

# A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Funds – Latin America Corporate Bond Fund in which you own shares will be merged into the JPMorgan Funds – Emerging Markets Corporate 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 21 April 2020 at 14.30 CET

**Reason for merger** Since its launch in 2017, your sub-fund has failed to attract sufficient assets. The Board believes it has limited prospects for growth in future and it would be in shareholders' interests to merge it into larger fund with stronger growth potential.

### 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 so long as we receive your dealing instructions before the deadline shown in the right hand column.**

### THE MERGER

**Merger date** 24 April 2020

**Deadline for receipt of switch/redemption orders** 21 April 2020 at 14.30 CET

**Your sub-fund** JPMorgan Funds – Latin America Corporate Bond Fund

**Receiving sub-fund (sub-fund into which your sub-fund will be merging)**  
JPMorgan Funds – Emerging Markets Corporate 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

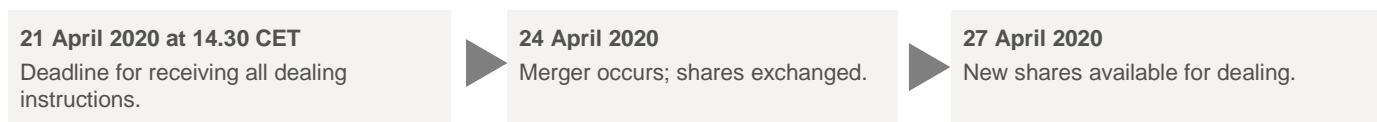
**Management company** JPMorgan Asset Management (Europe) S.à r.l.

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](http://www.jpmorganassetmanagement.lu) or from the registered office. An electronic copy of this notice is available on the website: [www.jpmorganassetmanagement.lu](http://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 are exchanged free of charge for shares in the equivalent share class of the receiving sub-fund. The exchange ratio is rounded to 7 decimal places and is based on the net asset value per share, exceptionally rounded for the purposes of the merger to 6 decimal places, 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 total 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, subject to rounding adjustments, 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 in Latin American corporate bonds only, the receiving sub-fund invests in corporate bonds in Emerging Markets globally, including Latin America.
- Your sub-fund may invest in distressed debt at the time of purchase.

### Potential benefits

- The merger will give you the benefit of investing in a larger sub-fund that has prospects of stronger growth in assets in the future and may potentially benefit from economies of scale.
- In addition, 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 receiving sub-fund has a lower SRRI than your sub-fund.
- **S2 shareholders in the merging sub-fund will receive equivalent S2 shares in the receiving sub-fund on the merger date. In accordance with the conversion terms applicable to the S2 shares of the merging sub-fund, these shares will automatically convert into equivalent I shares of the receiving sub-fund on 19 October 2020.**
- The portfolio of your sub-fund somewhat resembles that of the receiving sub-fund, however, some rebalancing of the assets will be required and all or part of your sub-fund's assets may be held in cash for a short period in preparation for the merger resulting in your sub-fund having less market exposure which will have a positive or negative impact on performance. It is expected that such portfolio rebalancing will commence no earlier than 10 business days prior to the merger date.
- 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](http://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 –

### Latin America Corporate Bond Fund

JPMorgan Funds –

### Emerging Markets Corporate Bond Fund

Objective	
<b>Investment Objective</b>	<p>To achieve a return in excess of Latin American corporate bond markets by investing primarily in Latin American USD-denominated corporate debt securities, using derivatives where appropriate.</p>
<b>Investment Process</b>	<p>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.</p>
<b>Investment approach</b>	<ul style="list-style-type: none"> <li>▪ Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across sectors and issuers.</li> <li>▪ Combines top-down decision making – including country and sector allocation – with bottom-up security selection.</li> </ul>
<b>ESG approach</b>	<p>Seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.</p>
<b>Benchmark</b>	<p>J.P. Morgan Corporate Emerging Markets Bond Index Diversified Latin America Index (Total Return Gross).</p>
<b>Benchmark uses</b>	<ul style="list-style-type: none"> <li>▪ 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.</li> </ul>
Policies	
<b>Main investment exposure</b>	<p>At least 67% of assets invested, either directly or through derivatives, in USD-denominated corporate debt securities from companies that are domiciled, or carrying out the main part of their economic activity, in a Latin American country.</p> <p>The Sub-Fund may also invest in debt securities issued or guaranteed by governments of Latin American countries.</p> <p>There are no credit quality or maturity restrictions applicable to the investments and the Sub-Fund may be concentrated in a limited number of emerging market issuers.</p>
<b>Other investment exposures</b>	<p>Up to 10% in contingent convertible bonds.</p> <p>up to 5% in distressed debt securities at the time of purchase.</p>
<b>Derivatives</b>	<p>Used for: investment purposes; efficient portfolio management; hedging</p>
<b>Currencies</b>	<p>Sub-Fund Base Currency: USD</p>

Currencies of asset denomination: primarily USD      Currencies of asset denomination: any

Hedging approach: flexible

## Main Risks

**Investment Risks: Risks from the Sub-Fund's techniques and securities**

### Techniques:

Concentration  
Derivatives  
Hedging

### Securities:

Contingent convertible bonds  
Debt Securities  
- Government debt  
- Investment grade debt  
- Below investment grade debt  
- Unrated debt  
Emerging markets

- Distressed 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

**Risk and reward category**

4

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.

## Charges

**Initial charge**

A: 3.00%  
D: 3.00%  
I: Nil  
S2: Nil

**Switch charge**

A: 1.00%  
D: 1.00%  
I: 1.00%  
S2: 1.00%

**Redemption charge**

A: 0.50%  
D: 0.50%  
I: Nil  
S2: Nil

**Annual Management and Advisory Fee**

A: 1.00%  
D: 1.00%  
I: 0.50%  
S2: 0.25%

**Distribution Fee**

A: Nil  
D: 0.50%  
I: Nil  
S2: Nil

**Operating and Administrative Expenses (Max)**

A: 0.30%  
D: 0.30%  
I: 0.16%  
S2: 0.16%

**Performance charge**

All classes: none

## Structure

**End of financial year**

30<sup>th</sup> June

**Investment company**

JPMorgan Funds

**Date of annual general meeting of shareholders**

Third Wednesday of November at 15.00 CET.  
(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 [kiid.requests@jpmorgan.com](mailto:kiid.requests@jpmorgan.com) or by writing to the registered office (contact details at page 1).