



# **Fidelity International Value ETF (formerly Fidelity International Value Index ETF)**

**Semi-Annual  
Management Report  
of Fund Performance**  
September 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.

# Semi-Annual Management Report of Fund Performance as at September 30, 2024

## Fidelity International Value ETF

*This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements for the investment fund. You can get a copy of the semi-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

### Results of Operations

Fidelity International Value ETF returned 2.1%, after fees and expenses, for the six-month period ended September 30, 2024. During the review period, global equities, as represented by the MSCI EAFE Index, returned 6.6% (in Canadian dollar terms).

Market overview:

Global equities, as broadly measured by the MSCI World Index, returned 9.0% in Canadian dollar terms and 9.2% in U.S. dollar terms, for the six-month period ended September 30, 2024.

Global equities rose during the review period. Steady growth in the U.S. economy along with expectations that declining inflation may support further rate cuts across most of developed markets supported investor confidence. Investor optimism in the artificial intelligence initially boosted gains in the information technology and communication services sectors but faced volatility in the latter part of the review period due to skepticism about stretched valuations. Defensive sectors such as utilities and consumer staples gained, as investors looked for stability amidst ongoing market volatility. Interest rate sensitive sectors, including real estate and financials sectors also rose, indicating optimism about enhanced earnings potential due to lower borrowing costs for consumers and businesses. In Europe, strong corporate earnings and decelerating inflation supported investor confidence. The European Central Bank reduced its benchmark interest rate by 25 basis points in June and September, bringing the rate down to 3.50%. Japanese equities experienced a period of volatility amid rising concerns about a recession in the U.S., an unexpected rise in Bank of Japan's benchmark rate of interest and the rise in the value of yen against the U.S. dollar.

Factors affecting performance:

The Fund's benchmark, the Fidelity Canada International Value Index, returned 2.2% during the review period. The Fund underperformed its benchmark over the period under review. The primary reason for the difference in returns between the Fund and the Index was that the total return of the Fund was reduced by the management fee paid or payable by the Fund, as well as brokerage and commission costs incurred in acquiring and rebalancing the portfolio of securities held by the Fund, and taxes (including withholding taxes, where applicable) and other expenses paid or payable by the Fund. These fees and expenses are not included in the calculation of the performance of the Index.

The Fund's exposure to Hong Kong-based insurance company AIA Group, Hong Kong-based financial services company Hong Kong Exchanges and Clearing Limited, and U.K.-based banking company Barclays contributed to total returns, while exposure to Netherlands-based automotive manufacturing company Stellantis, Japan-based automotive manufacturer Toyota Motor Corporation, and Germany-based automobiles and motorcycles company Bayerische Motoren Werke detracted from total returns.

Portfolio changes:

At the sector level, relative to the MSCI EAFE Index, the Fund had its highest relative weightings in the materials, financials, and consumer discretionary sectors, and its lowest relative weightings in the health care, consumer staples, and information technology sectors.

The Index is rebalanced on a semi-annual basis on the third Friday of February and August using data as at the close of business on the day that is ten business days prior to the scheduled rebalancing. Accordingly, the composition of the Fund may change, resulting in different sector and security weightings.

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.

### Recent Developments

Since the investment objective of the Fund is to seek to replicate, to the extent possible and before fees and expenses, the performance of the Index, the Fund is not actively managed by traditional methods. Accordingly, the Fund will continue to be invested in securities as described in its investment objective and strategies and will generally not be affected by market developments unless the constituent securities included in the Index change in response to those developments.

### 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 Geode Capital Management, LLC, 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

## **Fidelity International Value ETF Management Discussion of Fund Performance – continued**

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 \$585,000 for the period ended September 30, 2024.

### **Brokerage Commissions**

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of Fidelity, provided it determines that these affiliates' trade execution abilities and costs are comparable to those of non-affiliated, qualified brokerage firms, on an execution-only basis. Commissions paid to brokerage firms that are affiliates of Fidelity Investments were \$0 for the period ended September 30, 2024. Fidelity receives standing instructions from the IRC in respect of policies and procedures governing best execution of transactions with affiliates, which includes brokers affiliated to Fidelity Investments, at least once per year.

### **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 International Value ETF Series L

	Six months ended September 30, 2024		Periods ended March 31, 2023		2022		2021 <sup>A</sup>	
<b>The Series' Net Assets per Security<sup>B</sup></b>								
Net assets, beginning of period <sup>C</sup>	\$	34.71	\$	29.69	\$	27.57	\$	27.82
<b>Increase (decrease) from operations:</b>								
Total revenue		.90		1.44		1.62		1.31
Total expenses (excluding distributions)		(.23)		(.36)		(.32)		(.32)
Realized gains (losses)		1.14		2.00		(.76)		1.88
Unrealized gains (losses)		(1.05)		3.53		2.67		(2.47)
<b>Total increase (decrease) from operations<sup>C</sup></b>		.76		6.61		3.21		.40
<b>Distributions:</b>								
From net investment income (excluding dividends)		(.60)		(1.18)		(.95)		(.85)
From dividends		—		—		—		—
From capital gains		—		(.55)		—		(1.76)
Return of capital		—		—		—		—
<b>Total distributions<sup>C,D</sup></b>		(.60)		(1.73)		(.95)		(2.61)
<b>Net assets, end of period<sup>C</sup></b>	\$	34.81	\$	34.71	\$	29.69	\$	27.57
<b>Ratios and Supplemental Data</b>								
Net asset value (000s) <sup>E</sup>	\$	309,833	\$	210,290	\$	126,173	\$	79,961
Securities outstanding <sup>E</sup>		8,900,000		6,050,000		4,250,000		2,900,000
Management expense ratio <sup>F</sup>		.52%		.51%		.51%		.52%
Management expense ratio before waivers or absorptions <sup>F</sup>		.52%		.51%		.51%		.52%
Trading expense ratio <sup>G</sup>		.33%		.19%		.21%		.29%
Portfolio turnover rate <sup>H</sup>		49.10%		94.12%		99.63%		133.80%
Net asset value per security, end of period	\$	34.8127	\$	34.7053	\$	29.6878	\$	27.5729

<sup>A</sup> For the period May 25, 2020 (inception date) to March 31, 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> 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>G</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>H</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.

Series L

<b>Management Fees (%)</b>	<b>Dealer Compensation (%)</b>	<b>Investment management, administration and other (%)</b>
0.450	-	100.00

# Fidelity International Value ETF

## Past Performance

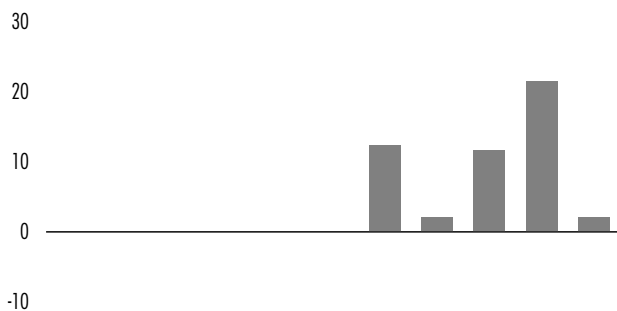
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns 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. For each Series in the Year-by-Year Returns table below, the most recent returns stated are for the current six month period.

#### Series L

Fiscal Years	2021	2022	2023	2024	2024
(%)	12.3	2.1	11.7	21.5	2.1



Commencement of Operations is June 5, 2020

# Summary of Investment Portfolio as at September 30, 2024

## Sector Mix

	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
Financials	27.6	26.8
Consumer Discretionary	17.4	19.5
Materials	14.0	13.7
Industrials	11.3	10.3
Utilities	9.5	0.0
Energy	9.2	10.8
Health Care	6.3	5.2
Information Technology	2.0	2.3
Consumer Staples	1.7	2.1
Others (Individually Less Than 1%)	0.0	8.1
Cash and Cash Equivalents	0.1	0.3
Net Other Assets (Liabilities)	0.9	0.9

## Geographic Mix

	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
Japan	23.0	24.8
United Kingdom	13.6	10.3
France	11.8	8.8
Australia	11.4	10.6
United States of America	9.8	4.9
Germany	8.8	14.0
Sweden	4.4	2.7
Switzerland	2.9	2.5
Hong Kong	2.8	3.0
Spain	2.6	3.5
Luxembourg	2.2	1.6
Denmark	1.7	1.5
Italy	1.6	3.4
Singapore	1.4	0.0
Others (Individually Less Than 1%)	1.0	7.2
Cash and Cash Equivalents	0.1	0.3
Net Other Assets (Liabilities)	0.9	0.9

## Derivative Exposure

	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
Futures Contracts	1.0	1.2

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

## Market Capitalization

	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
Large	89.5	93.1
Mid	10.1	5.7
Small	0.0	0.0

Market Capitalization is a measure of the size of a company. It is calculated by multiplying the current share price by the number of outstanding common shares of the company. The Fund defines small cap as less than \$2 billion, mid cap as between \$2 billion and \$10 billion, and large cap as over \$10 billion in capitalization.

## Top Issuers

	% of Fund's Net Assets
1. BHP Group Ltd.	2.8
2. Shell PLC	2.7
3. Engie SA	2.7
4. TotalEnergies SE	2.5
5. Drax Group PLC	2.4
6. Rio Tinto PLC	2.4
7. Nippon Steel Corp.	2.4
8. LVMH Moet Hennessy Louis Vuitton SE	2.3
9. Glencore PLC	2.3
10. Toyota Motor Corp.	2.2
11. ArcelorMittal SA	2.2
12. Kansai Electric Power Co., Inc.	2.2
13. Centrica PLC	2.2
14. BP PLC	2.1
15. Kingfisher PLC	2.0
16. SSAB AB	1.9
17. Sony Group Corp.	1.9
18. INPEX Corp.	1.9
19. HSBC Holdings PLC	1.8
20. Allianz SE	1.7
21. UniCredit SpA	1.6
22. AIA Group Ltd.	1.5
23. Mercedes-Benz Group AG	1.5
24. TUI AG	1.4
25. Panasonic Holdings Corp.	1.4
	<u>52.0</u>

Total Fund Net Assets \$309,833,000

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

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).











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