

For institutional investors only

Investment objective

To achieve returns in excess of the S&P Developed Small Cap (Net) Index (the "benchmark index") over the suggested minimum investment time period of 5 to 7 years.

Investment approach

The Fidelity Select Global Small Cap Fund gives investors access to Fidelity's best global small-cap investment ideas. The Fund capitalises on Fidelity's fundamental research by combining qualitative stock selection with quantitative risk control.

The Fund combines Fidelity's in-house, bottom-up research with risk models to build a style-neutral portfolio of the

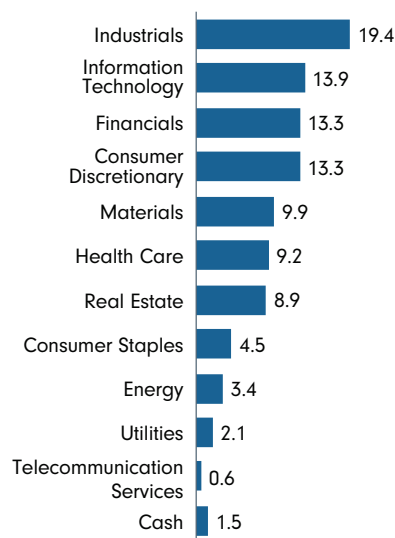
best 200 or so stocks uncovered by our global team. Our global resources enable us to refresh our view on these companies regularly. We not only talk to companies, but also to its competitors, suppliers, distributors and customers. All this information is then shared seamlessly across the Fidelity network making every piece of information hundreds of times more valuable.

The Fund's portfolio manager and the Select team are part of Fidelity's institutional investment manager, Pyramis Global Advisors. This group was established by Fidelity's US affiliate FMR LLC to provide investment solutions for institutional clients.

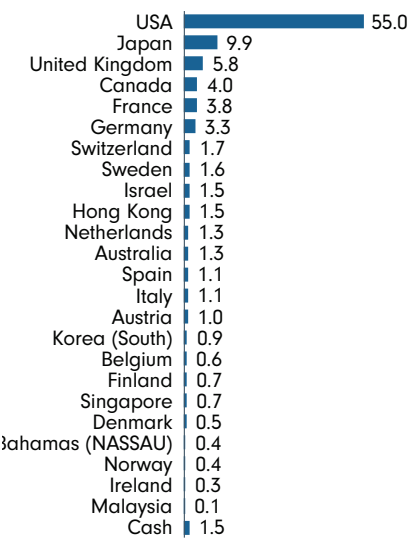
Fund facts

- Portfolio manager:** Rob Feldman
- Benchmark:** S&P Developed Small Cap (Net) Index
- Inception date:** 9 August 2007
- Fund size:** A\$422.4m
- Ex-ante tracking error:** Generally between 4% and 6%
- Portfolio guidelines**
- Stocks:** +/-2% from benchmark
- Industry:** +/-3% from benchmark
- Country:** +/-3% from benchmark
- Regions:** neutral
- Number of stocks:** 175 to 255
- Buy/sell spread:** 0.30%/0.30%

Industry breakdown %¹



Geographic breakdown %²



Top 10 holdings %

Company	Fund %
Calatlantic Group	1.6
Take-Two Interacv Softwr	1.2
Cavium	1.2
Zuken Inc	1.1
Epam Systems	1.1
Frutarom Inds Ltd	1.1
Servicemaster Global Hldg	1.1
Obic Co	1.0
Regal Beloit	1.0
Snyders Lance	1.0

1. Where derivative instruments are held they are shown as a component of the category labelled 'financials'. Any exposure to industry remains in "financials" and is therefore not represented in the rest of the categories.
2. Where derivative instruments are held they are represented within the categories.

Gross performance %

	3 mth	6 mth	1 yr	2 yrs p.a.	3 yrs p.a.	5 yrs p.a.	Since Inception (09.08.07)
Fidelity Select Global Small Cap Fund	5.21	8.31	11.17	10.14	12.81	19.35	8.64
S&P Developed Small Cap (Net) Index	5.72	9.43	13.67	12.63	12.67	19.53	7.07
Excess return	-0.51	-1.12	-2.50	-2.49	0.13	-0.18	1.57

Past performance is not a reliable indicator of future performance. Total returns (gross) shown are calculated using mid-prices with distributions reinvested. However, gross returns do not make any allowance for Fidelity's management costs, transactional and operational costs, tax or the buy/sell spread. Returns of more than one year are annualised. The return of capital is not guaranteed.

This Fund is unhedged and is subject to the risk of fluctuations in international stock markets and currencies. Management costs and buy/sell spread are current as at the date of publication of this document but may be subject to change in the future. Management Costs include GST and exclude Abnormal Expenses and Transactional and Operational Costs. Any apparent discrepancies in the numbers are due to rounding.

The Select Global Small Cap Portfolio underperformed the benchmark during the fourth quarter. Investments in France and South Korea lagged, while positions in Japan and the United States lifted relative performance. Industrials and Financials were among the largest sector detractors, while investments in the Consumer Discretionary and Information Technology sectors contributed.

In the Industrials sector, the overweight positions in flexible office space operator IWG and lighting and lighting components manufacturer Zumtobel Group were among the largest detractors from relative performance. IWG shares declined as the company announced a disappointing trading update, driven by weaker-than-expected third-quarter sales trends. IWG also cut its full year 2017 guidance to levels below consensus forecasts. Shares of Zumtobel declined after the company announced disappointing results for the second-quarter and first half of its fiscal year, driven largely by weaker-than-expected volumes in its lighting segment. The company also warned that fiscal year 2018 profits will likely be lower than originally forecasted. In the Financials sector, the overweight position in banking and financial services provider Cowen detracted from relative performance. Cowen shares declined amid negative investor sentiment after the company announced that it had mutually agreed with China Energy to discontinue its pursuit of a strategic partnership after having faced delays in gaining approval from the Committee on Foreign Investment in the United States (CFIUS). Among individual holdings, the overweight position in biotech company DBV was among the largest detractors. Shares of DBV declined sharply after the company announced that its peanut allergy drug failed to meet its primary endpoint in clinical trials.

In the Consumer Discretionary sector, the overweight position in home builder CalAtlantic was among the largest

contributors to relative performance. Shares of CalAtlantic rose on news that the company agreed to be acquired by Lennar for \$9.3 billion. In the Information Technology sector, the overweight in internet conglomerate GMO Internet was among the largest contributors to relative performance. Shares of GMO Internet rose amid favorable investor sentiment after the company announced plans to begin mining cryptocurrency. Among individual holdings, the overweight position in snack food maker Snyder's-Lance contributed to relative performance. Shares of Snyder's-Lance rose on news that Campbell Soup agreed to acquire the company for \$4.87 billion.

During the quarter, we initiated a position in banking and financial services provider FNB. We purchased FNB as we believe the company has a solid deposit base and diversified loan book. The stock is also attractively valued at recent price levels. We also initiated a position in medical products manufacturer Axogen as we believe the company's position as the leader in the peripheral nerve repair market will help drive earnings growth given the increasing size of the market opportunity. We closed our position in commercial real estate company Jones Lang LaSalle as we believe the stock offers less upside at recent price levels. We also closed our position in road salt and potash fertilizer maker Compass Minerals International. We believe Compass offers less upside at recent price levels as the company's management team's decision to increase capital spending during the down cycle has resulted in a higher leverage ratio.

Global Small Cap Market View

Global small cap equities marched consistently higher in 2017. Calendar year 2017 was essentially a year of synchronized global expansion with benign market conditions. Tax reform and deregulation seemed to invigorate US equity markets, while many key central

Major contributors %

	as at 31.12.17
Calatlantic Group	0.57
Snyders Lance	0.28
Cavium	0.19
Gmo Internet	0.19
Ablynx	0.19

Major detractors %

	as at 31.12.17
Acadia Healthcare	-0.22
Iwg	-0.18
Envision Healthcare	-0.15
Dbv Technologies ADR	-0.14
Zumtobel Group	-0.13

banks around the world were moving from easing to neutral or tightening postures. At the end of the year, the global expansionary cycle continued to show positive momentum, with few regions or countries giving any signals of recessionary risk.

Looking forward to 2018, while we are cognizant of the very strong absolute returns generated by most equity markets, we remain cautiously optimistic that this synchronized global economic growth will continue. Stronger commodity price signal a potential return of inflation, which could contribute to greater market volatility. Markets continue to scrutinize movements by central banks and governments, as policy errors have potential to derail market momentum. Shifting monetary conditions could also slow the liquidity growth that has fueled the rise in asset prices over the past several years. We also maintain a close eye on the ever-present geopolitical risk, notably continuing tensions in the Middle East and North Korea.

Going forward, we continue to focus our efforts on bottom-up stock picking with an emphasis on quality companies that can outperform through the market cycle in a variety of market environments.

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