Tax-smart investing

from Fidelity® Wealth Services

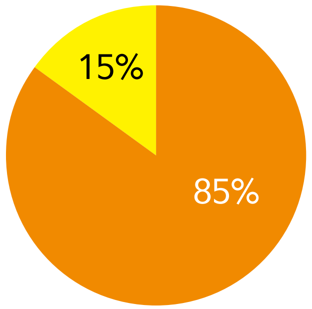
Fidelity INVESTMENTS®

Clients are often hesitant to make changes to their portfolio due to unrealized gains and therefore may not be set up for long-term success

Many investors either take on too much risk by concentrating their assets in a single investment, such as a single stock, or neglect to apply tax-smart investing strategies[1] on an ongoing basis to help reduce the tax impact on their returns.

Examples of Portfolio Holdings

Portfolio A

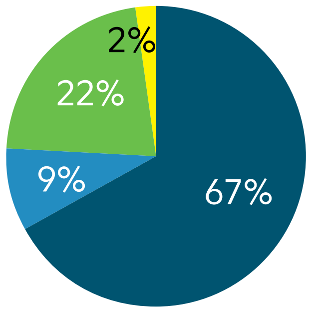


A portfolio with 85% invested in a single stock

Benefit
Significant potential for gain if that stock should increase in value relative to the overall market

Risk
Having too much invested in a single stock could result in significant losses if that stock should underperform

Portfolio B



For illustrative purposes only.

A diversified portfolio not employing tax-smart strategies

Benefit
Having your money spread across a range of investments could help reduce the impact of volatility in any single stock or asset class

Risk
Not employing tax-smart strategies could result in you paying more taxes than necessary, which means you may keep less of what you earn

Single Stock · Short-Term · Domestic Stock · Foreign Stock · Bonds

Asset allocation and diversification do not ensure a profit or protect against loss.

When managing your wealth in pursuit of your investment goals, it's important to understand all your options and to remember that your focus should not only be on continued growth but also on managing risk and keeping more of what you earn.

Options to address unrealized gains

Your options	Things to consider
Keep your current approach and not realize gains.	Depending on your investment approach, you may be taking on excessive risk by holding a large portion of your portfolio in a single stock (Portfolio A) or losing out on after-tax returns (Portfolio B).
Realize any gains, establish a well-diversified approach, and use tax-smart strategies over the longer term.	Although you may owe more taxes during the tax year, this option aligns the asset allocation of a diversified portfolio to your goals while mitigating risk and using tax-smart strategies to help you keep more of what you earn in the long term.
Develop an estate planning or gifting strategy to avoid or diminish tax liability.	Unless giving directly to a charity, you could pass on the potential tax liability to your heirs or those receiving the gift.
Pass along appreciated assets to a beneficiary after your passing.	Under current law, your beneficiaries would not be subject to tax on your unrealized gains, but this option exposes your beneficiaries to investment and policy risk should tax codes change.

Depending on your situation, the best approach may be to use a hybrid that is a combination of these options. Note that the examples above do not account for estate taxes or any state tax rates, which vary by state of residence.

Managing risk

You may be taking on more risk than you realize.

Having too much of a good thing can be dangerous, particularly when it comes to company stock—or any other single stock. Concentrated stock positions can create the potential for added volatility and put your financial goals in jeopardy.

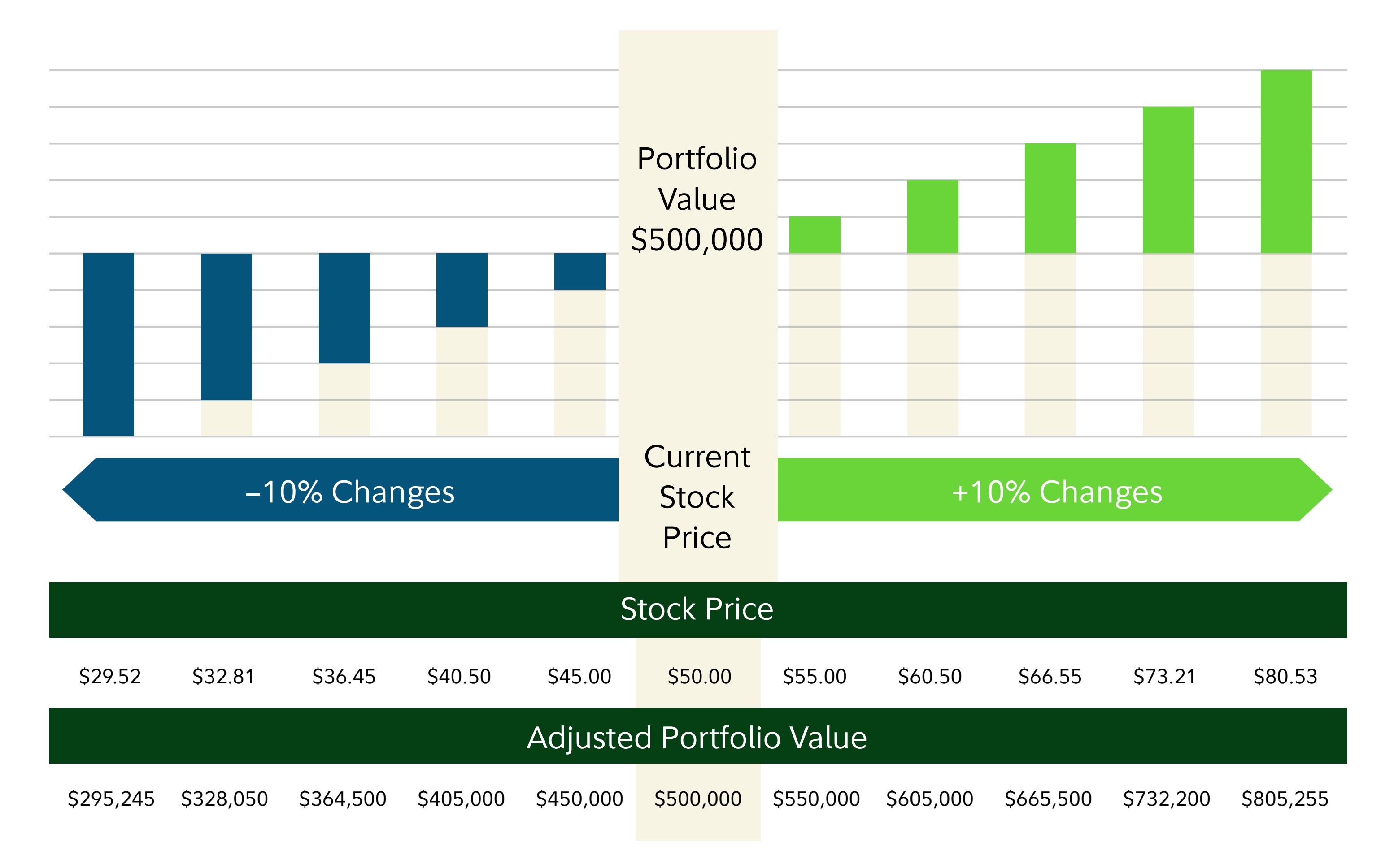
Over the 20-year span of 2003–2022, the median stock volatility for the Russell 3000 Index was 42.7%—as measured by annualized standard deviation. This was more than 2.5 times higher than the 15.3% volatility of the index itself.* Holding a large amount in one stock can exaggerate the impact of market volatility on your portfolio.

That volatility could have a big impact on your ability to reach your goals. For example, say you hold a large concentration in a single stock. As demonstrated in the chart to the right, as the price of that stock moves up and down, you can see the impact on the value of this illustrative portfolio and how stock price changes could impact savings. And remember, past performance is no guarantee of future results.

The same could hold true for large holdings in a single nondiversified mutual fund. Although you may feel diversified by owning a mutual fund, having too much of your money invested in any one position that is invested in a single asset class can expose you to hidden risks.

*FactSet and Fidelity Investments. The median annualized standard deviation is based on total returns for individual stocks held within the Russell 3000 Index for at least 24 months between January 2003 and December 2022. 5,938 stocks meet the 24-month minimum within the Russell 3000 Index over the 20-year period.

Price moves could have a big impact on the value of a single stock and your ability to reach your investment goals. Consider the illustrative example below, showing the impact of a series of 10% price moves—both up and down—on a portfolio of $500,000 of a single stock.



Illustrative example is for educational purposes only.

However, while it's important to diversify, it's also important to create a strategy before diversifying. This means looking for ways to manage the tax impact of any changes you make to your portfolio.

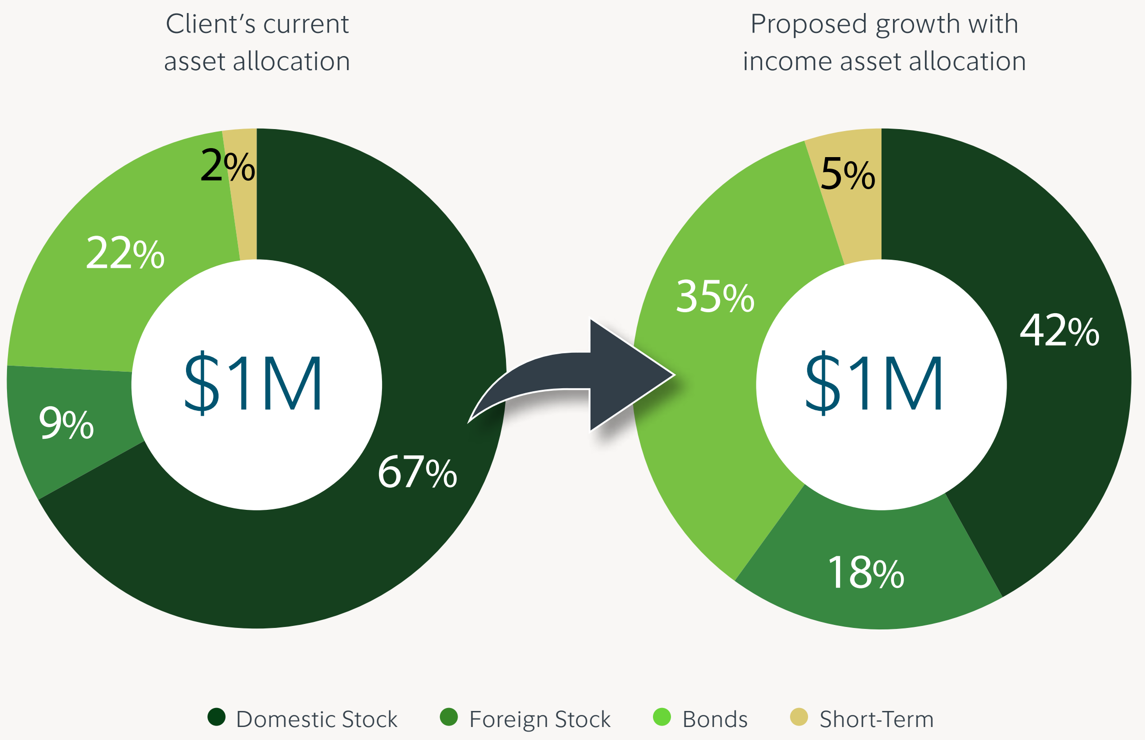
The secret to getting ahead is getting started

Has the thought of paying taxes after selling an investment ever prevented you from taking action?

We understand your concerns about taxes and address them by approaching your portfolio transition in a thoughtful manner. Once we understand your goals, we'll suggest an asset allocation designed to help you meet those goals. After your account is open, our investment team evaluates your existing holdings and decides which should be kept as part of the new strategy and which should be sold. We base our decisions on a range of factors, including our research, the outlook for your current holdings, and the potential tax implications of any sales. Then, based on these findings, we structure your overall portfolio so that it's designed to help you meet your long-term goals.

Although this restructuring may involve selling off some of your existing investments, which may result in a near-term tax liability, the goal is to create a diversified portfolio that aligns with your goal, financial situation, and preferred risk level and that applies tax-smart investing strategies to seek better after-tax returns over the long term.[2]

Before we begin using tax-smart investing strategies, our first priority is establishing the appropriate mix of investments for your account. For example, based on a client's investor profile, we may propose a Growth with Income asset allocation composed of 60% stocks and 40% bonds and short-term investments.



For illustrative purposes only.
Asset allocation does not ensure a profit or protect against loss.

Tax-smart investing strategies

Designed and applied to help you keep more of what you earn.

While it's not possible to avoid taxes altogether, the good news is that there are ways to reduce what you pay. Transitioning from a portfolio that contains one or more concentrated positions, or that has an asset allocation that doesn't match your long-term goal, very often creates tax liabilities.

However, it's important to remember that while these tax liabilities from transitioning a portfolio are generally limited to a single year, the long-term potential benefits of tax-smart strategies can accumulate over time. And if you're planning on having your new strategy in place over the long term, the benefits can continue to accumulate over time.

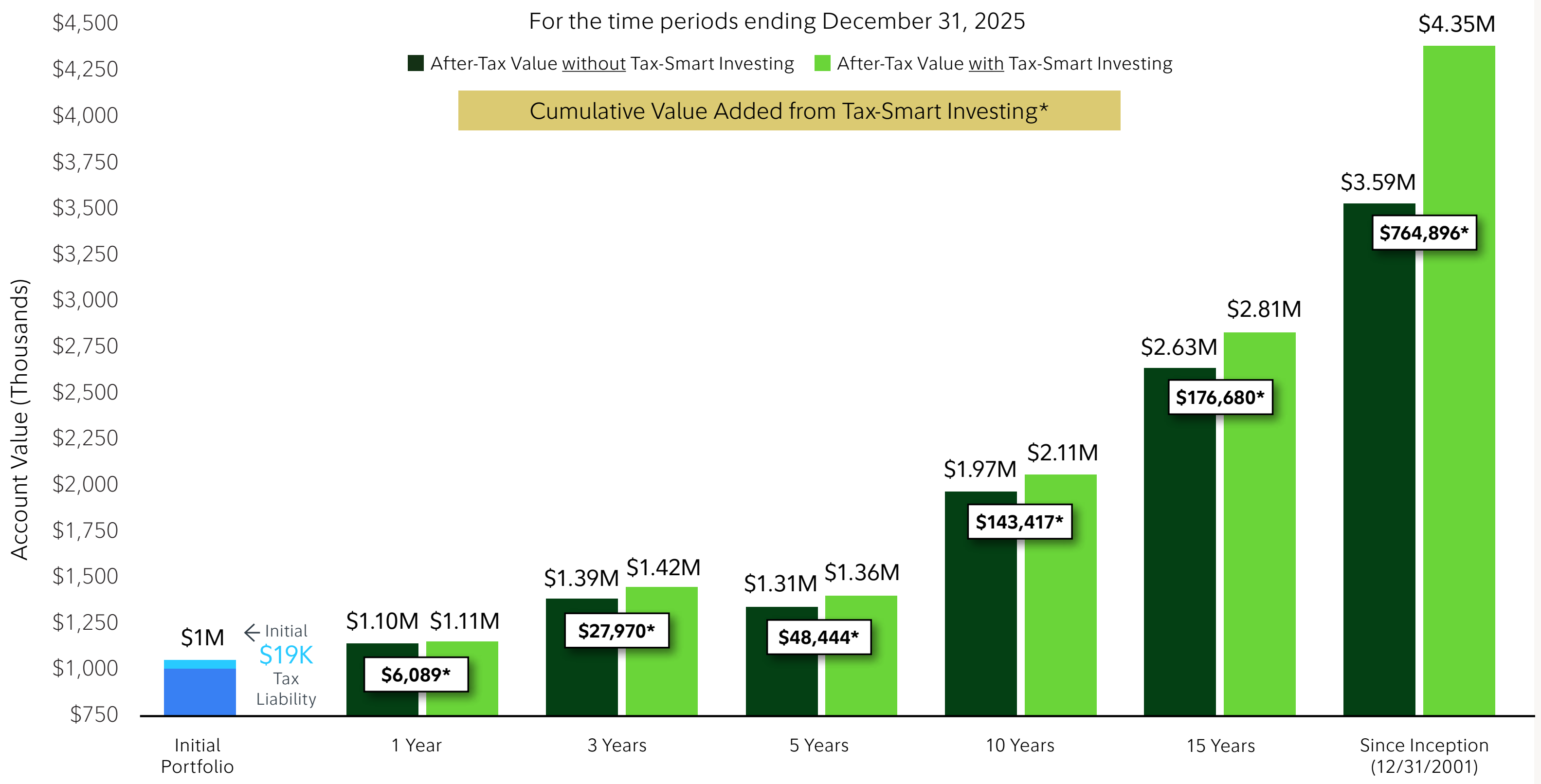
An illustrative example

We created an illustrative example using an initial $1M investment as of the date indicated and the performance returns information for a composite of client accounts managed to a specific asset allocation using a specific investment approach and universe as detailed below assuming investment for the 1-, 3-, 5-, 10-, 15-year and since inception periods ending December 31, 2025, with no contributions or withdrawals. We assume that $80K in capital gains would be incurred to reallocate the illustrative account so that it is aligned with the asset allocation indicated. Please note the actual amount of capital gains incurred for any client account will vary based on the specific securities used to fund an account.

In the example, we show how a $19K tax liability associated with the assumed $80K in capital gains compares to the potential cumulative value of the tax-smart investing strategies applied over each time period. The tax liability is calculated by multiplying $80K in capital gains realized as a result of selling the client's investments by a tax rate of 23.8%. The reallocation, combined with the employment of tax-smart investing strategies on an ongoing basis, result in a positive benefit in each time period, which could have helped offset any original tax liability. Think of this as potential additional after-tax returns above and beyond what a client account invested in a similar portfolio not managed with tax-smart investing strategies would have returned. Over time, these additional returns may continue to accumulate and compound.

We'll help you take the first step.

Illustrative account values with and without tax-smart investing strategies



Average Annual Returns for Growth with Income Composite with Tax-Smart Investing† (Period Ending December 31, 2025)						
	1 year	**3 years**	**5 years**	**10 years**	**15 years**	**Since Inception**
Pre-Tax	13.64%	13.42%	6.80%	8.02%	7.42%	6.12%
After-Tax	13.20%	13.08%	6.77%	7.96%	7.27%	6.40%

Illustrative example is for informational purposes only.

Returns for individual clients will vary. In this example, we look at a group of accounts, each one with asset allocations of 42% domestic stocks, 18% foreign stocks, 35% bonds, and 5% short-term investments. **Each set of bars represents the after-tax value of a $1 million initial investment at the end of that period, with and without tax-smart investing applied.** The difference between the two bars in each case represents the additional value created by these techniques, based on our methodology and assumptions. The graph is based on the performance of a composite of accounts managed using the following strategy characteristics: Growth with Income asset allocation using tax-smart investing strategies (but not household tax-smart strategies), the total return investment approach, blended investment universe, and investing in municipal securities, and includes accounts that do and do not use separately managed account (SMA) sleeves. **Please be aware that the value of tax-smart investing techniques would be different, perhaps significantly, for an account that is not managed using the same configuration of strategy characteristics as the composites shown above.** This composite data was combined with a fictional portfolio reallocation with an $80K capital gain incurred to reallocate the asset allocation of the illustrative portfolio so that it is aligned with a Growth with Income asset allocation. Prospective clients should be aware that the amount of securities sold as part of an actual reallocation, the underlying cost basis of those securities, and the related taxable gain upon sale can and will differ depending on a client's personal circumstances. In addition, the expected value of tax-smart investing techniques is generally correlated with the amount of equity in an asset allocation; composite results for portfolios with a lower amount of equity in an asset allocation generally reflect a decreasing amount of cumulative value from implementing tax-smart investing techniques. Please note that the illustrative example was created to help you understand the potential impact that tax-smart investing techniques could have on a portfolio transitioned to Fidelity Wealth Services, but you should understand that it does not reflect actual investment results and is not a guarantee of future investment results. Your actual results will vary and may be materially different from the illustrative results shown here. See page 9 for information about our composite calculations and the assumptions used in calculating after-tax performance information.

*Potential Cumulative Value Added from Tax-Smart Investing: This number represents the hypothetical value added from tax-smart investing strategies that would have accrued on a $1M investment in the composite of client accounts indicated during the stated time period.

†Please see "Important information about performance returns."

Ready to get started with a diversified tax-smart approach?

Fidelity® Wealth Services offers managed accounts that align to your investment objectives and goals. We create and manage well-diversified portfolios designed to mitigate risk that may also benefit from ongoing tax-smart investment strategies. This integrated approach is designed to help you preserve wealth, manage risk, and keep more of what you earn, to stay on track.

We believe that effective tax-smart investing is an ongoing process that involves using tax-smart strategies as one part of a broad financial plan and should always be considered in the context of your overall goals.

We create a portfolio that can include:

- Mutual funds
- Exchange-traded funds (ETFs)
- Individual stocks through separately managed account sleeves (available to Wealth Management clients)

Tax-smart investing is not easy. It is an intensely time-consuming process that demands research, analysis, and attention to detail throughout the life of your portfolio—from transitioning into a strategy to managing it on a daily basis.

Throughout the year, we look for ways to help reduce the impact of taxes on Personalized Portfolios tax-smart accounts.[2] While some strategies are applied on an ongoing basis, others are applied at specific points in time over the life of your account.

[1]Asset location is available for certain qualifying goals. Please see the Fidelity Wealth Services Form ADV, Part 2A Brochure for additional information about the service levels offered and the tax-smart investing strategies available to be used.

[2]Personalized Portfolios accounts are discretionary investment management accounts offered through Fidelity® Wealth Services for a fee.

Performance Details (as of 12/31/2025)

Absolute Composite Returns as of 12/31/2025	1 Year			5 Year			10 Year			Life of Reporting since 12/31/2001*		
	Composite Return	Benchmark† Return	Excess Return	Composite Return	Benchmark† Return	Excess Return	Composite Return	Benchmark† Return	Excess Return	Composite Return	Benchmark† Return	Excess Return
All-Stock Composite Pre-Tax	19.75	21.64	–1.88	11.13	11.65	–0.52	12.00	12.57	–0.57	8.10	8.88	–0.78
All-Stock Composite After-Tax	19.74	21.56	–1.82	11.30	11.10	0.20	12.36	11.84	0.52	8.94	8.12	0.82
Aggressive Growth Composite Pre-Tax	18.09	18.84	–0.75	9.48	10.06	–0.58	10.50	11.13	–0.63	7.19	8.26	–1.06
Aggressive Growth Composite After-Tax	17.98	18.27	–0.29	9.70	9.33	0.37	10.72	10.32	0.40	7.85	7.67	0.18
Growth Composite Pre-Tax	15.48	16.12	–0.64	7.86	8.49	–0.63	9.01	9.56	–0.55	6.47	7.39	–0.92
Growth Composite After-Tax	15.13	15.22	–0.09	7.85	7.79	0.06	9.01	8.81	0.20	6.87	6.87	0.00
Growth with Income Composite Pre-Tax	13.64	14.36	–0.72	6.80	7.41	–0.61	8.02	8.55	–0.52	6.12	6.96	–0.84
Growth with Income Composite After-Tax	13.20	13.30	–0.10	6.77	6.73	0.04	7.96	7.86	0.10	6.40	6.49	–0.09
Balanced Composite Pre-Tax	11.78	12.51	–0.73	5.81	6.39	–0.58	6.98	7.48	–0.49	5.43	6.27	–0.84
Balanced Composite After-Tax	11.30	11.47	–0.17	5.77	5.78	–0.01	6.87	6.85	0.03	5.64	5.87	–0.23
Moderate Composite Pre-Tax*	9.99	10.68	–0.70	4.86	5.36	–0.50	5.96	6.39	–0.43	5.63	6.26	–0.62
Moderate Composite After-Tax*	9.60	9.70	–0.10	4.88	4.80	0.08	5.88	5.83	0.05	5.46	5.91	–0.45
Moderate with Income Composite Pre-Tax*	8.14	8.88	–0.73	3.77	4.33	–0.56	4.72	5.30	–0.58	4.54	5.22	–0.68
Moderate with Income Composite After-Tax*	7.81	8.08	–0.26	3.85	3.91	–0.05	4.65	4.84	–0.19	4.38	4.96	–0.58
Conservative Composite Pre-Tax	6.20	6.99	–0.79	2.75	3.34	–0.60	3.51	4.15	–0.63	3.42	4.11	–0.69
Conservative Composite After-Tax	5.88	6.33	–0.45	2.84	3.11	–0.27	3.44	3.80	–0.36	3.50	3.94	–0.44

Based on the performance of a composite of accounts for the investment strategies listed above and managed using a tax-smart investing approach (but not household tax-smart strategies), the total return investment approach and blended investment universe, investing in municipal securities, and includes accounts that do and do not use SMA sleeves.

*Life of Reporting for Moderate Composite and Moderate with Income Composite strategies is since 3/1/2012.

†Tax-smart accounts do not have pre-tax benchmarks, but, for the purposes of this analysis, we compare pre-tax composite returns to the pre-tax return of the referenced basket of mutual funds and ETFs used to construct after-tax benchmarks (see the table on the next page). Please see endnote on the next to last page for information regarding the calculation of composite results and after-tax benchmarks.

Important information about performance returns. *Performance cited represents past performance. Past performance, before and after taxes, does not guarantee future results, and current performance may be lower or higher than the data quoted. Investment returns and principal will fluctuate with market and economic conditions, and you may have a gain or loss when you sell your assets. Your return may differ significantly from those reported.* The underlying investments held in a client's account may differ from those of the accounts included in the composite. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

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Benchmark Composition (as of 12/31/2025)

Investment Strategies	Fidelity® Total Market Index Fund—Institutional Premium Class (FSKAX)	Fidelity® Global ex U.S. Index Fund—Institutional Premium Class (FSGGX)	iShares® National Muni Bond ETF (MUB)	Fidelity® Government Cash Reserves (FDRXX)
All-Stock Composite	70%	30%	—	—
Aggressive Growth Composite	60%	25%	15%	—
Growth Composite	49%	21%	25%	5%
Growth with Income Composite	42%	18%	35%	5%
Balanced Composite	35%	15%	40%	10%
Moderate Composite	28%	12%	45%	15%
Moderate with Income Composite	21%	9%	50%	20%
Conservative Composite	14%	6%	50%	30%

FWS accounts do not have pre-tax benchmarks, but FWS tax-smart accounts do have after-tax benchmarks. Each client's personal after-tax benchmark is composed of mutual funds (index funds where available) and ETFs in the same asset class percentages as the client's investment strategy. The after-tax benchmark uses mutual funds and ETFs as investable alternatives to market indexes in order to provide a benchmark that takes into account the associated tax consequences of these investable alternatives. The after-tax benchmark returns implicitly take into account the net expense ratio of their component mutual funds because mutual funds report performance net of their expense. They assume reinvestment of dividends and capital gains, if applicable. The after-tax benchmark also takes into consideration the tax impact of rebalancing the benchmark portfolio, assuming the same tax rates as are applicable to each client's account, as well as an adjustment for the level of unrealized gains in each account. The after-tax composite benchmark return is calculated assuming the use of the "average cost-basis method" for calculating the tax basis of mutual fund shares. Return information for an after-tax benchmark in a composite presentation represents an asset-weighted composite of clients' individual after-tax benchmark returns. Benchmark information presented is for accounts that seek to invest in municipal securities as part of their fixed income exposure.

Note that the mutual funds and ETFs used in the after-tax benchmarks have changed over time.

The Short-Term component of the benchmark for all tax-smart FWS accounts changed to the Fidelity Government Cash Reserves Fund effective March 31, 2016. For accounts invested in a strategy that seeks exposure to municipal bonds for its fixed income component, the previous fund was the Fidelity Tax-Exempt Treasury Money Market Fund. For accounts invested in a strategy that does not seek exposure to municipal bonds for its fixed income component, the previous fund was the Fidelity Treasury Only Money Market Fund.

The Foreign Stock component of the benchmark for all tax-smart FWS accounts changed to the Fidelity Global ex U.S. Index Fund—Fidelity Advantage Class (FSGDX) effective April 1, 2015. The previous fund was the Fidelity International Index Fund (FSIVX). FSGDX merged into the Fidelity Global ex U.S. Index Fund—Institutional Premium Class (FSGGX).

The Bonds component of the benchmark for all tax-smart FWS accounts changed to the iShares National AMT-Free Muni Bond (MUB), a passively managed ETF effective April 1, 2015. The previous fund was the Fidelity Municipal Income Fund (FHIGX), an actively managed mutual fund.

You could lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress.

Fidelity's government and U.S. Treasury money market funds will not impose a fee upon the sale of your shares.

Endnotes

We use a proprietary methodology to calculate average annual net excess return to help measure the value of the tax-smart investing techniques. Our calculation uses asset-weighted composite pre-tax and after-tax performance information for Fidelity Wealth Services accounts managed using the strategy characteristics listed above. We compare this composite performance information to a reference basket of mutual funds and ETFs that we use to construct a tax-smart account's after-tax benchmark. Each fund represents a primary asset class, and is weighted in the same proportion as the primary asset class in the account's long-term asset allocation.

Average annual net excess return is calculated by subtracting pre-tax excess return from after-tax excess return. After-tax excess return is the amount by which the annualized after-tax investment return for the composite portfolio is either above or below the annualized after-tax benchmark return. Pre-tax excess return is the amount by which the annualized pre-tax investment return for the composite portfolio is either above or below the annualized pre-tax return of the reference basket of mutual funds and ETFs.

†**Important information about performance returns.** *Performance cited represents past performance. Past performance, before and after taxes, does not guarantee future results and current performance may be lower or higher than the data quoted. Investment returns and principal will fluctuate with market and economic conditions, and you may have a gain or loss when you sell your assets. Your return may differ significantly from those reported.* The underlying investments held in a client's account may differ from those of the accounts included in the composite. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

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Information about the calculation of account and composite returns. *Returns for periods of one year or less in duration are reported cumulative. Returns for periods greater than one year may be reported on either a cumulative or average annual basis. Calendar year returns reflect the cumulative rates of return for the 12-month period from January 1 to December 31, inclusively, of the year indicated.*

Reported rates of return utilize a time-weighted calculation, which vastly reduces the impact of cash flows. Returns shown assume reinvestment of interest, dividends, and capital gains distributions. Assets valued in U.S. dollars. Performance includes accrued interest for certain securities when provided by a third-party vendor; otherwise, performance returns are computed on a cash basis. Performance will be understated for periods when accrued interest information is not available. For accounts with individual bonds, amortization and accretion for bonds are not included in performance calculations. Performance reporting generally begins after the portfolio manager reviews the account and deems it ready for investment in the chosen strategy.

Net rates of return are calculated to include the deduction of the actual (net of any applicable fee credits) investment advisory fees paid for each account including any applicable separately managed account sleeve fees ("sleeve fees"), and any underlying fund's own management fees and operating expenses. If applicable, gross rates of return are presented with net rates of return to help you understand the overall effect of investment advisory fees on performance. Gross rates of return are calculated without the deduction of investment advisory fees paid for each account (including sleeve fees) but are net of any underlying fund's own management fees and operating expenses. Strategic Advisers LLC ("Strategic Advisers") includes performance from the time period when the program was offered by Fidelity Personal and Workplace Advisors LLC and subadvised by Strategic Advisers (other than the bond strategies offered through FSD) from July 2018 through March 2025 and for legacy programs offered by Strategic Advisers prior to July 2018. Fee schedules for these legacy programs differ from current fee schedules, and fees for accounts enrolled in those legacy programs may have been higher or lower than Strategic Advisers' current fees. Fee structures and services offered have changed over time. Please consult a Fidelity financial advisor or the Fidelity Internal Information applicable investment advisory program's current Form ADV, Part 2A Brochure for current fee information. Additional information about our methodology for calculating pre- and after-tax performance return information is available at Fidelity.com/information in a document titled "About Managed Account Performance."

Assumptions used in calculating after-tax returns. *After-tax rate of return measures the performance of an account, taking into consideration the impact of a client's U.S. federal income taxes, based on the activity in the account. Strategic Advisers does not actively manage for alternative minimum taxes; state or local taxes; foreign taxes on non-U.S. investments; federal tax rules applicable to entities; or estate, gift, or generation-skipping transfer taxes. Strategic Advisers relies on information provided by clients in an effort to provide tax-sensitive investment management and does not offer tax advice. Any realized short-term or long-term capital gain or loss retains its short- or long-term characteristics in the after-tax calculation. The gain/loss for any account is applied in the month incurred and there is no carryforward.* We assume that taxes are paid from outside the account. Taxes are recognized in the month in which they are incurred. This may inflate the value of some short-term losses if they are offset by long-term gains in subsequent months. After-Tax Returns do not take into account the tax consequences associated with income accrual, deductions with respect to debt obligations held in client accounts, or federal income tax limitations on capital losses. Withdrawals from client accounts during the performance period result in adjustments to take into account unrealized capital gains across all securities in such account, as well as the actual capital gains realized on the securities. Adjustments for reclassification of dividends from non-qualified to qualified status that occur in January of the subsequent year are reflected in the prior December monthly returns. We assume that a client reclaims in full any excess foreign tax withheld and is able to take a U.S. foreign tax credit in an amount equal to any foreign taxes paid, which increases an account's after-tax performance; the amount of the increase will depend on the total mix of foreign securities held and their applicable foreign tax rates, as well as the amount of distributions from those securities.

We assume that losses are used to offset gains realized outside the account in the same month, and we add the imputed tax benefit of such a net loss to that month's return. This can inflate the value of the losses to the extent that there are no items outside the account against which they can be applied, and after-tax returns may exceed pre-tax returns as a result of an imputed tax benefit received upon realization of tax losses. Our after-tax performance calculation methodology uses the full value of harvested tax losses without regard to any future taxes that would be owed on a subsequent sale of any new investment purchased following the harvesting of a tax loss. That assumption may not be appropriate in all client situations but is appropriate where (1) the new investment is donated (and not sold) by the client as part of a charitable gift, (2) the client passes away and leaves the investment to heirs, (3) the client's long-term capital gains rate is 0% when they start withdrawing assets and realizing gains, (4) harvested losses exceed the amount of gains for the life of the account, or (5) where the proceeds from the sale of the original investment sold to harvest the loss are not reinvested. It is important to understand that the value of tax-loss harvesting for any particular client can only be determined by fully examining a client's investment and tax decisions for the life the account and the client, which our methodology does not attempt to do. Clients and potential clients should speak with their tax advisors for more information about how our tax-loss harvesting approach could provide value under their specific circumstances.

Information about composite returns. *The rates of return featured for accounts managed to a long-term asset allocation represent a composite of accounts managed with the same long-term asset allocation, investment approach and investment universe as applicable; rates of return featured for accounts managed with a single asset class strategy represent a composite of accounts managed to the applicable strategy. Accounts included in the composite utilize a time-weighted calculation, which vastly reduces the impact of cash flows. Composites are asset-weighted. An asset-weighted methodology takes into account the differing sizes of client accounts (i.e., considers accounts proportionately).* Larger accounts may, by percentage, pay lower investment advisory fees than smaller accounts, thereby decreasing the investment advisory fee applicable to the composite and increasing the composite's net-of-fee performance. For tax-smart accounts in Fidelity Wealth Services, composite results are based on the returns of the managed portion of the accounts; assets in a liquidity sleeve are excluded from composite performance.

Composites set minimum eligibility criteria for inclusion. Accounts with less than one full calendar month of returns and accounts subject to significant investment restrictions are excluded from composites (including fixed income strategies offered through Fidelity Strategic Disciplines with a state-preference option). Accounts with a do-not-trade restriction are removed from the composite once the restriction has been applied to the account for thirty days. For periods prior to October 1, 2022, composite inclusion required a minimum investment level that reflected product-relative investment requirements. Effective October 1, 2022, product composites will reflect all accounts for which we produce a rate of return and that meet the aforementioned criteria. Non-fee paying accounts, if included in composite, will increase the net-of-fee performance. Certain products, like Fidelity Go, offer investment services where accounts under a certain asset level do not incur investment advisory fees. Employees do not incur investment advisory fees for certain products.

Information about after-tax composite benchmarks. *Return information for an after-tax benchmark represents an asset-weighted composite of clients' individual after-tax benchmark returns. Each client's personal after-tax benchmark is composed of mutual funds (index funds where available) and ETFs in the same asset class percentages as the client's investment strategy. The after-tax benchmark uses mutual funds and ETFs as investable alternatives to market indexes in order to provide a benchmark that takes into account the associated tax consequences of these investable alternatives.* The after-tax benchmark returns implicitly take into account the net expense ratio of their component mutual funds because mutual funds report performance net of their expense. They assume reinvestment of dividends and capital gains, if applicable. The after-tax benchmark also takes into consideration the tax impact of rebalancing the benchmark portfolio, assuming the same tax rates as are applicable to each client's account, as well as an adjustment for the level of unrealized gains in each account. The after-tax composite benchmark return is calculated assuming the use of the "average cost-basis method" for calculating the tax basis of mutual fund shares.

Additional Information. *Changes in laws and regulations may have a material impact on pre- and/or after-tax investment results.* Strategic Advisers LLC relies on information provided by clients in an effort to provide tax-smart investing techniques. Strategic Advisers LLC can make no guarantees as to the effectiveness of the tax-smart investing techniques applied in serving to reduce or minimize a client's overall tax liabilities or as to the tax results that may be generated by a given transaction. Strategic Advisers does not provide tax or legal advice. Please consult your tax or legal professional for additional guidance. For more information about Strategic Advisers and its advisory offerings, including information about fees and investment risks, please visit our website at Fidelity.com.

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Before investing, consider the fund's investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.

[1]Tax-smart (i.e., tax-sensitive) investing techniques (including tax-loss harvesting) are applied in managing certain taxable accounts on a limited basis, at the discretion of the portfolio manager, primarily with respect to determining when assets in a client's account should be bought or sold. As the discretionary portfolio manager, Strategic Advisers LLC (Strategic Advisers) may elect to sell assets in an account at any time. A client may have a gain or loss when assets are sold. There are no guarantees as to the effectiveness of the tax-smart investing techniques applied in serving to reduce or minimize a client's overall tax liabilities or as to the tax results that may be generated by a given transaction. Strategic Advisers does not currently invest in tax-deferred products, such as variable insurance products, or in tax-managed funds, but may do so in the future if it deems such to be appropriate for a client. Strategic Advisers does not actively manage for alternative minimum taxes; state or local taxes; foreign taxes on non-U.S. investments; federal tax rules applicable to entities; or estate, gift, or generation-skipping transfer taxes. Strategic Advisers relies on information provided by clients in an effort to provide tax-sensitive investment management, and does not offer tax advice. Except where Fidelity Personal Trust Company (FPTC) is serving as trustee, clients are responsible for all tax liabilities arising from transactions in their accounts, for the adequacy and accuracy of any positions taken on tax returns, for the actual filing of tax returns, and for the remittance of tax payments to taxing authorities.

[2]Strategic Advisers believes that appropriate asset allocation and diversification are of primary importance and apply tax-smart investing techniques as a secondary consideration in managing tax-smart accounts. Accordingly, clients who fund such an account with appreciated securities should understand that we could sell such securities notwithstanding that the sale could trigger significant tax consequences.

Indexes are unmanaged. It is not possible to invest directly in an index. The Russell 3000 Index is a market capitalization–weighted index designed to measure the performance of the 3,000 largest companies in the U.S. equity market.

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Investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

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