

Notice to investors

Updated fees and costs disclosure

Fidelity Asia Active ETF ARSN 116 072 498

11 September 2024

This notice is issued by FIL Responsible Entity (Australia) Limited (ABN 33 148 059 009, AFSL No. 409340) (FREAL) as Responsible Entity (RE) of the Fidelity Asia Active ETF ASX Code FASI (the Fund).

FREAL wishes to provide existing investors with up-to-date information about the Fund and also to update the fees and costs disclosed in section 8 of the Fund's PDS dated 26 June 2024. As the changes to Fund's fees and costs are not materially adverse, we have issued this notice in accordance with ASIC Instrument 2016/1055 and made it available on our website fidelity.com.au and the ASX Market Announcements Platform.

In accordance with ASIC's Regulatory Guide 97: Disclosing fees and costs in PDSs and periodic statements the information below replaces the "Fees and other costs" information in the Fees and costs section of the Fund's PDS in its entirety. This notice should be read together with the Fund's PDS and remains in effect until the current PDS is replaced or another notice is issued whichever occurs first.

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

| | | |
|-----------------------------------------|-----|----------------|
| Exit fee | Nil | Not applicable |
| The fee to close your investment | | |
| Switching Fee | Nil | Not applicable |
| The fee for changing investment options | | |

- a. The estimated indirect costs represent our reasonable estimate of the costs which will apply for the current financial year. These amounts may vary over time and may not be a good indicator of future indirect costs.
- b. The estimated transaction costs represent our reasonable estimate of the costs which will apply for the current financial year. These amounts may vary over time and may not be a good indicator of the future transaction costs of the Fund. The transaction costs are shown net of any amount recovered by the buy/sell spread and the contribution/withdrawal fee charged to transacting Authorised Participants..
- c. 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.
- d. 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.
- e. 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 ^a | |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Contribution fees | \$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 \$0 if you are not an Authorised Participant. If you are an Authorised Participant, you will be charged \$50 per application (of one or whole multiples of a Creation Unit) |
| Plus Management fees and costs | 1.16% p.a. | And , for every \$50,000 you have in the Fund, you will be charged or have deducted from your investment \$580 each year. |
| Plus Performance fees | Nil | And , you will be charged or have deducted from your investment \$0 in performance fees each year. |
| Plus Transaction costs | 0% p.a. | And , you will be charged or have deducted from your investment \$0 in transaction costs. |
| Equals 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 \$630 (if you are an Authorised Participant) or \$580 (if you are not an Authorised Participant). The management fee for the Quoted Class is non-negotiable. | |

^a 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.

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 0.14% 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.

Prior to making an investment decision, retail Investors should seek advice from their financial advisor. Investors should also obtain and consider the PDS for the Fund. The PDS is available on fidelity.com.au or can be obtained by contacting Fidelity Australia on 1800 044 922. The Target Market Determination is available at fidelity.com.au © 2024 FIL Responsible Entity (Australia) Limited. Fidelity, Fidelity International, the Fidelity International logo and F symbols are trademarks of FIL Limited.

