

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

Capitalised terms in this letter have the same meaning as in the offering documents of JPMorgan Provident Funds unless otherwise specified.

30 September 2020

Dear Investor,

**JPMorgan Provident Balanced Fund/ JPMorgan Provident Capital Fund/
JPMorgan Provident European Fund/ JPMorgan Provident Global Bond Fund/
JPMorgan Provident Greater China Fund/ JPMorgan Provident Growth Fund/
JPMorgan Provident HK\$ Money Fund/ JPMorgan Provident High Growth Fund/
JPMorgan Provident Hong Kong Fund/ JPMorgan Provident Stable Capital Fund/
JPMorgan Provident US\$ Money Fund (each a “Fund”, and collectively, the “Funds”)**

We are writing to inform you of the following changes to the Funds.

Changes due to the Manager’s outsourcing of administrative functions in respect of the Funds

As disclosed in the Explanatory Memorandum of the Funds, JPMorgan Funds (Asia) Limited (the “**Manager**”) may at its discretion outsource the administrative functions in respect of the Funds from time to time, subject to the consent of the Trustee of the Funds. The Manager will outsource certain administrative functions (the “**Outsourcing**”) by the end of this year but no earlier than 30 October 2020. In connection with the Outsourcing, the following changes will be made to the Funds in order to align with the operation of the service provider’s platform.

1. Change in valuation policy

The trust deed of each Fund will be amended to reflect the following changes to the Fund’s valuation policy for certain investments of the Fund, which will take effect upon implementation of the Outsourcing:

1. In respect of investments listed, quoted or dealt in on a market, if there is no official closing price or latest market quoted price available on the relevant valuation day on the market, such investments shall be valued at the last available official closing price or last available market quoted price. For the avoidance of doubt, the official closing price or latest market quoted price will remain to be the primary valuation basis for the investments listed, quoted or dealt in on a market. However, upon implementation of the Outsourcing, the mid of the latest available offered and bid prices of the investments on the market will no longer be used as an alternative for valuation when the closing price is not available.
2. In respect of units in collective investment schemes (other than collective investment scheme which does not provide for units to be redeemed at the option of the holder of such units), the average of last published bid and offered price of the units is currently an alternative for valuation when the net asset value per unit in such collective investment scheme is not

published or not considered by the Manager to be appropriate. Upon implementation of the Outsourcing, the average of last published bid and offered price of the units will no longer be used as an alternative for valuation. Each unit in any collective investment scheme (other than a unit in a collective investment scheme which does not provide for units to be redeemed at the option of the holder of such units) will continue to be valued at its last published net asset value per unit.

The above changes in the valuation policy will not have any impact on the existing valuation of the Funds' investments and no re-valuation of any investments will be required.

Apart from the above, the following changes will also take effect upon implementation of the Outsourcing:

- the Trust Deed of each Fund will be amended to reflect immaterial amendments in relation to the calculation method of net asset value of a class of units;
- different, but equally established, pricing source will be adopted for valuation of investments of the Funds; and
- the accounting and valuation system of the service provider will be adopted to conduct accounting of the Funds.

Based on an impact analysis conducted by an independent third party, the Manager is of the view that the impact on the Funds' portfolio valuation due to the above changes, if any, will be immaterial.

2. Change in calculation method of management fees, trustee fees and administration fees

I. Management Fees

Currently, management fees are calculated with reference to the net asset value of each Fund. Upon implementation of the Outsourcing, management fees will be calculated with reference to the net asset value of the class of units of each Fund.

For the avoidance of doubt, there will be no change in the current percentage rate of the management fees applicable to the Funds. The change in calculation method will have immaterial impact on the amount of management fees charged.

II. Trustee Fees

Currently, trustee fees are calculated with reference to the net asset value of each Fund. Upon implementation of the Outsourcing, trustee fees will be calculated with reference to the net asset value of the class of units of each Fund.

Since the trustee fee applicable to the Funds is currently at 0% per annum, the change in calculation method will not have any impact on the amount of trustee fee charged.

III. Administration Fees

Administration fees are applicable to Administration Units of the Funds.

Currently, administration fees are calculated with reference to the net asset value of each Fund (which takes into account the management fee accrual and trustee fee accrual on the relevant

Valuation Day). Upon implementation of the Outsourcing, administration fees will be calculated with reference to the net asset value of the class of units of each Fund without taking into account the management fee accrual and trustee fee accrual on the relevant Valuation Day.

For the avoidance of doubt, there will be no change in the current percentage rate of the administration fees applicable to the Funds. The change in calculation method will have immaterial impact on the amount of administration fee charged.

The offering documents and the Trust Deeds of the respective Fund will be amended to reflect the changes as mentioned above.

General information

The above changes do not amount to material changes to the Funds and will not have any material adverse impact on the unitholders' rights or interests. They do not give rise to any material change or increase in the overall risk profile of the Funds.

The current offering documents of the respective Funds are available free of charge upon request at the registered office of the Manager of the Funds¹ and on our website am.jpmorgan.com/hk². The current Trust Deeds of the respective Funds are available for inspection free of charge during normal working hours at the registered office of the Manager of the Funds¹. The revised offering documents and Trust Deeds of the respective Funds will be available after implementation of the Outsourcing.

The Manager accepts responsibility for the accuracy of the contents of this letter.

This letter is for information purposes only. Investors are not required to take any action.

Should you have any questions regarding the above, please do not hesitate to contact your designated client adviser or our J.P. Morgan Pension Services on (852) 2978 7588.

Yours faithfully,
For and on behalf of
JPMorgan Funds (Asia) Limited



Regina Liu
Head of Hong Kong Institutional Business

¹ The registered office of the Manager is located at 21st Floor, Chater House, 8 Connaught Road Central, Hong Kong.

² The website has not been reviewed by the SFC.