

# **Fidelity UCITS II ICAV**

## **Fidelity Global Credit ex US Fund**

**1 December 2022**

**(A sub-fund of Fidelity UCITS II ICAV, an Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds with registered number C174793 authorised by the Central Bank of Ireland pursuant to the UCITS Regulations)**

**This supplement (the “Supplement”) forms part of the prospectus dated 1 December 2022 and the addendum to the prospectus dated 25 February 2021 (together, the “Prospectus”) in relation to Fidelity UCITS II ICAV (the “Fund”) for the purposes of the UCITS Regulations. This Supplement should be read in the context of, and together with, the Prospectus and contains information relating to the Fidelity Global Credit ex US Fund (the “Sub-Fund”) which is a separate sub-fund of the Fund.**

**The Sub-Fund is an Actively Managed Sub-Fund.**

**Prospective investors should review this Supplement and the Prospectus carefully and in their entirety and consider the risk factors set out in the Prospectus and in this Supplement before investing in this Sub-Fund. If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant and/or financial adviser.**

**An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

**The Directors, as listed in the “*Management*” section of the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.**

Unless otherwise defined herein or unless the context otherwise requires, all defined terms used in this Supplement shall bear the same meaning as in the Prospectus.

## KEY INFORMATION

<b>Base Currency</b>	USD
<b>Dealing Day</b>	Each Business Day will be a Dealing Day.
<b>Dealing Deadline</b>	12 noon (Irish time) on the relevant Dealing Day.
<b>Initial Offer Period</b>	The period for each Share Class set forth in the table in the “Classes” section below or such earlier or later date as the Directors may determine.
<b>Investment Manager</b>	FIL Fund Management Limited
<b>Sub-Investment Manager</b>	FIAM, LLC
<b>Sub-Sub-Investment Manager</b>	FMR Investment Management (UK) Limited
<b>Fees</b>	<p>The maximum TER for each Class is set forth in the table in the “Classes” section below.</p> <p>In relation to Class X-ACC USD and Class X-INC USD, no fees will be payable to the Investment Manager, Sub-Investment Manager or Sub-Sub-Investment Manager in respect of these Share Classes.</p> <p>The establishment expenses of the Sub-Fund will be borne by the Manager.</p> <p>Further information in this respect is set out in the “Fees and Expenses” section of the Prospectus and below.</p>
<b>Minimum subscription amount</b>	Minimum subscription amount: USD 3,000,000
<b>Settlement Deadline</b>	Three Business Days following the relevant Dealing Day.
<b>Valuation</b>	The Net Asset Value per Share is calculated in accordance with the “ <i>Determination of Net Asset Value</i> ” section of the Prospectus, using the closing bid price on the relevant Recognised Market on each Valuation Day for assets quoted, listed or traded on or under the rules of a Recognised Market.
<b>Valuation Day</b>	Each Business Day will be a Valuation Day. For any given Dealing Day, the same day shall be the relevant Valuation Day.
<b>Valuation Point</b>	4:00 pm (New York time) on each Valuation Day.

## Classes

Shares of the Sub-Fund may be divided into different Share Classes with different dividend policies and currency hedging exposures. They may therefore have different fees and expenses. The following Share Classes are available to launch at the discretion of the Manager.

Class Name	Share Class Currency	Currency Hedged Class	Dividend Distribution Policy	Maximum TER %	Initial Offer Period	Initial Offer Price
X-ACC USD*	USD	No	Accumulating	1.0	N/A*	10.00 USD
X-INC USD*	USD	No	Net Income Semi-Annual Distributing	1.0	3 June 2022 to December 2 2022	10.00 USD

\* This Share Class is initially available to other collective investment schemes or segregated managed accounts managed by the Manager or its affiliates.

\* The Initial Offer Period for this Share Class has closed and Shares in this Share Class will be issued at their Net Asset Value per Share on each Dealing Day.

## INVESTMENT OBJECTIVE AND POLICY

### Investment Objective

The investment objective of the Sub-Fund is to seek to deliver long-term total returns.

### Investment Policy

The Sub-Fund will primarily invest in a diversified portfolio of U.S. and non-U.S. dollar denominated instruments (which may be either fixed or floating and government or corporate). The Sub-Fund will seek to generate returns that, over time, exceed the Bloomberg-Barclays Global Aggregate Credit Ex U.S. Index Hedged (USD) (the “**Benchmark**”). The Benchmark is a market value weighted index of global ex-U.S. investment grade credit markets, including corporate bonds and government related bonds, hedged in USD. Full details of the methodology of the Benchmark are available at the provider’s website at [www.bloomberg.com](http://www.bloomberg.com). While the Sub-Fund may invest in investments which are constituents of the Benchmark, the Sub-Fund’s portfolio is not constrained by reference to any index; the Sub-Fund will be actively managed and the Sub-Sub-Investment Manager may use its discretion to invest in instruments which are not included in the Benchmark. In managing the Sub-Fund, the Sub-Sub-Investment Manager may seek to closely match the currency exposures of the Benchmark. However, as the Sub-Fund will be actively managed, there are instances in which the currency exposure of the Sub-Fund will differ from the currency exposure of the Benchmark. For example, the Sub-Sub-Investment Manager on occasion will take advantage of the differing values for the same issuer in different currencies. Additionally, the Sub-Fund may hold cash balances in a currency other than the Base Currency of the Sub-Fund where the Sub-Sub-Investment Manager believes this may generate a return for the Sub-Fund.

The instruments in which the Sub-Fund will invest may include the following:

- A. Debt obligations (e.g. bonds) of U.S. and non-U.S. corporations, financial institutions, trusts and other legal entities or instrumentalities (including debt obligations issued by such entities located in emerging markets). It is expected that 10% of the Sub-Fund’s Net Asset Value will, on average, have exposure to U.S. bonds.
- B. Debt obligations (e.g. bonds) issued or guaranteed by governments, government agencies, government-sponsored enterprises or similar government entities or instrumentalities, or supranational or other quasi-governmental organisations (including debt obligations issued or guaranteed by emerging market countries).
- C. Private placement securities (e.g. securities of the types described above and below which are issued through a private offering by well-capitalized, widely known and publicly traded multinational corporations and which may be subject to restrictions on their re-sale) and other restricted securities including fixed income securities offered and sold pursuant to Regulation D, Rule 144A, or Regulation S (securities offered outside of the U.S. but which are exempt from the registration requirements of Section 5 of the U.S. Securities Act of 1933, as amended). Private placement securities may be listed or unlisted and, in the case of the latter, will comply with the UCITS requirements regarding unlisted securities and comprise, in aggregate, no more than 10% of the Sub-Fund’s Net Asset Value.
- D. Other securities including, but not limited to, zero coupon bonds, medium-term notes (debt notes that usually mature in 5–10 years, with the Sub-Fund’s total investment in such medium term notes not to exceed 60% of its Net Asset Value), convertible bonds, preferred stock, contingent convertible bonds (which provide additional protection for the Sub-Fund when compared to other subordinated debt as they may be converted into equity); these bonds are described in detail in the Prospectus, with the Sub-Fund’s total investment in them not to exceed 10% of its Net Asset Value), hybrid securities, floating-rate debt and treasury inflation protected securities. The notes described above will meet the criteria for transferable securities under the UCITS Regulations and will not be bespoke to the Fund.

As mentioned above, the Sub-Fund may invest in hybrid securities (e.g. a bond that has features of an ordinary bond but is influenced by movements of the stock into which it is convertible), which are highly structured instruments that combine both equity and fixed income features. They generally offer a means for issuers to borrow money from investors in return for interest payments. Such corporate issuers may utilise hybrid debt for a variety of reasons, including bolstering their capital levels, lowering their weighted average cost of capital, diversifying their funding sources and managing credit ratings. Though terms and conditions have become increasingly standardised, the specific characteristics of each instrument (such as payment conditions, the ratio of debt and equity-like features, time frames and applicable rates) can vary.

- E. Cash and cash equivalents, which may include short-term debt obligations, commercial paper (including asset-backed commercial paper), certificates of deposit, time deposits, deposit notes, discount notes and bankers' acceptances. From time to time, the Sub-Fund may hold up to 100% of its Net Asset Value in such instruments for temporary defensive purposes.
- F. Securities, shares or units of any collective investment scheme (including a mutual fund, exchange traded fund or other open-ended registered investment company) that is an eligible collective investment scheme for investment by the Sub-Fund in accordance with the Central Bank's rules, as described under "*General Investment Techniques*" in the "*Investment Objectives and Policies*" section of the Prospectus (individually and collectively, "**Collective Investment Schemes**") and is invested primarily in fixed income securities, including those offered by the Investment Manager, the Sub-Investment Manager, the Sub-Sub-Investment Manager or any of their respective affiliates.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Sub-Fund will be listed, dealt or traded on Recognised Markets globally.

The Sub-Fund may, for efficient portfolio management or investment purposes, in accordance with the conditions and limits imposed by the Central Bank, use the following financial derivative instruments ("**FDI**"):

- futures (including exchange traded futures, interest rate futures and bond futures);
- cleared and non-cleared over-the-counter ("**OTC**") swaps (including credit default swaps and interest rate swaps);
- options (including credit index options); and
- foreign exchange forwards (including non-deliverable forwards).

A credit index option is an option that gives the holder the right, but not the obligation, to buy or sell the value of an underlying credit index at the stated exercise price on or before the expiration date of the option and will be used for hedging credit positions.

The use of the above-mentioned FDI for efficient portfolio management or investment purposes is described under "*Use of Financial Derivative Instruments*" in the "*Investment Objectives and Policies*" section of the Prospectus. While the Sub-Fund may be leveraged as a result of its use of FDIs, the primary purpose of the use of FDIs is to reduce risk and provide efficient portfolio management. Notwithstanding the Prospectus, the Sub-Fund's global exposure is subject to an advanced risk management process known as absolute value-at-risk which, in compliance with the UCITS Regulations, aims to ensure that the use of FDIs by the Sub-Fund is within regulatory limits, as described in detail in the statement of risk management procedures of the Fund. The absolute value-at-risk of the Sub-Fund will be no greater than 10% of the Net Asset Value of the Sub-Fund. The value-at-risk of the Sub-Fund is a daily estimation of the maximum loss which the Sub-Fund may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 Business Days. It is expected that the leverage of the Sub-Fund, as measured by the sum of the notional of its derivative positions, will not exceed 200% of its Net Asset Value, although investors should note that higher levels of leverage may be experienced.

## **Investment Strategy**

The investment process of the Sub-Sub-Investment Manager seeks to optimise risk-adjusted performance while attempting to mitigate exposure to sources of downside outcomes.

The Sub-Sub-Investment Manager's asset allocation framework will leverage the depth and breadth of its research teams across relevant asset classes and combine with input from its trading and quantitative research teams.

The portfolio managers, traders and analysts will look for repeatable sources of return while seeking to protect against unexpected downside events, focusing on exploiting differences in intrinsic value compared to prevailing market valuations.

The investment process follows a disciplined approach across four stages: 1) Macro Assessment; 2) Macro Risk Positioning; 3) Fundamental Factors; and 4) Security Selection.

### *1. Macro Assessment*

This stage involves an analysis of key macroeconomic drivers, including: economic trajectories; central bank policies; business cycles; sovereign risks; regulatory dynamics; and default rates. This stage is intended to be a continuous and iterative process.

### *2. Macro Risk Positioning*

The stage 1 macro assessment facilitates high-level risk assessment of the key macroeconomic drivers identified in stage 1.

### *3. Fundamental Factors*

The Sub-Sub-Investment Manager's research team provides deep fundamental analysis on companies to identify the right assets to purchase. In order to consistently add value through issuer research, the Sub-Sub-Investment Manager's investment team believes that analysts must possess in-depth, specialized knowledge of specific segments of the market and should be focused on issuer and industry analysis. Effective specialization requires a large team, which allows each analyst to focus on a specific segment of the market, with the result that comparable issuers and opportunities in the same sector are compared. Analysts generate issuer research opinions through a range of both qualitative and quantitative factors such as industry trends, cash flow and earnings, credit metrics, a company's history of following through on its public statements (e.g. not pursuing large-scale mergers and acquisitions which could hurt the company's credit quality), liquidity and event risk (an unexpected event that could affect the credit quality of an issuer).

### *4. Security Selection*

Security selection is driven by a combination of strong fundamental analysis, as described above, and rigorous relative value analysis. This stage comprises close collaboration between research and trading, with a focus on so-called "crossover" securities which fall between pure investment grade and true high yield. The interplay of traders and analysts is essential in making relative value decisions. For example, analysts provide relative perspectives between issuers with different ratings or in different industries, while traders provide their perspective based upon their daily interaction with the market and with regards to relative liquidity in different markets and different interest rates. Individual buy/sell decisions are also influenced by the overall positioning desired by the portfolio manager. For instance, a greater tilt toward a certain country or sector may necessitate repositioning. The specific names bought and sold will be determined in large part by the fundamental and relative value analysis described above.

Benchmark representation is one of a number of factors that is considered by the Sub-Sub-Investment Manager when evaluating investments to be held in the Sub-Fund. Therefore, the Sub-Fund may hold instruments that are not included in the Benchmark. However, the investment process described above applies to all investments, regardless of whether or not the relevant security forms part of the Benchmark.

### *Liquidity Management*

For all investments, liquidity is considered by the Sub-Sub-Investment Manager, who seeks to ensure that the liquidity of a given investment is compatible with the Sub-Fund's overall liquidity needs (including as regards its ability to meet its redemption obligations). The Sub-Sub-Investment Manager also considers whether the likely levels of liquidity of a given investment are aligned with the expected returns of that investment. In particular, for investments which are relatively less liquid (e.g. private placement securities), the Sub-Sub-Investment Manager expects the investment to provide sufficient expected return to compensate for the relative lack of liquidity.

### *Sustainability Risk Integration*

The management of Sustainability Risks forms part of the investment management due diligence process implemented by the Sub-Sub-Investment Manager.

Sustainability Risks refer to an ESG event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Sustainability Risks are generally incorporated into the Sub-Sub-Investment Manager's evaluation of an issuer's investment risk or return, across all asset classes, sectors, and markets in which the Sub-Fund invests. Sustainability Risks which may be considered by the Sub-Sub-Investment Manager's investment teams include, but are not limited to: climate, human capital, governance and event-driven risks.

The Sub-Sub-Investment Manager's ESG program encompasses the integration of Sustainability Risks into the investment process through research publication, proprietary ratings and fund awareness, active engagement with companies on ESG-related issues through corporate engagements and proxy voting, and the development of tools to measure and monitor the contribution of ESG.

The Sub-Sub-Investment Manager avails itself of the expertise of its ESG team for the provision of fundamental analysis with sector relative ESG ratings information to identify and assess Sustainability Risks. Companies are evaluated on their current performance compared with peers as well as management plans and strategies to address Sustainability Risks. Sector relative ratings are provided on a current basis ("**systematic ESG ratings**") by the ESG team with input from fundamental analysts using materiality factors, direct company data and quantitative models. Sector relative ratings are provided on a forward-looking basis ("**fundamental ESG ratings**") by the fundamental analysts with input from corporate sustainability reports, the ESG team and company engagement.

The systematic ESG ratings use the Sustainability Accounting Standards Board framework as a guideline for materiality. ESG analysts collaborate with fundamental analysts to determine the appropriate materiality factors and weights for each company. Internal data is used to complement external data sources, and this is then used in a quantitative model to derive the sector relative ratings for each sector. The fundamental ESG ratings classify companies with scaled ratings from industry laggards to industry leaders with respect to their ESG risk management processes and behaviours.

As shareholder, the Sub-Sub-Investment Manager engages with investee companies' management to confer on topics it believes could affect long-term performance, including ESG issues. The Sub-Sub-Investment Manager may engage with management as it assesses the impact of ESG issues on a case-by-case basis in the context of the valuation and outlook of the companies within the assigned investment universe. This information is then captured in the Sub-Sub-Investment Manager's proprietary research notes and valuation models. This, together with the ESG ratings framework described above, may inform investment decisions about individual securities, future interaction with the relevant investee companies or proxy voting practices.

The Investment Manager aims to understand the approach to ESG of the Sub-Investment Manager and the Sub-Sub-Investment Manager by evaluating how far ESG considerations are integrated within their investment process and philosophy, the analyst's financial analysis and the composition of the portfolio. The Investment Manager considers how ESG factors are integrated into the investment policy of the strategy, and, where proprietary ratings are used, how ESG research and output is evidenced in individual security weights and any applicable engagement and exclusion policies. The Investment Manager assesses and monitors the Sub-Investment Manager and the Sub-Sub-Investment Manager against Fidelity International's active stewardship policies and expects the Sub-

Investment Manager and the Sub-Sub-Investment Manager to actively engage with issuers and vote at general meetings of issuers. The Investment Manager requires the Sub-Investment Manager and the Sub-Sub-Investment Manager to include updates in their periodic reports on their level of engagement with issuers.

Fidelity International has developed an investment exclusion list, which includes issuers who use, stockpile, manufacture and/or produce cluster munitions and anti-personnel landmines, which applies to the Sub-Fund. This exclusion list has been formulated based on guidance from international conventions and supranational bodies using a third party ESG screening product, with input from Fidelity International's internal research teams, and may be updated from time to time. The Investment Manager will monitor compliance with the exclusions by the Sub-Investment Manager and the Sub-Sub-Investment Manager and will require them to provide updates in their periodic reports, as applicable. The Investment Manager has processes in place to require the Sub-Investment Manager or the Sub-Sub-Investment Manager to sell an asset held by the Sub-Fund in contravention of an exclusion.

Further information on the Sustainability Risks borne by the Sub-Fund is contained in the section entitled "Sustainable Investing Risk" in the "Risk Information" section of the Prospectus.

### **Investment Restrictions**

The following investment restrictions will apply, in addition to those set out in the Prospectus:

- Investments by the Sub-Fund in emerging market countries shall not exceed 20% of the Net Asset Value of the Sub-Fund.
- The Sub-Fund may hold non-U.S. dollar denominated instruments and incur non-U.S. dollar currency exposures. Currency exposures will be managed using foreign exchange contracts, including spot foreign exchange trades and foreign exchange forwards. Although the Sub-Fund will generally seek to replicate the currency exposure of the Benchmark, the aggregate currency exposure of the Sub-Fund to non-U.S. dollar currencies shall not exceed 10% of the Sub-Fund's Net Asset Value.
- The Sub-Fund may acquire and hold securities that are rated Investment Grade and Non-Investment Grade; provided, however, that measured at the time of purchase, Non-Investment Grade securities held by the Sub-Fund (excluding securities held in any Collective Investment Scheme) shall not exceed 20% of the Sub-Fund's Net Asset Value.

For the purposes of this investment restriction, a security will qualify as "Investment Grade" if it has been issued a long-term credit rating from a nationally recognised rating organisation (a "**Rating Agency**") of at least BBB-, or its equivalent. A security will be deemed "Non-Investment Grade" if it does not qualify as Investment Grade for the purpose of this investment restriction. If a security is rated by more than one Rating Agency, the highest rating shall apply in the case of a split rating for the purpose of determining compliance with this investment restriction (notwithstanding anything to the contrary in the Prospectus).

Notwithstanding the above, if a security has not been rated by any Rating Agency, the security may be acquired if the Sub-Sub-Investment Manager or any of its affiliates has assigned it an internal rating. The internal rating will then be used to determine the security's credit rating for the purposes of determining compliance with this investment restriction.

Notwithstanding any other provision set forth in this Supplement, government securities issued by the U.S. government, U.S. government agencies, or U.S. government-sponsored enterprises or instrumentalities thereof shall at all times constitute Investment Grade Debt Securities for the purposes of determining compliance with this investment restriction.

### **INVESTMENT RISKS**

Investment in the Sub-Fund carries with it a degree of risk including the risks described in the "*Risk Information*" section of the Prospectus and, in particular, the "*Investment Grade Risk*" risk and the



*“Lower Rated/Unrated Securities”* risk. These risks are not intended to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before purchasing Shares.

The Sub-Fund is not expected to have an above average risk profile or high volatility as a result of its use of FDIs. For information in relation to risks associated with the use of financial derivative instruments, please refer to *“Derivatives Risk”* in the *“Risk Information”* section of the Prospectus.

## **INVESTOR PROFILE**

Typical investors in the Sub-Fund are expected to be institutional investors whose investment objectives are geared towards the achievement of growth in the value of their investment, and who, in order to achieve this investment objective, are willing to accept an investment strategy involving a high level of volatility and risk in the management of their investment, with a long-term investment horizon.

## **INVESTMENT MANAGER**

The Manager has appointed FIL Fund Management Limited, a Bermuda limited liability company, as the Investment Manager with discretion to invest and manage the assets of the Sub-Fund.

The Investment Manager is a company incorporated under the laws of Bermuda, having its registered office located at Pembroke Hall, 42 Crow Lane, Pembroke HM 19, Bermuda. The Investment Manager is regulated by the Bermuda Monetary Authority and acts as investment manager or investment adviser to a range of collective investment schemes.

The Manager and the Investment Manager have entered into an investment management agreement dated 7 February 2020, as amended from time to time (the **“Investment Management Agreement”**), under which the Investment Manager has been appointed to manage the assets of the Sub-Fund on a discretionary basis.

The Investment Management Agreement provides that the appointment of the Investment Manager will continue in force unless and until terminated by either party providing six months’ prior written notice. The Investment Management Agreement may also be terminated forthwith without prior notice in certain circumstances, such as upon the insolvency of either party (or upon the happening of a like event) or upon an unremedied breach within 30 days of receipt of notice. The Manager may also terminate the appointment of the Investment Manager with immediate effect in certain circumstances, including where to do so is in the best interests of the Sub-Fund. The Investment Management Agreement contains provisions regarding the Investment Manager’s legal responsibilities. The Investment Manager is not liable for losses, liabilities, damages or expenses caused to the Sub-Fund unless resulting from its negligence, wilful default, bad faith or fraud.

The Investment Manager has the discretion to delegate all the powers, duties and discretions exercisable in respect of its obligations under the Investment Management Agreement as the Investment Manager and any delegate may from time to time agree. Any such appointment will be in accordance with the requirements of the Central Bank.

## **SUB-INVESTMENT MANAGER**

The Investment Manager has appointed FIAM, LLC, a Delaware limited liability company, as the Sub-Investment Manager with discretion to invest and manage the assets of the Sub-Fund.

The Sub-Investment Manager is a wholly owned subsidiary of FIAM Holdings Corp (**“FIAM HC”**). FIAM HC is an intermediate holding company of a group of companies, including investment management subsidiaries (collectively, **“FIAM”**), which provide services primarily to institutional investors. FIAM HC is a Delaware corporation and a wholly owned subsidiary of Fidelity Management & Research LLC (**“FMR”**). FMR is the top-tier holding company of a group of affiliated financial services companies more commonly known to the public as *“Fidelity Investments”*. Fidelity Investments is one of the world’s largest providers of investment management, retirement planning, brokerage, and human resources and benefits outsourcing services for individuals and institutions.

FIAM was established in 2005 to focus on investment management and services for institutional clients including pension plans, endowments, foundations, other institutions, as well as non-U.S. investors.

FIAM offers active and risk-controlled domestic equity, international equity, fixed-income, high yield, real estate, and alternative strategies including equity market neutral and 130/30 disciplines. FIAM's research resources include its own team based in the United States, the United Kingdom and Hong Kong, and includes access to the research of Fidelity Investments, which has research teams across the globe. Research for the U.S. equity team is conducted primarily out of FIAM's Smithfield, Rhode Island headquarters, as well as in Boston, London, and Hong Kong. The sector portfolio managers and fundamental analysts may collaborate with the U.S. equity research analysts within the broader Fidelity Investments organisation.

The Sub-Investment Manager is a company incorporated under Delaware law, having its registered office at 900 Salem Street, Smithfield, Rhode Island. The Sub-Investment Manager is registered as an investment adviser with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended, and acts as investment manager or investment adviser to a range of collective investment schemes.

The Investment Manager and the Sub-Investment Manager have entered into a sub-investment management agreement dated 16 April 2014, as amended by an amendment agreement dated 7 February 2020 and as may be further amended from time to time (the “**Sub-Investment Management Agreement**”), under which the Sub-Investment Manager has been appointed to provide discretionary investment management and advisory services in respect of the collective investment schemes to which the Manager acts as manager, including the Sub-Fund.

The Sub-Investment Management Agreement provides that the appointment of the Sub-Investment Manager will continue in force unless and until terminated by either party providing 90 days' prior written notice. The Sub-Investment Management Agreement contains provisions regarding the Sub-Investment Manager's legal responsibilities. The Sub-Investment Manager is not liable for losses, liabilities, damages or expenses caused to the Sub-Fund unless resulting from its negligence, fraud, wilful default, or failure in a material respect to comply with its obligations as set out in the Sub-Investment Management Agreement.

The Sub-Investment Manager may, in accordance with the requirements of the Central Bank, delegate its investment management and other responsibilities under the Sub-Investment Management Agreement to its affiliates.

## **SUB-SUB-INVESTMENT MANAGER**

The Sub-Investment Manager has appointed FMR Investment Management (UK) Limited as the Sub-Sub-Investment Manager in respect of the Sub-Fund.

The Sub-Sub-Investment Manager is a company incorporated under the laws of England and Wales, having its registered office at 1 St. Martin's Le Grand, London, EC1A 4AS, United Kingdom. The Sub-Sub-Investment Manager is authorised and regulated in the United Kingdom by the Financial Conduct Authority and acts as investment adviser or sub-adviser to a range of clients, including collective investment schemes.

The Sub-Investment Manager and the Sub-Sub-Investment Manager have entered into a sub-sub-investment management agreement dated 7 February 2020, as amended from time to time (the “**Sub-Sub-Investment Management Agreement**”), under which the Sub-Sub-Investment Manager has been appointed to manage the assets of the Sub-Fund.

The Sub-Sub-Investment Management Agreement provides that the appointment of the Sub-Sub-Investment Manager will continue in force unless and until terminated by either party providing 90 days' prior written notice. The Sub-Sub-Investment Management Agreement contains provisions regarding the Sub-Sub-Investment Manager's legal responsibilities. The Sub-Sub-Investment Manager is not liable for losses, liabilities, damages or expenses caused to the Sub-Fund unless

resulting from its negligence, fraud, wilful default, or failure in a material respect to comply with its obligations as set out in the Sub-Sub-Investment Management Agreement.

## **SUBSCRIPTIONS**

During the Initial Offer Period, Shares will be available at the Initial Offer Price as set out in the table above. Subsequent to an Initial Offer Period, Shares may be purchased in respect of any Dealing Day at the Net Asset Value per Share as of the applicable Valuation Day, plus an amount in respect of Duties and Charges (if any). Investors may subscribe for Shares for cash on each Dealing Day by making an application by the Dealing Deadline in accordance with the requirements set out in the *"Purchase and Sale Information"* section of the Prospectus. Consideration, in the form of cleared subscription monies in the currency of the relevant Class, must be received by the Settlement Deadline.

## **REDEMPTIONS**

Shareholders may effect a redemption of Shares on any Dealing Day at the appropriate Net Asset Value per Share, subject to an appropriate provision for Duties and Charges, provided that a valid redemption request from the Shareholder is received by the Manager by the Dealing Deadline, in accordance with the provisions set out herein and at the *"Purchase and Sale Information"* section of the Prospectus. Settlement will normally take place within three Business Days of the Dealing Day but may take longer depending on the settlement schedule of the underlying markets. In any event, settlement will not take place later than 10 Business Days from the Dealing Deadline. Unless otherwise determined by the Directors and agreed with the Administrator, redemption monies will be paid in the currency of the relevant Class.

## **CONVERSIONS**

Notwithstanding the terms of the Prospectus, Shareholders are not entitled to convert their Shares in the Sub-Fund into Shares in another sub-fund of the Fund.

## **DIVIDEND DISTRIBUTIONS**

In respect of the Accumulating Class in the Sub-Fund, the Directors have determined to accumulate all Net Income attributable to such Accumulating Class and therefore do not intend to declare dividends in respect of the Shares in such Accumulating Class.

In respect of Distributing Classes in the Sub-Fund, and subject to Net Income being available for distribution, it is the current intention of the Directors, subject to any de minimis threshold, to declare dividends out of Net Income attributable to each of the Distributing Classes. Under normal circumstances, the Directors intend that dividends shall be declared on a semi-annual basis on the first business day of August & February and paid on the fifth Business Day of August & February, or any such other Business Day that the Directors deem appropriate. However, Shareholders should note that the Directors may, in their discretion, decide not to make such payment in respect of a Distributing Class.

## **INFORMATION ABOUT THE FUND**

As at the date of this Supplement, the other sub-funds of the Fund are as follows:

Fidelity Alternative Listed Equity Fund	Fidelity MSCI Europe Index Fund
Fidelity Asia Pacific ex-Japan Equity Fund	Fidelity MSCI Eurozone Index Fund
Fidelity Enhanced Reserve Fund	Fidelity MSCI Japan Index Fund
Fidelity Europe ex-UK Equity Fund	Fidelity MSCI Pacific ex-Japan Index Fund
Fidelity Global Aggregate Bond Fund	Fidelity MSCI UK Index Fund
Fidelity Global Emerging Markets Equity Fund	Fidelity MSCI World Index Fund
Fidelity Global Equity Fund	Fidelity North America Equity Fund

Fidelity Global Sub-IG Fixed Income Fund  
Fidelity Japan Equity Fund  
Fidelity MSCI Emerging Markets Index Fund

Fidelity S&P 500 Index Fund  
Fidelity UK Equity Fund