



Fidelity Funds
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Important Changes to Fidelity Funds
Fidelity Funds - China RMB Bond Fund and Fidelity Funds - China High Yield Fund
Change of investment objectives

Key Facts

- We are changing the investment objectives of Fidelity Funds - China RMB Bond Fund and Fidelity Funds - China High Yield Fund.
- The Changes will allow the Investment Manager a greater flexibility to invest in the bond markets of Mainland China and to broaden the opportunity set for investing in Asia in general.
- The risk profiles of the Funds are not expected to change.
- There will be no change to the level of fees that you currently pay.

Shareholder Choices

- If you agree with the Changes proposed in this letter, you do not need to take any action.
- If you do not agree with the Changes this letter sets out the options available to you.

28 August 2018

Dear Shareholder,

As part of the ongoing process whereby Fidelity regularly reviews its range of funds, I am writing to notify you of the decision taken by the board of directors of Fidelity Funds (the "Board") to change the investment objectives of Fidelity Funds - China RMB Bond Fund and Fidelity Funds - China High Yield Fund (collectively referred to as the "Funds"). **The Changes will take effect on 12 October 2018 or such later date as may be decided by the Board (the "Effective Date").**

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

Any terms not defined herein shall have the same meaning as in the Prospectus (the "Prospectus").

On the Effective Date the investment objectives and the Notes section of the Funds will be amended as follows (the "Changes"):

From:

Fund Name	Investment Objective	Notes
Fidelity Funds – China RMB Bond Fund	<p>The fund aims to achieve income and capital appreciation via exposure to RMB denominated debt, money market securities and cash and/or cash equivalents (including, inter alia, time deposits). The fund will primarily invest, directly and/or indirectly, in investment grade securities denominated in RMB, investment grade securities of issuers that have their principal business activities in the Asia Pacific region, securities denominated in RMB of investment grade issuers or in securities of investment grade issuers that have their principal business activities in the Asia Pacific region. Exposure to non-RMB denominated debt securities may be hedged in order to seek to maintain the currency exposure in RMB. The fund may invest its net assets directly in onshore China fixed income securities listed or traded on any Eligible Market in China.</p> <p><u>Portfolio Information:</u></p> <p>Onshore China fixed income securities are listed or traded on any Eligible Market in China and are issued by a variety of issuers such as government, quasi-government, banks, financial institutions or other corporate entities established or incorporated in China or corporate entities with commercial activities in China. The fund will limit any direct investment in securities traded on the mainland China interbank bond market to 10% of its net assets.</p>	<p>Reference Ccy: USD</p> <p>The fund may directly invest in onshore China fixed income securities listed or traded on any Eligible Market in China through the QFII quota of FIL Investment Management (Hong Kong) Limited. The fund may invest up to 30% of its net assets directly in onshore China fixed income securities.</p> <p>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.</p> <p><u>RMB:</u> a colloquial reference to the Chinese Renminbi, which is also known internationally as the Chinese Yuan ('CNY'). Whilst the CNY is traded both onshore in China and offshore (primarily in Hong Kong), it is the same currency although currently traded at different rates. The offshore rate for trading CNY is generally referred to as 'CNH'. The CNH rate will be used when determining the value of the Shares of the fund.</p>
Fidelity Funds – China High Yield Fund	<p>This fund seeks a high level of current income by investing primarily in high-yielding, sub-investment grade or non-rated debt securities of issuers that have their head office or exercise a majority of their activity in the Greater China region (including China, Hong Kong, Taiwan, and Macau). This fund will suit those investors seeking high income and who are prepared to accept the risks associated with this type of investment. The type of debt securities in which the fund will primarily invest will be subject to high risk and will not be required to meet a minimum credit rating standard. Not all securities will be rated for creditworthiness by an internationally recognized rating agency. The fund may invest its net assets directly in onshore China fixed income securities listed or traded on Eligible Markets in China. The manager is not restricted in his choice of companies either by market sector or industry, and will choose investments largely determined by the availability of attractive investment opportunities.</p> <p>The fund may also invest in UCITS and UCIs.</p> <p><u>Portfolio Information:</u></p> <p>Onshore China fixed income securities are listed or traded on Eligible Markets in China, and are issued by a variety of issuers such as government, quasi government, banks, financial institutions or other corporate entities established or incorporated in China or corporate entities whose commercial activities are mainly carried out in China.</p> <p>The investments of the fund may be denominated in various currencies and is not restricted to one single currency.</p>	<p>Reference Ccy: USD</p> <p>The fund may directly invest in onshore China fixed income securities listed or traded on Eligible Markets in China through the QFII quota of FIL Investment Management (Hong Kong) Limited. The fund may invest up to 10% of its net assets directly in onshore China fixed income securities (with aggregate exposure including direct and indirect investments up to 30% of its net assets). The fund may also invest up to 100% of its net asset value in offshore China fixed income instruments including, but not limited to, dim sum bonds. "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.</p>

To:

Fund Name	Investment Objective	Notes
Fidelity Funds – China RMB Bond Fund	<p>The fund aims to achieve income and capital appreciation via exposure to RMB denominated debt, money market securities and cash and/or cash equivalents (including, inter alia, time deposits). The fund will primarily invest, directly and/or indirectly, in investment grade securities denominated in RMB, investment grade securities of issuers that have their principal business activities in the Asia Pacific region, securities denominated in RMB of investment grade issuers or in securities of investment grade issuers that have their principal business activities in the Asia Pacific region. Exposure to non-RMB denominated debt securities may be hedged in order to seek to maintain the currency exposure in RMB. The fund may invest its net assets directly in onshore China fixed income securities listed or traded on any Eligible Market in China.</p> <p><u>Portfolio Information:</u></p> <p>Onshore China fixed income securities are listed or traded on any Eligible Market in China and are issued by a variety of issuers such as government, quasi-government, banks, financial institutions or other corporate entities established or incorporated in China or corporate entities with commercial activities in China.</p>	<p>Reference Ccy: USD</p> <p>The fund may directly invest in onshore China fixed income securities listed or traded on any Eligible Market in China through the QFII quota of FIL Investment Management (Hong Kong) Limited, the RQFII quota of FIL Investment Management (Singapore) Limited, the China Interbank Bond Market scheme or via any other permissible means available to the fund under prevailing laws and regulations..</p> <p>The fund may invest up to 50% of its net assets directly in onshore China fixed income securities.</p> <p>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.</p> <p><u>RMB:</u> a colloquial reference to the Chinese Renminbi, which is also known internationally as the Chinese Yuan ('CNY'). Whilst the CNY is traded both onshore in China and offshore (primarily in Hong Kong), it is the same currency although currently traded at different rates. The offshore rate for trading CNY is generally referred to as 'CNH'. The CNH rate will be used when determining the value of the Shares of the fund.</p>

Fidelity Funds – China High Yield Fund	<p>This fund seeks a high level of current income by investing primarily in high-yielding, sub-investment grade or non-rated debt securities of issuers that have their head office or exercise a majority of their activity in the Greater China region (including China, Hong Kong, Taiwan, and Macau). This fund will suit those investors seeking high income and who are prepared to accept the risks associated with this type of investment. The type of debt securities in which the fund will primarily invest will be subject to high risk and will not be required to meet a minimum credit rating standard. Not all securities will be rated for creditworthiness by an internationally recognized rating agency. The fund may invest its net assets directly in onshore China fixed income securities listed or traded on Eligible Markets in China. The manager is not restricted in his choice of companies either by market sector or industry, and will choose investments largely determined by the availability of attractive investment opportunities.</p> <p>The fund may also invest in UCITS and UCIs.</p> <p><u>Portfolio Information:</u></p> <p>Onshore China fixed income securities are listed or traded on Eligible Markets in China, and are issued by a variety of issuers such as government, quasi government, banks, financial institutions or other corporate entities established or incorporated in China or corporate entities whose commercial activities are mainly carried out in China.</p> <p>The investments of the fund may be denominated in various currencies and is not restricted to one single currency.</p>	<p>Reference Ccy: USD</p> <p>The fund may directly invest in onshore China fixed income securities listed or traded on Eligible Markets in China through the QFII quota of FIL Investment Management (Hong Kong) Limited, the RQFII quota of FIL Investment Management (Singapore) Limited, the China Interbank Bond Market scheme or via any other permissible means available to the fund under prevailing laws and regulations. The fund may invest less than 30% of its net assets directly and/or indirectly in onshore China fixed income securities. The fund may also invest up to 100% of its net asset value in offshore China fixed income instruments including, but not limited to, dim sum bonds. “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.</p>
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Rationale for and Impact of the Changes

The Changes are designed to allow the Investment Manager a greater flexibility to invest in the bond markets of Mainland China and to broaden the opportunity set for investing in Asia in general. It is important to stress that the Changes do not entail any material change in the manner in which the Funds are managed and that their current risk profiles are not expected to change.

The flexibility to invest directly in China A shares allows access to a larger volume and variety of RMB denominated fixed income instruments than are available within the offshore RMB bond market in terms of issuer type, sectors and credit quality.

There are no other impacts that may materially prejudice the existing investors' rights or interests as a result of the proposed changes outlined above.

The changes outlined above may result in a change to the synthetic risk and reward indicator (the “SRRI”) of the Fund. Please refer to the Key Investor Information Document for further information on the SRRI, which is available via the Fidelity website.

The Board believes that the Changes are in the best interest of the Shareholders.

Costs

The expenses triggered by the investment objective change including any legal, regulatory and mailing charges will be borne by FIL Fund Management Limited, the Investment Manager of Fidelity Funds.

Any market-related transaction costs arising from this investment objective change will be borne by the relevant Fund.

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 Fund into any other Fidelity funds available to you, or,

2. You may redeem your existing shares in the Fund, free of charge, or,
3. You may take no action, in which case your investment in the Fund will continue after the Effective Date.

If you wish to switch or redeem your shares in the Funds, you should contact your Financial Adviser or usual Fidelity Service Centre quoting reference CRMB2018. Any instruction to switch or redeem should be made in writing before 1.00 pm CET (12.00 noon UK time) on 11 October 2018. Instructions will normally be dealt at the next calculated net asset value. Different procedures may apply if dealing through an adviser or other fund distributor. For further information on these arrangements, please contact your usual contact.

Please note, 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 these Changes please contact your Financial Adviser or your usual Fidelity Service Centre.

Yours sincerely,



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

Appendix - List of ISIN Codes

Classes of Shares	ISIN Codes
FF - China High Yield Fund A-ACC-USD	LU1313547462
FF - China High Yield Fund A-HMDIST(G)-AUD (hedged)	LU1345482316
FF - China High Yield Fund A-MINC(G)-HKD (hedged)	LU1345481854
FF - China High Yield Fund A-MINC(G)-SGD (hedged)	LU1345482076
FF - China High Yield Fund A-MINC(G)-USD(hedged)	LU1345481698
FF - China High Yield Fund Y-USD	LU1345482589
FF - China RMB Bond Fund A-ACC-EUR	LU0740036131
FF - China RMB Bond Fund A-ACC-EUR (EUR/USD hedged)	LU1055024514
FF - China RMB Bond Fund A-ACC-RMB	LU0715234463
FF - China RMB Bond Fund A-ACC-USD	LU0740036214
FF - China RMB Bond Fund A-MINC(G)-SGD (SGD/USD hedged)	LU1791709907
FF - China RMB Bond Fund E-ACC-EUR	LU0788144201
FF - China RMB Bond Fund E-ACC-EUR (EUR/USD hedged)	LU1055024605
FF - China RMB Bond Fund E-GDIST-EUR (EUR/USD hedged)	LU1162119710
FF - China RMB Bond Fund I-ACC-EUR	LU1261430950
FF - China RMB Bond Fund I-QDIST-USD	LU1380730330
FF - China RMB Bond Fund W-ACC-GBP	LU1235296008
FF - China RMB Bond Fund Y-ACC-EUR	LU0788144623
FF - China RMB Bond Fund Y-ACC-USD	LU0740036727
FF - China RMB Bond Fund Y-MINC(G)-RMB	LU1797663538