



# **Fidelity Climate Leadership Bond Fund®**

**Annual Management  
Report of Fund  
Performance**  
June 30, 2024

## **Caution Regarding Forward-looking Statements**

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

# Annual Management Report of Fund Performance as at June 30, 2024

## Fidelity Climate Leadership Bond Fund®

*This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our website at [www.fidelity.ca](http://www.fidelity.ca) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure relating to the investment fund.*

## Management Discussion of Fund Performance

### Investment Objective and Strategies

**Investment Objective:** Fidelity Climate Leadership Bond Fund® (Fund) aims to provide a steady flow of income and the potential for capital gains. The Fund invests primarily in mix of fixed income securities of issuers anywhere in the world, with an emphasis on investment-grade securities. The Fund aims to invest in issuers, that are believed to reduce the risks, or are expected to benefit from the opportunities, associated with climate-related issues or the global transition to a low carbon economy. The Fund uses derivatives to try to minimize the exposure to currency fluctuations between developed market foreign currencies and the Canadian dollar. The Fund may also hedge against other foreign currencies.

**Strategies:** The portfolio management team combines top-down perspectives with bottom-up security selection to construct the Fund's portfolio by investing in global investment grade corporate bonds.

The portfolio management team focuses primarily on issuers that are or have the potential to be leading the effort to address climate-related risks or opportunities. The team favours issuers who represent that they: (i) have lower carbon profiles than other issuers within their respective industries; (ii) encourage a transition towards a greener environment through an improving carbon transition path; and (iii) issue green bonds and other types of sustainability-related bonds.

The portfolio management team aims to be proactive in dealing with climate-related issues through engagement with global corporate bond issuers.

The portfolio management team uses a proprietary sustainability rating framework, which rates companies from A (best) to E (worst), that leverages internal research capabilities and engagement with companies to inform on material factors. The ratings provide an absolute forward-looking assessment of companies' sustainability characteristics across sectors and integrate third-party datapoints to complement analysts' research and engagement insights.

Subject to market or industry developments, which may change from time to time, the Fund will exclude those securities of companies that are directly engaged in, and/or derive significant revenue from certain business activities and those who violate the principles of the United Nations Global Compact, including arctic oil and gas, controversial weapons (e.g., cluster munitions, land mines, biological/chemical weapons, blinding lasers, and incendiary weapons), conventional weapons (e.g., firearms, machine guns, grenade launchers, tactical short- and long-range missiles, rocket launchers, bombers, and combat helicopters), oil sands production, semi-automatic firearms, thermal coal and tobacco.

In determining whether an issuer is directly engaged in, and/or derives significant revenue from a particular industry or product line, the Fund may use revenue thresholds (e.g., issuers that derive more than 5% of revenue from the extraction of oil sands) and/or categorical exclusions (e.g., issuers that are classified within the controversial weapons industries), depending on the industry or product line. All applicable exclusions are systematically monitored on a pre-trade and ongoing basis to ensure adherence.

When selecting investments for the Fund and for the purposes of monitoring risk, the portfolio management team references the Bloomberg Global Aggregate Corporate Index (Index). While the Index does not integrate environmental considerations, it represents the characteristics to which the Fund is seeking to gain exposure. The Fund may also invest in issuers, sectors, countries, and security types that are not included in or have different weightings from the Index, in order to take advantage of investment opportunities.

When buying and selling green bonds and other types of sustainability-related bonds, the portfolio management team invests based on the International Capital Market Association Green and Social Bond Principles guidelines and prioritizes securities that are compliant with Climate Bonds Initiative or European Green Bond Standards.

When buying and selling fixed income securities, the portfolio management team may consider factors, including the security's features, price compared to estimated long-term value, credit quality of the issuer, current yield, balance sheet strength, financial leverage, carbon profile, any short-term trading opportunities resulting from market inefficiencies and any controversies involving the issuer's environmental and social characteristics. The Fund may also limit exposure to issuers with the highest carbon profiles.

The Fund uses forward contracts to hedge as completely as possible against fluctuations caused by changes in exchange rates between developed market foreign currencies and the Canadian dollar. Therefore, generally, the Fund does not benefit from an increase in the value of foreign currencies against the Canadian dollar.

There is no limit on how much the Fund can invest in securities issued or guaranteed by the Government of Canada, the government of the provinces or territories of Canada, or the Government of the United States, or any agency of the foregoing. The Fund can invest up to 20% or 35%, of its net assets in securities issued or guaranteed by other governments or certain agencies rated "AA" or "AAA" respectively.

### Risk

The risks associated with investing in this Fund remain as discussed in the prospectus. Any changes to the Fund over the period have not affected the overall level of risk of the Fund.

The Fund is suitable for medium-term investors who want to gain exposure to global fixed income securities of issuers that are believed to reduce the risks, or are expected to benefit from the opportunities, associated with climate-related issues or the global transition to a low carbon economy while seeking to lower their risk from currency fluctuations between developed market foreign currencies and the Canadian dollar, and are seeking income and the potential for capital gains. To invest in the Fund, investors should be willing to accept a low level of risk. The suitability of the investment has not changed from what has been disclosed in the prospectus.

### Results of Operations

## **Fidelity Climate Leadership Bond Fund®**

### **Management Discussion of Fund Performance – continued**

Fidelity Climate Leadership Bond Fund®, Series B, returned 4.6%, after fees and expenses, for the year ended June 30, 2024. The net returns of the other series of the Fund are similar to those of Series B, except for differences attributable to expense structures. During the review period, Global Fixed Income, as represented by the Bloomberg Global Aggregate Bond Index - Hedged CAD, returned 3.4% (in Canadian dollar terms).

#### **Market overview:**

Global investment-grade bonds, as broadly represented by the Bloomberg Global Aggregate Bond Index, returned 4.4% in Canadian dollar terms and 0.9% in U.S. dollar terms, for the one-year period ended June 30, 2024.

Global investment-grade bonds advanced in Canadian and U.S. dollar terms over the period under review. High yield bonds outperformed investment-grade, benefitting from higher yields and tighter credit spreads in both U.S. and European fixed income markets. Government bond yields adjusted in response to a shift in macroeconomic indicators, and geopolitical tensions continued to weigh on investors' sentiment. Expectations of an early interest rate cut were scaled back as inflation remained a central concern across developed economies. The U.S. Federal Reserve (the Fed) maintained its benchmark interest rates, the Fed Funds rate, in the target range of 5.25%-5.50% after increasing rates by 25 basis points in July 2023. In the U.S., annual headline inflation continued to ease to 3.3% in May 2024, while in Europe, the harmonized index of consumer prices fell from an annual rate of 5.3% in July 2023 to 2.4% in April 2024. This prompted the ECB to announce its first interest rate reduction since 2019, as it cut the interest rates by 25 basis points to 3.75% in June 2024. However, in the U.S., the Fed maintained its policy rate, as inflation remained elevated beyond its 2% target. Elsewhere, the Bank of Japan ended its negative interest rate policy and enacted the first rate increase in 17 years, raising the interest rate from -0.1% to a range of 0%-0.1%, in March 2024. In contrast, investors remained concerned about the economic outlook, despite signs of recovery in the first quarter of 2024 and the People's Bank of China's supportive policy measures to stimulate the economy hit by prolonged real estate crisis and rising unemployment.

#### **Factors affecting performance:**

The Fund underperformed its benchmark, the Bloomberg Global Aggregate Corporate Bond Index — Hedged CAD, which returned 5.2% for the review period. The Fund's exposure to credit markets positively contributed to excess returns while interest positioning also enhanced gains. By sector, the Fund's exposure to quasi-sovereign, property, other financials, capital goods and utility issues contributed to relative returns. In contrast, the Fund's underweight to banks and brokers, insurance and energy detracted as spreads tightened.

#### **Portfolio changes:**

The portfolio managers have a more negative view than the current market consensus on the global economic outlook, and continue to see a U.S. slowdown as the base case scenario, given a weakened reliance on the U.S. consumer to prop up U.S. growth. The managers remain cautious on the credit markets largely for valuations reasons, which remain at the more expensive end of the historical range. The portfolio managers reduced exposure primarily to banks and brokers followed by utility issuers, and increased exposure to technology and consumer cyclical names. The Fund continues to have a focus on decarbonization winners and inflation-resilient business models, which drive changes to the portfolio's positioning.

#### **Derivatives disclosure:**

During the period, the Fund engaged in futures contracts, in a manner consistent with its investment objective and strategies, to manage the Fund's cash balance while the portfolio management team sought out other investment opportunities.

During the period, the Fund engaged in forward foreign currency contracts, in a manner consistent with its investment objectives and strategies, to hedge against the effect of currency fluctuations on the investment returns of the Fund. The use of forward contracts in this manner does not completely eliminate the impact of currency fluctuations on returns.

### **Recent Developments**

To meet the Fund's objectives, portfolio managers, Kris Atkinson and Shamil Gohil, combine top-down perspectives with bottom-up security selection to construct the portfolio by investing in global investment-grade corporate bonds. The portfolio managers focus primarily on issuers that are, or have the potential to be, leading the effort to address climate-related risks or opportunities, and look for those with the lowest carbon profiles in their sectors, or those who are improving the carbon transition path to encourage transition to a greener environment. The portfolio managers also invest in use of proceeds green and sustainability bonds.

The portfolio managers believe that as at June 30, global fixed income markets remain positive, with investors increasingly focusing on interest rate cuts. The portfolio managers believe that divergence in central banks' policy has brought volatility back into the market. So far in 2024, some developed market central banks, including the European Central Bank, have lowered interest rates. Meanwhile, the U.S. Federal Reserve held rates steady, and pushed out the start of its interest rate cuts to later in the year.

During the period under review, the portfolio managers maintained open dialogue with UK water companies, as utilities are one of the larger invested sectors. In particular, the Fund has exposure to UK water issuers. The portfolio managers recognize that the UK water sector has come under scrutiny over financial concerns and pollution-related controversies. Although there are challenges, the portfolio managers have confidence that these companies are working to remedy them. Going forward, the team will continue to seek to monitor progress on sewage discharge, the use of nature-based solutions and how the companies aim to address the UK's increasingly urgent water scarcity as utilities and UK water remains a theme in the portfolio.

Effective September 30, 2023, Sajiv Vaid retired as a Portfolio Manager.

Effective September 19, 2023, Anne Bell of Mississauga, Ontario, became a member of the Independent Review Committee (IRC).

### **Related Party Transactions**

#### **Manager and Portfolio Adviser**

The Fund is managed by Fidelity Investments Canada ULC (Fidelity). Fidelity is part of a broader collection of companies collectively known as Fidelity Investments.

Fidelity provides or arranges for the provision of all general management and administrative services required by the Fund in its day-to-day operations, bookkeeping, record-keeping and other administrative services for the Fund.

Fidelity is the portfolio adviser to the Fund and it provides investment advisory services to the Fund. Fidelity has entered into sub-advisory agreements with a number of entities including FIL Limited to provide investment advice with respect to all or a portion of the investments of the Fund. The sub-advisors arrange for acquisition and disposition of portfolio investments, including all necessary brokerage arrangements. The Fund pays Fidelity a monthly management and advisory fee for their services, based on the net asset value of each Series, calculated daily and payable monthly. The Fund paid Fidelity management and advisory fees of \$62,000 for the period ended June 30, 2024.

### **Administration Fee**

Fidelity charges the Fund a fixed administration fee in place of certain variable expenses. Fidelity, in turn, pays all of the operating expenses of the Fund, other than certain specified fund costs (e.g. the fees and expenses of the Independent Review Committee, taxes, brokerage commissions and interest charges). The Fund pays an annual rate, which is calculated on a tiered basis, based on the net asset value of each Series, calculated daily and payable monthly. The Fund paid Fidelity administration fees of \$13,000 for the period ended June 30, 2024.

### **Independent Review Committee, Cross-Trading and In specie Transactions**

#### **Independent Review Committee**

Fidelity has established an independent review committee (IRC) that acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting conflict of interest matters referred to it by Fidelity. The IRC prepares, at least annually, a report of its activities for securityholders of the Fund. The report is available at [www.fidelity.ca](http://www.fidelity.ca) or at the securityholder's request at no cost by contacting Fidelity, using the contact information available on the final page of this document.

#### **Cross-Trading and In specie Transactions**

The Fund received the approval and standing instructions from the IRC in order to:

- (i) engage in cross-trading, which is a form of interfund trading. A cross-trade occurs when the Fund purchases or sells portfolio securities from or to another Fund, a U.S. fund or a separately managed account, through a broker;
- (ii) permit the Fund, in certain circumstances, to purchase and redeem Fund securities in consideration for securities rather than cash of another investment fund not governed by NI 81-102, or a separately managed account, managed by Fidelity.

For each of the transactions in (i) and (ii) above, the IRC's standing instructions require Fidelity to act in accordance with its associated policies and procedures and applicable law, and comply with the conditions in each of the exemptive relief orders received, which, in the case of cross-trading, requires additional periodic reporting to the Ontario Securities Commission. The standing instructions also require that investment decisions in respect of these transactions (a) are free from any influence by an entity related to Fidelity and without taking into account any consideration relevant to an entity related to Fidelity; (b) represent the business judgment of Fidelity uninfluenced by considerations other than the best interests of the Fund; (c) comply with the applicable policies and procedures of Fidelity; and (d) achieve a fair and reasonable result for the Fund.

# Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period end of the years shown. This information is derived from the Fund's audited annual and/or unaudited semi-annual financial statements. Please see the front page for information about how you can obtain the Fund's annual or semi-annual financial statements.

## Fidelity Climate Leadership Bond Fund® Series A

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 8.17	\$ 8.29	\$ 10.14	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.36	.34	.25	.02
Total expenses (excluding distributions)	(.15)	(.15)	(.18)	(.02)
Realized gains (losses)	(.21)	(1.15)	(.39)	—
Unrealized gains (losses)	.35	1.06	(.02)	.14
<b>Total increase (decrease) from operations <sup>C</sup></b>	.35	.10	(.34)	.14
<b>Distributions:</b>				
From net investment income (excluding dividends)	(.19)	(.23)	(.19)	—
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	(.19)	(.23)	(.19)	—
<b>Net assets, end of period <sup>C</sup></b>	\$ 8.32	\$ 8.17	\$ 8.29	\$ 10.14
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 104	\$ 212	\$ 215	\$ 5,354
Securities outstanding <sup>E</sup>	12,511	25,978	25,921	528,116
Management expense ratio <sup>G,H</sup>	1.78%	1.77%	1.76%	1.76%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	1.81%	1.80%	1.79%	1.79%
Trading expense ratio <sup>I</sup>	—%	—%	—%	—%
Portfolio turnover rate <sup>J</sup>	118.02%	96.85%	60.71%	2.70%
Net asset value per security, end of period	\$ 8.3192	\$ 8.1653	\$ 8.2948	\$ 10.1398

## Fidelity Climate Leadership Bond Fund® Series B

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 8.17	\$ 8.30	\$ 10.14	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.36	.33	.25	.02
Total expenses (excluding distributions)	(.12)	(.12)	(.14)	(.02)
Realized gains (losses)	(.16)	(1.06)	(.16)	—
Unrealized gains (losses)	.29	1.05	(1.01)	.14
<b>Total increase (decrease) from operations <sup>C</sup></b>	.37	.20	(1.06)	.14
<b>Distributions:</b>				
From net investment income (excluding dividends)	(.22)	(.26)	(.21)	—
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	(.22)	(.26)	(.21)	—
<b>Net assets, end of period <sup>C</sup></b>	\$ 8.32	\$ 8.17	\$ 8.30	\$ 10.14
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 3,559	\$ 2,686	\$ 1,708	\$ 5,830
Securities outstanding <sup>E</sup>	427,642	328,667	205,711	575,036
Management expense ratio <sup>G,H</sup>	1.43%	1.44%	1.45%	1.45%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	1.46%	1.46%	1.47%	1.47%
Trading expense ratio <sup>I</sup>	—%	—%	—%	—%
Portfolio turnover rate <sup>J</sup>	118.02%	96.85%	60.71%	2.70%
Net asset value per security, end of period	\$ 8.3220	\$ 8.1713	\$ 8.3012	\$ 10.1411

## Financial Highlights – continued

### Fidelity Climate Leadership Bond Fund® Series F

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 8.19	\$ 8.32	\$ 10.14	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.36	.33	.25	.02
Total expenses (excluding distributions)	(.07)	(.07)	(.08)	(.01)
Realized gains (losses)	(.19)	(1.06)	(.05)	—
Unrealized gains (losses)	.28	1.00	(1.70)	.14
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>.38</b>	<b>.20</b>	<b>(1.58)</b>	<b>.15</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	(.27)	(.30)	(.25)	(.01)
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	<b>(.27)</b>	<b>(.30)</b>	<b>(.25)</b>	<b>(.01)</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 8.34</b>	<b>\$ 8.19</b>	<b>\$ 8.32</b>	<b>\$ 10.14</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 5,278	\$ 4,401	\$ 2,771	\$ 2,782
Securities outstanding <sup>E</sup>	633,044	537,647	333,238	274,351
Management expense ratio <sup>G,H</sup>	.86%	.86%	.85%	1.06%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	.86%	.86%	.86%	1.06%
Trading expense ratio <sup>I</sup>	—%	—%	—%	—%
Portfolio turnover rate <sup>J</sup>	118.02%	96.85%	60.71%	2.70%
Net asset value per security, end of period	\$ 8.3366	\$ 8.1861	\$ 8.3164	\$ 10.1440

### Fidelity Climate Leadership Bond Fund® Series O

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 8.19	\$ 8.32	\$ 10.14	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.36	.33	.25	.02
Total expenses (excluding distributions)	—	—	—	—
Realized gains (losses)	(.16)	(1.11)	.23	—
Unrealized gains (losses)	.30	1.03	(2.45)	.15
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>.50</b>	<b>.25</b>	<b>(1.97)</b>	<b>.17</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	(.34)	(.38)	(.33)	(.02)
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	<b>(.34)</b>	<b>(.38)</b>	<b>(.33)</b>	<b>(.02)</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 8.34</b>	<b>\$ 8.19</b>	<b>\$ 8.32</b>	<b>\$ 10.14</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 85,564	\$ 53,651	\$ 41,138	\$ 9,736
Securities outstanding <sup>E</sup>	10,259,428	6,551,970	4,945,259	959,536
Management expense ratio	—%	—%	—%	—%
Management expense ratio before waivers or absorptions	—%	—%	—%	—%
Trading expense ratio <sup>I</sup>	—%	—%	—%	—%
Portfolio turnover rate <sup>J</sup>	118.02%	96.85%	60.71%	2.70%
Net asset value per security, end of period	\$ 8.3383	\$ 8.1883	\$ 8.3188	\$ 10.1468

## Financial Highlights Footnotes

<sup>A</sup> For the period April 30, 2021 (inception date) to June 30, 2021.

<sup>B</sup> This information is derived from the Fund's audited annual and/or unaudited interim financial statements. The net assets attributable to securityholders per security presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to financial statements.

<sup>C</sup> Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of securities outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per security.

<sup>D</sup> Distributions were paid in cash or reinvested in additional securities of the Fund, or both, and excludes any applicable distributions of management fee reduction to securityholders. Distributions are presented based on management's best estimate of the tax character.

<sup>E</sup> This information is provided as at period end of the year shown.

<sup>F</sup> Prior period amounts may have been adjusted.

<sup>G</sup> Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset values during the period, including the Fund's pro-rata share of estimated expenses incurred in any underlying investment fund, if applicable.

<sup>H</sup> Effective May 18, 2021, the manager of the Fund has waived a portion of its administration fee and as of the date of the MRFP has continued to provide the Fund with such waivers. The manager may terminate the waiver at any time, at its sole discretion. It is not known when such waivers will be terminated.

<sup>I</sup> The trading expense ratio represents total commissions, other portfolio transaction costs and dividends and interest expense on securities sold short expressed as an annualized percentage of daily average net asset value during the period, including the Fund's pro-rata share of estimated trading costs incurred in any underlying investment fund, if applicable.

<sup>J</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities owned by the Fund, excluding short-term securities. The portfolio turnover rate includes any proceeds from a short sale in the value of sales of securities and the cost of covering a short sale in the value of purchases of securities. For periods greater than six months, but less than a full fiscal year, the portfolio turnover rate is annualized. The portfolio turnover rate excludes any adjustment for in-kind transactions.



## Management and Advisory Fees

Fidelity serves as manager and investment advisor of the Fund. The Fund pays Fidelity a monthly management and advisory fee for its services, based on the net asset value of each Series, calculated daily and payable monthly. Fidelity uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund securities, as well as for the general investment management expenses. Dealer compensation represents cash commissions paid by Fidelity to registered dealers during the period and includes upfront deferred sales charge and trailing commissions. This amount may, in certain circumstances, exceed 100% of the fees earned by Fidelity during the period. For new Funds or Series the amounts presented may not be indicative of longer term operating periods.

	<b>Management Fees (%)</b>	<b>Dealer Compensation (%)</b>	<b>Investment management, administration and other (%)</b>
Series A	1.350	-0.11	100.11
Series B	1.100	90.91	9.09
Series F	0.600	-	100.00

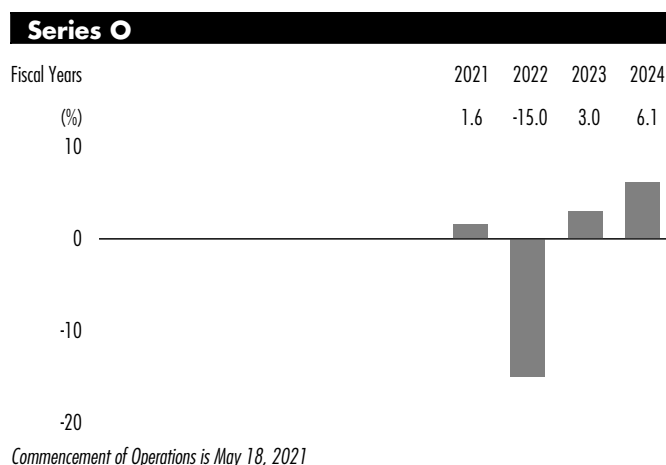
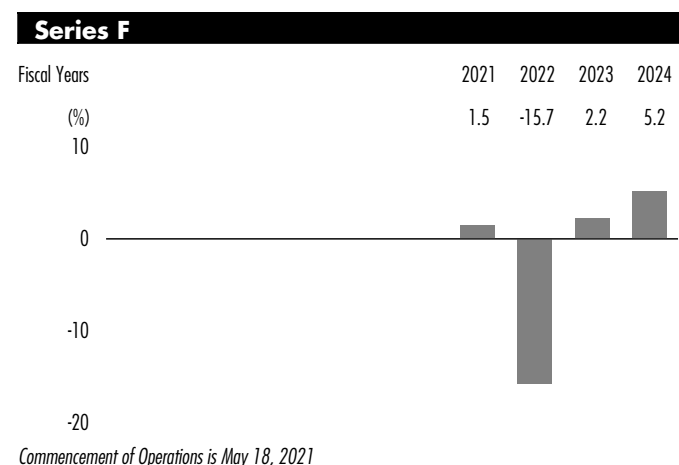
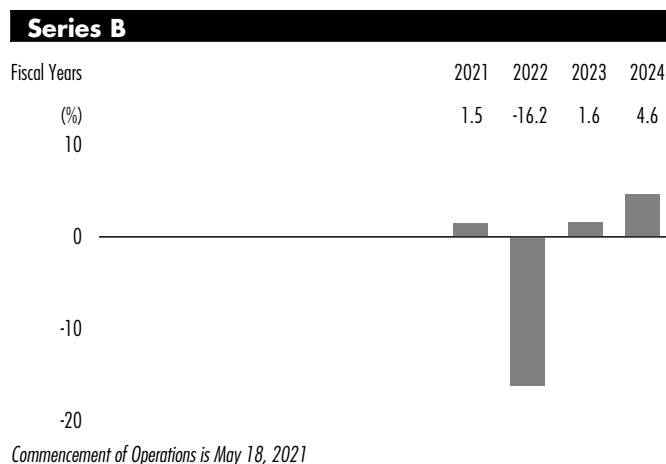
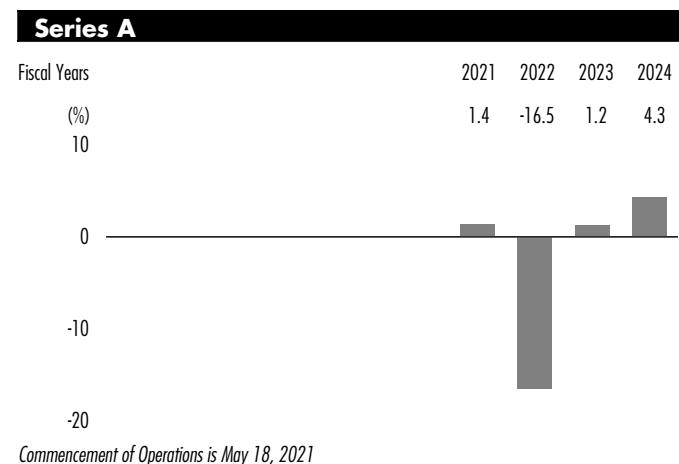
# Fidelity Climate Leadership Bond Fund®

## Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-Year Returns

The following bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



### Annual Compound Returns

This table shows the Fund's historical annual compound total returns for the periods indicated, compared with a broad-based benchmark, the Bloomberg Global Aggregate Bond Index - Hedged CAD, and the Fund's benchmark, the Bloomberg Global Aggregate Corporate Bond Index - Hedged CAD, as described below.

Average Annual Total Returns	Past 1 year	Past 3 years	Since Inception
Series A	4.3%	(4.1)%	(3.5)%
Series B	4.6%	(3.8)%	(3.2)%
Series F	5.2%	(3.2)%	(2.6)%
Series O	6.1%	(2.4)%	(1.8)%
Bloomberg Global Aggregate Bond Index - Hedged CAD	3.4%	(2.0)%	(1.7)%
Bloomberg Global Aggregate Corporate Bond Index - Hedged CAD	5.2%	(2.6)%	(1.9)%

A discussion of Fund performance can be found in the Results of Operations section of this report.

The Bloomberg Global Aggregate Bond Index covers the most liquid portion of the global investment grade fixed - rate bond market, including government, credit, and collateralized securities.

**Fidelity Climate Leadership Bond Fund®**  
**Past Performance – continued**

The Bloomberg Global Aggregate Corporate Bond Index is a flagship measure of global investment grade, fixed - rate corporate debt. This multi - currency benchmark includes bonds from developed and emerging markets issuers within the industrial, utility, and financial sectors.

On August 24, 2016, Bloomberg purchased the Barclays family of benchmark indices. As part of this transaction, all Barclays benchmark indices have been co-branded as the Bloomberg Barclays Indices for an initial period of 5 years. Effective August 24, 2021 the Bloomberg Barclays fixed income benchmark indices were rebranded as the Bloomberg Indices. This change occurred as planned at the end of the five-year period following Bloomberg's acquisition of Barclays Risk Analytics and Index Solutions (BRAIS) in August of 2016.

Each Series will have different returns because of differences in management fees and expenses.

# Summary of Investment Portfolio as at June 30, 2024

## Geographic Mix

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
United States of America	29.4	30.9
United Kingdom	27.5	21.2
France	6.0	10.6
Germany	5.5	3.7
Japan	2.6	3.0
Italy	2.4	3.4
Sweden	2.3	1.5
Switzerland	2.3	1.7
Luxembourg	2.0	2.1
Spain	1.9	2.6
Netherlands	1.9	1.6
Chile	1.7	0.0
Australia	1.2	1.8
Denmark	1.1	1.4
Belgium	1.0	3.4
Canada	1.0	2.0
Others (Individually Less Than 1%)	6.3	5.2
Cash and Cash Equivalents	3.2	1.9
Net Other Assets (Liabilities)	0.7	2.0

## Maturity Diversification

Years	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
0 – 1	5.7	3.1
1 – 3	15.0	9.1
3 – 5	17.4	16.6
Over 5	60.4	67.7

## Derivative Exposure

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
Futures Contracts	27.6	10.3
Forward Foreign Currency Contracts	0.2	1.5

*Futures Contracts percentage is calculated by dividing the sum of the notional amount by total net assets.*

*Forward Foreign Currency Contracts percentage is calculated by dividing the net unrealized gain/loss of all contracts held by total net assets.*

## Quality Diversification

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
AAA	4.8	1.3
AA	3.7	4.9
A	25.8	27.7
BBB	54.1	53.1
BB and Below	3.8	5.0
Not Rated	3.9	4.1
Short-Term Investments and Net Other Assets	3.9	3.9

*We have used ratings from Moody's Investors Service, Inc. Where Moody's® ratings are not available, we have used S&P® ratings. All ratings are as of the date indicated and do not reflect subsequent changes.*

## Top Issuers

	% of Fund's Net Assets
1. U.S. Treasury Obligations	3.4
2. Fidelity U.S. Money Market Investment Trust – Series O	3.1
3. Suntory Holdings Ltd.	1.6
4. National Grid Electricity Transmission PLC	1.4
5. Anglian Water (Osprey) Financing PLC	1.3
6. Thames Water Utility Fin Plc	1.3
7. Verisk Analytics, Inc.	1.3
8. DS Smith PLC	1.3
9. HSBC Holdings PLC	1.2
10. Cisco Systems, Inc.	1.2
11. TenneT Holding BV	1.1
12. Pacific Gas & Electric Co.	1.1
13. The Coca-Cola Co.	1.0
14. Bayer US Finance LLC	1.0
15. Wabtec Transportation Netherlands BV	1.0
16. Westfield Stratford City Finance No.2 PLC	1.0
17. Co-Operative Bank Holdings Ltd.	1.0
18. Yorkshire Water Finance PLC	1.0
19. Vodafone Group PLC	1.0
20. Air Liquide Finance	1.0
21. Barclays PLC	1.0
22. MasTec, Inc.	0.9
23. Amgen, Inc.	0.9
24. Autostrade per L'Italia SpA	0.9
25. City of Paris, France	0.9
	<u>31.9</u>

*Total Fund Net Assets \$94,505,000*

*Where applicable, the information in the above tables includes the Fund's pro-rata share of the investment in any Fidelity managed underlying fund.*

*All tables within the Summary of Investment Portfolio section, except the Top Issuers table, contain audited annual information.*

The Fund uses derivatives to try to minimize the exposure to currency fluctuations between foreign currencies in developed markets and the Canadian dollar. Any exposure to emerging

## **Summary of Investment Portfolio as at June 30, 2024 – continued**

market currencies cannot be hedged as an economic market for hedging these currencies does not exist.

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report, quarterly report, fund facts document or simplified prospectus for the investment fund and/or underlying fund is available at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments Canada ULC, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our web site at [www.fidelity.ca](http://www.fidelity.ca) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).







Fidelity Investments Canada ULC  
483 Bay Street, Suite 300  
Toronto, Ontario M5G 2N7

**Manager, Transfer Agent and Registrar**

Fidelity Investments Canada ULC  
483 Bay Street, Suite 300  
Toronto, Ontario M5G 2N7

**Custodian**

State Street Trust Company of Canada  
Toronto, Ontario

**Portfolio Adviser**

Fidelity Investments Canada ULC  
Toronto, Ontario

Visit us online at

**[www.fidelity.ca](http://www.fidelity.ca)**

or call Fidelity Client Services  
at 1-800-263-4077

Fidelity's mutual funds are sold by registered Investment Professionals. Each Fund has a simplified prospectus, which contains important information on the Fund, including its investment objective, purchase options, and applicable charges. Please obtain a copy of the prospectus, read it carefully, and consult your Investment Professional before investing. As with any investment, there are risks to investing in mutual funds. There is no assurance that any Fund will achieve its investment objective, and its net asset value, yield, and investment return will fluctuate from time to time with market conditions. Investors may experience a gain or loss when they sell their securities in any Fidelity Fund. Fidelity Global Funds may be more volatile than other Fidelity Funds as they concentrate investments in one sector and in fewer issuers; no single Fund is intended to be a complete diversified investment program. Past performance is no assurance or indicator of future returns. There is no assurance that either Fidelity Canadian Money Market Fund, Fidelity Canadian Money Market Investment Trust, Fidelity U.S. Money Market Fund or Fidelity U.S. Money Market Investment Trust will be able to maintain its net asset value at a constant amount. The breakdown of Fund investments is presented to illustrate the way in which a Fund may invest, and may not be representative of a Fund's current or future investments. A Fund's investments may change at any time.

®Fidelity Investments is a registered trademark of Fidelity Investments Canada ULC.