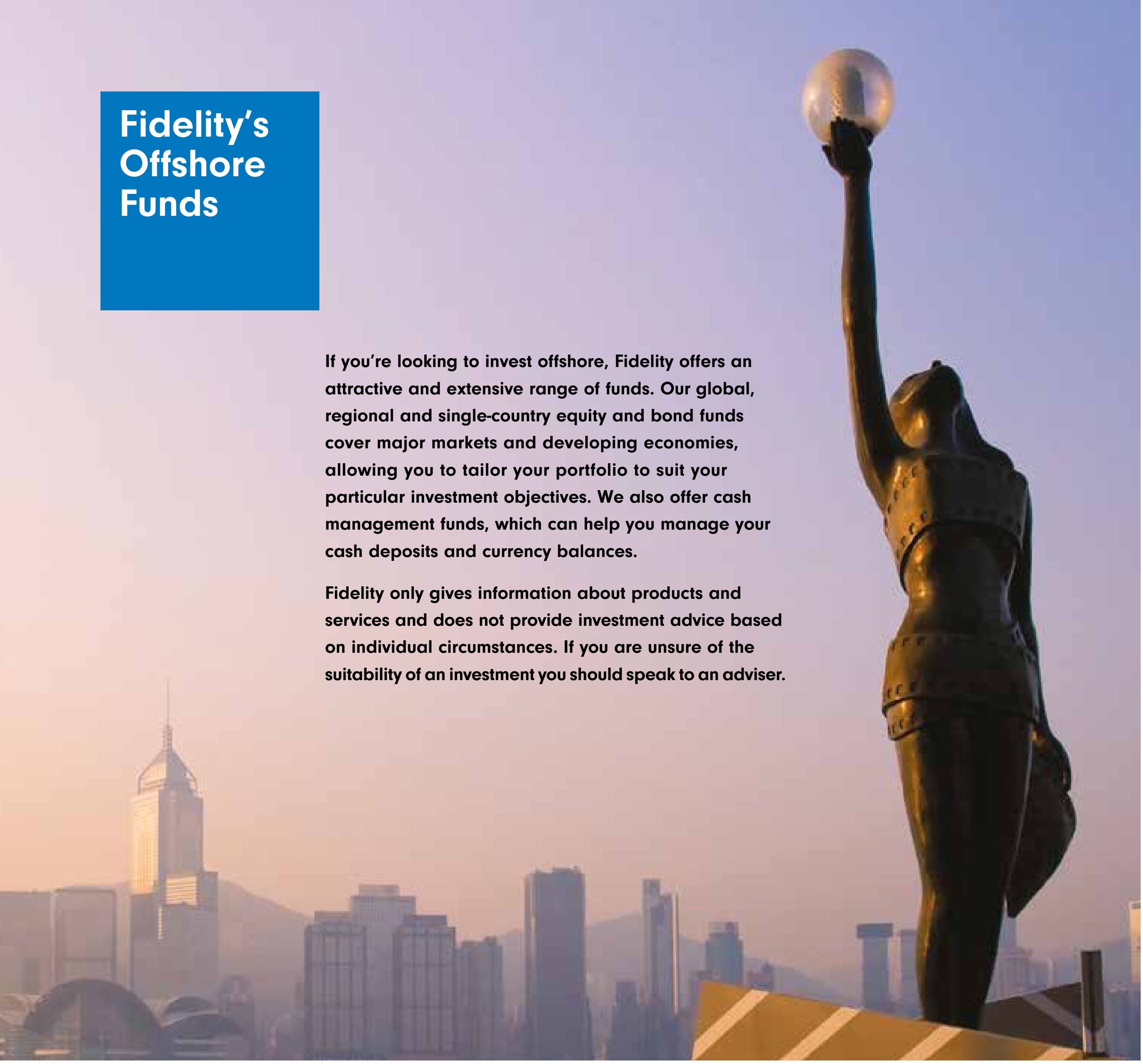
Global Investing

in Equity, Bond, Cash and Currency Funds

Fidelity Offshore Funds guide

Fidelity
PERSONAL INVESTING



Fidelity's Offshore Funds

If you're looking to invest offshore, Fidelity offers an attractive and extensive range of funds. Our global, regional and single-country equity and bond funds cover major markets and developing economies, allowing you to tailor your portfolio to suit your particular investment objectives. We also offer cash management funds, which can help you manage your cash deposits and currency balances.

Fidelity only gives information about products and services and does not provide investment advice based on individual circumstances. If you are unsure of the suitability of an investment you should speak to an adviser.

Contents

Experts Managing Funds

Fidelity's offshore funds provide the reassurance of investing with a company that is a recognised expert in the field of investment management. We have decades of experience of helping our customers meet their financial goals and manage assets worth over $270 billion for millions of investors around the world*.

Investing with a proven specialist

Fidelity has won numerous awards recognising the performance of funds and quality of research, customer service and technical innovation. Visit the 'About us' section at **fidelity.co.uk** to view a selection of our awards.

Focus – Fidelity concentrates solely on managing investments. We are not distracted by competing pressures such as selling insurance and home loans, market making, underwriting or corporate finance.

Investment philosophy – A consistent investment philosophy has been the cornerstone of Fidelity's record of performance. This is based on careful stock selection underpinned by extensive company research and analysis, rather than following market trends. Fidelity believes that this considerably enhances the opportunity of long-term capital gains for the investor and provides the foundations to build long-term wealth. Within this philosophy our investment managers are given individual responsibility and the freedom to follow their own style. Please remember that past performance is not a guide to what might happen in the future.

Global resources – Fidelity's approach demands the very best company-level analysis and we believe the only way to control the quality of this information is to generate it ourselves. We have invested significantly over the years to build an investment research operation with investment teams in London, Frankfurt, Paris, Milan, Shanghai, Hong Kong, Tokyo, Singapore, Seoul, Delhi, Mumbai and Sydney. We understand that local nationals have an important advantage when interpreting events and trends in their own markets, and our team of over 370 investment professionals have been selected with this in mind**.

Independence – Fidelity is unusual among large investment firms in still being privately owned by its senior executives. This confers stability of ownership and avoids conflicts of interest between clients and shareholders, which in turn permits the pursuit of long-term strategic objectives.

* Assets as at 31.03.14 are those of FIL Limited.

**Source: Head count figures as at 31.03.14 are those of FIL Limited. Data is unaudited. Investment Professionals includes Divisional Management, Portfolio Management, Research Professionals (including Analysts and Associates) and Traders.

Fidelity Funds and Fidelity Funds II

Fidelity's offshore funds are part of the SICAV range (société d'investissement à capital variable) – Fidelity Funds and Fidelity Funds II. These are open-ended investment companies registered in Luxembourg and distributed in the UK by FIL Investments International.

Fidelity Funds comprises of accumulating share classes and distributing funds which can pay a regular income to investors. Investors can opt to have this income reinvested and, in some cases, this may be done by default. Fidelity Funds II comprises of accumulating funds, in which any income received by a fund is used to increase the share price. The currency funds are part of Fidelity Funds II. All other funds are part of Fidelity Funds.

Risks to consider

When investing overseas or in foreign currencies, please bear in mind that exchange rate movements can have a favourable or unfavourable impact on the value of your investments. You should also be aware that because of the lack of liquidity in many smaller stockmarkets, investment in small and emerging markets may be volatile and redemption rights may be limited in certain circumstances. Please remember that the value of your investments and any income from them can go down as well as up and you may not get back the amount you invest.

The investment policies of some of the funds enclosed in this brochure:

- **Could mean that they can invest more than 35% of their value in shares or bonds that are issued by a particular country or public body.**
- **Allow the main investment of the fund to be into other collective investment schemes (funds), deposits or derivatives or to replicate a particular index.**

The full details of a fund's investment policy can be found in the prospectus, which is available from Fidelity on request.

Europe

Equity Funds

Europe offers a broad range of investment opportunities, from mature to emerging markets. With 25 European Equity Fund Managers and 67 research professionals covering this region and making thousands of company contacts a year, we believe no one is better placed than Fidelity to find attractive companies to invest in*.

Regional equity funds

European Growth Fund/European Larger Companies Fund – These funds look for quality companies at a reasonable price. They focus on the quality and value of a company, with the aim of finding the best combination of these characteristics. Share price momentum is considered later as a cross-check on the quality and value framework and to build conviction. They search for ideas within the top one-third of the European listed stocks by market-capitalisation.

Euro Blue Chip Fund – The fund primarily invests in blue chip or high quality companies listed in member countries of the Economic Monetary Union (EMU). When new countries join the EMU in the future then investment in these countries may also be considered. The manager focuses on companies that can grow from within and expand with, or even without, a supportive economic environment.

European Dynamic Growth Fund – The fund aims to achieve consistent long-term capital growth by investing in higher quality undervalued growth companies, primarily listed in Europe. The fund manager looks for companies which have good visibility of earnings and benefit from structural (not cyclical) growth drivers. These companies should do well irrespective of the overall state of the economy. A typical stock in the portfolio may look expensive on short-term valuation multiples such as PE** (Price to earnings) but these multiples in fact undervalue the sustainability of this growth.

European Smaller Companies Fund – This fund concentrates on smaller and medium-sized companies across Europe, and may include investments in developing European economies. The manager seeks to identify companies with superior earnings growth potential which have the potential to exceed consensus forecasts and whose current share price does not reflect the potential earnings power. This product may suit investors prepared to accept higher risk associated with smaller less liquid companies.

European Aggressive Fund – The fund has an aggressive stock picking approach, investing anywhere in Europe without restriction on sector, country or size. The fund tends to do best in a rising market due to its aggressive approach. The fund manager often takes a contrarian view, investing in companies which have been forgotten by the market but offer potentially higher than market returns. This product may suit investors prepared to accept higher risk associated with this type of investment.

* Research professionals includes both analysts and associates. Head count figures as at 31.03.14 are those of FIL Limited.
**The PE of a company is a common measure of how expensive a company is and helps investors to compare one company with another. A company with a higher PE would be considered more expensive.

Important information

Please remember that the value of tax savings (and eligibility to invest in an ISA) will depend on individual circumstances and all tax rules may change in the future.

Some funds invest in a relatively small number of companies. This can make them more volatile than funds that are more diversified. Some funds invest more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies.

Regional balanced fund

Euro Balanced Fund – This fund aims to achieve long-term growth of capital and income through investments in a diversified portfolio of equities, bonds and ancillary cash. It invests primarily in euro-denominated equities and bonds issued in countries that are members of the EMU (Economic and Monetary Union).

Single-country equity funds

France Fund – This fund aims to be a concentrated portfolio of the best ideas coming from Fidelity's analysts as well as from the portfolio manager's own due diligence. The portfolio is an all capitalisation portfolio but tends to have a bias towards mid cap (€2 to €10 bn) range. The fund manager is based in Paris and uses local knowledge extensively.

Germany Fund – The fund invests principally in German shares across the market cap range but with a bias towards small and medium-sized companies. The investment discipline of the fund is bottom-up, focusing on the quality of individual companies rather than sectors. The fund manager is based in Frankfurt and uses local knowledge extensively.

Iberia Fund – The fund invests in the best company ideas on the Spanish and Portuguese stock markets. It will invest across all sectors and market capitalisation, although the fund does tend to find more opportunities in small and medium-sized companies. These companies tend to be less researched and therefore offer a better risk/reward trade off over the longer term.

Italy Fund – The fund invests principally in Italian equity securities. The manager is particularly focused on looking for 'change' that the market has failed to incorporate in its company analysis based on three categories: cyclicals, restructuring plays and GARP (Growth at a Reasonable Price) stocks. The fund manager is based in Milan and uses local knowledge extensively.

Nordic Fund – Sweden, Norway, Denmark and Finland are home to many entrepreneurial and innovative companies with significant exposure to global as well as emerging market growth. The fund aims to be a concentrated portfolio of the best ideas coming from Fidelity's analysts as well as from the portfolio manager's own due diligence.

Switzerland Fund – This fund provides investors with exposure to high quality, world-class companies in the Swiss equity market. The manager looks to invest in stocks that have greater earnings power than consensus estimates* when crafting the portfolio of 30-45 carefully vetted stocks.

United Kingdom Fund – The manager invests in mispriced industry winners. These are companies which have developed, and will maintain, a long-term competitive advantage over their peers. The portfolio generally consists of around 40 stocks, the majority of which are larger companies listed in the UK. Industry winners do not change quickly and stocks are often held for three years or more in the portfolio.

*The average of different analysts' estimates about a stock's or security's performance.

Asia-Pacific

Equity Funds

These funds offer a chance to invest in some of the world's most mature stockmarkets, and some of the newest. This region has the potential for long-term growth returns, but can be volatile and past performance is not a guide to what might happen in the future. Fidelity has offices in Hong Kong, Korea, Taiwan, Japan, Singapore, India and Australia, with over 70 investment professionals.**

Regional equity funds

ASEAN Fund – This fund invests in the stockmarkets of the Association of South East Asian Nations (ASEAN), including Singapore, Thailand, Malaysia, Indonesia and the Philippines. A number of countries in the region are undertaking economic and corporate reforms designed to strengthen their long-term growth prospects. Although this cannot be accomplished overnight, it should result in a more dynamic market and create attractive opportunities for long-term investors.

Asian Special Situations Fund – This fund invests across the markets of Asia (excluding Japan), with a diversified portfolio of companies with regionally or globally competitive business models and a proven track record of shareholder value creation. In particular, stocks where valuations are cheap relative to improving returns of the business (where the market is under-appreciating either secular growth or cyclical recovery) are included in the portfolio.

Pacific Fund – This fund invests principally in shares in the Asia Pacific region including Japan. Stock selection dictates the portfolio positioning at country as well as sector level. The fund manager favours companies that offer the best value relative to their respective long-term growth prospects, returns on capital, and management quality.

South East Asia Fund – Also investing with a well diversified portfolio across the South East Asia markets (excluding Japan), this fund is managed with a bottom-up, fundamental approach focusing on individual stock selection. The manager looks for attractively valued companies that exhibit strong growth prospects – reflected in above average earnings growth relative to both sector and the market. Holdings tend to be in medium-sized or larger companies as they can offer longer management track records and histories of corporate profits growth. This also offers improved liquidity in what can be volatile markets.

Single-country equity funds

Australia Fund – This fund invests in all sectors of the Australian market, including banking, insurance, mining and metals. It may invest in companies of any size, depending on valuations and prospects for earnings growth. Stock selection involves in-depth company analysis and an overview of the sector outlook.

China Consumer Fund – Invests in the shares of companies having their head office or exercising a predominant part of their activities in China or Hong Kong. These companies are involved in the development, manufacture or sale of goods or services to consumers in China.

**Source: Head count figures as at 31.03.14 are those of FIL Limited. Data is unaudited. Investment Professionals includes Divisional Management, Portfolio Management, Research Professionals (including Analysts and Associates) and Traders.

Asia-Pacific

Equity Funds

China Focus Fund – This fund is available in US$ and GBP£*** and invests in Chinese companies listed in Hong Kong, China and other overseas markets. The fund manager takes a value/contrarian approach to investing and searches for quality business models and management teams that are out of favour due to short-term macroeconomic or company specific reasons, and thus trade below their intrinsic value.

China Opportunities Fund – This fund invests in Chinese or China related opportunities in the Asia Pacific ex-Japan region. The core of the portfolio centres around opportunities in China and Hong Kong region, with the broader fund tapping into China related stories such as Australian miners exporting to China, Taiwanese IT companies mainly operating in China and Korean retail companies with a large part of their revenue derived from China.

Greater China Fund – This fund invests in companies listed in China, Hong Kong and Taiwan. As well as including companies in other Asian countries that stand to benefit from China. Many Chinese companies are listed in Hong Kong which also has one of the region's most liquid markets, and is the base for a number of highly competitive companies. Taiwan offers opportunities in technology and financials, while China provides opportunities linked to outsourcing and domestic consumption.

India Focus Fund – Available in US$ and GBP£***, this fund gives investors an opportunity to share in India's significant economic potential. It can invest in companies that either have an Indian listing or derive a large part of their earnings from India.

Indonesia Fund – The fund aims to achieve long-term capital growth in South East Asia's largest economy, through investment in a portfolio of shares listed on the Indonesian Stock Exchange. It may also invest in non-Indonesian listed companies with substantial operations in Indonesia.

Japan Fund – This fund aims to achieve long-term growth from Japanese shares and many of the companies within this portfolio have a dominant market position within their industry. It tends to have a bias towards large-cap blue-chip companies that can increase their corporate value over the mid-to-long term. The manager looks for companies whose valuations appear to be cheaper than the historical average and their global peers.

Japan Advantage Fund – The fund maintains a diversified portfolio that offers superior returns for value. It invests in Japanese companies whose share price valuations in terms of price-to-book and price-to-earnings multiples, are considered to be undervalued relative to the market. The manager's stock selection is driven by valuation, and share price drivers and catalysts for changes are of little significance to his investment decisions.

Japan Smaller Companies Fund – This fund invests in smaller and medium-sized companies in the Japanese market. The fund manager seeks stocks with the potential for strong and sustained profits growth over the long term. Smaller companies, being relatively young and dynamic, are often able to create their own niche market and may therefore be capable of expanding their business regardless of the external economic environment.

Korea Fund – Korea is the only Asian country, apart from Japan, to be a member of the Organisation for Economic Co-operation and Development. The government has adopted a number of reforms to stimulate economic growth and encourage corporate restructuring. The fund manager focuses on companies with a strong competitive position in their industry, relatively low debt levels, sustainable earnings growth and good corporate governance.

***In the sterling share class, the fund is available inside an ISA. If you would like more information about investing in an ISA, please contact Fidelity.

Malaysia Fund – This fund aims to achieve long-term capital growth from investment in shares and other securities quoted primarily on the Kuala Lumpur Stock Exchange. In addition the fund may also invest in non-Malaysian quoted companies that have substantial interests in Malaysia.

Singapore Fund – Singapore is one of the major economies in South East Asia. The portfolio manager's primary goal is to add value through stock selection on companies with under-recognised potential, which are quoted on the Singapore Stock Exchange.

Taiwan Fund – Taiwan is one of the largest markets in Asia and has one of the area's most developed economies. Taiwan is home to a number of technology companies who are leaders in their particular industry, which puts them in a relatively strong competitive position versus their global peers. Economic benefits from the improved cross-strait relationship with China are also increasingly evident, making Taiwan an even more attractive market.

Thailand Fund – Thailand is an emerging economy, positioned in the centre of South East Asia. In 2011, The World Bank upgraded Thailand's income categorization from a lower-middle income economy to an upper-middle income economy. The Thailand Fund aims to achieve long-term capital growth, primarily through investment in an actively managed portfolio of securities quoted on the Thai Stock Market.

North America

Equity Funds

North America offers investors the markets of Canada and the US; the world's largest stock market home to some of the biggest global companies, giving investment opportunities across a variety of sectors.

Single-country equity funds

America Fund – The fund, primarily invested in US equities, represents the portfolio manager's bottom-up, high conviction ideas based on valuation. The manager leverages his global experience, and position within the Global equity team, to identify the most attractive investment opportunities to construct a portfolio of between 50 and 60 stocks.

American Diversified Fund – This fund is a diversified fund adopting a sub-manager approach. The fund manager identifies the sub-managers that are expected to add most value and allocates assets proportionately to each sub-manager to achieve the optimal return for the level of risk.

American Growth Fund – This fund is a high conviction portfolio of 50-70 stocks, which the manager believes are well positioned to benefit from powerful secular growth trends. He looks for companies with pricing power and the ability to generate sustainable cash flow. This fund typically has a bias towards medium-size businesses and exhibits strong growth characteristics, which is likely to result in above-average volatility.

Global

Equity Funds

Global equity funds offer investors access to a large investment universe, with opportunities for greater levels of diversification and improved potential for better risk adjusted returns. Fidelity's global equity portfolios are differentiated by their ability to leverage extensive in-house analyst research resources, which provide an edge in carrying out fundamental research across sectors, geographies and market capitalisations the world over.

Global Focus Fund – This fund aims to achieve long-term capital growth from a diversified portfolio of attractively valued companies with good growth prospects. Its manager is style agnostic and adopts a go-anywhere, bottom-up approach to portfolio construction, which is then overlaid with a macro view. The backbone of the portfolio is focused on long-term investment themes that are identified using Fidelity's extensive global research network. Companies able to demonstrate a key competitive advantage and pricing power over their peers are favoured. The manager focuses on those opportunities where he can identify a catalyst for value realisation, such as positive structural changes in the industry, an improving margin outlook and the likelihood of earnings upgrades.

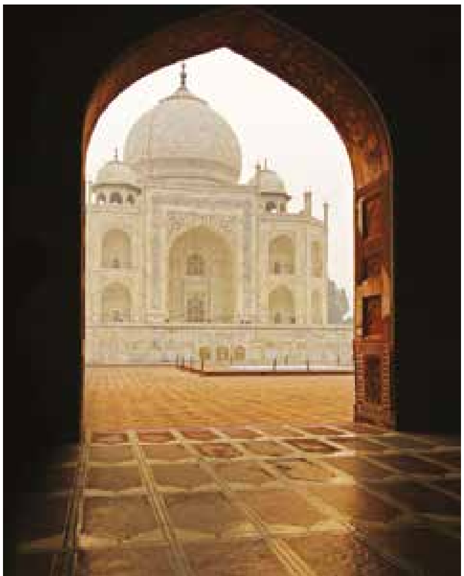
Global Opportunities Fund – This is a diversified global equity strategy fund, designed to deliver long-term capital growth. Its investment universe includes both developed and emerging markets. The manager believes that markets are only semi-efficient and that in-depth research can uncover companies where the market has mispriced the future potential. He looks out for businesses with underappreciated earnings growth or undervalued earnings quality, through either unrecognised durability or greater stability.

World Fund* – This is a developed market global equity fund designed to deliver long-term capital growth. The manager employs a fundamental research-based bottom-up stock picking approach with a focus on valuation. He invests in three categories of stocks - Change, Value and Franchise. The change category includes companies that offer the potential for a fundamental shift in value, while catalyst is often linked to corporate change and the possibility of mergers and acquisitions/spin-off activity. The value category consists of stocks that have demonstrable value and an identifiable catalyst expected to realise upside. Franchise firms have dominant industry positions which provide a sustainable competitive advantage and pricing power. By including businesses with varied performance drivers, the portfolio is designed to be less susceptible to changes in macroeconomic factors.

*The World Fund will be available for sale in the format described above as of 16th June 2014.

Global Real Asset Securities Fund - This fund is a high conviction global equity fund designed to provide investors with inflation-resistant growth. The investment universe consists of companies that are backed by real, physical assets which may be in short supply, or are not easily replicated, such as mines, oil fields, land and factories. The manager looks across global value chains for companies which have strong pricing power that allows them to grow earnings, cash flow and dividends, no matter how challenging the macro environment. He also seeks companies which offer compelling valuation opportunities and adequate liquidity. Many of the holdings tap into global themes, such as urbanisation and industrialisation of emerging markets, changing commodity and agricultural dynamics, and clean energy. The manager has flexibility to invest opportunistically across the investment universe and throughout the economic cycle.

Global Demographics Fund – This fund aims to achieve long-term capital growth by investing in equity securities across the world that benefit from demographic trends. The fund managers look to invest in companies whose growth over the next three to five years and beyond will primarily stem from three key identifiable demographic trends; the world's population is growing larger, wealthier and older. The consequences of this are broad reaching and as a result we are likely to see a rising demand for resources, the emergence of a new middle class and associated changes in lifestyles and behaviours. The fund managers believe that sustainable and more stable earnings growth can be achieved by investing in businesses across a variety of industries which benefit from these demographics shifts.



Global Sector Funds

Equity Funds

If you would like to add another perspective to your portfolio then you may be interested in our funds that invest by sector – that is, in a particular industry or set of industries. Where a sterling share class is available, there is the option to invest within an ISA. If you would like more details about investing within an ISA, please contact Fidelity.

Global Consumer Industries Fund – This fund invests in a broad and diverse universe of consumer companies across the world. The fund manager looks for companies that can gain market share and grow at a premium to sector expectations and/or history at an attractive valuation. This will include consumer staple companies with stable cash flows and good visibility on growth and consumer discretionary companies where earnings growth is driven by structural growth opportunities such as the emergence of a new middle class in emerging markets. The fund manager uses Fidelity's unrivalled resources to select stocks that can add value in different economic conditions.

Global Financial Services Fund – The Global Financial Services Fund aims to provide investors with long-term capital growth, principally through investment in companies throughout the world involved in four broad sectors: banks, insurers, real estate companies and diversified financials such as investment banks and asset managers. Key long-term drivers include the consolidation of the industry in the wake of the financial crisis, rising demand for financial services and residential property in emerging markets, and demographics with an increasingly ageing population looking to provide for their retirement.

Global Health Care Fund – Health care is an area that could have excellent potential for long-term growth. An ageing world population and the expectation of a higher standard of care have increased demand for better health care equipment, procedures and services. The fund manager is tapping into these themes by investing in companies that can cater to the needs of the elderly and those set to benefit from rising demand in Emerging Markets, where higher disposable incomes are prompting increased health care expenditure.

Global Industrials Fund – This fund has a diversified, disciplined and active approach that invests across the three key sectors of energy, materials and industrials. Given that variations in regulation and pricing regimes exist across countries, such a global mandate allows the manager to orient the fund towards geographies where the environment is most conducive. The manager's aim is to understand companies in the context of their operational and financial debt, potential inflection points and different stages of industry cycles. The manager is also valuation conscious, relative to the company's history and competitors, to its quality, & industry & stock-specific risks. The combination of a bottom-up stock selection process combined with a macroeconomic overlay helps the manager to create a portfolio of his best ideas.

Global Property Fund – The aim of the fund is to provide attractive total returns by investing in the shares of property companies around the world, including Real Estate Investment Trusts (REITs). It does not invest directly into physical property and is spread across a range of property sectors including offices, retail outlets, industrial buildings, hotels and residential. Property securities afford investors exposure to the property theme but without the issues traditionally associated with directly investing in property such as accessibility and liquidity and high transaction costs.

Global Technology Fund – This fund is a concentrated global equity portfolio investing in the securities of companies that have, or are developing, products, processes or services that are likely to provide, or benefit significantly from, technological advances and improvements. The manager focuses on corporate fundamentals such as earnings quality, cash flows, technological edge, product life cycles, barriers to entry, the strength of the balance sheet, the track record of the management team, corporate governance and the relevant industry's structure when choosing a stock. He favours long-term structural winners that trade at reasonable valuations.

Global Telecommunications Fund – This fund aims to achieve long-term capital growth by investing in the shares of companies throughout the world, which are involved in the telecommunications and related industries. There are a number of longer term growth themes driving the telecommunications sector such as smartphone adoption and with it an increasing demand for data, uptake of mobile phones in the emerging markets as well as consolidation in the sector as a whole. The fund aims to select the best opportunities to benefit from these themes.

Emerging Market Funds

Equity Funds

As much of the developed world struggles to overcome the effects of high debt, emerging markets are important contributors to driving global economic growth. These funds cover developing markets around the world and could appeal to investors who are willing to take on more risk, with the aim of achieving greater long-term growth.

Emerging Asia Fund – The fund aims to generate long-term capital growth, investing principally in securities of companies having their head office or exercising predominantly part of their activity, in 'truly' Emerging Asian countries, namely China, India, Indonesia, Thailand, Philippines and Malaysia. The fund may also invest in frontier countries not included in the benchmark, such as Pakistan, Vietnam, Bangladesh and Sri Lanka. The fund manager strongly believes that there are lots of structural growth drivers in Emerging Asia that should continue to drive long-term corporate earnings growth. The portfolio is constructed with a fundamental-driven bottom-up stock selection approach and consists of industry leaders that should continue to benefit from the region's structural growth trends. The fund manager prefers companies that have strong balance sheets and strong management track records.

Latin America Fund – The fund aims to generate long-term capital growth through investing primarily in securities of companies that have their head office or exercise a predominant part of their activity in the less developed countries of Latin America. Within this mandate, the managers focus on underappreciated opportunities using a thorough fundamental approach to research. Companies preferred are those with dominant market positions, strong balance sheets and the potential to deliver and increase free cash flow returns to shareholders.

Managed Portfolios

Our managed portfolios provide investors with easy access to a range of diversified investment options. Each portfolio is professionally managed by our in-house specialists, Fidelity Solutions, who design the strategic and tactical asset allocation and out-source stock picking and bond selection to a number of Fidelity managers. This provides a high level of diversification with the added benefit that each portfolio is constantly monitored and when appropriate, adjustments are made to the underlying holdings to take advantage of new opportunities or to achieve a more promising mix of investments.

Global equity funds

International Fund – This fund could make an ideal core holding for the investor requiring a diversified global portfolio. Its geographical asset allocation strategy draws upon research from Fidelity's offices, with stock selection being handled by specialist managers in each region. Returns are mainly generated through the selection of sub-managers and their skill in stockpicking. Regional allocations will normally stay within 5% of the comparative index's* weightings. The fund is denominated in USD or GBP and uses MSCI World as a comparative index.

Balanced funds

Growth & Income Fund – The fund is managed with a more conservative approach, aiming for income and long-term capital growth by investing in a combination of shares and bonds. It will appeal to investors who are seeking regular income and moderate capital growth, but prefer less risk than they would have if they invested solely in shares. The fund blends the different asset classes, using an Investment Clock model to alter its mix of investments. This process bases itself on economic cycle investing, where it is believed that different asset class will outperform one another depending on the economic condition or cycle.

*Holdings can vary from those in the index quoted. For this reason the comparison index is used for reference only.

Bond Funds

Investing in the major international fixed-interest markets, Fidelity's offshore bond funds aim to provide a lower risk way of producing an attractive level of income compared with shares. These funds can also be a valuable tool in helping to reduce the overall volatility of your investment portfolio.

Emerging Market Debt Fund – This fund holds bonds issued by governments, companies and other organisations in emerging markets, including Russia, Venezuela and Brazil. These bonds have the potential to provide attractive yields, as well as valuable extra diversification for an established portfolio. Investors should be aware of the higher risk associated with the emerging market bond asset class.

Euro Bond Fund – The fund primarily invests in investment grade corporate bonds and government bonds denominated in Euros. Suitable for investors looking for exposure to one of the largest and most diverse bond markets in the world.

Euro Corporate Bond Fund – A highly rated bond fund which is diversified across various sectors of the European investment grade corporate bond universe.

Euro Short-Term Bond Fund – This fund invests primarily in Euro-denominated debt securities, focusing its investments on investment grade European fixed rate bonds with less than five years to maturity. The average duration of the fund's investments will not exceed three years.

European High Yield Fund – The fund seeks to maximise total returns, primarily through higher yielding corporate bonds issued by European companies, including Eastern Europe. The fund provides an attractive investment vehicle for investors in European bonds, aiming to get better returns from their fixed income portfolio by accepting a higher level of risk.

Asian Bond Fund – This fund invests in a diversified set of bonds to achieve income and capital appreciation. The fund primarily holds investment grade fixed income securities of issuers, both government and corporate, that have their principal business activities in the Asian region. It can hold high yield bonds and is subject to the risks of investing in emerging markets. This fund is held in US Dollars.

Global Inflation-linked Bond Fund – The fund invests primarily in inflation-linked bonds of developed markets. The fund can also invest in nominal bonds, other debt and short-term securities of worldwide issuers in both developed and emerging markets including, but not limited to those issued by governments, agencies, supranationals, corporations and banks.

Sterling Bond Fund – The Sterling Bond Fund is invested primarily in government and non-government bonds issued in the Sterling market. Value is added through a multi-strategy approach and involves assessing the relative attractiveness of corporate and government bonds. It could be a suitable option for investors looking to achieve a regular income, as well as those wishing to add a sterling fixed-interest element to a diversified portfolio.

US Dollar Bond Fund – This fund may invest in US government bonds, corporate bonds, treasury bills and bonds issued by supranational agencies. In selecting holdings, the quality and marketability of a bond are paramount. The fund manager places emphasis on bonds that he considers to be of high quality.

US High Yield Fund – This fund seeks a high level of current income and capital appreciation by investing primarily in high-yielding bonds of companies rated below BBB- by one of the major ratings agencies. It would suit those investors who are seeking high income and capital appreciation and are prepared to accept the risks associated with the high yield asset class.

Important information

Please note that the Euro Corporate Bond Fund and the Euro Short-Term Bond Fund are accumulating funds rather than distributing.

The price of bonds is influenced by movements in interest rates, changes in the credit rating of bond issuers, and other factors such as inflation and market dynamics. In general, as interest rates rise the price of a bond will fall. The risk of default is based on the issuer's ability to make interest payments and to repay the loan at maturity. Default risk may therefore vary between different government issuers as well as between different corporate issuers.

Cash and Currency Funds

With no initial charge and no switching* or redemption charges on transactions, both cash and currency funds are extremely cost-effective for investors. A further attraction is that there are no additional charges for forwarding payments to other accounts by telegraphic transfer. Fidelity's cash and currency funds can help you manage your money easily and efficiently. The principle behind these funds – pooling the assets of many investors, enabling the fund manager to gain wholesale money market rates, is long-established and in some countries, such funds represent a substantial proportion of all cash investments. Fidelity's cash funds could appeal to anyone interested in reducing the overall volatility within their investment portfolio.

Our currency funds may be ideal for a variety of investors – companies, trusts, financial institutions and private individuals – who need to hold foreign currencies.

*Ongoing charges still apply. Please note, a bid-offer-spread will apply to dual priced funds.

Cash option

- **US Dollar Cash Fund**

This fund aims to achieve continuous growth by investing in bank deposits and transferable securities issued in their chosen regions. The assets must all offer a high level of security and will primarily comprise interest-bearing transferable debt securities (bonds), treasury bills and other money market instruments.

Currency options

- **Australian Dollar**
- **Euro**
- **Sterling**
- **US Dollar**

When you invest in foreign currencies, bear in mind that movements in foreign exchange rates can have an impact on the value of your investments. Such fluctuations can either work against you or in your favour.

More security

One of the main advantages of Fidelity's currency and cash funds (Short-Term Money Market Funds) is the security they provide, as they are all invested in money market instruments of high credit quality*. Fidelity also has the benefit of an international credit team, that is responsible for constantly monitoring the credit quality of all the funds' investments.

Such is the security provided by Fidelity's currency funds that they have been awarded Aaa-mf rating from leading independent rating agency Moody's Investors Service. This reflects the high levels of credit quality of the chosen investments as well as Fidelity's own stringent financial and management controls in administering the funds.

Interest rates

Fidelity's currency and cash funds invest in the wholesale money markets. They aim to provide through the individual funds, a wholesale rate of return for a currency which would otherwise only be available to those with substantial sums to invest.

During the past 3 years there has been a downward trend in the interbank lending rates. This is mainly as a result of substantial cuts in policy rates by central banks. The return on currency funds and yields have been notably impacted by this low interest rate environment (note: these comments are not applicable to the Australian Dollar Fund).

*A money market instrument is not considered to be of high quality unless it has been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument or, if the instrument is not rated, it is of an equivalent quality as determined by Fidelity's internal rating process.

Investing in Offshore Equity, Bond and Cash Funds

Before investing please ensure you have read Doing Business with Fidelity, and the Key Investor Information Document (KIID) relevant to your chosen fund(s). These documents give you all the information you need to know about investing with Fidelity, including details of the objectives, investment policy, risks, charges and past performance associated with the fund(s). Instructions on how to access these documents (both available in English) can be found at fidelity.co.uk/importantinformation. If you do not have a computer or access to the internet please call Fidelity on 0800 358 4385 to request a printed copy of the documents. The Full Prospectus is also available on request from Fidelity.

Buying

Your first investment must be by application form which you can download from **fidelity.co.uk/forms**. You will need to print and sign a copy of the form and send it to us before your account can be registered. Subsequent dealings in the funds may be made by telephone, application form or online. If you do not have a computer or access to the internet please call Fidelity on **0800 358 4385** to request a printed copy of the documents you require. Fidelity only gives information about products and services and does not provide investment advice based on individual circumstances. If you are unsure whether an investment is right for you, please speak to a financial adviser.

The minimum investment

Lump-sums – The minimum initial investment is £1,000, with top ups from £250 – or the equivalent amounts in other currencies.

Monthly savings – Investors can save from as little as £50 a month or the equivalent currency.

Pricing and charges

These funds use a Net Asset Value (NAV) pricing approach. So, unlike unit trusts, the funds have no bid-offer spread. Shares are priced on a forward basis. Whenever a deal is placed to buy, sell or switch an investment, shares will be allocated or redeemed at a price calculated after the next valuation point following receipt of instructions (currently 5pm UK time). For some funds we need to have your instruction by 12 noon and the price is calculated at 5pm. Deals received after 12 noon will be priced at 5pm the following valuation day. For a list of exceptions please refer to the Doing Business with Fidelity document. Prices and yields are published daily at **fidelity.co.uk**

All our funds have no initial charge, ongoing charges and annual management charges still apply.

Switching within an account

Instructions to switch investments between funds may be made, free of any switching fee, by telephone, online or application form. To switch funds online, please go to **fidelity.co.uk**. On some types of investment, there may be an additional bid-offer spread to pay.

Selling

Instructions to sell shares may be given in writing, by phone* (with confirmation in writing), online or by fax. We will send you a cheque for the proceeds within 3 to 5 business days or we can transfer the funds to your bank. For your protection Fidelity will not make payments to anyone other than the registered shareholder.

Taxation

Investment returns reflected in the quoted prices and yields of the funds may be net of local taxes payable by the funds. Funds are subject to an annual tax by the Luxembourg authorities. This is 0.05% (with the exception of cash funds where it is 0.01%) and is payable quarterly. It is calculated on the net assets of the fund on the last day of each fiscal quarter. Such taxation is accrued daily and reflected in the quoted prices and yields of the funds. No additional taxes are payable in Luxembourg, but investors may be subject to final tax in their home jurisdiction on returns they receive, depending upon the status of the fund and the investor.

Investors may be subject to personal taxation in their home jurisdiction on distributed income, undistributed income, realised capital gains and unrealised capital gains and any other returns from their investment depending upon their circumstances.

*Cash funds can only be redeemed in writing or online.

Investing in Currency Funds

Buying

For currency funds, your first investment must be by application form which you can download from **fidelity.co.uk/forms**. You will need to print and sign a copy of the form and send it to us before your account can be registered. Subsequent dealings in the funds may be made by telephone, application form or online. If you do not have a computer or access to the internet please call Fidelity on **0800 358 4385** to request a printed copy of the documents you require.

Minimum investment

The minimum initial investment in any one fund is £1,000 (or the equivalent in any of the major currencies). There is a £250 minimum for subsequent investments into that fund.

It is not possible to have a monthly savings plan with a currency fund.

Pricing and charges

These funds use a Net Asset Value (NAV) pricing approach. So, unlike unit trusts, the funds have no bid-offer spread. Shares are priced on a forward basis. Whenever a deal is placed to buy, sell or switch an investment, shares will be allocated or redeemed at a price calculated after the next valuation point following receipt of instructions (currently midday UK time).

Prices and yields are published daily at **fidelity.co.uk**

There are no initial charges or exit fees. The funds carry an annual management charge of 1% a year of the net asset value, accruing each business day, and other annual expenses for bank charges, auditing fees and custody fees amounting to approximately 0.2% for all funds. The funds also bear certain expenses as permitted by the Luxembourg regulations. Fund prices and yields are quoted after deduction of all charges, fees and expenses.

Switching shares within an account

Instructions to switch investments between currencies in the range may be made by telephone, online or application form. Following a partial switch, the amount remaining in a fund should be at least £1,000 (or the currency equivalent).

For further product information, including full details of charges, please refer to Doing Business with Fidelity. The Full Prospectus is available from Fidelity on request.

Selling

Instructions to sell shares may be given in writing, online or by fax. Any withdrawal should not take your holding in the fund below £1,000. Provided properly authorised written instructions are received by Fidelity before midday UK time, the proceeds should be sent out within three business days. Settlement will be made by cheque (excluding Germany and Austria) or electronic payment to the customer's bank account anywhere in the world. For your protection Fidelity will not make payments to anyone other than the registered shareholder.

Taxation

Investment returns reflected in the quoted prices and yields of the funds may be net of local taxes payable by the funds. Funds are subject to an annual tax of 0.01% by the Luxembourg authorities, payable quarterly and calculated on the net assets of the fund on the last day of each fiscal quarter. Such taxation is accrued daily and reflected in the quoted prices and yields of the funds. No additional taxes are payable in Luxembourg, but investors may be subject to final tax in their home jurisdiction on returns they receive, depending upon the status of the fund and the investor.

Investors may be subject to personal taxation in their home jurisdiction on distributed income, undistributed income, realised capital gains and unrealised capital gains and any other returns from their investment depending upon their circumstances.

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We can give you all the information you need to make your investment but we cannot give you advice on which fund is right for you. If you would like help, please contact a financial adviser. Different terms may apply.

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