

FIL Investment Management (Luxembourg) S.A. (as Management Company)

November 2019

*This statement provides you with key information about this product.  
This statement is part of the Hong Kong Prospectus.  
You should not invest in this product based on this statement alone.*

### Quick facts

<b>Management Company:</b>	FIL Investment Management (Luxembourg) S.A.		
<b>Investment Manager:</b>	FIL Fund Management Limited (Bermuda, internal delegation)		
<b>Investment Advisor:</b>	Internal and/or external sub-delegation to one or more Investment Advisors as described in "The Investment Manager" section under Part IV of the Hong Kong Prospectus (~Note) ~ Note: The list of all Investment Advisors having managed all or part of the assets of each fund over the last six or twelve months will be published in the annual and semi-annual financial reports.		
<b>Depository:</b>	Brown Brothers Harriman (Luxembourg) S.C.A.		
<b>Ongoing charges over a year<sup>^</sup>:</b>	Class A-ACC-USD:	1.07%	Class A-MDIST-USD: 1.07%
	Class A-ACC-Euro:	1.07%	
	<sup>^</sup> Unless otherwise stated, the ongoing charges figure represents the ongoing expenses based on the annual financial report for the year ended 30 April 2019. This figure may vary from year to year.		
<b>Dealing frequency:</b>	Daily		
<b>Base currency:</b>	USD		
<b>Dividend policy*:</b>	Class A-ACC No dividends will be paid for accumulating shares. All interest and other income earned on the investment will be retained in the fund. Class A-MDIST Subject to the Board's discretion, dividends will be declared monthly normally on the first business day of each month and will be paid accordingly. * Unless otherwise stated, dividends will not be paid out of capital and/or effectively out of capital.		
<b>Financial year end of this fund:</b>	30 April		
<b>Minimum investment:</b>		<u>Initial Investment</u>	<u>Subsequent Investment</u>
	Class A	USD 2,500	USD 1,000

### What is this product?

Fidelity Funds is an open-ended investment company established in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

### Objectives and investment policy

- The fund is a Bond Fund and seeks to deliver an attractive income whilst maintaining an average duration of investments that does not exceed three years.
- The fund primarily (i.e. at least 70% of the fund's assets) invests in a portfolio of global fixed income securities, including, but not limited to, investment grade<sup>o</sup> corporate bonds and government bonds of varying maturities, and high yield bonds and emerging market debt denominated in various currencies. Emerging market debt may include investments within, although not limited to, Latin America, South East Asia, Africa, Eastern Europe (including Russia) and the Middle East.
- As the fund may invest globally, it may invest across different countries and regions. It is unconstrained in the amount that it may invest in a country or region.
- For the remaining assets, the Investment Manager has the freedom to invest outside the fund's principal geographies, market sectors, credit quality, currency or asset classes.
- The fund may invest into money market instruments and/or short term debt instruments including certificates of deposits, commercial paper and floating rate notes, as well as in cash and cash equivalents.

<sup>o</sup> As rated by internationally recognised rating agencies

- The fund may invest up to 50% of its assets in high yield bonds. The portfolio seeks to maintain an overall average credit rating of investment grade.
- This fund may invest up to 10% of its net assets in loans.
- The fund may invest up to 10% of its net asset value directly in onshore China fixed income securities listed or traded on any Eligible Market in China, with aggregate exposure including direct and indirect investments being less than 30% of its net asset value. "Eligible Market in China" refers to the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the mainland China interbank bond market, as the case may be.
- The fund's source of income will mainly be generated from coupon payments from bond holdings.
- The fund may invest in assets directly or achieve exposure indirectly through other eligible means including financial derivative instruments ("**derivatives**"). Such derivatives may include over-the-counter and/or exchange traded instruments such as interest rate or bond futures, options, swaptions and interest rate, total return or inflation swaps, credit default and total return swaps, forwards including non-deliverable forwards and currency swaps. The fund may use derivatives with the aim of risk or cost reduction or to generate additional capital or income (including for investment purposes), in line with the risk profile of the fund. However, the fund will not make extensive use of derivatives for investment purposes or use complex derivatives or strategies to meet the investment objectives of the fund.
- The fund will not engage extensively in securities lending, repurchase and reverse repurchase transactions.

### What are the key risks?

**Investment involves risks. Please refer to the Hong Kong Prospectus for details including the risk factors.**

#### Risk to Capital and Income (Investment Risk)

- The assets of the fund are subject to fluctuations in value. There is no guarantee of repayment of principal and you may not get back the original amount invested. Past performance is no guarantee of future performance.

#### Bonds and other Debt Instruments

- The value of bonds or other debt instruments will fluctuate depending on e.g. market interest rates, the credit quality of the issuer, the currency of the investment (when it is different from the base currency of the fund) and liquidity considerations. In general, the prices of debt instruments rise when interest rates fall, whilst their prices fall when interest rates rise.

#### Downgrading risk

- The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the fund may be adversely affected. The investment manager may or may not be able to dispose of the debt instruments that are being downgraded.

#### Credit/Default Risk

- Investments may be adversely affected if any of the institutions with which money is deposited suffers insolvency or are otherwise unable to pay interest or principal (default). Credit risk also arises from the uncertainty about the ultimate repayment of principal and interest from bond or other debt instrument investments. In both cases the entire deposit or purchase price of the debt instrument is at risk of loss if there is no recovery after default.

#### Credit rating risk

- Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

#### Valuation Risk

- Valuation of the fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the fund.

#### Income-producing securities

- Although the fund will generally invest in income-producing securities, it is not guaranteed that all underlying investments will generate income. To the extent that underlying investments of the fund are income producing, higher yields generally mean that there will be increased potential for capital appreciation and/or depreciation for fixed income securities.

#### Eurozone Risk

- In light of ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the fund.

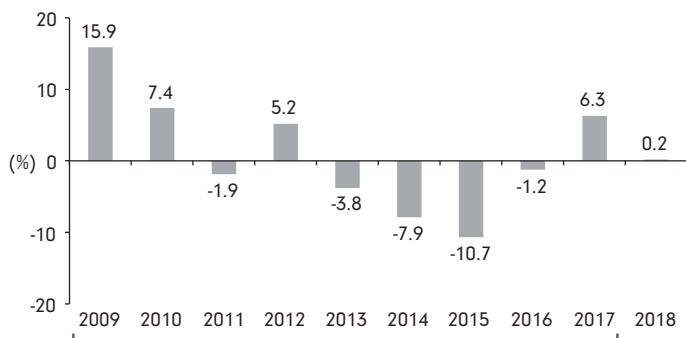
#### Foreign Currency Risk

- The fund's assets may be denominated in currencies other than the base currency of the fund. Also, a class of shares may be designated in a currency other than the base currency of the fund. Fluctuations in the exchange rates between these currencies and the base currency as well as changes in exchange rate controls may adversely affect the fund's net asset value.

**Financial Derivative Instruments**

- Although the fund will not make extensive use of derivatives for investment purposes or use complex derivatives or strategies to meet the investment objectives of the fund, the use of derivatives may give rise to liquidity risk, counterparty credit risk, volatility risk, valuations risks and over-the-counter transaction risk at times. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the financial derivative instruments by the fund. Exposure to financial derivative instruments may lead to a high risk of significant loss by the fund.

**How has the fund performed?**



The performance during the years prior to 2017 was achieved under circumstances that may no longer apply as the investment objective was changed in 2017.

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much the Class A-ACC-USD increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding any subscription fees and redemption fees you might have to pay.
- When no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 2008
- Class A-ACC-USD launch date: 2008
- Class A-ACC-USD is selected as the most appropriate representative share class as it has the longest track record and is denominated in the fund's reference currency.

**Is there any guarantee?**

This fund does not have any guarantees. You may not get back the full amount of money you invested.

**What are the fees and charges?**

**Charges which may be payable by you**

You have to pay the following fees when dealing in shares of the fund:

<b>Subscription Fee</b>	Class A - Up to 3.5% of NAV
<b>Switching Fee</b>	Generally up to 1% of NAV, except if you are switching from one class with no subscription fee into a class with subscription fee, you will have to pay for a switching fee of up to the full subscription fee of the class to be switched
<b>Redemption Fee</b>	N/A

**Ongoing fees payable by the fund**

The following expenses will have to be paid out of the fund. They affect you because they reduce the return you get on your investments:

<b>Management Fee*</b>	Class A - Up to 0.75% p.a. of NAV
<b>Depository Fee</b>	Varies from 0.003% to 0.35% of NAV
<b>Performance Fee</b>	N/A
<b>Administration Fee</b>	Up to 0.35% of NAV

\* The management fee can be increased to a maximum annual rate of 2% of the net asset value of the fund. In the event of such increase, not less than 3 months' notice will be given to you.

**Other Fees**

You may have to pay other fees when dealing in shares of the fund. Any other fees and charges are described in the Hong Kong Prospectus. You should note that some fees may be increased, up to a specified permitted maximum, by giving shareholders at least one month's prior notice. For details, please refer to the Hong Kong Prospectus.

### Additional Information

- You generally buy, redeem or switch shares at the fund's next-determined net asset value after we receive your request, directly or via a distributor, in good order at or before 5.00 p.m. Hong Kong time, being the fund's dealing cut-off time. Before placing your orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the fund's dealing cut-off time).
- The net asset value of this fund is calculated and the price of shares is published each business day. Net asset value of the fund will be published in the South China Morning Post and the Hong Kong Economic Times.
- Investors may also obtain the past performance information of the fund's representative share class and (if applicable) other share classes offered to Hong Kong investors from [www.fidelity.com.hk](http://www.fidelity.com.hk)\*
- Investors may obtain information on the intermediaries from the Fidelity Investor Hotline: +852 2629 2629.

### Important

If you are in doubt, you should seek professional advice. The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

\* The website has not been reviewed by the SFC.