

Q&A: Shareholder notice dated 11 July 2023



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Summary

Shareholder Letter section no.	Nature of change	Material change per SFC requirements (Y/N)	Effective date	Free switch or redemption (Y/N)
I.	Reclassification of 6 Sub-Funds from Article 6 to Article 8 under SFDR: Fidelity Funds – Asian Smaller Companies Fund Fidelity Funds – China Focus Fund Fidelity Funds – Germany Fund Fidelity Funds – Japan Growth Fund Fidelity Funds – Japan Value Fund Fidelity Funds – Thailand Fund	N	11 August 2023	Y
II.	Reclassification of 2 Sub-Funds from Article 8 to Article 9 under SFDR: Fidelity Funds – Sustainable Eurozone Equity Fund Fidelity Funds – Sustainable US Equity Fund	N	11 August 2023	Y
III.	Update to the investment policy of: Fidelity Funds – Asian Special Situations Fund	N	11 August 2023	Y
IV.	Update related to investments in SPACs of 17 Sub-Funds: Fidelity Funds - ASEAN Fund Fidelity Funds - Asia Pacific Opportunities Fund Fidelity Funds - Asian Special Situations Fund Fidelity Funds - China Consumer Fund Fidelity Funds - European Multi Asset Income Fund Fidelity Funds - Fidelity Target™ 2020 Fund Fidelity Funds - Fidelity Target™ 2025 (Euro) Fund Fidelity Funds - Fidelity Target™ 2030 (Euro) Fund Fidelity Funds - Global Multi Asset Dynamic Fund Fidelity Funds - Global Multi Asset Income Fund Fidelity Funds - Global Thematic Opportunities Fund Fidelity Funds - Indonesia Fund Fidelity Funds - Emerging Asia Fund Fidelity Funds - Pacific Fund Fidelity Funds - Sustainable Asia Equity Fund Fidelity Funds - Sustainable Multi Asset Income Fund Fidelity Funds - Thailand Fund	N	11 August 2023	N
V.	Introduction of benchmark for: Fidelity Funds – China High Yield Fund	N	11 August 2023	N
VI.	Change of 3 Sub-Fund names: Fidelity Funds - Sustainable Global Health Care Fund Fidelity Funds - Fidelity Target™ 2025 (Euro) Fund Fidelity Funds - Fidelity Target™ 2030 (Euro) Fund	N	11 August 2023	N
VII.	Change to the benchmark of: Fidelity Funds – European Smaller Companies Fund	N	28 July 2023	N

Questions and answers

I. Reclassification of 6 Sub-Funds from Article 6 to Article 8 under SFDR

1. What is changing?

The investment policy and notes of below Sub-Funds will be enhanced with further sustainability-related disclosures around the promotion of environmental and social characteristics which meet Article 8 requirements of the Sustainable Finance Disclosure Regulation (“SFDR”). Further details can be found in the Prospectus.

Sub-Funds	Effective Date	Free Switch and Redemption Period	Change to Investment Objective (Y/N)
Fidelity Funds – Asian Smaller Companies Fund	11 August 2023	11 July 2023 to 10 August 2023	Y
Fidelity Funds – China Focus Fund	11 August 2023	11 July 2023 to 10 August 2023	Y
Fidelity Funds – Germany Fund	11 August 2023	11 July 2023 to 10 August 2023	Y
Fidelity Funds – Japan Growth Fund	11 August 2023	11 July 2023 to 10 August 2023	Y
Fidelity Funds – Japan Value Fund	11 August 2023	11 July 2023 to 10 August 2023	Y
Fidelity Funds – Thailand Fund	11 August 2023	11 July 2023 to 10 August 2023	Y

2. Why are we making these changes?

After a thorough analysis of the investment policies and investment processes, the six Sub-Funds have been classified as Article 8 products within the meaning of the SFDR and in accordance with Fidelity’s Sustainable Investing Framework. There are no other changes arising from this reclassification of the Sub-Funds from SFDR Article 6 to SFDR Article 8 in terms of portfolio composition, risk profile or fees.

3. What do shareholders need to do?

Shareholders have three options:

- If shareholders agree with the changes, they may take no action, in which case their investment in the relevant Sub-Funds will continue after the Effective Date; or
- If shareholders do not agree with the changes, they may switch their shares to another SFC-authorized Sub-Fund available to them within Fidelity Funds, free of switch fees; or
- If shareholders do not agree with the changes, they may redeem their shares, free of redemption fees.

Shareholders may switch or redeem their shares free of charge on any Valuation Date within the free switch and redemption period stated above.

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II. Reclassification of 2 Sub-Funds from Article 8 to Article 9 under SFDR

1. What is changing?

Below Sub-Funds are being repurposed to enhance their sustainable investment process and consequently will be reclassified as Article 9 products within the meaning of the SFDR. The Sub-Funds' investment policy will be updated to align with Article 9 under SFDR. The Sub-Funds will invest 100% in sustainable investments (except for hedging and liquidity purposes) aligned with Fidelity's 'Sustainable Family' of Funds framework. The Sub-Funds will continue to be managed by the existing portfolio managers. There are no changes to the risk profiles and fees as a result of these repurposes.

Sub-Funds	Effective Date	Free Switch and Redemption Period	Change to Investment Objective (Y/N)
Fidelity Funds - Sustainable Eurozone Equity Fund	11 August 2023	11 July 2023 to 10 August 2023	Y
Fidelity Funds - Sustainable US Equity Fund	11 August 2023	11 July 2023 to 10 August 2023	Y

2. Why are we making these changes?

Sustainable investing is increasingly a priority for Fidelity International and our clients, both from a principle and investment perspective. We believe that investing in companies that consider a range of environmental, social and governance factors ("ESG"), alongside revenues and profits, has the potential to deliver more sustainable outcomes for investors over time.

In line with Fidelity International's ongoing commitment to sustainable investing, we are repurposing two Sub-Funds that will consequently move to Article 9 under the SFDR. The Sub-Funds will improve their sustainable investment process by investing 100% in sustainable investments (except for hedging and liquidity purposes) as defined under the Fidelity's Sustainable Family Fund framework.

3. What do shareholders need to do?

Shareholders have three options:

- If shareholders agree with the changes, they may take no action, in which case their investment in the relevant Sub-Funds will continue after the Effective Date; or
- If shareholders do not agree with the changes, they may switch their shares to another SFC-authorized Sub-Fund available to them within Fidelity Funds, free of switch fees; or
- If shareholders do not agree with the changes, they may redeem their shares, free of redemption fees.

Shareholders may switch or redeem their shares free of charge on any Valuation Date within the free switch and redemption period stated above.

III. Update to the investment policy of Fidelity Funds – Asian Special Situations Fund

1. What is changing?

The investment objective and policy for below Sub-Fund will be aligned with all other special situations funds within Fidelity Funds. The investment strategy will not change and there are no changes to the investment process.

Sub-Fund	Effective Date	Free Switch and Redemption Period	Change to Investment Objective (Y/N)
Fidelity Funds – Asian Special Situations Fund	11 August 2023	11 July 2023 to 10 August 2023	Y

2. Why are we making these changes?

The investment objective of this Sub-Fund is being updated to make it clearer to investors that it invests in the following way:

- Updating the definition of a special situation to “shares in companies that generally have attractive valuations in relation to net assets or earning potential and/or companies which are undervalued and whose recovery potential is not recognised by the market.”
- Removing the reference to ‘smaller growth companies’ in the primary investment policy as the exposure has reduced to not material after the portfolio management change last year.

3. What do shareholders need to do?

Shareholders have three options:

- If shareholders agree with the changes, they may take no action, in which case their investment in the relevant Sub-Funds will continue after the Effective Date; or
- If shareholders do not agree with the changes, they may switch their shares to another SFC-authorized Sub-Fund available to them within Fidelity Funds, free of switch fees; or
- If shareholders do not agree with the changes, they may redeem their shares, free of redemption fees.

Shareholders may switch or redeem their shares free of charge on any Valuation Date within the free switch and redemption period stated above.

IV. Update related to investments in SPACs of 17 Sub-Funds

1. What is changing?

The disclosure for below Sub-Funds is being enhanced to include reference to Special Purpose Acquisition Companies (“SPACs”). The investment strategy of the affected Sub-Funds will not change and there are no changes to the investment process. This enhanced disclosure does not change the risk profile of the Sub-Funds.

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Sub-Funds	Change	Effective Date
Fidelity Funds - ASEAN Fund Fidelity Funds - Asia Pacific Opportunities Fund Fidelity Funds - Asian Special Situations Fund Fidelity Funds - China Consumer Fund Fidelity Funds - European Multi Asset Income Fund Fidelity Funds - Fidelity Target™ 2020 Fund Fidelity Funds - Fidelity Target™ 2025 (Euro) Fund Fidelity Funds - Fidelity Target™ 2030 (Euro) Fund Fidelity Funds - Global Multi Asset Dynamic Fund Fidelity Funds - Global Multi Asset Income Fund Fidelity Funds - Global Thematic Opportunities Fund Fidelity Funds - Indonesia Fund Fidelity Funds - Emerging Asia Fund Fidelity Funds - Pacific Fund Fidelity Funds - Sustainable Asia Equity Fund Fidelity Funds - Sustainable Multi Asset Income Fund Fidelity Funds - Thailand Fund	Adding disclosure to include 'Less than 5%' SPAC investment in the Prospectus	11 August 2023

2. Why are we making these changes?

The enhanced disclosure has been added following an European Securities and Markets Authority's statement in July 2021. Only funds with enhanced disclosure are allowed to hold less than 5% in SPACs. Funds without the enhanced disclosure are not allowed to have any SPAC exposure.

V. Introduction of benchmark for Fidelity Funds – China High Yield Fund

1. What is changing?

We are introducing ICE BofA Asian Dollar High Yield Corporate China Issuers Index as a benchmark for Fidelity Funds – China High Yield Fund. The investment strategy will not change and there are no changes to the investment process.

Sub-Fund	Current Benchmark	Future Benchmark	Effective Date
Fidelity Funds – China High Yield Fund	None	ICE BofA Asian Dollar High Yield Corporate China Issuers Index	11 August 2023

2. Why are we making these changes?

The Sub-Fund does not currently have a benchmark and the proposal is to introduce the ICE BofA Asian Dollar High Yield Corporate China Issuers Index (ACYC) as its benchmark. ACYC includes high yield bonds issued by Chinese issuers (defined by country of risk and is a fair representation of the investment universe of the Fidelity Funds - China High Yield Fund).

The benchmark will be used for performance and compensation measurement purposes but there will be no change to the investment objective/strategy and portfolio allocation and the Sub-Fund will remain a total return fund with an income focus.

VI. Change of 3 Sub-Fund names

1. What is changing?

Two Sub-Funds will change their names as outlined below. We are not making any change to the investment objectives, portfolio managers or fees of the Sub-Funds.

Current Name	New Name	Effective Date
Fidelity Funds – Sustainable Global Health Care Fund	Fidelity Funds – Sustainable Health Care Fund	11 August 2023
Fidelity Funds - Fidelity Target™ 2025 (Euro) Fund	Fidelity Funds - Fidelity Target™ 2025 Fund	11 August 2023
Fidelity Funds - Fidelity Target™ 2030 (Euro) Fund	Fidelity Funds - Fidelity Target™ 2030 Fund	11 August 2023

2. Why are we making these changes?

Fidelity Funds - Sustainable Global Health Care Fund is changing its name to align with the Fidelity naming conventions for Thematic funds. The two Target Sub-Funds are changing their names to reflect the move from a European bias towards a more global offering.

VII. Change to the benchmark of Fidelity Funds – European Smaller Companies Fund

1. What is changing?

Below Sub-Fund will change its benchmark, which is included in the Prospectus. The investment strategy will not change and there is no change to the investment process.

Sub-Fund	Current Benchmark	Future Benchmark	Effective Date
Fidelity Funds - European Smaller Companies Fund	EMIX Smaller European Companies Index	MSCI Europe Small Cap Index (Net)	28 July 2023

2. Why are we making these changes?

The index provider will stop producing the EMIX Smaller European Companies Index on 31 July 2023. As a result, the benchmark for the Fidelity Funds - European Smaller Companies Fund will be changed to the MSCI Europe Small Cap Index (Net) ahead of the cessation date.

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