

# Fidelity Asia Active ETF

## Product Disclosure Statement

Issued 26 June 2024

### Contents

About FIL Responsible Entity (Australia) Limited	3
Key features at a glance	4
How the Fidelity Asia Active ETF works	5
About the AQUA Rules and CHES	8
Benefits of investing in the Fidelity Asia Active ETF	10
Risks of managed investment schemes	11
How we invest your money	13
Fees and other costs	15
How managed investment schemes are taxed	18
Additional information	21
Glossary	25

### Contact

FIL Responsible Entity  
(Australia) Limited  
ABN 33 148 059 009  
Level 17, 60 Martin Place  
Sydney NSW 2000

### Client Services team

**Investor:** 1800 044 922  
**Adviser:** 1800 119 270  
[auclientservices@fil.com](mailto:auclientservices@fil.com)

### Mailing address

FIL Responsible Entity  
(Australia) Limited  
PO Box N850, Royal Exchange  
Sydney NSW 1225

**ASX code:** FASI  
[fidelity.com.au](http://fidelity.com.au)

## Important information

This Product Disclosure Statement (PDS) provides a summary of significant information relating to the Fidelity Asia Active ETF (**Quoted Class or Fund**), which is a class of units in the registered managed investment scheme, the Fidelity Asia Fund (ARSN 116 072 498) (**the Scheme**). References in this PDS to 'units' refers to units in the Quoted Class unless the context requires otherwise. All rights and entitlements of a unit relate to the rights, entitlements, liabilities and other amounts referable to the Fund. No other fund, trust or class of units is offered in this PDS.

This PDS is issued by FIL Responsible Entity (Australia) Limited (ABN 33 148 059 009, **AFSL** No. 409340), referred to throughout this PDS as "FREAL, we, us, our" and is the responsible entity (**Responsible Entity**) of the Scheme.

The information provided in this PDS is general information only and does not take account of your personal financial situation, objectives or needs. The PDS is not (personal) financial product advice or intended to be a recommendation by FREAL, its associates or related bodies corporate to make any investment decision. Before making an investment decision you should read the information contained in this PDS and obtain financial advice tailored to your personal circumstances. Terms in bold in this PDS are defined in section 11 'Glossary'.

A copy of this PDS has been lodged with **ASIC**. As at the date of this PDS, units in the Fund have been admitted to trading status on the AQUA market of the ASX with the ASX code: **FASI**. No representation is made concerning the Fund's continued quotation on the ASX. Neither ASIC nor ASX takes any responsibility for the contents of this PDS.

Neither we, nor our employees, agents or officers guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. An investor's investment does not represent deposits or other liabilities of any of the companies within the Fidelity International group.

The offer in this PDS is only available to persons who are, or who have been engaged to act on behalf of persons who have been, authorised as trading participants under the AQUA Rules and have entered into an **Authorised Participant Agreement** with us (**Authorised Participants**).

An investor who is not an Authorised Participant cannot invest in the Fund through this PDS but can buy units on the ASX via a broker or financial adviser. Investors who are not Authorised Participants may use this PDS for information purposes only and should consult their stockbroker or financial adviser.

The information in this PDS is subject to change and any change that is not materially adverse to investors can be updated by us by placing it on our website and on the ASX Market Announcements Platform. A paper copy of this information is also available free of charge on request by calling us. The offer in this PDS is available only to Authorised Participants receiving this PDS (electronically or otherwise) within Australia and distribution of this PDS outside Australia may be prohibited or restricted by the laws of other jurisdictions. This PDS does not constitute an offer or invitation in any jurisdiction, or to anyone, to whom it would be unlawful to make such an offer or invitation. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited.

## 1. About FIL Responsible Entity (Australia) Limited

FIL Responsible Entity (Australia) Limited (ABN 33 148 059 009, **AFSL** No. 409340) is the responsible entity (**Responsible Entity**) for the Scheme and is the issuer of this PDS. As the Responsible Entity for the Scheme, we are responsible for the day-to-day operation of the Scheme and for ensuring it complies with its **Constitution** and relevant laws. This responsibility includes setting, managing, and monitoring the Scheme's investment objective and strategy.

FREAL is a member of the group of companies known as Fidelity International (Fidelity). FREAL has appointed FIL Investment Management (Australia) Limited (ABN 34 006 773 575, AFSL 237865) (FIMAL), also a member of Fidelity, as the investment manager of the Scheme. FIMAL has the power under the terms of its appointment with us to sub-delegate any of its discretionary management powers in relation to the Scheme to other members of the Fidelity group.

### About Fidelity

Fidelity is one of the world's leading asset managers with a global network researching investment opportunities in the US, Europe, the Middle East, Africa and Asia Pacific. Fidelity manages over A\$583.8 billion in assets<sup>1</sup> on behalf of both private and institutional investors.

Fidelity is an active asset manager with one of the largest global research capabilities with more than 400 investment professionals around the world. We believe access to the investment knowledge and expertise of Fidelity's global network provides Fidelity with a significant competitive advantage when choosing investments for our funds.

For Australian investors, we offer a range of investment choices including Australian, Asian, global equities and fixed income funds.

Fidelity has been a signatory to the Principles for Responsible Investment (**PRI**) since 2012 and works closely with external environmental, social and governance (ESG)-related bodies in Australia and around the world to promote sustainable investing and social development.

1. As at 31 December 2023

## 2. Key features at a glance

For more information on each of the features, please refer to the relevant sections below:

Feature	Summary	Section
<b>Fund name</b>	Fidelity Asia Active ETF, being a class of units in the Scheme known as Fidelity Asia Fund (ARSN 116 072 498).	
<b>ARSN</b>	116 072 498	
<b>ASX code</b>	FASI	
<b>Responsible Entity</b>	FIL Responsible Entity (Australia) Limited ABN 33 148 059 009 AFSL No. 409340	1
<b>Investment manager</b>	FIL Investment Management (Australia) Limited ABN 34 006773 575 AFSL No. 237865	1
<b>About the Fund</b>	The Fund provides investors with the potential for long-term capital growth by investing in companies located in Asia, as well as companies located elsewhere that derive a significant proportion of their earnings from Asia (Asian Securities).	
<b>Investment return objective</b>	To achieve returns in excess of the benchmark (MSCI All Country Asia ex-Japan Index NR) over the medium to long term.	
<b>Asset classes and ranges</b>	Asian Securities: 90% to 100% Cash: 0% to 10%	7
<b>Risks</b>	All investments are subject to risk. The significant risks associated with the Fund are described in this PDS.	6
<b>Unit Price and iNAV</b>	The net asset value (NAV) represents the market value of the assets, less liabilities (including estimated fees), of the Fund. The Unit Price is calculated by dividing the NAV by the number of units on issue in the Fund. An indicative NAV per unit ( <b>iNAV</b> ) will be published throughout the trading day.	
<b>Creations</b>	The offer in this PDS is only available to Authorised Participants. The minimum investment amount is one <b>Creation Unit</b> . Units can only be acquired in whole multiples of a Creation Unit unless FREAL agrees otherwise. Only cash applications will be accepted to create units in the Fund. Investors may purchase units in the Fund via the ASX. The purchase of units on the ASX is not governed by the terms of this PDS and therefore the minimum investment does not apply to purchases of units in the Fund on the ASX.	
<b>Redemptions</b>	Units in the Fund can generally only be redeemed directly with us by Authorised Participants. The minimum redemption amount is one <b>Redemption Unit</b> . Units can only be redeemed in whole multiples of a Redemption Unit unless FREAL agrees otherwise. Units can only be redeemed for an amount of cash. Investors may sell their units in the Fund via the ASX. The sale of units on the ASX is not governed by the terms of this PDS and therefore the minimum redemption amount does not apply to sales of units on the ASX. An investor who is not an Authorised Participant can only redeem units directly with us in certain circumstances described in section 3.	
<b>Market liquidity</b>	Investors can buy and sell units on the ASX in a similar fashion to securities traded on the ASX, subject to secondary market liquidity. We have appointed one or more <b>Market Makers</b> to provide liquidity to investors on the ASX by each acting as a buyer and seller of units in the Fund.	10
<b>Distributions</b>	The Fund may pay distributions annually (30 June). When distributions are paid, they are usually paid within 14 <b>Business Days</b> after year end.	3
<b>Fees and other costs</b>	<b>Management fee:</b> The management fee is 1.16% p.a. <b>Buy/sell spread:</b> 0.30%/0.30% The buy/sell spread is a fee applicable to Authorised Participants who apply to create or redeem units in the Fund. A detailed explanation of fees and other costs are provided in the fees and costs section of this PDS.	8
<b>Annual tax reporting</b>	Annual tax statements will be made available to investors in respect of the Fund.	9

### 3. How the Fidelity Asia Active ETF works

#### How the Fund operates

When you invest your money in the Fund, your money is pooled together with other investors' money. This pool is used to buy investments that are managed on behalf of all investors in the Fund in accordance with the Fund's investment strategy. By investing in the Fund, you gain access to investments that otherwise may not be available to you and can benefit from the expertise and insights of Fidelity's investment team.

#### Units and Unit Price

The Scheme has one or more classes of units. The Fund is a class of units in the Scheme. The NAV of the Fund is divided into units of equal value and a Unit Price is calculated in accordance with the Constitution each Business Day. When you make an investment in the Fund, you will be issued with 'units' in the Fund representing your investment. Each unit carries an equal beneficial interest in the Fund as a whole, but does not give an investor an interest in any particular asset of the Fund.

The Fund's Unit Price is calculated as that day's NAV divided by the number of units on issue. The Unit Price is published daily on our website. The Unit Price is commonly also referred to in the PDS as the NAV per unit.

The Constitution governs the calculation of Unit Prices and this is undertaken by the fund administrator on our behalf. We will exercise any discretion we have under the Constitution for the Fund in relation to unit pricing in accordance with our Unit Pricing Discretions Policy, which is available on request.

As at the date of this PDS, units in the Fund are quoted on the ASX and are generally able to be traded on the ASX under the AQUA Rules in a similar fashion to other listed securities, subject to liquidity. The price at which units trade on the ASX may not reflect either the Unit Price or the iNAV. The AQUA Rules form part of the ASX Operating Rules. The Scheme is not listed on the ASX under the ASX Listing Rules.

#### How to transact in the Fund

Only Authorised Participants can apply to create and redeem units directly with us. An investor who is not an Authorised Participant can only redeem units directly with us in the circumstances described in this section 3.

Prior to transacting, Authorised Participants are required to enter into an Authorised Participant Agreement with us and must comply with all requirements of that agreement. A copy of this agreement can be obtained by contacting Client Services. Authorised Participants can apply to create or redeem units by submitting a request through the nominated Authorised Participant ETF portal or as otherwise agreed with us.

For more information regarding how to transact with us, including creation and redemption sizes, cut-off times for submitting creation/redemption requests, settlement dates and transaction confirmations, Authorised Participants should refer to the "Transaction Procedures", available upon request from Client Services.

Investors who are not Authorised Participants cannot apply to create or redeem units through this PDS, but may purchase or sell units on the ASX through their broker or financial adviser.

#### Creations

Authorised Participants can only apply to create units in the Fund in cash. The minimum application amount is one **Creation Unit**, as determined by FREAL to constitute one Creation Unit and notified to Authorised Participants from time to time via the Transaction Procedures. Unless we agree otherwise, an application to create units must be for whole multiples of Creation Units and a valid application request must be received by us by the **Transaction Cut-off Time** on a Business Day. Authorised Participants must transfer to the Fund the corresponding application money in accordance with the Authorised Participant Agreement and the Transaction Procedures. Units issued pursuant to a valid application request will be quoted under the AQUA Rules on the ASX with effect from the settlement of the issue of the relevant units in the Fund.

A contribution fee of \$50 per application for units in the Fund is payable by Authorised Participants when they apply for units.

#### Redemptions

Authorised Participants can only apply to redeem units in the Fund in cash. The minimum redemption amount is one **Redemption Unit**, as determined by FREAL to constitute one Redemption Unit and notified to Authorised Participants from time to time via the Transaction Procedures. Unless we agree otherwise, units in the Fund can only be redeemed in whole multiples of a Redemption Unit and a valid redemption request must be received by us by the Transaction Cut-off Time on a Business Day. Authorised Participants must transfer the units in the Fund being redeemed to us for cancellation in return for the redemption proceeds to be paid. In the normal course of business, we will pay redemptions in cash within two Business Days after the redemption request is accepted.

In certain circumstances we may be required or permitted by the Constitution or by law to deduct or withhold amounts relating to tax and other amounts from the redemption proceeds that would otherwise be payable to an investor. These amounts (if any) will be deducted from the cash amount that would otherwise be payable to the relevant investor in respect of the redemption.

A withdrawal fee of \$50 per redemption for units in the Fund is payable by Authorised Participants when they apply for redemption.

#### Processing of creations & redemptions

Valid applications to create or redeem units in the Fund that are received by the required **Transaction Cut-off Time** on any **Business Day** will be processed using the application / redemption price calculated for that Business Day. Valid applications to create or redeem units that are received by us after the required Transaction Cut-off Time on any Business Day or on a non-Business Day will generally be processed using the application / redemption price calculated for the next Business Day. We reserve the right to refuse any creation or redemption request to the extent permitted by the Constitution or if the creation or redemption request is not made in accordance with the terms of the Authorised Participant Agreement. If a creation or redemption request is rejected, the Authorised Participant will be notified.

The standard settlement period for creations or redemptions may be adjusted to accommodate applicable overseas public holidays or other days on which an exchange, on which the Fund's portfolio of investments is traded, is closed on the Transaction Date or during the settlement period. Any changes to the standard settlement period for creations or redemptions must first be agreed with us.

By signing an Authorised Participant Agreement, an Authorised Participant agrees to be bound by the Transaction Procedures in relation to the creation and redemption of units, which are set out in the Authorised Participant Agreement. Settlement failure procedures apply if an Authorised Participant does not comply with its obligations under the procedures. The procedures allow us to cancel a creation or redemption request in certain circumstances and to take certain other action. We may also reject any application in whole or in part at any time, without giving reasons.

Under the Constitution, an Authorised Participant will also be required to indemnify the Responsible Entity for any liability arising out of a failure to pay for units which has been applied, or a failure to deliver units to us for redemption in accordance with a redemption request, by the time as stipulated in the Transaction Procedures.

### **Primary market suspensions**

There may be occasions where we may suspend applications to create or redeem units in the Fund. For example, this may occur at the end of the distribution period when we are calculating and paying the distributable income for the relevant period or where there are factors, as determined by us, which prevent the accurate calculation of Unit Prices. We will advise Authorised Participants in the event that creations and redemptions are temporarily suspended.

### **Investors who are not Authorised Participants**

Investors who are not Authorised Participants can buy and sell units in the Fund via their broker or financial adviser on the ASX. The purchase of units will be settled via the CHESS settlement service, generally after two Business Days. The price at which investors buy or sell units on the ASX will be the prevailing market price for the purchase or sale of the units at the time of the transaction. This price may not reflect either the Unit Price or the iNAV. Investors will receive a transaction confirmation from their broker regarding the purchase or sale price.

There is no requirement to purchase a minimum number of units on the ASX. Investors can add to their investment at any time by purchasing additional units on the ASX through their broker or financial adviser and there is no need to complete an application form.

Investors who are not Authorised Participants will not normally have a right to redeem their units directly with us (off-market withdrawals). However, in certain circumstances where trading in units has been suspended for more than five consecutive trading days on the ASX, investors who are not Authorised Participants may be able to make a request to withdraw their units directly with us. Further information is available in the following section.

### **Off-market withdrawals**

If the Fund ceases to comply with the AQUA Rules or if our approval as an AQUA product issuer is suspended or revoked, the ASX may suspend trading of units in the Fund. If units in the Fund are suspended from trading on the AQUA market for more than five consecutive trading days investors other than Authorised Participants may withdraw off-market (directly with us) unless:

- the Scheme is not liquid as defined in subsection 601KA(4) of the Corporations Act;
- the Scheme is being wound-up; or
- we suspend redemption of units in accordance with the Constitution.

We may suspend issues and redemptions from the Fund if we determine that circumstances exist (such as that a relevant stock market is closed) that were not, or have not been, reasonably foreseeable, or are wholly or partly outside our reasonable control and it is desirable for the protection of the Scheme or in the interests of members of the Scheme as a whole. This includes suspending withdrawal requests in respect of the Fund for up to 180 days in accordance with the Constitution in circumstances including but not limited to:

- where redemption requests are difficult, not desirable or impossible to facilitate due to market conditions (e.g., restricted liquidity or trading restrictions in the Fund's underlying investments, where the Fund is suspended or trading of units is otherwise restricted etc.); or
- where the redemption of units is not in the interest of members of the Scheme as a whole, is materially adverse to members of the Scheme as a whole or is unfair to the remaining members.

For off-market withdrawals by investors in the above circumstances, please contact us to obtain a Withdrawal Request form.

Investors who withdraw from us directly may be subject to a sell spread on withdrawal.

## Distributions

The Fund may pay distributions annually (30 June). When distributions are paid, they are usually paid within 14 Business Days after year end (30 June) .

Your distribution is calculated by dividing the distributable income attributable to the Fund by the number of units on issue at the end of the distribution period in the Fund. This gives the distributable income amount per unit. Your distribution entitlement is then determined by multiplying the number of units you hold by the distributable income amount per unit. If there is no net income or net capital gains earned in a particular year, the Fund may not pay a distribution in respect of that year.

The distribution investors may receive will be based on the number of units they hold in the Fund at the end of the relevant distribution period. It is not pro-rated according to the time that investors have held their units.

The distributions you receive are generally classed as assessable income. If you invest during a distribution period, you may get back some of your capital as income.

The Fund's use of derivatives may affect the realised gains and losses attributable to the Fund and this may affect the Fund's ability to distribute income.

Any distributions will be paid directly into your Australian bank account.

If we offer a Distribution Reinvestment Plan (DRP), investors can choose to have their distributions reinvested as additional units in the Fund in accordance with the relevant rights and obligations under the DRP. Should we offer a DRP in respect of the Fund, information will be made available on our website. Elections to participate in the DRP must be made by the election date announced by us in respect of each relevant distribution.

We reserve the right to amend, suspend or terminate the DRP at any time.

## 4. About the AQUA Rules and CHESS

### AQUA Rules

Units in the Fund will be quoted on the ASX under the AQUA Rules, not the **ASX Listing Rules**. The AQUA Rules are accessible at [www.asx.com.au](http://www.asx.com.au). The AQUA Rules provide a tailored framework for the quotation of managed funds, exchange traded funds and structured products on the ASX. The following table sets out the key differences between the ASX Listing Rules and the AQUA Rules.

Requirement	ASX Listing Rules	AQUA Rules
<b>Continuous disclosure</b>	Issuers are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	<p>Issuers of products quoted under the AQUA Rules are not subject to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act.</p> <p>We will comply with the disclosure requirements in section 675 of the Corporations Act. This means that we will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the units, provided that such information has not already been included in this PDS (as supplemented or amended). We will publish such information on the ASX announcements platform and our website at the same time as it is disclosed to ASIC (if required).</p> <p>In addition, under the AQUA Rules, we must immediately notify the ASX of any information the non-disclosure of which may lead to the establishment of a false market in the units or which would be likely to materially affect the price of the units.</p> <p>Under AQUA Rule 10A.4.1, we must disclose:</p> <ul style="list-style-type: none"> <li>■ Information about the NAV of the Fund daily</li> <li>■ Information about the following : <ul style="list-style-type: none"> <li>A) the total number of units on issue;</li> <li>B) the total number and value of units issued in respect of the Fund;</li> <li>C) the total number and value of units redeemed in respect of the Fund; and</li> <li>D) the difference between the amounts specified in B) and C) above.</li> </ul> </li> <li>■ Information about distributions paid in relation to the Fund</li> <li>■ Any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act</li> <li>■ Any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the units were admitted under the Listing Rules</li> </ul> <p>Under AQUA Rule 10A.4.2, we will disclose the NAV to ASX immediately where any management activities cause the last reported NAV to move by more than 10%.</p>
<b>Periodic disclosure</b>	Issuers are required to disclose half-yearly and annual financial information and reports to the ASX announcements platform.	Financial reports relating to Fidelity are not required to be disclosed to the ASX. However, periodic financial reports relating to the products quoted under the AQUA Rules must be disclosed to the ASX at the same time they are lodged with ASIC under Chapter 2M of the Corporations Act.
<b>Corporate governance</b>	Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	<p>Although the units will be quoted under the AQUA Rules, neither we nor the Scheme are listed under the ASX Listing Rules and are therefore not subject to certain corporate governance requirements.</p> <p>We are required to comply with the Corporations Act and we may be removed by an extraordinary resolution of members on which we would not be entitled to vote. An extraordinary resolution is a resolution passed by a majority of the total votes that may be cast by members entitled to vote on the resolution (including members who are not present in person or by proxy).</p>
Requirement	ASX Listing Rules	AQUA Rules
<b>Related party transactions</b>	Chapter 10 of the ASX Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	Chapter 10 of the ASX Listing Rules does not apply to products quoted under the AQUA Rules. We will still be required to comply with the related party requirements in Chapter 2E of the Corporations Act, as modified by Part 5C.7.
<b>Auditor rotation obligations</b>	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of	Issuers of products quoted under the AQUA Rules are not subject to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act. However, as Responsible Entity of the Scheme, we will continue to be required to undertake an independent audit of our compliance with the Scheme's compliance plan in accordance with section



---

listed companies and listed managed investment schemes.	601HG of the Corporations Act, and the auditor must not be the auditor of the Scheme's financial statements (but may be from the same firm).
---	--

---

**Spread requirements**

There are requirements under the ASX Listing Rules that issuers satisfy certain minimum spread requirements (i.e. a minimum number of holders each having a minimum parcel size).

These requirements do not apply to issuers of products quoted under the AQUA Rules. Under the AQUA Rules, unless and until a suitable spread of holders is achieved, the issuer must ensure a reasonable bid and volume is maintained for the quoted product on the ASX, except in permitted circumstances, or have in place other arrangements which meet the ASX's requirement for providing liquidity, generally through the appointment of a market maker.

---

**About CHES**

Our Unit Registry participates in CHES which also provides an electronic sub-register service. The Unit Registry has established and will maintain an electronic sub-register with CHES on our behalf.

We will not issue investors with certificates in respect of their units. Instead, when you purchase units on the ASX, you will receive a holding statement from the Unit Registry which will set out the number of units you hold. The holding statement will specify the Holder Identification Number (HIN) allocated by CHES.

## 5. Benefits of investing in the Fidelity Asia Active ETF

### Significant features

The Fund has features which include:

- An actively managed portfolio of Asian shares.
- An investment approach driven by fundamental research that seeks to invest in companies with strong management, financial strength and competitive advantages.
- The ability for the portfolio manager to call on the research of a dedicated team of analysts based throughout Asia who have access to a global network of research analysts.

### Significant benefits

Some of the benefits that may arise from an investment in the Fund include:

- Potential for long-term capital growth and enhanced performance from active management.
- Access to the investment knowledge and expertise of Fidelity's global network of investment professionals who can assess Asian companies in a global context.
- The ability to trade units in the Fund on the ASX during normal ASX trading hours.
- The ability to track the performance of units on the ASX at frequent intervals throughout each trading day.

## 6. Risks of managed investment schemes

### Understanding your investment risk

Fidelity actively manages risk within its investment portfolios and employs a range of monitoring procedures with the aim of reducing overall portfolio risk and ensuring we always act in the best interests of our investors. We believe Fidelity's intensive research approach which focuses on regular company contact, and internal and external research of companies and the industries in which they operate, helps Fidelity to be better informed about investment risks and make better investment decisions.

Risk can be managed but cannot be eliminated. It is important to understand that the value of your investment and the returns on your investment will vary. Returns are not guaranteed, and you may lose some or all the money you invest in the Fund. Future returns may also differ from past returns.

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. The likely investment return and the risk of losing money are different for every investment. Assets with the highest long-term returns may also carry the highest level of short-term risk. When you make an investment, you are accepting the risks of that investment. It is important to understand these risks before deciding to invest. The appropriate level of risk for you will depend on a range of factors, including your age, investment time frame, where other parts of your wealth are invested and your overall risk tolerance. We recommend you obtain appropriate professional advice in relation to your individual circumstances before making any investment decision regarding the Fund.

### Risks of the Fund

The significant risks associated with the Fund are listed below but the order in which these risks are listed does not necessarily indicate the likelihood that a specific risk will occur, or the magnitude or significance of that risk were it to occur. Some of the risks listed below are specifically associated with the Fund being admitted for trading on the AQUA market of the ASX.

- **Asset liquidity risk:** In some circumstances, securities may be difficult or impossible to sell, either due to factors specific to that security or to prevailing market conditions. Liquidity risk is the risk that an asset is unable to be sold within a timely period and at a fair price, potentially resulting in delays or the suspension of redemption processing.
- **Concentration risk:** The Fund may be invested in a limited number of assets, issuers, or in assets in a limited number of regions, sectors, industries, market segments or countries and be exposed to an increased risk of loss, including more frequent and wider fluctuations in value and performance due to the extent to which the Fund's investments are concentrated in comparison to the market as a whole including in the securities of a particular issuer, country, region, market, industry, sector, market segment or asset class.
- **Counterparty risk:** There is a risk that the Fund may incur a loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Counterparty risk arises primarily from investments in cash, derivatives and currency transactions. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations. Counterparty risk may arise in creation and redemption transactions in the primary market involving Authorised Participants. We mitigate this risk by performing credit checks and/or due diligence on all Authorised Participants.
- **Currency risk:** The Fund has exposure to investments denominated in currencies other than Australian dollars. Currency risk is the risk that fluctuations in exchange rates between the Australian dollar and foreign currencies may negatively affect the value of investments.
- **Derivative risk:** The value of a derivative is derived from the value of an underlying asset. Derivative risk is the risk that the value of the derivative may fail to move in line with, and may magnify losses, compared to holding the underlying asset. Other risks associated with using derivatives may include volatility in prices, illiquidity, the Fund failing to meet payment obligations as they arise, or the counterparty to the derivative contract failing to meet its obligations under the contract.
- **Emerging markets risk:** Investments in emerging market securities involve a range of risks in addition to those of developed markets, such as; potentially lower corporate governance standards, lower levels of investor protection, uncertain legal systems, currency instability, and market, liquidity, political, social and other risks. These risks could include adverse impacts from governmental restrictions on international trade, restrictive foreign exchange regulation, centrally managed adjustments in currency values, adverse taxation treatment of foreign investors, rapid depreciation of the currency in which investments are denominated, and reduced liquidity that could affect the realisation of depreciating assets. There may also be restricted access to emerging markets through limited numbers of brokers and other intermediaries and service providers, such as custodians, as well as less efficient and robustly regulated stock exchanges.

The laws and principles regarding corporate governance in many emerging markets are still developing and, even where developed, management may not follow corporate governance procedures. In some emerging markets the laws and regulations involving corporations, securities, taxation and foreign investment may be relatively new and untested, and subject to change. Such laws and regulations may also adversely and retrospectively affect corporations, securities, taxation and foreign investment. Therefore, in emerging markets, investors may not be adequately protected under local laws and the Fund may find it difficult to enforce its rights.

Typically, less information is available to investors in emerging markets and information may be out of date. Accounting, auditing and financial reporting standards, practices and disclosure requirements in emerging markets often differ from those of more developed markets.

Political risks may exist in emerging markets due to uncertainty regarding potentially adverse political decisions and the potential for political unrest.

Emerging markets investments may therefore experience a high volatility in asset price and there may be large movements in the unit price of the Fund over short or long periods of time.

- **Fund risk:** Refers to the specific risks associated with the Fund, such as changes to the terms of the Constitution, fees and expenses, responsible entity, investment manager or team, and the termination of the Fund. The Fund is subject to the AQUA Rules and is exposed to risks associated with being admitted to the ASX under the AQUA Rules, including the platform or settlements process being delayed or failing. The ASX may suspend or remove the units from quotation.
- **iNAV risk:** The iNAV published for the Fund is indicative only, may incorporate securities for which there are no live prices at the time of calculation, and might not be up to date or accurately reflect the underlying value of the Fund.
- **Legal and regulatory risk:** The Fund may be adversely affected by future changes in applicable laws and regulations (or their interpretation), including tax laws.

- **Market liquidity risk:** The liquidity of trading in the units on the secondary market may be limited. This may affect an investor's ability to buy or sell units. Investors will not be able to buy or sell units during any period that the exchange suspends trading of units in the Fund. In such event, we may also take measures to suspend primary market creations and redemptions involving Authorised Participants. Where trading in the units on exchange has been suspended for more than five consecutive trading days, investors may be able to withdraw directly with us subject to the provisions of the Constitution.
- **Market making risk:** We have appointed one or more Market Makers who operate under AQUA rules obligations to facilitate an orderly and liquid market, in respect of the Fund. However, there are no assurances that the market will be liquid for the Fund, which may restrict an investor's ability to buy or sell units. We will monitor each market maker's ability to maintain continuous liquidity to the market but there is no guarantee these requirements will always be met.
- **Market risk:** The market price of investments held by the Fund may decline, sometimes quickly or unpredictably, due to factors affecting the market. These factors may include economic, technological, political, legal, regulatory, and environmental impacts.
- **Price of units on the ASX:** The price at which the units may trade on the ASX may differ materially from the Unit Price and the iNAV. There is also a risk that the price at which units trade, may spike at certain times during the day. If an investor buys or sell units when there is a spike in the price, the investor will receive the trading price, which may be higher or lower than the Unit Price.
- **Proxy Basket risk:** There is a risk to transacting investors that Unit Prices determined by the Proxy Basket during trading hours on a business day will not be referable to the Fund's NAV at that time. This risk could arise due to, for example, market volatility or stale prices in the underlying assets.
- **Removal from quotation by the ASX or terminated:** The ASX imposes certain requirements for the continued quotation of securities. There is a risk that the Fund will not be able to continue to meet the requirements in the future or that the ASX may change the quotation requirements. Further, we may elect, in accordance with the Constitution and Corporations Act, to terminate the Fund for any reason including if units cease to be quoted on the ASX or if the Fund's objectives can no longer be achieved. Information about the AQUA Rules applicable to quotation of units in the Fund on the ASX is set out in section 9 of this PDS.
- **Settlement risk:** We are reliant on CHES to facilitate the creation and redemption of units in the Fund. The operation of CHES means that the issue of units can proceed independently of the transfer of cash for the units. If the Authorised Participant fails to comply with its settlement obligations to transfer the cash settlement amount, this may adversely impact upon the Fund. Similarly, the Fund may also suffer a loss where the Authorised Participant fails to deliver units in relation to a redemption. This risk is partly mitigated as participants in CHES are subject to rules of participation, which include sanctions if there is a failure to meet their obligations.
- **Specific security risk:** Investments by the Fund made into shares in a company will be subject to many of the risks to which that company is itself exposed. These risks may impact the value of the securities of that company and hence the Fund. These risks include changes in internal operations or management of the company or changes in the business environment in which the company operates.
- **Spread risk:** Trading in the units is subject to variations in the applicable spread charged on the purchase and sale of units. Trading in the units at a time when spreads have been increased can affect the overall return of your investment.
- **Unit class risk:** The Quoted Class has been established as a separate class of units in the Scheme, a registered managed investment scheme. The Constitution provides that the assets are held on trust for the investors. There is a risk that investors of different classes, may be exposed to liabilities of another class of units and they could lose some or all of their investment in the Fund.

## 7. How we invest your money

Before choosing to invest in the Fund, you should consider the likely investment return, the risk and your investment time frame.

### Fidelity Asia Active ETF

---

#### Fund description

The Fund provides investors with the potential for long-term capital growth by investing in companies located in Asia, as well as companies located elsewhere that derive a significant proportion of their earnings from Asia (Asian Securities).

Fidelity believes that markets are semi-efficient and share prices don't always reflect inherent value. Through in-house, bottom-up company research, Fidelity aims to uncover the opportunities that it believes offer the greatest scope for outperformance.

Based on this research approach, Fidelity seeks out stocks that it believes are undervalued and likely to generate growth.

The companies selected for the portfolio must demonstrate strong management, financial strength and competitive advantages.

The Fund's exposure to international securities will not be hedged back to Australian dollars. This means that in addition to the changes in asset value, the value of an investment in the Fund can be impacted by movements in exchange rates.

---

#### Benchmark

MSCI All Country Asia ex-Japan Index NR

---

#### Investment return objective

To achieve returns in excess of the benchmark over the medium to long term.

---

#### The Fund is suitable for

Investors looking for an Asian equities investment who have tolerance for a high amount of risk.

---

#### Risk level

High

The potential for loss and unit price variability over the short term is high.

Refer to section 6 'Risks of managed investment schemes' for more information.

---

#### Minimum suggested time frame

5 years

---

#### Asset classes and ranges

Asian Securities: 90% to 100%

Cash: 0% to 10%

---

#### Fund performance

For up-to-date information on the performance of the Fund, visit our website [fidelity.com.au](http://fidelity.com.au).

**Past performance is not a reliable indicator of future performance.**

---

## Labour standards, environmental, social and ethical considerations

We believe that high standards of corporate responsibility will generally make good business sense and have the potential to protect and enhance investment returns.

Fidelity International is a signatory to the Principles for Responsible Investment (**PRI**), a voluntary framework for incorporating ESG issues into investment decision-making and ownership practices. The **PRI Principles** are consistent with our approach to ESG integration.

Fidelity's investment process takes into account key ESG issues as well as ethical considerations and labour standards in the selection, retention and realisation of investments in the Fund when, in Fidelity's view, these issues have a material impact on either investment risk or return.

### Exclusions framework

The Fund adheres to a principles-based exclusion policy incorporating norms-based screening and/or negative screening of certain sectors, companies or practices, when making investment decisions. Further details are provided below.

Although Fidelity's fundamental investment philosophy is to favour engagement over exclusion, we will consider the exclusion of companies from our investment universe based on specific ESG criteria. We adopt a principle-based approach to ESG matters, and as part of this, we place companies which we regard as unsuitable investments on an exclusion list. When deciding on whether to exclude a company we are guided by international conventions, guidance from the United Nations, and other global regulations which uphold ESG principles.

All funds managed by Fidelity are subject to a firm-wide exclusion list.

### Negative screening\*

Will not intentionally invest in companies

- that manufacture cigarettes and tobacco products, as defined by the **MSCI Global Industry Classification Standard Methodology**
- with involvement in the following categories of controversial weapons, the use of which is prohibited by international treaties or conventions:\*\*
  - Cluster munitions
  - Landmines
  - Biological weapons
  - Chemical weapons
  - Blinding laser weapons
  - Incendiary weapons
  - Non-detectable fragments
- That have links to nuclear weapons from countries that are non-signatories of the Treaty on the Non-Proliferation of Nuclear Weapons\*\*, specifically
  - Manufacturers of nuclear warheads and/or whole nuclear missiles
  - Manufacturers of components developed and/or significantly modified for exclusive use in nuclear weapons
  - Those deriving more than 5% revenue from nuclear weapons

If a company has confirmed that they are planning to divest a business unit or discontinue any business activities which fall within the exclusion criteria, we will not include it for exclusion but will continue to monitor the company to ensure that they follow through on the divestment.

\*Negative screening does not include the parent or subsidiaries of companies.

\*\* This includes those companies producing delivery platforms whose exclusive use is linked to these weapons.

If the Scheme has invested in securities in a company that, after the date of investment, falls under the list of companies to be excluded, then divestment of such securities must take place as soon as practicable and consistent with the best interests of investors in the Fund, any rectification measures taken and applicable Fidelity policies.

## Changes to the Scheme

We may make changes to the Scheme. This includes changes to the Scheme's investment return objective, and/or strategy, asset classes or investment ranges from time to time. Investors will be informed of any material changes as required by law.

### Use of derivatives

We may make use of exchange-traded derivatives, such as index futures contracts. A derivative is a security with a price or value dependent upon, or derived from, an underlying instrument (such as shares, indices, interest rates, fixed income securities, commodities, currencies, etc).

A derivative contract is a contract between two or more parties with a value determined by fluctuations in the underlying asset. Any derivative exposure must be fully covered by cash or assets sufficient to meet any obligation that could arise. If derivatives are used, they will comprise a small portion of the Scheme's assets and will not exceed 10% of the net asset value of the Scheme.

### Eligible investments under the AQUA Rules

The Fund will seek to hold investments which meet the relevant eligibility criteria under the AQUA Rules. If a security held by the Fund ceases to be traded on a recognised market, or ceases to be an eligible investment in accordance with the relevant AQUA Rules, then the Fund will seek to divest of the security as soon as practicable.

### Borrowing by the Scheme

Although the Scheme's Constitution allows us to borrow or raise money, it is not our intention for the Scheme to enter into any long-term borrowing. Short-term borrowing may occur in the ongoing management of the Scheme or the Fund (as relevant), including to meet day-to-day liquidity requirements.

## 8. Fees and other costs

### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

### To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the Australian Securities and Investment Commission (**ASIC**) Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

## Fees and other costs

This section shows the fees and other costs you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Scheme as a whole.

Unless otherwise stated, the fees and costs in this section are shown inclusive of GST and net of reduced input tax credits. Information about how the Scheme is taxed is set out in section 9 of this PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

ASIC provides a calculator, available at [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which can be used to calculate the effect of fees and costs on account balances.

### Fees and costs summary

Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs</b>		
<b>Management fees and costs</b> The fees and costs for managing your investment	Estimated to be 1.16% p.a. of the NAV of the Fund, comprised of: <ul style="list-style-type: none"> <li>■ A management fee of 1.15% of the NAV of the Fund (Management Fee)</li> <li>■ Estimated indirect costs of 0.01% of the NAV of the Fund<sup>a</sup>.</li> </ul>	The Management Fee: <ul style="list-style-type: none"> <li>■ Accrues daily and is reflected in the Fund's Unit Price</li> <li>■ Is paid to us monthly from the assets of the Fund</li> </ul> The indirect costs are generally deducted from the assets of the Fund as and when they are incurred.
<b>Performance fees</b> Amount deducted from your investment in relation to the performance of the Fund	Nil	<ul style="list-style-type: none"> <li>■ Not applicable</li> </ul>
<b>Transaction costs</b> The costs incurred by the Fund when buying or selling assets	0% p.a. of the NAV of the Fund <sup>b</sup>	These costs are paid from the assets of the Fund as and when they are incurred. They are reflected in the Fund's Unit Price.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the Fund)</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	<b>If you are an Authorised Participant:</b> \$50 per application <b>If you are not an Authorised Participant:</b> Nil	Payable only by Authorised Participants when they apply for units in the Fund.
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the Fund	<b>If you are an Authorised Participant<sup>c</sup>:</b> <ul style="list-style-type: none"> <li>■ Buy spread of 0.30% for creations</li> <li>■ Sell spread of 0.30% for redemptions<sup>d</sup>.</li> </ul> <b>If you are not an Authorised Participant<sup>e</sup>:</b> <ul style="list-style-type: none"> <li>■ Nil</li> </ul>	The buy/sell spread is a fee paid to cover transaction costs incurred when creations and redemptions are made. These are costs incurred only by Authorised Participants who transact directly with us. Buy/sell spreads do not apply when buying/selling units on the ASX. The buy/sell spread amounts become part of the Fund's assets and are reflected in the Fund's Unit Price.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	<b>If you are an Authorised Participant:</b> \$50 per redemption <b>If you are not an Authorised Participant:</b> Nil	Payable only by Authorised Participants when they redeem units in the Fund.

<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching Fee</b> The fee for changing investment options	Nil	Not applicable

- The estimated indirect costs are based on the indirect costs incurred for the financial year ending 30 June 2023 and may include reasonable estimates where we were unable to determine the exact amount. These amounts may vary over time and may not be a good indicator of future indirect costs.
- The transaction costs are based on the actual amount incurred for the financial year ending 30 June 2023 and are shown net of any amount recovered by the buy/sell spread and the contribution/withdrawal fee charged to transacting Authorised Participants.
- The buy/sell spreads are current as at the date of preparation of this document. In estimating the buy/sell spread, we have assumed that creations or redemptions are made during normal market conditions, as in times of stressed or dislocated market conditions (which are not possible for us to predict) the buy/sell spread may increase significantly and it is not possible to reasonably estimate the buy/sell spread that may be applied in such situations. For more details refer to "Buy/sell spread for Authorised Participants" in the section "Additional explanation of fees and costs" below.
- The sell spread may apply to all investors in the limited circumstances in which investors other than Authorised Participants can withdraw off-market, refer to section 3 'Off-market withdrawals' and 'Sell spreads for investors' in the 'Additional explanation of fees and costs' later in this section of the PDS for more information.
- Investors buying units via the ASX may be subject to brokerage fees, commissions and a bid/offer spread, refer to 'Bid and offer spreads' in the 'Additional explanation of fees and costs' later in this section of the PDS for more information.

Additional fees may apply. The fees and costs of the Fund can change, including those set out in the table on the previous page. For more detailed information on fees and costs refer to 'Additional explanation of fees and costs' later in this document.

## Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs for the Fund can affect your investment over a one-year period. You should use the information in the table to compare this product with other products offered by managed investment schemes.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year <sup>a</sup>
<b>Contribution fees</b>	\$50 (if you are a Authorised Participant) OR \$0 (if you are not an Authorised Participant)	For every additional \$5,000 you put in you will be charged <b>\$0</b> if you are not an Authorised Participant. If you are an Authorised Participant, you will be charged <b>\$50</b> per application (of one or whole multiples of a Creation Unit)
<b>Plus</b> Management fees and costs	1.16% p.a.	<b>And</b> , for every \$50,000 you have in the Fund, you will be charged or have deducted from your investment <b>\$580</b> each year.
<b>Plus</b> Performance fees	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year.
<b>Plus</b> Transaction costs	0% p.a.	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs.
<b>Equals</b> cost of the Fund	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of <b>\$630</b> (if you are an Authorised Participant) or <b>\$580</b> (if you are not an Authorised Participant). <b>The management fee for the Quoted Class is non-negotiable.</b>	

- The example above assumes one \$5,000 contribution was made on the last day of the year and the value of the investment is otherwise constant. This calculation is therefore calculated using the \$50,000 balance only.

## Fees and other cost increases

We have the right to increase the fees without your consent (up to the maximum allowed under the Constitution). Any increase in the fees of the Fund will be announced to the ASX via the Market Announcements Platform at least 30 days before it occurs, or any longer notice period specified in the Constitution. The Constitution provides that the maximum Management Fee that can be charged by us is equivalent to 3% p.a. (ex GST) of the NAV of the Fund.

## Additional explanation of fees and costs

### Management Fee

A Management fee is a fee charged directly by us for acting as Responsible Entity and manager of the operations and assets of the Fund. It includes the fee payable to FIMAL for managing and investing the assets of the Fund.

We pay most of the costs of running and administering the Fund (such as unit registry, fund accounting, audit costs etc) out of the management fees of the Fund, however we reserve the right to be reimbursed for any expenses and liabilities we incur in the proper performance of our duties in relation to the Fund.

### Indirect costs

The estimated indirect costs of the Fund are costs (excluding the Management Fee, transaction and buy/sell costs) incurred in managing the Scheme's assets which we know, or reasonably estimate, have or will reduce the return on the Fund. Indirect costs include embedded costs within derivatives that we may use to gain exposure to the Fund's assets. These costs are generally deducted from the Fund's assets when incurred and are reflected in the Unit Price of the Fund. They are an additional cost to you and are not directly charged or retained by us for acting as the responsible entity of the Fund. The indirect costs may vary from year to year, reflecting the actual costs incurred.



## Transaction costs

Transaction costs are incurred when assets are bought and sold by the Scheme, and include brokerage, clearing, and settlement costs, incurred by the Scheme. These costs are generally deducted from the Scheme's assets when incurred and are reflected in the Unit Price of the Fund. They are an additional cost to you and are not directly charged or retained by us for acting as the responsible entity of the Fund.

Our estimate, as at the date of the preparation of this PDS, of the net transaction costs is 0% of the NAV. This is calculated as the estimated transaction costs of 0.08% p.a. minus the estimated buy/sell spread recovery of 0.18%. Please note, the estimated net transaction costs reflects our reasonable estimate of those transaction costs for the 12-month period to 30 June 2023, and may not provide an accurate indicator of the actual transaction costs you may incur in the future.

## Buy/sell spread for Authorised Participants

Authorised Participants will be charged a buy or sell spread when creating or redeeming units in the Fund. The buy/sell spread is not a fee paid to us but rather it is paid to the Fund to cover the transaction costs incurred when creations or redemptions are made. The purpose of the buy/sell spread is to ensure that only those investors transacting in the Fund's units at a particular time bear the Fund's cost of buying and selling the Fund's assets as a consequence of their transaction.

The buy/sell spreads disclosed are based on our estimates of the average transaction costs incurred by the Fund as at the date of preparation of this PDS. These spreads however may change from time to time without notice, depending on the nature of the costs, and the volume and types of assets being purchased or sold. In certain circumstances, such as volatile markets, the buy/sell spreads may increase significantly. Notice will not usually be provided for variations to the buy/sell spread.

## Sell spread for investors who are not Authorised Participants

In the limited circumstances in which it is possible for investors (who are not Authorised Participants) to withdraw off-market, (see section 3 'Off-market withdrawals' for more information), investors may be subject to a sell spread on withdrawal which will be deducted from the withdrawal amount paid to you. Any sell spread will not be greater than the sell spread that would be payable by an Authorised Participant for redeeming the minimum parcel of units. The sell spread is an additional cost to these investors when they sell their units off-market and is not a fee charged by us, it is retained in the assets of the Scheme.

## Bid and offer spreads

Investors buying and selling units on the ASX may incur a bid/offer spread, (being the difference between the price at which participants are willing to buy and sell Units on the ASX) which may result in the price at which they transact being different from the Unit Price or the prevailing iNAV. The prices on the ASX are determined in the secondary market by market participants who set their own prices at which they wish to buy or sell units in the Fund.

## Market maker cost

The Responsible Entity will appoint one or more market participants to execute its market making activities in order to provide liquidity in the units. The market maker will earn revenue as a result of this activity which includes the bid/offer spread available on the secondary market. The bid/offer spread is the difference between the price at which the market maker will offer to acquire units, and the price at which the market maker will offer to sell units, in the market making process.

## Broker fees

Investors who are not Authorised Participants may incur customary brokerage fees, and commissions when buying and selling units on the ASX. These investors should consult their broker for more information in relation to their fees and charges.

## Financial advisers

If an investor who is not an Authorised Participant has consulted a financial adviser then additional fees may be payable by such investor to the financial adviser. Refer to the statement of advice provided by your financial adviser in which details of the fees are set out.

## Goods and Services Tax (GST)

Unless otherwise noted, all fees and management costs specified in this PDS are inclusive of GST, net of any available input tax credits. However, if expenses are recovered from the Fund and we are required to pay irrecoverable GST in respect of the expense, we may recover an amount equal to the GST from the assets of the Fund. Refer to section 9 'How managed investment schemes are taxed' for more information.

## 9. How managed investment schemes are taxed

This tax information is intended to be a brief guide only and should not be relied upon as a complete statement of the Australian income tax laws. It is intended primarily for Australian resident investors holding their units on capital account and who will acquire and dispose of Units by buying and selling Units on the ASX.

The tax position of Authorised Participants (APs), to the extent they differ from non-AP unitholders, are also noted below.

Discussion of Australian tax law is current as at the date of this document. As Australian tax law is complex and may change and as the tax treatment applicable to particular investors may differ, investors should satisfy themselves of possible consequences by consulting their own tax advisers.

### Tax position of the Scheme

The Australian income tax position of the Scheme and investors will depend on whether the Scheme qualifies as an Attributed Managed Investment Trust (**AMIT**) for the income year, as described below.

#### Income tax

The Scheme may qualify as a managed investment trust (MIT) for a given year of income. In turn, a MIT may further qualify and elect to be treated as an AMIT. Regardless of the classification, it is intended that the Scheme be treated as 'flow through' for income tax purposes, where for each year of income, the investors of the Scheme are taxed on the taxable income of the Scheme and not FREAL.

If the Scheme incurs a tax loss for an income year, the Scheme cannot pass that loss to investors. Instead, the Scheme may carry the loss forward to offset taxable income of subsequent income years, subject to the Scheme meeting certain conditions.

#### Capital gains

In the first year that the Scheme qualifies as a MIT, an irrevocable election may be made to treat eligible assets (such as company shares and units in unit trusts) on capital account. We advise investors on our website whether the Scheme has made the capital account election. If the Scheme ceases to qualify as a MIT for a given income year, the characterisation of realised gains and losses of the Scheme will be determined based on the application of "ordinary principles" relevant to this outcome. Capital gains realised on certain assets may be eligible for the capital gains discount concession. Refer to 'Tax position of Australian investors' below for more information.

### AMIT status of the Scheme

We have elected into the AMIT regime for the Scheme.

If the Scheme does not qualify or ceases to qualify as a MIT, and thereby as an AMIT, for a given income year, the tax position of the Scheme and its investors may change for that year. Investors should check the latest changes to the Scheme's AMIT status at [www.fidelity.com.au/funds/amt](http://www.fidelity.com.au/funds/amt). If the Scheme meets the eligibility requirements in a subsequent year, it may revert to being treated as a MIT or an AMIT as the case may be.

If the Scheme does not qualify as an AMIT, flow through tax treatment is intended to remain available however certain features pertaining to MITs and AMITs will not apply.

### Important Website information: Tax Elections and Tax Status

There are various elections which the Scheme may make under the tax law including :

- The MIT capital account election
- The AMIT election
- Various elections under the Taxation of Financial Arrangements (**TOFA**) regime which may affect the tax character and timing of the Scheme's gains and losses

The Responsible Entity may make some of these tax elections and it will do so where it believes it is in the best interests of the Fund's investors. The tax elections may affect the tax character and timing of the amounts distributed or attributed to investors. If these tax characteristics are important to you, please check our website which will set out the latest tax election and tax status of the Scheme before you decide to invest, or make further investments, in the Scheme.

The website will also provide relevant tax information for investors in relation to their distributions, if required.

### Tax position of Australian investors

#### Distributions

##### Where the Scheme is an AMIT

Australian investors should not be taxed on the cash distributions they receive from the Scheme but on the amount of income and capital gains of the Scheme which has been attributed to them on a fair and reasonable basis. The tax character of income (e.g., as dividends, capital gains - discounted or otherwise) will flow through the Scheme to the investor.

Investors may also be attributed franking credits attached to dividend income and foreign income tax offsets (**FITOs**) for tax paid on foreign income. Investors should seek their own tax advice on the additional criteria which have to be met in order to claim these credits and offsets.

If investors receive or reinvest distributions of cash in excess of taxable components attributed to them, they may be required to reduce the cost base of their units. Should the cost base of an investor's units be reduced below zero, for investors holding their units on capital account, any amounts in excess of the investor's cost base is a capital gain that should be included in the investor's calculation of their net capital gain or loss for the income year. For investors holding their units on revenue account, any amounts in excess of the investor's cost base should be included in the investor's assessable income for the income year.

Conversely, if investors are attributed taxable amounts from a distribution which they have not received in cash, (and have not reinvested), investors may be able to increase the cost base of their units in the Scheme.

The Scheme may attribute capital gains or income, arising on the sale of securities to meet a significant redemption, on a fair and reasonable basis to the redeeming investor, as permitted by the AMIT regime. This will usually be the case when an AP redeems, but may also occur if a non-AP withdraws their units directly from the Scheme.

Investors will be provided with an Attribution Managed Investment Trust Member Annual (**AMMA**) statement each year setting out the amounts to which they have been attributed and any adjustments to be made to the cost base of their units.

#### **Where the Scheme is not an AMIT**

For each income year, Australian investors will be taxed on their share of the taxable net income (including realised capital gains) of the Scheme in proportion to the share of the distributable income of the Scheme to which they are 'presently entitled' to.

The share of taxable net income can be made up of various components, including dividends, capital gains, tax credits and offsets, such as franking credits attached to dividend income and offsets for tax paid on foreign income (both of which are subject to the investor meeting certain eligibility criteria). Cash distributions in excess of taxable components will reduce the investors' cost base of their units and reductions in excess of the cost base may result in an immediate capital gain for investors holding their units on capital account or assessable income for investors holding their units on revenue account.

If the Scheme does not qualify as a MIT (and thereby as an AMIT) a number of consequences arise including:

- Investors may not receive the benefit of the capital gains discount concession on distributions of realised gains for that year
- The Scheme may not be able to claim certain losses carried forward from prior years.
- If an investor is allocated a share of assessable amounts which they have not received in cash or reinvested, they are not entitled to increase the cost base of their units and as a consequence, could be taxed twice on the same amount of income.

Investors will be provided with an Annual Tax Statement each year setting out the amounts to include in their own tax return and any adjustments to be made to the cost base of their units.

#### **Disposal of units - investors who are not Authorised Participants**

Investors may realise a taxable capital gain or capital loss if they dispose of their units on the ASX or if they are able to redeem their units. Resident individuals, trusts or complying superannuation entities that have held units for at least 12 months prior to the disposal or redemption of those units (excluding the date of acquisition and date of disposal), may be entitled to discounted capital gains treatment. The capital gains discount is 50% for a resident individual or trust, and 33<sup>1</sup>/<sub>3</sub>% for an investor that is a complying superannuation entity.

Capital losses may only be offset against capital gains that the investor makes in the same income year and any excess capital losses may be offset against capital gains derived in subsequent income years, subject to certain loss integrity rules. Capital losses must be offset against the nominal capital gain before applying the discount concession. In calculating the capital gain or loss on the disposal of units, cost base adjustments may be required.

In some limited situations, such as where trading in units has been suspended, where investors may redeem their units directly from the Scheme rather than disposing of them on the ASX, the Responsible Entity may determine that a part of the redemption price is income distributed to the redeeming member. The balance of the redemption price would be capital proceeds on which the capital gain or capital loss would be computed. Investors will be notified of the amount of the redemption price which comprises of income and which part comprises of the capital proceeds from the redemption.

#### **Disposal of units - investors who are Authorised Participants (APs)**

APs may acquire and dispose of units by creating and redeeming units directly with the Scheme or by buying and selling units on the ASX and are assumed to hold their units in the Scheme as revenue assets. We recommend that APs obtain independent professional tax advice regarding the tax consequences of applying for and redeeming units, particularly if they may be assessed on the disposal of units under the capital gains provisions.

For an AP that disposes of their units on the ASX, any profit or gains derived on the sale or transfer of the units should be assessable as ordinary income. Those investors may be able to deduct any losses on the sale or transfer of units against current or future assessable income amounts, subject to certain integrity requirements. If the units are held as trading stock, APs should also consider the impact of the trading stock provisions and consult their own tax advisers.

If an AP redeems their units, the Responsible Entity may determine that a part of the redemption price is income distributed to the redeeming member. The balance of the redemption price would be disposal consideration on which any assessable gain or loss would be computed. APs will be notified of the amount of the redemption price which comprises of income and which part comprises of the disposal consideration from the redemption.

### **Tax position of non-resident investors**

For non-resident investors (including non-resident APs), deductions of Australian tax will be made from distributions (or attributions) from certain Australian-sourced income and capital gains. The amounts withheld will depend on the type of income and the country of residence of the investor.

We recommend that non-resident and temporary resident investors consult their tax adviser before investing so that they can take into account their particular circumstances, the provisions of any relevant Double Taxation Agreement and /or Exchange of Information Agreement between Australia and their country of residence. Non-resident investors should also note that the tax reporting for the Scheme is directed to Australian tax residents and therefore may not have all the information required for tax reporting in their local jurisdictions.

### **Providing a Tax File Number (TFN) or Australian Business Number (ABN)**

The law strictly regulates how we may use TFNs and ABNs. Investors may choose to quote their TFN or ABN (if applicable) or claim an exemption in relation to their investment in the Scheme. If the investor chooses not to quote a TFN or ABN or claim an exemption, we must deduct tax at the highest personal tax rate (plus Medicare Levy) before passing on each distribution to the investor. The investor may be able to claim a credit in the investor's tax return for any TFN/ABN tax withheld.

### **Goods and Services Tax (GST)**

The Scheme is registered for GST. The majority of goods and services that the Scheme will acquire for its operations will be subject to GST including our fees. In certain circumstances, the Scheme may be entitled to input tax credits and/or reduced inputs tax credits, which effectively reduces the GST cost to the Scheme. No GST will apply on amounts received by the Scheme for the issue of units, sale proceeds of the securities, or investment income and gains or buy/sell spreads applied.

## **Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard**

Australian legislation relating to the automatic exchange of financial information between jurisdictions gives effect to the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (CRS) and FATCA. These regimes cover the collection and reporting of tax residency information and other data to participating tax authorities. Accordingly, we may request that you provide certain information in order for the Scheme to comply with the CRS and FATCA obligations. FREAL and the Scheme are foreign Financial Institutions for these purposes.

## 10. Additional information

### Keeping investors informed

In keeping you up to date regarding your investment, you will receive the following information:

- A periodic statement detailing the transactions (including distributions) during the period and the balance of your investment
- A distribution statement (if and when distributions are paid)
- An annual AMMA or annual Tax statement containing a summary of your tax components for the financial year to assist you in completing your tax return.

### Continuous disclosure

As a disclosing entity, the Scheme is subject to certain reporting and disclosure obligations under the Corporations Act. We will meet our continuous disclosure obligations by publishing material information on our website, in accordance with the requirements of the law. Copies of the documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. The following information can be obtained by visiting our website or by contacting us on 1800 044 922:

- the latest annual and any half-yearly financial report for the Scheme lodged with ASIC
- any continuous disclosure notices issued in relation to the Fund prior to the date of this PDS

### Other investor communications

The following information can be also obtained by visiting our website or by contacting us on 1800 044 922:

- Information about distributions as soon as possible after they are declared
- The total number of units on issue at the end of each month
- The total number and value of units issued each month
- The total number and value of units redeemed each month
- The difference between the number and value of units issued and redeemed each month
- The Fund's daily NAV per unit
- The iNAV for the Fund throughout the trading day
- The daily Proxy Basket
- Monthly full portfolio holdings information for the Fund on a one-month lag basis
- The quarterly Correlation report
- The latest PDS for the Fund

The above investor communications, together with any continuous disclosure notices relating to the Fund and annual and half-yearly financial reports for the Scheme will also be available on the ASX Markets Announcement Platform on the ASX Website.

You may also visit our website ([fidelity.com.au](http://fidelity.com.au)), for up-to-date information on the Fund such as performance, monthly updates (detailing Fund top holdings and exposures) and distribution history. Investors are encouraged to check the website regularly for such information.

### Target market determination

A target market determination (TMD) has been prepared for the Fund and is available on our website, [fidelity.com.au/funds/target-market-determination](http://fidelity.com.au/funds/target-market-determination). A TMD is a document which describes the class of investors for which the Fund is likely to be appropriate based on their needs, objectives and financial situation (target market), when and how the target market may be reviewed, and any conditions around how the Fund can be distributed to investors.

### Constitution

The operation of the Fund is governed under the law and the Constitution of the Scheme which sets out the investors' and our rights and obligations regarding matters such as the Unit Price, withdrawals, the issue and transfer of units, investor meetings, investors' rights, our powers to invest, borrow and generally manage the Scheme, our fee entitlement, and our right to be indemnified from the Scheme's assets.

We may alter the Constitution if we reasonably consider the amendments will not adversely affect investors' rights. Otherwise, we must obtain the approval of the required number of investors at a meeting of investors. We may retire or be required to retire as Responsible Entity (if investors vote for our removal). No units may be issued or redeemed after the 80th anniversary of the establishment of the Scheme.

We may exercise our right to terminate the Fund or the Scheme earlier in accordance with the Corporations Act and the Constitution. Investors' rights to requisition, to attend and vote at meetings are mainly contained in the Corporations Act. Investors can inspect a copy of the Constitution at our head office or we can provide a copy free of charge to an investor upon request.

### Compliance plan

In accordance with the Corporations Act, a compliance plan has been prepared for the Scheme and lodged with ASIC. The compliance plan, among other things, sets out the measures that we will apply to ensure that the Scheme is operated in accordance with the Constitution and the Corporations Act. The compliance plan will be audited at least once a year by an external auditor who will report on their findings to us. A compliance committee, with a majority of external members, has been established for the purpose of monitoring our adherence to the Scheme compliance plan.

### Cross trades

Fidelity may enter into trades for the Scheme with the accounts of other clients managed by us or accounts owned by us or any of our related parties over which we can exercise control and influence (Cross trades). Such Cross trades will only be undertaken in accordance with requirements of the relevant authorities and the law.

## Responsible Entity indemnity

We are entitled under the Constitution to be indemnified out of the assets of the Scheme for any liability incurred by us in the proper performance of our duties in relation to the Fund and/or the Scheme. This indemnity is in addition to the Management Fee paid to us and may include amounts payable to the investment manager for the management of the Scheme, the cost of holding a unit holder meeting, costs associated with legal proceedings, and borrowing costs.

## Retirement and removal of us as the Responsible Entity

We may be removed as Responsible Entity of the Scheme in the circumstances set out in the Constitution and the Corporations Act, including where investors call a meeting and pass an extraordinary resolution to remove us as the responsible entity and select a new responsible entity. We may also seek to retire in accordance with the procedures set out in the Corporations Act which includes calling a meeting of investors and explaining the reasons for wanting to retire.

## Termination of the Fund

We may terminate the Fund or the Scheme by giving notice to investors in accordance with the terms of the Constitution. We may also terminate the Scheme in the circumstances provided in the Corporations Act, including pursuant to an extraordinary resolution passed by investors directing us to wind up the Scheme.

Where the Fund or the Scheme is terminated, it must be wound up in accordance with the procedure set out in the Constitution. Generally for a Fund termination, we will distribute the net proceeds of assets sold during the winding up process to investors in the Fund in proportion to the number of units held in the Fund.

## ASIC relief

### ASIC instrument relief - unequal treatment in withdrawal from fund

Pursuant to ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147, ASIC has granted relief under section 601QA of the Corporations Act from the requirement to treat investors in the Fund equally in section 601FC(1)(d), to the extent that it would prevent us from permitting only Authorised Participants to withdraw from the Fund. For the purposes of this relief, except in exceptional circumstances, only Authorised Participants may withdraw from the Fund, but other investors may sell their units on the ASX. However, if the units are suspended from trading on the ASX for more than 5 consecutive trading days, investors will have the right to withdraw from the Fund and receive payment for their interests in money within a reasonable time of request unless any of the following apply:

- the Scheme is being wound up;
- the Scheme is not liquid; or
- we suspend redemptions in accordance with the Scheme's Constitution.

In the event that such a redemption occurs, any withdrawal fee per unit payable by investors who are not Authorised Participants will not be greater than the withdrawal fee per unit that would generally be payable by an Authorised Participant receiving redemption proceeds in cash when withdrawing the minimum parcel of units.

### Class order relief – ongoing disclosure

ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147 exempts us from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that we comply with section 675 of the Act as if the Scheme was an unlisted disclosing entity.

We will comply with the continuous disclosure requirements of the Act as if the Scheme was an unlisted disclosing entity.

### Class order relief – periodic statements

ASIC Corporations (Periodic Statement Relief for Quoted Securities) Instrument 2024/14 exempts us from certain periodic statement requirements. In particular, we are not required (and do not propose) to include in periodic statements details of the price at which an investor transacts in units on the ASX, or information on the return on an investment for units bought on the ASX (for the year in which the units are acquired), if we are not able to calculate this and the periodic statement explains why the information was not included and how it can be obtained.

## Unit pricing discretions

Our Unit Pricing Discretions Policy provides further information about how we exercise discretions in the calculation of the Unit Price for the Scheme and is available upon request.

## Related parties and service providers

We may from time to time use the services of related parties and pay commercial rates for these services. We may also enter into financial or other transactions with related parties in relation to the assets of a Scheme (including, but not limited to, broking, investment management and administration), such arrangements will be based on arm's length commercial terms.

In the course of managing the Scheme, we may come across conflicts in relation to our duties to the Scheme, related funds and our own interests. We have internal policies and procedures in place to manage all conflicts of interest appropriately. In addition to complying with these policies and procedures, all conflicts will be resolved in a fair and reasonable manner in accordance with the relevant law and ASIC requirements.

## Market Maker

We have appointed one or more Market Makers in respect of the Fund, to provide liquidity in the market by acting as a buyer and seller of units on the AQUA market of the ASX in order to satisfy supply and demand for units.

- We seek to appoint market makers that:
- have the necessary skill and expertise to perform a market making function;
- have experience in making markets in exchange traded products and other types of listed securities in both Australia and overseas; and
- have arrangements with the ASX to act as a market maker. We may appoint additional market makers and, subject to the AQUA Rules, replace a market maker appointed in respect of the Fund.

## Proxy Basket

We will publish a Proxy Basket each Business Day when the ASX is open for trading. The Proxy Basket is intended to be representative of the Fund's portfolio and enables the Market Maker to determine the value of the Fund throughout the trading day and the price at which to buy and sell units on the ASX. The Proxy Basket is therefore intended to assist with intra-day pricing of the Fund.

A Market Maker creates and redeems units in the Fund based on the published Unit Price as at the end of the day. This means the Market Maker has an incentive to ensure there is limited difference between the price at which it buys and sells units on the ASX (based on the Proxy Basket) and the price at which units are created or redeemed (based on the Application Price and Redemption Price of the Fund).

## Fund Administrator and Custodian

JPMorgan Chase Bank, N.A. Sydney Branch has been appointed to provide custodial and fund administration services to the Scheme.

The role of a custodian is limited to holding the assets of the Scheme on behalf of us and acting in accordance with the express instructions from us (except in circumstances where the custodian is obliged to act without express instructions per the terms of the agreement). This will include facilitating the settlement of transactions on our behalf with the Market Making Agent.

We have also appointed JPMorgan Chase Bank, N.A. Sydney Branch, as a fund administrator, under an investment administration agreement, to provide fund administration services for the Scheme. These services include (in relation to the Fund), fund accounting, maintenance of books and records, calculating distribution amounts, valuing the Fund's assets and liabilities, calculating the Fund's NAV, taxation and other services.

## Unit Registry

Link Market Services Limited has been appointed as the Unit Registry of the Scheme under a Registry Services Agreement. The Registry Services Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

The role of the Unit Registry is to keep a record of investors in the Scheme. This includes information such as the quantity of units held, TFNs (if provided), bank account details and details of DRP participation.

## Cooling off rights

Cooling off rights do not apply to units in the Fund as units are traded on the ASX under the AQUA Rules.

## Complaints

We have established procedures for dealing with complaints. If you have any concerns or complaints, please contact our Client Services team on 1800 044 922. We will aim to acknowledge the complaint within one Business Day of receiving it, or as soon as practicable. We will endeavour to respond and resolve the complaint within 30 days. If you are not satisfied with the outcome, you can contact the Australian Financial Complaints Authority (AFCA) by calling 1800 931 678, by emailing [info@afca.org.au](mailto:info@afca.org.au) or by writing to AFCA at GPO Box 3, Melbourne VIC 3001.

## Consents

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to be named in the form and context in which they are named, in this PDS.

- Link Market Services Limited
- JPMorgan Chase Bank, N.A. Sydney Branch

Each party named above who has consented to be named in the PDS:

- Has not been involved in the preparation of this PDS, or caused or otherwise authorised the issue of this PDS
- Has not independently verified the information contained in this PDS
- Takes no responsibility for the accuracy or completeness of the information contained in this PDS
- Does not guarantee the success or the performance of the Fund nor the repayment of capital or any particular rate of capital or income return

## Privacy and collection and disclosure of personal information

The Privacy Act 1988 (Cth) regulates, among other things, the collection, disclosure and access to personal information.

We collect, hold, use, disclose and protect personal information for the primary purpose of providing products and services to you in relation to your investment in accordance with our Privacy Policy. A copy of our Privacy Policy is available on request or can be accessed on our website. You should contact us if you have any questions about our practices relating to the handling of personal information.

If you do not provide information that we request, we may not be able to provide a product or service to you.

We may disclose your information to related or third parties to provide services in relation to your investment.

We also use and collect your personal information to comply with applicable laws such as Anti-Money Laundering/Counter Terrorism Financing laws, Australian taxation laws and Foreign Account Tax Compliance Act (FATCA), and may be required to disclose your personal information to various Australian government regulators and agencies, including the Australian Taxation Office and the Australian Transaction Reports and Analysis Centre, and foreign governments agencies and regulators.

Under FATCA and the Common Reporting Standard rules, we are required to collect information about your tax residency status and may have reporting obligations in relation to taxation information-sharing agreements between Australia and other countries.



## 11. Glossary

**Active ETF** means an actively managed exchange traded fund.

**AFSL** means Australian financial services licence.

**AQUA Rules** means Schedule 10A of the **ASX Operating Rules** and related rules and procedures, as amended, varied or waived from time to time.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited or the Australian Securities Exchange, as the case requires.

**ASX Listing Rules** means the listing rules of the ASX as amended, varied or waived from time to time.

**ASX Operating Rules** means the operating rules of the ASX as amended, varied or waived from time to time.

**Authorised Participant** means an entity which is (or has been engaged to act on behalf of) a trading participant under the ASX Operating Rules (or who otherwise satisfies any other criteria as may be determined by the Responsible Entity from time to time) and has entered into an Authorised Participant Agreement with the Responsible Entity. Only Authorised Participants can apply to create and redeem units in the Fund, subject to certain circumstances.

**Authorised Participant Agreement** means an agreement entered into between the Responsible Entity and an Authorised Participant in relation to the creation and redemption of units in the Fund.

**Business Day(s)** has the meaning given to it under the **ASX Operating Rules**, unless determined otherwise by FREAL.

**CHES** means the Clearing House Electronic Sub-Register System operated by the ASX or any system that wholly or partly replaces it.

**Constitution** means the constitution governing the Scheme, as amended or replaced from time to time.

**Corporations Act** means Corporations Act 2001 (Cth).

**Correlation report** means a report which tracks the performance between the Proxy Basket and the full portfolio holdings of the Fund.

**Creation Unit** means the minimum number of units (or whole multiples of) that Authorised Participants can request to create, as determined by FREAL from time to time.

**iNAV (Indicative Net asset value)** means the indicative NAV per unit of the Fund, which will be published throughout the trading day.

**Market liquidity** refers to the availability of sellers or buyers on the secondary market if an investor wishes to buy or sell units.

**Market Maker** means a market participant of the ASX appointed by us to provide market liquidity on the ASX by acting as a buyer and seller of units.

**MSCI Global Industry Classification Standard Methodology (GICS)** is a four-tiered, hierarchical industry classification system developed by MSCI and Standard & Poor's (S&P) for use by the global financial community. Companies are classified quantitatively and qualitatively. The GICS structure consists of 10 sectors, 24 industry groups, 68 industries and 154 sub-industries into which S&P has categorised all major public companies.

**NAV** means the net asset value attributable to the Fund and represents the net market value of its attributable assets. It is calculated by deducting the liabilities (including estimated fees) attributable to the Fund from the gross value of the assets attributable to the Fund.

**Principles for Responsible Investment (PRI)** means the United Nations' Principles for Responsible Investment which is an international UN supported organisation that advocates for sustainable investment and the inclusion of ESG factors in investment and ownership decisions.

**PRI Principles** means the PRI's six principles of responsible investment.

**Proxy Basket** means a basket of securities and/or other information relevant to securities and assets held in the Fund, which is intended to be representative of the Fund's portfolio. It is produced to track the price movements of the Fund and assist with intra-day pricing. It is not used for creation/redemption purposes.

**Quoted Class** refers to Fidelity Asia Active ETF being a class of units in the Scheme.

**Redemption unit** means the minimum number of units (or whole multiples of) that Authorised Participants can request to redeem, as determined by FREAL from time to time.

**Scheme** means the Fidelity Asia Fund, which is a registered managed investment scheme (ARSN 116 072 498)

**Transaction Cut-off Time** means the transaction cut off time as specified in the Transaction Procedures.

**Transaction Date** means a Business Day when a valid application to create or redeem units is processed.

**Transaction Procedures** means the primary market creation and redemption procedures as agreed between the Responsible Entity and the Authorised Participant from time to time.

**Unit Price** means the NAV divided by the number of units on issue for the Fund.

**United Nations Global Compact (UNGC)** is a non-binding United Nations (UN) pact to encourage businesses worldwide to take steps to adopt, implement and report on the implementation of universal sustainability and socially responsible principles and policies. Participants are required to incorporate the UNGC's ten principles in the areas of human rights, labour, environment and anti-corruption in their daily operations and advocate for the UNGC.

**We/Us** means FREAL, the Responsible Entity of the Scheme.