

# A Message to Investors

## in the Fidelity Mutual Funds and Exchange-Traded Funds

We are the Independent Review Committee for the Fidelity mutual funds and exchange-traded funds (individually, a “Fund”, collectively, the “Funds”) listed in Appendix A to this report, and are pleased to present this annual report to investors of the Funds for the year ended March 31, 2020. All mutual funds and exchange-traded funds in Canada are required to have an independent committee to advise the manager of the funds regarding conflicts of interest that arise in mutual fund and exchange-traded fund management.

Fidelity Investments Canada ULC is the Manager of your investment. We are proud to be working on behalf of Fund investors and with a company that has withstood the test of time and prides itself on its reputation for integrity, quality and performance for investors.

The members of the Independent Review Committee have a broad range of expertise which includes investment fund management, securities trading, financial, governance and accounting.

The mandate of the Committee is to review all conflicts of interest referred to it by the Manager, including the policies and procedures the Manager proposes to manage these conflicts. The Committee provides the Manager with its recommendation on whether the Manager’s policies resolve the various conflicts in a way that achieves a fair and reasonable result for the Funds.

We assess the Manager’s policies and procedures no less often than once annually. We also review and report on our members’ independence and compensation at least once per year.

### Independent Review Committee

The members of the Independent Review Committee are:

NAME	DOMICILE	FIRST APPOINTED
James E. Cook (Chair)	Etobicoke	September 19, 2014
Richard J. Kostoff	Toronto	February 25, 2014
Frances Horodelski	Toronto	February 28, 2017
Douglas Nowers	Toronto	February 8, 2019

The functions of the Independent Review Committee are to:

- Review and provide its decision to the Manager on conflict of interest matters that the Manager refers to the Independent Review Committee;
- At least annually review and assess the adequacy and effectiveness of the Manager’s written policies and procedures concerning conflict of interest matters, including approving, amending or providing standing instructions that can be relied upon by the Manager; and
- Identify any conditions to a recommendation or approval it has provided to the Manager.

The Independent Review Committee meets regularly with representatives of the Manager, and holds meetings without representatives of the Manager being present, to discuss matters affecting the Manager’s policies and procedures, standing instructions and conflict of interest matters referred to the Independent Review Committee.

During the year ended March 31, 2020, the Independent Review Committee held five meetings with representatives of the Manager. At four of these meetings, the Independent Review Committee held a separate meeting at which representatives of the Manager were not present.

None of the members of the Independent Review Committee have any relationships which would compromise their independence with respect to the Funds.

### **Ownership of Securities**

The percentage of securities of each class or series of voting or equity securities beneficially owned directly or indirectly, in aggregate, by all members of the Independent Review Committee in any Fund does not exceed 0.01 percent.

None of the members of the Independent Review Committee beneficially own directly or indirectly any securities of the Manager.

The percentage of securities beneficially owned, directly or indirectly, in aggregate, by all members of the Independent Review Committee in any significant supplier to the Funds does not exceed 0.01 percent.

### **Compensation and Indemnities**

The aggregate compensation paid to the Independent Review Committee by all the Funds managed by the Manager to which NI 81-107 *Independent Review Committee for Investment Funds* applies for the calendar year ended December 31, 2019 was \$236,778.00. The aggregate compensation paid to the Independent Review Committee by the Funds covered in this report during the year ended March 31, 2020 was \$64,442.43. This amount is allocated among the Funds shown in Appendix A based on each Fund's net assets. Please see the annual financial statements of each Fund for the amount paid by each Fund.

No indemnity amounts were paid to members of the Independent Review Committee by the Funds during the period.

The Manager set the initial compensation of the Independent Review Committee at the time of its initial appointment on February 23, 2007. At least annually, the Independent Review Committee reviews its compensation. In judging the appropriate level of compensation, the Independent Review Committee has considered, among other things:

- the number, size and complexity of the Funds;
- available information on the compensation of similar committees;
- workload;
- breadth and depth of the relevant experience of its members;
- the benefits accruing to the Funds as a result of its activity; and
- the opinion of the Manager.

Further to this review, on June 4, 2015, the Independent Review Committee approved the first increase to its compensation since 2007. The Independent Review Committee believes that the level of compensation of its members is appropriate.

### **Charter**

The Independent Review Committee has adopted and reviews on at least an annual basis, a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions.

### **Conflict of Interest Matters**

#### *Policies and Procedures*

During the period the Independent Review Committee has reviewed, and, where appropriate, arranged for periodic reporting on each of the following conflict of interest matters referred to it by the Manager. Its objective has been to achieve a fair and reasonable result for the Funds. It has provided the Manager with standing instructions to apply the following policies in accordance with their terms.

POLICY	DESCRIPTION
1. Code of Ethics / Personal Investing	This policy governs the personal investing and other activities of employees of the Manager and certain of its affiliates.
2. Business Entertainment and Workplace Gifts	This policy governs the provision and acceptance of gifts and business entertainment by employees of the Manager and certain of its affiliates.
3. Trade Allocation	This policy governs the allocation of trades of portfolio securities between Funds or client accounts when more than one Fund or client account is buying or selling securities of a particular issuer at the same time.
4. Best Execution and Fair Trading	This policy addresses the quality of execution of trades of portfolio securities or foreign exchange trades by brokers, including both 3 <sup>rd</sup> party brokers and brokers affiliated to the Manager, on behalf of the Funds.
5. Commission Uses	The Manager places a large volume of orders to buy and sell portfolio securities on behalf of the Funds. It has in place arrangements with the brokers that execute the trades whereby the Manager may receive brokerage and research services or whereby the broker may rebate a portion of the commissions paid by a Fund back to the Fund. This policy governs such arrangements.
6. Trade Error Correction	This policy governs the correction of errors made in executing trades of portfolio securities on behalf of a Fund, including the resolution of errors taking place as the Funds seek to repatriate foreign currencies to their working currency or hedge currency exposure.
7. Proxy Voting	The Funds own portfolio securities and therefore the right to vote proxies. This policy governs the voting of proxies.
8. Transfer Agency Error Correction	This policy governs the correction of errors made in executing investor transactions in the securities of a Fund.
9. NAV Calculation and Fair Value	This policy governs the calculation of a Fund's net asset value per share (NAV), including situations where market quotations for a portfolio security are not readily available or when market quotations are unreliable, in which case the Manager will calculate the NAV using the fair value of that security.
10. NAV Error Correction	This policy governs the correction of errors made in calculating a Fund's NAV.
11. Short-Term Trading	This policy governs the detection and prevention of active trading, which may be harmful to the Funds.
12. Substantial Security Holders	This policy addresses potential conflicts of interest that may arise where a company becomes a significant investor in a Fund and the Fund invests in that company or a company related to that company.
13. Side-by-side	This policy addresses the side-by-side management of different types of accounts, including accounts that invest on a long-only basis – that is, buy securities – and accounts that may also invest on a short basis – that is, sell securities that they don't own, in the hope of repurchasing them later at a lower price.
14. Seed Capital Redemption	The Manager is required to provide seed capital to new Funds. This policy governs the manner in which the seed capital of a Fund may be redeemed by the Manager.
15. Large Investors	This policy addresses the potential conflicts of interest that may arise where large institutional and retail investors invest in the Funds.
16. Fidelity Capital Structure Corp. Dividend Allocation	This policy governs the allocation of dividends by Fidelity Capital Structure Corp. to its investors.
17. Purchase of Securities Underwritten by an Affiliate	This policy governs investments by the Funds in a class of securities of an issuer during a distribution (i.e., an offering), or within 60 days of a distribution, of those securities where an affiliate of the Manager acts as an underwriter of the offering.
18. Disclosure of Portfolio Information	This policy governs the manner and timelines regarding the disclosure of Fund portfolio information.
19. Complaints	This policy governs the process for managing and resolving complaints received from investors in the Funds.

POLICY	DESCRIPTION
20. Benchmarks	This policy governs the process for selecting and changing performance benchmarks of the Funds.
21. Fund-of-Funds	This policy governs the potential conflicts of interest that may arise where the Manager's Funds invest all of their assets in units of its other Funds.
22. <i>In specie</i> Transactions	This policy governs the process of transferring portfolio assets between the Funds, pooled funds and managed accounts, all of which are managed or advised by the Manager.
23. Fidelity Capital Structure Corp. Income Tax	This policy governs the allocation of any non-refundable income taxes of the Fidelity Capital Structure Corp. to classes within the corporation.
24. Co-Investing Conflicts	This policy addresses potential conflicts of interest where a Fund may desire to invest in a company in which another Fidelity entity wishes to make a simultaneous investment or has a pre-existing interest.

In March 2020, the Independent Review Committee provided a positive recommendation to the Manager with respect to the proposed termination of Fidelity Global Telecommunications Fund, which is expected to be completed in 2020.

### Approvals

The Independent Review Committee has provided approval for the Funds to invest in securities of significant investors in a Fund as long as the Manager follows the terms of the Substantial Security Holders Policy described above and reports quarterly to the Committee on compliance with the terms of the policy.

### Conclusion

The Independent Review Committee receives periodic reports arising under the above-mentioned policies and procedures on conflict of interest matters for which it has provided standing instructions to the Manager.

During the period there were no conflict of interest matters referred to the Independent Review Committee by the Manager for which the Independent Review Committee did not give a positive recommendation and there was no instance when the Manager acted in a conflict of interest matter but did not meet a condition imposed by the Independent Review Committee in its recommendation or approval.

James E. Cook  
Chair  
June 9, 2020

# APPENDIX A

## Funds Covered By This Report

### FIDELITY MUTUAL FUNDS

Fidelity American Balanced Currency Neutral Fund

Fidelity American Balanced Fund

Fidelity AsiaStar® Fund

Fidelity Canadian Focused Equity Multi-Asset Base Fund  
(formerly Fidelity Canadian Focused Equity Investment Trust)

Fidelity Canadian High Dividend Index ETF Fund

Fidelity Canadian High Quality Index ETF Fund

Fidelity Canadian Low Volatility Index ETF Fund

Fidelity Canadian Monthly High Income ETF Fund

Fidelity Canadian Short Term Corporate Bond ETF Fund

Fidelity China Fund

Fidelity Conservative Income Fund

Fidelity Conservative Income Private Pool

Fidelity Emerging Markets Debt Multi-Asset Base Fund  
(formerly Fidelity Emerging Markets Debt Investment Trust)

Fidelity Emerging Markets Equity Multi-Asset Base Fund  
(formerly Fidelity Emerging Markets Equity Investment Trust)

Fidelity Emerging Markets Fund

Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund (formerly Fidelity Emerging Markets Local Currency Debt Investment Trust)

Fidelity Europe Fund

Fidelity Far East Fund

Fidelity Floating Rate High Income Currency Neutral Fund

Fidelity Founders Investment Trust™

Fidelity Frontier Emerging Markets Fund

Fidelity Global Asset Allocation Currency Neutral Private Pool

Fidelity Global Asset Allocation Fund

Fidelity Global Asset Allocation Private Pool

Fidelity Global Bond Currency Neutral Fund

Fidelity Global Bond Currency Neutral Multi-Asset Base Fund (formerly Fidelity Global Bond Currency Neutral Investment Trust)

Fidelity Global Bond Fund

Fidelity Global Bond Multi-Asset Base Fund (formerly Fidelity Global Bond Investment Trust)

Fidelity Global Concentrated Equity Currency Neutral Fund

Fidelity Global Concentrated Equity Fund

Fidelity Global Consumer Industries Fund

Fidelity Global Core Plus Bond ETF Fund

Fidelity Global Credit Ex-U.S. Currency Neutral Multi-Asset Base Fund

Fidelity Global Credit Ex-U.S. Investment Trust

Fidelity Global Disciplined Equity® Currency Neutral Fund

Fidelity Global Disciplined Equity® Fund

Fidelity Global Dividend Fund

Fidelity Global Dividend Investment Trust

Fidelity Global Financial Services Fund

Fidelity Global Fund

Fidelity Global Growth and Value Investment Trust

Fidelity Global Health Care Fund

Fidelity Global High Yield Multi-Asset Base Fund (formerly Fidelity Global High Yield Investment Trust)

Fidelity Global Innovators® Investment Trust

Fidelity Global Intrinsic Value Investment Trust

Fidelity Global Large Cap Fund

Fidelity Global Monthly High Income ETF Fund

Fidelity Global Monthly Income Currency Neutral Fund

Fidelity Global Monthly Income Fund

Fidelity Global Natural Resources Fund

Fidelity Global Real Estate Fund

Fidelity Global Real Estate Multi-Asset Base Fund (formerly Fidelity Global Real Estate Investment Trust)

Fidelity Global Small Cap Fund

Fidelity Global Telecommunications Fund

Fidelity Insights Currency Neutral Multi-Asset Base Fund

Fidelity Insights Investment Trust

Fidelity Insights Systematic Currency Hedged Fund

Fidelity International Concentrated Equity Currency Neutral Fund

Fidelity International Concentrated Equity Fund

Fidelity International Disciplined Equity® Currency Neutral Fund

Fidelity International Disciplined Equity® Fund

Fidelity International Equity Multi-Asset Base Fund (formerly Fidelity International Equity Central Fund)

Fidelity International Growth Currency Neutral Multi-Asset Base Fund

Fidelity International Growth Fund



# APPENDIX A

## Funds Covered By This Report (*continued*)

Fidelity International Growth Multi-Asset Base Fund  
(formerly Fidelity International Growth Investment Trust)

Fidelity International High Dividend Index ETF Fund

Fidelity International High Quality Index ETF Fund

Fidelity International Low Volatility Index ETF Fund

Fidelity Investment Grade Total Bond Currency  
Neutral Fund

Fidelity Investment Grade Total Bond Fund

Fidelity Japan Fund

Fidelity Multi-Sector Bond Currency Neutral Fund

Fidelity Multi-Sector Bond Fund

Fidelity NorthStar® Balanced Currency Neutral Fund

Fidelity NorthStar® Balanced Fund

Fidelity NorthStar® Currency Neutral Fund

Fidelity NorthStar® Fund

Fidelity Strategic Income Currency Neutral Fund

Fidelity Strategic Income Fund

Fidelity Sustainable World ETF Fund

Fidelity Systematic Canadian Bond Index ETF Fund

Fidelity Systematic U.S. High Yield Bond Currency Neutral  
ETF Fund

Fidelity Systematic U.S. High Yield Bond ETF Fund

Fidelity Tactical Global Dividend ETF Fund

Fidelity Tactical High Income Currency Neutral Fund

Fidelity Tactical High Income Fund

Fidelity Tactical Strategies Fund

Fidelity Technology Innovators Fund (formerly Fidelity  
Global Technology Fund)

Fidelity U.S. Dividend for Rising Rates Currency Neutral  
Index ETF Fund

Fidelity U.S. Dividend for Rising Rates Index ETF Fund

Fidelity U.S. High Dividend Currency Neutral Index  
ETF Fund

Fidelity U.S. High Dividend Index ETF Fund

Fidelity U.S. High Quality Currency Neutral Index  
ETF Fund

Fidelity U.S. High Quality Index ETF Fund

Fidelity U.S. Low Volatility Currency Neutral Index  
ETF Fund

Fidelity U.S. Low Volatility Index ETF Fund

Fidelity U.S. Monthly Income Currency Neutral Fund

### **FIDELITY EXCHANGE-TRADED FUNDS**

Fidelity Canadian High Dividend Index ETF

Fidelity Canadian High Quality Index ETF

Fidelity Canadian Low Volatility Index ETF

Fidelity Canadian Monthly High Income ETF

Fidelity Canadian Short Term Corporate Bond ETF

Fidelity Global Core Plus Bond ETF

Fidelity Global Monthly High Income ETF

Fidelity International High Dividend Index ETF

Fidelity International High Quality Index ETF

Fidelity International Low Volatility Index ETF

Fidelity Sustainable World ETF

Fidelity Systematic Canadian Bond Index ETF

Fidelity Systematic U.S. High Yield Bond Currency  
Neutral ETF

Fidelity Systematic U.S. High Yield Bond ETF

Fidelity U.S. Dividend for Rising Rates Currency Neutral  
Index ETF

Fidelity U.S. Dividend for Rising Rates Index ETF

Fidelity U.S. High Dividend Currency Neutral Index ETF

Fidelity U.S. High Dividend Index ETF

Fidelity U.S. High Quality Currency Neutral Index ETF

Fidelity U.S. High Quality Index ETF

Fidelity U.S. Low Volatility Currency Neutral Index ETF

Fidelity U.S. Low Volatility Index ETF