

**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.**

Capitalised terms in this letter have the same meaning as in the Consolidated Explanatory Memoranda of JPMorgan Funds (Unit Trust Range) unless otherwise specified.

31 August 2020

Dear Investor,

### **JPMorgan Funds (Unit Trust Range)**

We are writing to inform you about the following changes to the funds under JPMorgan Funds (Unit Trust Range) (each a “**Fund**”, collectively the “**Funds**”) which will be effective on and from 31 August 2020 (the “**Effective Date**”).

#### **1. Amendments to the investment policy of JPMorgan Global Bond Fund**

Currently, JPMorgan Global Bond Fund invests at least 90% of its total net asset value in global debt securities rated investment grade (rated Baa3/ BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody’s, Standard and Poor’s, Fitch)) indirectly (through investing in collective investment schemes) or directly. Also, the Fund will not invest more than 10% of its total net asset value in PRC onshore securities (including debt securities) and will not invest more than 10% of its total net asset value in Chinese debt securities traded in the CIBM through Bond Connect.

From the Effective Date, the investment policy of JPMorgan Global Bond Fund will be amended to provide that the Fund invests at least 80% of its total net asset value in global debt securities rated investment grade (rated Baa3/ BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody’s, Standard and Poor’s, Fitch)) indirectly (through investing in collective investment schemes) or directly. Also, the investment policy of the Fund will be amended to provide that the Fund will not invest more than 20% of its total net asset value in PRC onshore securities (including debt securities) and will not invest more than 20% of its total net asset value in Chinese debt securities traded in the CIBM through Bond Connect.

The Manager is of the view that there will be no material change in the overall risk profile of the Fund following the above amendments. Please refer to the offering documents for details of the risks associated with investments in debt securities, investments in PRC onshore securities and Bond Connect.

#### **2. Amendments to the investment policy of JPMorgan Asian Smaller Companies Fund and JPMorgan Pacific Technology Fund**

Currently, each of JPMorgan Asian Smaller Companies Fund and JPMorgan Pacific Technology Fund may invest up to 10 per cent. of their respective total net asset value in eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect. (collectively, the “**China Connect**”).

From the Effective Date, the investment policy of each of JPMorgan Asian Smaller Companies Fund and JPMorgan Pacific Technology Fund will be amended to provide that each Fund may invest up to 20 per cent. of their respective total net asset value in eligible China A-Shares via the China Connect.

The Manager is of the view that there will be no material change in the overall risk profile of the Funds following the above amendments. Please refer to the offering documents for details of the risks associated with investments in China A-Shares and with China Connect.

### 3. Removal of certain investment restrictions of JPMorgan Asian Total Return Bond Fund and JPMorgan Multi Income Fund

In the past, JPMorgan Asian Total Return Bond Fund and JPMorgan Multi Income Fund were registered for sale to the public in South Korea and were subject to the following additional investment restrictions required by the South Korean regulator:

Fund	Additional investment restrictions
JPMorgan Asian Total Return Bond Fund	<ul style="list-style-type: none"> <li>• The Fund may invest up to 30 per cent. of its total net asset value in Korean Won denominated securities or assets.</li> <li>• The value of the Fund’s holding of units or shares in each underlying collective investment scheme may not exceed 20 per cent. of its total net asset value.</li> <li>• The value of the Fund’s total holdings with any single entity (including, but not limited to, securities, listed and unlisted derivative instruments and deposits) may not exceed 35 per cent. of its total net asset value, however, if such holdings with any single issuer also include over-the-counter derivatives (in addition to securities, listed and unlisted derivative instruments and deposits), such holdings may not exceed 20 per cent. of the Fund’s total net asset value.</li> <li>• The Fund’s total risk exposure in respect of over-the-counter derivatives issued by any single counterparty may not exceed 10 per cent. of its total net asset value.</li> <li>• The Fund may enter into borrowing arrangements on a temporary basis for unavoidable circumstances only including but not limited to, payment of redemption amounts provided that the aggregate principal amount of borrowing outstanding shall not exceed 10 per cent. of the net asset value of the Fund.</li> </ul>
JPMorgan Multi Income Fund	<ul style="list-style-type: none"> <li>• The Fund may enter into borrowing arrangements on a temporary basis for unavoidable circumstances only including but not limited to, meeting redemption requests, provided that the aggregate principal amount of borrowing outstanding shall not exceed 10 per cent. of the net asset value of the Fund.</li> </ul>

Since JPMorgan Asian Total Return Bond Fund and JPMorgan Multi Income Fund are no longer registered in South Korea, the above additional investment restrictions required by the South Korean regulator are no longer applicable and will be removed from the offering documents. For the avoidance of doubt, both Funds’ investments in underlying collective investment schemes, holding in single entity, exposure to single counterparty and borrowing policy continue to be subject to the restrictions set out in the subsections “Investment Restrictions and Guidelines” and “Borrowing and Leverage” under the section “INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS” in section A of the Consolidated Explanatory Memoranda of the Funds.

**4. Environmental, social and governance integration for JPMorgan Evergreen Fund, JPMorgan Multi Balanced Fund and JPMorgan Multi Income Fund**

The investment policy of JPMorgan Evergreen Fund, JPMorgan Multi Balanced Fund and JPMorgan Multi Income Fund will be amended to provide that environmental, social and governance (“ESG”) factors are integrated in the investment process.

ESG integration is the systematic integration of material ESG factors in company/ issuer selection through research and risk management. It involves proprietary research on financial materiality of the ESG factors in relation to the relevant company/ issuer and discretion to invest regardless of whether the company/ issuer may be positively or negatively impacted by the ESG factors.

**5. Removal of the holding restriction per investor applicable to JPMorgan Vietnam Opportunities Fund**

Currently, the maximum allowed aggregate holding for each investor of JPMorgan Vietnam Opportunities Fund is 5 per cent. of the Fund’s net asset value. The Manager may waive or alter the above provisions at its sole discretion.

From the Effective Date, the above holding restriction will be removed. In other words, there will no longer be any maximum limit on the aggregate holding in the Fund for each investor.

The current offering documents of the Funds are available free of charge upon request during normal working hours at the registered office of JPMorgan Funds (Asia) Limited<sup>1</sup>, and on our website [am.jpmorgan.com/hk](http://am.jpmorgan.com/hk)<sup>2</sup>. The revised offering documents of the Funds reflecting the above amendments will be available on or after the Effective Date.

The Manager of the Funds accepts responsibility for the accuracy of the content of this letter.

If you have any questions with regard to the content of this letter or any other aspect of the Funds, 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



Edwin TK Chan  
Director

<sup>1</sup> The registered office of JPMorgan Funds (Asia) Limited is located at 21st Floor, Chater House, 8 Connaught Road Central, Hong Kong.  
<sup>2</sup> The website has not been reviewed by the Securities and Futures Commission.