



June 12, 2023

Q&A: FIDELITY® LAUNCHES SIX THEMATIC ETFS WITH INNOVATIVE DISRUPTIVE STRATEGIES

Q1: I understand that Fidelity has six new thematic ETFs. What can you tell me?

A: That's correct, Fidelity® Disruptive Automation ETF ([FBOT](#)), Fidelity® Disruptive Communications ETF ([FDCE](#)), Fidelity® Disruptive Finance ETF ([FDFF](#)), Fidelity® Disruptive Medicine ETF ([FMED](#)), and Fidelity® Disruptive Technology ETF ([FDTX](#)) are trading on Nasdaq and available immediately commission-free* for individual investors and financial advisors through Fidelity's online brokerage platforms. Fidelity® Disruptors ETF (FDIF), a fund of funds which will invest in a combination of these five Fidelity ETFs, will be available on June 20, 2023.

The new thematic ETFs, which were initially launched as mutual funds in April 2020, is the culmination of Fidelity's November 2022 announcement regarding the plan to convert the disruptive fund suite into ETFs.

Q2: Why are you launching these ETFs?

A: Fidelity has been an innovator in the active ETF space for years. We continue to look for opportunities to grow our lineup with innovative strategies that help meet the evolving needs of investors. These ETFs will help deliver new opportunities and value for existing shareholders while also expanding our solutions to help meet demand for access to thematic strategies in an ETF wrapper. We believe that the conversion will provide multiple benefits for investors of the funds, including lower net expenses, additional trading flexibility, and enhanced tax efficiency.

Q3: What are the investment objectives and strategies of these ETFs?

A: Fidelity's disruptive strategies seek to identify innovative developments that could signal new directions for delivering products and services to customers. Generally, these companies have or are developing new or unconventional ways of doing business that could disrupt and displace incumbents over time. This may include creating, providing, or contributing to new or expanded business models, value networks, pricing, and delivery of products and services.

- The **disruptive automation** theme includes but is not limited to companies leading the way in automation, from industrial robotics to artificial intelligence, autonomous driving, and 3D printing.

- The **disruptive communications** theme includes but is not limited to companies that are changing the way we connect and communicate, from social media to interactive gaming, streaming services and 5G-related next generation digital infrastructure, and connected devices.
- The **disruptive finance** theme includes but is not limited to companies that are helping to deliver more cost effective, efficient, and customized financial services such as blockchain enabled financial services, digital payments and neo-banks, data processing, AI-enabled finance, and other disruptive lending and insurance business models.
- The **disruptive medicine** theme includes but is not limited to companies transforming medical diagnostics, devices, therapies, and services to advance cell and gene therapy, genomics, immunotherapy, technology-based health care platforms, and consumer wellness.
- The **disruptive technology** theme includes but is not limited to companies developing new technologies for cloud computing/software as a service (SaaS), cybersecurity, batteries, next generation hardware; harnessing big data for machine learning, artificial intelligence; and transforming consumer experiences like rideshare and e-commerce.
- The **Fidelity® Disruptors ETF** will normally invest assets in a combination of the five Fidelity® ETFs mentioned above, each of which normally invests in equity securities of companies that represent a disruptive theme.

Q4: What are the expense ratios for the ETFs?

A: The new ETFs will be among the most competitively priced active thematic strategies in the industry with a total expense ratio of 0.50%.

Q5: Do these ETFs have a mutual fund counterpart?

A: No. These funds were formerly mutual funds that were converted to ETFs. Fidelity announced plans last November to convert these six actively managed thematic mutual funds into actively managed exchange traded funds (ETFs). With this change, Fidelity will add six new disruptive ETFs to its current active equity ETF lineup of nine funds, which as of April 30, 2023, had roughly \$973 million in assets under management.

Q6: Will shareholders of the former mutual funds be able to trade the ETFs immediately on launch day?

A: The ETFs will be listed on the exchange and available for trading at market open on launch date. For mutual fund shareholders, as soon as your broker dealer processes the conversion event on launch date, your ETF shares should be available in your account to trade. If you have any questions, please reach out to your financial representative, or dial 800-343-3548.

Q7: Will these ETFs be “non-transparent” or “semi-transparent”?

A: The ETFs will be fully transparent and disclose holdings on a daily basis.

Q8: What other thematic products does Fidelity offer?

A: Fidelity's thematic investment lineup also includes strategies that provide exposure to companies driving Megatrends, and/or Differentiated Insights. Thematic investing at Fidelity allows customers to invest in long-term trends and themes that best align with their interests or objectives, while accessing Fidelity's deep and broad investment research and portfolio management expertise. For more information on the Disruption category, read the Fidelity Viewpoints® articles, "[What are disruptors?](#)". Fidelity's thematic product lineup offers 33 mutual funds and ETFs. To view the full lineup, visit <https://www.fidelity.com/mutual-funds/investing-ideas/thematic-investing>.

Q9: What other ETFs does Fidelity offer?

A: As a leading provider of ETFs, Fidelity's platform offers individual investors and advisors access to more than 2,500 ETFs, commission-free, with more than \$930 billion in ETF client assets as of March 30, 2023. As part of its overall ETF offering, the 58 Fidelity managed ETFs this month will include fifteen actively managed equity ETFs, twelve fixed income ETFs, thirteen factor ETFs, six passive thematic ETFs, eleven passive equity sector ETFs, and Fidelity ONEQ. As part of Fidelity's commitment to financial education, the company offers educational resources to help investors review ETF investing ideas, decide which types of ETFs may fit their investing needs, or browse ETFs with Fidelity's powerful screener: <https://www.fidelity.com/etfs/investing-in-etfs>.

###

Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

Past performance is no guarantee of future results.

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. The risks associated with the securities of companies that represent a disruptive theme include small or limited markets for such securities, changes in business cycles, world economic growth, technological progress, rapid obsolescence, and government regulation. The securities of companies that rely heavily on technology tend to be more volatile and rapid changes to technologies affecting a company's products may adversely affect such company's results. The funds may have additional volatility because of their narrow concentration in specific industries and the companies within their disruptive themes. Non-

diversified funds that focus on a relatively small number of stocks tend to be more volatile than diversified funds and the market as a whole.

ETFs are subject to market fluctuation and the risks of their underlying investments. ETFs are subject to management fees and other expenses.

***Free commission offer applies to online purchase of ETFs in a Fidelity retail account. The sale of ETFs is subject to an activity assessment fee (from \$0.01 to \$0.03 per \$1,000 of principal).**

Fidelity, Fidelity Investments and the pyramid logo are registered service marks of FMR LLC. The third party trademarks appearing herein are the property of their respective owners.

Before investing in any exchange-traded fund, you should consider its investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus, offering circular or, if available, a summary prospectus containing this information. Read it carefully.

Fidelity Brokerage Services LLC, Member NYSE, SIPC,
900 Salem Street, Smithfield, RI 02917

National Financial Services LLC, Member NYSE, SIPC,
245 Summer Street, Boston, MA 02205

Fidelity Distributors Company LLC,
500 Salem Street, Smithfield, RI 02917

1092083.1.0

1.9907583.104

© 2023 FMR LLC. All rights reserved.