

## **Fidelity Funds – Pacific Fund (the “ILP Sub-Fund”)**

**This Fund Summary should be read in conjunction with the Product Summary**

### **Structure of ILP Sub-Fund**

The ILP Sub-Fund is a feeder fund investing all or substantially all of its assets in the underlying Fidelity Funds – Pacific Fund A USD (the “Underlying Fund”). Fidelity Funds is an open-ended investment company established on 15 June 1990 in Luxembourg as a SICAV (*société d’investissement à capital variable*) under the Luxembourg law of 17 December 2010 (the “Law of 2010”). Please refer to the section on “Part I: Fund Information; 1.1 The Fund” in the Fidelity Funds Luxembourg Prospectus for further information on the structure of Fidelity Funds.

The units in the ILP Sub-Fund are not classified as Excluded Investment Products.

### **Information on the Manager**

Information on Management Company and Investment Manager

The Management Company of Fidelity Funds is FIL Investment Management (Luxembourg) S.A. and the Investment Manager is FIL Fund Management Limited, both of which are parts of Fidelity International.

Fidelity International provides world class investment solutions and retirement expertise to institutions, individuals and their advisers. They invest globally on behalf of clients in Asia Pacific, Europe, the Middle East, and South America. Their clients range from pension funds, central banks, sovereign wealth funds, large corporates, financial institutions, insurers and wealth managers, to private individuals.

In addition to asset management, Fidelity International provide investment administration and guidance services for workplace benefit schemes, advisers and individuals in several countries, with USD \$414.8 billion\* in assets under administration.

\*Source: Fidelity International, all data as at 30 September 2018

The Singapore representative is FIL Investment Management (Singapore) Limited, and has managed collective investment schemes or discretionary funds in Singapore since 2003. Its regulatory authority is the Monetary Authority of Singapore.

### **Other Parties**

Please refer to the section on “Other Parties” in the Fidelity Funds Singapore Prospectus for details of other parties involved in the Underlying Fund.

### **Investment Objectives, Focus & Approach**

The Underlying Fund invests principally in an actively managed portfolio of equities in the Asia Pacific region. The Asia Pacific region comprises countries including, but not limited to, Japan, Australia, China, Hong Kong, India, Indonesia, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand. The Underlying Fund may invest its net assets directly in China A and B Shares.

### **Risks**

In addition to the risks stated in the Product Summary, the following are key risks specific to the Underlying Fund:

#### ***Fluctuations in Value***

The investments of the Underlying Fund are subject to market fluctuations and other risks inherent in investing in securities and other financial instruments. There can be no assurance that any appreciation in value of investments will occur, and the capital value of your original investment is not guaranteed. The value of investments and the income from them may go down as well as up, and you may not get back the original amount invested. There is no assurance that the investment objective of each Underlying Fund will actually be achieved.

### ***Equity Risks***

The value of those stocks may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events. Currency exchange rate movements will also cause changes in value when the currency of the investment is other than the base currency of the Underlying Fund holding that investment.

### ***Legal and Tax Risks***

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Further, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the funds may be subject to withholding and other taxes. Tax law and regulations of any country are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by tax authorities in some jurisdictions are not as consistent and transparent as those of more developed nations, and may vary from region to region.

### ***Liquidity Risk***

In normal market conditions, the Underlying Fund's assets comprise mainly realisable investments which can be readily sold. A fund's main liability is the redemption of any shares that investors wish to sell. In general, the Underlying Fund manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the sizes of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Underlying Fund.

### ***Foreign Currency Risk***

The Underlying Fund's total return and balance sheet can be significantly affected by foreign exchange rate movements if the Underlying Fund's assets and income are denominated in currencies other than the base currency of the Underlying Fund and this means that currency movements may significantly affect the value of a Underlying Fund's Share price. The three principal areas of foreign currency risk are where movements in exchange rates affect the value of investments, short term timing differences or income received. The Underlying Fund may, or may not, hedge these risks using either spot or forward foreign exchange contracts and the associated risks are explained below in the section on Financial Derivative Instruments.

Investors should be aware of the fact that the Chinese Renminbi (RMB) is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, the RMB is traded in two markets: one in Mainland China, (onshore RMB, or CNY), and one outside Mainland China (primarily in Hong Kong offshore RMB, or CNH). Although CNH and CNY are the same currency, they trade at different rates, and any divergence between CNH and CNY may adversely impact investors. Onshore RMB is not freely convertible and is subject to exchange controls and certain requirements by the government of Mainland China, whereas the offshore RMB traded outside Mainland China is freely tradable. Whilst the RMB is traded freely outside Mainland China, the RMB spot, forward foreign exchange contracts and related instruments reflect the structural complexities of this evolving market.

There is no guarantee that the value of RMB against the investors' base currencies will not depreciate. Any depreciation of RMB could adversely affect the value of an investor's investment in the Underlying Fund. Accordingly, the Underlying Fund may be exposed to greater foreign exchange risks. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. In addition, there may be liquidity risks associated with RMB products, especially if such investments do not have an active secondary market and their prices are subject to significant bid and offer spread. The Investment Manager will nevertheless seek to invest the assets of the funds in such a manner which will enable them to meet their obligations to redeem their shares.

### ***Emerging Markets***

The price of these securities may be more volatile than those of securities in more developed markets. As a result there may be a greater risk of price fluctuation or of the suspension of redemptions in the Underlying Fund, compared to funds investing in more mature markets. This volatility may stem from political and economic factors and be exacerbated by legal, trading liquidity, settlement, transfer of securities and currency factors. Some emerging market countries have relatively prosperous economies but may be sensitive to world commodity prices and/or volatile inflation rates. Others are especially vulnerable to economic conditions. Although care is taken to understand and manage these risks, the respective Funds and accordingly the shareholders in those funds will ultimately bear the risks associated with investing in these markets.

### **Derivatives Risk**

The use of financial derivative instruments may give rise to leverage, liquidity, counterparty and valuations risks at times. In adverse situations, the Underlying Fund's use of derivative instruments may become ineffective and the Underlying Fund may suffer significant losses.

### **QFII Risks**

The Underlying Fund may incur losses due to limited investment opportunities in China A shares, or may not be able to fully implement its investment objectives due to QFII investment restrictions, illiquidity of the China A shares market, and/or delay or disruption in execution of trades or in settlement of trades.

### **Stock Connect Risks**

The Underlying Fund may invest in certain China A shares through Stock Connect. The ability to trade through Stock Connect in a timely manner may be affected by quota limitations and PRC regulatory restrictions. A suspension in trading through Stock Connect will adversely affect the ability to access the PRC market. Differences in trading days in the PRC and Hong Kong markets also leads to the risks of price fluctuations in the shares when Stock Connect is not trading. Trading through Stock Connect is subject to other risks, including clearing and settlement risks (e.g. if the PRC clearing house defaults on its obligation, the Underlying Fund may suffer delays and/or inability to recover losses), restrictions on selling imposed by front-end monitoring, nominee arrangements in holding China A shares and regulatory risk.

### **Fees and Charges**

In addition to the fees and charges shown in the Product Summary, the following fees are also payable through deduction from the asset value of the ILP sub-fund:

<b>Fees Payable by the Underlying Fund, which the ILP sub-fund invest into</b>	
<b>Custodian fee</b>	A range from 0.003% to 0.35% of the net assets (excluding transaction charges and reasonable disbursements and out-of-pocket expenses)
<b>Agency<sup>1</sup> &amp; Services Fee<sup>2</sup></b>	Up to 0.35% of the net assets (excluding reasonable out-of-pocket expenses)
<b>Annual Management fee<sup>3</sup></b>	1.50%

<sup>1</sup> *Agency Fees - For provision of services to the fund in connection with keeping the fund's accounts, determination of the Net Asset Value of Shares in each fund on each Valuation Date, dispatch of dividend payments to registered Shareholders, preparation and distribution of Shareholders' reports and provision of other administrative services.*

<sup>2</sup> *Services Fees - For provision of services in relation to investments of the funds including valuation, statistical, technical, reporting and other assistance.*

<sup>3</sup> *Annual Management Fee – for Class A shares*

**Past Performance<sup>2</sup>** : as at 31 October 2018

**NOTE: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.**

### **Cumulative Performance**

<b>Fund/ Benchmark</b>	<b>Share Class</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>Since Inception*</b>
Fidelity Funds – Pacific Fund/	A - USD	-12.8%	13.8%	20.7%	214.2%	225.5%

<sup>2</sup> *Performance shown in fund currency and calculated before sales charges are deducted. Fees and charges payable through deduction of premium or cancellation of units are excluded in deriving the performance. Performance is calculated on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.*

<i>Pacific Fund Composite</i>		-8.7%	19.9%	18.0%	121.9%	115.9%
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### Annualised Performance

Fund/ Benchmark	Share Class	1 Yr	3 Yr	5Yr	10Yr	Since Inception*
Fidelity Funds – Pacific Fund/	A - USD	-12.8%	4.4%	3.8%	12.1%	4.9%
<i>Pacific Fund Composite</i>		-8.7%	6.2%	3.4%	8.3%	3.1%

Source: Fidelity International. Performance is for the A-USD share class NAV-NAV basis in USD terms, with dividends reinvested. Excludes initial sales charge. Since inception date refers to the share class inception date. Please note that past performance is not a reliable indicator of future results.

\* Fidelity Funds – Pacific Fund A USD : Performance inceptioned on 10 Jan 1994

### Expense Ratio and Turnover Ratio

Funds	Total Expense Ratio	Turnover Ratio
Fidelity Funds – Pacific Fund	1.92%	51.52%

The expense ratios and turnover ratios stated in the table above are for the A-USD share class and for the period ending 30 April 2018.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore guidelines on the disclosure of expense ratios. It does not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, foreign exchange gains /losses, front or back-end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. It is calculated by dividing expenses by daily average NAV, and multiplied by the appropriate factor to annualise the figure and is disclosed as a percentage.

The turnover ratio is calculated based on the lower of purchases and sales expressed as a percentage of the daily average net asset value.

### Soft Dollar Commissions or Arrangements

The investment manager of the Underlying Fund and any of its delegates may effect transactions by or through the agency of another person with whom the investment manager of the Underlying Fund and any of its delegates have an arrangement under which that party will from time to time provide to or procure for the investment manager of the Underlying Fund and any of its delegates goods, services or other benefits (such as research and advisory services), the nature of which is such that their provision can reasonably be expected to benefit the Fidelity Funds as a whole and may contribute to an improvement in the performance of the Fidelity Funds and that of the investment manager of the Underlying Fund or any of its delegates in providing services to the Fidelity Funds and for which no direct payment is made but instead the investment manager of the Underlying Fund and any of its delegates undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

The investment manager of the Underlying Fund and any delegates shall not retain the benefit of any cash commission rebate (being repayment of a cash commission made by a broker or dealer to the investment manager of the Underlying Fund and/or any delegates) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the investment manager of the Underlying Fund or any delegates for or on behalf the Fidelity Funds. Any such cash commission rebate from any such broker or dealer will be held by the investment manager of the Underlying Fund and any delegates for the account of the Fidelity Funds. Brokerage rates will not be excessive of customary brokerage rates. All transactions will be done with best execution.

## Conflicts of Interest

Except as described in the Fidelity Funds Singapore and/or the Luxembourg Prospectus, no commissions, discounts, brokerage or other special terms have been granted by the Fidelity Funds or the management company of Fidelity Funds in relation to Shares issued or to be issued by the Fidelity Funds; on any issue or sale of Shares a Distributor (including the General Distributor) may, out of its own funds or out of the initial charges, if any, pay commissions or other fees and charges on applications received through brokers and other professional agents or grant discounts.

Fidelity Funds, together with other funds advised or managed by the investment manager of the Underlying Fund, may place orders for the purchase or sale of securities with affiliates of the investment manager of the Underlying Fund and other Connected Persons\*\*, provided that, among other conditions, they can reasonably be expected to execute the transaction on terms as favourable as could be expected to be obtained from other brokers, qualified to execute the transaction and at commission rates comparable to those which would have been charged by such other brokers. Orders are allocated on a pro-rata basis between different sub-funds of Fidelity Funds investing in the same assets when there is insufficient supply.

Subject to the receipt of best execution, Fidelity Funds may take into account the sale of Shares by brokers and dealers when selecting them for the execution of transactions.

Foreign exchange transactions for investors of Fidelity Funds may be effected on an arm's length basis by or through FIL Group companies from which a benefit may be derived by such companies. Further details are set out in Fidelity Funds Luxembourg Prospectus, in particular, "Part IV (4. Administration Details, Charges and Expenses)" of the Fidelity Funds Luxembourg Prospectus.

\*\* "Connected Persons" in relation to any investment adviser, investment manager, depositary or any distributor means (a) any person beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company; (b) any person controlled by a person who meets one or both of the requirements set out in (a) above; or (c) any company 20% or more of whose ordinary share capital is beneficially owned, directly or indirectly, by any investment adviser, investment manager or share distributor taken together; and any company 20% or more of the total votes in which can be exercised, directly or indirectly by such investment adviser, investment manager or share distributor taken together; and (d) any director or officer of any investment adviser or investment manager or share distributor or of any Connected Person of that company, as defined in (a), (b) or (c) above.

## Reports

The financial year-end of the ILP Sub-Fund is 30 June. Aviva Ltd will make available semi-annual report and annual audited report of the ILP Sub-Fund within 2 months and 3 months respectively from the relevant reporting periods.

In addition, Aviva Ltd will make available financial reports of the Underlying Fund as they become available from the Investment Manager. Policyholders can access these reports via the Aviva website [www.aviva.com.sg](http://www.aviva.com.sg).

## Specialised ILP Sub-Fund

The ILP Sub-Fund is not a specialised sub-fund as set out in MAS Notice 307 on Investment-Linked Policies issued by the Monetary Authority of Singapore.