A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Funds – Income Opportunity Plus Fund in which you own shares will be merged into the JPMorgan Investment Funds – Income Opportunity 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 6th February 2018 at 14.30 CET

Reason for merger Your sub-fund and the receiving sub-fund have overlapping investment strategies and the Board believes your sub-fund 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 9rd February 2018

Deadline for receipt of switch/ redemption orders 6th February 2018 at 14.30 CET

Your sub-fund JPMorgan Funds – Income Opportunity Plus Fund

Receiving sub-fund (sub-fund into which your sub-fund will be merging) JPMorgan Investment Funds – Income Opportunity 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.

Message Continues

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

6th February 2018 at 14.30 CET Deadline for receiving all dealing instructions.	**9th February 2018** Merger occurs; shares exchanged.	**12th February 2018** New shares available for dealing.

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.

With the exception of shares in the C share class 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. All shares in the C share class will be exchanged free of charge for shares in the comparable C (perf.) share class of the receiving sub-fund. These exchanges will be 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.

Your sub-fund and the receiving sub-fund charge a performance fee as shown in the "Charges" section. Any performance fee payable in your sub-fund is calculated and accrued daily in the Net Asset Value. This means you will only contribute to any accrual of performance fees until the effective date of the merger. Therefore, in order to ensure fair treatment of all investors in your sub-fund, you will only contribute to any accrual of performance fee in the receiving sub-fund from the merger date.

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	• Unlike your sub-fund, the receiving sub-fund does not have the flexibility to invest up to 40% of its net assets in assets other than debt securities issued in developed and emerging markets such as convertible securities, preferred securities and equity securities • The receiving sub-fund may invest up to 5% in Contingent Convertible Securities whereas your sub-fund may invest up to 10% in them. • The receiving sub-fund does not invest significantly in mortgage-backed and asset-backed securities.
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.
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 closely resembles that of the receiving sub-fund, however, some rebalancing of the assets will be required in preparation for the merger. • The receiving sub-fund does not offer C share class equivalent to your sub-fund; accordingly, shares in the C share class will be exchanged for shares in the C (perf) share class of the receiving sub-fund. This class has a lower Annual Management charge than the C share class of your fund but is however subject to a 20% performance fee. • 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. • The receiving sub-fund is typically exposed to lower levels of risk which means this may limit

its ability to deliver greater returns under certain circumstances

- Your sub-fund is part of the JPMorgan Funds umbrella but the receiving sub-fund is part of the JPMorgan Investment Funds umbrella which could result in additional tax implications and changes to dividend distribution dates.

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.

<table>
<tr><th></th><th>JPMorgan Funds –
Income Opportunity Plus Fund</th><th>JPMorgan Investment Funds –
Income Opportunity Fund</th></tr>
<tr><td colspan="3">Investments and Risks</td></tr>
<tr><td rowspan="7">Objectives and investment policies</td><td>To achieve a return in excess of the benchmark by exploiting a wide range of investment opportunities in, amongst others, the fixed income and currency markets, using financial derivative instruments where appropriate.</td><td>To achieve a return in excess of the benchmark by exploiting investment opportunities in, amongst others, the debt and currency markets, using financial derivative instruments where appropriate.</td></tr>
<tr><td>The Sub-Fund will invest the majority of its assets in debt securities issued in developed and emerging markets, including, but not limited to, debt securities of governments and their agencies, state and provincial governmental entities, supranational organisations, corporations, banks, asset-backed securities and mortgage-backed securities.

The Sub-Fund may also invest up to 40% of its net assets in other assets which may include, but are not limited to, convertible securities, preferred securities and equity securities.</td><td>The Sub-Fund will invest the majority of its assets in debt securities issued in developed and emerging markets, including, but not limited to, debt securities of governments and their agencies, state and provincial governmental entities, supranational organisations, corporations and banks.</td></tr>
<tr><td colspan="2">The Sub-Fund may invest in below investment grade and unrated debt securities. The Sub-Fund may also invest in catastrophe bonds to a limited extent.</td></tr>
<tr><td>The Sub-Fund may invest a significant portion of its assets in mortgage-backed securities and asset-backed securities. No credit quality restrictions will apply to these mortgage-backed securities and asset-backed securities.

The Sub-Fund will seek to provide positive total returns over a medium term horizon irrespective of whether the markets are up or down. Allocations between countries, sectors and ratings of debt securities may vary significantly.</td><td>The Sub-Fund will seek to provide a positive return over the medium term irrespective of market conditions.</td></tr>
<tr><td colspan="2">The Sub-Fund will 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, contracts for difference, forward contracts on financial instruments and options on such contracts, credit linked instruments, mortgage TBAs and swap contracts by private agreement and other fixed income, currency, credit and equity derivatives.</td></tr>
<tr><td>The Sub-Fund may hold up to a maximum of 10% of its assets in Contingent Convertible Securities.</td><td>The Sub-Fund will overlay direct investment using financial derivative instruments.

The Sub-Fund may hold up to a maximum of 5% of its assets in Contingent Convertible Securities.</td></tr>
<tr><td colspan="2">Short-term money market instruments and deposits with credit institutions may be held on an ancillary basis. However, the Sub-Fund is opportunistic and it may invest up to 100% of its assets in cash and government securities until suitable investment opportunities can be identified.

The Sub-Fund may also invest in UCITS and other UCIs.

USD is the reference currency of the Sub-Fund but assets may be denominated in other currencies. However a substantial part of the assets of the Sub-Fund will be denominated in or 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".</td></tr>
</table>

Risk and reward category	All classes: category 4	All classes: category 3
	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	• 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 of relating to the underlying asset are not met. • The Sub-Fund may be concentrated in a limited number of countries or sectors and as a result, may be more volatile than more broadly diversified funds. • The credit worthiness of unrated debt securities is not measured by reference to an independent credit rating agency. • The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.	
	• 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. • Contingent Convertible Securities are likely to be adversely impacted should specific trigger events occur (as specified in the contract terms of the issuing company). This may be as a result of the security converting to equities at a discounted share price, the value of the security being written down, temporarily or permanently, and/or coupon payments ceasing or being deferred. • Convertible bonds are subject to the risks associated with both debt and equity securities, and to risks specific to convertible securities. Their value may change significantly depending on economic and interest rate conditions, the creditworthiness of the issuer, the performance of the underlying equity and general financial market conditions. In addition, issuers of convertible bonds may fail to meet payment obligations and their credit ratings may be downgraded. Convertible bonds may also be subject to lower liquidity than the underlying equities. • Catastrophe bonds, in addition, may suffer the loss of part or all of the value of the bond in the event that physical or weather-related phenomena, as specified in the terms of the bond, occur. • 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. • 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. • Further information about risks can be found in "Appendix IV – Risk Factors".	
Benchmark	ICE Overnight USD LIBOR	
Base currency	US Dollar (USD)	
Charges		
Maximum entry charge*	C:Nil	
	A (perf): 3.00% C (perf): Nil D (perf): 3.00% I (perf): Nil	
Maximum exit charge	C:Nil	
	A (perf): 0.50% C (perf): Nil	

		D (perf): 0.50% I (perf): Nil
Annual Management and Advisory Fee	C:1.80%	
		A (perf): 1.00% C (perf):0.55% D (perf): 1.00% I (perf): 0.55%
Distribution Fee	C: Nil	
		A (perf): Nil C (perf): Nil D (perf): 0.25% I (perf): Nil
Operating and Administrative Expenses	C: 0.15% Max	
		A (perf): 0.20% Max C (perf): 0.15% Max D (perf): 0.20% Max I (perf): 0.11% Max
Performance fee	C: Nil	
		A (perf): 20% C (perf): 20% D (perf): 20% I (perf): 20%

Structure		
End of financial year	30th June	31st December
Investment company	JPMorgan Funds	JPMorgan Investment Funds
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).	Last Friday of April at 12.00 noon (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

6th February 2018 at 14.30 CET
Deadline for receiving all dealing instructions.

9th February 2018
Merger occurs; shares exchanged.

12th February 2018
New shares available for dealing instructions.