Mitteilung an alle Anteilseigner der Fidelity International Investment Fonds:

Anbei finden Sie die Information der Fondsgesellschaft, folgende Fonds sind betroffen:

- LU0353648891   Fidelity Global Inflation Linked Bond - A Acc USD Cap
- LU0353648974   Fidelity Global Inflation Linked Bond - A GBP Hedged Dis
- LU0261947765   Fidelity Flexible Bond - A Acc GBP Cap
- LU0048620586   Fidelity Flexible Bond - A GBP Dis

Details können Sie der beigefügten Anlage entnehmen. Falls Ihre Kunden diesen Änderungen nicht zustimmen und die Möglichkeit besteht, die Anteile ohne Gebühren seitens der Fondsgesellschaft zurückzugeben, können Sie den Verkauf der Anteile direkt in MoventumOffice erfassen.

Bitte nehmen Sie zur Kenntnis, dass für die Abwicklung dieser Aufträge die im Preis- und Leistungsverzeichnis von Moventum ausgewiesenen Gebühren und die auf MoventumOffice angegebenen Annahmeschlusszeiten gelten.
THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

Changes regarding Fidelity Funds – Flexible Bond Fund, Fidelity Funds - Global Inflation-Linked Bond Fund and Fidelity Funds - Sustainable Strategic Bond Fund

Key Facts

- We are enhancing the disclosures regarding derivatives usage for the following 3 sub-funds of Fidelity Funds (together referred to as the “Funds” and each a “Fund”):
  - Fidelity Funds - Flexible Bond Fund;
  - Fidelity Funds - Global Inflation-Linked Bond Fund; and
  - Fidelity Funds - Sustainable Strategic Bond Fund.

- There will be no change to the investment objective and policy of each Fund including use of financial derivative instruments (“Use of Derivatives”), but the investment objective each Fund will be amended to include the additional disclosures regarding Use of Derivatives.
- There will be no change to the risk profile of each Fund.
- There will be no change to the level of fees that you currently pay.

Shareholder Choices

- If you agree with the changes described in this letter you do not need to take any action.
- If you do not agree with such changes this letter sets out the options available to you.

29 November 2019

Dear Shareholder,

As regulatory environment is constantly evolving, I am writing to notify you of the decision taken by the board of directors of Fidelity Funds (the “Board”) to enhance the disclosures related to Use of Derivatives which are included in the investment objective of the Funds. Such amendment to the prospectus of Fidelity Funds (the “Prospectus”) will be effective as of 31 December 2019 (the “Effective Date”).

Our records show that you are a shareholder in (one of) the Funds (the "Shareholder" or "you"). For more information on the impacted classes of Shares and the corresponding ISIN Codes, please refer to the Appendix to this letter.

Any terms not defined herein shall have the same meaning as in the Prospectus.
Enhancement of disclosures related to the Use of Derivatives

On the Effective Date, the investment objective of the Funds will be supplemented by the corresponding paragraph below (the "Changes"):  

1) **Fidelity Funds - Flexible Bond Fund and Fidelity Funds – Sustainable Strategic Bond Fund**

"The fund may make use of financial derivative instruments for investment purposes or use complex financial 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. Financial derivative instruments 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."

2) **Fidelity Funds – Global Inflation-Linked Bond Fund**

"The fund may make use of financial derivative instruments for investment purposes or use complex financial 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. Financial derivative instruments may be used to create economic exposure to an asset akin to a physical holding of that asset. The fund will use (i) interest rate swaps to actively manage the level of interest rate risk, (ii) inflation swaps to eliminate unwanted, or pursue desired, inflation risks and (iii) currency derivatives to hedge or gain exposure to currencies or replicate currency exposure of the underlying securities of a bond index. The long and short active currency positions implemented by the fund may not be correlated with the underlying securities positions held by the fund."

Alongside with the Changes, the Prospectus will be amended to clarify that the net derivative exposure of each Fund may be more than 50% but up to 100% of the relevant Fund’s Net Asset Value.

**Rationale for and Impact of the Changes**

Given that Fidelity Funds is authorised in various jurisdictions for distribution, some funds of Fidelity Funds are required to meet the local regulatory requirements. The Funds are authorised by the Securities and Futures Commission in Hong Kong ("SFC") and hence are subject to the applicable requirements under the Code on Unit Trusts and Mutual Funds ("Code") issued by the SFC.

Given that the Code has been revised in particular in relation to the disclosure of certain derivatives and derivatives use, the Funds will be required to include enhanced disclosures on derivative usage in their investment objective. Accordingly, the investment objectives of the Funds will be updated as of the Effective Date to include the enhanced disclosure regarding Use of Derivatives.

Such update of the investment objective of the Funds will not have any impacts on the current investment strategy or change the way the Funds are being managed.

**Risk Disclosure**

The Changes described above do not have any impacts on the Funds’ existing investment objective and policy (including the use of financial derivative instruments by the Funds).

Furthermore, the Changes do not lead to a modification of (i) the Funds' risk profiles (ii) the risks associated with the Use of Derivatives currently made by the Funds or (iii) the synthetic risk and reward indicator (the "SRRI") of the Funds. Please refer to the Key Investor Information Document for further information on the SRRI, which is available via the Fidelity website.

Notwithstanding the above, you should carefully read the information set-out in the investment objective section of each of the Funds included above.

The Board believes that the Changes are in the best interests of Shareholders. There are no other impacts that may materially prejudice the existing Shareholders’ rights or interests as a result of the Changes.
Costs

There will be no change to the level of fees that you currently pay. The expenses triggered by these Changes including any legal, regulatory and mailing charges will be borne by FIL Fund Management Limited, the Investment Manager of Fidelity Funds (and/or any of its affiliates within FIL Group).

Shareholder Choices

There are three options available to you as a Shareholder:

1. We are offering a free switch of your existing Shares in the relevant Fund into any other sub-fund of Fidelity Funds available to you, or,

2. You may redeem your existing Shares in the relevant Fund, free of charge, or,

3. You may take no action, in which case your investment in the relevant Fund will continue after the Effective Date.

If you wish to switch or redeem your Shares in the relevant Fund, you should contact your Financial Adviser or your usual contact at Fidelity. You may switch or redeem your Shares on any Valuation Date until 16:00 CET (15:00 UK time) on 30 December 2019 and the next calculated Net Asset Value per Share will apply. The redemption proceeds will be sent directly to your bank. Fidelity will not charge any redemption fee or levy any switching fee if the instruction is received in the conditions set forth above.

Please note that the redemption or switching of your holding may be deemed as a disposal for tax purposes, if you have any concerns about your tax position, we recommend that you seek independent tax advice.

The Board accepts full responsibility for the accuracy of the content of 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.

I would like to thank you for your investment, and I look forward to helping you with future requests. If you have any questions related to the Changes of the Fund, please contact your Financial Adviser or your usual Fidelity's Service Centre.

Yours sincerely,

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

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