A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Funds – Highbridge Europe STEEP Fund in which you own shares will be merged into the JPMorgan Funds – Europe Dynamic 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 20th February 2018 at 14.30 CET

Reason for merger Your sub-fund has not attracted sufficient assets and the Board believes it 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 23rd February 2018

Deadline for receipt of switch/ redemption orders 20th February 2018 at 14.30 CET

Your sub-fund JPMorgan Funds – Highbridge Europe STEEP Fund

Receiving sub-fund (sub-fund into which your sub-fund will be merging) JPMorgan Funds – Europe Dynamic 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

20th February 2018 at 14.30 CET
Deadline for receiving all dealing instructions.

▶

23rd February 2018
Merger occurs; shares exchanged.

▶

26th 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.

All shares remaining in your sub-fund at the merger date will be exchanged free of charge for shares in a corresponding share class of the receiving sub-fund, based on the net asset value per share in effect that day for both sub-funds. The corresponding share classes for the receiving sub-funds do not charge performance fees. 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 charges a performance fee as shown in the "Charges" section and the receiving sub-fund does not. 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.

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	• While your sub-fund seeks to achieve long term capital growth through a Statistically Enhanced Equity Portfolio process, which employs a quantitative approach, the receiving sub-fund uses an investment process that is based on systematic investments in equity securities with specific style characteristics. • Unlike your sub-fund, the receiving sub-fund is aggressively managed but does not use Financial Derivative Instruments for investment purposes.
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. • The receiving sub-fund has the same Annual Management and Advisory Fee as your sub-fund but no additional performance fee is levied in any of its share classes.
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.• While the receiving sub-fund calculates its global exposure on a commitment basis, you sub-fund does so through the relative Value-at-Risk methodology (with an expected level of leverage of 300%). • The portfolio of your sub-fund does not resemble that of the receiving sub-fund and, therefore rebalancing of the assets will be required in preparation for the merger. • 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.

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 – **Highbridge Europe STEEP Fund**	JPMorgan Funds – **Europe Dynamic Fund**
Investments and Risks		
Objectives and investment policies	To provide long term capital growth by having exposure primarily to European companies, using financial derivative instruments where appropriate. The Sub-Fund will invest its assets primarily in equity securities, cash, cash equivalents and short-dated instruments including but not limited to, government securities, securities issued by corporations and time deposits. The Sub-Fund will gain exposure, either directly or through the use of financial derivative instruments, to equity securities of companies that are domiciled in, or carrying out the main part of their economic activity in, a European country. The minimum exposure to such equity securities will be 67% of the Sub-Fund's assets. The Sub-Fund will utilise the STEEP (Statistically Enhanced Equity Portfolio) process, which employs a quantitative approach, based upon proprietary models developed by the Investment Manager, which identify trade opportunities, measure and control portfolio risk and submit orders to electronic markets throughout the trading day. The Sub-Fund may 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, and swap contracts by private agreement and other fixed income and, currency derivatives. The Sub-Fund may hold up to 10% of its net assets in short positions through the use of financial derivative instruments. The Sub-Fund may also invest in units of UCITS and other UCIs including money market funds. EUR is the reference currency of the Sub-Fund but assets may be denominated in other currencies and currency exposure may be hedged.	To maximise long-term capital growth by investing primarily in an aggressively managed portfolio of European companies. At least 67% of the Sub-Fund's assets (excluding cash and cash equivalents) will be invested in equity securities of companies that are domiciled in, or carrying out the main part of their economic activity in, a European country. The Sub-Fund uses an investment process that is based on systematic investments in equity securities with specific style characteristics, such as value, quality and momentum in price and earnings trends. Historical research has demonstrated that such securities can outperform over a market cycle as they exploit psychological factors (the behavioural and cognitive biases of investors) in stock markets. For example, investor overconfidence, the expectation that a security's earnings will continue to grow in perpetuity, or loss aversion, the reluctance of an investor to sell a security that is decreasing in price. Debt securities, cash and cash equivalents may be held on an ancillary basis. The Sub-Fund may also invest in UCITS and other UCIs. The Sub-Fund may invest in assets denominated in any currency and currency exposure may be hedged. The Sub-Fund may use financial derivative instruments for the purposes of hedging and efficient portfolio management.
	All of the above investments will be made in accordance with the limits set out in "Appendix II – Investment Restrictions and Powers".	
Risk and reward category		JPM Europe Dynamic C (dist) – GBP: category 5
	All other classes: category 6 *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	• The value of equity securities may go down as well as up in response to the performance	• Because the Sub-Fund is aggressively managed, volatility may be high as the Sub-

	of individual companies and general market conditions. • Where the Sub-Fund gains exposure to equity securities through the use of financial derivative instruments, the Sub-Fund may not benefit from the returns arising from its investments in cash, cash equivalents and short-dated instruments as these investments will serve primarily as collateral for financial derivative instruments (principally swaps). • The investment process seeks to exploit market inefficiencies. Since these market inefficiencies are small, individual transactions generally have a small expected return. Consequently, the investment process involves efficiently executing a large number of trades, diversified across many different equities. • 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.	Fund may take larger position sizes, may have high turnover of holdings and at times may have a significant exposure to certain areas of the market.

- The value of your investment may fall as well as rise and you may get back less than you originally invested.
- 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	MSCI Europe Index (Total Return Net)	
Base currency	Euro (EUR)	
Charges		
Maximum entry charge*	A (perf): 5.00% C (perf): Nil D (perf): 5.00% I (perf): Nil T (perf): Nil X (perf): Nil	A: 5.00% C: Nil D: 5.00% I: Nil T:3.00%
	X: Nil	
Maximum exit charge	A (perf): 0.50% C (perf): Nil D (perf): 0.50% I (perf): Nil T (perf):Nil X (perf): Nil	A: 0.50% C: Nil D: 0.50% I: Nil T:Nil
	X: Nil	
Annual Management and Advisory Fee	A (perf): 1.50% C (perf): 0.80% D (perf): 1.50% I (perf): 0.80% T (perf): 1.50% X (perf): Nil	A: 1.50% C: 0.80% D: 1.50% I: 0.80% T: 1.50%
	X: Nil	
Distribution Fee	A (perf): Nil C (perf): Nil D (perf): 0.75% I (perf): Nil	A: Nil C: Nil D: 0.75% I: Nil

	T (perf):0.75% X (perf): Nil	T:0.75%
	X: Nil	
Operating and Administrative Expenses	A (perf): 0.30% Max C (perf): 0.20% Max D (perf): 0.30% Max I (perf): 0.16% Max T (perf): 0.30% Max X (perf): 0.15% Max	A: 0.30% Max C: 0.20% Max D: 0.30% Max I: 0.16% Max T: 0.30% Max
	X: 0.15% Max	
Performance charge	All (perf) classes: 20%	n/a

*** The entry charge for the T Share Class will be levied in the form of a contingent deferred sales charge if shares are redeemed within the first three years**

Structure

End of financial year	30th June	
Investment company	JPMorgan Funds	
Investment Managers	Highbridge Capital Management	JPMorgan Asset Management UK Limited
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).	

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

20 February 2018, 14.30 CET
Deadline for receiving all dealing instructions.

▶

23 February 2018
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▶

26 February 2018
New shares available for dealing instructions.

Owners of T shares: *The redemption and switch charge and contingent deferred sales charge ('CDSC") that may be applicable will be waived. If you are invested in a T share class and decide to switch into a T share class of another sub-fund, the remaining CDSC will be carried forward to the new T share class.*