

# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Fidelity Funds - Sustainable Climate Bond Fund

a sub-fund of Fidelity Funds

Fidelity Funds - Sustainable Climate Bond Fund Y-ACC-Euro (hedged)

(ISIN:LU0417496105)

This fund is managed by FIL Investment Management (Luxembourg) S.A.

### Objectives and Investment Policy

**Objective:** The fund aims to achieve capital growth over time and provide income.

**Investment Policy:** The fund invests at least 70% of its assets, in investment grade corporate debt securities anywhere in the world, including emerging markets. The fund may also invest in money market instruments on an ancillary basis. The fund focuses on the management of climate related risks and favours issuers with the lowest carbon profiles with their sectors, encouraging a transition towards a greener environment through the selection of issuers on an improving carbon transition path and investing in carefully selected green bond issuers. The strategy aims to be proactive in dealing with climate change through the continual engagement with global corporate bond issuers. The fund may invest in the following assets according to the percentages indicated:

Listed China onshore bonds (directly and /or indirectly) up to 30% (in aggregate) with direct exposure up to 10%

hybrids and contingent convertible (CoCo) bonds: less than 30%, with less than 20% in CoCos.

The fund may also invest in subordinated debt and preference shares.

The fund will aim to have a lower carbon footprint compared to that of the broader market.

**Investment Process:** In actively managing the fund, the Investment Manager uses in-house research and investment capabilities to identify suitable opportunities across bond issuers, sectors, geographies and security types. This may include an assessment of bond issuers' creditworthiness, macroeconomic factors, and valuations.

The Investment Manager considers ESG characteristics when assessing investment risks and opportunities. In determining ESG characteristics, the Investment Manager takes into account ESG ratings provided by Fidelity or external agencies. Through the investment management process the Investment Manager aims to ensure that investee issuers follow good governance practices. When investing in green, social and sustainability bonds (the 'labelled bonds') the Investment Manager employs a selection process mainly based on the International Capital Market Association ('ICMA') Green and Social Bond Principles ('GSBP') guidelines. Bonds certified as being compliant with Climate Bonds Initiative ('CBI') or European Green Bond Standards ('EUGBS') will be prioritised but the Investment Manager may use other standards where deemed appropriate.

The GSBP are voluntary process guidelines for issuing green and social bonds. They seek to support issuers in financing environmentally and socially sound and sustainable projects. The CBI seeks to mobilise the bond market for climate change solutions through the development of the Climate Bonds Standard and Certification Scheme, a labelling scheme for bonds and loans. The EUGBS is a voluntary standard designed to help scale up and raise the environmental ambitions of the green bond market.

A minimum of 70% of assets will align to the fund's sustainability theme and the fund may invest in securities of issuers with low but improving ESG characteristics. For more information, see

"Sustainable Investing and ESG Integration" and the Sustainability Annex.

**Derivatives and Techniques:** The fund may use derivatives for hedging, efficient portfolio management and investment purposes.

**Base Currency:** USD

**Benchmark:** Bloomberg Global Aggregate Corporate Index, a broad market index that does not take into account ESG characteristics. Used for: investment selection, risk monitoring and performance comparison.

**Risk Management Method:** Commitment.

**Distribution:** As this is a non-distributing share class, dividends are re-invested.

### Risk and Reward Profile



Historical data may not be a reliable indication for the future.

The risk category shown is not guaranteed and may change over time.

The lowest category does not mean a "risk free" investment.

The risk and reward profile is classified by the level of historical fluctuation of the Net Asset Values of the share class, and within this classification, categories 1-2 indicate a low level of historical fluctuations, 3-5 a medium level and 6-7 a high level.

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The fund may invest in instruments denominated in currencies other than the fund base currency. Changes in currency exchange rates can therefore affect the value of your investment.

This fund is categorised in risk class 4 because, in accordance with the investment policy, the value of the investments may fluctuate moderately. Consequently, both the expected return and the potential risk of loss may be average.

Additional risks: credit, emerging markets, interest rate.

**Recommended holding period:** This product may appeal to investors who plan to hold their investment for a recommended holding period of at least 3 years.

## Charges for this fund

The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest                                                                                                          |       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| Entry charge                                                                                                                                              | 0.00% |
| Exit charge                                                                                                                                               | 0.00% |
| The entry and exit charges shown are maximum figures. In some cases you might pay less - you can find this out from your financial adviser / distributor. |       |
| Charges taken from the fund over a year                                                                                                                   |       |
| Ongoing charges                                                                                                                                           | 0.70% |
| Charges taken from the fund under certain specific conditions                                                                                             |       |
| Performance fee                                                                                                                                           | N/A   |

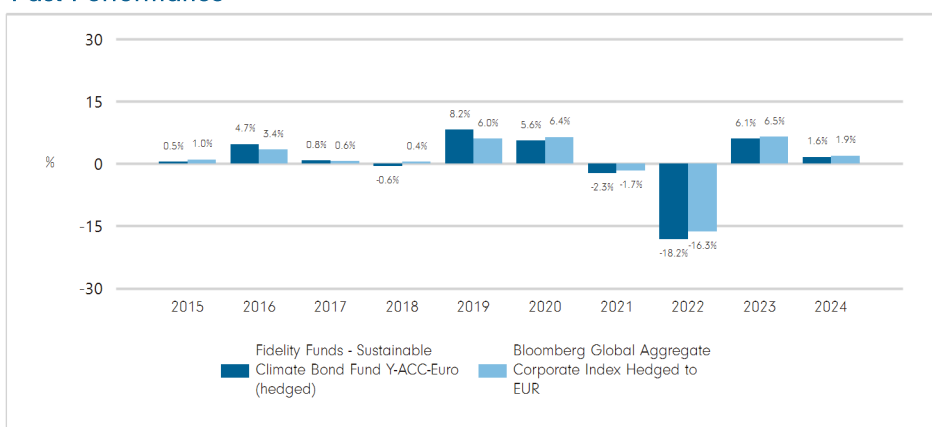
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.

The ongoing charges figure is based on expenses for the year ending 30/04/2024. This figure may vary from year to year. It excludes:

- performance fees (where applicable);
- portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling units in another collective investment undertaking.

For more information about charges, including the possibility that swing pricing may apply, please consult the most recent Prospectus.

## Past Performance



Performance prior to 2020 was achieved under circumstances that no longer apply

Past performance is not a guide to future performance results.

If any, the past performance shown takes into account the ongoing charges with exception of any applicable entry/exit charges.

The fund and the class were launched on 29 July 2009.

The currency of the Fund is USD, while the currency of the Class is EUR. The return may increase or decrease as a result of currency fluctuations.

## Practical Information

**Depositary:** Brown Brothers Harriman (Luxembourg) S.C.A.

This key information document describes a sub-fund of Fidelity Funds (the "Fund"). The prospectus and periodic reports are prepared for the entire Fund.

For more information, please consult the prospectus and latest reports and accounts which may be obtained free of charge in English from FIL Investment Management (Luxembourg) S.A. These documents and details of the remuneration policy are available via [www.fidelityinternational.com](http://www.fidelityinternational.com).

The tax legislation in Luxembourg may have an impact on your personal tax position. For further details you should consult a tax advisor.

FIL Investment Management (Luxembourg) S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the fund.

The Net Asset Value of the fund is available at the registered office of FIL Investment Management (Luxembourg) S.A., and at [www.fidelityinternational.com](http://www.fidelityinternational.com).

The assets and liabilities of the fund are segregated by law from those of other sub-funds and there is no cross-liability among the sub-funds.

You may have the right to switch from this share class into the same or possibly other share class types of another sub-fund of the Fund. Details on switching rules may be found in the Prospectus.

The fund is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.

This fund is authorised in Luxembourg and regulated by Commission de Surveillance du Secteur Financier (CSSF).

FIL Investment Management (Luxembourg) S.A. (to be redesignated as FIL Investment Management (Luxembourg) S.a.r.l on or around March 2025) is authorised in Luxembourg and regulated by Commission de Surveillance du Secteur Financier (CSSF).

This key investor information is accurate as at 31/01/2025.