A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the expected level of leverage disclosed in the prospectus for JPMorgan Funds - Diversified Risk Fund, a sub-fund in which you own shares, will be updated on 21 September 2020.

The sub-fund is managed in an unconstrained manner and uses derivatives to achieve its objective. The sub-fund has increased the use of derivatives, in line with its investment policy. This increased use of derivatives is expected to continue and as a result the expected level of leverage disclosed in the prospectus will increase from 150% to 600%.

Please note that there is no change to the sub-fund's risk profile or the way it is managed. A higher level of expected leverage may not be representative of a higher level of investment risk.

More detailed information about why the expected level of leverage has increased can be found on the following page. Please take a moment to review this important information. If you still have questions, please contact the registered office or your local representative. **You have three options that are explained below.**

Jacques Elvinger *For and on behalf of the Board*

Option to take action ends 21 September 2020 at 14:30 CET

YOUR OPTIONS

1 If you are comfortable with the updated expected level of leverage, you do not need to take any action.

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.

If you choose options 2 or 3, you may want to review these options with your tax adviser and your financial adviser. These 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.

Deadline for receipt of switch/ redemption orders 21 September 2020 at 14:30 CET

THE FUND

Name JPMorgan Funds

Legal form SICAV

Fund type UCITS

Registered office
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Registration number (RCS Luxembourg) B 8478

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

Message continues

JPMorgan Funds - Diversified Risk Fund

Reason for Increase to Expected Level of Leverage

The sub-fund may use derivatives to achieve its investment objective, for efficient portfolio management purposes and hedging. Recently, the investment manager, in line with the sub-fund's investment policy, has been making more extensive use of these instruments than previously expected in order to gain exposure to risk premia as detailed in the next paragraph. It is anticipated that this will continue and the expected level of leverage will be updated to 600% to reflect this. The expected leverage is a measure of the gross aggregate notional amount of derivatives held within the sub-fund. It is not a limit and will vary depending on the use of derivatives.

The sub-fund's expected level of leverage is mainly attributed to fixed income and currency derivatives, such as futures, swaps (including interest rate swaps and total return swaps) and forwards and the Derivatives section of the Sub-Fund Description has been updated to clarify this in the July 2020 Prospectus. The expected level of leverage is indicative and may be higher in certain market environments and from time to time when the sub-fund has a greater allocation to the risk premia to which the Sub-Fund seeks to gain exposure, such as fixed income momentum and relative value, through derivatives (including but not limited to interest rate swaps) as they may not be easily replicated using physical instruments.

The sum of notionals methodology does not allow for the netting of financial derivative instrument positions which can include hedging transactions and other risk-mitigating strategies. As a result, financial derivative instrument roll overs and techniques relying on more highly leveraged instruments, as described above, may contribute to an increase in the level of leverage whereas they may not increase or only moderately increase the overall risk profile of the sub-fund which is monitored and limited according to the UCITS regulation.

Risk/reward level unchanged

Fee level unchanged

Changes - ***shown in bold italics***

BEFORE

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: 150% indicative only. Leverage may significantly exceed this level from time to time.

AFTER

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: 150%[1] 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 which will be revised to 600%, as per the below footnote, 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.

[1] The expected level of leverage will be updated to 600% on 21 September 2020 as outlined in the Shareholder letter to be issued on 14 August 2020.

Key Date

21 August 2020 at 14:30 CET Free switch/redemption period begins.	**21 September at 14:30 CET** Free switch/redemption period ends.

The updates are being made to the relevant prospectus or Key Investor Information Document (KIID), revised versions of which will be available at www.jpmorganassetmanagement.lu. As with all Fund investments, it is important to understand and remain familiar with the relevant KIID(s). Other than the period when switch and redemption fees are waived, note that all other switch and redemption conditions and restrictions in the prospectus still apply.