincial governmental entities, supranationals, corporate debt securities, MBS/ABS, covered bonds and currencies. Issuers may be located anywhere in the world, including emerging markets.

The Sub-Fund is expected to invest between 45% and 75% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS) of any credit quality, however, due to the unconstrained investment approach, the actual investment level may vary. MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

The Sub-Fund may hold up to 10% in convertible securities and up to 10% in contingent convertible bonds. The Sub-Fund may invest in below investment grade and unrated debt securities.

The Sub-Fund may use long and short positions (through derivatives) to vary exposure to countries, sectors, currencies and credit quality which may be concentrated from time to time. The Sub-Fund may hold up to 100% in cash and cash equivalents until suitable investment opportunities are found.

The Sub-Fund may invest in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect.

**Other investment exposures** Up to 10% in equities, typically as a result of events relating to its debt holdings such as conversions or restructures; equity derivatives for managing equity exposure and the Sub-Fund's correlation to equity markets.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 500% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | China | - Unrated debt |
| Derivatives | Contingent convertible bonds | Equities |
| Hedging | Convertible securities | Emerging markets |
| Short position | Debt securities | MBS/ABS |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Market | Currency |
| Liquidity | Interest rate | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

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

- seek a positive return over the medium term through exposure to debt and currency markets, globally;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield, emerging market debt and MBS/ABS) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* high water mark. *Cap:* none.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 03 Jun 2010.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.20% | - | 0.20% | - |
| **A (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% | 10.00% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.15% | - |
| **C (perf)** | - | 1.00% | - | - | 0.50% | - | 0.15% | 10.00% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.20% | 0.90% | 0.20% | - |
| **D (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | 1.00% | 0.20% | 10.00% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.11% | - |
| **I (perf)** | - | 1.00% | - | - | 0.50% | - | 0.11% | 10.00% |
| **I2** | - | 1.00% | - | - | 0.65% | - | 0.11% | - |
| **I2 (perf)** | - | 1.00% | - | - | 0.40% | - | 0.11% | 10.00% |
| **T** | - | 1.00% | 3.00% | - | 1.20% | 0.90% | 0.20% | - |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.20% | 10.00% |
| **X** | - | 1.00% | - | - | - | - | 0.10% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.10% | 10.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

*A (perf) (fix) EUR 2.35 - EUR (hedged) and D (perf) (fix) EUR1.60 - EUR (hedged) Share Classes are intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of EUR 2.35 and EUR 1.60 per Share respectively.*

JPMorgan Funds -

# Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income by investing primarily in debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries with a focus on generating a consistent income distribution.
- Dynamically shifts among sectors and countries and adjusts duration depending on market conditions.
- Income is managed to minimise fluctuations in periodic dividend payments.

**ESG approach** ESG Integrated

**Benchmark** Bloomberg Barclays US Aggregate Bond Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class Currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in debt securities issued in developed and emerging markets such as debt securities issued by governments and their agencies, state and provincial governmental entities and supranational organisations, corporate debt securities, MBS/ABS and covered bonds. Issuers may be located anywhere in the world, including emerging markets (excluding onshore or offshore debt securities of the PRC).

The Sub-Fund may invest up to 70% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS) of any credit quality. MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

The Sub-Fund may invest up to 25% in convertible securities, up to 10% in equities, including preferred securities and REITs and up to 10% in contingent convertible bonds. There are no credit quality or maturity restrictions with respect to the debt securities in which the Sub-Fund may invest.

The Sub-Fund may hold up to 100% of its assets in cash and cash equivalents temporarily for defensive purposes.

The Investment Manager will manage the income of the Sub-Fund to help minimise fluctuations in periodic dividend payments.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 150% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* majority hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | Contingent convertible bonds | Equities |
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Debt securities | MBS/ABS |
| Short positions | - Government debt | REITs |
| Distribution of capital | - Investment grade debt | |
| | - Below investment grade debt | |
| | - Unrated debt | |

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

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek a source of income through exposure to a range of debt securities, globally;
- understand the portfolio may have significant exposure to higher risk assets (such as high yield, emerging market debt and MBS/ABS) and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dividend rate for (div) and (mth) Share Classes** a maximum of the gross income equalised for subscriptions and redemptions and is dependent on the gross income accrued for each Share Class. To minimise fluctuations in periodic dividend payments, the Management Company may choose to reserve income accrued during a distribution period for attribution to a subsequent distribution period. Income equalisation, for dividend rate calculations, seeks to minimise the dilutive effect of subscriptions or redemptions on the level of income accrued and attributable to each Share in a Share Class during a distribution period.

**Investors in a UK Reporting Fund Status (UKRFS) (div) share class** should be aware that due to the distribution methodology process, unique to this Sub-Fund as described above, UK reportable income may be higher or lower than actual distributions. Where UK reportable income is higher than actual distributions, investors may have to pay tax on the additional income which has been reported for UK tax purposes but not distributed. Where UK reportable income is lower than actual distributions, investors may have to pay tax on payments out of capital which may be tax inefficient. Investors should consult with their tax advisor. Further information on UKRFS is available at jpmorganassetmanagement.lu

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 02 Jun 2014.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.50% | - | 0.15% |
| **C2** | - | 1.00% | - | - | 0.40% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 1.00% | 0.50% | 0.20% |
| **F** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.20% |
| **I** | - | 1.00% | - | - | 0.50% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.40% | - | 0.11% |
| **S1** | - | 1.00% | - | - | - | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 1.00% | 0.50% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.**Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# Italy Flexible Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of Italian government bond markets by investing primarily in debt securities issued or guaranteed by the Italian government or its agencies, and using financial derivatives to provide significant exposure to debt markets, globally.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines a core allocation to Italian government bonds with an unconstrained derivatives overlay strategy that seeks exposure to the most attractive opportunities across the global bond market.
- The overlay strategy uses an unconstrained approach to finding the best investment ideas across multiple fixed income sectors and countries and dynamically shifts among sectors and countries and adjusts duration depending on market conditions.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA Italian Government 1-3 Year Index (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed. Though the majority of the bond issuers in the Sub-Fund are likely to be represented in the benchmark, the Investment Manager has broad discretion to deviate from its composition and risk characteristics through the unconstrained derivatives overlay strategy. As a result, the overall performance and risk characteristics of the Sub-Fund may be meaningfully different.

### POLICIES

**Main investment exposure** At least 67% of assets invested directly in debt securities issued or guaranteed by the Italian government or its agencies.

The Sub-Fund will overlay direct investments with long and short derivative positions to gain exposure to global debt securities such as government debt of governments and their agencies, state and provincial governmental entities, supranational organisations, corporations, banks, MBS/ABS (up to 15%) as well as to below investment grade and unrated debt securities. Investment allocations to certain countries, sectors and credit ratings may vary significantly.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 100% Indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency (excluding derivatives overlay).

### MAIN RISKS

The Sub-Funds is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | Debt securities | Emerging markets |
| Derivatives | - Government debt | MBS/ABS |
| Hedging | - Investment grade debt | |
| Short position | - Below investment grade debt | |
| | - Unrated debt | |

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

| | | |
|---|---|---|
| Credit | Interest rate | Currency |
| Market | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

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

- seek investment return through exposure to Italian government bond markets and using derivatives to provide significant exposure to debt markets, globally;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance fee** *Method:* claw-back. *Cap:* none.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 16 Jul 2012.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) | Performance fee |
| **A (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | - | 0.20% | 20.00% |
| **C (perf)** | - | 1.00% | - | - | 0.50% | - | 0.15% | 20.00% |
| **D (perf)** | 3.00% | 1.00% | - | 0.50% | 1.00% | 1.00% | 0.20% | 20.00% |
| **I (perf)** | - | 1.00% | - | - | 0.50% | - | 0.11% | 20.00% |
| **I2 (perf)** | - | 1.00% | - | - | 0.40% | - | 0.11% | 20.00% |
| **T (perf)** | - | 1.00% | 3.00% | - | 1.00% | 1.00% | 0.20% | 20.00% |
| **X** | - | 1.00% | - | - | - | - | 0.10% | - |
| **X (perf)** | - | 1.00% | - | - | - | - | 0.10% | 20.00% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

*A (perf) (fix) EUR 4.00 - EUR, C (perf) (fix) EUR 4.40 - EUR and D (perf) (fix) EUR 3.00 - EUR Share Classes are intended to be granted by the Board of Directors a quarterly fixed dividend based on a total annual dividend of EUR 4.00, EUR 4.40 and EUR 3.00 per Share respectively.*

JPMorgan Funds -

# Managed Reserves Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US money markets by investing primarily in USD-denominated short-term debt securities.

### INVESTMENT PROCESS

#### Investment approach

- Investment team generates a comprehensive economic outlook to determine appropriate interest rate and sector positioning.
- Credit research analysts conduct fundamental analysis on companies to identify suitable investment opportunities.
- Compared to a money market fund, incorporates longer-term investments where appropriate for additional return potential.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA US 3-Month Treasury Bill Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

#### Benchmark uses and resemblance

- Performance comparison.

The Sub-Fund is actively managed. The benchmark is used as a basis for portfolio construction but the Investment Manager has some discretion to deviate from its risk characteristics within indicative risk parameters. While its components may differ, it is likely the Sub-Fund's performance and risk characteristics may bear some resemblance to that of its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in USD-denominated debt securities such as US Treasury securities, securities issued or guaranteed by the US government or its agencies, corporate debt securities and ABS (up to 15%). The Sub-Fund may enter into reverse repurchase transactions with highly rated counterparties collateralised with securities such as US Treasury securities, corporate securities, ABS and equities. Such collateral will be USD denominated only and restricted to investment grade where applicable. No maturity constraints apply to the collateral.

At the time of purchase, securities with a long-term rating are rated investment grade, with no more than 10% rated below A- by S&P or equivalent rating by at least one independent rating agency. Should ratings for a security differ between agencies, the highest rating will be used.

At time of purchase, securities with a short-term rating are rated at least A-2 by S&P (or equivalent rating). ABS are rated at least AAA by S&P (or equivalent rating) at the time of purchase. Such ABS will not include securities with significant extension risk.

The Sub-Fund may also invest in unrated securities of comparable credit quality to those specified above.

The weighted average duration of the portfolio will not exceed one year, and the initial or remaining maturity of each debt security will not exceed three years from the date of settlement. The initial or remaining average life of MBS/ABS will not exceed three years from the date of settlement.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Reverse repurchase transactions:* 0% to 10% expected; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* Any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

All Sub-Funds are subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging<br>Reverse repurchase transactions | Debt securities<br>- Government debt<br>- Investment grade debt<br>- Unrated debt | ABS |

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

| | | |
|---|---|---|
| Credit<br>Liquidity | Interest rate<br>Market | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek potentially higher returns than a money market fund with higher risk;
- are looking to use it as part of an investment portfolio and not as part of a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 10 Jun 2010.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | 0.20% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | 0.20% | - | 0.06% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See* Share Classes and Costs *for more complete information.*

JPMorgan Funds -

# Sterling Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of sterling bond markets by investing primarily in investment grade GBP-denominated debt securities, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top down asset allocation and bottom-up security selection targeting diversified sources of portfolio return – including sector rotation, security selection and yield curve positioning.
- Invests across all sectors of Sterling investment grade debt which include government and government related, corporate and securitised debt.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays Sterling Non-Gilts 10+ Year Index (Total Return Gross).

**Benchmark uses and resemblance**

- Performance comparison.
- Basis for relative VaR calculations.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested, either directly or through derivatives, in investment grade GBP-denominated debt securities.

The Sub-Fund may invest in below investment grade and unrated debt securities.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 5% in MBS/ABS.

**Derivatives** *Used for:* investment purposes; efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques . *TRS including CFD:* none. *Global exposure calculation method:* relative VaR. *Expected level of leverage from derivatives:* 50% indicative only. Leverage may significantly exceed this level from time to time.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

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

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives<br>Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate<br>Liquidity | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to GBP-denominated bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 13 Mar 1992.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.90% | - | 0.20% |
| **C** | - | 1.00% | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.90% | 0.55% | 0.20% |
| **I** | - | 1.00% | - | 0.45% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Sterling Managed Reserves Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of sterling money markets by investing primarily in GBP denominated short-term debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Investment team generates a comprehensive economic outlook to determine appropriate interest rate and sector positioning.
- Credit research analysts conduct fundamental analysis on companies to identify suitable investment opportunities.
- Compared to a money market fund, incorporates longer-term investments where appropriate for additional return potential.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA Sterling 3-Month Government Bill Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The benchmark is used as a basis for portfolio construction but the Investment Manager has some discretion to deviate from its risk characteristics within indicative risk parameters. While its components may differ, it is likely the Sub-Fund's performance and risk characteristics may bear some resemblance to that of its benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in GBP-denominated debt securities, such as UK Government securities, securities issued or guaranteed by the UK Government or its agencies, agency securities, corporate bonds and MBS/ABS (up to 15%). The Sub-Fund may enter into reverse repurchase transactions with highly rated counterparties collateralized with securities such as US Government securities. Such collateral will be GBP denominated only and restricted to investment grade where applicable. No maturity constraints apply to the collateral.

At the time of purchase, securities with a long-term rating are rated investment grade. Should ratings for a security differ between agencies, the highest rating will be used.

At the time of purchase, securities with a short-term rating are rated at least A-2 by S&P (or equivalent rating). MBS/ABS are rated at least AAA by S&P (or equivalent rating) at the time of purchase. Such MBS/ABS will not include securities with significant extension risk.

The Sub-Fund may also invest in unrated securities of comparable credit quality to those specified above.

The weighted average duration of the portfolio will not exceed one year, and the initial or remaining maturity of each debt security will not exceed three years from the date of settlement. The initial or remaining average life of MBS/ABS will not exceed three years from the date of settlement.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Reverse repurchase transaction:* expected 0% to 10%; 100% maximum. *Securities lending*: 0% to 20% expected; 20% maximum.

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

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging<br>Reverse repurchase transactions | Debt securities<br>- Government debt<br>- Investment grade debt<br>- Unrated debt | MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Market | Liquidity<br>Interest rate | Currency |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek potentially higher returns than a money market fund with higher risk
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 22 Aug 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.40% | - | 0.20% |
| **C** | - | 1.00% | - | 0.20% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.20% | 0.20% |
| **I** | - | 1.00% | - | 0.20% | - | 0.06% |
| **K** | - | 1.00% | - | 0.15% | - | 0.06% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# US Aggregate Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US bond markets by investing primarily in US investment grade debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Focuses on bottom-up security selection through a value-oriented approach that seeks to identify inefficiently priced securities to generate returns.
- Invests across all sectors of USD denominated investment grade debt which includes government, government related, corporate, and securitised debt.

**ESG approach** ESG Integrated

**Benchmark** Bloomberg Barclays US Aggregate Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in investment grade debt securities (including MBS/ABS) issued or guaranteed by the US government or its agencies and by agencies and by companies that are domiciled, or carrying out the main part of their economic activity, in the US.

The Sub-Fund may invest up to 65% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS). MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

The Sub-Fund may invest in below investment grade and unrated securities and in debt securities from emerging markets.

**Other investment exposures** Up to 5% in contingent convertible bonds.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | Contingent convertible bonds<br>Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>Emerging markets<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to US bond markets;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Sep 2000.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.90% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.90% | 0.25% | 0.20% |
| **F** | - | 1.00% | 3.00% | - | 0.90% | 1.00% | 0.20% |
| **I** | - | 1.00% | - | - | 0.45% | - | 0.11% |
| **I2** | - | 1.00% | - | - | 0.26% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.* **Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US High Yield Plus Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US bond markets by investing primarily in below investment grade USD-denominated debt securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.
- Combines top-down decision making - including sector allocation, duration management and credit quality – with bottom-up security selection.
- Seeks to identify investment opportunities while minimising the risk of credit deterioration and limiting exposure to defaults.

**ESG approach** ESG Promote

**Benchmark** Bloomberg Barclays US Corporate High-Yield 2% Issuer Capped Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 67% of assets invested in below investment grade USD-denominated debt securities of companies that are domiciled, or carrying out the main part of their economic activity, in the US.

The Sub-Fund may also invest in USD-denominated debt securities of companies outside the US.

The Sub-Fund may invest up to 20% in unrated debt securities and up to 15% in distressed debt securities at the time of purchase.

At least 51% of assets are invested in issuers with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 75% of non-investment grade and emerging market sovereign and 90% of investment grade securities purchased.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 10% in equities as a result of company reorganisations.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* typically hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | Contingent convertible bonds<br>Debt securities<br>- Below investment grade debt<br>- Unrated debt | - Distressed debt<br>Equities |

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

| | | |
|---|---|---|
| Credit<br>Currency | Interest rate<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to below investment grade USD-denominated debt securities;
- understand the risks associated with high yield debt and are willing to accept those risks in search of potential higher returns;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 06 Mar 2012.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | - | 0.50% | 0.85% | - | 0.20% |
| **C** | - | 1.00% | - | - | 0.45% | - | 0.15% |
| **D** | 3.00% | 1.00% | - | 0.50% | 0.85% | 0.50% | 0.20% |
| **I** | - | 1.00% | - | - | 0.45% | - | 0.11% |
| **T** | - | 1.00% | 3.00% | - | 0.85% | 0.50% | 0.20% |
| **X** | - | 1.00% | - | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

JPMorgan Funds -

# US Short Duration Bond Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To achieve a return in excess of US short duration bond markets by investing primarily in US investment grade debt securities, including asset- backed and mortgage-backed securities.

### INVESTMENT PROCESS

**Investment approach**

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Focuses on bottom-up security selection through a value-oriented approach that seeks to identify inefficiently priced securities to generate returns.
- Invests across all sectors of USD denominated investment grade short-term debt which includes government, government related, corporate, and securitised debt.

**ESG approach** ESG Integrated

**Benchmark** Bloomberg Barclays US Government/Credit 1-3 Year Index (Total Return Gross). For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed. The majority of issuers in the Sub-Fund are likely to be represented in the benchmark because the Investment Manager uses it as a basis for portfolio construction, but has some discretion to deviate from its composition and risk characteristics within indicative risk parameters.

The Sub-Fund will resemble the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

### POLICIES

**Main investment exposure** At least 75% of assets invested in short-term investment grade debt securities issued by US issuers. The Sub-Fund may also invest in USD-denominated short-term investment grade debt securities issued by issuers outside of the US. Debt securities may be issued or guaranteed by governments and their agencies or may be issued by companies.

The Sub-Fund is expected to invest between 25% and 50% of its assets in mortgage-backed securities (MBS) and/or asset-backed securities (ABS). MBS which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) refers to debt securities that are backed by mortgages, including residential and commercial mortgages, and ABS refers to those that are backed by other types of assets such as credit card debt, car loans, consumer loans and equipment leases.

Debt securities, including MBS/ABS, will be rated investment grade at the time of purchase. However the Sub-Fund may hold below investment grade securities or unrated securities to a limited extent as a result of credit downgrades, removal of rating or default.

The weighted average duration of the portfolio will generally not exceed three years and the remaining duration of each investment will generally not exceed five years at the time of purchase. The maturity of securities may be significantly longer than the periods stated above.

**Derivatives** *Used for:* efficient portfolio management; hedging. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Techniques and instruments** *Securities lending:* 0% to 20% expected; 20% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* typically USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Hedging | Debt securities<br>- Government debt<br>- Investment grade debt<br>- Below investment grade debt | - Unrated debt<br>MBS/ABS |

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

| | | |
|---|---|---|
| Credit<br>Interest rate | Currency<br>Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek investment return through exposure to US bond markets globally, with lower sensitivity to interest rates;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 15 Dec 2010.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 3.00% | 1.00% | 0.50% | 0.60% | - | 0.20% |
| **C** | - | 1.00% | - | 0.30% | - | 0.15% |
| **D** | 3.00% | 1.00% | 0.50% | 0.60% | 0.30% | 0.20% |
| **I** | - | 1.00% | - | 0.30% | - | 0.11% |
| **I2** | - | 1.00% | - | 0.18% | - | 0.11% |
| **X** | - | 1.00% | - | - | - | 0.10% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# EUR Money Market VNAV Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

The Sub-Fund seeks to achieve a return in the Sub-Fund's Base Currency in line with prevailing money market rates while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity, by investing in EUR-denominated short-term money market instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

### INVESTMENT PROCESS

**Investment approach**

- Seeks opportunities across all cash segments.
- Qualifies as a Short-Term VNAV MMF.

**ESG approach** ESG Integrated

**Benchmark** 1 Week EUR LIBID.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed.

### POLICIES

**Main investment exposure** All assets invested in EUR-denominated short-term money market Instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

In addition to receiving a favourable credit quality assessment pursuant to the Management Company's Internal Credit Procedures, money market instruments, eligible securitisations and Asset-Backed Commercial Paper are rated at least A or A-1 by S&P (or equivalent ratings) for long-term and short-term ratings, respectively. The Sub-Fund may invest in unrated money market instruments, eligible securitisations and Asset-Backed Commercial Paper of comparable credit quality.

The weighted average maturity of the portfolio will not exceed sixty days and the initial or remaining maturity of each money market instrument, eligible securitisation and Asset-Backed Commercial Paper will not exceed 397 days at the time of purchase.

The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions. All assets invested in accordance with Investment Restrictions and Powers applicable to MMF Sub-Funds.

**Techniques and instruments** *Reverse repurchase transactions:* 0% to 30% expected; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* EUR. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Reverse repurchase transactions | Debt securities<br>- Government debt<br>- Investment grade debt | - Unrated debt |

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

| | | |
|---|---|---|
| Credit<br>Interest rate | Market | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors who understand the risks of the Sub-Fund and;

- seek a short term investment with a high degree of liquidity;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.[1]

**Sub-Fund launch date** 22 May 2006.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | - | 1.00% | - | 0.25% | - | 0.20% |
| C | - | 1.00% | - | 0.16% | - | 0.10% |
| D | - | 1.00% | - | 0.40% | 0.10% | 0.20% |
| I | - | 1.00% | - | 0.16% | - | 0.06% |
| X | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information.*

[1] *New Year's Day, Easter Monday, Christmas Day, the day prior to and following Christmas Day and/or Boxing Day public holidays in the UK when 25th and/or 26th December fall on a Saturday or a Sunday are not Valuation Days.*

JPMorgan Funds -

# USD Money Market VNAV Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

The Sub-Fund seeks to achieve a return in the Sub-Fund's Base Currency in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity, by investing in USD-denominated short-term Money Market Instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

### INVESTMENT PROCESS

**Investment approach**

- Seeks opportunities across all cash segments.
- Qualifies as Short-Term Variable NAV MMF.

**ESG approach** ESG Integrated

**Benchmark** 1 Week USD LIBID.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed.

### POLICIES

**Main investment exposure** All assets invested in USD-denominated short-term money market instruments, eligible securitisations, Asset-Backed Commercial Paper, deposits with credit institutions and reverse repurchase transactions.

In addition to receiving a favourable credit quality assessment pursuant to the Management Company's Internal Credit Procedures, Money market instruments, eligible securitisations and Asset-Backed Commercial Paper are rated at least A or A-1 by S&P (or equivalent ratings) for long-term and short-term ratings, respectively. The Sub-Fund may invest in unrated money market instruments, eligible securitizations and Asset-Backed Commercial Paper of comparable credit quality.

The weighted average maturity of the portfolio will not exceed sixty days and the initial or remaining maturity of each money market instrument, eligible securitisation and Asset-Backed Commercial Paper will not exceed 397 days at the time of purchase. The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions.

All assets invested in accordance with Investment Restrictions and Powers applicable to MMF Sub-Funds.

**Specific investment restrictions**

The aggregate value of the Sub-Fund's holding of instruments and deposits issued by a single issuer may not exceed 10% of assets except (i) where the issuer is a substantial financial institution (as defined by Hong Kong applicable laws and regulations) and the total amount does not exceed 10% of the issuer's issued capital and published reserves, the limit may be increased to 15%; or ii) in the case of government and other public securities, up to 30% may be invested in the same issue; or (iii) in respect of any deposit of less than USD 1,000,000, where the Sub-Fund cannot otherwise diversify as a result of its size.

**Techniques and instruments** *Reverse repurchase transactions*: 0% to 30% expected; 100% maximum.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* USD. *Hedging approach:* not applicable.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Reverse repurchase transactions | Debt securities<br>- Government debt<br>- Investment grade debt | - Unrated debt |

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

| | | |
|---|---|---|
| Credit<br>Market | Interest rate | Liquidity |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

**Investor profile** Investors who understand the risks of the Sub-Fund and:

- seek a short term investment with a high degree of liquidity;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 06 Jun 2014.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | - | 1.00% | - | 0.25% | - | 0.20% |
| **C** | - | 1.00% | - | 0.16% | - | 0.10% |
| **D** | - | 1.00% | - | 0.40% | 0.10% | 0.20% |
| **I** | - | 1.00% | - | 0.16% | - | 0.06% |
| **X** | - | 1.00% | - | - | - | 0.05% |

*See Share Classes and Costs for more complete information.*

JPMorgan Funds -

# Global Multi-Strategy Income Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide income by investing primarily in a portfolio of UCITS and other UCIs that invest across a range of asset classes globally.

### INVESTMENT PROCESS

**Investment approach**

- Multi-asset approach, leveraging specialists from around JPMorgan Asset Management's global investment platform, with a focus on risk-adjusted income.
- Fund of funds structure, investing in income strategies managed or distributed by companies in the JPMorgan Chase & Co group.
- Flexible implementation of the managers' allocation views at asset class and regional level.

**ESG approach** ESG Integrated

**Benchmark** 40% Bloomberg Barclays US High Yield 2% Issuer Cap Index (Total Return Gross) Hedged to EUR / 35% MSCI World Index (Total Return Net) Hedged to EUR / 25% Bloomberg Barclays Global Credit Index (Total Return Gross) Hedged to EUR.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed and the Investment Manager has broad discretion to deviate from the composition and risk characteristics of the benchmark.

The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.

### POLICIES

**Main investment exposure** Primarily invests in UCITS and UCIs managed or distributed by companies in the JPMorgan Chase & Co. group including other Sub-Funds of the Fund. Such UCITS and UCIs will have exposure to a range of asset classes such as equities, debt securities of any credit quality (including MBS/ABS), convertible securities, currencies, commodities, real estate and money market instruments. The Sub-Fund's exposure to MBS/ABS is expected to be between 5% and 25%.

Issuers of the underlying investments may be located in any country, including emerging markets.

The Sub-Fund may invest up to 100% of its assets in units of UCITS and other UCIs.

Some of the UCITS and UCIs will invest in derivatives to achieve their investment objective.

Dividends are not guaranteed given that returns to investors will vary from year to year depending on dividends paid and capital returns, which could be negative.

**Other investment exposures** Direct investment in equities and debt securities to a limited extent.

**Derivatives** *Used for:* hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* none. *Global exposure calculation method:* commitment.

**Currencies** *Sub-Fund Base Currency:* EUR. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives | Convertible securities | Emerging markets |
| Hedging | Commodities | REITs |
| | Equities | UCITS, UCIs and ETFs |
| | Debt securities | MBS/ABS |
| | - Government debt | |
| | - Investment grade debt | |
| | - Below investment grade debt | |

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

| | | |
|---|---|---|
| Credit | Interest rate | Currency |
| Market | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- looking for a source of income through exposure to a range of asset classes, through a fund of fund structure;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 17 Nov 2011.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.50% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.75% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.50% | 0.85% | 0.30% |
| **I** | - | 1.00% | - | - | 0.75% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.50% | 0.85% | 0.30% |

*See Share Classes and Costs for more complete information. *Reduces by 1.00% a year and is zero after 3 years.*

*As the Sub-Fund invests primarily in UCITS and UCIs managed by companies of the JPMorgan Chase and Co, Group, no double charging of Operating and Administrative Expenses will occur.*

JPMorgan Funds -

# Multi-Manager Alternatives Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital appreciation by investing in multiple eligible asset classes globally, employing a variety of non-traditional or alternative strategies and techniques, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Diversified allocation of assets to multiple Sub-Investment Managers not affiliated with JPMorgan Chase & Co, that implement a range of non-traditional or alternative investment strategies and techniques, such as merger arbitrage/event-driven, long-short equity, relative value, credit, opportunistic/macro and portfolio hedge.
- Seeks to provide returns with low volatility and low sensitivity to traditional equity and fixed income markets.
- The Investment Manager will periodically review the allocations to the investment strategies, and may add to, remove or modify these based upon market considerations and opportunities, therefore all strategies mentioned above may not be represented at all times.

**ESG approach** ESG Promote

**Benchmark** ICE BofA SOFR Overnight Rate Index Total Return in USD. For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** Invests in a diversified range of asset classes, either directly or through derivatives, including but not limited to, equities, government and corporate debt securities (including covered and high yield), convertible securities, commodity index instruments, UCITS, UCIs, ETFs and REITs. Issuers may be located in any country including emerging markets.

The Sub-Fund may invest in distressed debt and catastrophe bonds to a limited extent, up to 15% in MBS/ABS and up to 10% in contingent convertible bonds.

The Sub-Fund may invest up to 20% in special purpose acquisition companies.

There are no credit quality restrictions applicable to the investments. The Sub-Fund may be concentrated in certain industry sectors, markets or currencies.

The Investment Manager may manage a portion of the assets directly, including, without limitation, for portfolio hedging and temporarily adjusting the overall market exposure.

The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found. All short positions will be held through derivatives.

At least 51% of long positions are invested in companies with positive environmental and/or social characteristics that follow good governance practices as measured through the Investment Manager's proprietary ESG scoring methodology and/or third party data.

The Investment Manager evaluates and applies values and norms based screening to implement exclusions. To support this screening, it relies on third party provider(s) who identify an issuer's participation in or the revenue which they derive from activities that are inconsistent with the values and norms based screens. The list of screens applied that may result in exclusions can be found on the Management Company's Website (www.jpmorganassetmanagement.lu).

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 100% to 200% expected, 450% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 450% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* flexible.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Concentration | Catastrophe bonds | - Distressed debt |
| Derivatives | Commodities | Emerging markets |
| Hedging | Convertible securities | Equities |
| Short positions | Contingent convertible bonds | MBS/ABS |
| Multi-manager sub fund | Debt securities | REITS |
| | - Below investment grade debt | SPACs |
| | - Investment grade debt | UCITS, UCIs and ETFs |
| | - Government debt | |
| | - Unrated debt | |

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

| | | |
|---|---|---|
| Currency | Market | Liquidity |
| Interest rate | Credit | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

# Investor Considerations

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

- looking for capital growth with low volatility and low sensitivity to the performance of traditional equity and fixed income markets;
- seek exposure globally to non-traditional and alternative investment strategies and techniques;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day. On each Valuation Day at the point of valuation of the Sub-Fund's assets, the values of all non-North American, non-Central American, non-South American and non-Caribbean equities in the Sub-Fund will be adjusted (fair valued) from the quoted market price to a valuation as determined by applying a fair value factor provided by a pricing agent under the responsibility of the Management Company.

**Sub-Fund launch date** 11 Jan 2016.

| One-off charges taken before or after investing (maximum) | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | Redemption Charge | Annual Management and Advisory Fee | Sub-Investment Manager Fee (Max) | Distribution Fee | Operating and Administrative Expenses (Max) |
| A | 5.00% | 1.00% | 0.50% | 1.25% | 1.05% | - | 0.30% |
| C | - | 1.00% | - | 0.60% | 1.05% | - | 0.20% |
| D | 5.00% | 1.00% | 0.50% | 1.25% | 1.05% | 0.35% | 0.30% |
| I | - | 1.00% | - | 0.60% | 1.05% | - | 0.16% |
| I2 | - | 1.00% | - | 0.50% | 1.05% | - | 0.16% |
| S1 | - | 1.00% | - | 0.38% | 1.05% | - | 0.16% |
| S2 | - | 1.00% | - | 0.38% | 1.05% | - | 0.16% |
| X | - | 1.00% | - | - | 1.05% | - | 0.15% |

*See Share Classes and Costs for more complete information.* Sub-Investment Manager Fee (max) - The figure stated is the maximum fee that a Sub-Investment Manager will receive out of the assets allocated to each Sub-Investment Manager.

JPMorgan Funds -

# Multi-Manager Sustainable Long-Short Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital appreciation by employing equity oriented non-traditional or alternatives strategies and techniques that primarily take long positions in Sustainable Companies or companies that demonstrate improving sustainable characteristics and short positions in companies that are deemed overvalued, using derivatives where appropriate.

Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics) based on its ESG scoring methodology.

### INVESTMENT PROCESS

**Investment approach**

- Seeks to provide risk adjusted returns superior to traditional equity markets, over the long term and to achieve a majority of these returns from Sustainable Companies or companies that demonstrate improving sustainable characteristics.
- Allocates assets to multiple Sub-Investment Managers not affiliated with JPMorgan Chase & Co. that use equity-orientated non-traditional or alternative investment strategies and techniques.
- Sub-Investment Managers take long positions primarily in Sustainable Companies or companies that demonstrate improving sustainable characteristics, as defined by the Investment Manager's ESG scoring methodology. They also exclude certain securities based on values and norms based screening.
- Sub-Investment Managers take short positions in companies that are deemed overvalued, which may include companies that are not sustainable or do not demonstrate improving sustainable characteristics.
- The Investment Manager will periodically review the allocations to the investment strategies, and may add to, remove or modify these based upon market considerations and opportunities.

**ESG approach** Best-in-Class

**Benchmark** ICE BofA SOFR Overnight Rate Index Total Return in USD . For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.
- Performance fee calculation.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** At least 67% of long positions invested in equities of Sustainable Companies or companies that demonstrate improving sustainable characteristics as defined by the Investment Manager's ESG scoring methodology.

Short positions may be taken through derivatives, in equities of companies that are deemed overvalued, which may include companies that are not sustainable or do not demonstrate improving sustainable characteristics, Exposure may be achieved either directly or through derivatives and issuers may be located anywhere in the world, including emerging markets.

The Investment Manager evaluates and applies values and norms based screening. The list of screens applied that may result in exclusions can be found in the Management Company's Website (www.jpmorganassetmanagement.lu).

The Sub-Fund will typically hold long positions of up to 150%, and short positions (achieved through derivatives) of up to 150%, of net assets. Net market exposure will typically range from 0% to 90% of net assets. Short positions do not reward companies considered less sustainable, but rather allow the Investment Manager to more fully express its active views while seeking to meet its objective.

The Sub-Fund may allocate to Sub-Investment Managers that specialise in a particular style, industry or geography and the Sub-Fund may be concentrated in, or have net long or net short exposure to, certain markets, sectors or currencies from time to time.

The Investment Manager may manage a portion of the assets directly, including, without limitation, for portfolio hedging and temporarily adjusting the overall market exposure.

The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found.

The Sub-Fund may invest up to 10% in special purpose acquisition companies. The Sub-Fund may invest up to 10% of its assets in China A-Shares through the China-Hong Kong Stock Connect Programmes.

**Other investment exposures** Up to 5% in contingent convertible bonds; up to 10% of its assets in distressed debt at the time of purchase. The Sub-Fund may also invest in REITs, ETFs, UCITS and UCIs.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 100% to 200% expected; 300% maximum. Global exposure calculation method: absolute VaR. Expected level of leverage from derivatives: 300% Indicative only. Leverage may significantly exceed this level from time to time.

**Currencies** Sub-Fund Base Currency: USD. Currencies of asset denomination: any. Hedging approach: flexible.

## MAIN RISKS

The Sub-Fund is subject to Investment risks and Other associated risks from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the Outcomes to the Shareholder that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** Risks from the Sub-Fund's techniques and securities

| Techniques | Securities | |
|---|---|---|
| Concentration | China | Equities |
| Derivatives | Contingent convertible bonds | REITs |
| Hedging | Debt securities | SPACs |
| Multi-Manager Sub-Fund | - Distressed debt | UCITS, UCIs and ETFs |
| Short positions | Emerging markets | |

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

| | | |
|---|---|---|
| Credit | Currency | Interest rate |
| Liquidity | Market | |

**Outcomes to the Shareholder** Potential impact of the risks above

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

# Investor Considerations

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

- looking for risk adjusted returns superior to that of traditional equity markets, over the long term, with potentially lower volatility;
- seek exposure primarily to equity securities, and to a lesser extent other asset classes, utilising non-traditional and alternatives strategies;
- seek a strategy that embeds ESG principles;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

**Performance Fee Method:** Sub-Investment Manager model

**Hurdle Rate:** Benchmark + 1%.

**Cap:** none

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day. On each Valuation Day at the point of valuation of the Sub-Fund's assets, the values of all non-North American, non-Central American, non-South American and non-Caribbean equities in the Sub- Fund will be adjusted (fair valued) from the quoted market price to a valuation as determined by applying a fair value factor provided by a pricing agent under the responsibility of the Management Company.

**Sub-Fund launch date** 14 Feb 2020.

| | One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | | |
|---|---|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Sub-Investment Manager Fee (Max) | Distribution Fee | Operating and Administrative Expenses (Max) | Sub-Investment Manager Performance Fee |
| A (perf) | 5.00 | 1.00% | | 0.50% | 1.50% | 0.65% | - | 0.30% | 15.00% |
| C (perf) | - | 1.00% | | - | 0.75% | 0.65% | - | 0.20% | 15.00% |
| D (perf) | 5.00 | 1.00% | | 0.50% | 1.50% | 0.65% | 0.35% | 0.30% | 15.00% |
| I (perf) | - | 1.00% | | - | 0.75% | 0.65% | - | 0.16% | 15.00% |
| I2 (perf) | - | 1.00% | | - | 0.60% | 0.65% | - | 0.16% | 15.00% |
| S1 (perf) | - | 1.00% | | - | 0.38% | 0.65% | - | 0.16% | 15.00% |
| S2 (perf) | - | 1.00% | | - | 0.38% | 0.65% | - | 0.16% | 15.00% |
| T (perf) | - | 1.00% | 3.00% | - | 1.50% | 0.65% | 0.35% | 0.30% | 15.00% |
| X (perf) | - | 1.00% | | - | - | 0.65% | - | 0.15% | 15.00% |

*See Share Classes and Costs for more complete information. * Reduces by 1.00% a year and is zero after 3 years.*

*Sub-Investment Manager Performance fee – see Performance Fee – description for more complete information.* ***A performance fee may be payable to one or more of the Sub-Investment Managers, even though the overall Share Class performance is negative.***

Sub-Investment Manager Fee (max) - The figure stated is the maximum Sub-Investment Manager fee that a Sub-Investment Manager will receive in relation to the assets allocated to each Sub-Investment Manager.

JPMorgan Funds -

# Diversified Risk Fund

## Objective, Process, Policies and Risks

### OBJECTIVE

To provide long-term capital growth by investing in multiple asset classes, globally, using a risk-weighted approach to asset allocation, using derivatives where appropriate.

### INVESTMENT PROCESS

**Investment approach**

- Systematic approach that provides long/short exposure to a diversified range of risk premia, across asset classes.
- Portfolio targets equally weighted long-term risk exposures to various risk premia, grouped into four styles: quality, carry, momentum and value.
- Overall portfolio is constructed to maintain a low correlation to traditional markets.

**ESG approach** ESG Integrated

**Benchmark** ICE BofA SOFR Overnight Rate Index Total Return in USD. For currency hedged Share Classes, the benchmark is hedged to the Share Class currency.

**Benchmark uses and resemblance**

- Performance comparison.

The Sub-Fund is actively managed without reference or constraints relative to its benchmark.

### POLICIES

**Main investment exposure** The majority of assets invested, either directly or through derivatives, in equities (including smaller companies), convertible securities, debt securities, currencies and cash. The Sub-Fund may also gain exposure to commodities through equities, UCITS, UCIs, ETFs or derivatives on commodity indices. Issuers can be from anywhere in the world, including emerging markets. The Sub-Fund may invest in below investment grade and unrated debt securities.

The Sub-Fund may have net long and net short exposure (achieved through derivatives) to sectors, markets and currencies, however, it will maintain a total net long market exposure at all times. The Sub-Fund may hold significant amounts of cash and cash equivalents either as collateral for derivatives or until suitable investment opportunities are found.

**Derivatives** *Used for:* investment purposes; hedging; efficient portfolio management. *Types:* see Sub-Fund Derivatives Usage table under How the Sub-Funds Use Derivatives, Instruments and Techniques. *TRS including CFD:* 90% expected; 150% maximum. *Global exposure calculation method:* absolute VaR. *Expected level of leverage from derivatives:* 600% indicative only. Leverage may significantly exceed this level from time to time.

The Sub-Fund allocates its assets to gain exposure to a range of risk premia using a systematic long/short investment approach. The range of risk premia may include equity value (long equities that are relatively less expensive, short equities that are relatively more expensive); equity quality (long equities of higher quality companies, based on metrics such as profitability, against short exposures to those relatively with lower quality); FX carry (long exposure to currencies with higher yields and short exposures to lower yielding currencies); fixed income momentum (long exposure to bonds with positive price movements, short exposures to those with negative price returns). Allocation to risk premia can vary depending on market opportunities. Exposure to each of the risk premia styles will contribute to the level of leverage to varying degrees depending on its allocation within the portfolio at any given time and the actual levels of leverage can fluctuate significantly.

The expected level of leverage of 600%, is representative of the typical level of leverage and is mainly attributed to the use of fixed income futures and swaps (including interest rate swaps and total return swaps) and currency forwards. These instruments can have high notional values which increase the expected level of leverage.

Leverage may significantly exceed the expected level from time to time when the Sub-Fund has a greater allocation to a risk premia style which uses techniques (such as fixed income momentum and relative value) which are implemented through derivatives that have high notional values or on a temporary basis prior to the expiry of currency forward contracts.

The expected leverage is calculated as the "sum of the notionals" without any netting of opposing positions. As the leverage calculation considers neither sensitivity to market movements nor whether it increases or decreases the overall Sub-Fund risk, it may not be representative of the actual investment risk level within the Sub-Fund.

**Currencies** *Sub-Fund Base Currency:* USD. *Currencies of asset denomination:* any. *Hedging approach:* primarily hedged to Base Currency.

### MAIN RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table below explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions for a full description of each risk.

**Investment Risks** *Risks from the Sub-Fund's techniques and securities*

| Techniques | Securities | |
|---|---|---|
| Derivatives | Commodities | Emerging markets |
| Hedging | Convertible securities | Equities |
| Short positions | Debt securities | Smaller companies |
| | - Below investment grade debt | UCITS, UCIs and ETFs |
| | - Investment grade debt | |
| | - Unrated debt | |

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

| | | |
|---|---|---|
| Credit | Interest rate | Market |
| Currency | Liquidity | |

**Outcomes to the Shareholder** *Potential impact of the risks above*

| | | |
|---|---|---|
| **Loss** Shareholders could lose some or all of their money. | **Volatility** Shares of the Sub-Fund will fluctuate in value. | **Failure to meet the Sub-Fund's objective.** |

## Investor Considerations

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

- seek long-term capital growth;
- diversification with potentially lower volatility than traditional asset classes;
- are looking to use it as part of an investment portfolio and not as a complete investment plan

**Hedging method for currency hedged Share Classes** NAV hedge.

**Dealing** Requests received before 14:30 CET on any Valuation Day will be processed that day.

**Sub-Fund launch date** 08 Feb 2013.

| One-off charges taken before or after investing (maximum) | | | | | Fees and expenses taken from the Sub-Fund over a year | | |
|---|---|---|---|---|---|---|---|
| Base Class | Initial Charge | Switch Charge | CDSC* | Redemption Charge | Annual Management and Advisory Fee | Distribution Fee | Operating and Administrative Expenses (Max) |
| **A** | 5.00% | 1.00% | - | 0.50% | 1.25% | - | 0.30% |
| **C** | - | 1.00% | - | - | 0.60% | - | 0.20% |
| **D** | 5.00% | 1.00% | - | 0.50% | 1.25% | 0.65% | 0.30% |
| **I** | - | 1.00% | - | - | 0.60% | - | 0.16% |
| **I2** | - | 1.00% | - | - | 0.50% | - | 0.16% |
| **S1** | - | 1.00% | - | - | 0.30% | - | 0.16% |
| **T** | - | 1.00% | 3.00% | - | 1.25% | 0.65% | 0.30% |
| **X** | - | 1.00% | - | - | - | - | 0.15% |

*See Share Classes and Costs for more complete information. * Reduces by 1.00% a year and is zero after 3 years.*

# Risk Descriptions

Whilst this Prospectus identifies what the Board believes to be the main risks of the Sub-Funds, a Sub-Fund could be affected by other risks. The Risk Descriptions form an integral part of the Prospectus and should be read in conjunction with the Prospectus as a whole. Investors should note that any risks relevant to individual Share Classes can be found in Share Classes and Costs.

For an investor in a Sub-Fund, all of the risks described below could give rise to one or more of the three basic outcomes described in each Sub-Fund description: loss, volatility and failure to achieve its objective. Other direct effects on investors could include a Sub-Fund performing less well than its peers or than the overall market(s) in which it invests.

## INVESTMENT FUND RISKS

Investing in any Sub-Fund of the Fund involves certain risks:

### Fund structure risks

- The Board may decide to liquidate a Sub-Fund under certain circumstances (see Liquidation or Merger under Considerations for Investors). It is possible that the net proceeds of any liquidation for a Shareholder may be less than the amount they initially invested.
- In the event the Board decides to suspend the calculation of NAV per Share or to defer redemption and switch requests for a Sub-Fund, Shareholders may not receive the proceeds of their investment at the desired time or price.
- If a large proportion of the Shares of a Sub-Fund are held by a small number of Shareholders, or a single Shareholder, including funds or mandates over which the Investment Managers or their affiliates have investment discretion, the Sub-Fund is subject to the risk that these Shareholder(s) redeem their Shares in large amounts. These transactions could adversely affect the Sub-Funds ability to conduct its investment policies and / or the Sub-Fund becomes too small to operate efficiently and needs to be liquidated or merged.

### Regulatory risks

- The Fund is domiciled in Luxembourg. Therefore any protections provided by the regulatory framework of other jurisdictions may differ or may not apply.
- The Fund qualifies as a UCITS and is subject to the investment laws, regulations and guidance set down by the European Union, the European Securities and Markets Authority and the CSSF. As a result of the Sub-Funds being managed by an affiliate of JPMorgan Chase & Co. or being registered in other jurisdictions, they may be subject to narrower investment restrictions which could limit their investment opportunities.
- The Management Company is a member of JPMorgan Chase & Co. and is therefore subject to additional banking rules and regulations in the US which may also impact the Fund and its investors. For instance, under the Volcker Rule, a US regulation, JPMorgan Chase & Co., together with its employees and directors, cannot own more than 25% of a Sub-Fund beyond the permitted seeding period (generally three years from the date of the launch of a Sub-Fund); as a result, in cases where JPMorgan Chase & Co. continues to hold a seed position representing a significant portion of a Sub-Fund's assets at the end of the permitted seeding period, it may be required to reduce its seed position and the anticipated or actual redemption of Shares owned by JPMorgan Chase & Co. could adversely affect the Sub-Fund. This may require the sale of portfolio securities before it is desirable, resulting in losses to other Shareholders or could result in the liquidation of the Sub-Fund.
- LIBOR Discontinuance or Unavailability Risk LIBOR rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. The regulatory authority that oversees financial services firms and financial markets in the U.K. has announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions for purposes of determining the LIBOR rate. As a result, it is possible that commencing in 2022, LIBOR may no longer be available or no longer deemed an appropriate reference rate upon which to determine the interest rate on or impacting certain notes, derivatives and other instruments or investments comprising some or all of a Sub-Fund's portfolio. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of LIBOR. There is no assurance that the composition or characteristics of any such alternative reference rate will be similar to or produce the same value or economic equivalence as LIBOR or that it will have the same volume or liquidity as did LIBOR prior to its discontinuance or unavailability, which may affect the value or liquidity or return on certain investments and result in costs incurred in connection with closing out positions and entering into new trades. These risks may also apply with respect to changes in connection with other interbank offering rates (e.g., Euribor).

### Political risks

- The value of a Sub-Fund's investments may be affected by uncertainties such as international political developments, civil conflicts and war, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. For example, assets could be compulsorily re-acquired without adequate compensation. Events and evolving conditions in certain economies or markets may alter the risks associated with investments in countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in emerging market countries.

### Legal risks

- There is a risk that legal agreements in respect of certain derivatives, instruments and techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by English law, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.
- The Fund might be subject to certain contractual indemnification obligations the risk of which may be increased in respect of certain Sub-Funds such as Multi-Manager Sub-Funds. The Fund will not, and potentially none of the service providers, carry any insurance for losses for which the Fund may be ultimately subject to an indemnification obligation. Any indemnification payment with respect to a Sub-Fund would be borne by that Sub-Fund and will result in a corresponding reduction in the price of the Shares.

### Management risk

- As the Sub-Funds are actively managed they rely on the skill, expertise

and judgement of the relevant Investment Manager. There is no guarantee that the investment decisions made by the Investment Manager or any investment processes, techniques or models used will produce the desired results.

- For liquidity and to respond to unusual market conditions, a Sub-Fund, in accordance with its investment policy, may invest all or most if its assets in cash and cash equivalents for temporary defensive purposes. Investments in cash and cash equivalents may result in lower yield than other investments, which if used for temporary defensive purposes rather than an investment strategy, may prevent a Sub-Fund from meeting its investment objective.

## INVESTMENT RISKS

### *Techniques*

**Concentration risk** To the extent that the Sub-Fund invests a large portion of its assets in a limited number of securities, issuers, industries, sectors, or within a limited geographical area, it is likely to be more volatile and carry a greater risk of loss than a Sub-Fund that invests more broadly.

When a Sub-Fund is concentrated in a particular country, region, or sector, its performance will be more strongly affected by any political, economic, environmental or market conditions within that area or affecting that economic sector.

**Derivatives risk** The value of derivatives can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the derivative and therefore, investment in such instruments may result in losses in excess of the amount invested by the Sub-Fund.

The pricing and volatility of many derivatives sometimes diverges from strictly reflecting the pricing or volatility of their underlying reference asset(s). In difficult market conditions, it might be impossible or unfeasible to place orders that would limit or offset the market exposure or financial losses created by certain derivatives.

Changes in tax, accounting, or securities laws could cause the value of a derivative to fall or could force the Sub-Fund to terminate a derivative position under disadvantageous circumstances.

*OTC derivatives*

As OTC derivatives are private agreements between the Fund on behalf of a specific Sub-Fund and one or more counterparties, they are less regulated than market-traded derivatives. OTC derivatives carry greater counterparty risk and liquidity risk, and it could be more difficult to force a counterparty to meet its obligations to the Fund. If a counterparty ceases to offer a derivative that a Sub-Fund is using or is planning to use, the Sub-Fund might not be able to find a comparable derivative elsewhere. This in turn could cause the Sub-Fund to miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a derivative position for which it was unable to buy an offsetting derivative.

It may not always be possible for the Fund to divide its OTC derivative transactions among a wide variety of counterparties and the inability to trade with any one counterparty could cause significant losses.

Conversely, if any Sub-Fund experiences any financial weakness or fails to meet an obligation, counterparties might become unwilling to do business with the Fund, which could leave the Fund unable to operate efficiently and competitively.

*Exchange-traded derivatives*

While exchange-traded derivatives are generally considered lower-risk than OTC derivatives, there is still the risk that a suspension of trading in derivatives or in their underlying assets could make it impossible for a Sub-Fund to realise gains or avoid losses, which in turn could cause a delay in handling redemptions of Shares. There is also a risk that settlement of exchange-traded derivatives through a transfer system might not happen when or as expected.

*Risks relating to specific derivative instruments*

- Warrants The value of warrants are likely to fluctuate more than the prices of the underlying securities. This is due to the effect of leverage within their structure so that a relatively small movement in the price of the underlying security typically results in a larger movement in the price of the warrant.
- Futures and options The amount of initial margin relative to the value of a futures contract is small so transactions may be "leveraged" or "geared" in terms of market exposure. A relatively small market movement will therefore have a proportionately larger impact which may work for or against the investor. The selling ("writing" or "granting") of an option by the Fund on behalf of a Sub-Fund generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.
- CDS The price at which a CDS trades may differ from the price of the CDS's referenced security. In adverse market conditions, the basis (difference between the spread on bonds and the spread of CDS) can be significantly more volatile than the CDS's referenced securities
- CDX / iTraxx If the Sub-Fund is a protection seller on the CDX or iTraxx and there is a default on an underlying constituent, the Sub-Fund will be required to pay its proportionate share of the default payment.

**Distribution of capital risk** The Investment Manager may manage the income of the Sub-Fund to minimise fluctuations in periodic distribution payments. This may include distribution of your invested capital. Such erosion of capital will reduce the potential for long-term capital growth and may be tax inefficient in certain countries.

**Hedging risk** Any measures that the Sub-Fund takes that are designed to offset specific risks could work imperfectly, might not be feasible at times, or could fail completely. The Sub-Fund can use hedging within its portfolio to mitigate currency, duration, market or credit risk, and, with respect to any designated Share Classes, to hedge either the currency exposure or the effective duration of the Share Class. Hedging involves costs, which reduce investment performance.

**Multi-Manager Sub-Fund risk** The Sub-Fund's performance depends on the skill and ability of the Investment Manager in selecting, overseeing and allocating Sub-Fund assets to certain Sub-Investment Managers, the styles of which may not always be complementary and may be conflicting. The Investment Manager or Sub-Investment Manager(s) may not be able to identify suitable investment opportunities in which to deploy all the Sub-Fund's assets.

The Sub-Fund employs various alternative investment strategies that involve the use of complex investment techniques. There is no guarantee that these strategies will succeed.

Performance of the assets allocated to any one Sub-Investment Manager may be dependent on key investment personnel, the loss of whom could have a detrimental effect on the performance of the Sub-Fund. Should a Sub-Investment Manager terminate its advisory agreement with the Investment Manager, the Investment Manager may not be able to recruit a suitable replacement for an extended period thereafter.

The Investment Manager may manage other products employing a substantially similar strategy to that of the Sub-Fund. The mix of Sub-Investment Managers retained to manage the Sub-Fund's assets may differ in whole or in part, therefore the performance of the Sub-Fund will differ

from the performance of these other products and may underperform them.

The Sub-Investment Managers may manage closed-ended alternative investment funds or accounts that follow a similar investment strategy. The performance of these non-UCITS versions of the same strategy may differ substantially from the Sub-Fund due to their differing investment powers and liquidity provisions.

The list of Sub-Investment Managers for each Multi-Manager Sub-Fund can be found on the website: (www.jpmorganassetmanagement.lu).

**Reverse repurchase transactions risk** The counterparty of reverse repurchase transactions may fail to meet its obligations which could result in losses to the Sub-Fund. The default of a counterparty with which cash has been placed together with any fall in value of the collateral received below that of the value of the cash lent may result in a loss to the Sub-Fund and may restrict the Sub-Fund's ability to fund security purchases or redemption requests.

**Security exclusion risk** Exclusion of companies from a Sub-Fund's portfolio that do not meet certain ESG criteria or are not considered socially responsible may cause the Sub-Fund to perform differently compared to similar Sub-Fund's that do not have such a policy.

**Securities lending risk** The use of securities lending exposes the Sub-Fund to counterparty risk and to liquidity risk. The default of a counterparty, together with any fall in value of the collateral (including the value of any reinvested cash collateral) below that of the value of the securities lent, may result in a loss to the Sub-Fund and may restrict the Sub-Fund's ability to meet delivery obligations under security sales or redemption requests.

**Short positions risk** Taking a short position (a position whose value moves in the opposite direction from the value of the security itself) through derivatives creates losses for the Sub-Fund when the underlying security's value rises. These losses are theoretically unlimited as there is no restriction on the price to which a security may rise, whereas the loss from a cash investment in the security cannot exceed the amount invested.

Using short positions to achieve net short exposure to a particular market, sector or currency may increase the volatility of the Sub-Fund.

The short selling of investments may be subject to changes in regulations, which could create losses or the inability to continue using short positions as intended or at all.

**Style bias risk** Sub-Funds that are concentrated in a value or growth investment style may be subject to periods of underperformance as value stocks and growth stocks tend to outperform at different times.

**Thematic risk** To the extent that a Sub-Fund invests a large portion of its assets in a single theme it is likely to be more volatile and carry a greater risk of loss than a Sub-Fund that invests more broadly. Sub-Funds that are concentrated in investments exposed to a single theme may be subject to periods of underperformance and could be disproportionately affected by political, taxation, regulation, or government policy prejudicial to the theme which could lead to decreased liquidity and increased volatility in the value of the relevant securities.

### *Securities*

**Catastrophe bond risk** If a trigger event occurs (such as a natural disaster or financial or economic failure), the bonds may lose part or all of their value. The loss amount is defined in the terms of the bond and may be based on losses to a company or industry, modelled losses to a notional portfolio, industry indices, readings of scientific instruments or certain other parameters associated with a catastrophe rather than actual losses. The modelling used to calculate the probability of a trigger event may not be accurate or may underestimate the likelihood of the trigger event occurring which may increase the risk of loss.

Catastrophe bonds may provide for extensions of maturity which may increase volatility.

Catastrophe bonds may be rated by credit ratings agencies on the basis of how likely it is that the trigger event will occur and are typically rated below investment grade (or considered equivalent if unrated).

**China risk** Investing in the domestic (onshore) market of the People's Republic of China (PRC) is subject to the risks of investing in emerging markets (see Emerging markets risk) and additionally risks that are specific to the PRC market.

Investments in domestic securities of the PRC denominated in CNY are made through the QFII/RQFII license or through the China-Hong Kong Stock Connect Programmes which are subject to daily and aggregate quotas.

*QFII/RQFII investments risk* The QFII status could be suspended, reduced or revoked, which may affect the Sub-Fund's ability to invest in eligible securities or require the Sub-Fund to dispose of such securities and this could have an adverse effect on the Sub-Fund's performance. The RQFII status could be suspended, reduced or revoked, which may have an adverse effect on the Sub-Fund's performance.

*QFII/RQFII* Regulations impose strict restrictions on investments (including rules on investment restrictions, minimum holding periods and repatriation of capital or profits) that are applicable to the Investment Manager as well as to the investments made by the Sub-Fund. It is uncertain whether a court would protect the Sub-Fund's right to securities held for it by a licensed QFII if the QFII came under legal, financial or political pressure.

A Sub-Fund may suffer substantial losses if any of the key operators or parties (including the PRC Custodian and broker) is bankrupt or in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

*Risk of investing via China-Hong Kong Stock Connect Programmes* Investments in China A-Shares through the China-Hong Kong Stock Connect Programmes are subject to regulatory change, quota limitations and also operational constraints which may result in increased counterparty risk.

The China-Hong Kong Stock Connect Programmes establish mutual trading links between the markets of mainland China and Hong Kong. These programmes allow foreign investors to trade certain China A-Shares through their Hong Kong based brokers. To the extent a Sub-Fund invests in China A-Shares through the China-Hong Kong Stock Connect Programmes it will be subject to the following additional risks:

- Regulatory Risk Current rules and regulations may change and have potential retrospective effect which could adversely affect the Sub-Fund.
- Legal/Beneficial Ownership China A-Shares purchased through the China-Hong Kong Stock Connect Programmes are held in an omnibus account by the Hong Kong Securities Clearing Company Limited ("HKSCC"). HKSCC, as the nominee holder, does not guarantee the title to securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners. The rights of beneficial owners are not clear under PRC law and untested in PRC courts.
- Quota Limitations The programmes are subject to quota limitations which may restrict the Sub-Fund's ability to invest in China A-Shares through the programmes on a timely basis.
- Investor Compensation The Sub-Fund will not benefit from investor compensation schemes either in mainland China or Hong Kong.
- Operating Times Trading through China-Hong Kong Stock Connect Programmes can only be undertaken on days when both the PRC and Hong Kong markets are open and when banks in both markets are open on the corresponding settlement days. Accordingly the Sub-Fund may not be able to buy or sell at the desired time or price.
- Suspension Risk Each of the stock exchanges involved with the China-Hong Kong Stock Connect Programmes may suspend trading which could adversely affect the Sub-Fund's ability to access the relevant market.

*China Interbank Bond Market risk* The China Interbank Bond Market is an OTC market, executing the majority of CNY bond trading. Market volatility

and potential lack of liquidity due to low trading volumes may cause prices of bonds to fluctuate significantly.

*Risk of investing via China-Hong Kong Bond Connect*

Investments in onshore debt securities issued within the PRC through China-Hong Kong Bond Connect are subject to regulatory change and operational constraints which may result in increased counterparty risk.

China-Hong Kong Bond Connect establishes mutual trading links between the bond markets of mainland China and Hong Kong. This programme allows foreign investors to trade in the China Interbank Bond Market through their Hong Kong based brokers. To the extent a Sub-Fund invests through China-Hong Kong Bond Connect, it will be subject to the following additional risks:

- Regulatory Risk Current rules and regulations may change and have potential retrospective effect which could adversely affect the Sub-Fund.
- Investor Compensation The Sub-Fund will not benefit from investor compensation schemes either in mainland China or Hong Kong.
- Operating Times Trading through China-Hong Kong Bond Connect can only be undertaken on days when both the PRC and Hong Kong markets are open and when banks in both markets are open on the corresponding settlement days. Accordingly the Sub-Fund may not be able to buy or sell at the desired time or price.

PRC tax provision risk The Management Company reserves the right to provide for appropriate Chinese tax on gains of any Sub-Fund that invests in PRC securities thus impacting the valuation of the Sub-Fund.

With the uncertainty over whether and how certain gains on PRC securities are to be taxed, coupled with the possibility of the laws, regulations and practice in the PRC changing, and also the possibility of taxes being applied retrospectively, any provision for taxation made by the Management Company may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they subscribed and/or redeemed their Shares in/from the Sub-Funds.

*Investments in CNY* CNY is currently not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC. If such policies change in future, the Sub-Fund's position may be adversely affected. There is no assurance that CNY will not be subject to devaluation, in which case the value of the investments may be adversely affected. Under exceptional circumstances, payment of redemptions and/or dividends in CNH may be delayed due to foreign exchange controls and repatriation restrictions.

**Commodities risk** The value of securities in which the Sub-Fund invests may be influenced by movements in commodity prices which can be very volatile.
Commodities and other materials are often disproportionately affected by political, economic, weather and terrorist- related events, and by changes in energy and transportation costs. To the extent that the financial health of any company, industry, country or region is linked to commodity or materials prices, the value of its securities can be affected by trends in those prices.

**Contingent convertible bonds risk** Contingent convertible bonds are likely to be adversely impacted should specific trigger events occur (as specified in the contract terms of the issuer). This may result in the bond converting to equity at a discounted share price, the value of the bond being written down, temporarily or permanently, and/or coupon payments ceasing or being deferred.
Contingent convertible bonds can perform poorly even when the issuer and/or its equities are performing well. Contingent convertible bonds are structured such that the occurrence of a trigger event (such as the issuer's capital ratio or share price falling to a particular level for a certain period of time) may render the bond worthless or may trigger a conversion to equity that is likely to be disadvantageous to the bondholder. With contingent convertible bonds, the date and amount of any repayment of principal is uncertain as their termination and redemption require regulatory approval, which may not be granted in certain circumstances.

**Convertible securities risk** Convertible securities have characteristics of both debt and equity securities and carry credit, default, equity, interest rate, liquidity and market risks.
A convertible security acts as a debt security and generally entitles the holder to receive interest paid or accrued until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities generally have characteristics similar to both debt and equity securities. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible securities are usually subordinated to comparable nonconvertible securities. Convertible securities generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible securities may be affected by any dividend changes or other changes in the underlying securities.

**Credit Linked Notes risk** Credit Linked Notes (CLNs) are exposed to the risk of the underlying reference asset (such as a bond) being downgraded or defaulting and also to the risk that the issuer defaulting or become bankrupt which could result in the loss of the full market value of the note.

**Debt securities risk** All debt securities (bonds) including those issued or guaranteed by governments and their agencies carry credit risk and interest rate risk.

**- Government debt** Government debt securities, including those issued by local governments and government agencies are subject to market risk, interest rate risk and credit risk. Governments may default on their sovereign debt and holders of sovereign debt (including the Sub-Fund) may be requested to participate in the rescheduling of such debt and to extend further loans to the governmental entities. There is no bankruptcy proceeding by which sovereign debt on which a government has defaulted may be collected in whole or in part. Global economies are highly dependent on one another and the consequences of the default of any sovereign state may be severe and far reaching and could result in substantial losses to a Sub-Fund.Investment in local government debt may include debt securities issued by US municipalities (municipal securities). The risk of a municipal security generally depends on the financial and credit status of the issuer. Changes in a US municipality's financial health may make it difficult for the municipality to make interest and principal payments when due. Under some circumstances, municipal securities might not pay interest unless the state legislature or municipality authorises money for that purpose. Municipal securities may be more susceptible to downgrades or defaults during recessions or similar periods of economic stress. Such a downward revision or risk of being downgraded may have an adverse effect on the market prices of the municipal securities and thus the value of the Sub-Fund's investments. These risks could decrease the Sub-Fund's income or hurt the ability to preserve capital and liquidity. In addition to being downgraded, an insolvent municipality may file for bankruptcy. The reorganisation of a municipality's debts may significantly affect the rights of creditors and the value of the securities issued by the municipality and the value of the Sub-Fund's investments.

**- Investment grade debt** With investment grade debt securities, the likeliest form of credit risk is a credit downgrade, which typically will cause a security's value to fall. It is unlikely, though not unknown, for an investment grade bond to go into default. The downgrading of debt securities may affect the liquidity of investments in bonds. Other market participants may be attempting to sell debt securities at the same time as a Sub-Fund, causing downward pricing pressure and contributing to illiquidity. The ability and willingness of bond dealers to "make a market" in debt securities may be impacted by both regulatory changes as well as the growth of bond markets.

This could potentially lead to decreased liquidity and increased volatility in the debt markets.
Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Sub-Fund's investments typically declines. In a historically low interest environment, risks associated with rising interest rates are heightened. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.

**- Below investment grade debt** Below investment grade debt securities are typically more volatile and less liquid than investment grade debt and have significantly greater risk of default. They are typically lower rated and will usually offer higher yields to compensate for the reduced creditworthiness of the issuer.
Credit downgrades are more likely than for investment grade bonds, and can lead to more significant changes in value, for below investment grade bonds. Below investment grade bonds are sometimes less sensitive to interest rate risk, but are more sensitive to general economic news, as issuers of below investment grade bonds tend to be in weaker financial health and therefore are presumed to be more vulnerable in a deteriorating economy.

**- Subordinated debt** Subordinated debt securities are more likely to suffer a partial or complete loss in the case of any default or bankruptcy of the issuer, because all obligations to holders of senior debt must be satisfied first.
Certain subordinated bonds are callable meaning the issuer has the right to buy it back at a specified date and price. If the bond is not "called", the issuer can extend the maturity date further or defer or reduce the coupon payment.

**- Unrated debt** The credit quality of bonds that have not been rated by an independent rating agency will be determined by the Investment Manager at the time of the investment. Investments in unrated bonds are subject to those risks of a rated security of comparable quality.

**- Distressed debt** Distressed debt and securities in default carry a high risk of loss as the issuing companies are either in severe financial distress or in bankruptcy.

**Emerging markets risk** Investments in emerging markets involve higher risks than those of developed markets and can be subject to greater volatility and lower liquidity.

- Emerging market countries may experience political, economic and social instability which can lead to legal, fiscal and regulatory changes affecting returns to investors. These may include policies of expropriation and nationalization, sanctions or other measures by governments and international bodies.
- The legal environment in certain countries is uncertain. Legislation may be imposed retrospectively or may be issued in the form of non-public regulations. Judicial independence and political neutrality cannot be guaranteed and state bodies and judges may not adhere to the requirements of the law.
- Existing legislation may not yet be adequately developed to protect shareholder rights and there may be no concept of fiduciary duty to Shareholders on the part of management.
- High interest rates and inflation rates can mean that businesses have difficulty in obtaining working capital and local management may be inexperienced in operating companies in free market conditions.
- Custody and settlement practices may be less developed and it may be difficult to prove beneficial ownership or to protect ownership rights. Investment may carry risks associated with delayed registration of securities and delayed or failed settlement. There may be no secure method of delivery against payment (meaning payment may have to be made prior to receipt of the security).
- The securities markets in some countries lack the liquidity, efficiency and regulatory or supervisory controls of more developed markets.
- The absence of reliable pricing information may make it difficult to assess reliably the market value of a security.
- Emerging market currencies can be extremely volatile and may become subject to exchange control regulations. It may not always be practical or economical to hedge the exposure of certain currencies.
- Many emerging market economies are heavily dependent on commodities or natural resources and are therefore vulnerable to market demand and world prices for these products.
- Tax laws in certain countries are not clearly established. Taxes may be imposed suddenly and may change with retrospective effect subjecting the Sub-Fund to additional charges.
- Accounting, auditing and financial reporting standards may be inconsistent or inadequate.

For purposes of risk, the category of emerging markets includes markets that are less developed, such as most countries in Asia, Latin America, Eastern Europe, the Middle East and Africa as well as countries that have successful economies but whose investor protections are questionable, such as Russia, Ukraine and China. Broadly developed markets are those of Western Europe, the US, Canada, Japan, Australia and New Zealand.

**Equities risk** The value of equities may go down as well as up in response to the performance of individual companies and general market conditions, sometimes rapidly or unpredictably.
If a company goes through bankruptcy or a similar financial restructuring, its shares in issue typically lose most or all of their value.
Equity exposure may also be obtained through equity related securities such as warrants, depositary receipts, convertible securities, index and participation notes and equity-linked notes, which may be subject to greater volatility than the underlying reference asset and are also exposed to the risk of counterparty default.

**Frontier markets risk** Investing in frontier markets involves the risks of investing in emerging markets (see Emerging markets risk) but to a greater extent as frontier markets tend to be smaller, more volatile and less liquid than other emerging markets. Frontier markets may experience greater political, social and economic instability, restrictions on foreign investment and currency repatriation, less developed custody and settlement practices and may have weaker investor protections and corporate governance standards compared to other emerging markets.

**Inflation-linked securities risk** Inflation-linked debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the price of an inflation-linked security tends to decrease when real interest rates increase and can increase when real interest rates decrease. Interest payments on inflation-linked securities are unpredictable and will fluctuate as the principal and interest are adjusted for inflation. In the case of inflation-indexed bonds, their principal value is periodically adjusted according to the rate of inflation. If the index measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced. There can also be no assurance that the inflation index used will accurately measure the real rate of inflation in the prices of goods and services. A Sub-Fund's investments in inflation-linked securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index.

**MBS / ABS risk** Mortgage-backed and asset-backed securities (MBS and ABS) depend on the cash flows from a specified pool of financial assets and are subject to greater credit, liquidity and interest rate risk and may be more volatile than other bonds.

MBS / ABS prices and yields typically reflect the assumption that they will be paid off before maturity. When interest rates fall, these securities are often paid off early, as the borrowers of the underlying debt refinance at lower interest rates (prepayment risk). Subsequently the Sub-Fund may have to reinvest in lower-yielding securities. When interest rates rise, the underlying debt tends to be repaid later than expected, and can therefore increase the duration, and hence the volatility, of these securities. In addition, investments in MBS / ABS may be less liquid than other bonds.
To-be-announced (TBA) securities, which are MBS or ABS that are purchased sight unseen 48 hours before they are issued, can fall in value between the time the Sub-Fund commits to the purchase and the time of delivery.

**Participation notes risk** Participation notes are exposed not only to movements in the value of the underlying equity, but also to the risk of counterparty default, both of which could result in the loss of the full market value of the participation note.

**Preferred securities risk** Preferred equities are susceptible to interest rate and credit risk as they comprise certain characteristics of bonds. They are often less liquid than other securities of the same issuer, and their right to receive dividends before other shareholders still does not guarantee that any dividends will be paid. In certain instances, preferred securities may be redeemed by the issuer prior to a specified date, which may negatively impact the return of the security.

**REITs risk** REITs and real estate related investments are subject to the risks associated with the ownership of real estate which may expose the relevant Sub-Fund to increased liquidity risk, price volatility and losses due to changes in economic conditions and interest rates.

**Smaller companies risk** Stocks of smaller companies which may be less liquid, more volatile and tend to carry greater financial risk than stocks of larger companies.

**Special Purpose Acquisition Company risk** SPACs are comprised of equities and warrants and so are subject to Equities risk and Warrant risk, as well as risks that are specific to SPACs. Prior to the acquisition of a target, the SPAC is effectively a cash holding vehicle for a period of time (with defined redemption rights) pre acquisition. The risk profile of the SPAC will change if a target is acquired as the opportunity to redeem out of the SPAC at the price it was purchased for lapses upon such acquisition.

Generally, post-acquisition there is a higher volatility in price as the SPAC trades as a listed equity and is subject to Equities risk. The potential target of the SPAC acquisition may not be appropriate for the relevant Sub-Fund or may be voted down by the SPAC shareholders which foregoes the investment opportunity presented post-acquisition. Similar to smaller companies, companies after the SPAC acquisition may be less liquid, more volatile and tend to carry greater financial risk than stocks of larger companies.

**Structured products risk** Structured products are exposed not only to movements in the value of the underlying assets, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. Certain structured products may embed leverage, which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

**UCITS, UCIs and ETFs** Investments in units of underlying funds (such as UCITS, UCIs and ETFs) subjects the Sub-Fund to the risks associated with the investments of these underlying funds. Investment decisions in respect of the underlying funds are made independently of the Sub-Fund, therefore there can be no assurance that effective diversification of the Sub-Fund's exposure will always be achieved.
Certain underlying funds traded on exchanges may be thinly traded and experience large spreads between the "ask" price quoted by a seller and the "bid" price offered by a buyer.
The price and movement of an ETF and/or closed-end fund designed to track an index may not track the underlying index and may result in a loss. In addition, ETFs and closed-end funds traded on an exchange may trade at a price below their NAV (also known as a discount).

## OTHER ASSOCIATED RISKS

**Credit risk** A bond will generally lose value if the issuer's financial health deteriorates, or appears likely to. An issuer could go into default (become unwilling or unable to make payments on their bonds), which often will make the bond illiquid or worthless.

**Currency risk** Movements or changes in currency exchange rates could adversely affect the value of the Sub-Fund's securities and the price of the Sub-Fund's Shares.
Exchange rates can change rapidly and unpredictably for a number of reasons including changes in interest rates or in exchange control regulations.

**Interest rate risk** When interest rates rise, bond prices tend to fall. This risk is greater the longer the maturity or duration of the bond. It also can affect investment grade bonds more than below investment grade bonds.

**Liquidity risk** Certain securities, especially those that trade infrequently or on comparatively small markets, may be hard to buy or sell at a desired time and price, particularly in respect of larger transaction sizes.
In extreme market situations, there may be few willing buyers and the investments cannot be readily sold at the desired time or price, and those Sub-Funds may have to accept a lower price to sell the investments or may not be able to sell the investments at all. Trading in particular securities or other instruments may be suspended or restricted by the relevant exchange or by a governmental or supervisory authority and a Sub-Fund may incur a loss as a result. An inability to sell a portfolio position can adversely affect those Sub-Funds' value or prevent those Sub-Funds from being able to take advantage of other investment opportunities.
Liquidity risk also includes the risk that those Sub-Funds will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other uncontrollable factors. To meet redemption requests, those Sub-Funds may be forced to sell investments at an unfavourable time and/or conditions.
Investment in debt securities, small and mid-capitalisation stocks and emerging market issuers will be especially subject to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions whether or not accurate.

The Management Company has implemented certain tools to manage liquidity risk including, but not limited to:

- Temporarily suspending or deferring the calculation of NAVs or deals in a Sub-Fund and/or Share Class, as set out in Rights related to suspension of dealing.
- Limiting redemptions of Shares on any Valuation Day to 10% of the total net assets of the Sub-Fund, as set out in Rights related to suspension of dealing.
- Adjusting a Sub-Fund's NAV to compensate for dilutions that can arise in connection with large net flows of cash into or out of a Sub-Fund, as set out in Swing Pricing.
- Applying alternative valuation methods when it believes the interests of Shareholders or the Fund justify it, as set out in Fund Rights Related to NAV Calculation and Dealing Arrangements.
- Specific provisions with regards to Money Market Sub-Funds, as set out in Liquidity Risk and Portfolio Risk Limitation Rules regarding Short-Term VNAV MMFs.

The Management Company has also implemented a liquidity risk management framework in order to manage liquidity risk. For more information on the liquidity risk management framework, please see

am.jpmorgan.com/blob-gim/1383626231214/83456/Our_Commitment_to_Liquidity_Management.pdf .

Further information about the Sub-Funds' liquidity estimates is available upon request from the registered office of the Management Company.

**Market risk** The value of the securities in which a Sub-Fund invests changes continually and can fall based on a wide variety of factors affecting financial markets generally or individual sectors.
Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Furthermore, global events such as war, terrorism, environmental disasters, natural disasters or events, country instability, and infectious disease epidemics or pandemics may also negatively affect the value of the Sub-Fund's investments.
For example, an outbreak of COVID-19, a coronavirus disease, has negatively affected economies, markets and individual companies throughout the world, including those in which the Sub-Fund may invest. The effects of this pandemic, and other epidemics and pandemics that may arise in the future, may presently and/or in the future have a significant negative impact on the value of the Sub-Fund's investments, increase the Sub-Fund's volatility, negatively impact the Sub-Fund's pricing, magnify pre-existing risks to the Sub-Fund, lead to temporary suspensions or deferrals on the calculation of NAVs and interrupt the Fund's operations. The full impact of the COVID-19 pandemic is currently unknown.

**Sustainability risk** Sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation as "an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment". The Management Company considers sustainability risk as risks that are reasonably likely to materially negatively impact the financial condition or operating performance of a company or an issuer and therefore the value of that investment.

In addition to a material negative impact on the value of a Sub-Fund. sustainability risk may increase a Sub-Fund's volatility and / or magnify pre-existing risks to the Sub-Fund.

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

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

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

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

The Management Company has adopted a policy in respect of the integration of sustainability risks in the investment decision-making process for all actively managed strategies, including all Sub-Funds, with the purpose (at a minimum and where reasonably possible / practicable) of identifying and acting to manage and mitigate these risks. Further information on this policy is available on the website (www.jpmorganassetmanagement.lu).

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

- For those Sub-Funds that promote ESG characteristics or include sustainable in their name as set out under "ESG Integration and Sustainable Investing Approaches", sustainability risks are considered to have a lower likely impact on their returns relative to other Sub-Funds. This is due to the sustainability risk mitigating nature of their investment strategies which may implement exclusions, forward looking investment policies seeking sustainable financial return and active engagement with companies / issuers.
- For all other Sub-Funds which have sustainability risks integrated in their investment decision-making process, sustainability risk is considered to have a moderate / higher likely impact on their returns relative to the Sub-Funds referred to above.
- For those Sub-Funds which do not have sustainability risks integrated in their investment decision-making process, sustainability risk is considered to have the highest likely impact on their returns relative to other Sub-Funds.

As at the date of this Prospectus, all Sub-Funds fall into the top two categories above.

# Investment Restrictions and Powers

## GENERAL INVESTMENT POLICIES

Each Sub-Fund, and the Fund itself, must comply with all applicable EU and Luxembourg laws and regulations, notably the 2010 Law, as well as certain circulars, guidelines and other requirements.

This section describes the types of assets, techniques and instruments that are permitted as a matter of law and regulation, as well as the applicable limits, restrictions and requirements. In case of any discrepancy with the 2010 Law itself, the latter (in the original French) will prevail. In the case of any detected violation of the investment restrictions applicable to a Sub-Fund, the Investment Manager of the relevant Sub-Fund must make compliance with these restrictions a priority in its securities trades and management decisions, while taking due account of the interests of Shareholders.

Except where noted, all percentages and restrictions apply to each Sub-Fund individually, and all asset percentages are measured as a percentage of its total net assets.

### PERMITTED ASSETS, TECHNIQUES AND INSTRUMENTS

The table below describes the types of assets, techniques and instruments that the Fund and its Sub-Funds can invest in and use. The Sub-Funds may set limits that are more restrictive in one way or another, based on their investment objectives and policies as more fully described under Sub-Fund Descriptions. A Sub-Fund's usage of any asset, technique or transaction must be consistent with its investment policies and restrictions.

A Sub-Fund that invests or is marketed in jurisdictions outside the EU may be subject to further requirements. See Additional Restrictions Imposed by Specific Jurisdictions below.

No Sub-Fund can acquire assets that come with unlimited liability attached, underwrite securities of other issuers, or issue warrants or other rights to subscribe for their Shares.

| Security / Transaction | Requirements | |
|---|---|---|
| **1. Transferable securities and money market instruments** | Must be listed or traded on a Regulated Market. | Recently issued securities must include in their terms of issue a commitment to apply for official listing on a Regulated Market and such admission must be received within 12 months of issue. |
| **2. Money market instruments that do not meet the requirements in row 1** | Must be subject (at the securities or issuer level) to regulation aimed at protecting investors and savings and must meet one of the following:<br>▪ be issued or guaranteed by a central, regional or local authority, or a central bank of an EU Member State, the European Central Bank, the European Investment Bank, the EU, a public international body to which at least one EU Member State belongs, a sovereign nation, or a member state of a federation<br>▪ be issued by an undertaking of any securities that qualify under row 1 (with exception of recently issued securities)<br>▪ be issued or guaranteed by an institution that is subject to, and complies with, EU prudential supervision rules or other rules the CSSF considers to be at least as stringent | Can also qualify if the issuer belongs to a category approved by the CSSF, is subject to investor protections that are equivalent to those described directly at left, and meets one of the following criteria:<br>▪ is issued by a company with at least EUR 10 million in capital and reserves that publishes annual accounts consistent with fourth Directive 78/660/EEC<br>▪ is issued by an entity dedicated to financing a group of companies at least one of which is publicly listed<br>▪ is issued by an entity dedicated to financing securitisation vehicles that benefit from a banking liquidity line |
| **3. Transferable securities and money market instruments that do not meet the requirements in rows 1 and 2** | Limited to 10% of Sub-Fund assets. | |
| **4. Units of UCITS or other UCIs that are not linked to the Fund*** | Must be limited by constitutional documents to investing no more than 10% of assets in aggregate in other UCITS or other UCIs.If the target investment is an "other UCI", it must:<br>▪ invest in UCITS-allowable investments<br>▪ be authorised by an EU Member State or by a state the CSSF considers to have equivalent laws on supervision, with adequate cooperation between authorities sufficiently ensured | ▪ issue annual and semi-annual reports that enable an assessment of assets, liabilities, income and operations over the reporting period<br>▪ offer investor protections that are equivalent to those of a UCITS, in particular as to the rules on asset segregation, borrowing, lending and uncovered sales |
| **5. Units of UCITS or other UCIs that are linked to the Fund*** | Must meet all requirements in row 4.<br>The Fund's annual report must state the total annual management and advisory fees charged both to the Sub-Fund and to the UCITS/other UCIs in which the Sub-Fund has invested during the relevant period. | The underlying UCITS/UCI cannot charge a Sub-Fund any fees for buying or redeeming shares.<br>*Fund policy: there is no net annual management fee charged to a Sub-Fund by any linked UCITS/UCIs.* |
| **6. Shares of other Sub-Funds of the Fund** | Must meet all requirements in row 5.<br>The target Sub-Fund cannot invest, in turn, in the acquiring Sub-Fund (reciprocal ownership). | The acquiring Sub-Fund surrenders all voting rights in Shares it acquires.<br>The Shares do not count as assets of the acquiring Sub-Fund for purposes of minimum asset thresholds imposed by the 2010 Law. |

| | | |
|---|---|---|
| **7. Real estate and commodities, including precious metals** | Direct ownership of precious metals and other commodities, or certificates representing them, is prohibited. Indirect Investment exposure is allowed through permitted investments outlined in this table. | The Fund may only directly purchase real estate or other tangible property that is directly necessary to its business. |
| **8. Deposits with credit institutions** | Must be repayable or withdrawable on demand, and any maturity date must be no more than 12 months. | The credit institutions either must either have a registered office in an EU Member State or, if not, be subject to prudential supervision rules the CSSF consider to be at least as stringent as EU rules. |
| **9. Cash and cash equivalent** | May be held on an ancillary basis. | |
| **10. Derivatives and equivalent cash-settled instruments** | Underlying assets must be those described in rows 1, 2, 4, 5, 6 and 8 or must be financial indices, interest rates, foreign exchange rates or currencies consistent with Sub-Fund investment objectives and policies. All usage must be adequately captured by the risk management process described in Management and Monitoring of Derivatives Risk below. | OTC derivatives must meet all of the following criteria:<br>▪ be subject to reliable and verifiable independent daily valuations<br>▪ be able to be sold, liquidated or closed by an offsetting transaction at their fair value at any time at the Fund's initiative<br>▪ be with counterparties that are institutions subject to prudential supervision and that belong to categories approved by the CSSF<br>See also How the Sub-Funds Use Derivatives, Instruments and Techniques. |
| **11. Securities lending, repurchase transactions and reverse repurchase transactions** | Must be used for efficient portfolio management only.<br>The volume of transactions must not interfere with a Sub-Fund's pursuit of its investment policy or its ability to meet redemptions. With loans of securities and with repurchase transactions, the Sub-Fund must ensure that it has sufficient assets to settle the transaction.<br>All counterparties must be subject to EU prudential supervision rules or to rules the CSSF consider to be at least as stringent.<br>A Sub-Fund may lend securities: directly to a counterparty-<br>▪ through a lending system organised by a financial institution that specialises in this type of transaction<br>▪ through a standardised lending system organised by a recognised clearing institution | For each transaction, the Sub-Fund must receive and hold collateral that is at least equivalent, at all times during the lifetime of the transactions, to the full current value of the securities lent.<br>The Sub-Fund must have the right to terminate any of these transactions at any time and to recall the securities that have been lent or are subject to the repurchase agreement.<br>See also How the Sub-Funds Use Derivatives, Instruments and Techniques. |
| **12. Borrowing** | The Fund is not allowed to borrow in principle except if it is on a temporary basis and represents no more of 10% of a Sub-Fund's assets. | The Fund may however acquire foreign currency by means of back-to-back loans. |
| **13. Short sales** | Direct short sales are prohibited. | Short positions may be acquired only through derivatives. |

*A UCITS/UCI is considered to be linked to the Fund if both are managed or controlled by the same Management Company or another affiliated entity.

In keeping with Luxembourg law, the Management Company has implemented a policy that seeks to restrict investments in securities issued by companies that have been identified by third party providers as being involved in the manufacture, production or supply of cluster munitions, depleted uranium ammunition and armour or anti-personnel mines. More information on the Management Company's policy on restrictions applying to cluster munitions is available from the Management Company.

## ADDITIONAL RESTRICTIONS IMPOSED BY SPECIFIC JURISDICTIONS

Any Sub-Fund registered in multiple jurisdictions will comply with the restrictions for all jurisdictions where it is registered.

| Jurisdiction | Investment | Restrictions or other terms | Sub-Funds affected |
|---|---|---|---|
| **Hong Kong** | Securities issued or guaranteed by any one country (including any government body or public or local authority) with a credit rating below investment grade | Limited to 20% of net assets.<br>Limited to 10% of net assets. | JPMorgan Funds - Emerging Markets Local Currency Debt Fund<br>All Sub-Funds registered in Hong-Kong except the above. |
| | Securities listed in the PRC and securities traded on the China Interbank Bond Market | Limited to 20% of net assets (direct exposure only). | Sub-Funds registered in Taiwan[1]. |
| **Taiwan** | Derivatives | Exposure from non-hedging derivatives plus exposure from any derivatives used to hedge the Sub-Fund beyond 100% of its NAV are limited to the percentage stipulated by the Taiwanese regulator (currently 40%). | Sub-Funds registered in Taiwan except those for which the Taiwan Financial Supervisory Commission has granted an exemption. |

[1]Except Sub-Funds sold in the PRC through the qualified domestic institutional investor scheme.

A list of Sub-Funds registered for public distribution in any jurisdiction can be obtained from the Management Company and/or the local agent.

## DIVERSIFICATION REQUIREMENTS

To ensure diversification, a Sub-Fund cannot invest more than a certain percentage of its assets in one issuer or single body, as defined below. These diversification rules do not apply during the first six months of a Sub-Fund's operation, but the Sub-Fund must observe the principle of risk spreading.

For purposes of this table, companies that share consolidated accounts in accordance with Directive 2013/341/EU or with recognised international accounting rules are considered to be a single body.

| | | | Maximum investment, as a % of Sub-Fund net assets (except where noted) | |
|---|---|---|---|---|
| **Category of securities** | **In any one issuer** | **In aggregate** | **Other restrictions** | **Exceptions** |
| **A. Transferable securities and money market instruments issued or guaranteed by a sovereign nation, any EU public local authority, or any public international body to which one or more EU Member States belongs.** | 35% | | | A Sub-Fund may invest up to 100% of its assets in as few as six issues if it is investing in accordance with the principle of risk spreading and meets both of the following criteria:<br>▪ it invests no more than 30% in any one issue<br>▪ the securities are issued by an EU Member State, its local authorities or agencies, a member State of the OECD or of the G20, Singapore, Hong Kong or by a public international bodies of which one or more EU Member State belongs.<br>The exception described for row C applies to this row as well. |
| **B. Bonds issued by a credit institution whose registered office is in an EU Member State and which is subject by law to special public supervision designed to protect bondholders*.** | 25% | 35% | 80% in any issuer in whose bonds a Sub-Fund has invested more than 5% of assets. | |
| **C. Any transferable securities and money market instruments other than those described in rows A and B above.** | 10% | | 20% in transferable securities and money market instruments within the same group.<br>40% in aggregate in all issuers in which a Sub-Fund has invested more than 5% of its assets (does not include deposits and OTC derivative contracts with financial institutions subject to prudential supervision and securities referred to under rows A and B). | For index-tracking Sub-Funds, the 10% increases to 20% in the case of a published, sufficiently diversified index that is adequate as a benchmark for its market and is recognised by the CSSF. This 20% increases to 35% (but for one issuer only) in exceptional circumstances, such as when the security is highly dominant in the regulated market in which it trades. |
| **D. Deposits with credit institutions.** | 20% | 20% | | |
| **E. OTC derivatives with a counterparty that is a credit institution as defined in row 8 above (first table in section).** | Max risk exposure 10% | | | |
| **F. OTC derivatives with any other counterparty.** | Max risk exposure 5% | | | |
| **G. Units of UCITS or UCIs as defined in rows 4 and 5 above (first table in section).** | With no specific statement in the Sub-Fund's objective and policies, 10% in aggregate in one or more UCITS or other UCIs.<br>With a specific statement:<br>▪ 20% in any one UCITS or UCI<br>▪ 30% in aggregate in all UCIs other than UCITS<br>▪ 100% in aggregate in all UCITS | | Target sub-funds of an umbrella structure whose assets and liabilities are segregated are considered as a separate UCITS or other UCI. Assets held by the UCITS or other UCIs do not count for purposes of complying with rows A - F of this table. | |

* In particular, all sums deriving from their issuance must be invested in accordance with the law in assets that, for the life of the bonds, are capable of covering all claims attaching to the bonds and in case of issuer bankruptcy would be used, on a priority basis, to reimburse principal and accrued interest.

## LIMITS TO PREVENT CONCENTRATION OF OWNERSHIP

These limits are intended to prevent the Fund or a Sub-Fund from the risks that could arise (for itself or an issuer) if it were to own a significant percentage of a given security or issuer.

| Category of securities | Maximum ownership, as a % of the total value of the securities issued | | |
|---|---|---|---|
| **Securities carrying voting rights** | Less than would enable the Fund to exercise significant influence over the management of an issuer | These limits can be disregarded at purchase if at that time the gross amount of bonds or money market instruments, or the net amount of the instruments in issue, cannot be calculated. | These rules do not apply to:<br>▪ securities described in row A of the table above<br>▪ shares of a non-EU company that invests mainly in its home country and represents the only way to invest in that country in accordance with the 2010 Law<br>▪ shares of subsidiaries that provide management, advice or marketing in their country, when done as a way of effecting repurchase transactions for Shareholders in accordance with the 2010 Law |
| **Non-voting securities of any one issuer** | 10% | | |
| **Debt securities of any one issuer** | 10% | | |
| **Money market securities of any one issuer** | 10% | | |
| **Shares of any UCITS or other UCI** | 25% | | |

A Sub-Fund does not need to comply with the investment limits described above under Diversification Requirements and Limits to Prevent Concentration of Ownership when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets, so long as any violations of the investment restrictions resulting from the exercise of subscription rights are corrected as described above under General Investment Policies.

## MANAGEMENT AND MONITORING OF DERIVATIVES RISK

The Management Company uses a risk-management process, approved and supervised by its board of managers, to monitor and measure at any time the overall risk profile of each Sub-Fund, including the risk of each OTC derivatives position.

Any derivatives embedded in transferable securities or money market instruments count as derivatives held by the Sub-Fund, and any exposure to transferable securities or money market instruments gained through derivatives (except certain index-based derivatives) counts as investment in those securities or instruments.

Global exposure is a measure designed to monitor the Fund's use of derivatives and is used as part of the overall risk management process. The Fund must ensure that the global exposure of each Sub-Fund relating to derivatives does not exceed 100% of the total net assets of that Sub-Fund. The Sub-Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings so that the Sub-Fund's overall risk exposure may not exceed 210% of any Sub-Fund's total assets under any circumstances.

**Risk monitoring approaches** There are two main risk measurement approaches – Commitment and Value at Risk ("VaR"). The VaR approach in turn has two forms (absolute and relative). The Commitment approach and the VaR approach are described below. The approach used for each Sub-Fund is based on the Sub-Fund's investment policy and strategy.

| Approach | Description |
|---|---|
| **Value at Risk (VaR)** | VaR seeks to estimate the maximum potential loss a Sub-Fund could experience in a month (20 trading days) under normal market conditions. The estimate is based on the previous 12 months (at least 250 business days) of the Sub-Fund's performance, and is measured at a 99% confidence level. VaR is calculated in accordance with these parameters using an absolute or relative approach, as defined below.<br>***Absolute Value at Risk (Absolute VaR)***<br>The Absolute VaR limits the maximum VaR that a Sub-Fund can have relative to its NAV. The Absolute VaR of a Sub-Fund cannot exceed 20% of its NAV.<br>***Relative Value at Risk (Relative VaR)***<br>The Relative VaR of a Sub-Fund is expressed as a multiple of a benchmark or reference portfolio and cannot, exceed twice the VaR of the relevant benchmark or reference portfolio. The reference portfolio may be different from the benchmark as stated in Sub-Fund Descriptions. |
| **Commitment** | The Sub-Fund calculates its global exposure by taking into account either the market value of an equivalent position in the underlying asset or the derivative's notional value, as appropriate. This approach allows the Sub-Fund to reduce its global exposure by taking into account the effects of any hedging or offsetting positions. Note that with the commitment approach, certain types of risk-free transactions, leverage-free transactions and non-leveraged swaps can be excluded from the calculation. |

**Leverage** Any Sub-Fund that uses the Absolute or Relative VaR approach must also calculate its expected level of leverage, which is stated in Sub-Fund Descriptions. A Sub-Fund's expected level of leverage is an indicative level not a regulatory limit and the actual level may exceed the expected level from time to time. However, a Sub-Fund's use of derivatives will remain consistent with its investment objective and policies and risk profile and will comply with its VaR limit.

Leverage is a measure of total exposure of all derivatives and is calculated as the "sum of the notionals" without any netting of opposing positions. As the leverage calculation considers neither sensitivity to market movements nor whether it increases or decreases the overall Sub-Fund risk, it may not be representative of the actual investment risk level within a Sub-Fund.

Further information about the Fund's risk management process (including quantitative limits, how those limits are derived and recent levels of risks and yields for various instruments) is available upon request from the registered office of the Management Company.

# SPECIFIC PROVISIONS AND INFORMATION RELATING TO MONEY MARKET SUB-FUNDS

Some of the Sub-Funds in the Fund, namely JPMorgan Funds – EUR Money Market VNAV Fund and JPMorgan Funds – USD Money Market VNAV Fund (the "MMF Sub-Funds"), qualify as Money Market Funds ("MMF") and have been duly authorised by the CSSF in accordance with the provisions of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time (the "MMF Regulation").

The MMF Sub-Funds qualify as Short-Term Variable Net Asset Value Money Market Funds ("Short-Term VNAV MMFs").

Investors should note that:

- Money Market Funds like the MMF Sub-Funds are not a guaranteed investment;
- an investment in any of the MMF Sub-Funds is different from an investment in deposits as the principal invested in a Money Market Fund is capable of fluctuation;
- the Fund does not rely on external support for guaranteeing the liquidity of the Fund or any of the MMF Sub-Funds or stabilising the Net Asset Value per Share;
- the risk of loss of the principal is borne by the Shareholders.

The general provisions of the Prospectus apply to the MMF Sub-Funds, unless otherwise specifically provided for in this section. In addition, the specific provisions contained in this section will apply to each MMF Sub-Fund. Each MMF Sub-Fund is subject to specific investment rules (as provided under Investment Restrictions and Powers applicable to MMF Sub-Funds, liquidity risk and portfolio risk limitations (as provided under Liquidity Risk and Portfolio Risk Limitation Rules regarding Short-Term VNAV MMFs and specific provisions regarding valuation (as provided under Specific provisions regarding the Net Asset Value calculation.

## 1. MMF SUB-FUNDS' SPECIFIC INVESTMENT OBJECTIVES AND POLICIES

The Board has determined the investment objective and policy of each of the MMF Sub-Funds in accordance with the MMF Regulation as described in their respective section of Sub-Fund Descriptions. There can be no assurance that the objective for any MMF Sub-Fund will be attained. Pursuit of the investment objective and policy of any MMF Sub-Fund must be in compliance with the limits and restrictions set forth under Specific Investment Rules applicable to the MMF Sub-Funds .

Each MMF Sub-Fund may engage in reverse repurchase transactions as described below under Additional Information regarding the Use of Reverse Repurchase Transactions .

The Sub-Funds may hold such ancillary liquid assets as the Investment Managers consider appropriate.

## 2. GENERAL INFORMATION

### 2.1. Internal Credit Procedures

In compliance with the provisions of the MMF Regulation and relevant delegated acts supplementing the MMF Regulation, the Management Company has established customised internal credit quality assessment procedures applicable to the MMF Sub-Funds (the Internal Credit Procedures taking into account the issuer of the instrument and the characteristics of the instrument itself to determine the credit quality of the instruments held in the portfolio of each MMF Sub-Fund.

The Internal Credit Procedures are administered by a dedicated team of credit research analysts under the responsibility of the Management Company.

The Internal Credit Procedures are monitored on an ongoing basis by the Management Company, in particular to ensure that the procedures are appropriate and continue to provide an accurate representation of the credit quality of the instruments in which each MMF Sub-Fund may invest. The Internal Credit Procedures are designed with the flexibility to adapt to changes to the relative importance of the assessment criteria, as they may change from time to time.

The credit research analysts conduct fundamental research on the industries in which each MMF Sub-Fund invests, and on companies in those industries. The analysts focus on trends impacting each industry, region or type of product, as well as understanding how new regulations, policies, and political and economic trends may impact the credit quality of the instruments in which each MMF Sub-Fund may invest.

Through the application of the Internal Credit Procedures the credit research analysts create an "approved list" of favourably assessed instruments in which a MMF Sub-Fund may invest. To construct the approved list of instruments which receive a favourable assessment, the credit research analysts assign an internal rating to each issuer (or guarantor, as appropriate) of instruments and take into account the characteristics of the instruments. The internal rating illustrates the relative credit quality of the issuer and of the instruments; that is, it represents the credit research analysts' best estimate of the underlying credit strength of each issuer's securities and instruments. The internal rating is assigned based on numerous quantitative and qualitative factors as further described below, and includes the assessment of current factors, combined with assumptions on scenarios that could develop for the issuer over a short / medium term time horizon.

In accordance with the Internal Credit Procedures, the internal rating assigned to each issuer and instrument must be reviewed annually (or more frequently if market factors so dictate). In case of a material change that could have an impact on the existing assessment of the instruments as referred to in Article 19 (4) (d) of the MMF Regulation for instance if an issuer's credit quality becomes uncertain or "newsworthy" (for example, through a significant negative financial event or a meaningful credit rating agency downgrade), the issuer's credit standing will immediately be reassessed and appropriate actions for any specific instrument of the relevant issuer within the MMF Sub-Funds may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the MMF Sub-Fund shareholders.

The internal ratings set under the Internal Credit Procedures are used to set appropriate restrictions in the level of exposure that a MMF Sub-Fund may take to an issuer, including monetary limits, tenors, and account concentrations; as such, the restrictions applied at the MMF Sub-Fund level may be more conservative than the relevant restrictions set out in the MMF Regulation. Changes to the internal ratings assigned by the credit research analysts can also prompt modifications to these restrictions.

In determining issuer and instrument credit risk, the credit research analysts are focused on assessing the issuer or guarantor's ability to repay its debt obligations and the characteristics of a specific instrument as instruments may react differently in a default scenario. The credit assessment undertakes both quantitative and qualitative analysis.

**- Quantitative analysis**

The credit research analysts maintain proprietary financial models on the issuers whose instruments may be held by a MMF Sub-Fund. The focus of the models is to analyse financial data, identify trends, and track key determinants of credit risk (and develop forecasts where appropriate). Such models use metrics including but not limited to profitability analysis, cash flow and liquidity analysis, and leverage analysis. The quantitative analysis also uses historical observations of ratings transitions and default volatility

across rating notches and through various time intervals (shorter intervals limit rating and default volatility). Additionally, the credit research analysts assess issuers' related securities prices and credit spreads against appropriate benchmarks, which provide insight regarding any issuer's relative change in credit risk (or default risk) compared against relevant sectors or regions.

**- Qualitative analysis**

When providing their qualitative analysis of each issuer's credit risk, the credit research analysts review a variety of materials including management meeting notes, annual and quarterly earnings statements, industry publications, third-party research, and news reports. The qualitative credit analysis takes into account the current macroeconomic and financial market conditions impacting the issuer, and assesses, to the extent possible, the following factors in respect of each issuer and instrument:

- Earnings capacity in relation to capital reserves and asset quality;
- Sources of liquidity;
- Ability to react to future market-wide and issuer- or guarantor-specific events, including the ability to repay in a highly adverse situation;
- The issuer or guarantor's competitive position within its industry or primary operating sectors;
- For sovereigns, in addition to political stability, the size, strength and diversity of the economy relative to debt and contingent liabilities;
- Categorisation of instruments according to priority of payment (senior or subordinate) and secondary sources of repayment (for example, a security interest in underlying collateral in addition to the issuer's promise to repay). Such categorization allows the Management Company or its delegates to evaluate possible losses to an issuer or guarantor should a default occur;
- Short-term nature of money market instruments, such that the instruments held are sufficiently short-term in nature so as to minimise the possibility of severe downgrades;
- Categorisation of instruments according to their liquidity profile and asset class.
- In respect of asset-backed securities, the credit research analysts' evaluation may include, but may not be limited to, the special purpose entity's structure, the strength of the company sponsoring or supporting the special purpose entity, if any, and other factors as deemed necessary. Determination of approved asset-backed securities, such as asset-backed commercial paper, is based on the following (in addition to the elements outlined above):
- Analysis of the terms of any liquidity or other support provided; and
- Legal and structural analyses to determine that the particular asset-backed security involves minimal credit risk for the investing party.

## 2.2 Specific provisions regarding the Net Asset Value calculation of the MMF Sub-Funds

The Management Company calculates once a Valuation Day a Net Asset Value per Share to the nearest basis point or its equivalent when the NAV is published in a currency unit as described hereafter.

The Net Asset Value per Share is determined in the Share Class currency on each Valuation Day by dividing the net assets attributable to each Class by the number of Shares of such Class then outstanding. The net assets of each Class are made up of the value of the assets attributable to such Class less the total liabilities attributable to such Class calculated at such time as the Board of Directors shall have set for such purpose as follows:

(a) securitisations, ABCPs and money market instruments will be valued at mark-to-market. Where the value of the assets of the Sub-Funds cannot be calculated following the mark-to-market, their value shall be determined conservatively by using mark-to-model;

(b) shares or units in MMFs shall be valued at their last available net asset value as reported by such MMFs;

(c) the value of any cash on hand or on deposit and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined conservatively using mark to model.

## 2.3 Additional information to Shareholders

The following information will be made available on the website jpmorganassetmanagement.lu at least on a weekly basis in accordance with the MMF Regulation;

- The maturity breakdown of the portfolio of the Sub-Funds;
- The credit profile of the Sub-Funds;
- The WAM and WAL of the Sub-Funds;
- Details of the 10 largest holdings in each Sub-Fund;
- The total value of the assets of the Sub-Funds;
- The net yield of the Share Classes.

# 3. INVESTMENT RESTRICTIONS AND POWERS APPLICABLE TO MMF SUB-FUNDS

**Pursuit of the investment objective and policy of any MMF Sub-Fund qualifying as a Short-Term VNAV MMF must be in compliance with the limits and restrictions set out below. Such limits and restrictions are subject at all times to any regulations and guidance issued from time to time by the CSSF or any other appropriate regulatory body.**

## 3.1 Specific Investment Rules applicable to the MMF Sub-Funds

I) The MMF Sub-Funds may exclusively invest in the following eligible assets:

A) Money market instruments that fulfil all of the following requirements:

a) It falls within the following categories:

i) Money market instruments admitted to official listing on a stock exchange; and/or

ii) Money market instruments dealt in on another Regulated Market; and/or

iii) Money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

1. issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or
2. issued by an undertaking, any securities of which are dealt in on Regulated Markets referred to in a) i) and ii) above; or

3. issued or guaranteed by a credit institution which has its registered office in a country subject to prudential supervision, in accordance with criteria defined by European law, or by a credit institution which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by European law; or

4. issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in 1. 2. or 3. above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

b) it displays one of the following alternative characteristics:

1. it has a legal maturity at issuance of 397 days or less;

2. it has a residual maturity of 397 days or less;

c) the issuer of the money market instrument and the quality of the money market instrument have received a favourable credit quality assessment pursuant to the Internal Credit Procedures This requirement shall not apply to money market instruments issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

d) where the MMF Sub-Funds invest in a securitisation or ABCP, it is subject to the requirements laid down in B below.

B) 1) Eligible securitisations and Asset-Backed Commercial Paper (ABCPs) provided that the securitisation or ABCP is sufficiently liquid, has received a favourable credit quality assessment pursuant to the Internal Credit Procedures established by the Management Company, see Internal Credit Procedures and is any of the following:

a) a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61[1];

b) an ABCP issued by an ABCP programme which:

1. is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;

2. is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position;

3. does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013[2]

c) a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 of the European Parliament and of the Council, or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation.

2) The MMF Sub-Funds may invest in the securitisations or ABCPs provided any of the following conditions is fulfilled, as applicable:

a) the legal maturity at issuance of the securitisations referred to in 1) a) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less;

b) the legal maturity at issuance or residual maturity of the securitisations or ABCPs referred to in 1) b) and c) above is 397 days or less;

c) The securitisations referred to in points 1) a) and c) above are amortising instruments and have a weighted average life of two years or less.

C) Deposits with credit institutions provided that all of the following conditions are fulfilled:

a) the deposit is repayable on demand or is able to be withdrawn at any time;

b) the deposit matures in no more than 12 months;

c) the credit institution has its registered office in a EU Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in European law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013.

[1] Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions Text with EEA relevance. [2] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance

D) Reverse repurchase transactions provided that all of the following conditions are fulfilled:

a) the Fund has the right to terminate the agreement at any time upon giving prior notice of no more than two business days;

b) the assets received by the Fund as part of a reverse repurchase transaction shall:

1. be money market instruments that fulfil the requirements set out in I) A) above;

2. have a market value which is at all times at least equal to the cash paid out;

3. not be sold, reinvested, pledged or otherwise transferred;

4. not include securitisations and ABCPs;

5. be sufficiently diversified with a maximum exposure to a given issuer of 15% of the MMF Sub-Fund's net asset value except where those assets take the form of money market instruments that fulfil the requirements of III) a) (vii) below.

6. be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty; By way of derogation from (1) above, a MMF Sub-Fund may receive as part of a reverse repurchase transaction liquid transferable securities or money market instruments other than those referred to in I) A) above provided that those assets comply with one of the following conditions:

(i) they are issued or guaranteed by the European Union, a central authority or central bank of an Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable credit quality assessment has been received pursuant to the Internal Credit Procedures above.

(ii) they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable credit quality assessment has been received pursuant to the Internal Credit Procedures. The assets received as part of a reverse repurchase transaction in accordance with the above shall fulfil the diversification requirements described under III) a) vii).

c) The Investment Manager shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase transaction shall be used for the calculation of the net asset value per Share of the MMF Sub-Fund.

E) Units or shares of any other Short-Term MMF ("targeted MMF") provided that all of the following conditions are fulfilled:

a) no more than 10 % of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of targeted MMFs.

b) the targeted MMF does not hold units or shares of the acquiring MMF Sub-Fund.

c) the targeted MMF is authorised under the MMF Regulation.

II) The MMF Sub-Funds may hold ancillary liquid assets.

III) a) i) The Investment Manager will invest no more than 5% of the assets of any MMF Sub-Fund in money market instruments, securitisations and ABCPs issued by the same issuing body. The Investment Manager may not invest more than 10% of the assets of such MMF Sub-Fund in deposits made with the same credit institution, unless the structure of the Luxembourg banking sector is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another EU Member State, in which case up to 15 % of its assets may be deposited with the same credit institution.

ii) By way of derogation from III) a) i), the first paragraph above, a Short-Term VNAV MMF may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such Money Market Instruments, securitisations and ABCPs held by the relevant MMF Sub-Fund in each issuing body in which it invests more than 5 % of its assets does not exceed 40 % of the value of its assets.

iii) The aggregate of all of a MMF Sub-Fund's exposures to securitisations and ABCPs shall not exceed 20% of its assets, whereby up to 15% of that MMF Sub-Fund's assets may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of simple transparent and standadrised securitisations and ABCPs.

iv) The aggregate amount of cash provided to the same counterparty acting on behalf of a MMF Sub-Fund in reverse repurchase transactions shall not exceed 15 % of the assets of that MMF Sub-Fund.

v) Notwithstanding the individual limits laid down in paragraph III) a) i), the Investment Manager shall not combine, for each MMF Sub-Fund, any of the following:

i) investments in money market instruments, securitisations and ABCPs issued by, and/or

ii) deposits made with a single body in excess of 15% of that MMF Sub-Fund's assets.

vi) The limit of 15% laid down III) a) v) above would be increased to a maximum of 20% in money market instruments and deposits to the extent the structure of the Luxembourg financial market would be such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible to use financial institutions in other EU Member States.

vii) Notwithstanding the provisions outlined in III) a) i), the Fund is authorised to invest up to 100% of the assets of any MMF Sub-Fund, in accordance with the principle of risk spreading, in money market instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a member state of the OECD, Group of Twenty or Singapore, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more EU Member States belong, provided that such Sub-Fund holds at least six different issues by an issuer and that Sub-Fund limits the

investment in money market instruments from the same issue to a maximum of 30% of the total assets of such Sub-Fund.

viii) The limit laid down in the first paragraph of III) a) i) may be of a maximum of 10% for certain bonds when they are issued by a credit institution which has its registered office in a EU Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in accordance with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attached to the bonds and which, in case of failure of the issuer, would be used on a priority basis for the repayment of the principal and payment of accrued interest. If a MMF Sub-Fund invests more than 5% of its assets in the bonds referred to in the above paragraph and issued by one issuer, the total value of such investments may not exceed 40% of the value of the assets of the MMF Sub-Fund.

ix) Notwithstanding the individual limits laid down in III) a) i) the MMF Sub-Funds may invest no more than 20 % of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in III) a) viii) above. Where a MMF Sub-Fund invests more than 5 % of its assets in the bonds referred to in the above paragraph issued by a single issuer, the total value of those investments shall not exceed 60 % of the value of the assets of the relevant MMF Sub-Fund, including any possible investment in assets referred to in III) a) viii) above, respecting the limits set out therein. Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 2013/34/EU or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in section III) a).

IV) a) The Fund may not acquire on behalf of any MMF Sub-Fund more than 10% of money market instruments, securitisations and ABCPs of the same issuer.

b) Paragraph a) above shall not apply as regards money market instruments issued or guaranteed by the EU, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more EU Member States belong.

V) a) The Fund may acquire units or shares of targeted MMFs as defined under paragraph I) E) provided that, in principle, no more than 10% in total of a MMF Sub-Fund's assets be invested in units or shares of targeted MMFs. A specific MMF Sub-Fund may be allowed to invest more than 10% of its assets in units of other targeted MMFs in which case it will be explicitly mentioned in its investment policy.

b) The Fund may acquire units or shares of another targeted MMF provided that it represents no more than 5% of a MMF Sub-Fund's assets.

c) Any MMF Sub-Fund which is allowed to derogate from the first paragraph of item V) a) above may not invest in aggregate more than 17.5% of its assets in units or shares of other targeted MMFs.

d) By derogation to b) and c) above, any MMF Sub-Fund may either:

(i) be a feeder MMF investing at least 85% of its assets in one other single targeted MMF UCITS in accordance with Article 58 of the UCITS Directive; or

(ii) invest up until 20% of its assets in other targeted MMFs with a maximum of 30% in aggregate of its assets in targeted MMFs which are not UCITS in accordance with Article 55 of the UCITS Directive, provided that the following conditions are met:

a. the relevant MMF Sub-Fund is marketed solely through an employee savings scheme governed by national law and which has only natural persons as investors;

b. the employee savings scheme referred to above only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments.

e) The Management Company or other related company as defined below may not levy any subscription or redemption fee on the units or shares of the targeted MMF, nor may the Management Company levy any Annual Management and Advisory Fee if it invests in units or shares of other MMFs which:

i) it manages itself either directly or indirectly; or

ii) are managed by a company with which it is related by virtue of:

a. common management, or

b. common control, or

c. a direct or indirect interest of more than 10% of the capital or the votes.

If a MMF Sub-Fund invests 10% or more in a targeted MMF, the Fund will indicate in its annual report the total management fee charged both to the relevant MMF Sub-Fund and to the targeted MMF in which such MMF Sub-Fund has invested during the relevant period.

f) The underlying investments held by the MMF Sub-Fund in which the Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III) a) above.

g) Any MMF Sub-Fund may act as a master fund for other funds.

h) Notwithstanding the foregoing, a MMF Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more MMF Sub-Funds (qualifying as Short-Term MMFs) without the Fund being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

1. the targeted MMF Sub-Fund does not, in turn, invest in the Sub-Fund invested in this targeted MMF Sub-Fund; and

2. no more than 10% of the assets that the targeted MMF Sub-Funds whose acquisition is contemplated may be in units of UCITS and / or other UCIs; and

3. voting rights, if any, attaching to the shares of the targeted MMF Sub-Fund are suspended for as long as they are held by the MMF Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and

4. in any event, for as long as these securities are held by the MMF Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Luxembourg Law.

VI) In addition a MMF Sub-Fund will not:

a) invest in assets other than those referred to under I) above;

b) short sale money market instruments, securitisations, ABCPs and units or shares of other MMFs ;

c) take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

d) enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Fund;

e) borrow and lend cash.

Each MMF Sub Fund must ensure an adequate spread of investment risks by sufficient diversification;

VII) The Fund will in addition comply with such further restrictions in relation to the MMF Sub-Funds as may be required by the regulatory authorities in which the Shares are marketed.

## 3.2. LIQUIDITY RISK AND PORTFOLIO RISK LIMITATION RULES REGARDING SHORT-TERM VNAV MMFS

The Fund for any of the MMF Sub-Funds shall comply on an ongoing basis with all of the following portfolio requirements:

i) the MMF Sub-Fund's portfolio is to have a WAM of no more than 60 days.

ii) the MMF Sub-Fund's portfolio is to have a WAL of no more than 120 days, subject to the provision of the MMF Regulation;

iii) at least 7.5% of the MMF Sub-Fund's assets are to be comprised of daily maturing assets, reverse repurchase transactions which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day; and

iv) at least 15% of the MMF Sub-Fund's assets are to be comprised of weekly maturing assets, reverse repurchase transactions which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. Up to 7.5% of the MMF Sub-Fund's assets may be invested in money market instruments or units or shares of other short-term MMFs provided that they are able to be redeemed and settled within five working days.

## 3.3. ADDITIONAL INFORMATION REGARDING THE USE OF REVERSE REPURCHASE TRANSACTIONS

Reverse repurchase transactions may be used by any MMF Sub-Fund.

Collateral management fees may apply to the services relating to tri-party service arrangements entered into between the Fund, the counterparties and the collateral manager, and which are required to ensure optimal transfer of collateral between the Fund and its counterparties. The collateral management fees (if any) are part of the Operating and Administrative Expenses. Currently, the Fund has appointed Euroclear Bank, The Bank of New York Mellon, State Street Bank and Trust Company and JPMCB as collateral managers. JPMCB is an affiliate of the Management Company. The entire revenue related to the reverse repurchase transactions is received by the MMF Sub-Funds and is specified in the Fund's semi-annual and annual reports.

Where a MMF Sub-Fund is actually engaged in reverse repurchase transactions in accordance with its investment policy, the maximum and the expected proportion of assets under management of the MMF Sub-Fund that could be subject to reverse repurchase transactions will be set out in Sub-Fund Descriptions.

Use of the aforesaid techniques and instruments involves certain risks including potential risks of the reinvestment of cash (See reverse repurchase transactions risk) and there can be no assurance that the objective sought to be obtained from such use will be achieved.

## 3.4. COLLATERAL RECEIVED IN RESPECT OF REVERSE REPURCHASE TRANSACTIONS FOR MMF SUB-FUNDS

Assets received from counterparties in reverse repurchase transactions constitute collateral.

The Fund will only enter into transactions with counterparties which the Management Company believes to be creditworthy. The credit analysis of the counterparties is tailored to the intended activity and may include, but is not limited to, a review of the management, liquidity, profitability, corporate structure, regulatory framework in the relevant jurisdiction, capital adequacy, and asset quality. Approved counterparties will typically have a public rating of A- or above. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparty does not have discretion over the composition or management of a MMF Sub-Fund's portfolio. Counterparty approval is not required in relation to any investment decision made by a MMF Sub-Fund.

Collateral will be acceptable if it is in the form of eligible money market instruments and liquid transferable securities or other money market instruments, as per the provisions of I) D) b) of Specific Investment Rules applicable to the MMF Sub-Funds and has received a favourable assesment pursuant to the Internal Credit Procedures. Given the high quality nature of the counterparties to the reverse repurchase transactions, collateral is viewed as a secondary source of repayment.

Collateral may be offset against gross counterparty exposure. In offsetting collateral its value is reduced by a percentage (a "haircut") which provides, inter alia, for short term fluctuations in the value of the exposure and of the collateral. Collateral received is not sold, reinvested or pledged.

Collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if a MMF Sub-Fund receives from a counterparty a basket of collateral with a maximum exposure to a given issuer of 15% of the MMF Sub-Fund's net asset value except where those assets take the form of money market instruments that fulfil the requirements of III) a) vii) of Specific Investment Rules applicable to the MMF Sub-Funds. When a MMF Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 15% limit of exposure to a single issuer. By way of derogation from this sub-paragraph and under the conditions set forth by the MMF Regulation a MMF Sub-Fund may be fully collateralised in liquid transferable securities and money market instruments as per the provisions of I) D) b) of Specific Investment Rules applicable to the MMF Sub-Funds above. Such a MMF Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the MMF Sub-Fund's assets. Please see Permitted collateral and levels of collateralisation for reverse repurchase transactions for MMF Sub-Funds for further details of this derogation.

Where there is a title transfer, collateral received will be held by the Depositary (or sub-custodian on the behalf of the Depositary) on behalf of the relevant MMF Sub-Fund in accordance with the Depositary's safekeeping duties under the Depositary Agreement. For other types of collateral arrangements, the collateral can be held by a third party custodian that is subject to prudential supervision by its regulator and is unrelated to the provider of the collateral. With respect to reverse repurchase transactions

denominated in USD, the collateral is held by JPMCB, The Bank of New York Mellon or by State Street Bank and Trust Company, each in their capacity as collateral manager and acting as a third-party custodian. JPMCB, The Bank of New York Mellon and State Street Bank and Trust Company are subject to prudential supervision by their respective regulators and are unrelated to the provider of the collateral.

Collateral will be valued on each Valuation Day, using last available market prices and taking into account appropriate discounts determined for each asset class based on the haircut policy as set out in Permitted collateral and levels of collateralisation for reverse repurchase transactions for MMF Sub-Funds . The collateral will be marked to market daily and may be subject to daily variation margin requirements. No review of the applicable haircut levels is undertaken in the context of the valuation of collateral.

### *Permitted collateral and levels of collateralisation for reverse repurchase transactions for MMF Sub-Funds*

As further described in Collateral Received in Respect of Reverse Repurchase Transactions for MMF Sub-Funds, the MMF Sub-Funds (as listed below) could receive collateral issued or guaranteed by a single governmental or supranational entity disclosed under item I. D) b) in section Specific Investment Rules applicable to the MMF Sub-Fund in excess of 15% of a MMF Sub-Fund's net asset value under the conditions set forth in applicable Luxembourg laws and regulations. In this context, the following issuers will be acceptable:

| | |
|---|---|
| **JPMorgan Funds – EUR Money Market VNAV Fund** | Republic of Austria, Republic of Germany, Kingdom of the Netherlands', Republic of Finland, Grand Duchy of Luxembourg, French Republic, Kingdom of Belgium, European Investment Bank, European Financial Stability Facility, European Union, European Stability Mechanism, Caisse D'Amortissement De La Dette Sociale, FMS Wertmanagement, Rentenbank, Kommunalbanken AS, Kreditanstalt für Wiederaufbau |
| **JPMorgan Funds – USD Money Market VNAV Fund** | US Treasury |

Where Sub-Funds enter into Reverse Repurchase Agreements with counterparties that comply with Article 2 paragraph 6 of Commission Delegated Regulation 2018/990 of 10 April 2018, the permitted types of collateral, level of collateral required and haircut policies are below. Where Sub-Funds enter into Reverse Repurchase Agreements with counterparties that do not comply with Article 2 paragraph 6 of Commission Delegated Regulation 2018/990 of 10 April 2018, the provisions of paragraphs 1-5 of Article 2 shall apply. It is currently not the intention of the Fund to use such counterparties which do not comply with Article 2 paragraph 6 above and this Prospectus will be updated accordingly at the next opportunity if this changes.

| Activity | Reverse repurchase transactions in currencies other than USD | Reverse repurchase transactions denominated in USD |
|---|---|---|
| **Level of collateralisation** | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure[1] | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure[1] |
| Collateral types accepted: | | |
| **Cash** | 0% | 0% |
| **High quality government bonds** | 2% | |
| **US treasuries** | | 2% |
| **US government-sponsored enterprises and agency debentures** | | 2% |
| **US municipal debt** | | 5% |
| **Non-US agencies** | 2% | |
| **Supranationals** | 2% | |
| **Money Market Instruments[2]** | 2% | 5% |
| **Other sovereign debt** | | 5% |

*[1] Collateral levels expressed as current target levels to reflect the frequent renegotiation of collateral levels. Such target levels may vary from time to time. The intention is to target a minimum level of 2%. However, in certain circumstances negotiations with counterparties may result in a lower amount of collateral, however, this will, in any case not fall below 100% collateralisation. [2] Corporate bonds qualifying as money market instruments will be subject to a 5% haircut.*

# HOW THE SUB-FUNDS USE DERIVATIVES, INSTRUMENTS AND TECHNIQUES

## WHY THE SUB-FUNDS MAY USE DERIVATIVES

A Sub-Fund may use derivatives for any of the following purposes as described below:

### Investment purposes

A Sub-Fund that intends to use derivatives to achieve its investment objective may employ derivatives to facilitate a variety of investment techniques including, but not limited to:

- as a substitute for investing directly in securities
- enhancing returns for the Sub-Fund
- implementing investment strategies that can only be achieved through derivatives, such as a "long-short" strategy
- managing duration, yield curve exposure or credit spread volatility
- gaining or adjusting exposure to particular markets, sectors or currencies

### Hedging

Derivatives used for the purpose of hedging seek to reduce risk such as credit, currency, market and interest rate (duration) risk. Hedging can take place at a portfolio level or, in respect of currency or duration hedging, at Share Class level.

### Efficient portfolio management (EPM)

Efficient portfolio management means the cost-effective use of derivatives, instruments and techniques to reduce risks or costs or to generate additional capital or income. The techniques and instruments will relate to transferable securities or money market instruments, and the risks generated will be consistent with the Sub-Fund's risk profile and be adequately captured by the risk management process.

To understand how a particular Sub-Fund may use derivatives, see Sub-Fund Descriptions and the Sub-Fund Derivatives Usage table at the end of this section.

## TYPES OF DERIVATIVES A SUB-FUND CAN USE

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

- Options A Sub-Fund may invest in call or put options on equities, interest rates, indices, bonds, currencies, commodity indices or other instruments.
- Futures A Sub-Fund may enter into listed futures contracts on equities, interest rates, indices, bonds, currencies, or other instruments or options on such contracts.
- Forwards Typically foreign exchange contracts.
- Swaps These may include total return swaps (TRS), contracts for difference (CFDs), foreign exchange swaps, commodity index swaps, interest rate swaps and swaps on baskets of equities, volatility swaps, variance swaps and credit default swap indices.
- Mortgage TBAs

Futures and certain options are exchange-traded. All other types of derivatives are generally over the counter (OTC) meaning they are in effect private contracts between the Fund on behalf of a relevant Sub-Fund and a counterparty. The Depositary verifies the ownership of the OTC derivatives of the Sub-Funds and maintains an updated record of these derivatives.

For any index-linked derivatives, the index provider determines the rebalancing frequency, and there is no cost to the relevant Sub-Fund when the index itself rebalances.

When a Sub-Fund invests in TRS or other derivatives with similar characteristics, the underlying assets and investment strategies to which exposure will be gained are described in the Sub-Fund Descriptions.

If usage of TRS (including CFD) is permitted for a Sub-Fund, the expected and maximum proportion of the NAV on which exposure will be gained is disclosed in the Sub-Fund Derivatives Usage table. This is disclosed as 0% if these instruments are permitted but are not currently used as at the date of this Prospectus. The Sub-Fund Derivatives Usage table will be updated before the Sub-Fund can start using TRS.

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

Sub-Funds may be required to place initial and/or variation margin with its counterparty. As a result it may need to hold a proportion of its assets in cash or other liquid assets to satisfy any applicable margin requirements for the Sub-Fund or any currency or duration hedged Share Classes. This may have a positive or negative impact on the performance of the Sub-Fund or any currency or duration hedged Share Classes.

## TYPES OF INSTRUMENTS AND TECHNIQUES A SUB-FUND CAN USE

A Sub-Fund may also use the following instruments and techniques for the purposes of efficient portfolio management (as described above):

- Securities lending The lending of any transferable securities or money market instruments a Sub-Fund holds to counterparties approved by the Fund (which may include affiliates of JPMorgan Chase & Co). All securities lent will be held in custody by the depositary (or a sub-custodian acting on the depositary's behalf) in a registered account open in the depositary's books for safekeeping. The generally low levels of counterparty risk and market risk associated with securities lending are further mitigated by, respectively, counterparty default protection from the lending agent and the receipt of collateral as described below.
- Reverse repurchase transactions An agreement to buy a security and sell it back to the original owner at a specified time and (typically higher) price.

## DISCLOSURES OF USE OF INSTRUMENTS AND TECHNIQUES

- Securities lending The expected and maximum proportion of the NAV that can be lent out is disclosed for each Sub-Fund in Sub-Fund Descriptions. If securities lending is not disclosed in Sub-Fund Descriptions for a particular Sub-Fund, it may still engage in securities lending up to 20% and the relevant Sub-Fund Description will be updated at the next opportunity.
- Reverse repurchase transactions The expected and maximum proportion of the NAV subject to reverse repurchase transactions is disclosed for each Sub-Fund in Sub-Fund Descriptions. Where use is permitted in the Sub-Fund's investment policy but the proportion of assets subject to reverse repurchase transactions is 0% as at the date of this Prospectus, the maximum proportion of assets that can be subject to reverse repurchase transactions is 100% and the Prospectus will be updated as above at the next opportunity.

## COUNTERPARTIES TO DERIVATIVES AND TECHNIQUES

The Fund or the Management Company as its authorised delegate must approve counterparties before they can serve as such for the Fund. To be approved a counterparty must:

- be considered creditworthy by the Management Company
- undergo analysis applicable to the counterparty's intended activity, which can include a review of such aspects as company management, liquidity, profitability, corporate structure, capital adequacy and asset quality, as well as the regulatory framework in the relevant jurisdiction. While there

are no predetermined legal status or geographical criteria applied to the selection process, these elements are typically taken into account.

- comply with prudential rules considered by the CSSF as equivalent to EU prudential rules
- typically have a public credit rating of at least A-

No counterparty to a Sub-Fund derivative can serve as an Investment Manager of a Sub-Fund or otherwise have any control or approval over the composition or management of a Sub-Fund's investments or transactions or over the assets underlying a derivative.

## COLLATERAL POLICIES

These policies apply to assets received from counterparties in connection with transactions in securities lending, reverse repurchase transactions and OTC derivatives other than currency forwards. Such collateral must meet the requirements of ESMA guidelines 2014/937 including the standards for liquidity, valuation, issue, credit quality, correlation and diversification. Collateral received from a counterparty in any transaction may be used to offset the overall exposure to that counterparty.

In general, for collateral received in connection with efficient portfolio management and OTC derivatives, no single issue, measured across all counterparties, should account for more than 20% of a Sub-Fund's NAV. However, those Sub-Funds in the table immediately below may be fully collateralised in transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, another member state of the OECD, or a public international body to which one or more EU Member States belongs. Such a Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-Fund's NAV.

Given the high quality nature of the counterparties to the reverse repurchase transactions, collateral is viewed as a secondary source of repayment. In addition, for securities lending, the collateral received is of high quality and the risks are mitigated by the lending agent's agreement to indemnify against counterparty default. As a result, no maturity constraints apply to the collateral received.

An appropriate stress testing policy is in place for Sub-Funds that receive collateral for at least 30% of their assets to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable an adequate assessment of the liquidity risks attached to the collateral.

Collateral will be valued on each Valuation Day, using the last available market prices and taking into account appropriate discounts determined for each asset class based on the haircut as set out in Permitted collateral and levels of collateralisation. The collateral will be marked to market daily and may be subject to daily variation margin requirements.

### *Sub-Funds that can receive collateral from a single issuer in excess of 20% of its NAV*

| Sub-Fund | Issuers |
|---|---|
| **JPMorgan Funds – Managed Reserves Fund** | US Treasury |
| **JPMorgan Funds – Sterling Managed Reserves Fund** | UK Treasury |

### *Permitted collateral and levels of collateralisation*

Where Sub-Funds enter into securities lending, reverse repurchase transactions and OTC derivative transactions, the permitted types of collateral, level of collateral required and haircut policies (the discount a Sub-Fund applies to collateral value as a way of limiting exposure to market and liquidity risk) are as shown below. These haircut levels are systematically applied to all collateral received by the relevant Sub-Funds and are not reviewed or modified when valuing the collateral.

| Activity | Securities lending | Reverse repurchase transactions in currencies other than USD | Reverse repurchase transactions denominated in USD | Bilateral OTC derivatives subject to ISDA agreements with credit support annexes |
|---|---|---|---|---|
| **Level of collateralisation** | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure. | Full collateralisation plus a haircut, expressed below as a percentage of gross counterparty exposure.[1] | Full collateralisation plus a minimum haircut of 2% excluding cash and reverse repurchase transactions with Federal Reserve Bank of New York.[2] | Daily cash settlement of gains and losses above the lower of a typical de minimis USD 250,000 and the regulatory OTC counterparty credit limit of 10% of NAV. |
| **Collateral types accepted:** | | | | |
| **Cash** | 2% | 0% | 0% | 0% |
| **Cash with a mismatch of currency of exposure and currency of collateral** | 5% | | | |
| **Reverse repurchase transactions with the Federal Reserve Bank of New York** | | | 0% | |
| **High quality government bonds** | 2% | 2% | | |
| **High quality government bonds with a mismatch of currency of exposure and currency of collateral** | 5% | | | |
| **US treasuries (bills, bonds, notes and strips)** | 2% | | 2% | |
| **US agency debentures** | | | 2% | |
| **US agency CMO/REMIC** | | | 3% | |
| **US agency mortgage backed securities** | | | 2% | |
| **US municipal debt, investment grade** | | | 5% | |
| **Asset backed securities, investment grade** | | | 5% | |
| **Corporate bonds, investment grade** | | | 5% | |
| **Money market securities, investment grade** | | | 5% | |
| **Other sovereign debt, investment grade** | | | 5% | |

| | | | | |
|---|---|---|---|---|
| **Equities** | 10% | | 8% | |
| **Private Label CMO, investment grade** | | | 8% | |

1 Non-USD reverse repurchase transactions have fixed collateral levels.

2 USD collateral levels expressed as current target levels to reflect the frequent renegotiation of collateral levels in the US market. The policy is to track the market median haircut levels for each collateral type as reported by the Federal Reserve Bank of New York.

## LENDING AGENT, COLLATERAL AGENT AND COLLATERAL MANAGER

For securities lending the current lending agent and collateral agent is JPMorgan Bank Luxembourg S.A. For reverse repurchase transactions, the current collateral managers are Euroclear Bank, The Bank of New York Mellon, State Street Bank and Trust Company and JPMCB. JPMCB is an affiliate of the Management Company.

## REINVESTMENT OF COLLATERAL

Cash collateral will either be placed in bank deposits or invested in high-quality government bonds, reverse repurchase transactions or Short-Term Money Market Funds that calculate a daily NAV and are rated AAA or equivalent. To the extent required by the CSSF, reinvestment of cash collateral must be taken into account for the calculation of a Sub-Fund's global exposure. All investments will meet diversification requirements disclosed above.

If a Sub-Fund invests cash collateral from securities lending in reverse repurchase transactions, the limits that apply to securities lending will extend to reverse repurchase transactions as disclosed in How the Sub-Funds Use Derivatives, Instruments and Techniques.

Non-cash collateral will not be sold, reinvested or pledged.

## CUSTODY OF COLLATERAL

Collateral the ownership of which is transferred to the Sub-Fund will be held by the Depositary (or sub-custodian on behalf of the Depositary on behalf of the relevant Sub-Fund in accordance with the Depositary's safekeeping duties under its Depositary Agreement). With other types of collateral arrangements, collateral can be held by a third party custodian that is subject to prudential supervision and is unrelated to the collateral provider. With respect to reverse repurchase transactions denominated in USD, the collateral is held by JPMCB, The Bank of New York Mellon or by State Street Bank and Trust Company, each in their capacity as collateral manager and acting as a third-party custodian. JPMCB, The Bank of New York Mellon and State Street Bank and Trust Company are subject to prudential supervision by their respective regulators and are unrelated to the provider of the collateral.

### Counterparty and collateral risk

Collateral is received from counterparties in connection with transactions in securities lending, reverse repurchase transactions and OTC derivatives other than currency forwards. A counterparty may become unable or unwilling to meet its obligations to the Sub-Fund, resulting in losses to the Sub-Fund.

In the event of default, the counterparty would forfeit its collateral on the transaction. However if a transaction is not fully collateralised, the collateral may not cover the credit exposure to the counterparty. Collateral may be held either by the Depositary or by a third party custodian and there is a risk of loss if the custodian or sub-custodian are negligent or become insolvent.

## REVENUES PAID TO THE SUB-FUNDS

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

- From total return swaps: all revenues, as the Management Company will not take any fees or costs out of those revenues additional to the Annual Management and Advisory Fee.
- From reverse repurchase transactions: all revenue. Collateral management fees may apply to the services relating to tri-party service arrangements entered into between the Fund, the counterparties and the collateral manager and which are required to ensure optimal transfer of collateral between the Fund and its counterparties. The collateral management fees (if any) are part of the operating and administrative expenses.
- From securities lending: the lending agent is authorised to receive 10% of the gross revenue, with the remaining 90% of the gross revenue being received by the relevant Sub-Fund.

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

## SUB-FUND DERIVATIVES USAGE

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

The investment exposure gained through the use of derivatives must not cause a Sub-Fund to deviate from its investment objective and policies and must comply with the limits set out in Investment Restrictions and Powers

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRS & CFD | All Other Swaps & CDX / iTraxx | | |
| **Equity Funds** | | | | | | | | | | |
| JPMorgan Funds - Africa Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - America Equity Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |
| JPMorgan Funds - ASEAN Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Asia Growth Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Asia Pacific Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Brazil Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - China Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - China A-Share Opportunities Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Europe Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Diversified Equity Plus Fund | ✓ | ✓ | ✓ | ● | ● | - | ● | - | - | 70 |
| JPMorgan Funds - Emerging Markets Dividend Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Opportunities Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Small Cap Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Markets Sustainable Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Emerging Middle East Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRS & CFD | All Other Swaps & CDX / iTraxx | | |
| JPMorgan Funds - Euroland Dynamic Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Euroland Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Dynamic Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Dynamic Small Cap Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Dynamic Technologies Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Equity Absolute Alpha Fund | ✓ | ✓ | ✓ | ● | ● | - | ● | - | - | 300 |
| JPMorgan Funds - Europe Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Equity Plus Fund | ✓ | ✓ | ✓ | ● | ● | - | ● | - | - | 100 |
| JPMorgan Funds - Europe Small Cap Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Strategic Growth Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Strategic Value Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Sustainable Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Europe Sustainable Small Cap Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Emerging Markets Research Enhanced Index Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Focus Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Healthcare Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Natural Resources Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Real Estate Securities Fund (USD) | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Research Enhanced Index Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Socially Responsible Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps & CDX / iTraxx | | |
| JPMorgan Funds - Global Sustainable Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Global Value Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | - |
| JPMorgan Funds - Global Growth Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Greater China Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - India Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Japan Equity Fund | - | - | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Korea Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Latin America Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Pacific Equity Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Russia Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Taiwan Fund | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - Thematics - Genetic Therapies | - | ✓ | ✓ | ● | ● | - | - | - | - | |
| JPMorgan Funds - US Equity All Cap Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |
| JPMorgan Funds - US Growth Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |
| JPMorgan Funds - US Hedged Equity Fund | ✓ | ✓ | ✓ | - | ● | ● | - | - | - | 300 |
| JPMorgan Funds - US Opportunistic Long-Short Equity Fund | ✓ | ✓ | ✓ | - | ● | ● | ● | - | - | 100 |
| JPMorgan Funds - US Research Enhanced Index Equity Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |
| JPMorgan Funds - US Select Equity Plus Fund | ✓ | ✓ | ✓ | - | ● | - | ● | - | - | 60 |
| JPMorgan Funds - US Small Cap Growth Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |
| JPMorgan Funds - US Smaller Companies Fund | - | ✓ | ✓ | - | ● | - | - | - | - | - |
| JPMorgan Funds - US Sustainable Equity Fund | - | ✓ | ✓ | - | ● | - | - | - | - | - |
| JPMorgan Funds - US Technology Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |
| JPMorgan Funds - US Value Fund | - | ✓ | ✓ | - | ● | - | - | - | - | |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps & CDX / iTraxx | | |
| **Balanced and Mixed Asset Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Asia Pacific Income Fund | - | ✓ | ✓ | • | • | • | - | - | - | |
| JPMorgan Funds - Total Emerging Markets Income Fund | - | ✓ | ✓ | • | • | • | - | • | - | - |
| **Convertibles Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Global Convertibles Fund (EUR) | - | ✓ | ✓ | • | • | • | - | - | - | - |
| **Bond Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | • | 400 |
| JPMorgan Funds - China Bond Opportunities Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 100 |
| JPMorgan Funds - Emerging Markets Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | - | - | • | - | |
| JPMorgan Funds - Emerging Markets Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | |
| JPMorgan Funds - Emerging Markets Debt Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 100 |
| JPMorgan Funds - Emerging Markets Investment Grade Bond Fund | - | ✓ | ✓ | • | • | • | - | • | - | |
| JPMorgan Funds - Emerging Markets Local Currency Debt Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 350 |
| JPMorgan Funds - Emerging Markets Strategic Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 350 |
| JPMorgan Funds - EU Government Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 150 |
| JPMorgan Funds - Euro Aggregate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 50 |
| JPMorgan Funds - Euro Corporate Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 50 |
| JPMorgan Funds - Euro Government Short Duration Bond Fund | - | ✓ | ✓ | • | • | - | - | • | - | 150 |
| JPMorgan Funds - Europe High Yield Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | |
| JPMorgan Funds - Europe High Yield Short Duration Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | |
| JPMorgan Funds - Financials Bond Fund | ✓ | ✓ | ✓ | • | • | • | - | • | - | 150 |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps & CDX / iTraxx | | |
| JPMorgan Funds - Flexible Credit Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 200 |
| JPMorgan Funds - Global Aggregate Bond Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 400 |
| JPMorgan Funds - Global Bond Opportunities Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 250 |
| JPMorgan Funds - Global Bond Opportunities Sustainable Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 250 |
| JPMorgan Funds - Global Corporate Bond Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | - | 75 |
| JPMorgan Funds - Global Corporate Bond Duration-Hedged Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | - | 150 |
| JPMorgan Funds - Global Government Bond Fund | - | ✓ | ✓ | ● | ● | - | - | ● | - | 400 |
| JPMorgan Funds - Global Government Short Duration Bond Fund | - | ✓ | ✓ | ● | ● | - | - | ● | - | 300 |
| JPMorgan Funds - Global Short Duration Bond Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 150 |
| JPMorgan Funds - Global Strategic Bond Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 500 |
| JPMorgan Funds - Income Fund | - | ✓ | ✓ | ● | ● | ● | - | ● | ● | 150 |
| JPMorgan Funds - Italy Flexible Bond Fund | ✓ | ✓ | ✓ | ● | ● | ● | - | ● | ● | 100 |
| JPMorgan Funds - Managed Reserves Fund | - | ✓ | ✓ | ● | ● | - | - | ● | - | |
| JPMorgan Funds - Sterling Bond Fund | ✓ | ✓ | ✓ | ● | ● | - | - | ● | ● | 50 |
| JPMorgan Funds - Sterling Managed Reserves Fund | - | ✓ | ✓ | ● | ● | - | - | ● | - | |
| JPMorgan Funds - US Aggregate Bond Fund | - | ✓ | ✓ | ● | ● | ● | - | ● | - | |
| JPMorgan Funds - US High Yield Plus Bond Fund | - | ✓ | ✓ | ● | ● | - | - | ● | - | |
| JPMorgan Funds - US Short Duration Bond Fund | - | ✓ | ✓ | ● | ● | - | - | ● | - | |

| | Investment Purposes | EPM | Hedging | Forwards | Futures | Options | Swaps | | Mortgage TBAs | Expected Leverage (%) VaR Sub-Funds only |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TRSs & CFDs | All Other Swaps & CDX / iTraxx | | |
| **Fund of Funds Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds – Global Multi - Strategy Income Fund | - | ✓ | ✓ | • | • | • | - | - | - | |
| **Multi-Manager Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds – Multi - Manager Alternatives Fund | ✓ | ✓ | ✓ | • | • | • | • | • | • | 450 |
| JPMorgan Funds – Multi-Manager Sustainable Long-Short Fund | ✓ | ✓ | ✓ | • | • | • | • | • | - | 300 |
| **Other Sub-Funds** | | | | | | | | | | |
| JPMorgan Funds - Diversified Risk Fund | ✓ | ✓ | ✓ | • | • | • | • | • | - | 600 |

# ESG Integration and Sustainable Investing Approaches

This section describes what Environmental, Social and Governance information is and how it may be integrated into the investment decision making process. It does this by defining ESG Integration as well as how Sub-Funds with sustainable investing objectives, which go beyond integration, fit into categories to achieve that.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

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

- Environmental issues relate to the quality and functioning of the natural environment and natural systems such as carbon emissions, environmental regulations, water stress and waste.
- Social issues relate to the rights, wellbeing and interests of people and communities such as labour management and health and safety.
- Governance issues relate to the management and oversight of companies and other investee entities such as board, ownership and pay.

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

Below outlines the definitions of ESG Integration and Sustainable Investing.

**ESG Integration**

ESG Integration is the systematic inclusion of ESG issues in investment analysis and investment decisions. ESG Integration for a Sub-Fund requires:

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

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

ESG determinations may not be conclusive and securities of companies / issuers may be purchased and retained, without limit, by the Investment Manager regardless of potential ESG impact. The impact of ESG Integration on a Sub-Fund's performance is not specifically measurable as investment decisions are discretionary regardless of ESG considerations.

The Sub-Fund Descriptions indicate that a Sub-Fund is integrated by including "ESG Integrated" in the Investment Process section in Sub-Fund Descriptions. The Management Company considers the adverse sustainability impacts of investment decisions on sustainability factors in accordance with SFDR. A statement on due diligence policies with respect to those impacts is published on www.jpmorganassetmanagement.lu

**Promoting ESG and Sustainable Investing – Going Beyond ESG Integration**

Sub-Funds in the ESG Promote category have specific binding ESG criteria for company / issuer selection.

All Sub-Funds that promote ESG characteristics or include sustainable in their name qualify as "ESG Promote" by definition as referred to in the table below. In addition, certain Sub-Funds also qualify as "Positive Tilt", "Best-in-Class" or "Thematic" as set out in the table below, which defines the Sub-Fund categories and applicable investment criteria. These Sub-Funds have specific sustainable investing objectives that go beyond promoting ESG characteristics through a forward looking investment approach, active engagement with companies, where possible, and seek to positively influence business practices to improve sustainability. This aims to deliver long-term sustainable financial returns while also serving as the foundation to align investment decisions with investor values.

The Fund offers a range of Sub-Funds to align with investors' objectives and values as set out in the Sub-Fund Categories table below.

The relevant category for a Sub-Fund is included in the Investment Process section in Sub-Fund Descriptions.

Sub-Fund Categories

| | ESG Promote | Positive Tilt | Best-in-Class | Thematic |
|---|---|---|---|---|
| **Definition** | Promotes Environmental and / or social characteristics. | An investment style in which the portfolio will be tilted towards companies / issuers with positive ESG characteristics. | An investment style that focuses on companies / issuers that lead their peer groups in respect of sustainability performance. | An investment style with a thematic focus on a UN Sustainable Development Goal or other specific ESG theme. |
| **Criteria** | A defined percentage of the portfolio is invested in positive ESG issuers / companies as disclosed in the relevant Sub- | Has an objective with a measurable tilt towards companies / issuers with positive ESG characteristics as | Has an objective to invest a defined percentage of portfolio positions in "sustainable" companies / | Has an objective to deliver a sustainability related theme with intentional environmental/ social |

| | | | | | |
|---|---|---|---|---|---|
| | | Fund Descriptions. | disclosed in the relevant Sub-Fund Descriptions. | issuers as disclosed in the relevant Sub-Fund Descriptions. | outcome. Ensures portfolio positions are issued by thematically selected issuers as disclosed in the relevant Sub-Fund Descriptions. |
| | **Exclusions and SFDR website disclosures** | Excludes certain sectors, companies / issuers or practices based on specific values or norms based criteria. Exclusion standards can be found on am.jpmorgan.com/lu/en/asset-management/adv/products/fund-explorer/sicavs<br>Additional information applicable to Article 8 Sub-Funds such as a description of the environmental / social characteristics and methodologies used to assess such characteristics can be found on https://am.jpmorgan.com/lu/en/asset-management/adv/ . | | | |
| | **Sub-Funds** | JPMorgan Funds - Aggregate Bond Fund<br>JPMorgan Funds - America Equity Fund<br>JPMorgan Funds - Asia Growth Fund<br>JPMorgan Funds - Asia Pacific Equity Fund<br>JPMorgan Funds - China A-Share Opportunities Fund<br>JPMorgan Funds - China Fund<br>JPMorgan Funds - Emerging Markets Corporate Bond Fund<br>JPMorgan Funds - Emerging Markets Debt Fund<br>JPMorgan Funds - Emerging Markets Dividend Fund<br>JPMorgan Funds - Emerging Markets Equity Fund<br>JPMorgan Funds - Emerging Markets Investment Grade Bond Fund<br>JPMorgan Funds - Emerging Markets Local Currency Debt Fund<br>JPMorgan Funds - Emerging Markets Opportunities Fund<br>JPMorgan Funds - Emerging Markets Small Cap Fund<br>JPMorgan Funds - Euro Aggregate Bond Fund<br>JPMorgan Funds - Euro Corporate Bond Fund<br>JPMorgan Funds - Euroland Dynamic Fund<br>JPMorgan Funds - Euroland Equity Fund<br>JPMorgan Funds - Europe Dynamic Fund<br>JPMorgan Funds - Europe Dynamic Small Cap Fund<br>JPMorgan Funds - Europe Dynamic Technologies Fund<br>JPMorgan Funds - Europe Equity Absolute Alpha Fund<br>JPMorgan Funds - Europe | JPMorgan Funds – Global Bond Opportunities Sustainable Fund | JPMorgan Funds – Europe Sustainable Equity Fund<br>JPMorgan Funds – Europe Sustainable Small Cap Equity Fund<br>JPMorgan Funds – Global Sustainable Equity Fund<br>JPMorgan Funds – Emerging Markets Sustainable Equity Fund<br>JPMorgan Funds – Multi-Manager Sustainable Long-Short Fund<br>JPMorgan Funds - US Sustainable Equity Fund | JPMorgan Funds – Thematics - Genetic Therapies |

| | | | | | |
|---|---|---|---|---|---|
| | | Equity Fund | | | |
| | | JPMorgan Funds - Europe Equity Plus Fund | | | |
| | | JPMorgan Funds - Europe High Yield Bond Fund | | | |
| | | JPMorgan Funds - Europe Small Cap Fund | | | |
| | | JPMorgan Funds - Europe Strategic Growth Fund | | | |
| | | JPMorgan Funds - Financials Bond Fund | | | |
| | | JPMorgan Funds - Global Aggregate Bond Fund | | | |
| | | JPMorgan Funds - Global Convertibles Fund (EUR) | | | |
| | | JPMorgan Funds - Global Corporate Bond Duration Hedged Fund | | | |
| | | JPMorgan Funds - Global Corporate Bond Fund | | | |
| | | JPMorgan Funds - Global Focus Fund | | | |
| | | JPMorgan Funds - Global Healthcare Fund | | | |
| | | JPMorgan Funds - Global Real Estate Securities Fund (USD) | | | |
| | | JPMorgan Funds - Global Short Duration Bond Fund | | | |
| | | JPMorgan Funds - Global Socially Responsible Fund | | | |
| | | JPMorgan Funds - Global Growth Fund | | | |
| | | JPMorgan Funds - Greater China Fund | | | |
| | | JPMorgan Funds - Japan Equity Fund | | | |
| | | JPMorgan Funds - Multi-Manager Alternatives Fund | | | |
| | | JPMorgan Funds - Pacific Equity Fund | | | |
| | | JPMorgan Funds - Sterling Bond Fund | | | |
| | | JPMorgan Funds - Total Emerging Markets Income Fund | | | |
| | | JPMorgan Funds - US High Yield Plus Bond Fund | | | |
| | | JPMorgan Funds - ASEAN Equity Fund | | | |
| | | JPMorgan Funds - Emerging Markets Diversified Equity Plus Fund | | | |
| | | JPMorgan Funds - Europe Strategic Value Fund | | | |
| | | JPMorgan Funds - Global Value Fund | | | |
| | | JPMorgan Funds - US Growth | | | |

| | | | | | |
|---|---|---|---|---|---|
| | | Fund<br>JPMorgan Funds - US Select Equity Plus Fund<br>JPMorgan Funds - US Small Cap Growth Fund<br>JPMorgan Funds - US Smaller Companies Fund<br>JPMorgan Funds - US Technology Fund<br>JPMorgan Funds - US Value Fund | | | |

# Share Classes and Costs

## Share Classes

Within each Sub-Fund, the Management Company can create and issue Share Classes with various characteristics and investor eligibility requirements.

### BASE SHARE CLASSES AND THEIR CHARACTERISTICS

| | | **Minimum investment and holding amounts.** *For amounts in currencies other than USD, equivalent amounts in such currencies are determined on each business day.* | | | |
|---|---|---|---|---|---|
| **Base Share Class** | **Eligible investors** | **Initial investment** | **Additional investment** | **Holding amount** | **Additional features** |
| A | All investors | USD 35,000 | USD 5,000 | USD 5,000 | None |
| C | All investors | USD 10 million | USD 1,000 | USD 10 million | None |
| C2 | Clients of Distributors who receive advice and directly pay for that advice under a separate fee arrangement where no other form of ongoing remuneration from the Management Company is received and retained by the Distributor in relation to this service and the Distributor has represented this to the Management Company. In addition, the Distributor meets Minimum Amount of Assets Under Management. | USD 100 million | USD 1,000 | USD 100 million | None |
| D | Distributors buying Shares on behalf of their clients, by agreement with the Management Company | USD 5,000 | USD 1,000 | USD 5,000 | None |
| F | Distributors buying Shares on behalf of their clients, by agreement with the Management Company | USD 35,000 | USD 5,000 | USD 5,000 | Available only to those Sub-Funds for which specific distribution arrangements have been made with the Management Company.<br>Automatically switches to A Share Class on the third anniversary of the subscription. This may create tax liability.** |
| I* | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 10 million | USD 1,000 | USD 10 million | None |
| I2* | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 100 million | USD 1,000 | USD 100 million | None |
| J | All investors | USD 10,000 | USD 1,000 | USD 5,000 | None |
| K | Institutional Investors | USD 100 million | USD 1,000 | USD 100 million | Only available on JPMorgan Funds - Sterling Managed Reserves Fund. |
| S1* | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 10 million | USD 1,000 | USD 10 million | Closes permanently to new subscriptions and switches in when assets in the Share Class reach a level determined by the Management Company. Once closed the Share Class will not be reopened. Certain investor types who have also reached a minimum holding in the relevant S1 Share Class may be permitted to continue to invest at the sole discretion of the Management Company. |
| S2* | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors | USD 10 million | USD 1,000 | USD 10 million | Closes permanently to new investors when assets in the Share Class reach a level determined by the Management Company.<br>Automatically switches to I Share Class on the third anniversary of the launch of the first S2 Share Class for the Sub-Fund. This may create tax liability. Under certain circumstances, the automatic switch may be deferred or waived at the sole discretion of the Management Company. In these circumstances, this will be communicated to all Shareholders in advance of the third anniversary of the launch of the share class. ** |
| T | Distributors buying Shares on behalf of their clients, by agreement with the Management Company | USD 5,000 | USD 1,000 | USD 5,000 | Available only to those Sub-Funds for which specific distribution arrangements have been made with the Management Company. Automatically switches to D Share Class on the third anniversary of the subscription. This may create tax liability.** |
| V | Only available to collective investment | USD 10 million | USD 1,000 | USD 10 million | Only offered as (hedged to BRL) Share Classes |

| | | | | | |
|---|---|---|---|---|---|
| | schemes established in Brazil and managed by JPMorgan Chase & Co., by agreement with the Management Company. | | | | |
| X, Y* | EU: Eligible Counterparties and Additional Investors Non EU: Institutional Investors by agreement with the Management Company or JPMorgan Chase & Co. with a separate fee arrangement in respect of advisory fees | On application | On application | On application | None |

* Investments in JPMorgan Funds - Managed Reserves Fund and Sterling Managed Reserves Fund are limited to Institutional Investors

** Automatic switches are processed based on the NAV of both Share Classes on the switch date or on the next Valuation Day if the anniversary is not a Valuation Day. F Share automatic switches to A Shares, on the third anniversary of the subscription, can only take place on a business day in the relevant distributor's country. Following the switch, Shareholders are subject to the rights and obligations of the new Share Class. The switch dates for S2 Share Classes can be found at www.jpmorganassetmanagement.com.

## WAIVERS AND REDUCED MINIMUMS

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

**C, I and V Share Class** Minimums are waived for investments made by clients of the Management Company who meet minimum requirements set by the Management Company.

**A and D Share Class** Minimums do not apply at the discretion of the Management Company for investments made by affiliates of JPMorgan Chase & Co. or third party managers or Distributors who are subscribing on behalf of their clients as nominee.

**C Share Class** Minimums do not apply at the discretion of the Management Company to the underlying clients of financial intermediaries or distributors ("Intermediary") who receive advice from the Intermediary and directly pay for this advice under a separate fee arrangement where the Intermediary has represented this to the Management Company. In addition the Intermediary does not receive and retain any other forms of ongoing remuneration from the Management Company in relation to this service.

**C2 Share Class** Minimums do not apply at the discretion of the Management Company to the underlying clients of financial intermediaries or distributors ("Intermediary") who have represented to the Management Company that they will reach a sufficient level of assets in the C2 share class within a specified period of time.

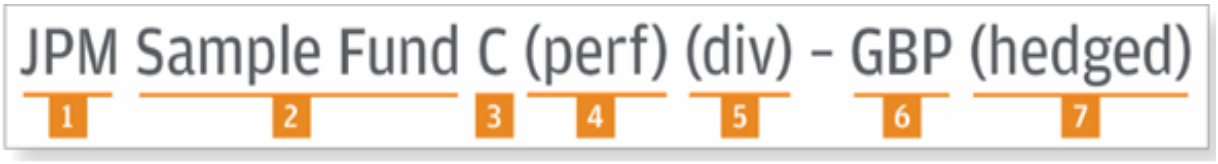
**I2 Share Class** Minimums do not apply at the discretion of the Management Company if the investor holds a Minimum Amount of Assets under Management.

If investors are unsure which Share Class they are eligible to invest in they should contact their financial adviser or Distributor. For a definition of Institutional Investor, see Glossary 1.

The Fund and the Management Company, at their discretion, reserve the right to redeem all Shares upon receipt of a redemption request that would leave a holding that is lower than the minimum holding amount. Shareholders will be given one month prior notice to increase their holding above the minimum. Any fall below the minimum holding amount owing to Sub-Fund performance will not cause the closing of an account. See Investing in the Sub-Funds.

## SHARE CLASS NAMING CONVENTIONS

Share Class names are structured as follows: "JPM" + Sub-Fund designation + base Share Class + one or more suffixes, as appropriate. All of these elements are explained below.




1 **JPM** All Share Classes begin with this prefix.

2 **Sub-Fund designation** All Share Classes include the designation of the relevant Sub-Fund. For example, a Share Class of the JPMorgan Funds - Africa Equity Fund will be denoted "JPM Africa Equity A (acc) - USD".

3 **Base Share Class** One of the Base Share Classes shown in the table above.

4 **(perf)** If present, indicates that the Share Class has a performance fee. For additional information on the performance fee, see Performance Fee - Description.

5 **Dividend policy.**

*No dividends paid*

**(acc)** This Share Class does not pay dividends. Earned income is retained in the NAV.

*Dividends paid*

All other types of Share Class can pay dividends. Dividends may vary and are not guaranteed.

Dividends will normally be declared at least annually and the NAV of the relevant Share Class reduced by the amount distributed. Additional dividends can be declared as determined by the Board. No Share Class will make a dividend payment if the assets of the Fund are below the minimum capital requirement, or if paying the dividend would cause that situation to occur.

In the case of (dist) Share Classes, dividends will automatically be reinvested in the same Share Class unless Shareholders have requested in writing that dividends be paid to them. When dividends are reinvested, new Shares will be issued on the payment date at the NAV of the relevant Share Class. In the case of (div), (fix), (irc) and (mth) Shares, Shareholders cannot request reinvestment and dividends will automatically be paid to Shareholders. Dividends are paid in the Share Class Currency, to the bank account details on file for a Shareholder's account.

Shareholders are entitled to dividends for Shares held on the dividend record date. Dividends due on Shares for which payment has not yet been received will be withheld until the purchase has been settled. Dividend payments remaining unclaimed five years after the dividend record date will be forfeited and returned to the Sub-Fund. The Management Company may carry out authentication procedures which could result in the delay of any dividend payment.

All dividends paid out prior to the annual general meeting are considered interim dividends and are subject to confirmation, and potentially to

revision, at that meeting.
The suffixes below indicate how a dividend amount is calculated, how often a dividend is normally paid and other important investor considerations. If different for a particular Sub-Fund this will be stated in Sub-Fund Descriptions.

**(dist)** This Share Class normally pays an annual dividend in September based on reportable income. This Share Class intends to qualify as a reporting fund under UK tax law for offshore funds.

**(mth)** This Share Class normally pays a monthly dividend based on an estimate of the Sub-Fund's annual yield before deduction of annual fees. It prioritises dividend payments over capital growth and will typically distribute more than the income earned. This Share Class is available only to investors purchasing and holding Shares through specific Asian distribution networks, and to other investors at the discretion of the Management Company.
The dividend rate is reviewed, and may be adjusted, twice yearly but also at other times as may be appropriate to reflect changes in the portfolio's expected yield. The Management Company can decide to defer to the next month, or to reinvest in further Shares, any dividend small enough that its distribution would not be economically efficient for the Fund. As the dividend is paid monthly, the NAV of this Share Class is likely to fluctuate more than other Share Classes.

**(div)** This Share Class normally pays a quarterly dividend based on an estimate of the Sub-Fund's annual yield before deduction of annual fees. It prioritises dividend payments over capital growth and will typically distribute more than the income earned. The dividend rate is reviewed, and may be adjusted, twice yearly but also at other times as may be appropriate to reflect changes in the portfolio's expected yield.

**(irc)** This Share Class normally pays a monthly variable dividend based on an estimate of the Sub-Fund's annual yield before deduction of annual fees, adjusted up or down for, respectively, an estimated positive or negative interest rate carry. It prioritises dividend payments over capital growth and will typically distribute more than the income earned.
This Share Class is available only to investors purchasing and holding Shares through specific Asian distribution networks, and to other investors at the discretion of the Management Company. The dividend rate is reviewed, and may be adjusted, twice yearly but also at other times as may be appropriate to reflect changes in the portfolio's expected yield. The Management Company can decide to defer to the next month, or to reinvest in further Shares, any dividend small enough that its distribution would not be economically efficient for the Fund.
This Share Class is offered only as currency hedged Shares, and is intended for investors whose home currency is the same as the Share Class Currency. The interest rate carry is calculated using the average daily difference between the 1-month forward exchange rate and the spot rate for these two currencies over the preceding calendar month. If the estimated negative carry is larger than the estimated yield, it is likely that a dividend will not be paid. The NAV of this Share Class is likely to fluctuate more than other Share Classes.

**(fix)** This Share Class normally pays a quarterly dividend based on a fixed amount per Share per annum that is not linked to income or capital gains. Payments may exceed the gains of the Share Class resulting in erosion of the amount invested.
The amount is stated in the Share Class name. For example "(fix) EUR 2.35" would designate a Share Class that pays quarterly dividends equating to an amount of EUR 2.35 per Share per year. This Share Class is only available to Shareholders who meet certain criteria set by the Management Company. Shareholders should be aware that, during periods of negative performance, the dividend will normally continue to be paid and the value of the investment may fall more rapidly. It may not be possible to maintain the dividend payment indefinitely and the value of the investment may be reduced to zero.
These Share Classes may be closed to new and/or existing investors if the NAV falls to a level determined by the Management Company, in its sole discretion, where to allow further investments would not be in the best interest of Shareholders.

**(icdiv)** This Share Class pays a dividend that is expected to include a distribution from capital as well as the gains of the Share Class. It sets a pre-determined annual percentage of NAV per Share to be paid as a monthly dividend that is not linked to income or capital gains. Payments are expected to exceed the increase in the NAV per share from the net income and realised and/or unrealised capital gains of the Share Class resulting in erosion of the amount invested. The annual percentage is based on prevailing investor demand in the region where the share class is distributed and Sub-Fund level considerations. The percentage may be changed at the discretion of the Management Company. The latest dividend yield of the share class can be found on the website (www.jpmorganassetmanagement.lu). This Share Class is available only to investors purchasing and holding Shares through specific Asian distribution networks, and to other investors at the discretion of the Management Company. Shareholders should be aware that, during periods of negative performance, the dividend will normally continue to be paid and the value of the investment may fall more rapidly. It may not be possible to maintain the initial / prevailing dividend payment indefinitely and it may be reduced. If the value of the NAV falls to 1.00 in the Sub-Fund's Base Currency, the share class will be fully redeemed by the Management Company at the next practicable opportunity. Investors in these Share Classes may have to pay tax on payments out of capital which may be tax inefficient. Investors should consult with their tax advisors.

6 **Currency Code** All Share Classes include a three-letter code that indicates the Share Class Currency, which may or may not be the same as the Base Currency of the Sub-Fund.

7 **Hedging** Share Classes may be unhedged, currency hedged, duration hedged or currency and duration hedged.

**(hedged)** Indicates that the Shares use one of the two currency hedging models explained below. These Shares can be denominated in any currency shown in Currency Abbreviations in Using This Prospectus, or in any other currency subject to the agreement of the Management Company.

To see which hedging model a Sub-Fund uses, see Sub-Fund Descriptions.

**NAV hedged Share Class** This Share Class seeks to minimise the effect of exchange rate fluctuations between the Sub-Fund's Base Currency and the Share Class Currency. It is typically used when most portfolio assets are either denominated in, or hedged back to, the Sub-Fund's Base Currency. In the NAV hedged Share Classes, the Sub-Fund's Base Currency is systematically hedged to the Share Class Currency of the hedged Share Class. In the NAV hedge Share Classes the Shareholder receives an excess return or loss similar to that of Shares issued in the Base Currency of the Sub-Fund.

**Portfolio hedged Share Classes** This Share Class seeks to minimise the effect of exchange rate fluctuations between the currency exposures of the assets in the Sub-Fund's portfolio and the Share Class Currency. It is typically used when most portfolio assets are neither denominated in, nor hedged back to, the Sub-Fund's Base Currency. In these Share Classes, the currency exposures are systematically hedged back to the Share Class Currency of the hedged Share Class in proportion to the currency hedged Share Classes share of the NAV of the Sub-Fund, unless for specific currencies it is impractical or not cost effective to hedge the exposure. In the portfolio hedged Share Classes the Shareholder will not benefit or suffer loss caused by exchange rate fluctuations between the currencies of the portfolio assets being hedged and the Share Class Currency, whereas Shares in the Base Currency of the Sub-Fund will.

**RMB (hedged) Share Classes** RMB (hedged) Share Classes have exposure to CNH (offshore RMB), the value of which is not market driven but controlled by the PRC. The CNH market allows investors to transact RMB

outside of the PRC. Convertibility from CNH to CNY is a managed currency process subject to foreign exchange control policies and repatriation restrictions, and the value of CNH and CNY may be different. Any divergence between CNH and CNY may adversely impact investors. It is possible that the availability of CNH to meet redemption requests may be reduced, and such payments may be delayed subject to the terms of the Prospectus.

**V (hedged to BRL) Share Classes** This Share Class is reserved for selected feeder funds established in Brazil. It seeks to systematically convert the value of its net assets to Brazilian Real (BRL) via the use of derivatives including non-deliverable forwards. As BRL is a restricted currency, the (Hedged to BRL) Share Classes cannot be denominated in BRL but instead will be denominated in the Base Currency of the relevant Sub-Fund. Due to the use of currency derivatives, the NAV per Share will fluctuate in line with the fluctuation in exchange rate between the BRL and the Base Currency of the Sub-Fund. The effects of this will be reflected in the performance of the Share Class which therefore may differ significantly from the performance of other Share Classes within the Sub-Fund. Any profit or loss as well as costs and expense resulting from these transactions will be reflected exclusively in the NAV of this Share Class.

**Duration (hedged)** This Share Class seeks to limit the impact of interest rate movements by hedging the interest rate risk of the net assets of the Duration hedged Share Class to a target duration between zero and 6 months. It is generally intended to carry out such hedging through the use of derivatives, typically interest rate futures.

Shareholders and potential investors should note that duration hedged Share Classes are closed for investment by new investors since 30 July 2017, and for additional investment by existing investors as from 30 July 2018.

## Risks associated with certain Share Classes

**Risk of distribution from capital** Where a Share Class distributes more net income than it has earned, the dividend will be paid out of the excess of realised and unrealised capital gains over realised and unrealised losses, or even capital, resulting in erosion of the capital invested. Dividend payments resulting in capital erosion will reduce the potential for long-term capital growth. This may also be tax-inefficient in certain countries.

**Risk of currency hedged Share Classes** The currency hedging used to minimise the effect of exchange rate fluctuations will not be perfect. Shareholders may have exposure to currencies other than the Share Class Currency and are also exposed to the risks associated with the instruments used in the hedging process.

Over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Management Company, however, over-hedged positions will not exceed 105% of the NAV of the currency hedged Share Class and under-hedged positions will not fall below 95% of the NAV of the currency hedged Share Class. The hedged positions will be kept under review to ensure that under-hedged positions do not fall below the level set out above and are not carried forward from month to month and that over-hedged positions materially in excess of 100% will not be carried forward from month to month.

Certain Sub-Funds may also invest in currency derivatives, with the aim of generating returns at the portfolio level. This is indicated in the Sub-Fund's investment policy and only occurs where the Currency hedged Share Class uses NAV hedge. Accordingly, whilst the hedging seeks to minimise the effect of exchange rate fluctuations between the Base Currency of the Sub-Fund and the Share Class Currency of the currency hedged Share Class, there may be currency risk in the portfolio.

**Risk of duration hedged Share Classes** The duration hedging used to minimise the effect of changes to interest rates may not always be successful. **The Share Class may have a greater proportion of cash or other securities allocated to it compared to other Share Classes which may impact its performance.** The duration hedging process may also adversely affect Shareholders if interest rates fall.

**Spill-over risk relating to hedged Share Classes** As there is no legal segregation of assets and liabilities between different Share Classes in the same Sub-Fund, there is a risk that, under certain circumstances, hedging transactions relating to currency or duration hedged Share Classes could have an adverse impact on other Share Classes in the same Sub-Fund. Although spill-over risk will be mitigated, it cannot be fully eliminated, as there may be circumstances where it is not possible or practical to do so. For example, where the Sub-Fund needs to sell securities to fulfil financial obligations specifically related to a currency hedged Share Classes which may adversely affect the NAV of the other Share Classes in the Sub-Fund. For a list of Share Classes with a potential spill-over risk, go to jpmorganassetmanagement.lu

## Costs

This section describes the various fees and charges that a Shareholder pays and how they work. The Management Company may, at its sole discretion, pay some or all of the amounts received for certain charges and fees as commission, retrocession, rebate or discount to some or all investors, financial intermediaries or Distributors, on the basis of factors such as the size, nature, timing or commitment of their investment, among others.

| | One-off charges taken before or after investing | | | | Fees and expenses taken from the sub-fund over a year | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Base class | Initial charge | Switch charge | CDSC* | Redemption charge | Annual management and advisory fee | Sub-Investment management fee | Distribution fee | Operating and administrative expenses | Performance fee |
| A | 3.00% | 1.00% | – | 0.50% | 1.30% | – | – | 0.20% | – |
| T (perf) | – | 1.00% | – | 3.00% | 1.00% | – | 1.00 | 0.20% | 0.10% |
| | A | B | C | D | E | F | G | H | I |

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

These are deducted from a Shareholder's investment, switch amount or redemption proceeds and are paid to the Management Company, including any rounding adjustments.

A **Initial charge** Charged on subscriptions for Shares; calculated as a percentage of the amount being invested; may be waived in whole or in part at the discretion of the Management Company.

B **Switch charge** Charged on switches from one Share Class to another Share Class; calculated as a percentage of the NAV of the Shares in the new Share Class; may be waived in whole or in part at the discretion of the Management Company.

C **CDSC** A CDSC is an alternative form of initial charge. It is calculated on the value of the Shares at purchase for T Shares and NAV per Share on redemption for F Shares but is not deducted until Shares are sold. A CDSC will be deducted on any Shares redeemed within three years of purchase, as follows:

| | | | |
|---|---|---|---|
| **First year** | 3.00% | **Third year** | 1.00% |
| **Second year** | 2.00% | **Thereafter** | 0% |

The applicable rate of CDSC is determined by reference to the total length of time during which the Shares being redeemed (including the holding period of the T Shares or F Shares in another Sub-Fund from which they were switched (if any)) were in issue. Shares will be redeemed on a first in, first out ("FIFO") basis, so that the T Shares or F Shares first being redeemed are those Shares of the Sub-Fund which have been held for the longest period. The amount of CDSC per Share is calculated by multiplying the relevant percentage rate, as determined above, by the NAV per Share on the redemption of the F Shares and on the date of the original issue of the T Shares, or of the T Shares of another Sub-Fund from which those Shares were switched, if applicable.

D **Redemption charge** Calculated as a percentage of the NAV of Shares being redeemed, and deducted from those proceeds prior to payment; may be waived in whole or in part at the discretion of the Management Company.

### FEES AND EXPENSES TAKEN FROM THE SHARE CLASS OVER A YEAR (ANNUAL FEES)

These fees and expenses are deducted from the Share Class NAV, and are the same for all Shareholders of a given Share Class. With the exception of the direct and indirect fund expenses described below, the fees and expenses are paid to the Management Company. The amount charged varies depending on the value of the NAV and does not include portfolio transaction costs. Fees and expenses borne by the Fund may be subject to VAT and other applicable taxes.

Most of the ongoing business expenses of the Fund are covered by these fees and expenses. Details of the fees and expenses paid can be found in the Shareholder Reports.

These fees and expenses are calculated for each Share Class of each Sub-Fund, as a percentage of average daily net assets being accrued daily and paid monthly in arrears.

Each Sub-Fund and each Share Class pays all costs it directly incurs and also pays its pro rata share of costs not attributable to a specific Sub-Fund or Share Class based on its total net assets. Transaction costs associated with operating the currency hedged Share Classes and duration hedged Share Classes will be borne by the relevant Share Class.

E **Annual management and advisory fee** The annual management and advisory fee remunerates the Management Company for its services relating to the management of the Sub-Funds' assets. When a Sub-Fund invests in any UCITS, UCI or closed-end investment undertaking qualifying as transferable securities within the meaning of UCITS rules (including investment trusts) managed by any affiliate of JPMorgan Chase & Co., double-charging of management fees will either be avoided or rebated. However, if the underlying investment charges a higher management fee, the difference may be charged to the investing Sub-Fund. If the underlying affiliate undertaking combines management and other fees and charges into a single total expense ratio, such as in exchange traded funds, the whole total expense ratio will be waived. Where a Sub-Fund invests in undertakings not affiliated with JPMorgan Chase & Co. the fee shown in Sub-Fund Descriptions may be charged regardless of any fees reflected in the price of the shares or units of the underlying undertaking.

The Management Company can vary this fee, at any time and for intervals as short as a single day, to any amount between zero and the stated maximum. For X and Y Share Classes, this fee is not charged at the Share Class level; instead, the applicable JPMorgan Chase & Co. entity collects a fee for these services directly from the Shareholder.

F **Sub-Investment Manager fee** For Multi-Manager Sub-Funds, in addition to the annual management and advisory fee, there is a Sub-Investment Management fee. This fee goes to pay the Sub-Investment Managers who handle the day-to-day management of their assigned portions of the Sub-Fund portfolio.

G **Distribution fee** The Management Company typically uses some or all of this fee to compensate Distributors for their services in connection with marketing and distributing the D, F and T Share Classes. The Management Company can vary this fee, at any time and for intervals as short as a single day, to any amount between zero and the stated maximum.

**H Operating and administrative expenses** This fee is capped for each Share Class and will not exceed the amount stated in Sub-Fund Descriptions. The Management Company will bear any operating and administrative expenses that exceed the maximum rate specified.

Where a Sub-Fund invests primarily in UCITS and other UCIs managed any affiliate of JPMorgan Chase & Co. and where specifically stated for a Sub-Fund in Sub-Fund Descriptions, double-charging of operating and administrative expenses will be avoided by a rebate to the Sub-Fund of the operating and administrative expenses (or equivalent) charged to the underlying UCITS or other UCIs. Where a Sub-Fund invests in undertakings not affiliated with JPMorgan Chase & Co. the fee shown in Sub-Fund Descriptions may be charged regardless of any fees reflected in the price of the shares or units of the underlying undertaking.

The components of the operating and administrative expenses are:

**Fund servicing fee** Paid to the Management Company for various services it provides to the Fund, excluding the management of the Sub-Funds' assets. The fund servicing fee is reviewed annually by the Board and will not exceed 0.15% per year (except for JPMorgan Funds – Global Research Enhanced Index Equity Fund and JPMorgan Funds – US Research Enhanced Index Equity Fund, where it will not exceed 0.05% per year).

**Direct fund expenses**

Paid directly by the Fund and includes, but is not limited to:

- custodian and depositary fees
- audit fees and expenses
- the Luxembourg taxe d'abonnement, calculated and payable quarterly, on the total net assets of the relevant Sub-Fund at the end of each quarter, as follows:

- Money Market Sub-Funds: Share Classes A, C and D: 0.01%
- Money Market Sub-Funds: Share Classes I and X: 0%
- All other Sub-Funds: classes I, I2, K, S1, S2, V, X and Y: 0.01%
- All other Sub-Funds: classes A, C, C2, D, F, J and T: 0.05%

- fees paid to independent Directors and reasonable out-of-pocket expenses paid to all Directors

**Indirect fund expenses** These are expenses directly contracted by the Management Company on behalf of the Fund and includes, but is not limited to:

- legal fees and expenses
- transfer agency expenses covering registrar and transfer agency services
- fund accounting and administrative service expenses
- administrative services and domiciliary agent services
- ongoing registration, listing and quotation fees, including translation expenses
- documentation costs and expense, such as preparing, printing and distributing the Prospectus, KIIDs or any other offering document, as well as Shareholder Reports and any other documents made available to Shareholders
- formation expenses, such as organisation and registration costs, which can be amortised over as long as five years from the formation date of a Sub-Fund
- the fees and reasonable out-of-pocket expenses of the paying agents and representatives
- the cost of publication of the Share prices, and costs of postage, telephone, facsimile transmission and other electronic means of communication

The Fund is not currently subject to any Luxembourg taxes on income or capital gains. The Management Company, at its discretion, can temporarily meet the direct and/or indirect fund expenses on a Sub-Fund's behalf and/or waive all or part of the Fund servicing fee.

## I PERFORMANCE FEE - DESCRIPTION

**General description** With certain Share Classes of certain Sub-Funds, a performance fee is deducted from the NAV and paid to the Management Company. The Investment Manager or Sub-Investment Manager may be entitled to receive part or all of the performance fee under their investment management agreement. This fee is designed to reward Investment Managers or Sub-Investment Managers who have achieved performance over a benchmark or Hurdle Rate during a period, while also ensuring that investors pay comparatively lower fees when investment management has contributed less value.

The performance fee has been designed so that no performance fee is paid merely for making up for earlier underperformance against the benchmark or Hurdle Rate in the reference period (that is, for making up ground that was lost to earlier underperformance against the benchmark or Hurdle Rate). Note, however, that a performance fee can in some cases be charged even when performance is negative. For Sub-Funds that use the Sub-Investment Manager model, this can happen when one or more Sub-Investment Managers have earned performance fees for the assets they manage but overall Share Class performance is negative. For Sub-Funds using the claw back method it can happen when the benchmark has decreased more than the Share Class.

When a Share Class that is subject to a performance fee has outperformed a designated benchmark identified in Sub-Fund Descriptions, a performance fee will be charged in the NAV. With the exception of Sub-Funds using the Sub-Investment Manager model, depending on the type of Sub-Fund, the benchmark for the purposes of calculating a performance fee will either be a cash benchmark or a non-cash benchmark (equity, bond, etc.). Sub-Funds using the Sub-Investment Manager model will use a Hurdle Rate to calculate a performance fee, on the assets allocated to each Sub-Investment Manager.

Sub-Funds may invest in UCITS and other UCIs managed by any affiliate of JPMorgan Chase & Co. which may charge performance fees. Such fees will be reflected in the NAV of the relevant Sub-Fund.

For a detailed explanation of the performance fee mechanism, see Performance Fee Daily Calculation.

## OTHER FEES AND EXPENSES NOT INCLUDED IN ANY OF THE ABOVE

Most operating expenses are included in the fees and expenses described above. However, in addition each Sub-Fund bears transaction fees and extraordinary expenses such as:

**Transaction fees**

- brokerage fees and commissions
- transaction costs associated with buying and selling Sub-Fund assets, including interest, taxes, governmental duties, charges and levies
- expenses for operating hedged Share Classes
- other transaction related costs and expenses

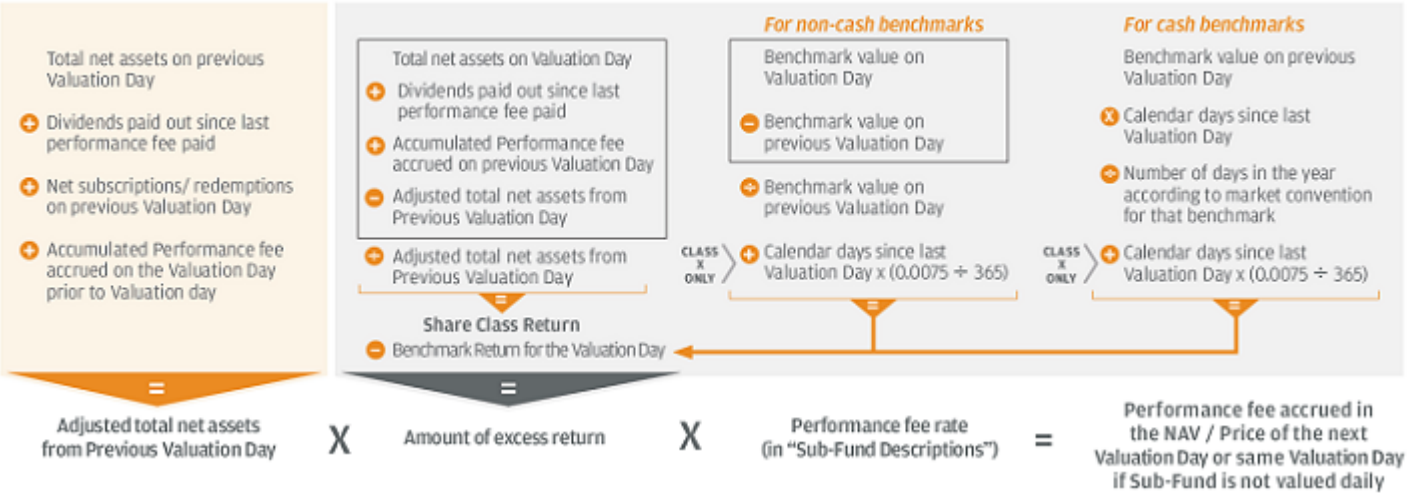
**Extraordinary expenses**

- interest and full amount of any duty, levy and tax or similar charge imposed on a Sub-Fund
- litigation expenses
- any extraordinary expenses or other unforeseen charges

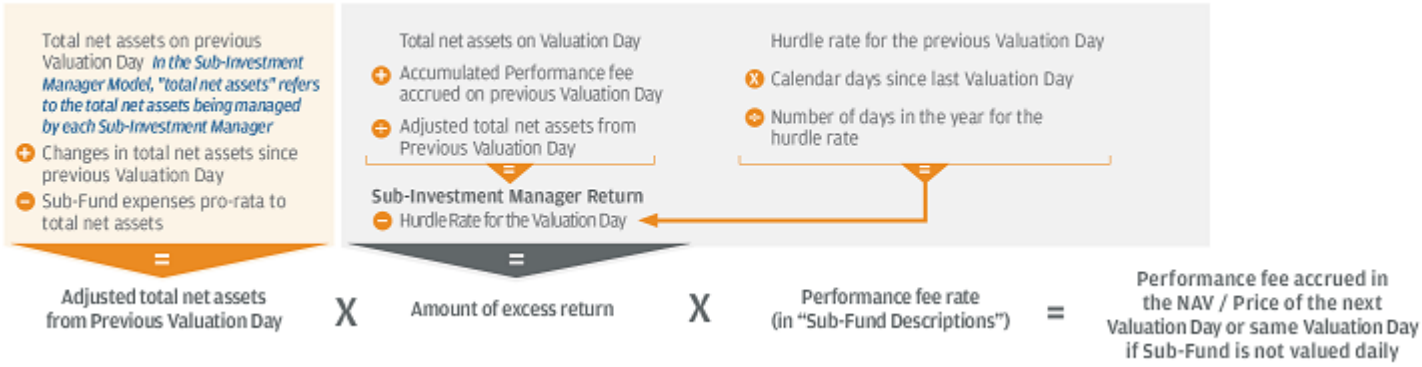
All of these expenses are paid directly from the relevant Sub-Fund assets and are reflected in NAV calculations

## PERFORMANCE FEE DAILY CALCULATION

### *Claw-Back Model and High Water Mark Model*




### *Sub-Investment Manager Model*




As different Share Classes of a given Sub-Fund will usually have different NAVs (and may in addition have different measurement periods), the actual performance fee charged often varies by Share Class. For distributing Shares, any distributions paid out are counted as part of performance for purposes of performance fee calculation. Swing pricing or other adjustments intended to mitigate the effects of transaction volumes or costs are not counted in performance fee calculations.

To find out if a Share Class has a performance fee, which model is used, the performance fee rate and if an outperformance fee cap applies, see Sub-Fund Descriptions.

**Measurement period** Performance is measured over the Fund's Financial Year. Calculations are performed every Valuation Day, are reflected in the NAV and are cumulative.

If a performance fee has been charged in the NAV as of the end of the last Valuation Day of the year, it will be paid to the Management Company, or the Sub-Investment Manager, the measurement period ends, the reference points of the NAV and of the benchmark or Hurdle Rate where applicable are reset and a new measurement period begins. If no performance fee has been charged, the measurement period is extended for another Financial Year. These extensions will continue until there is a payable performance fee at the end of a Financial Year.

If a Sub-Fund or Share Class adds a performance fee, or is launched during the Financial Year, its first measurement period will be the remainder of that Financial Year. In addition to the above, in relation to Sub-Funds that use the Sub-Investment Manager model, the measurement period for each Sub-Investment Manager starts on their first allocation of assets.

**How the performance fee is calculated**

There are three models for calculating performance fees, as described below (see also the first chart under "Performance Fee Daily Calculation").

**Claw-back model** On every day that is a Valuation Day for a Sub-Fund, the fee is calculated using the performance fee daily calculation formula above. When the resulting number is positive, the Share Class has outperformed its benchmark for that day and the corresponding amount is added to the performance fee accrual. When the resulting number is negative, the Share Class has failed to outperform its performance standard for that day, and the corresponding amount is subtracted from any performance fee accrual (to a point no lower than zero). **Under the Claw-back model a performance fee can typically be charged even if the Share Class performance is negative, so long as the benchmark has decreased more than the NAV.**

**High water mark model** With this model, the fees are calculated exactly as they are for the Claw-back model, except that in addition to exceeding the performance of its benchmark, a Share Class NAV must be higher than it was the last time a performance fee was paid, or than it was at inception. When that is not true, no performance fee is accrued. Under the high water mark model a performance fee cannot be charged if the Share Class performance is negative. For Sub-Funds with a cash benchmark, the high water mark model is used.

**Sub-Investment Manager model** With this model, the fees are calculated in a similar way to the high water mark model, except that what is measured is not Share Class performance but the performance of each Sub-Investment Manager (see second chart under "Performance Fee Daily Calculation"). Additionally, for a performance fee to be paid, the performance of a Sub-Investment Manager must exceed the performance of the Hurdle Rate and it must be higher than it was the last time a performance fee was paid, or than it was at the first allocation of assets to that Sub-Investment Manager.

Under the Sub-Investment Manager model, a performance fee cannot be charged if the Sub-Investment Manager's performance is negative. **However, a performance fee may be payable to one or more of the Sub-Investment Managers, even though the overall Share Class performance**

**is negative.**

**Adjustment for X Share Classes** With the exception of the Sub-Investment Manager model, in the calculations shown above, the adjustment of 0.75% as applying to X Share Classes exists because investors in these Shares pay a management fee separately rather than as a Share Class fee. Without this adjustment, investors in X Share Classes would pay a higher performance fee than is warranted.

**Fee limits** Certain Share Classes might have an outperformance cap. This type of cap can reduce performance fees that would otherwise be charged. With the cap, a limit is set on how much outperformance will be eligible to earn a performance fee (for example, 2% above the Benchmark).

**Crystallisation** A performance fee accrual crystallises (becomes payable to the Management Company and is no longer affected by the future performance of the Share Class) or the assets managed by a Sub-Investment Manager for Sub-Funds which use the Sub-Investment Manager model under any of the following circumstances:

- on the last Valuation Day of the Financial Year
- on very significant orders for switching or redemption (applies to those Shares only) with the exception of the Sub-Investment Manager model
- in relation to the Sub-Investment Manager model, every time the assets managed by a Sub-Investment Manager is reduced it crystallises on the amount of assets reduced or on the amount of assets managed by a Sub-Investment Manager when the allocation to that Sub-Investment Manager is terminated
- when a Sub-Fund is merged or liquidated.

## PERFORMANCE FEE - EXAMPLES

Examples are illustrative only, and are not intended to reflect any actual past performance or potential future performance.

### *Claw-back*


**Year 1** Share Class outperforms benchmark. *Performance fee payable; a new measurement period begins.*

**Year 2** Share Class performance is negative, but still outperforms benchmark. *Performance fee payable; a new measurement period begins.*

**Year 3** Share Class underperforms benchmark. *No performance fee payable; measurement period extended for another Financial Year.*

**Year 4** Share Class goes from underperforming benchmark to outperforming it. *Performance fee payable; a new measurement period begins.*

### *Claw-back plus outperformance cap*

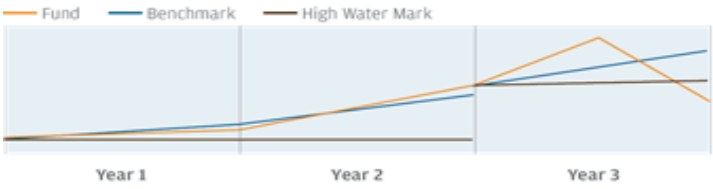

**Year 1** Share Class outperforms benchmark and all performance is below the outperformance cap. *Full performance fee payable; a new measurement period begins.*

**Year 2** Share Class outperforms benchmark and exceeds outperformance cap. *Performance fee is earned, but amount payable is limited by cap; a new measurement period begins.*

**Year 3** Share Class underperforms benchmark. *No performance fee payable; measurement period extended for another Financial Year.*

**Year 4** Share Class performance is negative, but goes from underperforming benchmark to outperforming it, and remains below the outperformance cap. *Full performance fee payable; the cap is not applied; a new measurement period begins.*

### *High water mark*

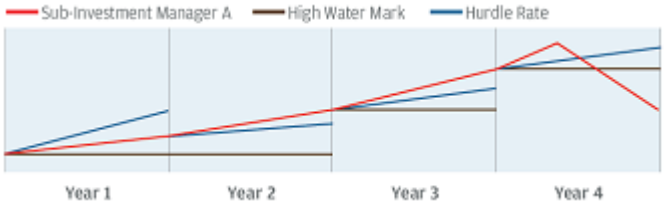


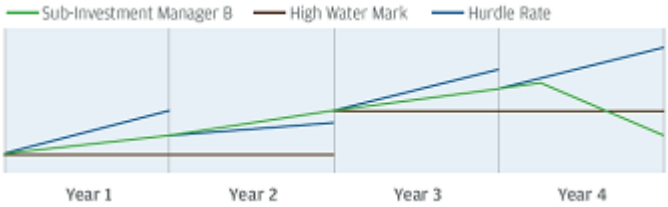

**Year 1** Share Class outperforms the high water mark (has positive absolute performance) but not the Benchmark. *No performance fee payable; measurement period extended for another Financial Year.*

**Year 2** Share Class goes from underperforming Benchmark to outperforming it; also remains above high water mark. *Performance fee payable; a new measurement period begins.*

**Year 3** Share Class outperforms high water mark and benchmark for first half of year, but falls below both by year-end. *No performance fee payable; measurement period extended for another Financial Year.*

### *Sub-Investment Management Model*




This example shows Sub-Investment A and Sub-Investment B, and it is assumed that both are managing assets continuously from the start of year 1 through to the end of year 4. In practice there is likely to be more than two Sub-Investment Managers in a Multi-Manager Fund.

**Year 1** Sub-Investment Manager A and Sub-Investment Manager B both outperform the high water mark (have positive absolute performance) but not the Hurdle Rate. No performance fee payable; measurement period extended for another Financial Year.

**Year 2** Sub-Investment Manager A and Sub-Investment Manager B both go from underperforming Hurdle Rate to outperforming it; also go above high water mark. Performance fee payable to both Sub-Investment Managers; a new measurement period begins.

**Year 3** Sub-Investment Manager A outperforms the high water mark (has positive absolute performance) and the Hurdle Rate, however Sub-Investment Manager B outperforms the high water mark (has positive absolute performance) but not the Hurdle Rate. Performance fee payable only to the Sub-Investment Manager A; a new measurement period begins for Sub-Investment Manager A and for Sub-Investment Manager B the measurement period is extended for another Financial Year. In this case a performance fee may be payable to Sub-Investment Manager A even if the overall Share Class performance is negative.

**Year 4** Sub-Investment Manager A and Sub-Investment Manager B outperform high water mark and Hurdle Rate for first half of year, but both fall below by year-end. No performance fee payable; measurement period extended for another Financial Year for both Sub-Investment Manager A and Sub-Investment Manager B.

## COMPARISON WITH A SHARE CLASS THAT DOES NOT HAVE A PERFORMANCE FEE

Some Sub-Funds offer Share Classes with performance fees and without performance fees. Share Classes with no performance fee will have a higher annual management and advisory fee. Which Share Class provides the greater net return to Shareholders will vary and is dependent on whether there is outperformance or underperformance. The tables below show examples of the net return of Share Classes with and without a performance fee under different scenarios.

### *Outperformance scenario*

The Share Class without a performance fee may generate a higher return even though it has a higher annual charge.

| | Share Class with a performance fee | Share Class without a performance fee |
|---|---|---|
| **Share Class return** | 7.00% | 7.00% |
| **Minus annual management and advisory fee and operating and administrative expenses** | - 1.20% | - 1.40% |
| | = 5.80% | = 5.60% |
| **Minus benchmark return** | 2.00% | N/A |
| **Outperformance** | = 3.80% | = 5.60% |
| **Minus 10% performance fee** | 0.38% | N/A |
| **Net return** | **5.42%** | **5.60%** |

### *Underperformance scenario*

The Share Class with a performance fee generates a higher return than the Share Class with a higher annual charge.

| | Share Class with a performance fee | Share Class without a performance fee |
|---|---|---|
| **Share Class return** | 1.50% | 1.50% |
| **Minus annual management and advisory fee and operating and administrative expenses** | - 1.20% | - 1.40% |
| | = 0.30% | = 0.10% |
| **Minus benchmark return*** | 2.00% | N/A |
| **Outperformance** | = 0.00% | = 0.10% |
| **Minus 10% performance fee** | 0.00% | N/A |
| **Net return** | **0.30%** | **0.10%** |

*Only the portion necessary to bring the result to zero is subtracted.

**EU Benchmarks Regulation** The Benchmarks Regulation was effective on 1 January 2018. Accordingly, the Management Company is working with applicable administrators, for the benchmark indices used by the relevant Sub-Funds (i) for which a Performance Fee is calculated or (ii) where the Benchmark typically limits the Investment Manager's discretion, is used as the basis for portfolio construction or is used as part of an enhanced index strategy as disclosed under Sub-Fund Descriptions) to confirm that they are, or will be included in the register maintained by ESMA under the Benchmarks Regulation. S&P Dow Jones Indices LLC, a benchmarks administrator of the S&P and Dow Jones benchmarks is included in the ESMA register.

All relevant benchmark administrators that are not currently on the ESMA register will provide benchmark indices under the transitional provisions of the Benchmarks Regulation.

The Management Company has Benchmark Selection Procedures that apply to new benchmarks and in the event that benchmarks materially change or cease to be provided. The procedures include an assessment of the suitability of a Sub-Fund's benchmark, the proposed communication of changes in benchmark to shareholders and approvals by internal governance committees and boards as described below. The suitability assessment of a new benchmark includes its historic investment performance, asset allocation and securities, which are compared, where relevant, to equivalent data for the performance of the Sub-Fund and to the existing benchmark. A benchmark change will require an amendment to the Prospectus and will be communicated to Shareholders in line with applicable regulatory requirements. The Board is responsible for approving a benchmark change where it is part of a change to the Sub-Fund's investment objective, risk profile or calculation of Performance Fees, otherwise the Management Company may approve it.

# Investing in the Sub-Funds

## MAKING AN INVESTMENT

## Buying, Switching, Redeeming and Transferring Shares

The information in this section is for use by financial intermediaries and for investors conducting business directly with the Fund. Shareholders investing through a financial advisor or other intermediary can use this information as well, but in general it is recommended that they place all dealing requests through their intermediary unless there is reason not to.

### INFORMATION THAT APPLIES TO ALL DEALS EXCEPT TRANSFERS

**Available Share Classes** Not all Share Classes and Sub-Funds are registered for sale or available in all jurisdictions. All information in this Prospectus about Share Class availability is as at the Prospectus date. For the most current information on available Share Classes (including initial launch date), go to jpmorganassetmanagement.lu or request a list free of charge from the Management Company.

**Placing requests** Shareholders can place requests to buy, switch or redeem Shares at any time via fax, letter, or other electronic means at the discretion of the Management Company, either to a local representative or Distributor or to the Management Company. Shares can also be held and transferred through approved electronic clearing platforms. Always include the Shareholder's account number where applicable.

When placing any dealing request, Shareholders must include all necessary identifying information and instructions as to the Sub-Fund, Share Class, account, size and type of deal (buying, redeeming or switching) and settlement currency. Shareholders can indicate the request either as a Share amount (including fractional Shares up to three decimal places) or a currency amount. All requests will be dealt with in the order in which they are received. Shares will be bought at the Offer Price and redeemed at the Bid Price of the relevant Share Class.

Any requests that are incomplete or unclear will typically be delayed or rejected. Neither the Fund nor the Management Company will be responsible for any losses or missed opportunities arising from unclear requests.

Once a Shareholder has placed a request, it cannot normally be withdrawn. If written request for a withdrawal is received before 14:30 CET on the day the request would normally be processed, it will usually be honoured but there is no obligation to do so. If the written notice arrives during a time when trading in Shares is suspended, the request will be withdrawn.

**Cut-off times** Unless otherwise stated in Sub-Fund Descriptions, requests will be processed on the Valuation Day they are received, provided they are received by 14:30 CET on that Valuation Day. Those received and accepted after that time will be processed the next Valuation Day. No processing date, time or instructions contrary to the terms in this Prospectus will be acted upon. A contract note will normally be sent on the business day after the request is processed.
The Fund uses a Forward Pricing model; thus the Share price at which any deal is processed cannot be known at the time a dealing request is placed.

**Currencies** The Fund normally accepts and makes payments in the Share Class Currency. Payments can also be accepted and made in major freely convertible currencies. These will involve currency conversion, which is arranged through a third-party provider and will include all applicable costs. Currency conversion rates can vary, sometimes significantly, over the course of a trading day and over longer periods as well. Different rates may apply to different deals, depending on market prices and on the size of the deal. Currency conversion could delay the receipt of a Shareholder's redemption proceeds. Contact the Management Company for more information on conversion rates.

**Charges and costs** Shareholders are responsible for all charges associated with their purchases, switches and redemptions of Shares, as described in Sub-Fund Descriptions.
Shareholders are also responsible for paying any bank fees, taxes, and any other fees or costs incurred by investors in connection with dealing requests.

**Settlement** Unless indicated otherwise in Sub-Fund Descriptions, the contractual settlement date for subscriptions, redemptions and switches will normally be three Luxembourg business days after the deal has been placed (the "Settlement Date"). For deals placed through certain agents approved by the Management Company, such as JPMorgan Funds (Asia) Limited in Hong Kong this may be increased to five Luxembourg business days. If banks or interbank settlement systems in the country of the settlement currency or the Share Class Currency are closed or not operational on the settlement date, settlement will be delayed until they are open and operating. Any day within the settlement period that is not a Valuation Day for a Sub-Fund will be excluded when determining the Settlement Date.

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

### BUYING SHARES

Also see Information That Applies to All Deals Except Transfers above

To make an initial investment, obtain and complete an application form, available at jpmorganassetmanagement.com or from the Management Company. Submit a completed application form and all account opening documentation such as all required tax and anti-money laundering information as instructed on the application form. Investors should also refer to the Terms and Conditions which apply when buying Shares and can be obtained from the Management Company.

Normally, Shares are issued upon acceptance of a subscription request on the condition that cleared payment is received from the investor by the Settlement Date (as defined under section "Settlement" above). Until cleared payment for the Shares is received from the investor, the Shares are pledged for the benefit of the Fund. During this period, voting rights and entitlements to dividend payments are suspended, and the investor cannot switch or transfer the Shares.

If full payment by the investor for Shares does not arrive by the Settlement Date, or if prior to the Settlement Date the Fund or the Management Company become aware of any reason why, in their opinion, that full and timely payment will not occur, Shares can be cancelled (redeemed) without prior notice to the investor at its own costs.

Any net surplus, after costs incurred, that remains after such cancellation will be credited to the Fund. Any shortfall, including any costs and investment losses, that remains after such cancellation must be paid to the Fund by the investor upon written demand. The Fund or the Management Company may also, at any time and at its absolute discretion, enforce the Fund's rights in the Shares under the pledge, bring an action against the investor or deduct the costs or losses incurred by the Fund or the Management Company from other existing holding of the investor in the Fund. In all cases any money returnable to the investor will be held by the Management Company without payment of interest pending receipt of the remittance.

If the redemption proceeds and any amounts effectively recovered from the

investor are less than the subscription price, the difference will be borne by the Fund.

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

Except for T Shares, F Shares, the JPMorgan Funds - Multi-Manager Alternatives Fund and the JPMorgan Funds - Multi-Manager Sustainable Long-Short Fund, Shareholders can switch (convert) Shares of any Sub-Fund and Share Class into Shares of any other Share Class of the same Sub-Fund or another Sub-Fund of the Fund or JPMorgan Investment Funds, subject to the following conditions:

- Shareholders must meet all eligibility requirements for the Share Class into which Shareholders are requesting to switch
- any switch must meet the minimum investment amount of the Share Class being switched into, or the request typically will be rejected
- any partial switch should leave at least the minimum investment amount in the class being switched out of; if it does not, the request can be processed as a full switch
- the switch must not violate any restrictions of either Sub-Fund involved (as stated in this Prospectus in Sub-Fund Descriptions and, as applicable, the prospectus for JPMorgan Investment Funds)

Switches into or out of the JPMorgan Funds - Multi-Manager Alternatives Fund and the JPMorgan Funds - Multi Manager Sustainable Long-Short Fund are not permitted.

Except for the JPMorgan Funds – India Fund, Shareholders receive the Bid Price for the old Shares and pay the NAV for the new Shares after deduction of any applicable switch charges, both prices being those that apply to the Valuation Day on which the switch is processed. A switch will be processed only on a day that is a Valuation Day for both Sub-Funds involved, which may mean a delay.

For switches out of the JPMorgan Funds – India Fund, Shareholders receive the Bid Price for the old Shares on the Valuation Day on which the switch is processed, however the purchase of Shares in the new Sub-Fund may be delayed until redemption proceeds are received (subject to the 15 Luxembourg business day limit for payment of redemption proceeds for JPMorgan Funds – India Fund as set out below).

When Shareholders switch into a Share Class that has a higher initial charge, they may be charged the difference between the two initial charges, in addition to any applicable switch charge.

Shareholders will own Shares in the new Sub-Fund when the proceeds of the Shares have been released by the Sub-Fund being switched out of, but not earlier than three Valuation Days after the deal request has been received.

With T Shares, Shareholders can switch into T Shares of a different Sub-Fund and with F Shares, Shareholders can switch into F Shares of a different Sub- Fund. Any CDSC amount due on Shares being switched is not collected; instead, the CDSC status of the old Sub-Fund is transferred to the new Sub-Fund. Switching between T Shares and any other Shares (in either direction) and switching between F Shares and any other Shares (in either direction) are only possible with permission from the Management Company.

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

Payments of proceeds, after deduction of any applicable redemption charge or CDSC, are generally sent out in the Share Class Currency within three Luxembourg business days after the Valuation Day on which the deal was processed. Some Sub-Funds have longer payment periods, as indicated in Sub-Fund Descriptions. All payment periods can be extended by weekends, currency trading holidays, and any other day that is not a Valuation Day for a Sub-Fund. In exceptional circumstances, it may not be possible to deliver proceeds on schedule, but in all cases payment will be sent as soon as reasonably practicable, and in no case will the delivery period exceed 10 Luxembourg business days (or 15 Luxembourg business days in the case of JPMorgan Funds – India Fund).

Redemption proceeds will be paid only to the Shareholder(s) identified in the register of Shareholders, and only according to the bank account details on file for a Shareholder's account. The Fund does not pay interest on redemption proceeds, regardless of the timing of delivery.

Note that redemption proceeds will not be paid until the Management Company has received and processed an original application and all investor documentation that the Management Company consider necessary. A redemption request will not be paid unless payment has been received for any Shares being subscribed. Any delays associated with these verification measures will not delay the processing of a Shareholder's redemption request, but they will affect the timing of when proceeds are released. Neither the Management Company nor the Fund will be responsible if it delays execution or declines to execute redemption instructions in these circumstances.

The Management Company has the right to defer redemptions or switches or compulsorily redeem Shares in certain circumstances – see Fund Rights Related to Shares for more information.

**TRANSFERRING SHARES**

Shareholders can transfer ownership of Shares to another investor, by submitting a properly executed transfer instruction to the relevant Distributor or sales agent, or to the Management Company. Typically, only the Shareholder's signature will be required to process such instructions. Before initiating a transfer, Shareholders are recommended to contact the relevant Distributor or sales agent, or to the Management Company to ensure they have the right documentation completed.

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

## Shareholder Obligations

**Being aware of, and follow, all applicable rules and regulations**. As noted in the beginning of this Prospectus, each Shareholder must obtain the appropriate professional advice (tax, legal, investing) and is responsible for identifying, understanding and following all laws, regulations and other restrictions applicable to their investment in the Fund.

**Notify us of changes in information**. Shareholders must promptly inform the Management Company of any changes in personal or bank information. The Fund will require adequate proof of authenticity for any request to change information held on record, including any bank account details, associated with a Shareholder's investment.

**Inform us of changes in circumstances that could affect eligibility to own Shares**. Shareholders must also promptly inform the Management Company of any circumstances that change or come to light that result in a Shareholder being ineligible to own any Shares, put a Shareholder in violation of the laws or regulations of Luxembourg or any other applicable jurisdiction, or create a risk of any loss, cost, or other burden (financial or otherwise) for the Sub-Fund, other Shareholders, or any individuals or entities associated with the management and operations of the Sub-Fund.

## Privacy of Personal Data and Confidential Information

Potential investors and Shareholders must provide information that is personal and/or confidential for various purposes, such as to process requests, provide Shareholder services, and to comply with applicable laws and regulations. The Privacy Policy is designed to comply with all applicable laws or regulations (Luxembourg or otherwise).

Potential investors and Shareholders acknowledge that the Management Company or JPMorgan Chase & Co. can do the following with this information:

- gather, store, modify, process and use it in physical or electronic form (including making recordings of telephone calls to or from investors or their representatives)
- allow its agents, delegates and certain other third parties in countries where the Fund, the Management Company or JPMorgan Chase & Co. do business or have service providers to use it; these third parties may or may not be JPMorgan entities, and some could be based in countries with lesser data protection standards and statutory protections than the EU to store, modify and process such information
- share it as required by applicable law or regulation (Luxembourg or otherwise)

In communicating by phone, whether to give investment instructions or otherwise, potential investors and Shareholders are considered to have agreed that their phone calls with the Management Company or its delegates can be recorded, monitored and stored, and that the Management Company or JPMorgan Chase & Co. can use them for any allowable purpose, including in legal proceedings.

The Fund takes reasonable measures to ensure the accuracy and confidentiality of personal data and/or confidential information, and does not use or disclose it beyond what is described in this Prospectus and in the Privacy Policy without the Shareholder's or potential investor's consent. At the same time, neither the Fund, the Management Company nor any JPMorgan entity accepts liability for sharing personal and/or confidential information with third parties, except in the case of negligence by the Fund, the Management Company, a JPMorgan entity or any of their employees or officers. This information is held only as long as applicable laws indicate.

Subject to applicable law, investors may have rights in respect of their personal data, including a right to access and rectification of their personal data and, in some circumstances, a right to object to the processing of their personal data.

The Privacy Policy is available at jpmorgan.com/emea-privacy-policy. Hard copies are available on request from the Management Company.

## Measures to Protect Shareholders and Prevent Crime and Terrorism

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

### CUSTOMER IDENTIFICATION

Before being approved for opening an account, each investor must provide, at a minimum, the following identification:

- Natural persons  A copy of an identity card or passport duly certified by a public authority (such as a notary, police official or ambassador) in their country of residence.
- Corporations and other entities  A certified copy of the entity's incorporation documents, published accounts or other official statutory document, plus, for the entity's owners or other economic beneficiaries, the identification described above for natural persons.

Shareholders typically will be asked to provide additional documentation as well (either before opening an account or at any time afterward), and processing of their deal requests may be delayed if these materials are not received in a timely fashion or are not considered to be adequate.

### EXCESSIVE TRADING AND MARKET TIMING

Buying and redeeming Shares for short-term profits can disrupt portfolio management and increase Sub-Fund expenses, to the detriment of other Shareholders. The Fund does not knowingly allow any market timing transactions, and takes various measures to protect Shareholder interests, including rejecting, suspending or cancelling any request that appears to represent excessive trading or to be linked to an investor or trading pattern associated with market timing. The Fund has the right to forcibly redeem a Shareholder's investment, at that Shareholder's sole cost and risk, if it appears that the Shareholder has engaged in excessive trading which has resulted in a detrimental impact to the Fund or other Shareholders.

## Share Issuance, Ownership and Shareholder Rights

### ISSUANCE AND OWNERSHIP

**Registered Shares** Shares are issued in registered form only, meaning that the Shareholder's name is recorded in the Fund's register of Shareholders. Shares are freely transferrable and can also be held and transferred through approved electronic clearing platforms. Fractional Shares are rounded (upwards) to three decimal places.

**Investing through a sales agent or Distributor vs. directly with the Fund** When Shares are purchased through an entity that holds them under its own name (a nominee account), that entity is legally entitled to exercise rights associated with those Shares, such as voting rights. The entity maintains its own records and periodically provides the beneficial owner with information concerning Shares of the Sub-Funds that it holds on a beneficial owner's behalf.

Unless the laws of a beneficial owner's jurisdiction prohibit it, the beneficial owner can invest directly with the Fund, or through an intermediary that does not use nominee accounts, and in so doing can retain all Shareholder rights. Where permitted, a beneficial owner can claim direct title to any Shares held for that owner in a nominee account. However, in some jurisdictions, a nominee account is the only option available, and a beneficial owner does not have the right to claim direct ownership from the nominee.

### SHAREHOLDER RIGHTS

**Voting rights** Each Share gets one vote in all matters brought before a general meeting of Shareholders and of any meeting of its Sub-Fund. Fractional Shares are issued to one one-thousandth of a Share (three decimal places). Fractional Shares do not have voting rights.

## Fund Rights Related to Shares

The Fund and the Management Company, at their sole discretion, reserve the right to do any of the following at any time:

***Rights related to Shares and dealing requests***

- Accept a request to switch Shares into Share Classes that are identical except for having lower fees when a Shareholder's holding meets the investment minimum for the class with the lower fees.
- Delay or reject any request to buy Shares – in part or in full, for an initial or additional investment – for any reason. In particular, this applies to requests from anyone who is a US Person. Requests to purchase Shares reserved for Eligible Counterparties, Additional Investors or Institutional Investors may be delayed until the Management Company are satisfied that the investor qualifies as such. Neither the Fund nor the Management Company will be held liable for any gain or loss associated with a delayed or rejected request.
- Accept securities as payment for Shares, or fulfil redemption payments with securities (contribution or redemption in kind). In cases where Shareholders wish to request a purchase or redemption in kind, they must obtain advance approval from the Management Company. Shareholders must pay all costs associated with the subscription or redemption in kind

(broker fees, compulsory audit report, etc.).
If a Shareholder receives approval for a redemption in kind, the Fund will seek to fulfil the redemption with a selection of securities that closely or fully matches the overall composition of the Sub-Fund's portfolio at the time the transaction is processed. The value of the redemption in kind will be certified by an auditor's report.
The Management Company can also request that a Shareholder accepts a redemption in kind. In this case the Fund will bear the associated costs, and Shareholders are free to reject the request.

- Offer different cut-off times to certain investors, such as those in different time zones, so long as the cut-off time is always before the time the applicable NAV is calculated and the underlying client instruction was received by the Distributor prior to the Sub-Fund cut-off time.

### *Rights related to suspension of dealing*

**Temporarily suspend or defer the calculation of NAVs or deals in a Sub-Fund and/or Share Class** when any of the following is true:

- any exchange or market, on which a substantial portion of the Fund's investments is traded, is closed, otherwise than for public holidays, or while dealings on any such exchange or market are restricted or suspended
- any transfer of funds involved in the realisation, acquisition or disposal of investments or payments due on sale of such investments by the Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange or be effected without seriously prejudicing the interests of the Shareholders or the Fund
- a breakdown exists in any of the communications normally employed in valuing any of the Fund's assets, or there is any other reason that the price or value of any of the Fund's assets cannot be promptly and accurately ascertained
- the Fund, the Sub-Fund or a Share Class is being, or may be, wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Fund, the Sub-Fund or a Share Class is proposed
- any state of affairs exists that, in the view of the Board, constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Funds by the Management Company is impracticable
- the Board has determined that there has been a material change in the valuation of a substantial proportion of the investments of the Fund attributable to a particular Sub-Fund, and has further decided, in order to safeguard the interests of the Shareholders and the Fund, to delay the preparation or use of a valuation or carry out a later or subsequent valuation
- the NAV of any subsidiary of the Fund may not be determined accurately
- in the case of a merger, if the Board deems this to be justified for the protection of the Shareholders
- any other circumstance exists where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment that the Fund or its Shareholders might not otherwise have suffered

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

In connection with suspensions the Fund will refuse to accept requests to buy, switch or redeem Shares during the time the Board has suspended the calculation of NAV. During this time Shareholders may withdraw their request. Any requests that are not withdrawn will be dealt on the next Valuation Day once the suspension is over.

Shareholders will be informed of any suspension or deferral as appropriate.

**Limit how many Shares are redeemed for a Sub-Fund on any Valuation Day.** On any Valuation Day, the Management Company will not be obliged to process redemption and switch out requests in their entirety, when the total net outflow from a Sub-Fund exceeds 10% of the total net assets of the relevant Sub-Fund. The Management Company may decide that redemption and switch out requests in excess of 10% shall be deferred to the next Valuation Day. All redemption and switch out requests whose processing is delayed by this, either partially or in full, will be processed in the order of the Valuation Day on which they were accepted for redemption, subject to any suspensions of dealing requests or further imposition of the 10% daily limit.

### *Rights related to accounts and ownership*

**Close (or re-open) any Sub-Fund or Share Class to further investment**, either from new investors or all investors, for an indefinite period without advance notice, so long as it is consistent with the interests of Shareholders. This may happen where a Sub-Fund reaches a size such that the capacity of the market and/or the Investment Manager has been reached, and permitting further inflows would be detrimental to the performance of the Sub-Fund. Once closed, a Sub-Fund or Share Class will not be re-opened until, in the opinion of the Management Company, the circumstances that required the closure no longer exist. For information on the status of Sub-Funds and Share Classes, go to jpmorganassetmanagement.com.

**Redeem all Shares upon receipt of a redemption request that would leave a holding that is lower than the minimum holding amount.** Shareholders will be given one month prior notice to increase their holding above the minimum. Any fall below the minimum holding amount owing to Sub-Fund performance will not cause the closing of an account.

**Forcibly redeem a Shareholder's Shares and send them the proceeds, or switch a Shareholder's holding to another Share Class, if it appears the Shareholder is precluded from owning the Shares in accordance with the Articles**. This applies to any investor who, whether investing alone or with others, appears (i) to be a US Person, (ii) to be holding Shares in violation of law or regulation or requirement of any country or governmental authority, (iii) to be holding Shares without having met the criteria for the relevant Share Class (including complying with the minimum holding amount), (iv) to have exceeded any limitation applicable to their investment or (v) where it appears that such holding might result in the Fund (including its Shareholders) or any of its delegates incurring any liability to taxation or suffering any sanction, penalty, burden or other disadvantage (whether pecuniary, administrative or operational) which the Fund (including its Shareholders) or its delegates might not otherwise have incurred or suffered or otherwise be detrimental to the interests of the Fund (including its Shareholders). The Fund will not be held liable for any gain or loss associated with such actions.

The Board or the Management Company will require that intermediaries compulsorily redeem Shares held by a US Person.

## Taxation

This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular investor or potential investor.

### *Taxation of the Fund and its investments*

- Fund taxation The Fund is not subject to taxation in Luxembourg on its income, profits or gains. The Fund is subject to a subscription tax ("taxe d'abonnement"). Details of the amount charged for each Share Class can be found under Direct Fund Expenses under Fees and expenses taken from the Share Class over a year ("Annual Fees").
- Taxation of income and capital gains Interest income, dividend income and capital gains received by the Fund in respect of some of its securities and cash deposits, including certain derivatives, may be subject to non-recoverable withholding taxes at varying rates in the countries of origin. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Management Company reserves the right to provide for appropriate tax on gains thus impacting the valuation of the Sub-Fund. With the uncertainty over whether and how certain gains are to be taxed, any such provision for taxation made by the Management Company may be excessive or inadequate to meet final tax liabilities on gains.
- Taxation of assets invested through Belgian financial intermediaries The Fund is subject to an annual tax of 0.0925% on the part of the value of the Shares of the Fund placed through Belgian financial intermediaries. This tax is included under Fees and expenses taken from the Share Class over a year (Annual Fees) of those Sub-Funds. The tax is payable to the Kingdom of Belgium as long as the Fund is registered for public distribution in such country.
- Taxation of Brazilian financial operations Sub-Funds investing in Brazil are subject to the Tax on Financial Operations (IOF) applying to foreign exchange inflows and outflows as detailed in an in force Brazilian Presidential Decree as amended from time to time. The Brazilian government may change the applicable rate at any time and without prior notification. The application of the IOF tax would reduce the NAV.
- Taxation of Chinese assets The PRC Enterprise Income Tax Law ( EITL ) imposes an Enterprise Income Tax ( EIT ) of 20% on the PRC-sourced income derived by a foreign enterprise without a permanent establishment in China. The rate is reduced to 10% for sources of income including profit, dividend and interest. Sub-Funds that invest in PRC securities may be subject to EIT withholding and other taxes imposed in the PRC, including the following: - Dividends and interest paid by PRC companies are subject to a 10% tax. The paying entity in China will be responsible for withholding such tax when making a payment. A full tax provision of 10% is made for PRC-sourced dividends and interest where tax has not yet been withheld by the paying entity. Interest from government bonds is specifically exempt from EIT whereas interest derived by foreign institutional investors from bonds traded in PRC local bond market are temporarily exempt from EIT for the period from 7 November 2018 to 6 November 2021. - Gains from the disposal of PRC securities would normally be subject to a 10% EIT under EITL. However, currently gains from the disposal of China A-Shares trading through the China-Hong Kong Stock Connect Programmes or Qualified Foreign Institutional Investors / Renminbi Qualified Institutional Investors are subject to temporary exemptions from EIT. Generally, there is no withholding mechanism for EIT on gains from PRC securities. A full PRC tax provision of 10% is made for certain gains from disposal of PRC securities that are currently not specifically exempt from EIT. Gains from disposal of PRC debt securities by foreign investors may be viewed as non-PRC sourced income based on verbal interpretation of the State Tax Administration and the local PRC tax authorities. In practice, the PRC tax authorities have not actively enforced the collection of PRC EIT in respect of gains derived by non-PRC tax resident enterprises from the trading of debt securities. However, in the absence of written announcements issued by the PRC tax authorities, full PRC tax provision of 10% is made for PRC sourced gains on debt securities.

### *Taxation and reporting of Shareholders*

- Taxpayers in Luxembourg Shareholders whom Luxembourg considers to be residents or otherwise to have permanent establishment there, currently or in the past, typically will be subject to Luxembourg taxes.
- Taxpayers in other countries Shareholders who are not Luxembourg taxpayers are not subject to any Luxembourg capital gains, income, withholding, gift, estate, inheritance or other taxes, with the rare exceptions of certain former Luxembourg residents and any investor who owns more than 10% of the Fund's total value. However, an investment in a Sub-Fund typically will have tax implications in any jurisdiction that considers Shareholders to be taxpayers.
- CRS and FATCA To comply with legislation implementing the OECD Common Reporting Standard ( CRS ), the US Foreign Account Tax Compliance Act ( FATCA ) and other intergovernmental agreements and EU directives concerning the automatic exchange of information to improve international tax compliance, the Fund (or its agent) will collect information about Shareholders and their identity and tax status, and will report this information to the relevant Luxembourg authorities. Under Luxembourg law, the Fund or the Sub-Funds as the case may be are a Reporting Luxembourg Financial Institution, and the Fund intends to comply with the Luxembourg laws that apply to such entities.

Shareholders must provide all tax certifications or other information requested. Shareholders that are Reportable persons (and Controlling Persons of certain entities that are Passive Non-Financial Entities) will be reported to the relevant Luxembourg tax authority, and by that tax authority to any relevant overseas tax authorities.

Additionally, US Persons, US citizens and US tax residents, as defined in Information for Investors in Certain Countries, are subject to reporting to the US Internal Revenue Service and may be subject to US withholding tax.

The Privacy Policy sets out the appropriate information for investors regarding the circumstances in which JP Morgan Asset Management may process personal data. The Management Company may refuse any subscription from prospective investors or request compulsory redemption of existing Shareholders in case they do not provide the requested information to the Fund.

## Conflicts of Interest

An investment in the Fund or a Sub-Fund is subject to a number of actual or potential conflicts of interest. The Management Company, affiliated Investment Managers and other JPMorgan affiliates have adopted policies and procedures reasonably designed to prevent, limit or mitigate conflicts of interest. In addition, these policies and procedures are designed to comply with applicable law where the activities that give rise to conflicts of interest are limited or prohibited by law, unless an exception is available. The Management Company reports any material conflicts of interest that cannot be managed to the Board.

The Management Company and/or its affiliates provide a variety of different services to the Fund, for which the Fund compensates them. As a result, the Management Company and/or its affiliates have an incentive to enter into arrangements with the Fund, and face conflicts of interest when balancing that incentive against the best interests of the Fund. The Management

Company, together with affiliates to which it delegates responsibility for investment management, also face conflicts of interest in their service as investment manager to other funds or clients, and, from time to time, make investment decisions that differ from and/or negatively impact those made by the Investment Managers on behalf of the Fund.

In addition, affiliates of the Management Company (collectively, "JPMorgan") provide a broad range of services and products to their clients and are major participants in the global currency, equity, commodity, fixed-income and other markets in which the Fund invests or will invest. In certain circumstances by providing services and products to their clients, JPMorgan's activities may disadvantage or restrict the Funds and/or benefit these affiliates.

Potential conflicts of interest may also arise as a consequence of the depositary (which is part of JPMorgan) providing administrative services to the Fund as the Management Company's agent. In addition, potential conflicts of interest may arise between the depositary and any delegates or sub-delegates it has appointed to perform safekeeping and related services. For example, potential conflicts of interest may arise where an appointed delegate is an affiliated group company of the depositary and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company of the depositary which receives remuneration for other related custodial products or services it provides to the Fund, such as foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest that may arise during the normal course of business, the depositary will at all times have regard to its obligations under applicable laws including those to act honestly, fairly, professionally and independently and solely in the interests of the Fund, as provided under Article 25 of the UCITS Directive, and will also manage, monitor and disclose any conflicts of interest to prevent negative effects on the interests of the Fund and its Shareholders, as provided under Article 23 of the UCITS V Regulation. The Management Company and the depositary ensure that they operate independently within JPMorgan.

The Management Company or the delegate Investment Managers may also acquire material non-public information that would negatively affect the Fund's ability to transact in securities affected by such information.

For more information about conflicts of interest, see jpmorganassetmanagement.lu.

# Liquidation or Merger

### LIQUIDATION OF THE FUND

The Fund may be liquidated at any time if a meeting of Shareholders adopts a resolution to do so at a two-third majority of the votes cast. At the same meeting one or more liquidators will be appointed to liquidate the Fund's assets in the best interest of Shareholders and in accordance with Luxembourg law. The liquidators will distribute the net proceeds for each Sub-Fund to the Shareholders of the relevant Sub-Fund in proportion to the value of their holding.

In addition, the Directors must convene an Extraordinary Meeting of Shareholders to consider the liquidation of the Fund when the Share capital falls below:

- two-thirds of the minimum capital amount with the decision requiring a majority of the Shares present or represented at the meeting
- one-quarter of the minimum capital amount with the decision requiring one-quarter of the Shares present or represented at the meeting

### LIQUIDATION OF A SUB-FUND OR SHARE CLASS

The Board typically will decide to liquidate any Sub-Fund or Share Class if any of the following is true:

- the total number of Shares of all Share Classes in any Sub-Fund is less than 1 million Shares
- the total NAV of all Share Classes of a Sub-Fund is less than USD 30 million (or the equivalent in other currencies)
- the liquidation is justified by a change in economic or political situations impacting the Sub-Fund
- the liquidation is part of an economic rationalisation
- the laws and regulations applicable to the Fund or any of its Sub-Funds or Share Classes justifies it
- the Board believes the liquidation would be in the best interests of Shareholders

The Board may also decide to submit the decision to a meeting of the Shareholders of the relevant Sub-Fund. No quorum is required; the decision will be considered approved if supported by a simple majority of the votes cast at the meeting. The liquidation of the last Sub-Fund must be decided by a general meeting of Shareholders.

Shareholders will be notified of the decision to liquidate a Sub-Fund and will be paid the net liquidation proceeds as at the liquidation date. Shareholders of the relevant Sub-Fund can continue to redeem or switch their Shares, free of any redemption and switch charges up to the liquidation date, but typically no further subscriptions will be accepted. The prices at which these redemptions and switches are executed will reflect any costs relating to the liquidation. The Board can suspend or refuse these redemptions and switches if it believes it is in the best interests of Shareholders or is necessary to ensure Shareholder equality.

Shareholders will be paid the NAV of the Shares of the relevant Sub-Fund held as at the liquidation date. Amounts from any liquidations that cannot be distributed to Shareholders will be deposited with the Caisse de Consignation in accordance with Luxembourg law.

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

### MERGER OF THE FUND

In the case of a merger of the Fund into another UCITS where, as a result, the Fund ceases to exist, the merger will be decided by a meeting of Shareholders. No quorum is required and the merger will be considered approved if it receives the simple majority of the votes cast at the meeting.

### MERGER OF A SUB-FUND

The Board may decide to merge a Sub-Fund with any other Sub-Fund, whether within the Fund or in another UCITS. The Board can also refer the decision of a merger to a meeting of the Shareholders of the relevant Sub-Fund. No quorum is required; the merger will be considered approved if supported by a simple majority of votes cast at the meeting.

Shareholders whose investments are involved in any merger will receive at least one calendar month prior notice of the merger and will be able to redeem or switch their Shares free of any redemption and switch charges.

In connection with a merger of Sub-Funds, the Management Company may apply swing pricing (see Swing Pricing) to the final NAV of the merging Sub-Fund to net out any impact of the swing pricing adjustment made on the absorbing Sub-Fund caused by cash inflows or outflows in the absorbing Sub-Fund on the merger date.

### REORGANISATION OF A SUB-FUND OR SHARE CLASS

Under the same circumstances as described above, the Board may decide to merge a Share Class into another Share Class or to reorganise a Sub-Fund or Share Class by means of a division into two or more Sub-Funds or Share Classes or by means of a consolidation or a split of Shares.

Shareholders will be notified of the decision of the Board at least one month in advance of the reorganisation taking place during which time they will be able to redeem or switch their Shares free of any redemption and switch charges. The Board can also refer the decision of such reorganisation to a meeting of the relevant Shareholders. No quorum is required and the reorganisation will be considered approved if it receives a simple majority of the votes cast at the meeting.

# Calculation of Share Prices

### TIMING AND FORMULA

The NAV for each Share Class of each Sub-Fund is calculated every day that is a Valuation Day for that Sub-Fund unless specified otherwise in Sub-Fund Descriptions. Each NAV is stated in the respective Share Class Currency, and is calculated to two decimal places (three places for JPMorgan Funds - Europe High Yield Bond Fund, JPMorgan Funds - Europe High Yield Short Duration Bond Fund, JPMorgan Funds - EU Government Bond Fund, JPMorgan Funds - Sterling Bond Fund and JPMorgan Funds - US Short Duration Bond Fund). The NAV for each Share Class of each Sub-Fund is calculated using this formula:

$$\frac{\text{(assets - liabilities)}}{\text{number of outstanding Shares}} \; +/- \; \text{any swing pricing adjustment} \; = \text{NAV}$$

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

### SWING PRICING

To protect the interests of Shareholders, a Sub-Fund's NAV may be adjusted to compensate for dilutions that can arise in connection with large flows of cash into or out of a Sub-Fund.

These adjustments are normally applied on any Valuation Day when the total volume of trading in a Sub-Fund's Shares (meaning both purchases and redemptions) exceeds a certain threshold. The adjustments will seek to reflect the anticipated prices at which the Sub-Fund will be buying and selling assets, as well as estimated transaction costs. The NAV will be adjusted upward when there are large cash inflows into the Sub-Fund and downward when there are large outflows. In normal market conditions, the adjustment for any given Valuation Day, will not be larger than 2% of what the NAV would otherwise be. In exceptional market conditions, however, this maximum level may be increased up to 5% to protect the interests of Shareholders. The price adjustment applicable to a specific Sub-Fund is available on request from the Management Company at its registered office.

Note that swing pricing does not apply to the following Sub-Funds:

- JPMorgan Funds - Global Multi-Strategy Income Fund
- JPMorgan Funds – EUR Money Market VNAV Fund
- JPMorgan Funds – USD Money Market VNAV Fund

The Management Company makes, and periodically reviews, the operational decisions about swing pricing, including the thresholds that trigger it, the extent of the adjustment in each case, and which Sub-Funds will and will not be subject to swing pricing at any given time.

Swing pricing is normally applied to a merging Sub-Fund to minimise the impact of the incoming asset flows on the receiving Sub-Fund.

Note that the Management Company can decide not to apply swing pricing to purchases when it is trying to attract assets so that a Sub-Fund can reach a certain size. In this case, the Management Company will pay the dealing costs and other costs from its own assets in order to prevent dilution of Shareholder value. Note that in this circumstance, investors placing redemption requests will not receive the price for their Shares that they would have if swing pricing were being applied. For a list of Sub-Funds to which the Management Company has decided not to apply the swing pricing adjustment, see jpmorganassetmanagement.lu.

### CALCULATION OF BID AND OFFER PRICE

The Offer Price per Share of each Share Class is calculated by adding an initial charge, if any, to its NAV. The initial charge will be calculated as a percentage of the NAV not exceeding the levels shown in Sub-Fund Descriptions.

The Bid Price per Share of each Share Class is calculated by deducting a redemption charge, if any, from its NAV. The redemption charge will be calculated as a percentage of the NAV not exceeding the levels shown in Sub-Fund Descriptions.

### ERROR CORRECTION

Any NAV that experiences a calculation error that exceeds a certain threshold (positive or negative) will be addressed according to the Management Company's NAV correction policy. The threshold for the following Sub-Funds is 0.25% of NAV:

- JPMorgan Funds - Europe High Yield Short Duration Bond Fund
- JPMorgan Funds - Euro Government Short Duration Bond Fund
- JPMorgan Funds - Global Government Short Duration Bond Fund
- JPMorgan Funds - Global Short Duration Bond Fund
- JPMorgan Funds - Managed Reserves Fund
- JPMorgan Funds - Sterling Managed Reserves Fund
- JPMorgan Funds - US Short Duration Bond Fund

For all other Sub-Funds, the thresholds are based on a Sub-Fund's predominant investments:

- money market instruments or cash assets: 0.25% of NAV
- any other asset, including bonds and shares: 0.50% of NAV
- mixed/balanced portfolio: 0.50% of NAV

# Valuation of Assets

In general, the Management Company determines the value of each Sub-Fund's assets, as of each NAV calculation, as follows:

- Cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued but not yet received Valued at full value, minus any appropriate discount the Management Company applies based on its assessments of any circumstances that make full payment unlikely.
- Transferable securities and derivatives that are quoted or dealt in on any stock exchange or traded in any other regulated market. Generally valued at the most recent quoted price. Where these assets trade on more than one market, the Management Company can choose to use the prices of the primary market.
- Money market instruments and liquid assets. Generally valued at nominal value plus interest or amortised cost. Where practice allows, all other assets can be valued in the same manner.
- Derivatives that are not listed on any official stock exchange or are traded over the counter. Valued independently in a reliable and verifiable manner on a daily basis, consistent with market practice.
- Shares or units of UCITS or UCIs Valued at the most recent NAV reported by the UCITS/UCI.
- Assets or liabilities in currencies other than Base Currency Valued at the applicable spot rate (applies to currencies held as assets and when translating values of securities denominated in other currencies into the

Base Currency of the Sub-Fund).

- Swaps Valued at their fair value based on the underlying securities (at the close of business or intraday) as well as on the characteristics of the underlying commitments.
- Non-listed securities, listed securities or any other assets for which the price determined according to the above methods is not representative of fair market value Valued in good faith at a prudent estimate of their expected sales price.

Any asset or liability not attributable to a particular Sub-Fund will be allocated pro-rata to the NAV of each Sub-Fund. All liabilities attributable to a particular Sub-Fund are binding solely on that Sub-Fund.

Please refer to "Specific provisions regarding the Net Asset Value calculation of the MMF Sub-Funds" for valuation provisions for the MMF Sub-Funds.

## Fund Rights Related to NAV Calculation and Dealing Arrangements

- Calculate a NAV more often than once a day whether temporarily or permanently. Examples of circumstances that might lead to additional NAV calculations include where the Management Company considers that there had been a material change to the market value of the investments in one or more Sub-Funds, or where there is an in-specie subscription and the Management Company believes it is in the interests of the Shareholders to value such a subscription separately or where an additional NAV calculation (which may be to more than 2 decimals) regarding a Sub-Fund merger will allow for a more precise calculation of the conversion ratio in the best interest of Shareholders in both the merging and receiving Sub-Funds. If the Management Company decides to alter the frequency of the NAV calculation permanently, the Prospectus will be amended and Shareholders informed accordingly.
- Alter dealing arrangements whether temporarily or permanently. If the Management Company decides to alter the dealing arrangements permanently, the Prospectus will be amended and Shareholders informed accordingly.
- Apply alternative valuation method When it believes the interests of Shareholders or the Fund justify it, the Management Company can apply valuation methods other than those described above, such as:
  - drawing upon other available pricing sources
  - valuing securities at either their bid or offer Prices, given the prevailing market conditions and/or the level of subscriptions or redemptions relative to the size of the relevant Sub-Fund
  - adjusting the NAV for dealing charges incurred by a Sub-Fund, up to 1% of the total net assets of the Sub-Fund at the time, and only if there is no swing pricing in effect on the same Share Class at the time
  - fair value methods

The Management Company will only use alternative valuation methods when it believes such a step is warranted in light of unusual market volatility or other circumstances. Any fair value adjustments will be applied consistently to all Share Classes within a Sub-Fund.

## Best Execution

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

As the value of research services that a broker-dealer provides can be included when determining which firm offers “best execution”, the Investment Manager can choose a broker-dealer that charges a higher commission on trades if the Investment Manager determines, in good faith, that the commission paid is reasonable in relation to the value of the brokerage and research services provided.

The Investment Manager (or its delegate, such as a Sub-Investment Manager) makes such a determination based upon either a particular transaction or the overall responsibilities of the adviser with respect to the accounts over which it exercises investment discretion. Therefore, research may not necessarily benefit all accounts that pay commissions to a broker-dealer.

The research services in question are typically not available on a stand-alone basis from broker-dealers. The research can include research from an affiliate of the broker-dealer or access to unaffiliated industry experts.

The Investment Manager (or its delegate) can also use brokerage commissions to acquire research from independent providers and broker-dealers through commission-sharing arrangements (“CSAs”). The Investment Manager uses CSA credits only to obtain research designed to assist in the investment decision-making process.

In relation to best execution as it relates to EPM techniques specifically, a range of execution factors are taken into account in order to deliver best execution. The factors considered when delivering best execution include pricing, speed, execution efficiency and any other consideration relevant to the execution of an order.

## Notices and Publications

The following table shows which most recent official materials are typically made available through which channels:

| Information/document | Sent | Media | Online | Office |
|---|---|---|---|---|
| KIIDs | | | • | • |
| Prospectus | | | • | • |
| Application form and Terms and Conditions | | | • | • |
| NAVs (Share prices) (excluding P and V Share Classes) | | • | • | • |
| Dividend announcements | • | | | • |
| Shareholder Reports | | | • | • |
| Shareholder meeting notices | • | • | • | • |
| Other notices from the Board | • | | • | • |
| Notices from the Management Company | | | • | • |
| Statements/contract notes | • | | | |
| Articles | | | • | • |
| Stock exchange listing information | | | | • |
| Core service provider agreements | | | | • |

"Other notices from the Board" include notices of Prospectus changes, the merger or liquidation of Sub-Funds or Share Classes, suspension of trading in Shares, and all other items for which a notice is required. Notices will be sent to Shareholders where required by Luxembourg law or CSSF regulation or practice. "Core service provider agreements" include those with the Management Company and the Depositary.

Statements and contract notes are sent when there are transactions in a Shareholder's account, although they are also sent at minimum every six months. Other items are sent when issued. An audited annual report is issued within four months of the end of each Financial Year. An unaudited semi-annual report is issued within two months of the end of the period it covers.

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

Additional information is made available by the Management Company at its registered office, upon request, in accordance with the provisions of Luxembourg law and regulation. This additional information includes procedures relating to complaints handling, the strategy followed for the exercise of voting rights of the Fund, the policy for placing orders to deal on behalf of the Fund with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation with the investment management and administration of the Fund.

## Shareholder Meetings

The annual general meeting is held in Luxembourg 15:00 CET on the third Wednesday of November each year, or if that is not a business day in Luxembourg, then the next day that is. Other Shareholder meetings can be held at other places and times; if any are scheduled, notices will be distributed to Shareholders and will be published as required by law.

Resolutions concerning the interests of all Shareholders generally will be taken in a general meeting; those concerning the rights of the Shareholders of a specific Sub-Fund/Share Class will be discussed in a meeting of that Sub-Fund's/Share Class' Shareholders. The meeting notice will indicate any applicable quorum requirements. When no quorum is required, decisions will normally be taken if approved by a majority of those Shareholders that actually vote on the matter, whether in person or by proxy.

To fully exercise all rights as a Shareholder, including voting rights, Shares must be registered in a Shareholder's name, not that of an intermediary.

## Queries and Complaints

Any person who would like to receive information about the Fund or who wishes to make a complaint about the operation of the Fund should contact the Management Company.

## INFORMATION FOR INVESTORS IN CERTAIN COUNTRIES

The Fund engages local representatives or paying agents to handle transactions in Shares in certain countries or markets. In countries where a Sub-Fund has obtained approval to offer Shares, investors can obtain from these representatives at no cost a Prospectus, a KIID and/or other local offering document, the Articles and the most recent Shareholder Reports.

The information in this section is based on the Board's understanding of current law and practice in the countries named. It is general reference information, not legal or tax advice.

**Austria**

*REPRESENTATIVE*

JPMorgan Asset Management (Europe) S.à r.l., Austrian Branch
Führichgasse 8
A-1010 Vienna, Austria +43 1 512 39 39

*PRINCIPAL PAYING AGENT*

UniCredit Bank Austria AG
Rothschildplatz 1
A-1020 Vienna, Austria

**Belgium**

*PRINCIPAL PAYING AGENT*

JP Morgan Chase Bank NA, Brussels Branch
Boulevard du Régent/Regentlaan 35,
1000 Brussels, Belgium

**Croatia**

*PAYING AGENT*

ZAGREBA KA BANKA d.d.,
Zagreb, Trg bana Josipa Jela i a 10
10000 Zagreb, Croatia

**Cyprus**

*PAYING AGENT*

Eurobank Cyprus Ltd
41 Makariou Avenue,
1065 Nicosia, Cyprus.

**Czech Republic**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*

UniCredit Bank Czech Republic and Slovakia A.S
Prague 4 - Michle, Želetavská 1525/1
Postcode 140 92, Czech Republic

**Denmark**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*

Nordea Bank Danmark A/S, Issuer Services, Securities Services
Helgeshoej Allé 33,
Hoeje Taastrup
DK-2630 Taastrup

The representative and principal paying agent shall assist Danish retail investors in the subscription, redemption, payment of dividends and conversion of shares. The representative and principal paying agent shall also supply the documents which the Fund makes public in Luxembourg and provide information about the Fund at the request of investors.

**France**

*REPRESENTATIVE*

JPMorgan Asset Management (Europe) S.à r.l., Paris Branch Place Vendôme
F-75001 Paris, France
+33 1 44 21 70 00 *PRINCIPAL PAYING AGENT*

BNP Paribas Securities Services
Les Grands Moulins de Pantin 9,
rue du Débarcadère 93761 PANTIN CEDEX, France

**Germany**

*INFORMATION AGENT*

JPMorgan Asset Management (Europe) S.à r.l., Frankfurt Branch
Taunustor 1
D-60310 Frankfurt am Main, Germany
+49 69 7124 0

German Investment Tax Act

The following Sub-Funds intend to qualify as an "Equity Fund" in accordance with the partial exemption regime and therefore, notwithstanding any other provision in this Prospectus and other governing documents and agreements will invest more than 50% of NAV on a continuous basis in equities (Kapitalbeteiligungen) as defined in the German Investment Tax Act:

JPMorgan Funds - Global Healthcare Fund
JPMorgan Funds - US Select Equity Plus Fund
JPMorgan Funds - India Fund
JPMorgan Funds - US Research Enhanced Index Equity Fund
JPMorgan Funds - Korea Equity Fund
JPMorgan Funds - Europe Sustainable Equity Fund JPMorgan Funds - Europe Sustainable Small Cap Equity Fund
JPMorgan Funds - Global Sustainable Equity Fund
JPMorgan Funds - Global Research Enhanced Index Equity Fund
JPMorgan Funds - Global Socially Responsible Fund
JPMorgan Funds - Global Growth Fund
JPMorgan Funds - Europe Strategic Growth Fund
JPMorgan Funds - US Growth Fund
JPMorgan Funds - Emerging Middle East Equity Fund
JPMorgan Funds - Global Equity Fund
JPMorgan Funds - Euroland Dynamic Fund
JPMorgan Funds - Europe Dynamic Fund
JPMorgan Funds - US Hedged Equity Fund
JPMorgan Funds - Pacific Equity Fund
JPMorgan Funds - Europe Dynamic Small Cap Fund
JPMorgan Funds - Africa Equity Fund
JPMorgan Funds - Global Natural Resources Fund
JPMorgan Funds - US Small Cap Growth Fund
JPMorgan Funds - Emerging Markets Small Cap Fund
JPMorgan Funds - Europe Small Cap Fund
JPMorgan Funds - Europe Equity Fund
JPMorgan Funds - Asia Pacific Equity Fund
JPMorgan Funds - US Equity All Cap Fund
JPMorgan Funds - Taiwan Fund
JPMorgan Funds - Japan Equity Fund
JPMorgan Funds - Global Focus Fund
JPMorgan Funds - US Value Fund
JPMorgan Funds - Europe Equity Plus Fund
JPMorgan Funds - Europe Dynamic Technologies Fund
JPMorgan Funds - Europe Strategic Value Fund
JPMorgan Funds - ASEAN Equity Fund
JPMorgan Funds - America Equity Fund
JPMorgan Funds - US Technology Fund
JPMorgan Funds - Emerging Markets Dividend Fund
JPMorgan Funds - Euroland Equity Fund
JPMorgan Funds - US Smaller Companies Fund
JPMorgan Funds - Asia Growth Fund
JPMorgan Funds - Greater China Fund
JPMorgan Funds - Emerging Markets Equity Fund
JPMorgan Funds - Emerging Markets Opportunities Fund
JPMorgan Funds - China Fund
JPMorgan Funds - Latin America Equity Fund
JPMorgan Funds - Brazil Equity Fund
JPMorgan Funds - Thematics - Genetic Therapies
JPMorgan Funds - Emerging Markets Sustainable Equity Fund
JPMorgan Funds - China A-Share Opportunities Fund

JPMorgan Funds - Emerging Markets Diversified Equity Plus Fund

JPMorgan Funds - Global Emerging Markets Research Enhanced Index Equity Fund
JPMorgan Funds - Global Value Fund
JPMorgan Funds - US Sustainable Equity Fund

The following Sub-Funds intend to qualify as a "Mixed Fund" in accordance with the partial exemption regime and therefore, notwithstanding any other provision in this Prospectus and other governing documents and agreements will invest at least 25% of NAV on a continuous basis in equities (Kapitalbeteiligungen) as defined in the German Investment Tax Act:
JPMorgan Funds - Asia Pacific Income Fund

**Greece**
*PAYING AGENT*
Alpha Bank S.A.
Eurobank S.A.
HSBC Continental Europe, Greece
Piraeus Bank S.A

**Hong Kong**
*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central, Hong Kong
+852 2800 2800

**Hungary**
*INFORMATION AGENT*
Erste Bank Investment Hungary Ltd.
1138 Budapest, Népfürd
u. 24-26, Hungary

**Iceland**
*PAYING AGENT*
Arion Bank,
Borgartúni 19, 105 Reykjavík, Iceland

**Ireland**
*FACILITIES AGENT*
J.P. Morgan Administration Services (Ireland) Limited
200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin 2,
D02 RK57, Ireland
T he Directors of the Fund intend to conduct the affairs of the Fund so that it does not become resident in Ireland for taxation purposes. Accordingly, provided the Fund does not exercise a trade within Ireland or carry on a trade in Ireland through a branch or agency, the Fund will not be subject to Irish tax on its income and gains other than on certain Irish source income and gains.
The Shares of the Fund should constitute a "material interest" in an offshore fund located in a qualifying location for the purposes of Chapter 4 (Sections 747B to 747FA) of Part 27 of the Taxes Consolidation Act, 1997 (as amended). Shareholders resident in Ireland for taxation purposes will be required to disclose their investment in the Fund on their Irish tax return and subject to personal circumstances, will be liable to Irish income tax or corporation tax in respect of any income distributions of the Fund (whether distributed or reinvested in new Shares).
Furthermore, the attention of individuals resident or ordinarily resident in Ireland for tax purposes is drawn to certain anti-avoidance legislation in particular Chapter 1 of Part 33 of the Taxes Consolidation Act, 1997 (as amended), which may render them liable to income tax in respect of undistributed income or profits of the Fund and also Chapter 4 of Part 19 of the Taxes Consolidation Act, 1997 (as amended) could be material to any person who holds 5% or more of the Shares in the Fund if, at the same time, the Fund is controlled in such a manner as to render it a company that would, were it to have been resident in Ireland, be a "close" company for Irish taxation purposes.
Attention is drawn to the fact that special rules may apply to particular types of Shareholders (such as financial institutions). Persons who are resident but not domiciled in Ireland may be able to claim the remittance basis of taxation, in which case the liability to tax will only arise as and when income or gains from the Fund are received in Ireland. Investors should seek their own professional advice as to the tax consequences before investing in Shares in the Fund. Taxation law and practice, and the levels of taxation may change from time to time.

**Italy**
*REPRESENTATIVE*
JPMorgan Asset Management (Europe) S.à r.l., Milan Branch
Via Catena 4
I-20121 Milan, Italy
+39 02 88951
*PRINCIPAL PAYING AGENT*

BNP Paribas Securities Services
Succursale Italia
Piazza Lina Bo Bardi 3 I 20124 Milano
, Italy
Regular Savings Plans, redemption and switch programmes are available in Italy. In addition to the fees and expenses indicated in this Prospectus, Italian Shareholders are charged fees relating to paying agent. For further information on Regular Savings Plans and paying agent fees, see the current Italian application form.
The Management Company can choose to accept deal requests that are not signed by the Shareholder so long as an authorised Distributor holds a valid power of attorney from the Shareholder.

**Japan**
*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
JPMorgan Securities Japan Co. Limited
Tokyo Building, 7-3, Marunouchi 2-chome Chiyoda-ku
Tokyo 100-6432, Japan
+81 3 6736 1503

**Liechtenstein**
*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
VP Bank AG
Aeulestrasse 6
9490 Vaduz, Liechtenstein

**Luxembourg**
*REPRESENTATIVE*
JPMorgan Asset Management (Europe) S.à r.l.
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg
+352 34 10 1

**Netherlands**
*REPRESENTATIVE*
JPMorgan Asset Management (Europe) S.à r.l., Netherlands Branch
WTC Tower B, 11th Floor, Strawinskylaan 1135
NL-1077XX Amsterdam, Netherlands
+31 20 504 0330

**Poland**
*REPRESENTATIVE*
Pekao Financial Services Sp. z o.o.
ul. Post pu 21, 02-676 Warszawa, Poland
*PAYING AGENT*
Pekao Bank S.A.,
Warsaw, ul. Grzybowska 53/57. Poland

**Singapore**
Certain Sub-Funds (the "Restricted Sub-Funds") have been entered onto the list of restricted schemes maintained by the Monetary Authority of

Singapore (the "MAS") for purpose of restricted offer in Singapore pursuant to section 305 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and the list of Restricted Sub-Funds may be accessed at the MAS website at https://eservices.mas.gov.sg/cisnetportal/jsp/list.jsp.

The Shares of the Restricted Sub-Funds are "capital markets products other than prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

In addition, certain Sub-Funds (including some of the Restricted Sub-Funds), have also been recognised in Singapore for retail distribution (the "Recognised Sub-Funds"). Please refer to the Singapore prospectus (which has been registered by the MAS) relating to the retail offer of the Recognised Sub-Funds for the list of Sub-Funds which are Recognised Sub-Funds. The registered Singapore prospectus may be obtained from the relevant appointed Distributors.

A restricted offer or invitation to subscribe for Shares of each Restricted Sub-Fund is the subject of this Prospectus. Save for the Restricted Sub-Funds which are also Recognised Sub-Funds, the Restricted Sub-Funds are not authorised or recognised by the MAS, and the Shares are not allowed to be offered to the retail public in Singapore. A concurrent restricted offer of Shares of each Restricted Sub-Fund which is also a Recognised Sub-Fund is made under and in reliance of sections 304 and/or 305 of the SFA.

This Prospectus and any other document or material issued in connection with this restricted offer or sale of the Restricted Sub-Funds is not a prospectus as defined in the SFA and has not been registered as a prospectus with the MAS. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you after reviewing this Prospectus.

This Prospectus and any other document or material in connection with the restricted offer or sale, or invitation for subscription or purchase, of the relevant Sub-Funds may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, pursuant to this Prospectus whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in section 4A of the SFA, a "Singapore Institutional Investor" under section 304 of the SFA; (b) to a relevant person pursuant to section 305(1), or any person pursuant to section 305(2) of the SFA (each a "Relevant Investor"), and in accordance with the conditions specified in section 305 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Shares are initially subscribed or purchased under:

(a) section 304 of the SFA by a Singapore Institutional Investor, subsequent transfers of the Shares can only be made to another Singapore Institutional Investor; and

(b) section 305 of the SFA by a Relevant Investor, subsequent transfers of the Shares can only be made to a Singapore Institutional Investor or another Relevant Investor.
Additionally, where Shares are subscribed or purchased under section 305 of the SFA by a relevant person (as defined in section 305(5) of the SFA) which is:

(i) a corporation (which is not an accredited investor as defined in section 4A of the SFA) the sole business of which is to hold investments, and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) the sole purpose of which is to hold investments, and each beneficiary of the trust is an individual who is an accredited investor;

securities (as defined in section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:

(1) to a Singapore Institutional Investor or to a relevant person defined in section 305(5) of the SFA, or to any person arising from an offer referred to in section 275(1A) or section 305A(3)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in section 305A(5) of the SFA; or

(5) as specified in regulation 36A of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

Investors should note further that the other Sub-Funds of the Fund referred to in this Prospectus other than the Restricted Sub-Funds and/or the Recognised Sub-Funds, are not available to Singapore investors and references to such other Sub-Funds are not and should not be construed as an offer of Shares of such other Sub-Funds in Singapore.

Investors in Singapore should note that past performance information and the financial reports of the Restricted Sub-Funds are available at relevant Distributors.

**Slovakia**

*REPRESENTATIVE AND PRINCIPAL PAYING AGENT*
UniCredit Bank Czech Republic and Slovakia A.S.
Prague 4 - Michle Želetavská 1525/1
Postcode 140 92, Prague 4, Czech Republic

**Spain**

*SALES AGENT*
JPMorgan Asset Management (Europe) S.à r.l., Spanish Branch
Paseo de la Castellana, 31
28046 Madrid, Spain
+34 91 516 12 00
Further information for Spanish investors is included in the Spanish marketing memorandum which has been filed with the Comisión Nacional del Mercado de Valores ("CNMV") and is available from the sales agent.

**Sweden**

*REPRESENTATIVE*
JPMorgan Asset Management (Nordic)filial till JPMorgan Asset Management (Europe) S.à r.l., Luxembourg
Hamngatan 15
S-111 47 Stockholm, Sweden
+46 8 50644770
*PAYING AGENT*
Skandinaviska Enskilda Banken AB (Publ) (SEB),
S E-10640 Stockholm, Sweden

**Switzerland**

*REPRESENTATIVE*
JPMorgan Asset Management (Switzerland) LLC
Dreikönigstrasse 37
8002 Zurich, Switzerland
+41 44 206 86 00
*PAYING AGENT*
J.P. Morgan (Suisse) SA
8, rue de la Confédération
1204 Geneva , Switzerland+41 22 744 11 11
Authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA).

**Taiwan**

*MASTER AGENT*
JPMorgan Asset Management (Taiwan) Limited

20F, 1, Songzhi Rd, Xinyi Dist
Taipei City 110, Taiwan (R.O.C.)
+886 2 8726 8686
*Authorised by the Taiwan Financial Supervisory Commission.*

**United Kingdom**

*FACILITIES, MARKETING AND SALES AGENT*

JPMorgan Funds Limited

3 Lochside View, Edinburgh Park,

Edinburgh, EH12 9DH

*Authorised and regulated by the Financial Conduct Authority (FCA).*

Copies of the following documents in English can be obtained or inspected, free of charge, at the above address:

- the Articles of the Fund and any amendments thereto;
- the latest Prospectus;
- the latest Key Investor Information Documents and
- the latest annual and semi-annual reports.

The Fund is a recognised scheme in the UK for the purposes of the Financial Services and Markets Act 2000 ("FSMA") by virtue of section 264 of FSMA. The content of this Prospectus has been approved for the purposes of section 21 of FSMA by the Fund, which as a scheme recognised under section 264 of FSMA is an authorised person and as such is regulated by the Financial Conduct Authority ("FCA"). The Prospectus may accordingly be distributed in the UK without restriction. Copies of this Prospectus have been delivered to the FCA as required under FSMA.

Investors can obtain information about the most recently published net asset value of Shares and redemption facilities from the Facilities, Marketing and Sales Agent detailed above.

Written complaints about any aspect of the service including the operations of the Fund, or requests to obtain a copy of the complaints handling procedure can be addressed to the Facilities, Marketing and Sales Agent for submission to the Fund's registered office.

The Management Company intends to seek UK Reporting Fund Status ("UKRFS") for certain Share Classes, including but not necessarily limited to the (dist) Share Classes. For further information on UKRFS, including details of the reportable income of each relevant Share Class (available annually within 6 months of the end of the relevant reporting period), go to jpmorganassetmanagement.lu

**United States of America**

None of the Shares have been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"). The Fund is not and will not be registered under the US Investment Company Act of 1940 nor under any other US federal laws.

In principle, the Fund and/or the Management Company will not, but reserve the right to, accept any subscription from or for the benefit of or holding by a US Person, defined as any of the following:

- any individual person in the United States
- any partnership, trust or corporation organised or incorporated under the laws of the United States
- any agency or branch of a non-US entity located in the United States
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or, if an individual, resident in the United States

A US Person would also include:

- any estate of which any executor or administrator is a US Person
- any trust of which any trustee is a US Person
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person
- any partnership of which any partner is a US Person

In addition, the Fund and/or the Management Company will, in principle, not accept any direct subscription from or direct holding by any individual who is a US citizen or a US tax resident or any non-US partnership, non-US trust or similar tax transparent non-US entity that has any partner, beneficiary or owner that is a US Person, US citizen or US tax resident.

Shares may not be acquired or owned by, or acquired with assets of, (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"); (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986; and/or (iii) a person or entity the underlying assets of which include the assets of any employee benefit plan or plan by reason of Department of Labour Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA. The Management Company reserves the right to request a written representation from investors stating their compliance with the above restrictions prior to accepting subscription requests.

# Fund Business Operations

## Operations and Business Structure

**Fund name** JPMorgan Funds

**Registered office**
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

**Legal structure** Société anonyme, qualifying as a société d'investissement à capital variable ("SICAV").

**Incorporated** 14 April 1969 under the name Multi-Trust Fund.

**Duration** Indefinite.

**Articles** Last modified on 3 December 2018 available for inspection with the Registre de Commerce et des Société.

**Regulatory authority**
Commission de Surveillance du Secteur Financier ("CSSF")
283, route d'Arlon
L-1150 Luxembourg, Grand Duchy of Luxembourg
Tel +352 262 511
Fax +352 262 512 601

**Registration number** B 8478.

**Financial year** 1 July – 30 June.

**Capital** Sum of the net assets of all the Sub-Funds.

**Par value of Shares** None.

## Structure and Governing Law

The Fund is an "umbrella fund" under which the Sub-Funds are created and operate. The assets and liabilities of each Sub-Fund are segregated from those of other Sub-Funds; there is no cross-liability between Sub-Funds (referred to as a share class in the articles). The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS) under Part 1 of the 2010 Law, complies with all applicable UCITS legislation (including EC Directive 2009/65 as amended and related directives and regulations) and is registered on the official list of collective investment undertakings maintained by the CSSF.

Any legal disputes involving the Fund, the Management Company, the depositary or any Shareholder will be subject to the jurisdiction of the competent Luxembourg court, although the Fund can submit itself to the competent court of other jurisdictions in disputes that concern activities or Shareholders in that jurisdiction.

## Board of Directors

A majority of the Board consists of independent Directors. No Directors have executive powers within the Board.

### INDEPENDENT DIRECTORS

***Iain O.S. Saunders, Chair***
Duine, Ardfern
Argyll PA31 8QN, United Kingdom

***Jacques Elvinger***
Elvinger Hoss Prussen, société anonyme
2, place Winston Churchill
B.P. 425, L-2014 Luxembourg, Grand Duchy of Luxembourg

***Susanne van Dootingh***
Nekkedelle 6
3090 Overijse, Belgium

***John Li How Cheong***
The Directors' Office
19 rue de Bitbourg,
L-1273 Luxembourg, Grand Duchy of Luxembourg

***Peter Thomas Schwicht***
Humboldstr 17
D-60318 Frankfurt, Germany

***Martin Porter***
Thornhill, Hammerwood Road
Ashurst Wood, Sussex
RH19 3SL, United Kingdom

### CONNECTED DIRECTORS

***Massimo Greco***
JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London, EC4Y OJP, United Kingdom

***Daniel J. Watkins***
JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited)
21st Floor, Chater House
8 Connaught Road Central Hong Kong

***Marion Mulvey***
JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London, EC4Y OJP, United Kingdom

The Board is responsible for the overall management and administration of the Fund and has broad powers to act on its behalf, including:

- appointing and supervising the Management Company and the other service providers indicated below
- setting investment policy and approving the appointment of the Investment Manager and of any Sub-Investment Managers that are not JPMorgan entities
- making all determinations regarding the launch, modification, merger or liquidation of Sub-Funds and Share Classes, including such matters as timing, pricing, fees, Valuation Days, dividend policy and other conditions
- determining whether to list a Sub-Fund's Shares on the Luxembourg Stock Exchange or any other stock exchange
- determining when and in what manner the Fund will exercise any of the rights reserved in this Prospectus or by statute, and making any associated Shareholder communications
- ensuring that the appointment of the Management Company and the depositary is consistent with the 2010 Law and any applicable contracts of the Fund

The Board has overall responsibility for the Fund's investment activities and other operations. The Board has delegated the day-to-day management of the Fund and its Sub-Funds to the Management Company, which in turn has delegated some or all of its duties to various Investment Managers and other service providers. The Management Company, under the supervision of the Board, remains responsible for the delegated duties and acts.

The Board is responsible for the information in this Prospectus and has taken all reasonable care to ensure that it is materially accurate and complete.

The Board also sets the fees to be paid to independent Directors, subject to

approval by Shareholders (no Director's fees are paid to Directors who are employed by any entity of JPMorgan Chase & Co.). Directors serve until their term ends, they resign, or they are revoked, in accordance with the Articles. Any additional Directors will be appointed in accordance with the Articles and Luxembourg law.

Directors are reimbursed for out-of-pocket expenses in connection with the performance of their duties as a Director.

## Service Providers Engaged by the Board

### THE MANAGEMENT COMPANY

**Management Company name** JPMorgan Asset Management (Europe) S.à r.l

**Registered office**
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

**Other contact information**
Tel +352 34 10 1
Fax +352 2452 9755

**Legal form of company** Société à responsabilité limitée (S.à r.l).

**Incorporated** 20 April 1988, in Luxembourg.

**Articles of Incorporation** Last modified on 8 February 2019 and published in the Mémorial C, Recueil des Sociétés et Associations, on 22 February 2019.

**Regulatory authority**
Commission de Surveillance du Secteur Financier (CSSF)
283, route d'Arlon
L-1150 Luxembourg, Grand Duchy of Luxembourg

**Registration number** B 27900

**Authorised and issued share capital** EUR 10 million.

The Board has appointed the Management Company to perform investment management, administrative and marketing functions and as domiciliary agent. The Management Company typically serves for an indefinite period and the Board can replace the Management Company.

In its capacity as domiciliary agent, the Management Company is responsible for the administrative work required by law and the Articles, and for keeping the books and records of the Sub-Funds and the Fund. The Management Company is subject to Chapter 15 of the 2010 Law.

The Management Company can delegate to third parties some or all of its activities, subject to applicable laws. For example, so long as it retains control and supervision, the Management Company can appoint one or more Investment Managers to handle the day-to-day management of Sub-Fund assets, or one or more advisors to provide investment information, recommendations and research concerning prospective and existing investments. The Management Company can also appoint various service providers; further details can be obtained from its registered office.

The Investment Managers and all service providers typically serve for an indefinite period and the Management Company can replace them periodically.

The names of other funds for which JPMorgan Asset Management (Europe) S.à r.l serves as a management company is available on request from its registered office.

**Remuneration Policy**

The Management Company has a remuneration policy that is designed to:

- contribute to the achievement of short-term and long-term strategic and operational objectives at the same time avoiding excessive risk-taking inconsistent with the risk management strategy
- provide a balanced total remuneration package made up of a mix of fixed and variable components including base salary, cash incentives and long-term, equity based or fund-tracking incentives that vest over time
- promote proper governance and regulatory compliance

Key elements of the policy are intended to:

- tie remuneration of employees to long-term performance and align it with Shareholders' interests
- encourage a shared success culture amongst employees
- attract and retain talented individuals
- integrate risk management and remuneration
- have no remuneration perquisites or non-performance-based remuneration
- maintain strong governance around remunerations practices
- avoid conflicts of interest

The policy applies to all employees, including employees whose professional activities materially impact the risk profile of the Management Company or the Fund, includes a description of how remuneration and benefits are calculated, and sets out the responsibilities for awarding remuneration and benefits, including the composition of the committee that oversees and controls the policy. A copy of the policy is available at am.jpmorgan.com/lu/en/asset-management/adv/funds/policies/ or free of charge from the Management Company.

### Management Company Board of Managers

***Graham Goodhew***
Independent Director
8 Rue Pierre Joseph Redoute
L-2435 Luxembourg, Grand Duchy of Luxembourg

***Massimo Greco***
Managing Director, JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y 0JP, United Kingdom

***Beate Gross***
Managing Director, JPMorgan Asset Management (Europe) S.à r.l
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

***Hendrik van Riel***
Independent Director Via Allessandro Fleming 101/A Rome, Italy

***Kathy Vancomerbeke***
Executive Director, JPMorgan Asset Management (Europe) S.à r.l
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

***Christoph Bergweiler***
Managing Director, JPMorgan Asset Management (Europe) S.à r.l
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

***Sherene Ban***

Managing Director, JPMorgan Asset Management (Singapore) Limited
168 Robinson Road, Capital Tower, Singapore, SG, 068912, Singapore

***Andy Powell***
Managing Director, JPMorgan Investment Management Inc.
277 Park Ave, New York, NY, 10172-0003, United States

## MANAGEMENT COMPANY CONDUCTING OFFICERS

***Gilbert Dunlop***
***Philippe Ringard***
***Beate Gross***
***James Stuart***
***Christoph Bergweiler***

The conducting officers supervise and coordinate the activities of the Management Company and are responsible for the day to day management of the Management Company in accordance with the Luxembourg law.

## DEPOSITARY

**J.P. Morgan Bank Luxembourg S.A.**
6, route de Trèves
L-2633 Senningerberg, Grand Duchy of Luxembourg

The depositary provides such services as:

- maintaining custody of the assets of the Fund
- verifying the ownership, and maintaining an up-to-date record, of all assets held by the Fund
- ensuring that various activities are carried out in accordance with the Board's instructions and, above all, with law, regulation and the Articles; these activities include the calculation of NAV, the processing of dealing requests and the receipt and allocation of income and revenues to each Sub-Fund and Share Class, among others
- carrying out the orders of the Fund and the Management Company, and ensuring that any delegated entities or sub-custodians carry out these orders, unless they conflict with Luxembourg law or the Articles

The depositary is not allowed to carry out activities with regard to the Fund that may create conflicts of interest between the Fund, the Shareholders and the depositary itself, unless it has properly identified these potential conflicts of interest, has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to Shareholders. To address conflicts of interest, the depositary follows the policies and procedures that are outlined in Considerations for Investors under Investing in the Sub-Funds and that are available in full upon request to the Management Company.
The depositary must act independently from the Fund and the Management Company, solely in the interest of the Fund and the Shareholders, and in compliance with UCITS V legislation.
The depositary can, with the Fund's consent, entrust Fund assets to third party banks, financial institutions or clearinghouses, and to sub-custodians, but this will not affect its liability.
The depositary will exercise all due skill, care and diligence to ensure that any delegate is capable of providing an adequate standard of protection. Where the law of a third country requires that certain financial instruments be held in custody by a local entity and there are no local entities that satisfy the delegation requirement, the depositary can delegate to a local entity, provided that the investors have been duly informed and that appropriate instructions to delegate to the relevant local entity have been given by or for the Fund.
The depositary must use reasonable care in exercising its duties and is liable to the Fund and Shareholders for any loss of a financial instrument held in custody, whether held directly or by any of its delegates or sub-custodians. The depositary shall, however, not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The depositary is also liable for any losses resulting from negligent or intentional failure to properly perform its duties, including all duties under UCITS V legislation.
Full updated details regarding the description of the depositary's duties as well as information regarding safekeeping functions delegated by the depositary and the up-to-date list of delegates are available on request from the Management Company. For a current list of sub-custodians used by the depositary, go to jpmorganassetmanagement.lu/listofsubcustodians.

## MAURITIUS SUBSIDIARY

**Mauritius subsidiary name** JPMorgan SICAV Investment Company (Mauritius) Limited

**Legal form of company** open-ended private company limited.

**Incorporated** 9 August 1995 in Mauritius under the Mauritius Companies Act 1984 as a wholly-owned subsidiary.

**Governing legislation** Companies Act 2001, Category 1 Global Business Licence under the Financial Services Development Act 2001.

## MAURITIUS SUBSIDARY BOARD OF DIRECTORS

***Iain O.S. Saunders***
Duine, Ardfern
Argyll PA31 8QN, United Kingdom

***Pierre Dinan***
Cim Fund Services Ltd
33 Edith Cavell Street
Port Louis, Mauritius

***Gyaneshwarnath Gowrea***
CIM Tax Services Ltd
33 Edith Cavell Street
Port Louis, Mauritius

***John Li How Cheong***
The Directors' Office
19 rue de Bitbourg,
L-1273 Luxembourg, Grand Duchy of Luxembourg

***Peter Thomas Schwicht***
Humboldstr 17
D-60318 Frankfurt, Germany

***Susanne van Dootingh***
Nekkedelle 6
3090 Overijse, Belgium

The Mauritius Subsidiary holds a substantial proportion of the assets of the JPMorgan Funds – India Fund to facilitate efficient portfolio management of the assets. The Mauritius Subsidiary has received a tax residence certificate from the Commissioner of Income Tax in Mauritius, on which basis the Mauritius Subsidiary should, subject to the recent changes detailed below, be entitled to appropriate relief under the India/Mauritius Double Taxation Treaty. The Mauritius Subsidiary makes direct investment in India.

The directors of the Mauritius Subsidiary are responsible for establishing the investment policy and restrictions of the Mauritius Subsidiary and for monitoring its operations. The Mauritius Subsidiary adheres to the investment policy and restrictions contained in this Prospectus which apply to the JPMorgan Funds – India Fund and the Fund. The Mauritius Subsidiary carries out exclusively activities consistent with investment on behalf of the Sub-Fund.

The Mauritius Subsidiary has appointed IQ EQ Funds Services Limited, Port Louis, Mauritius to provide company secretarial and administrative services, including maintenance of accounts, books and records. IQ EQ Funds Services Limited is incorporated in Mauritius and is licensed by the Mauritius Offshore Business Activities Authority to provide inter alia company management services to offshore companies. All cash, securities and other assets constituting the assets of the Mauritius Subsidiary shall be held under the control of the Depositary on behalf of the Mauritius Subsidiary. The Depositary may entrust the physical custody of securities and other assets, mainly securities traded abroad, listed on a foreign stock market or accepted

by clearing institutions for their transactions, to such institutions or to one or more of its banking correspondents. PricewaterhouseCoopers of Cathedral Square, Port Louis, Mauritius have been appointed auditors of the Mauritius Subsidiary.

As a wholly owned subsidiary of the Fund, all assets and liabilities, income and expenses of the Mauritius Subsidiary are consolidated in the statement of net assets and operations of the Fund. All investments held by the Mauritius Subsidiary are disclosed in the accounts of the Fund.

The use of the Mauritius Subsidiary and the beneficial tax treatment on Indian capital gains tax it is afforded is based on the law and practice currently in force in the relevant countries as understood by the Directors after making all reasonable enquiries. It is subject to any future changes and such changes may adversely affect the returns of the Sub-Fund. Please note that the India/Mauritius Double Taxation Treaty will no longer be applicable from 31st March 2019 and from this time capital gains on disposal of securities listed on the Indian stock exchange will typically be subject to tax at rates of 0% or 15% depending on the length of time the relevant investment has been held. There are currently transitional and grandfathering provisions which may also impact the position.

# Service Providers Engaged by the Shareholders of the Fund

## AUDITOR

**PricewaterhouseCoopers, société cooperative**
2, rue Gerhard Mercator, B.P. 1443
L-1014 Luxembourg, Grand Duchy of Luxembourg
The auditor provides independent review of the financial statements of the Fund and all Sub-Funds once a year. The auditor is appointed annually at the annual general meeting of Shareholders.

# Service Providers Engaged by the Management Company

## INVESTMENT MANAGERS

The Management Company has delegated the investment management of each Sub-Fund to one or more of the Investment Managers listed below. The Management Company can appoint any other entity of JPMorgan Chase & Co. to be an Investment Manager in which case this Prospectus will be updated.

***JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited)***
21st Floor, Chater House
8 Connaught Road Central Hong Kong

***J.P. Morgan Alternative Asset Management, Inc.***
383 Madison Avenue
New York, NY 10179, United States of America

***JPMorgan Asset Management (Japan) Limited***
Tokyo Building, 7-3 Marunouchi 2-chome Chiyoda-ku Tokyo 100-6432, Japan

***JPMorgan Asset Management (Singapore) Limited***
17th Floor, Capital Tower 168 Robinson Road, Singapore 068912

***JPMorgan Asset Management (UK) Limited***
60 Victoria Embankment
London EC4Y 0JP, United Kingdom
Authorised and regulated by the FCA.

***J.P. Morgan Investment Management Inc.***
383 Madison Avenue
New York, NY 10179, United States of America
The Investment Managers are responsible for day-to-day management of the Sub-Funds' portfolios in accordance with the stated investment objectives and policies. The Investment Manager may, from time to time, sub-delegate part or all of the investment management function to one or more affiliates of JPMorgan Chase & Co.
To see the Investment Manager(s) responsible for each Sub-Fund, go to am.jpmorgan.com/lu/en/asset-management/adv/funds/administrative-information/

## SUB-INVESTMENT MANAGERS

The Investment Manager may be authorised to delegate investment management and advisory duties for a Sub-Fund to one or more Sub-Investment Managers that are not affiliated with JPMorgan Chase & Co.

### Commission Sharing Arrangements

An Investment Manager may enter into commission sharing arrangements, but only where all of the following are true:

- there is a direct and identifiable benefit to the clients of the Investment Managers including the Fund
- the Investment Managers are satisfied that the transactions generating the shared commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the Fund and its Shareholders
- the terms of the arrangements are commensurate with best market practice

Depending on local regulation, an Investment Manager can pay for research or execution services using soft commissions or other similar arrangements. From 1 January 2018, only certain Sub-Funds as disclosed on www.jpmorganassetmanagement.lu may use commission sharing / soft commission to pay for external research.

## PRIME BROKERAGE ARRANGEMENTS

The Fund or Investment Managers may appoint one or several Prime Brokers to provide brokerage and dealing services to the Fund.
In relation to the purchases and sale transaction that the Prime Brokers will settle for the Fund, the Prime Brokers can provide financing to the Fund and hold assets and cash on behalf of the Fund in connection with such settlement and financing transactions. As security for the payment and performance of its obligations and liabilities to the Prime Brokers, the Fund will advance to the Prime Brokers collateral in the form of assets or cash.

For the identity of any Prime Brokers and other relevant information, go to am.jpmorgan.com/lu/en/asset-management/adv/funds/administrative-information/ .

## LEGAL ADVISER

***Elvinger Hoss Prussen, société anonyme***
2, place Winston Churchill, B.P. 425
L-2014 Luxembourg, Grand Duchy of Luxembourg

The legal adviser provides independent legal advice on business, regulatory, tax, and other matters, as requested.

## SALES AGENTS AND DISTRIBUTORS

The Management Company appoints sales agents and Distributors (entities or individuals who arrange or carry out the marketing, sales or distribution of Sub-Fund Shares). In some countries, use of an agent is mandatory.

# Glossaries

## GLOSSARY 1 DEFINED TERMS

The following terms have these specific meanings within this document. All references to laws and documents apply to those laws and documents as amended from time to time.

**2010 Law** The Luxembourg law of 17 December 2010 on undertakings for collective investment. Words and expressions that are not defined in the Prospectus but are defined in the 2010 Law have the same meaning as in the 2010 Law.

Additional Investors Entities that are eligible for I, I2, S1, S2, X and Y Shares in the EU in addition to Eligible Counterparties (as defined below). These entities are the following:

- charitable institutions registered in their jurisdictions
- companies traded or listed on a regulated market and Large Companies (as defined below)
- corporate entities or holding companies, including personal investment companies, where the purpose is to hold substantial financial interests/investments
- local authorities and municipalities
- non-UCITS collective investment schemes and their management companies
- reinsurance companies
- social security institutions

**Articles** The Articles of Incorporation of the Fund.

**Base Currency** The currency in which a Sub-Fund maintains its financial statements and calculates its total net assets.

**Benchmark** An index or rate, or a combination of indices or of rates, specified as being a point of reference for a Sub-Fund. The particular purposes for which a Sub-Fund uses its Benchmark are stated in Sub-Fund Descriptions. Where a Sub-Fund's Benchmark is part of the policy, this is stated in the investment objective and policy in Sub-Fund Descriptions. With respect to benchmarks, "Total Return Net" means the return is quoted after any tax on dividends, "Total Return Gross" means it is quoted before any tax on dividends, and "Price Index" means the return excludes dividend income

**Benchmarks Regulation** Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014).

**Bid Price and Offer Price** Shares of each Share Class are issued at the Offer Price of such Share Class determined on the applicable Valuation Day in accordance with the relevant provisions under Calculation of_CALCULATION OF BIDBid and Offer Price.

Subject to certain restrictions specified herein, Shareholders may at any time request redemptions of their Shares at the Bid Price of the relevant Share Class determined on the applicable Valuation Day in accordance with the relevant provisions under Calculation of Bid and Offer Price.

**Board** The Board of Directors of the Fund.

**Caisse de Consignation** The Luxembourg government agency responsible for safekeeping unclaimed assets.

**CDSC** A contingent deferred sales charge, a charge that is deducted from redemption proceeds and is calculated, at the time of redemption, on the purchase price of the Shares for T Shares and NAV per Share on redemption for F Shares.

**China-Hong Kong Bond Connect** China-Hong Kong Bond Connect is a bond trading and clearing linked programme through which investments are made in onshore debt securities issued within the PRC.

**China-Hong Kong Stock Connect Programmes** The Shanghai-Hong Kong Stock Connect Programme and any other similarly regulated securities trading and clearing-linked programmes through which investments are made in Chinese domestic securities.

**CSRC** The China Securities Regulatory Commission.

**CSSF** The Commission de Surveillance du Secteur Financier, the Luxembourg financial regulator.

**Director** A member of the Board.

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

**Eligible Counterparty(ies)** Entities designated as Eligible Counterparties per se in Article 30 (2) of Directive 2014/65/EU on markets in financial instruments as well as the entities qualifying as Eligible Counterparties in accordance with their national law as per the provisions of Article 30 (3) of Directive 2014/65/EU and Article 71 (1) of Commission Delegated Regulation 2017/565/EU. Eligible Counterparties per se are:

- investment firms
- credit institutions
- insurance companies
- pension funds and their management companies
- UCITS and their management companies
- financial institutions authorised or regulated under European Union law or under the national law of a EU Member State
- national governments and their corresponding offices including public bodies that deal with public debt at national level
- central banks and supranational organisations

For the purpose of the Share Classes eligibility requirements, investment firms, credit institutions and authorised and regulated financial institutions referred to above must subscribe in the Share Classes (i) on their own behalf or through structures managing their own assets (ii) in their own name but on behalf of other Eligible Counterparties or Additional Investors or (iii) in their own name but on behalf of their clients on the basis of a discretionary management mandate.

Eligible State Any EU Member State, any member state of the OECD, and any other state which the Directors deem appropriate with regard to the investment objectives of each Sub-Fund. Eligible States in this category include countries in Africa, the Americas, Asia, Australasia and Europe.

**ESMA** The European Securities and Markets Authority, an independent EU Authority that contributes to safeguarding the stability of the EU's financial system by ensuring the integrity, transparency, efficiency and orderly functioning of securities markets, as well as enhancing investor protection.

**EU Member State** A member state of the European Union.

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

**Forward Pricing** A price calculated at the valuation point following the Sub-Fund's deal cut off time by which all dealing requests in Shares must be received.

**Fund** JPMorgan Funds (except when it appears as part of the name of a Sub-Fund).

**G20** The "Group of Twenty", the central forum for international cooperation

on financial and economic issues, which comprises: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK, USA and the European Union.

**Institutional Investor** Institutional Investor within the meaning of Article 174 of the 2010 Law such as:

- banks and other professionals of the financial sector, insurance and reinsurance companies, social security institutions and pension funds, industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such Institutional Investors put into place for the management of their own assets
- credit institutions and other professionals of the financial sector investing in their own name but on behalf of Institutional Investors as defined above
- credit institutions or other professionals of the financial sector which invest in their own name but on behalf of their clients on the basis of a discretionary management mandate
- collective investment schemes and their managers
- holding companies or similar entities, whose shareholders are Institutional Investors as described in the foregoing paragraphs
- holding companies or similar entities, whether Luxembourg-based or not, whose shareholder/beneficial owners are individual person(s) who are extremely wealthy and may reasonably be regarded as sophisticated investors and where the purpose of the holding company is to hold important financial interests/investments for an individual or a family
- a holding company or similar entity which as a result of its structure, activity and substance constitutes an Institutional Investor in its own right
- governments, supranationals, local authorities, municipalities or their agencies

**Investment Manager** The entity that performs the investment management and advisory functions for a Sub-Fund.

**JPMorgan Chase & Co.** The Management Company's ultimate holding company (principal office: 383 Madison Avenue, New York, N.Y. 10179, USA) and that company's direct and indirect subsidiaries and affiliates worldwide.

**JPMorgan Chase Bank, N.A./JPMCB** An affiliate of the Management Company.

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

**Large Company** For the purpose of the Share Classes eligibility requirements, a company within the meaning of item (2) of section I of Annex II of directive 2014/65/EU.

**Management Company** The entity with overall responsibility for business management of the Fund.

**Minimum Amount of Assets under Management** Minimum amount of assets is determined by the Management Company (excluding investments in the JPMorgan Liquidity Funds range, JPMorgan Funds – Managed Reserves Fund and JPMorgan Funds – Sterling Managed Reserves Fund) via segregated mandates and/or collective investment schemes, managed and/or administrated by any entities of the JPMorgan Asset Management group, including but not limited to the Management Company and the Investment Managers.

**Money Market Sub-Fund** Any Sub-Fund duly authorised in accordance with the provisions of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time.

**NAV** Net asset value per Share.

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

**PRC** The People's Republic of China, not including Hong Kong, Macau or Taiwan.

**PRC Custodian** China Construction Bank Corporation ("CCB") a company incorporated in China and having its principal place of business at No. 25 Finance Street, Beijing, PR China, 100032

**Prime Broker** A credit institution, regulated investment firm or other entity subject to prudential regulation and ongoing supervision with whom the Fund has a prime brokerage agreement. A prime broker serves as counterparty to transactions in portfolio investments and may help with the financing, execution, clearing and settlement of trades, as well as providing custodial services, securities lending, customised technical services and operational support.

**Prospectus** This document.

**Privacy Policy** The Privacy Policy issued by JPMorgan Asset Management on behalf of itself, its subsidiaries and its affiliates which is available at www.jpmorgan.com/emea-privacy-policy .

**QFII** An entity that meets the relevant PRC laws and requirements to be a qualified foreign institutional investor.

**QFII/RQFII Eligible Securities** Securities and other investments that a QFII or RQFII can hold or make under QFII/RQFII Regulations.

**QFII/RQFII Regulations** The laws and regulations governing the establishment and operation of the qualified foreign institutional investor's regime and the Renminbi qualified foreign institutional investor's regime in the PRC.

**Regulated Market** A market that meets the requirements stated in item 21 of Article 4 of the European Parliament and the Council Directive 2014/EU of 15 May 2014 on markets in financial instruments (and amending Directive 2002/92/EC and Directive 2011/61/EU) as well as any other market in an Eligible State which is regulated, operates regularly and is recognised and open to the public.

**RQFII** A Renminbi qualified foreign institutional investor investing directly in domestic securities of the PRC under the RQFII Regulations.

**SAFE** The PRC State Administration of Foreign Exchange.

**Share** A share of any Sub-Fund.

**Share Class** A class of Shares.

**Share Class Currency** The currency in which a given Share Class is denominated, which may or may not be the same as the Base Currency of the Sub-Fund.

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

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

**Short-Term Money Market Sub-Fund** Any Sub-fund duly authorised in accordance with the provisions of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time

**Sub-Fund** Any sub-fund of the Fund.

**UCI** An Undertaking for Collective Investment.

**UCITS** An Undertaking for Collective Investment in Transferable Securities governed by the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

**UCITS V Directive** Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions.

**UCITS V Legislation** UCITS V Directive, UCITS V Regulation and the relevant provisions of Part I of the 2010 Law and any derived or connected EU or

national act, statute, regulation, circular or binding guidelines.

**UCITS V Regulation** Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive.

**Valuation Day** A day on which a Sub-Fund accepts dealing requests and calculates a NAV per Share for each Share Class. Subject to any further restrictions specified for a Sub-Fund under Sub-Fund Descriptions, a Valuation Day is a week day other than a day on which any exchange or market on which a substantial portion of a Sub-Fund's investments is traded, is closed. When dealings on any such exchange or market are restricted or suspended, the Management Company may, in consideration of prevailing market conditions or other relevant factors, decide that a particular day will not be a Valuation Day. 1 January, Easter Monday, 24 – 26 December inclusive and any other day specified in the relevant Sub-Fund Descriptions are also non-valuation days. By exception to the above, on 31 December provided it is not a Saturday or Sunday a NAV per Share for each Share Class will be calculated however no dealing requests will be accepted. For a list of expected non-dealing and non-valuation days, go to https://am.jpmorgan.com/lu/en/asset-management/adv/funds/administrative-information/dealing-information/.

**Value at Risk (VaR)** A statistical estimate, made with a high degree of confidence, of the maximum potential loss that is likely to arise over a given time interval under normal market conditions.

## GLOSSARY 2 GENERAL INVESTMENT TERMS

While this glossary does reflect the meanings intended in this Prospectus, its definitions are primarily informational (as opposed to legal) and are intended to provide helpful general descriptions of common securities, techniques and other terms.

**absolute return** Performance that is positive in terms of an increase in NAV, as opposed to performance relative to a Benchmark or other measure.

**active extension** A 130/30 investment approach that seeks to improve potential returns through shorting securities and increasing long positions without increasing overall net market exposure. The Sub-Fund's long and short positions will normally be approximately 130% long and approximately 30% short, however these targets may vary depending on market conditions. The Sub-Fund's exposures are readjusted periodically to seek to maintain these ranges.

**agency mortgage-backed security** A mortgage-backed security issued by a U.S. government-sponsored agency such as the Student Loan Marketing Association (Sallie Mae), the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac).

**aggressively managed** Managed with higher turnover and risk than an applicable benchmark.

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

**ASEAN** Association of South East Asian Nations. Current members are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. The composition of the ASEAN may change over time.

**asset-backed commercial papers (ABCPs)** A short-term debt, generally limited to a maturity of no more than 397 days and is issued on a discount basis. The proceeds of ABCP issuance are primarily used to obtain interests in various assets for example trade receivables, consumer debt receivables or auto loans. Such financings may take the form of a traditional asset purchase or a secured loan.

**asset-backed security (ABS)** A debt security whose yield, credit quality and effective maturity derive from an interest in an underlying pool of debt assets, such as credit card debt, car loans, consumer loans, equipment lease and collateralised repo loans.

**average life** A measure of how long it takes, on average, for the assets underlying an asset-backed security to repay their principal.

**below investment grade** Debt securities from less creditworthy issuers. These securities are rated Ba1/BB+ or lower using the highest rating available from one of the independent ratings agencies e.g. Standard & Poor's, Moody's or Fitch. Also known as "high yield" securities, because they typically offer higher income in exchange for their higher level of default risk compared to investment grade debt securities.

**beta** A measure of the risk of a security in comparison to the market as a whole.

**blue chip companies** Large companies that are widely recognised, well-established and appear to be financially sound

**Brady bond** A bond denominated in USD and issued by the government of a developing country under the Brady Plan, a program designed to help Latin American countries pay off a portion of the debt they owe to the United States of America.

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

**catastrophe bond** A type of bond debt security where the return of the principal and payment of interest is dependent on the non-occurrence of a specific trigger event such as a hurricane, earthquake or other physical or weather-related phenomenon.

**China A-Shares and China B-Shares** Most companies listed on Chinese stock exchanges will offer two different share classes. China A-Shares are traded in Renminbi on the Shanghai and Shenzhen stock exchanges by companies incorporated in mainland China. China B-Shares are quoted in foreign currencies (such as the USD) on the Shanghai and Shenzhen stock exchanges and are open to both domestic and foreign investments.

**CIS States** Commonwealth of Independent States, an alliance of former Soviet Socialist Republics in the Soviet Union prior to its dissolution in December 1991. The member states include: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

**claw-back mechanism** A performance fee may accrue where there is negative return, provided that the performance exceeds the performance fee Benchmark return since the last time a performance fee was paid.

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

**collateralised mortgage obligation (CMO)** A mortgage-backed security that is divided into tranches with different levels of exposure to any loans that become non-performing.

**commodities** Physical goods that fall into one of two categories: hard commodities such as metals (for example, gold, copper, lead, uranium), diamonds, oil and gas; and soft commodities such as agricultural products, wool, cotton and foodstuffs (for example, cocoa, sugar, coffee).

**contingent convertible security** A type of security that typically functions as a bond so long as certain pre-determined conditions are not triggered. These triggers may include measures of the issuer's financial health remain above a certain level or the share price falling below a specified level.

**contracts for difference (CFD)** An arrangement made in a futures contract whereby differences in settlement are made through cash payments, rather than by the delivery of physical goods or securities. CFDs provide investors with the all the benefits and risks of owning a security without actually owning it.

**convertible security** A type of security that generally has characteristics similar to both debt and equity securities. These securities can, or must be, exchanged for a set number of shares (usually of the issuing company) once a predetermined price or date is reached.

**correlation** A statistical measure of how closely the values of two assets or markets move in relation to each other.

**counterparty** Any financial institution providing services or acting as a party to derivatives or other instruments or transactions.

**covered bond** A bond backed by assets (such as a pool of mortgages) that remain on the issuer's balance sheet, thus exposing the bondholder to the financial health of the issuer both directly and indirectly.

**credit default swap (CDS)** A derivative that functions like default insurance, in that it transfers the default risk of a bond to a third party, in exchange for premium payments. If the bond does not default, the seller of the CDS profits from the premiums. If the bond defaults, the seller of the CDS is obliged to pay the buyer some or all of the defaulted amount, which would likely be more than the value of the premiums received.

**credit default swap indices (CDX/ iTraxx)** Centrally cleared credit derivatives comprised of CDS's. CDX is comprised of CDS on North American or emerging market companies. iTraxx is comprised of CDS on European, Asian and emerging market companies and sovereigns. Can be used to hedge credit risk or obtain credit exposure to a basket of credit securities. If there is a default by a constituent of the CDX or iTraxx, the protection buyer is compensated through receipt of cash from the protection seller, similar to a cash settled CDS.

**credit strategy** Investment strategy that seeks to benefit from investing in credit related strategies. This could be on a relative value or directional (i.e. buying securities considered undervalued and selling short securities considered overvalued) approach in credit oriented instruments.

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

**currency overlay** Active currency management with the aim of generating additional returns.

**deal risk premium** The difference between the current market price of a company's shares and the price offered by a potential acquiring company, which is usually higher to compensate for the risk that the deal may not go through.

**derivative** An instrument or private contract whose value is based on the value and characteristics of one or more reference assets, such as a security, an index or an interest rate. A small movement in the value of the reference asset can cause a large movement in the value of the derivatives.

**directional risk** The risk that a Sub-Fund could underperform a Benchmark by lacking direct exposure to a particular security or group of securities that experiences above-average increases in value.

**diversified** In connection with a Sub-Fund, investing in a wide variety of companies or securities.

**duration** A measure of the sensitivity of a debt security or a portfolio to changes in interest rates. An investment with a duration of 1 year can be expected to decline 1% in value with every 1% rise in interest rates.

**emerging markets** Countries with less established financial markets and investor protections. Examples include most countries in Asia, Latin America, Eastern Europe, the Middle East and Africa.

The list of emerging and less developed markets is subject to continuous change. Broadly, they include any country or region other than the United States of America, Canada, Japan, Australia, New Zealand and Western Europe. Specifically, emerging and developing countries are those that have an emerging stock market in a developing economy as defined by the International Finance Corporation, have low or middle income economies according to the World Bank, or are listed in World Bank publications as developing.

**Environmental, Social and Governance (ESG)** Non-financial considerations that may positively or negatively affect an issuer's revenues, costs, cash flows, value of assets and/or liabilities. Environmental relates to the quality and functioning of the natural environment and natural systems such as carbon emissions, environmental regulations, water stress and waste. Social relates to the rights, wellbeing and interests of people and communities such as labour management and health and safety. Governance relates to the management and oversight of companies and other investee entities such as board, ownership and pay .

**equity-related security** A security that provides indirect ownership of, or results in the acquisition of, an equity. Examples include warrants, depositary receipts, convertible securities, index and participation notes and equity linked notes.

**equity swap** A form of derivative, generally one in which the parties exchange a fixed or floating interest rate return for the return on an equity security or index.

**Eurobond** A bond issued in a currency other than the currency of the country or market in which it is issued.

**event driven strategy** A strategy of investing in securities that appear to have the potential to benefit from a possible merger, corporate restructuring or bankruptcy.

**exchange traded commodity** An investment that tracks the performance of either individual commodities or commodity indices and which is traded on a stock exchange.

**exchange traded fund (ETF)** An investment that represents a pool of securities – typically one that tracks the performance of an index – and which is traded on a stock exchange.

**extension risk** Risk that rising interest rates will slow the rate at which loans in a pool will be repaid, thereby delaying the repayment of the principal to investors.

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

**government bond** Bonds issued or guaranteed by governments or their agencies, US municipalities, quasi-government entities and state sponsored enterprises. This would include any bank, financial institution or corporate entity whose capital is guaranteed to maturity by a government, its agencies or government-sponsored enterprises. For the avoidance of doubt, US municipalities are not eligible under article 45 (1) of the 2010 Law.

**growth** An investment approach that focuses on equity securities whose fundamentals (such as sales, earnings or assets) are expected to grow at an above-average rate relative to the market.

**high water mark mechanism** A performance fee may only be accrued where the NAV per Share is higher than the greater of the NAV per Share at launch of the Share Class, and the NAV per Share at which the last performance fee was paid

**investment grade** Bonds that are considered by a credit rating agency as appearing generally capable of meeting their payment obligations. Bonds rated BBB-/Baa3 or higher using the highest rating available from one of the independent ratings agencies e.g. Standard & Poor's, Moody's or Fitch are considered investment grade. Unrated onshore Chinese bond issues may be deemed investment grade to the extent that their issuers hold an international investment grade rating by at least one independent international rating agency.

**LIBID** The London Interbank Bid Rate, the rate a bank is willing to pay to attract a deposit from another bank in the London interbank market.

**LIBOR/ICE LIBOR** The London Interbank Offer Rate, the average rate a bank is willing to pay to borrow funds from another bank in the London interbank market. Administered by Intercontinental Exchange and published daily.

**liquidity** The extent to which an asset can be bought or sold in the market without significantly affecting the asset's price or the time required to find a buyer or a seller.

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

**long/short equity strategy** A strategy that involves taking long exposure to

securities that are expected to increase in value and short exposure to equity securities that are expected to decrease in value or are otherwise not viewed as attractive.

**mark-to-market** The valuation of positions at readily available closing prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers.

**mark-to-model** Any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market inputs.

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

**mid-cap, mid-capitalisation** Companies whose market capitalisation is typically within the market capitalisation of companies in the Russell Midcap Index at the time of purchase.

**money market instrument** A financial instrument that is liquid and has a value that can be accurately determined at any time, and that meets certain credit quality and maturity requirements.

**mortgage-backed security (MBS)** A debt security whose yield, credit quality and effective maturity derive from an interest in an underlying pool of mortgages. The underlying mortgages may include, but are not limited to, commercial and residential mortgages, and the mortgage-backed securities may be agency (created by quasi US government agencies) and non-agency (created by private institutions).

**NAV hedge** A hedging method whereby the Base Currency of the Sub-Fund is systematically hedged to the Share Class Currency of the currency hedged Share Class.

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

**opportunistic / global macro strategy** A strategy that bases its investment decisions mainly on economic and political factors worldwide (macroeconomic principles).

**Pacific Basin** Australia, Hong Kong, New Zealand, Singapore, China, Indonesia, Korea, Malaysia, the Philippines, Taiwan, Thailand and the Indian sub-continent, excluding the United States of America, Central and South America.

**portfolio hedge** A hedging method whereby the currency exposures of the Sub-Fund's portfolio holdings attributable to the currency hedged Share Class are systematically hedged back to the Share Class currency of the currency hedged Share Class unless for specific currencies it is impractical or not cost effective to apply the hedging.

**portfolio hedge strategy** A strategy that aims to benefit from offsetting risks inherent in other parts of the portfolio.

**quantitative screening** Selection based on a mathematical analysis of the measurable figures of a company, such as the value of assets or projected sales. This type of analysis does not include a subjective assessment of the quality of management.

**rating agency** An independent organisation that rates the creditworthiness of debt security issuers. Examples are Standard & Poor's, Moody's and Fitch.

**real estate investment trust (REITs)** An investment vehicle that represents ownership in real estate (whether residential, commercial or industrial) or in an enterprise involved in real estate-related activities, such as the development, marketing, management or financing of real estate.

The units of a closed-ended REIT which are listed on a Regulated Market may be classified as transferable securities listed on a Regulated Market, thereby qualifying as eligible investments for a UCITS under the 2010 Law.

Investments in closed-ended REITs, the units of which qualify as transferable securities but, which are not listed on a Regulated Market, are limited to 10% of the NAV of a Sub-Fund (together with any other investments made in accordance with investment restriction 3 in the table Permitted Assets, Techniques and Instruments under Investment Restrictions and Powers).

The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established.

**relative value strategy** An investment strategy that aims to benefit from price differences of one security compared to another related security or the market overall.

**reverse repurchase transactions** The purchase of securities and the simultaneous commitment to sell the securities back at an agreed price on an agreed date.

**risk-free rate of return** Generally understood as meaning the expected return from an investment that is perceived to be risk-free, such as U.S. Treasury bills.

**risk premia** Exposures to groups of financial securities which have a common risk characteristic for which investors expect to be compensated over time above the risk-free rate of return. This sources of return may be genuine risk preferences, behavioural biases or market structure. Risk Premia may be exploited with respect to specific stocks or more general asset classes such as equity indices or currencies.

**securities lending** A transaction by which a lender transfers securities subject to a commitment that a borrower will return equivalent securities on a stated future date or on request by the lender.

**security** A negotiable instrument representing financial value. The category includes equities, bonds and money market instruments, as well as futures, options, warrants and other negotiable securities which carry the right to acquire other transferable securities by subscription or exchange.

**senior debt security** A debt security that takes priority over other debt securities sold by the issuer, with regard to claims on assets or earnings should the issuer fail to meet its payment obligations.

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

**stock deal** A merger in which the acquiring company offers shareholders of the target company shares in the acquiring company in exchange for shares of the target company. A target company is a company that is, or is likely to become, involved in a merger or other corporate activity.

**SPAC** a Special Purpose Acquisition Company, which is a stock exchange listed company formed to raise money with the intention to acquire a privately held company. A SPAC is allowed a stated amount of time to find an acquisition or otherwise must return its funds to investors.

**structured product** An investment based on a basket of underlying securities such as equity and debt securities and derivatives, where the return is linked to the performance of the underlying securities or index.

**subordinated debt security** A debt security that ranks below other debt securities of the issuer as to claims on assets or earnings should the issuer fail to meet its payment obligations.

**TBAs (to-be-announced securities)** A forward contract on a generic pool of mortgages. The specific mortgage pools are announced and allocated after the security has been purchased but prior to the delivery date.

**time deposit** Deposit held in a financial institution, usually a bank, for a certain period of time.

**total return swap** A derivative in which one counterparty transfers the total economic performance (including income from interest and fees, gains and losses from price movements, and credit losses) of a reference obligation to another counterparty. See derivative.

**value** A strategy of investing mainly in equities that are trading at a discount with respect to their fundamentals (such as turnover, earnings and assets) and are therefore considered to be undervalued.

**volatility** Statistical measure of the variation of price for a given security or Sub-Fund. Commonly, the higher the volatility, the riskier the security or Sub-Fund.

**warrant** An investment that gives the owner the right, but not the obligation, to buy securities such as shares at an agreed price by a future

date.

**weighted average duration** The average duration of all the securities in a portfolio, calculated by weighting the duration of individual securities by their size relative to the portfolio as a whole. See duration.

**weighted average market capitalisation** The average market value of all the securities in a portfolio, calculated by weighting the market capitalisation of individual securities by their size relative to the portfolio as a whole.

**weighted average life or WAL** The average length of time to legal maturity of all of the underlying assets in the MMF reflecting the relative holdings in each asset.

**weighted average maturity or WAM** The average time to maturity of all the securities in a portfolio, calculated by weighting the maturity of individual securities by their size relative to the portfolio as a whole.

The higher the weighted average to maturity, the longer the securities in the portfolio have until maturity. Commonly used as a simple indicator of interest rate sensitivity in a portfolio of short-term money market instruments. See maturity.

**Yankee bond** A USD-denominated bond issued in the US by a non-US bank or corporation.

## NEXT STEPS

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Asset Management

## APPENDIX 4

## Data Protection Notice

### 1. INTRODUCTION

1.1 This Data Protection Notice sets out how personal information is collected, processed and disclosed in connection with the Trust.

1.2 As a result of a proposed or actual investment in the Trust either made by you or a firm or entity with which you have a connection (the "**Applicant**"), your personal information and/or the personal information of other relevant individuals of the Applicant (such as directors, officers, employees or beneficial owners) may be provided to the Trust, the Trustee or the Manager (where such relevant individuals and the Applicant shall together be referred to as the "**Relevant Individual**"). Such information may be received by the Trustee or the Manager in its capacity as trustee or manager of the Trust or in its own capacity (as the context may require in each case), and references to the "Trustee" or "Manager" in this Data Protection Notice shall be interpreted accordingly. References to the "Fund" shall be interpreted as the Trust acting by its Trustee.

1.3 Each of the Trustee and the Manager may act as data controller in respect of its use of personal information provided by a Relevant Individual. In this Data Protection Notice "we" or "us" refers to the Trustee and the Manager and "**you**" refers to the Relevant Individual.

1.4 Service providers appointed by the Trust as disclosed in the Prospectus from time to time, including any replacement trustee or manager, may also process personal information relating to Relevant Individuals when conducting administrative and other activities relating to the Trust. Where they are required to do so in order to comply with their own legal and regulatory obligations, they will do so as data controllers in their own right.

1.5 This Data Protection Notice sets out how the personal information of Relevant Individuals is collected, processed and disclosed in connection with the Applicant's investment in the Trust. Unless otherwise provided for in this Data Protection Notice, terms and expressions defined in the Prospectus shall have the same meaning where used in this Data Protection Notice.

### 2. THE PERSONAL INFORMATION WE PROCESS

2.1 The personal information about you that we may process as part of the Applicant's investment in the Trust includes: your name, your employer, job title and contact details, tax residence information, payment details for dividend and redemption proceeds, KYC/CDD information and any personal information provided in communications or dealings with us.

2.2 We may also collect and process personal data regarding people connected to you, either by way of professional (or other) association or by way of family relationship.

### 3. WHERE WE OBTAIN YOUR PERSONAL INFORMATION:

3.1 We collect your personal information from the following sources:

3.1.1 personal information which you give to us or which is given to us by the Applicant, including but not limited to:

(a) information set out in the application form;

(b) such other forms and documents as we may request that are completed in relation to the administration/management of any investment in the Trust;

(c) information gathered through client due diligence carried out as part of our compliance with regulatory requirements; or

(d) any personal information provided by way of correspondence with us by phone, e-mail or otherwise;

3.1.2 personal information we receive from third party sources, such as:

(a) entities in which you or someone connected to you has an interest;

(b) your legal and/or financial advisors;

(c) other financial institutions who hold and process your personal information; and

(d) credit reference agencies and financial crime databases for the purposes of complying with our regulatory requirements; and

3.1.3 personal information received in the course of dealing with advisors, regulators, official authorities and service providers by whom you are employed or engaged or for whom you act.

## 4. WHY WE COLLECT YOUR PERSONAL INFORMATION:

*Lawful grounds for processing:*

4.1 We may hold and process your personal information on the following lawful grounds, namely where:

4.1.1 the processing is necessary for our legitimate interests, provided your interests and fundamental rights do not override those interests;

4.1.2 the processing is necessary to comply with our respective contractual duties to the Applicant under the terms of this application form and any supplemental agreements thereto;

4.1.3 the processing is necessary to comply with our legal and regulatory obligations;

4.1.4 (on exceptional occasions) where we have obtained your consent to processing your personal information for a specific purpose; and

4.1.5 on rare occasions, where it is needed in the public interest.

*Purposes of processing*

4.2 Pursuant to paragraph 4.1 above, your personal information may be processed for the purposes set out below ("**Purposes**"). The Purposes based on our legitimate interests are set out in paragraphs 4.2.1 to 4.2.3 inclusive):

4.2.1 facilitating the administration of each of the Trust and its service providers;

4.2.2 communicating with you as necessary in connection with the Applicant's investment in the Trust;

4.2.3 monitoring and recording telephone and electronic communications and transactions:

(a) for quality, business analysis, training and related purposes in order to improve service delivery; and

(b) for investigation and fraud prevention purposes, for crime detection, prevention, investigation and prosecution of any unlawful act (or omission to act);

4.2.4 to comply with the legal, regulatory, reporting and/or financial obligations of the Trust or any legal or regulatory obligations of any service provider or functionary (or his/her employer) of the Trust;

4.2.5 to enforce or defend the rights of the Trust, Trustee and/or Manager, or those of third party service providers;

4.2.6 collecting, processing, transferring and storing customer due diligence, source of funds information and verification data under applicable anti-money laundering and terrorist financing laws and regulations; and

4.2.7 liaising with or reporting to any regulatory authority (including tax authorities) with whom we are either required to cooperate or report to, or with whom we decide or deem it is appropriate to cooperate in relation to an investment, and which has jurisdiction over the Trust or its investments.

## 5. SHARING PERSONAL INFORMATION

5.1 We may share your personal information with our group companies and third parties, including banks, financial institutions or other third party lenders, IT service providers, auditors and legal professionals to facilitate the running of our business.

5.2 Where we share your information with a third party, we require the recipients of that personal information to put in place adequate measures to protect it.

5.3 Where we transfer your personal information outside the European Economic Area, we will ensure that it is protected and transferred in a manner consistent with legal requirements applicable to the information. This can be done in a number of different ways, for instance:

5.3.1 the country to which we send the personal information may be approved by the European Commission as providing adequate protection for personal data (for example, this includes our offices in Guernsey, Jersey and the Isle of Man);

5.3.2 by utilising a contract based on model contractual clauses which have been approved by the European Commission; or

5.3.3 where the recipient is located in the US, it may belong to the EU-US Privacy Shield scheme.

5.4 In other circumstances, the law may permit us to otherwise transfer your personal information outside the EEA.

5.5 If you would like further information about the safeguards we have in place to protect your personal information, please contact the Manager.

## 6. RETENTION OF PERSONAL INFORMATION

6.1 Your personal information will be retained for as long as required:

6.1.1 for the Purposes for which the personal information was collected;

6.1.2 in order to establish or defend legal rights or obligations or to satisfy any reporting or accounting obligations; and/or

6.1.3 as required by data protection laws and any other applicable laws or regulatory requirements.

## 7. ACCESS TO AND CONTROL OF PERSONAL INFORMATION

7.1 You have the following rights in respect of the personal information about you that we process:

7.1.1 the right to access and port personal information;

7.1.2 the right to rectify personal information;

7.1.3 the right to restrict the use of personal information;

7.1.4 the right to request that personal information is erased; and

7.1.5 the right to object to processing of personal information;

7.2 You also have the right to lodge a complaint about the processing of your personal information either with us, with the Office of the Data Protection Commissioner in Jersey (www.oicjersey.org) or the data protection authority in the EU member state of your usual residence or place of work.

7.3 Where we have relied on consent to process your personal information, you have the right to withdraw consent at any time.

7.4 If you wish to exercise any of the rights set out in this paragraph 7, please contact the Manager.

## 8. INACCURATE OR AMENDED INFORMATION

Please let us know as soon as possible if any of your personal information changes (including your correspondence details). Failure to provide accurate information or to update information when it changes may have a detrimental impact upon the Applicant's investment in the Trust, including the processing of any subscription or redemption instructions or the suspension of the Applicant's account. Failure to provide information where it is required for anti-money laundering or other legal requirements means that we may not be able to accept the Applicant as an investor in the Trust.

## 9. QUESTIONS

9.1 If you have any questions about this Data Protection Notice or how we handle your personal information (e.g. our retention procedures or the security measures we have in place), or if you would like to make a complaint, please contact the Manager.

9.2 This Data Protection Notice is up-to-date as of the date of this prospectus. If it is updated, we will provide the Applicant with the updated version and require them to bring it to your attention.

| **Schedule of Similarities and Differences between**<br>**a) STANLIB Offshore Unit Trusts, Jersey & South African Regulations;**<br>**b) STANLIB Offshore Unit Trust, Jersey & South African Collective Investment Scheme** | | |
|---|---|---|
| **Topic/Item** | **Foreign Regulation Foreign Scheme** | **South African Regulation South African Unit Trust** |
| 1. Investment restriction of instruments issued by Government | No limit | No limit. |
| 2. Investment restriction on an individual security i.r.o. equity portfolios | Maximum 10% of NAV<br><br>The equity funds will provide investors with the opportunity to invest principally (that is, normally at least 75% in value) in equities in the markets reflected in the name of each individual fund and in companies established outside those markets but which derive a significant proportion of their earnings from those markets. | Maximum of 5% of portfolio if company market cap is less than R2 billion, else 10% |
| 3. Investment restriction on a class of security i.r.o. equity portfolios | The total nominal amount of a Class Fund's holding of any investment may not exceed ten per cent (10%) of the total nominal amount of all issued securities on the same class in the corporation in which such investment is held or made. | Maximum of 5% of amount in issue if company market cap. is less than R2 billion, else 10%.<br>An overall limit of 15% of the aggregate amount of securities in any one class issued by a concern within the same group as the manager across all portfolios.<br>An overall limit of 24% of the aggregate amount of securities in any one class issued by a concern other that a concern within the same group as the manager across all portfolios. |
| 4. Investment restrictions for specialist funds eg. money market portfolio or fund of funds or feeder funds | n/a | Subject to certain limits prescribed in regulation<br>*(Applicant must Furnish detail regarding the specific type of portfolio is applicable)* |
| 5. Investment restrictions on the use of derivative instruments | Derivatives shall only be used for efficient portfolio management (i.e. no gearing / leverage / margining will be allowed). Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005, i.e. unlisted forward currency, interest rate or exchange rate swap transactions. No uncovered positions will be allowed; | 100% effective exposure restricted for purposes of efficient portfolio management only/no gearing allowed. |

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| 6. Investment in listed instruments | May not invest more than 10% of the Net Asset Value of the class fund in securities that are not listed or quoted on a recognised exchange having obtained full membership of the World Federation of Exchanges. Such securities must be listed within 12 months of the purchase date. Notwithstanding anything contained in this prospectus, listed securities must be traded on exchanges which have been granted full membership of the World Federation of Exchanges. | 90% of securities must be listed on Exchanges having obtained full membership of the World Federation of Exchanges. Over the counter derivative instruments that are allowed: forward currency swap, interest rate swap, exchange rate swap and index swap. |
| 7. Non equity securities (other than issued by the Government) | When a class fund invests in non-equity securities, 90% of these interest-bearing instruments included in such class fund must have a credit rating of "investment grade" by S&P, Moody's or Fitch. | Must comply with limits as prescribed in Regulation |
| 8. Investment in unlisted instruments | Unlisted derivative instruments will only be allowed for purposes as determined in paragraph 6(e) of Notice 2076 of 2003 as amended by Notice 1502 of 2005, i.e. unlisted forward currency, interest rate or exchange rate swap transactions. No uncovered positions will be allowed; | Maximum of 10% of portfolio value. Such instruments must be valued daily based on a generally recognised methodology and by a person acceptable to trustee. |
| 9. Investment of own resources into the fund | Where a class fund is exposed to redemptions of its own units, it must take care to ensure that the level of its exposure to repurchase agreement transactions is such that it is able to meet its redemption obligations.<br><br>No provision of the IMA shall prevent the Investment Manager or its associates from, among other things, (i) dealing in any investments on their own account. | Manager must invest 10% of own resources in each fund; can be limited to R1,000,000 maximum per fund. The R1m may be reduced with 10% for every R1m invested. |
| 10. Borrowing<br><br>Leveraging/Gearing | No scrip borrowing shall be allowed<br><br>no gearing / leverage / margining | 10 % of the Value of the underlying portfolio permitted to meet its obligations in relation to the administration of a scheme relating to settlement of buying and sale transactions and repurchase or cancellation of participatory interests. |

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| | (refer to 1) | will be allowed | Leverage/Gearing not allowed |
| 11. | Markets/Exchanges<br>11.1 Listed<br><br>11.2 OTC Markets** | A class fund will not invest more than 10% of the Net Asset Value of the class fund in securities that are not listed or quoted on a recognised exchange having obtained full membership of the World Federation of Exchanges. **Pg32** | 90% of exchanges must have been granted full membership of the World Federation of Exchanges, the rest must follow due diligence guidelines as prescribed by Regulation<br><br>Not allowed |
| 12. | Expenses/Charges<br><br>12.1 Costs to investors<br><br>12.2 Charges against income of the portfolio. | No initial charges shall be levied on any investment made by the class fund in the approved fund; and<br><br>Any rebate on fees or charges levied by the approved fund may be received by the Manager, provided that such rebates are paid into the class fund.<br><br>Full disclosure in Prospectus and Fund Rules to Share Classes. | Full disclosure in Deed and a notice to unit holders of change<br><br>Brokerage, MST, VAT, stamp duties, taxes, audit fee, bank charges, trustee/custodian fees, other levies or taxes service charge and share creation fees payable to the Registrar of Companies |
| 13. | Determination of market value of investments | Fair market price | Fair market price, or as determined by stockbroker |
| 14. | Risk factors | Standard market risks relating to equity/bond funds. | |
| 15. | Capped or not capped | n/a | Not capped |
| 16. | Redemption (repurchase) of participatory interests | Redemption requests received daily. | Legally obliged to redeem at same day's or previous day's price as determined in Deed |
| 17. | Independent Trustee/custodian | Custodian/Trustee is completely independent. Any change of Custodian would have to be approved by regulators and shareholders. | Trustee/custodian must be completely independent |
| 18. | Taxation of Portfolio | Company is subject to a 0% rate of corporate income tax in Jersey. | No taxation<br>Interest and dividend portion taxable in the hands of the individual |
| 19. | Taxation of unitholders<br><br>19.1 Income<br>- Dividends<br>- Interest<br><br>19.2 Capital gains | The Trustee intends to conduct the business of the Trust such that no goods and services tax("GST") will be incurred by the Trust. | Interest and dividends (dividend withholding tax introduced on 1 April 2012) are taxable.<br><br>Capital gains tax introduced on 1 October 2001 |
| 20. | Interval at which participatory interests are priced | Daily | Daily |
| 21. | Distributions | The class funds are accumulating funds and do not distribute income. The net income of a class | All income distributed regularly or reinvested at option of the investor |

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| | | fund contributes to an increase in its net asset value. | |
| 22. | Switching | Allowed | Allowed – charges differ |
| 23. | Pledging of securities (See 10) | Not permitted | Allowed only for purposes of borrowing (refer to borrowing in par 10 above) |
| 24. | Scrip lending<br><br>Scrip borrowing | A class fund may enter into securities lending transactions provided that they comply with the rules as stipulated in the prospectus.<br><br>Not permitted | Allowed, may not exceed 50% of market value the portfolio, plus other conditions as prescribed in Deed.<br><br>Not allowed |
| 25. | Certificates, if issued and needed for redemption | Issued on request. | Issued on request |
| 26. | Reporting to supervisory authority | Quarterly, semi-annually and annually. | Quarterly and annually |
| 27. | Inspection powers by supervisory authority | Yes | Yes |
| 28. | Reporting to investors | Semi-annually and annually. | Annually |
| 29. | Legal structure if different from trust | The Trust is constituted in accordance with the Collective Investment Funds (Jersey) Law, 1988 as amended (the "Law"). A single class or a number of classes may comprise the unit trust funds, each with its own investment portfolio and specific investment objectives | Collective Investment Scheme, whether trust based or Open Ended Investment Company |
| 30. | Interest earned on funds pending investment and redemption | Interest allocated to client. | Interest paid to clients |
| 31. | Any other material difference | | |

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