

A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Funds – Euro Short Duration Bond Fund in which you own shares will be merged into the JPMorgan Funds – Global Short Duration Bond Fund. **The reason for the merger and your three options are explained below.**

Please take a moment to review the important information below. If you still have questions, please contact us at the registered office or your local representative.



Jacques Elvinger *For and on behalf of the Board*

Sub-fund merger – option to take action ends 20th February 2018 at 14.30 CET

Reason for merger Your sub-fund has not attracted sufficient assets and the Board believes it has limited prospects for growth.

YOUR OPTIONS

- 1 Take no action. Your shares will automatically be exchanged for shares of the receiving sub-fund.** Any shares of your sub-fund that you still own after the deadline will be exchanged for shares of the receiving sub-fund.
- 2 Switch your investment to another sub-fund.** We must receive your dealing instructions by the deadline shown in the right-hand column. Be sure to read the Key Investor Information Document (KIID) for any sub-fund you are considering switching into, and for further information, the prospectus.
- 3 Redeem your investment.** We must receive your dealing instructions by the deadline shown in the right-hand column.

You may want to review these options with your tax adviser and your financial adviser. All options could have tax consequences.

Regardless of which option you choose, you will not be charged any redemption or switch fees.

THE MERGER

Merger date 23rd February 2018

Deadline for receipt of switch/redemption orders 20th February 2018 at 14.30 CET

Your sub-fund JPMorgan Funds – Euro Short Duration Bond Fund

Receiving sub-fund (sub-fund into which your sub-fund will be merging) JPMorgan Funds – Global Short duration Bond Fund

THE FUND

Name JPMorgan Funds

Legal form SICAV

Fund type UCITS

Registered office

6 route de Trèves
L-2633 Senningerberg, Luxembourg

Phone +352 34 10 1

Fax +352 2452 9755

Registration number (RCS Luxembourg)

B 8478

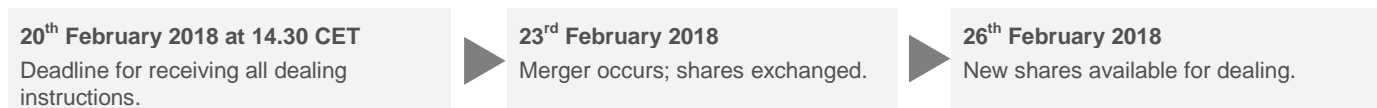
Management company JPMorgan Asset Management (Europe) S.à r.l.

A merger statement will be mailed to you within 10 days of the merger date. Additional information, including the Fund auditor's merger report, KIID, prospectus and most recent financial reports of both sub-funds are available at www.jpmorganassetmanagement.lu or from the registered office. An electronic copy of this notice is available on the website: www.jpmorganassetmanagement.lu.

Merger timeline and impact

This section outlines key information relating to the merger. Further information is contained in the detailed sub-fund comparison that follows as well as in the relevant prospectus and KIIDs. For your convenience, a KIID for the receiving sub-fund is enclosed.

Key Dates



When the merger transaction occurs, all assets, liabilities and any income in your sub-fund will be transferred to the receiving sub-fund, and your sub-fund will cease to exist.

All shares remaining in your sub-fund at the merger date will be exchanged free of charge for shares in the equivalent share class of the receiving sub-fund, based on the net asset value per share in effect that day for both sub-funds. The calculation of the exchange ratio will be validated and documented in the merger report prepared by the company auditors that will be available to you upon request.

The value of the shares you own in your sub-fund and the new shares you receive in the receiving sub-fund will be the same but you may receive a different number of shares.

Impact

Key differences in investment policy between your sub-fund and the receiving sub-fund

- While your sub-fund invests primarily in Euro denominated short duration debt securities, the receiving sub-fund invests in short duration debt securities of any denomination.
- The receiving sub-fund invests in assets denominated in any currency and a substantial part of its assets will be hedged into USD at portfolio level, however, Euro hedged share classes will be made available.

Potential benefits

- The merger will give you the benefit of investing in a larger sub-fund that has the prospect of stronger growth in assets in the future and may potentially benefit from economies of scale which may result in lower operating and administrative expenses.
- The receiving sub-fund has a broader investment universe and, therefore offers the benefits of increased diversification.

Potential drawbacks

- One-time expenses associated with transaction costs will be borne by your sub-fund.
- On the merger date, and during the two business days before that, you will not be able to subscribe for, switch or redeem shares in your sub-fund.

Other considerations

- Your sub-fund will not bear any additional legal, advisory or administrative costs associated with the merger.
- The portfolio of your sub-fund does not resemble that of the receiving sub-fund, therefore rebalancing of the assets will be required in preparation for the merger.
- Performance information for your sub-fund and the receiving sub-fund can be found in the relevant KIID or factsheet which is available from the document library at jpmorganassetmanagement.lu.

Sub-fund comparison

This table compares the relevant information for your sub-fund with that of the receiving sub-fund. Unless stated otherwise, terms in this table have the same meaning as in the relevant prospectus.

- **Information that appears in a box** is information that is particular to the sub-fund named at the top of that column.
- **Information that crosses both columns** is information that is the same for both sub-funds.

JPMorgan Funds –

Euro Short Duration Bond Fund

JPMorgan Funds –

Global Short Duration Bond Fund

Investments and Risks

Objectives and investment policies

To achieve a return in excess of EUR-denominated short duration bond markets by investing in investment grade EUR-denominated short-term debt securities, using financial derivative instruments where appropriate.

To achieve a return in excess of global short duration bond markets by investing primarily in global investment grade short-term debt securities, using financial derivative instruments where appropriate.

At least 67% of the Sub-Fund's assets (excluding cash and cash equivalents) will be invested, either directly or through the use of financial derivative instruments, in investment grade EUR-denominated short-term debt securities. Issuers of these securities may be located in any country, including emerging markets.

At least 67% of the Sub-Fund's assets (excluding cash and cash equivalents) will be invested, either directly or through the use of financial derivative instruments, in investment grade short-term debt securities. Issuers of these securities may be located in any country, including emerging markets.

The weighted average duration of the Sub-Fund's investments will generally not exceed three years and the remaining duration of each investment will generally not exceed five years at the time of purchase.

Due to the possible downgrading in the credit rating of certain securities the Sub-Fund may from time to time have exposure to below investment grade debt securities.

The Sub-Fund may invest a significant portion of its assets in asset-backed securities, mortgage-backed securities and covered bonds with a less significant exposure to other structured products.

The Sub-Fund may invest a significant portion of its assets in agency mortgage-backed securities, asset-backed securities and covered bonds with a less significant exposure to other structured products.

The Sub-Fund may invest in financial derivative instruments to achieve its investment objective. Such instruments may also be used for the purposes of hedging. These instruments may include, but are not limited to, futures, options, forward contracts on financial instruments and options on such contracts, credit linked instruments and swap contracts and other fixed income and credit derivatives.

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Short-term money market instruments, deposits with credit institutions and money market UCITS and other UCIs may be held on an ancillary basis.

The Sub-Fund may invest in assets denominated in any currency. However a substantial part of the assets of the Sub-Fund will be hedged into USD.

All of the above investments will be made in accordance with the limits set out in "Appendix II – Investment Restrictions and Powers".

Risk and reward category

All classes: category 2

Note: risk is measured on a 7-point scale, where Category 1 indicates lower risk (but is not risk-free) and lower potential reward and Category 7 indicates higher risk and higher potential reward.

Risk factors

- Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging that may be used to minimise the effect of currency fluctuations may not always be successful.
- The value of your investment may fall as well as rise and you may get back less than you originally invested.
- The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer. Issuers of debt securities may fail to meet payment obligations or the credit rating of debt securities may be downgraded. These risks are typically increased for emerging market and below investment grade debt securities.
- In addition, emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging market currencies may be subject to volatile price movements. Emerging market and below investment grade debt securities may also be subject to higher volatility and lower liquidity than non emerging market and investment grade debt securities respectively.
- Asset-backed and mortgage-backed securities may be highly illiquid, subject to adverse changes to

- interest rates and to the risk that the payment obligations relating to the underlying asset are not met
- The value of financial derivative instruments 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 financial derivative instrument and therefore, investment in such instruments may result in losses in excess of the amount invested by the Sub-Fund.
- Further information about risks can be found in "Appendix IV – Risk Factors".

Benchmark	Bloomberg Barclays Euro Aggregate 1-3 Year Index (Total Return Gross)	Bloomberg Barclays Global Aggregate 1-3 Years Index (Total Return Gross) Hedged to USD
Base currency	Euro (EUR)	US Dollar (USD)
Charges		
Maximum entry charge		A: 3.00% C: Nil D: 3.00% I: Nil
Maximum exit charge		A: 0.50% C: Nil D: 0.50% I: Nil
Annual Management and Administration Fee		A: 0.60% C: 0.30% D: 0.60% I: 0.30%
Distribution Fee		A: Nil C: Nil D: 0.30% I: Nil
Operating and Administrative Expenses		A: 0.20% Max C: 0.15% Max D: 0.20% Max I: 0.11% Max
Performance charge		All classes: none

Structure

End of financial year	30th June	
Investment company	JPMorgan Funds	
Investment Managers	JPMorgan Asset Management UK Limited	JPMorgan Asset Management UK Limited, J. P. Morgan Investment Management Inc., JPMorgan Asset Management Japan Limited
Date of annual general meeting of shareholders	Third Wednesday of November at 3.00 p.m. (or, if such day is not a business day in Luxembourg, on the next following business day).	

NEXT STEPS

To exchange your shares for shares of the receiving sub-fund: no action is necessary. All shares that you hold in your sub-fund at the merger date will automatically be exchanged.

To switch or redeem some or all of your shares: send dealing instructions as you normally do, or directly to the registered office (contact details at page 1).

Note that all other switch and redemption conditions and restrictions in the prospectus still apply, even during the period when switch and redemption fees are waived.

For more information: you can request free copies of the common draft terms of merger, auditor's merger report, the prospectus, the latest financial reports and KIIDs by emailing a request to requests@jpmorganfundssicav.com or by writing to the registered office (contact details on page 1).

Key Dates

20th February 2018 at 14.30 CET

Deadline for receiving all dealing instructions.



23rd February 2018

Merger occurs; shares exchanged.



26th February 2018

New shares available for dealing instructions.