ICAV I

Sustainable Research Enhanced US Equity UCITS ETF Accumulating USD Shares

31.12.2023 Quarterly Performance Review

Portfolio manager: Hiten Savani, Daniel Swift

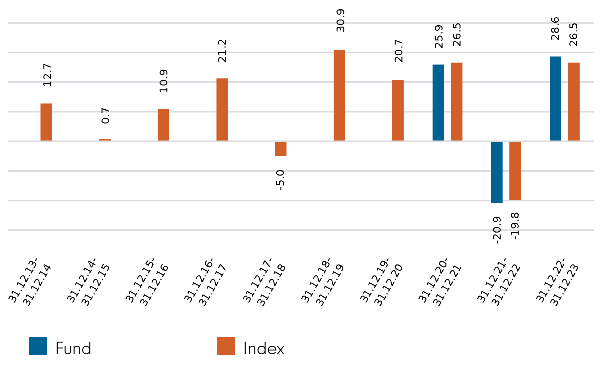
Performance over quarter in USD (%)

Fund	11.7
Market index	11.8

MSCI US (N)
Market index is for comparative purposes only.

Source of fund performance is Fidelity. Other share classes may be available. Please refer to the prospectus for more details.

Performance for 12 month periods in USD (%)



Market Environment

US equities rallied in the fourth quarter of 2023. Equities started the period on a pessimistic note following the release of weaker than expected results from technology companies. Equities rebounded in November reversing a three-month losing streak. Markets were supported by easing inflation, positive corporate earnings and resilient economic data. Equities continued to deliver positive returns in December, supported by more dovish commentary from the US Federal Reserve (Fed) and increasing confidence that interest rates cuts would be forthcoming in 2024. Fed Chairman Jerome Powell indicated that officials could introduce rates cuts as inflation, as measured by the Consumer Price Index (CPI), appears to be on its way to the central bank's 2% target. Against this macroeconomic backdrop, all sectors except energy rose, with real estate, information technology and financials delivering the highest returns. From a style perspective, growth and quality stocks outpaced value names. Small-cap and mid-caps surpassed large-cap names.

Fund Performance

The fund's Acc-USD share class delivered strong positive returns of 11.75% (net) in the fourth quarter but marginally underperformed the MSCI USA Index (N), which returned 11.81%. The fund underperformed, primarily due to stock selection in consumer discretionary and underweight positioning in industrials. Conversely, stock selection in information technology, energy and healthcare added to relative returns.

Selected pharmaceutical companies held back gains

Position in global biopharmaceutical company Bristol-Myers Squibb detracted from relative performance due to the defensive nature of their businesses as the prospect of interest rate cuts meant that investors favoured the more cyclical parts of the market. This was partially offset due to lack of exposure to slow growing diversified medical products company Johnson & Johnson which underperformed the market following a dull third quarter results.

Automobile components were out of favour

Overweight position in Hesai group, global leader in Light Detection and Ranging (LiDAR) solutions in automobiles and robotics applications, proved unrewarding as its shares traded flat after mixed third quarter result though long-term thesis on increase LIDAR adoption stays intact.

Stock selection in energy stocks added value

Not holding integrated energy company Chevron added relative value as its shares declined tracking crude oil prices lower. Chevron is expected to underperform peers based on too little LNG growth with no projects in the pipeline which is problematic given the strong long-term outlook in LNG.

Fund Positioning

This enhanced index fund is managed by the Fidelity Systematic Investing team and is constructed using a rigorous and repeatable investment process. It is designed to provide sustainable broad US equity exposure with low active risk and a tracking error of below 2%. This fund leverages Fidelity's unique fundamental research and proprietary sustainable ratings. It is expected to behave similarly to the index, with broadly neutral sector and regional positions, with security selection being the predominant driver of risk. The portfolio is designed to outperform its benchmark, with an alpha target of +1% gross per annum through the market cycle, i.e., more than five years.

Core Active Positions

At a sector level, financials, healthcare, and energy are the key overweights. Conversely, the key underweights are industrials and utilities. At a stock level, the fund has key overweight positions in American multinational payment card services company Visa, American chain of fast casual restaurants Chipotle Mexican Grill and carbonated soft drink manufacturer Coca Cola. On the other hand, key underweight positions include Johnson & Johnson, electric vehicles giant Tesla and pharmaceuticals company Eli Lilly.

Key trades

We initiated a new position in Hesai group. Conversely, we closed position in Woodward (company that designs, manufactures, and services control systems for the aerospace and industrial industries) to fund other positions with better risk reward potential.

Important Information
Past performance does not predict future returns. The fund's returns may increase or decrease as a result of currency fluctuations. The investment which is promoted concerns the acquisition of units or shares in a fund, and not in a given underlying asset owned by the fund.

The value of your investment may fall as well as rise and you may get back less than you originally invested. Funds are subject to charges and expenses. Charges and expenses reduce the potential growth of your investment. This means you could get back less than you paid in. The costs may increase or decrease as a result of currency and exchange rate fluctuations. Please refer to the Prospectus and KID of the fund before making any final investment decisions. When referring to sustainability-related aspects of a promoted fund, the decision to invest should take into account all characteristics or objectives of the promoted fund as detailed in the prospectus. This fund uses financial derivative instruments for investment purposes, which may expose the fund to a higher degree of risk and can cause investments to experience larger than average price fluctuations. The fund promotes environmental and/or social characteristics. The Investment Manager's focus on securities of issuers which maintain sustainable characteristics may affect the fund's investment performance favourably or unfavourably in comparison to similar funds without such focus. The sustainable characteristics of securities may change over time.

Important Information

This information must not be reproduced or circulated without prior permission.
Fidelity only offers information on products and services and does not provide investment advice based on individual circumstances, other than when specifically stipulated by an appropriately authorised firm, in a formal communication with the client.
Fidelity International refers to the group of companies which form the global investment management organisation that provides information on products and services in designated jurisdictions outside of North America. This communication is not directed at, and must not be acted upon by persons inside the United States and is otherwise only directed at persons residing in jurisdictions where the relevant funds are authorised for distribution or where no such authorisation is required.
Unless otherwise stated all products and services are provided by Fidelity International, and all views expressed are those of Fidelity International. Fidelity, Fidelity International, the Fidelity International logo and F symbol are registered trademarks of FIL Limited.
No statements or representations made in this document are legally binding on Fidelity or the recipient. Any proposal is subject to contract terms being agreed.
Fidelity UCITS ICAV is registered in Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 and is authorised by the Central Bank of Ireland as a UCITS. The Index which the sub-fund of the Fidelity UCITS ICAV is tracking comprises the equity securities of the relevant companies. For more information on the Index, please refer to the publicly available index methodology at www.fidelity-etfs.com/documents. FIL Investment Management (Luxembourg) S.A. reserves the right to terminate the arrangements made for the marketing of the sub-fund and/ or its shares in accordance with Article 93a of Directive 2009/65/EC and Article 32a of Directive 2011/61/EU. Prior notice of this cessation will be made in Luxembourg.

This share class is registered and distributed in the following locations: Austria, Czech Republic, Denmark, Finland, France, Germany, Hungary, Iceland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Slovakia, Spain, Sweden, Switzerland, United Kingdom.

We recommend that you obtain detailed information before taking any investment decision on the basis of the current prospectus and KID (key information document), along with the current annual and semi-annual reports free of charge through https://www.fidelityinternational.com, from our distributors, from your financial advisor or from the branch of your bank and from our European Service Centre in Luxembourg, FIL (Luxembourg) S.A. 2a, rue Albert Borschette BP 2174 L-1021 Luxembourg. Issued by FIL (Luxembourg) S.A., authorised and supervised by the CSSF (Commission de Surveillance du Secteur Financier). Investors/ potential investors can obtain information on their respective rights regarding complaints and litigation on your local Fidelity website which can be accessed via the following link https://www.fidelityinternational.com (Products & services) by selecting your country of residence. All documentation and information will be in the local or an accepted European language of the country selected.

Documentation can also be obtained from the following paying agents/distributors: **Austria** - UniCredit Bank Austria AG, Schottengasse 6-8, 1010 Vienna., **Czech Republic** - UniCredit Bank Czech Republic a.s., Zeletavska 1525/1, 14092 Prag 4 - Michle, Czech Republic., **Hungary** - Raifeisenbank Zentralbank Österreich AG, Akademia u. 6, 1054 Budapest., **Liechtenstein** - VP Bank AG, Äulestrasse 6, 9490 Vaduz., **Slovakia** - UniCredit Bank Slovakia, a.s., Sancova 1/A 81333, Slovakia., **Switzerland** - BNP Paribas, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich.

France : Issued by FIL Gestion, a portfolio management company approved by the AMF under the number GP03-004, 21 avenue Kleber, 75116 Paris.

Germany : For German Wholesale clients issued by FIL Investments Services GmbH, Kastanienhöhe 1, 61476 Kronberg im Taunus. For German Institutional clients issued by FIL (Luxembourg) S.A., 2a, rue Albert Borschette BP 2174 L-1021 Luxembourg. For German Pension clients issued by FIL Finance Services GmbH, Kastanienhöhe 1, 61476 Kronberg im Taunus.

Netherlands : The fund is authorised to offer participation rights in The Netherlands pursuant to article 2:66 (3) in conjunction with article 2:71 and 2:72 Financial Supervision Act.

Portugal : Fidelity Funds is registered with the CMVM and the legal documents can be obtained from locally authorised distributors.

Spain : Fidelity Funds and Fidelity Active Strategy (FAST) are open-ended collective investment schemes incorporated in Luxembourg. The distributing and depositary entities are, respectively, FIL (Luxembourg) S.A. and Brown Brothers Harriman (Luxembourg) S.C.A. Fidelity Funds and FAST are registered for marketing in Spain in the register of Foreign Collective Investment Undertakings of the CNMV under registration numbers 124 and 649 respectively, where detailed information on the local distributors can be obtained.

Switzerland : Fidelity undertakes the financial services of purchasing and/or selling financial instruments within the meaning of the Financial Services Act ("FinSA"). Fidelity is not required to assess the appropriateness and suitability under FinSA. Issued by FIL Investment Switzerland AG.

United Arab Emirates : For the United Arab Emirates, the DIFC branch of FIL Distributors International Limited, is regulated by the DFSA for the provision of Arranging Deals in Investments only. All communications and services are directed at Professional Clients only. Persons other than Professional Clients, such as Retail Clients, are NOT the intended recipients of our communications or services. This document contains information that makes reference to a Fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). The DFSA has no responsibility for reviewing or verifying any Prospectus or other documents in connection with this Fund. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. Collective Investment Rules (CIR) 134 CIR/VER30/02-21. The Units to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Units. If you do not understand the contents of this document, you should consult an authorised financial adviser.

CI3631 English T104a