Fidelity **FutureWise** Retirement Fund – CL14

December 2022

This fund is designed for people in retirement who want to make regular withdrawals from their investments (a process often called 'income drawdown').

Fund objective and policy

This Futurewise Retirement Fund is intended for members who want to take regular withdrawals from their savings through income drawdown. It aims to provide an annual rate of between 3.5% and 4% over a 5 year period taking account of both capital (an increase in the value of the assets) and income (generated from the assets).

It invests in an underlying fund managed by Blackrock which invests at least 70% in collective investment schemes (funds) managed by Blackrock and Fidelity. The portfolio of funds will invest globally between 60% to 80% in bonds (both government and non-government) with the balance in shares. It may also invest directly in shares and bonds as well as cash or other assets that can be easily converted to cash. The asset mix could change in different market conditions

The fund aims to invest in a manner consistent with the principles of Sustainable Investing. It will do this by investing its assets in accordance with the fund's 'ESG Policy'. This includes increasing exposure to companies that are viewed as sustainable leaders and improvers, and reducing exposure to those companies viewed as laggards. The fund's ESG policy includes exclusions around investing in companies that are involved with controversial weapons (including nuclear and semi-automatic weapons), thermal coal, oil Sands, tobacco and country specific restrictions.

The use of ESG criteria may affect a fund's investment performance and, as such, the Funds may perform differently compared to similar funds that do not apply ESG criteria.

The fund's capital is at risk, which means it could fall in value and the value of your investment would fall as a result. Although the fund aims to deliver a return, there is no guarantee this will be achieved and there may be periods of no return. There is no guarantee that fund will support regular income drawdown.

Please review the investment objective carefully to make sure this investment is appropriate for your retirement needs. Members cannot access their pension until they are 55 (or 57 from 2028). There is also more information about FutureWise and other retirement options on **fidelitypensions.co.uk/futurewise**

We can't give you investment advice, so if you are unsure whether this is the right investment approach for you, we suggest you speak to an authorised financial adviser. The government's Pension Wise service (provided by MoneyHelper) offers free, impartial guidance to help you understand your options at retirement. You can access the guidance online at moneyhelper.org.uk or call them on 0800 138 3944.

Fund facts

Fund Management Style	Blend*
Annual Management Charge (AMC)	0.34%
Total Expense Ratio (TER)**	0.37%

*Blend is a mix of both active and passive management styles

**(TER) is a measure of the total costs associated with managing and operating an investment fund. The charges will be reflected in the quoted unit/share price for the fund and are not deducted directly from your account. The TER does not include any transaction costs which are incurred in the buying and selling of funds or their underlying investments.

Underlying fund

Fidelity FutureWise Retirement Fund

BlackRock FutureWise Retirement Aggregator	100%

Risk rating

Lower risk/return — Higher risk/return

L1 L2 **M1** M2 H

M1 – Medium risk/return
The potential for capital growth is generally better than the previous categories but the value of the fund may vary considerably either up or down.

Risk ratings on this factsheet are assigned by Fidelity. They are an indication only and take into account the volatility of the underlying fund (or in other words, reduce how significantly or rapidly they might rise and fall in value), based on past performance (where this is available), and an internal assessment of the assets of the underlying fund. Ratings may change, do not imply or offer any guarantee, and only apply to, and in comparison with, the funds made available by Fidelity.

Risk factors

1: Derivative exposure. 2: Efficient portfolio management. 3: Emerging markets. 4: Ethical restrictions. 5: Exchange rate. 6: High yield bonds. 7: Liquidity. 8: Smaller companies. 9: Solvency of issuers. 10: Solvency of depositary. 11: Volatility.

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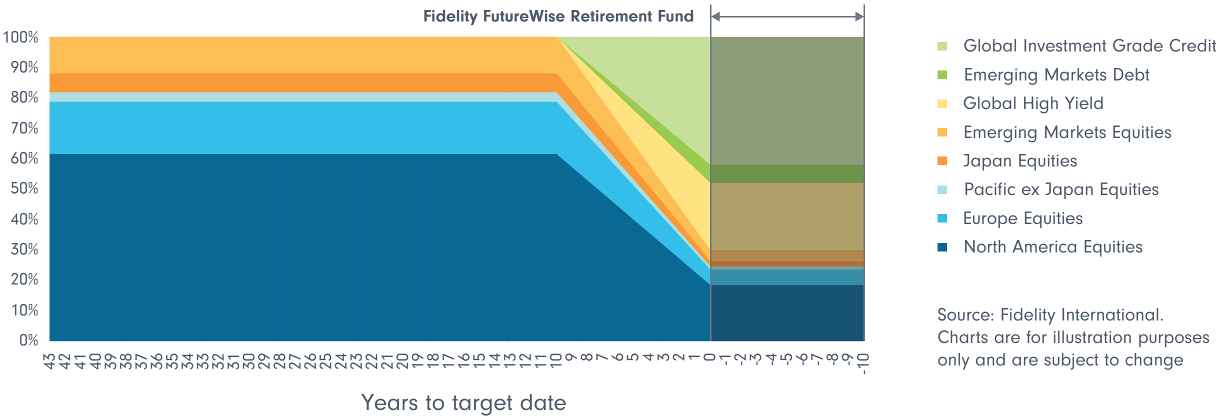
Asset allocation

The graph below shows the likely combination of investments that will be held by this fund – though the specific holdings will depend on the fund manager's decisions.



Source: Fidelity International.
Charts are for illustration purposes only and are subject to change

Risk factors explained

1. **Derivative exposure:** The fund/underlying fund invests in derivatives as part of its investment strategy, over and above their use for efficient portfolio management. In some circumstances, derivatives can make a fund riskier and more volatile than would be expected from a fund that only invests in equities. There is also the risk that the company issuing the derivative may not honour their obligations which could lead to the fund losing money.
2. **Efficient portfolio management:** The fund may use other investment instruments – such as options, derivatives or warrants – apart from/or in place of the actual underlying securities, so it can be managed more efficiently. This process is called 'efficient portfolio management'. These instruments can be used to effectively take a position (or reduce an existing position) in a share or index, so changes can be made more quickly and cost effectively than dealing directly in the underlying investment. They are not generally used with the aim of magnifying returns. However, in some circumstances, they can make a fund riskier and more volatile than would be expected from a fund that only invests in equities.
3. **Emerging markets:** The fund invests in emerging markets, where a range of factors could make it harder to buy and sell investments. There is also an increased chance of political and economic instability.
4. **Ethical restrictions:** The fund is unable to invest in certain sectors and companies due to the ethical criteria used to select investments for the fund.
5. **Exchange rate:** Some of the fund's holdings may be issued in currencies different to the fund's currency. This means the value of these investments and any income from them could be affected by changes in exchange rates.
6. **High yield bonds:** The fund invests in high yield bonds. The prices of high yield bonds can be more affected by economic conditions and changes in interest rates than those of investment grade bonds, plus they have a greater risk of default. Income levels may not be achieved and the income provided may vary.
7. **Liquidity:** The fund can suffer from partial or total illiquidity. This means it may be difficult or impossible for it to sell some or all of its holdings. As a result, there could be considerable price fluctuations and the inability to redeem your investment. This could affect you, for example, when you are close to retirement.
8. **Smaller companies:** The fund invests in the shares of smaller companies. These can be more volatile and harder to sell than the shares of larger companies, which means they can involve more risk.
9. **Solvency of issuers:** The fund invests in bonds and there is a risk that the issuer may default, which would mean the fund loses money.
10. **Solvency of depositary:** The value of the fund may be affected if any of the institutions with which cash is deposited becomes insolvent or experiences other financial difficulties.
11. **Volatility:** Investments in the fund tend to be volatile and investors should expect an above-average price increase or decrease.

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