

# A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Funds - Financials Bond Fund (the “**Merging Sub-Fund**”) in which you own shares will be merged into the JPMorgan Funds - Global Corporate Bond Fund (the “**Receiving Sub-Fund**”).

**The reason for the merger and your three options are explained below.** Please take a moment to review the important information below. More detailed information, including rationale and timing, appears on the following pages. 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 19th March 2024 at 14.30 CET

**Reason for merger** The Board believes that the Merging Sub-Fund has limited prospects for growth in the future and it would be in the shareholders' interests to merge it into the Receiving Sub-Fund which has stronger growth potential. The Receiving Sub-Fund is a substantially larger fund with a more diversified strategy which should offer better prospects for growth. This growth can lead to economies of scale with the potential for lower fund expenses.

### YOUR OPTIONS

- 1 Take no action. Your shares will automatically be exchanged for shares of the Receiving Sub-Fund.** Any shares of the Merging 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 Information Document (KID) for any Sub-Fund you are considering switching into, and for further information, the prospectus of the Fund.
- 3 Redeem your investment.** We must receive your dealing instructions by the deadline shown in the right-hand column.

### THE MERGER

**Merger date** 22nd March 2024

**Deadline for receipt of switch/redemption orders** 19th March 2024 at 14.30 CET

**Merging Sub-Fund (your Sub-Fund)**  
JPMorgan Funds - Financials Bond Fund

**Receiving Sub-Fund (Sub-Fund into which your Sub-Fund will be merging)**  
JPMorgan Funds – Global 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.

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

**Regardless of which option you choose, you will not be charged any switch or redemption fees** as long as we receive your dealing instructions before the deadline shown in the right-hand column. All other switch and redemption conditions in the Fund's prospectus still apply.

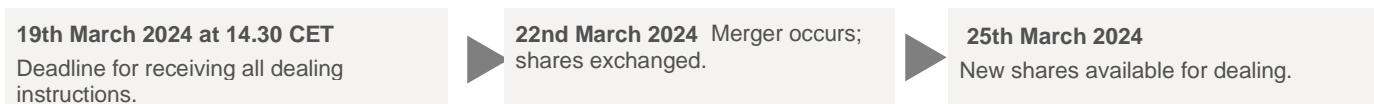
**German Shareholders:** *The merger is intended to be tax neutral in accordance with article 23 of the German Investment Tax Act.*

*A merger statement will be mailed to you within 10 days of the merger date. Additional information, including the Fund auditor's merger report, KID of both Sub-Funds and prospectus and most recent financial reports of the Fund 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 KIDs. **We advise you to read carefully the KID of the Receiving Sub-Fund, which is enclosed with this letter.**

### Key Dates



When the merger transaction occurs, all assets, liabilities and any income in the Merging Sub-Fund will be transferred to the Receiving Sub-Fund, and the Merging Sub-Fund will cease to exist.

All shares remaining in the Merging 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 used to determine the number of shares to be allocated in the Receiving Sub-Fund is calculated by dividing the respective net asset value per share of each share class in the Merging Sub-Fund by the net asset value per share of the share class of the Receiving Sub-Fund, both exceptionally rounded to 6 decimal places for the purposes of the merger. The exchange ratio is rounded to 7 decimal places. The calculation of the exchange ratio will be validated and documented in the merger report prepared by the Fund's auditors (PricewaterhouseCoopers, société coopérative, Luxembourg) that will be available to you upon request.

The total value of the shares you own in the Merging 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

- The Receiving Sub-Fund invests primarily in investment grade corporate debt securities, whereas the Merging fund invests primarily in senior and subordinated debt securities issued by companies from the financial, banking and insurance sectors.
- The Merging Sub-Fund's base currency is EUR and the Receiving Sub-Fund's base currency is USD, however you will receive shares in the Receiving Sub-Fund that are valued in the same currency as your current share class in the Merging Sub-Fund and hedged where applicable.

### Potential benefits

- Shareholders will benefit from a broader investment strategy offering greater diversification benefits, such as diversifying market specific risks.
- Shareholders of the Merging Sub-Fund will benefit from investing in a sub-fund with better prospects for stronger growth in assets in the future.

### Potential drawbacks

- One-time expenses associated with transaction costs will be borne by the Merging Sub-Fund, due to the rebalancing outlined below in 'other considerations'.
- On the merger date, and during the two business days before that, investors will not be able to subscribe for, switch or redeem shares in the Merging Sub-Fund or switch shares from other Sub-Funds into the Merging Sub-Fund.

**Other considerations**

- The Merging Sub-Fund will not bear any additional legal, advisory or administrative costs associated with the merger, which will be borne by the Management Company.
- While there is some overlap of assets between the Merging Sub-Fund and the Receiving Sub-Fund, there is a portion of the Merging Sub-Fund's portfolio which does not resemble that of the Receiving Sub-Fund. Therefore rebalancing of the assets in the Merging Sub-Fund will be required in preparation for the merger. All or part of the Merging Sub-Fund's assets may be held in cash for a short period in preparation for the merger, resulting in the Merging Sub-Fund having less market exposure which may 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 the Merging Sub-Fund and Receiving Sub-Fund can be found in the relevant factsheet which is available from the document library at [www.jpmorganassetmanagement.lu](http://www.jpmorganassetmanagement.lu).
- On 22<sup>nd</sup> January 2024, the Merging Sub-Fund will be 'soft closed' meaning new investors will not be able to subscribe for, switch or redeem shares in the Merging Sub-Fund. Only existing shareholders of the Merging Sub-Fund will be able to subscribe for, switch or redeem shares in the Merging Sub-Fund up until 19<sup>th</sup> March 2024.

## Sub-fund comparison

This table compares the relevant information for the Merging Sub-Fund with that of the Receiving Sub-Fund. Unless stated otherwise, terms in this table have the same meaning as in the prospectus of the Fund.

- **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.

	Merging Sub-Fund (your Sub-Fund)	Receiving Sub-Fund
	<b>JPMorgan Funds – Financials Bond Fund</b>	<b>JPMorgan Funds – Global Corporate Bond Fund</b>
<b>Objectives</b>	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.	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.
<b>Investment Process</b>		
<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 countries, sectors and issuers.</li> <li>• Approaches corporate bond investing by focusing on generating returns through credit sector rotation and security selection across the financial bond universe globally.</li> </ul>	<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 countries, sectors and issuers.</li> <li>• Approaches corporate bond investing by focusing on generating returns primarily through credit sector rotation and security selection across the global corporate bond universe.</li> </ul>
<b>ESG approach</b>	ESG Promote	
<b>Benchmark</b>	33% Bloomberg Global Aggregate Corporate Senior Financials Index (Total Return Gross) Hedged to EUR / 67% Bloomberg 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.	Bloomberg 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.

<b>Benchmark uses and resemblance</b>	<p>Performance comparison.</p> <p>Basis for relative VaR calculations.</p> <p>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.</p> <p>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.</p>	
<b>Global exposure approach</b>	Relative VaR	
<b>Policies</b>		
<b>Main investment exposure</b>	<p>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.</p> <p>The Sub-Fund may invest significantly in preferred securities and other equity securities, in convertible securities and in contingent convertible bonds up to 20%.</p> <p>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.</p> <p>The Sub-Fund invests at least 10% of assets excluding Ancillary Liquid Assets, Deposits with Credit Institutions, money market instruments, money market funds and derivatives for EPM, in Sustainable Investments, as defined under SFDR, contributing to environmental or social objectives.</p> <p>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 (<a href="http://www.jpmorganassetmanagement.lu">www.jpmorganassetmanagement.lu</a>).</p> <p>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.</p>	
<b>Other investment exposures</b>	<p>Debt securities issued by governments globally, including supranationals, local governments and agencies.</p> <p>Up to 5% in MBS/ABS.</p> <p>Up to 20% of net assets in Ancillary Liquid Assets and up to 20% of assets in Deposits with Credit Institutions, money market instruments and money market funds for managing cash subscriptions and redemptions as well as current and exceptional payments. Up to 100% of net assets in Ancillary Liquid Assets for defensive purposes on a temporary basis, if justified by exceptionally unfavourable market conditions.</p>	<p>Up to 10% in contingent convertible bonds</p>
<b>Derivatives</b>	<p><i>Used for:</i> investment purposes; efficient portfolio management; hedging. <i>Types:</i> see <a href="#">Sub-Fund Derivatives Usage</a> table under <a href="#">How the Sub-Funds Use Derivatives, Instruments and Techniques</a>. <i>TRS including CFD:</i> none. <i>Global exposure calculation method:</i> relative VaR..</p> <p><i>Expected level of leverage from derivatives:</i> 150% indicative only. Leverage may significantly exceed this level from time to time.</p> <p><i>Expected level of leverage from derivatives:</i> 75% indicative only. Leverage may significantly exceed this level from time to time.</p>	
<b>Techniques and Instruments</b>	<p><i>Securities lending:</i> 0% to 20% expected; 20% maximum.</p>	
<b>Currencies</b>	<p><i>Sub-Fund Base Currency:</i> EUR. <i>Currencies of asset denomination:</i> any. <i>Hedging approach:</i> typically hedged to Base Currency.</p>	<p><i>Sub-Fund Base Currency:</i> USD. <i>Currencies of asset denomination:</i> any. <i>Hedging approach:</i> typically hedged to Base Currency.</p>

## Main Risks

### Investment Risks and Other association risks

#### Techniques

Derivatives  
Hedging

#### Securities

Contingent convertible bonds  
Debt securities – Government debt, below investment grade debt, unrated debt  
Emerging markets  
MBS/ABS

#### Other associated risks

Credit  
Market  
Interest rate  
Liquidity  
Currency

Convertible securities  
Debt securities - Subordinated debt  
Equities  
Preferred securities

Debt securities - Investment grade debt

### Risk indicator category (PRIIPS KID) (UCITS KIID)

All classes: category 3

All classes: category 4

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.

Please note that the figures are different for the PRIIPS KID and the UCITS KIID documents. This is due to a difference in the calculation methodology under these regulations and does not indicate any increased risk between jurisdictions.

## Charges

### One-off charges taken before or after investing (maximum)

Base Class	Initial Charge	Switch Charge	CDSC*	Redemption Charge
A	3.00%	1.00%	-	0.50%
C	-	1.00%	-	-
D	3.00%	1.00%	-	0.50%
I	-	1.00%	-	-
I2	-	1.00%	-	-
T	-	1.00%	3.00%	-
X**	-	1.00%	-	-

### Fees and expenses taken from the Sub-Fund over a year

Base Class	Annual Management and Advisory Fee	Distribution Fee	Operating and Administrative Expenses (Max)
A	0.80%	-	0.20%
C	0.40%	-	0.15%
D	0.80%	0.40%	0.20%
I	0.40%	-	0.11%
I2	0.32%	-	0.11%
T	0.80%	0.40%	0.20%
X**	-	-	0.10%

\* Contingent deferred sales charge. Reduces by 1.00% a year and is zero after 3 years.

\*\* The X Share Class is only available to Investors by agreement with the Management Company or JPMorgan Chase & Co. with a separate fee arrangement in respect of advisory fees

## Structure

<b>End of financial year</b>	30th June
<b>Investment company</b>	JPMorgan Funds
<b>Investment manager(s)</b>	J.P. Morgan Investment Management Inc.
<b>Date of annual general meeting of shareholders</b>	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 redeem or switch 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 Fund's prospectus still apply, even during the period when switch and subscription 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 of the Fund and KIDs of the Sub-Funds by emailing a request to [kiid.requests@jpmorgan.com](mailto:kiid.requests@jpmorgan.com) or by writing to the registered office (contact details on page 1).