

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.

29 January 2021

Dear Investor,

JPMorgan SAR Global Bond Fund
(the “Trust”)

We are writing to inform you of the investment management arrangement of the Trust.

As disclosed in the Explanatory Memorandum and with the approval from the relevant regulators, the Trust is managed by the Manager, namely JPMorgan Asset Management (Asia Pacific) Limited, which has appointed JPMorgan Asset Management (UK) Limited as the Sub-Manager of the Trust.

Given that the U.S. markets are key markets for bond investment and it is more efficient to have portfolio managers in the U.S. to be delegated with the investment management of the Trust, since 1 December 2010, portfolio managers under the employment of J.P. Morgan Investment Management Inc. (“JPMIM”, our affiliate in the U.S.) have been involved in the Trust’s security selection decisions.

Delegation of investment management functions of the Trust requires prior approval from the Securities and Futures Commission (the “SFC”) pursuant to 11.1(b) of the Code on Unit Trusts and Mutual Funds (the “UT Code”) and 6.9 of the SFC Code on MPF Products (the “SFC MPF Code”) and also notification to investors of such delegation by giving prior written notice pursuant to 11.2 of the UT Code and 8.2A and 8.3 of the SFC MPF Code. The delegation should also be disclosed in the Explanatory Memorandum of the Trust pursuant to C3(c) under Appendix C of the UT Code and 5.3(d) of the SFC MPF Code and the corresponding update to the Explanatory Memorandum requires the SFC’s approval pursuant to 11.1A of the UT Code and 8.2 of the SFC MPF Code, respectively. In addition, amendments to the Explanatory Memorandum of the Trust reflecting the delegation arrangement requires prior approval from the Mandatory Provident Fund Schemes Authority (the “MPFA”), pursuant to the codes and regulations of the MPFA. Nevertheless, according to the Trust’s constitutive documents, such delegation of investment management function does not require investors’ prior approval.

The Manager believes that due to an inadvertent oversight in internal communication, the Manager did not obtain approval from the SFC and the MPFA, update the Explanatory Memorandum nor provide prior written notice to investors pursuant to the rules and regulations mentioned above before delegating investment management functions to JPMIM. Upon discovering this, the Manager immediately applied for and obtained the requisite approval from the SFC and MPFA in January 2021, updated the Explanatory Memorandum to reflect that JPMIM is a Sub-Manager of the Trust and hereby notify you of such delegation.

The Manager believes that the delegation of investment management functions of the Trust to JPMIM is in the best interest of the investors as it can enhance the efficiency of management of the Trust. The Trust has been managed and will continue to be managed in accordance with its investment objectives, policies and restrictions as disclosed in the Explanatory Memorandum and there are no additional fees or expenses charged to the Trust in relation to the delegation of investment management functions to JPMIM.

JPMIM is a company incorporated in the United States of America, whose registered office is at 383 Madison Avenue, New York, NY 10179, United States of America. JPMIM is part of the JPMorgan group and is subject to the same JPMorgan group's control standards and policies as the Manager and the Sub-Manager. JPMIM is registered under the U.S. Securities and Exchange Commission as a Registered Investment Adviser in the U.S. and possesses sufficient experience and knowledge in managing the Trust since its involvement in the investment management of the Trust. JPMIM had been approved by the SFC to act as an investment manager for SFC-authorised funds prior to its involvement in the investment management of the Trust and has been managing SFC-authorised funds since then. In particular, JPMIM has also been acting as Sub-Manager to other trusts within the JPMorgan SAR Funds range, namely JPMorgan SAR American Fund and JPMorgan SAR Global Emerging Markets Fund, since 29 November 2000 and 2 February 2010, respectively.

The Explanatory Memorandum of the Trust has been updated to reflect that JPMIM is a Sub-Manager of the Trust. Since the amendments to the Explanatory Memorandum are merely to reflect the arrangement since 2010, there will not be any changes to the manner in which the Trust operates or is managed. There will not be any impact on the features and risk profile of the Trust. The investment objective and policy of the Trust will remain unchanged. There is no change to the fee levels of the Trust.

Based on the above, the Manager believes that the delay in obtaining approval from the SFC and MPFA did not have any adverse impact or cause any losses to the Trust and unitholders of the Trust, and did not result in any material prejudice to unitholders of the Trust.

The costs associated with this change will be borne by the Manager.

In order to prevent similar incident from re-occurring in the future, the Manager has put in place enhanced controls and procedures in respect of delegation of investment management function. In particular, when initiating proposed changes to the Trust, the information of the individual portfolio managers who will make investment decisions for the Trust is documented in internal document for governance purpose and the related legal entities will be disclosed in the updated Explanatory Memorandum. The relevant personnel of the Manager have been reminded that changes in investment management entities have to be approved by regulators in advance and where necessary, prior written notice to investors need to be provided. In addition, a recertification will be performed at least on an annual basis which requires portfolio and/or business managers to certify that the list of investment delegates appointed for each trust within the JPMorgan SAR Funds range is complete and accurate.

If you wish to redeem your holding in the Trust, you may do so on any dealing day. Currently, the Manager does not levy any redemption charge for the Trust. Alternatively, if you wish to switch your holding in the Trust into any other trusts within the JPMorgan SAR Funds range, which are authorised by the SFC for sale to the public in Hong Kong, you may do so free of charge between

29 January 2021 and 1 March 2021¹. Details of such funds (including the relevant offering documents) can be found on our website www.jpmorgan.com/hk/am/². 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.

The updated Explanatory Memorandum of the Trust is available free of charge upon request at the registered office of JPMorgan Funds (Asia) Limited as the Administrator of the Trust³, and on our website www.jpmorgan.com/hk/am/².

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

Should you have any questions regarding the above, please do not hesitate to contact your designated client adviser, account manager, pension scheme trustee or administrator.

Yours faithfully,
For and on behalf of
JPMorgan Asset Management (Asia Pacific) Limited



Regina Liu
Head of Hong Kong Institutional Business

¹ Please note that although we will not impose any charges in respect of your redemption/switching instructions, your bank, distributor or financial adviser may charge you redemption/switching and/or transaction fees and may impose different dealing arrangements. You are advised to contact your bank, distributor or financial adviser should you have any questions.

² The website has not been reviewed by the SFC.

³ The registered office of the Administrator is located at 21st Floor, Chater House, 8 Connaught Road Central, Hong Kong.