

# A Message from Your Fund's Board

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Dear Shareholder,

This is to notify you of the following changes to the JPMorgan Funds - Global Socially Responsible Fund, a sub-fund in which you own shares:

- A change of your sub-fund's investment objective and policy to reflect its new focus on investing in global sustainable companies and certain other changes as described on the following page; and
- A change of your sub-fund's name to JPMorgan Funds – Global Sustainable Equity Fund.

More detailed information about the changes to your sub-fund, including rationale and timing, appears on the following pages.

In addition, the JPMorgan Funds – Global Sustainable Equity Fund (launched in 2018) will be merged into your sub-fund on 25<sup>th</sup> February 2022. The Board believes Shareholders of the merging sub-fund would benefit from investing in a larger sub-fund that offers better prospects for growth as demand for sustainable products continues to grow. ***This merger will not have any negative effect on the value, costs, or performance of your investment. Any transaction costs linked to the merger will not be borne by your sub-fund. However, the portfolio of your sub-fund will be rebalanced following the changes to its investment policy and one-off costs associated with these changes will be borne by your sub-fund.***

On the merger date, the assets of the merging sub-fund will be transferred into your sub-fund. The merger will increase the assets under management of your sub-fund. While there will be rebalancing of your sub-fund associated with the changes detailed on the next page to your sub-fund, any transaction costs, stamp duty or financial transaction taxes linked to the rebalancing of the merging sub-funds and the transfer of assets as a result of the merger will be borne by the merging sub-funds, and the merging sub-fund will cease to exist.

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*

## Prospectus changes and sub-fund merger – option to take action ends 25<sup>th</sup> February 2022 at 14.30 CET

### YOUR OPTIONS

- 1 If you are comfortable with the changes**, 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.

### THE CHANGES

**Effective date** 25<sup>th</sup> February 2022

**Deadline for receipt of switch/redemption orders** 25<sup>th</sup> February 2022 at 14.30 CET

### THE FUND

**Name** JPMorgan Funds

**Legal form** SICAV

**Fund type** UCITS

**Registered office**

6 route de Trèves  
L-2633 Senningerberg, Luxembourg

**Phone** +352 3410-1

**Fax** +352 2452 9755

**Registration number (RCS Luxembourg)** B 8478

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

### THE MERGER

**Merger date** 25<sup>th</sup> February 2022

**Deadline for receipt of switch/redemption orders** 25<sup>th</sup> February 2022 at 14.30 CET

**Your sub-fund** JPMorgan Funds – Globally Socially Responsible Fund

**Merging sub-fund (sub-fund that will merge into your sub-fund)** JPMorgan Funds – Global Sustainable Equity Fund

## JPMorgan Funds - Global Socially Responsible Fund

### Reason for changes

As sustainable investing has evolved over the years, changing the JPMorgan Funds – Global Socially Responsible Fund into a best in class global sustainable fund using a fundamental, research driven approach leveraging the expertise of the Quantitative Research team provides better opportunities in the evolving sustainable investing landscape. Changing the sub-fund's objective and investment policy to focus on investing in companies with sustainable characteristics rather than only socially responsible companies is more consistent with other sustainable products.

The Board believes that Shareholders would benefit from a best in class sustainable sub-fund which offers better prospects for growth as demand for sustainable products continues to grow. This growth can lead to economies of scale with the potential for lower fund expenses. This will result in a number of changes to the sub-fund as set out in the prospectus and detailed below:

- your sub-fund's investment objective and policy will change from investing primarily in companies that the Investment Manager believes to be socially responsible, to primarily investing in Sustainable Companies and companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics);
- your sub-fund will change its ESG Approach from ESG Promote, investing at least 51% of assets in companies with positive environmental and/or social characteristics that follow good governance practices, to ESG Best in Class and invest at least 67% of its assets in a Sustainable Companies or companies that demonstrate improving sustainable characteristics. The Main investment exposure will be updated to reflect this;
- the sub-fund will no longer exclude sector specific companies that are not considered socially responsible based on the ECPI assessment or by reference to the ECPI benchmark. However, the sub-fund will continue to invest in companies with positive environmental and/or social characteristics that follow good governance practices and apply values and norms based screening to implement exclusions;
- the investment approach will be updated to reflect that your sub-fund will leverage the insights of the global

research team;

- the benchmark will also be changed to MSCI All Country World Index (Total Return Net), which is a more widely recognised benchmark and reflects the broader investment universe. The Investment Manager will have more discretion to deviate from the benchmark's securities, weightings and risk characteristics and the benchmark resemblance statement will be changed to reflect this;
- the sub-fund will no longer engage in securities lending and the relevant reference will be removed;
- your sub-fund will invest in a more concentrated portfolio, however it will invest in a broader investment universe which includes emerging markets and China. As a result, there will be concentration, emerging markets, and China risks added to the main risks;
- investment flexibility will be added to enable investment in small capitalisation companies and therefore smaller companies risk and liquidity risk will be added to the main risks;
- further changes to the main risks will be made to remove the security exclusion risk. Whilst your sub-fund will continue to exclude companies that do not meet certain ESG criteria, it will no longer exclude sector specific companies that are not considered socially responsible based on the ECPI assessment.

The sub-fund will be re-named JPMorgan Funds – Global Sustainable Equity Fund to reflect the above and the investor profile of the sub-fund will be updated accordingly.

*Risk/reward level SRRI unchanged*

*Fee level unchanged*

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

#### BEFORE

##### Sub-Fund's Name

JPMorgan Funds - Global Socially Responsible Fund

##### Objective

To provide long-term capital growth by investing primarily in companies globally that the Investment Manager believes to be socially responsible.

##### Investment Approach

- Uses a fundamental bottom-up stock selection process.
- Investment process built on leveraging the insights of a global analyst team to identify attractively valued companies using a quality and growth framework.
- Uses negative screening to exclude specific companies. Companies from remaining sectors are assessed for certain corporate, social and environmental attributes prior to inclusion.

##### ESG approach

ESG Promote

##### Benchmark

ECPI Ethical Index Global (Total Return Net)

#### AFTER

##### Sub-Fund's Name

JPMorgan Funds – Global ~~Socially Responsible~~ ***Sustainable Equity*** Fund

##### Objective

To provide long-term capital growth by investing primarily in ~~companies globally that the Investment Manager believes to be socially responsible.~~ ***in global Sustainable Companies or companies that demonstrate improving sustainable characteristics. Sustainable Companies are those that the Investment Manager believes to have effective governance and superior management of environmental and social issues (sustainable characteristics).***

##### Investment Approach

- Uses a fundamental bottom-up stock selection process.
- ~~▪ Investment process built on leveraging the insights of a global analyst team to identify attractively valued companies using a quality and growth framework.~~
- ~~▪ Uses negative screening to exclude specific companies. Companies from remaining sectors are assessed for certain corporate, social and environmental attributes prior to inclusion.~~
- ***Investment process built on stock level analysis by a global research team.***
- ***Integrates ESG aspects to identify companies with a strong or improving sustainability characteristics.***

##### ESG approach

~~ESG Promote~~

***Best-in-Class***

##### Benchmark

~~ECPI Ethical Index Global (Total Return Net)~~

***MSCI All Country World Index (Total Return Net)***

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## Benchmark uses and resemblance

- Performance comparison.

The Sub-Fund is actively managed. The majority of the Sub-Fund's holdings (excluding derivatives) are likely to be components of the benchmark and it is managed within indicative risk parameters that typically limit the Investment Manager's discretion to deviate from its securities, weightings and risk characteristics.

As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark.

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As a result, the Sub-Fund will bear a resemblance to the composition and risk characteristics of its benchmark; however, the Investment Manager's discretion may result in performance that differs from the benchmark. ***Though the majority of its holdings (excluding derivatives) are likely to be components of the benchmark, the Investment Manager has broad discretion to deviate from its securities, weightings and risk characteristics.***

***The degree to which the Sub-Fund may resemble the composition and risk characteristics of the benchmark will vary over time and its performance may be meaningfully different.***

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## Main Investment Exposure

At least 67% of assets invested in equities of socially responsible companies anywhere in the world. Socially responsible companies are expected to work towards high standards of corporate, social and environmental responsibility and environmental sustainability, develop positive relationships with their shareholders, and uphold and support universal human rights.

At least 51% of assets are invested in companies 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.

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 ([www.ipmorganassetmanagement.lu](http://www.ipmorganassetmanagement.lu)).

The Sub-Fund systematically includes ESG analysis in its investment decisions on at least 90% of securities purchased.

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***The Sub-Fund may invest in small capitalisation companies.***

***The Sub-Fund may invest in China A-Shares through the China-Hong Kong Stock Connect Programmes.***

***Sustainable Companies and companies that demonstrate improving sustainable characteristics are selected through the use of proprietary research and third party data. Fundamental analysis is used to better understand sustainability risks and opportunities that may impact a company. This analysis is also an important driver behind active company engagement when seeking to positively influence business practices to improve sustainability.***

~~At least 51% of assets are invested in companies 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.~~

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## Techniques and instruments

Securities lending: 0% to 20% expected; 20% maximum.

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## Will be removed

## Main Risks

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

Techniques	Securities
Hedging	Equities
Security exclusion	

Other associated risks Further risks the Sub-Fund is exposed to from its use of the techniques and securities above

Currency	Market
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Outcomes to the Shareholder Potential impact of the risks above

Loss Shareholders could lose some or all of their money.	Volatility Shares of the Sub-Fund will fluctuate in value.	Failure to meet the Sub-Fund's objective.
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## Main Risks

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

Techniques	Securities
Hedging	<b>China</b>
Security exclusion	<b>Emerging Markets</b>
<b>Concentration</b>	Equities
	<b>Smaller Companies</b>

Other associated risks Further risks the Sub-Fund is exposed to from its use of the techniques and securities above

Currency	Market	<b>Liquidity</b>
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Outcomes to the Shareholder Potential impact of the risks above

Loss Shareholders could lose some or all of their money.	Volatility Shares of the Sub-Fund will fluctuate in value.	Failure to meet the Sub-Fund's objective.
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## Investor Profile

Investors who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- seek an equity strategy managed along ethical lines;
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

## Investor Profile

Investors who understand the risks of the Sub-Fund, including the risk of capital loss, and:

- seek long-term capital growth through exposure to global equity markets;
- ~~seek an equity strategy managed along ethical lines;~~
- **seek an investment that embeds ESG principles;**
- are looking to use it as part of an investment portfolio and not as a complete investment plan.

## Key Dates

**9<sup>th</sup> December 2021**

Free switch/redemption period begins.

**25<sup>th</sup> February 2022 at 14.30 CET**

Free switch/redemption period ends.

**25<sup>th</sup> February 2022**

Changes become effective.

The changes are being made to the relevant prospectus or Key Investor Information Document (KIID), revised versions of which will be available at [www.jpmorganassetmanagement.lu](http://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.

The report of the statutory approved auditor on the merger can be obtained by shareholders by contacting the registered office or your local representative.