

**IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, please seek independent professional advice.**

17 April 2019

Dear Investor,

**JPMorgan Funds - Global Dynamic Fund (the “Sub-Fund”)**

We are writing to inform you about the following changes in relation to the Sub-Fund, which will take effect from 3 June 2019 (“**Effective Date**”).

**1. Change in investment objective, investor profile, risk profile and fund name**

As a result of the ongoing review of the Sub-Fund, it has been determined that the Sub-Fund will no longer be an “aggressively managed” portfolio, and the investment objective of the Sub-Fund will be amended accordingly (“**Change of Investment Objective**”).

As disclosed in the Offering Document (as defined below), there is a reference benchmark for the Sub-Fund, namely MSCI World Index (Total Return Net), which is a point of reference against which the performance of the Sub-Fund may be measured. While the Sub-Fund is an actively managed fund and the Investment Manager constructs the portfolio of the Sub-Fund based on research into individual companies, the reference benchmark may be considered during such process. As a result of the Change of Investment Objective, the Sub-Fund’s deviation from the reference benchmark in terms of regional exposure will be reduced. The reduced deviation of the Sub-Fund’s portfolio from its reference benchmark will result in lower level of active decisions by the portfolio manager.

Currently, the Sub-Fund is aggressively managed, therefore, volatility may be high as the Sub-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. After the Change of Investment Objective, since the Sub-Fund will no longer be aggressively managed, such risks are no longer applicable and will be removed from the risk profile of the Sub-Fund.

Save as described above, the Change of Investment Objective will not result in any other changes to the features or risks applicable to the Sub-Fund, or any other changes in the operation and/or manner in which the Fund is being managed. The investment process in terms of stock selection and the Investment Policy of the Sub-Fund as set out in the Offering Document remain unchanged.

In connection with the Change of Investment Objective, the Sub-Fund’s name will be changed to “JPMorgan Funds - Global Equity Fund” and its share classes will also be renamed accordingly.

Details of the changes to the name, investment objective, investor profile and risk profile of the Sub-Fund in subsection 3.1 of the Hong Kong Offering Document (the “**Offering Document**”) of JPMorgan Funds (the “**Fund**”) are set out in the Appendix attached to this letter.

## 2. Clarification to the risk profile of the Sub-Fund

It will be clarified in the Offering Document that emerging markets risk is not applicable to the Sub-Fund and will be removed from the risk profile of the Sub-Fund.

## 3. Reduction of Annual Management and Advisory Fee

The Annual Management and Advisory Fee (as defined in the Offering Document) in respect of JPM Global Dynamic A (acc) - HKD (to be re-named as “JPM Global Equity A (acc) - HKD”), JPM Global Dynamic A (acc) - USD (to be re-named as “JPM Global Equity A (acc) - USD”) and JPM Global Dynamic A (dist) - USD (to be re-named as “JPM Global Equity A (dist) - USD”) of the Sub-Fund will be reduced from 1.50% per annum to 1.00% per annum.

The changes will not have any material adverse impact on the interests of the investors of the Sub-Fund.

The costs associated with the above changes, estimated to be approximately USD11,000, will be borne by the Sub-Fund.

If, as a consequence of the above changes, you wish to redeem your shares, or switch your holdings in the Sub-Fund into any other funds which are managed by JPMorgan Funds (Asia) Limited or for which it acts as Hong Kong representative<sup>1</sup> and which are authorised by the Securities and Futures Commission (“SFC”) for sale to the public in Hong Kong, you may do so free of charge during the waiver period from 17 April 2019 until 5:00p.m. (Hong Kong time) on 31 May 2019<sup>2</sup>. The redemption charge applicable to the Sub-Fund is currently at 0% of the net asset value per share. All other switching and redemption conditions as disclosed in the Offering Document still apply. Details of such funds (including the relevant offering documents) can be found on our website [www.jpmorganam.com.hk](http://www.jpmorganam.com.hk)<sup>3</sup>. SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of a fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

If you wish to switch or redeem your investment, we recommend that you seek tax and investment advice as appropriate before making a final decision.

The current Offering Document of the Sub-Fund is available free of charge upon request during normal working hours at the registered office of JPMorgan Funds (Asia) Limited<sup>4</sup>, and on our website [www.jpmorganam.com.hk](http://www.jpmorganam.com.hk)<sup>3</sup>. The updated Offering Document reflecting the above changes will be available on or after the Effective Date.

The Management Company of the Fund accepts responsibility for the accuracy of the content of this letter.

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<sup>1</sup> Please note that, as provided in the relevant offering documents of the funds, the manager or the Hong Kong representative (as applicable) of each such fund has the discretion to accept or reject in whole or in part any application for units or shares (as the case may be) in the fund.

<sup>2</sup> Please note that although we will not impose any charges in respect of your switching or redemption instructions, your bank, distributor, financial adviser or pension scheme trustee or administrator may charge you switching or redemption fees and/or transaction fees and may impose different dealing arrangements. You are advised to contact your bank, distributor, financial adviser or pension scheme trustee or administrator should you have any questions.

<sup>3</sup> The website has not been reviewed by the SFC.

<sup>4</sup> The registered office of JPMorgan Funds (Asia) Limited is located at 21st Floor, Chater House, 8 Connaught Road Central, Hong Kong.

If you have any questions with regard to the content of this letter or any other aspect of the Sub-Fund, please do not hesitate to contact:

- your bank or financial adviser;
- your designated client adviser, account manager, pension scheme trustee or administrator;
- our Intermediary Clients' Hotline on (852) 2265 1000;
- our distributor hotline on (852) 2978 7788; or
- if you normally deal directly with us, our J.P. Morgan Funds InvestorLine on (852) 2265 1188.

Yours faithfully,  
For and on behalf of  
JPMorgan Funds (Asia) Limited  
as Hong Kong Representative of the Fund

A handwritten signature in black ink, appearing to be 'Edwin TK Chan', with a stylized flourish at the end.

Edwin TK Chan  
Director

## Appendix

Changes to the name, investment objective, investor profile and risk profile of the Sub-Fund in subsection 3.1 of the Offering Document:

### **JPMorgan Funds - Global ~~Dynamic~~ Equity Fund**

#### **Investment Objective**

To maximise long-term capital growth by investing primarily in ~~an aggressively managed~~ a portfolio of companies, globally.

#### **Investor Profile**

~~This Sub-Fund may be suitable for investors seeking long term capital growth through exposure to global equity markets. This is an aggressively managed global equity Sub-Fund. Therefore, the Sub-Fund may be suitable for investors looking for a higher risk equity strategy to complement an existing core portfolio, or looking to potentially enhance long-term returns and who are comfortable with the extra risks inherent in the Sub-Fund.~~

The Sub-Fund is offered to investors who have financial market knowledge and experience and also to investors who have basic or no financial market knowledge and experience and is intended for long-term investment. Investors should understand the risks involved, including the risk of losing all capital invested and must evaluate the Sub-Fund objective and risks in terms of whether they are consistent with their own investment goals and risk tolerances. The Sub-Fund is not intended as a complete investment plan.

#### **Risk Profile**

- The value of your investment may fall as well as rise and you may get back less than you originally invested.
- ~~Because the Sub-Fund is aggressively managed, volatility may be high as the Sub-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 equity securities may go down as well as up in response to the performance of individual companies and general market conditions.
- ~~Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging market currencies may be subject to volatile price movements. Emerging market securities may also be subject to higher volatility and lower liquidity than non-emerging market securities.~~
- 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 section 4 “Risk Factors” of this Offering Document.