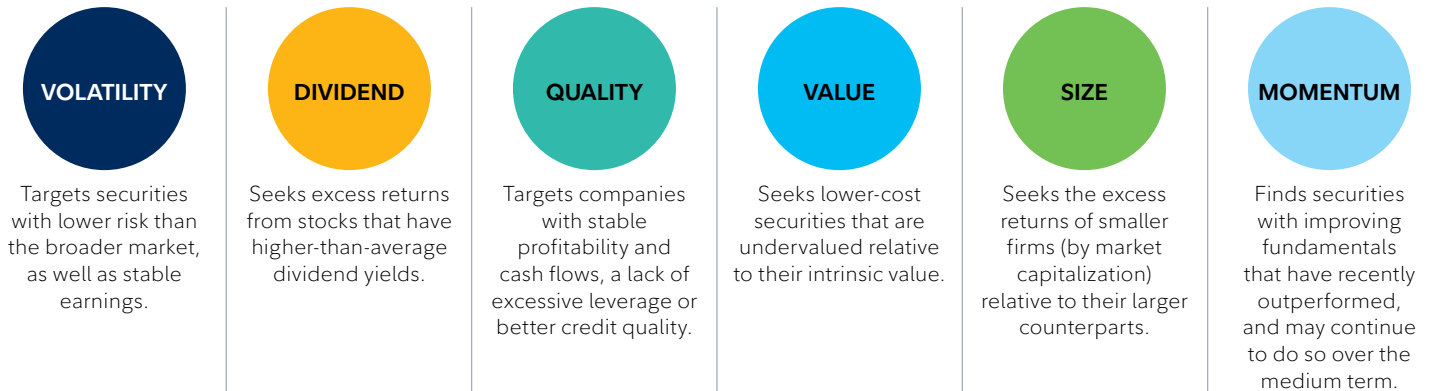


Factor ETF fundamentals

WHAT IS A FACTOR?

A factor is a measurable **characteristic** that can be used to select which securities to invest in.



Factors can be compared to portfolio manager investment styles. For example:

- A value portfolio manager seeks undervalued securities.
- A high-quality ETF tracks an index composed of securities that generate solid profits, possess strong balance sheets and demonstrate stable cash flows.

WHAT IS A FIDELITY FACTOR[®] ETF?



A Fidelity Factor[®] ETF is actively designed because an index is **custom built around a chosen factor**.



It is passive in execution because it tracks its custom-built index using **a rules-based methodology**.

Example:

- ✓ You want to invest in **less volatile companies**.
- ✓ **Fidelity Canadian Low Volatility ETF** could meet your investment goals.
- ✓ This factor ETF tracks a custom-built index that looks for **securities that are less volatile**.



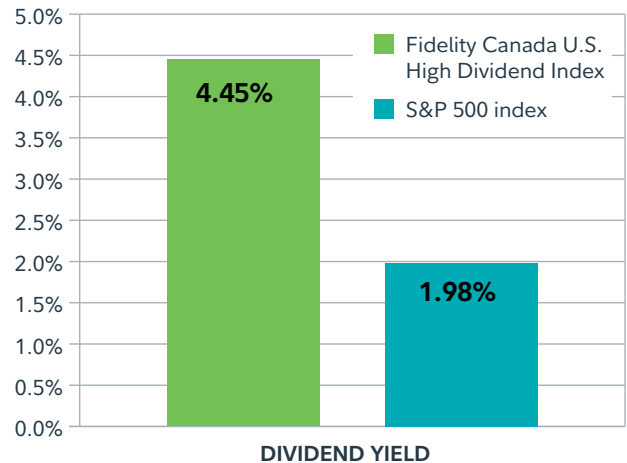
Your goals will help indicate which Fidelity Factor ETF is the right choice.

HOW IS A FIDELITY FACTOR ETF DIFFERENT FROM OTHER INVESTMENTS?

ACTIVE MUTUAL FUND	FIDELITY FACTOR ETF Active in design. Passive in execution.	PASSIVE ETF
<ul style="list-style-type: none"> Portfolio managers select each investment. Seeks to outperform a broad-market index (e.g., S&P 500). Seeks to buy high-performing securities and avoid low-performing securities. 	<ul style="list-style-type: none"> Uses decades of quantitative research and fundamental analysis to create factor-based indexes. Seeks to outperform a broad-market index by tracking a custom-built index. Indexed for exposure to factors: dividend yield, volatility, quality, momentum, size and value. 	<ul style="list-style-type: none"> Little to no research involved in the creation of the product. Seeks to track a broad-market index (e.g., S&P 500). Provides exposure to securities within a broad-market index.

WHY SHOULD I CONSIDER A FIDELITY FACTOR ETF IN MY PORTFOLIO?

Fidelity Factor ETFs are **outcome-oriented investments** that help you achieve your financial goals by capturing factor-based opportunities the market may miss.



Source: Bloomberg, as of October 31, 2024.

The gross dividend yield is calculated by taking the compounded annualized difference between the total return index value and price return index value for the 12-month period ended 31 October 2024. The hypothetical returns shown above are for illustrative purposes only and are only intended to show the back-tested historical annualized total returns of the Fidelity Canada U.S. High Dividend Index (the "Index") if the Index had existed during the time period indicated above. The hypothetical performance shown is not the actual performance of the Index, a fund or a client portfolio. The S&P 500 Index is a widely recognized index of 500 U.S. common stocks of large- and mid-capitalization companies. Investing directly in an index is not possible.

To learn more about factor ETFs, please visit [fidelity.ca](https://www.fidelity.ca)



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Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the mutual fund or ETF's prospectus, which contains detailed investment information, before investing. Mutual funds and ETFs are not guaranteed. Their values change frequently, and investors may experience a gain or a loss. Past performance may not be repeated.