

Important Changes relating to certain of Fidelity's Irish Domiciled Funds

Key Facts

- Response to COVID-19 and unprecedented stock market volatility.
- We are actively using the Price Adjustment Policy (the 'Swing Pricing Policy') of the Funds to assist the management of each Fund's liquidity on an ongoing basis.

This notice is for information only. You do not need to take any action as this is a reminder of the powers of the Funds.

1 April 2020

Dear Shareholder,

We, FIL Fund Management (Ireland) Limited (the "Manager"), are writing to notify you (the 'Shareholder') of the decision taken by the respective Directors (or authorised delegates) of the Funds under management by the Manager listed below to, where necessary, engage the use of price adjustment or "swing pricing" in line with the provisions of each Fund's Swing Pricing Policy as disclosed in the prospectus for the relevant Fund:

- Fidelity Institutional Variable Capital Company Fund plc
- Fidelity UCITS II ICAV
- Fidelity Common Contractual Fund II

This action has been taken due to the recent and unprecedented stock market volatility and related liquidity impairment in all asset classes following the reaction to the spread of the Coronavirus (COVID-19).

The relevant provisions of each Fund's prospectus disclose the respective Fund's Swing Pricing Policy in the following terms:

"Price Adjustment Policy (Swing Pricing). Large transactions in or out of a Sub-Fund can create "dilution" of the Sub-Fund's assets because the price at which an investor buys or sells Shares in the Sub-Fund may not entirely reflect the dealing and other costs that arise when the Investment Manager has to trade in underlying investments to accommodate large cash inflows or outflows. In order to counter this and enhance the protection of existing Shareholders, there may be an adjustment to a Sub-Fund's Net Asset Value as part of the regular valuation process to counter the impact of dealing and other costs on occasions when these are deemed to be significant. On any Dealing Day, the Net Asset Value of a Sub-Fund may be adjusted upwards or downwards as applicable to reflect the costs that may be deemed to be incurred in liquidating or purchasing investments to satisfy net daily transactions of that Sub-Fund. The Directors reserve the right to make such an adjustment taking into account factors such as the estimated dilution costs (such as underlying dealing spreads, commissions and other trading expenses) and the size of the relevant Sub-Fund. In deciding whether to make such an adjustment, the Directors will have regard to the interests of existing, continuing and potential Shareholders in the Sub-Fund. The adjustment will be upwards when the net aggregate transactions result in

an increase of the number of Shares and will be downwards when the net aggregate transactions result in a decrease of the number of Shares. The adjusted Net Asset Value will be applicable to all transactions on that day. Because the determination of whether to adjust the Net Asset Value is based on the net transaction activity of the Dealing Day, Shareholders transacting in the opposite direction of the Sub-Fund's net transaction activity may benefit at the expense of the other Shareholders in the Sub-Fund. In addition, the Sub-Fund's Net Asset Value and short-term performance may experience greater volatility as a result of this adjustment methodology."

In order to protect the interests of the Shareholders in these Funds and ensure that Shareholder trading activity continues to be undertaken at a fair price, the Directors will implement the Swing Pricing Policies as noted above, as they consider necessary to reflect dealing and other significant costs and protect Shareholders on an ongoing basis.

If you have any questions relating to the above, please contact your usual Fidelity Advisor or your usual Fidelity Service Centre.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nick King', with a stylized flourish at the end.

Nick King
Director
For, and on behalf of, FIL Fund Management (Ireland) Limited