

**THIS LETTER IS IMPORTANT AND REQUIRES YOUR ATTENTION.
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

28 June 2024

Dear Shareholder,

We are writing to let you know about developments taking place within Fidelity Funds (“SICAV”) impacting funds that you are invested in (each a “Sub-Fund” and collectively, the “Sub-Funds”). Any terms not defined herein shall have the same meaning as in the extract overseas prospectus of the SICAV (the “Prospectus”), the Hong Kong covering document and the product key facts statements (“KFSs”) of the Sub-Funds (collectively, the “Hong Kong Offering Documents”).

As part of our ongoing commitment to responsible and sustainable investing, we are updating our approach to Sustainable Investing and environmental, social and governance (“ESG”) integration, to reflect the evolving sustainable investing landscape and enhance transparency to investors.

With effect from 30 July 2024, we will be making the following updates.

1. Introduction of Environmental, Social and Governance (ESG) scores for portfolios

We will be introducing ESG portfolio scores to promote environmental and social characteristics of certain Sub-Funds.

The following Sub-Funds will aim to have an ESG score greater than that of their investment universe or benchmark. In respect of Fidelity Funds - Sustainable Emerging Markets Equity Fund, the Sub-Fund will aim to have an ESG score of its portfolio greater than that of its benchmark, after exclusion of 20% of the assets with the lowest ESG rating and the Sub-Fund may invest in issuers with low but improving ESG characteristics.

- Fidelity Funds - America Fund
- Fidelity Funds - American Growth Fund
- Fidelity Funds - ASEAN Fund
- Fidelity Funds - Asia Pacific Dividend Fund
- Fidelity Funds - Asian Smaller Companies Fund
- Fidelity Funds - Asian Special Situations Fund
- Fidelity Funds - China Consumer Fund
- Fidelity Funds - China Innovation Fund
- Fidelity Funds - China RMB Bond Fund
- Fidelity Funds - Emerging Asia Fund
- Fidelity Funds - Emerging Market Corporate Debt Fund
- Fidelity Funds - Emerging Market Debt Fund
- Fidelity Funds - Emerging Markets Fund
- Fidelity Funds - Euro Bond Fund
- Fidelity Funds - Euro Cash Fund
- Fidelity Funds - European Dividend Fund
- Fidelity Funds - European Dynamic Growth Fund
- Fidelity Funds - European Growth Fund
- Fidelity Funds - European High Yield Fund
- Fidelity Funds - European Larger Companies Fund
- Fidelity Funds - FIRST All Country World Fund
- Fidelity Funds - Flexible Bond Fund
- Fidelity Funds - Germany Fund
- Fidelity Funds - Global Bond Fund
- Fidelity Funds - Global Dividend Fund
- Fidelity Funds - Global Financial Services Fund
- Fidelity Funds - Global Focus Fund
- Fidelity Funds - Global Income Fund
- Fidelity Funds - Global Inflation-linked Bond Fund
- Fidelity Funds - Global Short Duration Income Fund
- Fidelity Funds - Global Technology Fund
- Fidelity Funds - Greater China Fund
- Fidelity Funds - Iberia Fund
- Fidelity Funds - India Focus Fund
- Fidelity Funds - Institutional Emerging Markets Equity Fund
- Fidelity Funds - Italy Fund
- Fidelity Funds - Japan Growth Fund
- Fidelity Funds - Japan Value Fund
- Fidelity Funds - Nordic Fund
- Fidelity Funds - Pacific Fund
- Fidelity Funds - Sustainable Emerging Markets Equity Fund
- Fidelity Funds - Sustainable Strategic Bond Fund (being renamed as per 6 below)
- Fidelity Funds - Switzerland Fund
- Fidelity Funds - Thailand Fund
- Fidelity Funds - US Dollar Bond Fund
- Fidelity Funds - US Dollar Cash Fund
- Fidelity Funds - US High Yield Fund
- Fidelity Funds - World Fund

Furthermore, the current investment process of the above Sub-Funds (save for, Fidelity Funds - Sustainable Emerging Markets Equity Fund, Fidelity Funds - Sustainable Strategic Bond Fund, Fidelity Funds - Euro Cash Fund and Fidelity Funds - US Dollar Cash Fund) provides that they invest at least 50% of their assets in securities of issuers or companies with favourable ESG characteristics and the current investment process of Fidelity Funds - Sustainable Emerging Markets Equity Fund, Fidelity Funds - Euro Cash Fund and Fidelity Funds - US Dollar Cash Fund provides that these Sub-Funds invest at least 70% of their assets in securities of issuers with favourable ESG characteristics and up to 30% in securities of issuers with [low but] improving ESG characteristics. These limits will no longer be included as part of the investment process of the Sub-Funds. The aforesaid change will also apply to the Fidelity Funds - Sustainable Strategic Bond Fund (being renamed as the Fidelity Funds - Strategic Bond Fund), details of which are set out in item 6 below.

2. Increasing the minimum commitment to investments with high ESG ratings for certain Sub-Funds

The current investment process of the following Sub-Funds provide that they invest at least 70% of their respective assets in securities of issuers with favourable ESG characteristics.

The following Sub-Funds will invest a minimum of 80% in securities with high ESG ratings¹ and up to 20% in issuers with lower ESG ratings including those with low but improving ESG characteristics.

- Fidelity Funds - Sustainable Asia Equity Fund
- Fidelity Funds - Sustainable Consumer Brands Fund
- Fidelity Funds - Sustainable Demographics Fund
- Fidelity Funds - Sustainable Europe Equity Fund
- Fidelity Funds - Sustainable Future Connectivity Fund
- Fidelity Funds - Sustainable Global Dividend Plus Fund
- Fidelity Funds - Sustainable Healthcare Fund
- Fidelity Funds - Sustainable Japan Equity Fund

3. Increasing the minimum commitment to specific ESG criteria for multi-asset Sub-Funds

The following Sub-Funds will align investment of at least 70% of their respective portfolios with specific ESG criteria used by Fidelity for its multi-asset funds, details of which may be viewed at <https://fidelityinternational.com/sustainable-investing-framework/>².

- Fidelity Funds - European Multi Asset Income Fund
- Fidelity Funds - Global Multi Asset Income Fund
- Fidelity Funds - Fidelity Target™ 2025 Fund
- Fidelity Funds - Global Thematic Opportunities Fund
- Fidelity Funds - Fidelity Target™ 2030 Fund
- Fidelity Funds - Sustainable Multi Asset Income Fund

4. Increase in minimum commitments to sustainability theme for Fidelity Funds - Sustainable Water & Waste Fund

The current investment policy of the Fidelity Funds - Sustainable Water & Waste Fund provides that it invests (i) at least 70% of its assets, in equities of companies that are involved in the design, manufacture, or sale of products and services used in connection with the water and waste management; and (ii) at least 70% of its assets in securities of issuers with favourable environmental, social and governance (ESG) characteristics and up to 30% in securities of issuers with improving ESG characteristics.

The Sub-Fund adheres to a sustainability theme and the Sub-Fund will align investment of at least 80% of its portfolio with the theme of water and waste (i.e. in equities of companies that are involved in the design, manufacture, or sale of products and services used in connection with the water and waste management sector). In addition, the disclosures in (ii) above will no longer be included as part of the Sub-Fund's investment policy. The Sub-Fund may also invest in securities of issuers with low but improving ESG characteristics.

5. Updates to minimum ESG characteristics commitment of Fidelity Funds – China Focus Fund

We will be removing the Sub-Fund's minimum commitment to invest at least 50% of assets in securities with favourable ESG characteristics and the Investment Manager will take into account Sustainability Risks in its investment process. Consequently, the Sub-Fund will no longer be categorised as an Article 8 product under the Sustainable Finance Disclosure Regulation ("SFDR").

¹ High ESG ratings are defined as issuers rated by Fidelity ESG ratings as a B or above, or in the absence of a rating from Fidelity, an MSCI ESG rating of A or above.

² This website has not been reviewed by the Securities and Futures Commission and may contain information on funds which are not authorised by the SFC and may not be offered to the retail public in Hong Kong.

6. Change of investment process and ESG classification for Fidelity Funds - Sustainable Strategic Bond Fund

The Fidelity Sustainable Investing framework is being enhanced to align with investors and regulatory expectations. As the Fidelity Funds - Sustainable Strategic Bond Fund has large exposure to government bonds, it is decided that the Sub-Fund's portfolio will not be aligned to meet the requirements of the Sustainable Investing framework for having an ESG term in the name. Therefore, the word "Sustainable" will be removed from the name of the Sub-Fund and with effect from 30 July 2024, the Sub-Fund will change its name as indicated below. The change of the Sub-Fund's name is due to the change of investment process (i.e. as part of changes to be made to our approach to Sustainable Investing). On the effective date, the Sub-Fund will no longer include investments of at least 70% of its assets in securities of issuers with favourable ESG characteristics and up to 30% in securities of companies with improving ESG characteristics as part of its investment policy. Instead, the Sub-Fund will aim to achieve an ESG score of its portfolio greater than that of its benchmark. As a result of the above changes, the Sub-Fund will no longer be classified as an ESG fund in Hong Kong³.

Current name	New name
Fidelity Funds - Sustainable Strategic Bond Fund	Fidelity Funds - Strategic Bond Fund
Current Investment Objective and Policy	New Investment Objective and Policy
<p>OBJECTIVE The fund aims to achieve capital growth over time and provide income.</p> <p>INVESTMENT POLICY The fund invests at least 70% of its assets, in debt securities which may include government, inflation linked, investment grade and below investment grade corporate debt securities and money market instruments. These investments may be from anywhere in the world, including emerging markets.</p> <p>The fund invests at least 70% of its assets in securities of issuers with favourable environmental, social and governance (ESG) characteristics and up to 30% in securities of companies with improving ESG characteristics.</p> <p>The fund may invest in the following assets according to the percentages indicated:</p> <ul style="list-style-type: none"> ■ Listed China onshore bonds (directly and/or indirectly): less than 30% (in aggregate) ■ hybrids and contingent convertible (CoCo) bonds: less than 30%, with less than 20% in CoCos. <p>The fund's exposure to distressed securities is limited to 10% of its assets.</p> <p>INVESTMENT PROCESS In actively managing the fund, the Investment Manager uses in-house research and investment capabilities to identify suitable opportunities across bond issuers, sectors, geographies, and security types. This may include an assessment of bond issuers' creditworthiness, macroeconomic factors, and valuations. The Investment Manager also considers ESG characteristics when assessing investment risks and opportunities. In determining favourable ESG characteristics, the Investment Manager takes into account ESG ratings provided by Fidelity or external agencies. Through the investment management process, the Investment Manager aims to ensure that investee issuers follow good governance practices.</p> <p>The fund adheres to the Fidelity Sustainable Family of Funds standards. For more information, see "Sustainable Investing and ESG Integration" and the Sustainability Annex.</p> <p>SFDR product category Article 8 (promotes environmental and/or social characteristics).</p>	<p>OBJECTIVE The fund aims to achieve capital growth over time and provide income.</p> <p>INVESTMENT POLICY The fund invests at least 70% of its assets, in debt securities which may include government, inflation linked, investment grade and below investment grade corporate debt securities and money market instruments. These investments may be from anywhere in the world, including emerging markets.</p> <p>The fund may invest in the following assets according to the percentages indicated:</p> <ul style="list-style-type: none"> ■ Listed China onshore bonds (directly and/or indirectly): less than 30% (in aggregate) ■ hybrids and contingent convertible (CoCo) bonds: less than 30%, with less than 20% in CoCos. <p>The fund's exposure to distressed securities is limited to 10% of its assets.</p> <p>INVESTMENT PROCESS In actively managing the fund, the Investment Manager uses in-house research and investment capabilities to identify suitable opportunities across bond issuers, sectors, geographies, and security types. This may include an assessment of bond issuers' creditworthiness, macroeconomic factors, and valuations.</p> <p>The Investment Manager considers ESG characteristics when assessing investment risks and opportunities. In determining ESG characteristics, the Investment Manager takes into account ESG ratings provided by Fidelity or external agencies.</p> <p>The fund aims to achieve an ESG score of its portfolio greater than that of its benchmark. Through the investment management process, the Investment Manager aims to ensure that investee issuers follow good governance practices.</p> <p>For more information, see "Sustainable Investing and ESG Integration" and the Sustainability Annex.</p> <p>SFDR product category Article 8 (promotes environmental and/or social characteristics).</p> <p>DERIVATIVES AND TECHNIQUES The fund may use derivatives for hedging, efficient portfolio management and investment purposes. The fund may use long or short positions.</p>

³ Pursuant to the SFC's Circular to management companies of SFC-authorized unit trusts and mutual funds - ESG funds dated 29 June 2021, as may be revised from time to time.

DERIVATIVES AND TECHNIQUES The fund may use derivatives for hedging, efficient portfolio management and investment purposes. The fund may use long or short positions.

The fund uses derivatives including complex derivative instruments or strategies, to meet the investment objectives of the fund with a level of risk which is consistent with the risk profile of the fund. Derivatives may be used to create economic exposure to the underlying asset, this may include futures, forwards, options, and swaps. The fund will use (i) index, basket or single credit default and total return swaps to gain exposure or reduce credit risk of issuers, (ii) interest rate futures, swaps or options to actively manage the level of interest rate risk and (iii) currency derivatives to hedge or gain exposure to currencies. The long and short active currency positions implemented by the fund may not be correlated with the underlying securities positions held by the fund.

In addition to core derivatives (see "How the Funds Use Instruments and Techniques"), the fund intends to use TRS.

TRS (including CFD) usage Expected 40%; maximum 200%.

Securities lending Expected 15%; maximum 30%.

Repos/reverse repos Expected 15%; maximum 30%.

BENCHMARK(S) ICE BofA Q944 Custom Index (a custom blend of government, investment grade and high yield corporate bond indices), an index that does not take into account ESG characteristics. Used for: performance comparison only.

BASE CURRENCY USD.

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BENCHMARK(S) ICE BofA Q944 Custom Index (a custom blend of government, investment grade and high yield corporate bond indices), broad market indices that do not take into account ESG characteristics. Used for: performance comparison only.

BASE CURRENCY USD.

The existing Shareholders' rights or interests will not be materially prejudiced as a result of the change described at item 6 herein. Save and except as set out herein, (i) there will be no other change in the operation and/or manner in which the Sub-Fund is being managed in practice; (ii) there will be no material change or increase in the overall risk profile of the Sub-Fund following the change described at item 6 herein; (iii) there will be no material change to the features of the Sub-Fund; and (iv) there will be no change in the fee level or costs in managing the Sub-Fund following the implementation of the change described at item 6 herein.

The administrative expenses triggered by the change described at item 6 herein, including any legal, audit, mailing and regulatory charges, will be borne by FIL Fund Management Limited, the Investment Manager of the SICAV.

If you do not agree with the updates described at 1 to 6 above, you can redeem your shares without redemption fee⁴ as provided for in the Hong Kong Offering Documents. Alternatively, you may switch your shares into any other SFC-authorized⁵ sub-fund of the SICAV free of charge⁴ from the date of this letter to 29 July 2024. If you agree with these changes, you may take no action, in which case you would remain in the Sub-Funds.

Redemptions or switches out of the Sub-Funds can be instructed free of redemption or switching fees on any Valuation Day before the relevant cut-off time OR 5:00 pm Hong Kong time⁴ on 29 July 2024. Instructions will normally be dealt with at the next calculated NAV of the Sub-Funds, in accordance with the provisions / dealing procedures in the Hong Kong Offering Documents. Redemption proceeds will be paid within the applicable time limit as set forth in the Hong Kong Offering Documents.

7. Change of benchmark for Fidelity Funds – Iberia Fund

The following Sub-Fund will change its benchmark as the new benchmark better reflects the investment universe of the Sub-Fund.

	From	To
Fidelity Funds - Iberia Fund	80% MSCI Spain Index and 20% MSCI Portugal Index	80% IBEX35 Index and 20% PSI20 Index

⁴ Different procedures and/or cut-off times may apply if dealing in shares is made through distributors. Please note that some distributors or other intermediaries may charge additional fees (such as switching or transaction fees) or expenses at their own discretion. For further information on these, please contact your financial adviser or your usual contact at the distributor / intermediary whom you transact with.

⁵ SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the 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.

8. Change of sustainable investment limit for Fidelity Funds - Sustainable Demographics Fund

The Fidelity Funds - Sustainable Demographics Fund will increase its threshold for sustainable investments (as set out in the Sub-Fund's Sustainability Annex) from 35% to 50% to reflect the Sub-Fund's increased exposure to sustainable investments.

The Sub-Fund's Sustainability Annex containing pre-contractual disclosures in accordance with requirements of Article 8 of the SFDR is available on the website <https://www.fidelity.com.hk/static/hong-kong/pdf/HK-funds-uptodate-consolidated-annexes-for-2023-prospectus.PDF>⁶.

The updates described at 7 to 8 above do not impact the investment objective or policy of the Sub-Funds; there will be no material change or increase in the overall risk profile of these Sub-Funds following these updates; and these updates do not have a material adverse impact on Shareholders' rights or interests (including changes that may limit Shareholders' ability in exercising their rights).

9. Miscellaneous updates

In addition, the following updates have been made:

- Currently, Hong Kong Shareholders will be notified when audited annual report and accounts are made available within four months of the end of the financial year, or in the case of unaudited semi-annual report and accounts of the SICAV, within two months of the end of the period they cover.

The disclosures in the Hong Kong Offering Documents will be updated to reflect that no separate notification will be made to Hong Kong Shareholders upon the publication of the reports. Once the reports are made available within the aforementioned timeframe, copies of the reports are available for inspection and may be obtained free of charge upon request from the registered office of the Hong Kong Representative. Electronic copies can also be downloaded from the website www.fidelity.com.hk/literature_download_en⁶.

- The disclosures in the Hong Kong Offering Documents will be updated to reflect that statements to Shareholders will be sent within seven, instead of ten, business days at the end of each month.

Please be aware that the updates may have an impact on your personal tax position. Fidelity does not provide tax advice so please consult your tax advisor to assess the potential impact based on your individual circumstances.

The Board accepts full responsibility for the accuracy of the information contained in this letter and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

The above-mentioned changes and other miscellaneous updates and clarifications will be reflected in the next update to the Hong Kong Offering Documents.

If you have any questions related to the above-mentioned changes, or if you would like to request for a copy of the current Hong Kong Offering Documents, the Articles of Incorporation (available for inspection free of charge at all times during normal office hours), the latest audited annual report and accounts and unaudited semi-annual report and accounts of the SICAV (which is also available at www.fidelity.com.hk)⁶ or other material agreements relating to the SICAV, please contact your Financial Adviser or the Fidelity Investor Hotline⁷ at +852 2629 2629, or you can write to the Hong Kong Representative at Level 21, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong.

We would like to thank you for your investment, and we look forward to helping you with future requests.

Yours faithfully,



Nishith Gandhi

Permanent Representative of FIL (Luxembourg) S.A.
Corporate Director, Fidelity Funds

⁶ This website has not been reviewed by the Securities and Futures Commission and may contain information on funds which are not authorised by the SFC and may not be offered to the retail public in Hong Kong.

⁷ International Toll-free Number +800 2323 1122, available to calls from Australia, Canada, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and USA. The "+" sign represents the International Access Prefix. China Toll-free Number: 4001 200632. Service may not be available for certain mobile carriers; call may incur charges imposed by the service providers. The Fidelity Investor Hotline is available from 9am to 6pm, Monday to Friday (except Hong Kong public holidays).