

Q1 2023 Business Update

Q1

"Fidelity's primary focus in the first quarter, as always, was to deliver outstanding customer service. The key to providing great experiences for our existing customers, as well as attracting new customers, is enhancing our digital tools and services, which is a strategic priority across all of Fidelity's businesses."

— ABIGAIL P. JOHNSON, CHAIRMAN AND CEO

CUSTOMER, ACCOUNT, AND BUSINESS GROWTH

Total Discretionary Assets¹

\$4.2 trillion

⬇️ 1% from Q1 2022

Assets Under Administration²

\$11.1 trillion

⬇️ 2% from Q1 2022

Social Media Service Interactions³

433,000

⬆️ 178% from Q1 2022

Total Retail Accounts⁴

38.2 million

⬆️ 10% from Q1 2022

New Retail Accounts

1.6 million

⬆️ 7% from Q1 2022

Workplace Plan Participant Accounts

42.2 million

⬆️ 8% from Q1 2022

Clearing and Custody Accounts

8.3 million

⬆️ 6% from Q1 2022

Customer Appointments⁵

⬆️ **19%**

from Q1 2022⁵, Investor and Regional Centers

Retail Investor Planning Interactions

⬆️ **30%**

from Q1 2022⁶

INVESTORS PRIORITIZE SAVING FOR THE FUTURE

42%

of all new retail accounts were opened by investors between 18 and 35 years old.

27%

increase in funded health savings accounts, and more than \$16 billion in total health savings account assets, up 14% year-over-year.⁷

25%

increase in IRA accounts opened by Gen Z investors compared to Q1 2022, and 22% increase in accounts opened by Gen Z women.

Q1 business results as of March 31, 2023.

¹ Includes all Fidelity investment products such as mutual funds and managed accounts.

² Fidelity Internal Information as of March 31, 2023.

³ Social Media Service Interactions include proactive (platform updates, FAQs, and market topics) and reactive (responses to comments/tweets, direct messages, and secure chats) service-related questions/considerations that Personal Investing's social platforms addressed.

⁴ Retail accounts increased slightly due to a methodology change. Previous quarters are restated here for reference: Q1 2022: 34.6 million, Q2 2022: 35.5 million.

⁵ Customer appointments include all roles taking client appointments in investor and regional centers.

⁶ The year-over-year changes referenced are with normalization (Q1 2022 had 12 weeks of recorded data, Q1 2023 had 13 weeks).

⁷ The year-over-year percent change represents January 2022 to January 2023.

ENGAGEMENT AND INNOVATION



Our Customer Inclusion Team developed a new **digital hub** on Fidelity.com to help employers engage and support Black plan sponsor employees to build wealth. The site addresses the specific challenges the Black and African American community contends with and offers financial fundamentals and actionable tools to strengthen financial security.



We created a new **Young Investor Toolkit** that helps wealth management firms and advisors better understand the different needs and preferences of Gen Y and Gen Z investors, enabling them to more effectively engage this growing segment.



Fidelity acquired fintech **Shooobx**. The equity management platform automates startup equity management operations and finances in a single, collaborative hub and helps companies at all growth stages up to initial public offering.



We launched Fidelity's first **business development company (BDC)**, growing our alternative investments product lineup by offering our clients an income-oriented strategy in the private credit markets.⁸



Fidelity expanded its fixed income lineup with Fidelity[®] Municipal Core Plus Bond Fund (FMBAX), which allows Fidelity to participate in a fast-growing segment of the municipal bond market and is available commission-free with no investment minimum to individual investors and financial advisors.



To meet the needs of the new wave of young savers focused on financial independence and retiring early, we launched the free **Financial Independence Planner**, offering personalized, step-by-step instructions to optimize financial habits.



Our **Women Talk Money** series welcomed celebrity guests Venus Williams and Jessica Alba during Women's History Month for candid conversations to provide women with resources they need to build a better future, together.



We launched **Fidelity Crypto** general availability, allowing our retail customers to buy, sell, and securely custody bitcoin and ether with as little as \$1.⁹



We **beta launched FinteractSM**, a community of forward-thinking financial advice professionals with growth mindsets, to help them gain insights from their peers and propel the industry forward.



We **enhanced our Wealthscape platform** with more data-driven, actionable insights to help advisors grow their businesses, including anomaly detection to increase advisor awareness of abnormal transactions and reduce the risk of losing assets, as well as tools to help advisors quickly examine money movement.

⁸ As of April 28, 2023, the BDC is available in 52 states and territories, excluding Arkansas and Washington.

⁹ Fidelity CryptoSM is offered by Fidelity Digital AssetsSM.

Investing involves risk, including risk of loss.

Crypto is highly volatile, can become illiquid at any time, and is for investors with a high-risk tolerance. Investors in crypto could lose the entire value of their investment.

Custody and trading of crypto are provided by Fidelity Digital Asset Services, LLC, a New York State-chartered limited liability trust company (NMLS ID 1773897).

Crypto is not insured by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation ("SIPC").

Brokerage services in support of securities trading are provided by Fidelity Brokerage Services LLC ("FBS"), and related custody services are provided by National Financial Services LLC ("NFS"), each a registered broker-dealer and member NYSE and SIPC. Neither FBS nor NFS offer crypto nor provide trading or custody services for such assets.

OUR PEOPLE

In Q1, we deepened our investment in talent with continued hiring across our 13 regions and shared the meaningful steps we are taking to foster diversity and inclusion, creating the impetus to be mindful of our customers and associates to better support our communities.

Fidelity released its third annual **Diversity & Inclusion Report**

43% of new hires in 2022 were people of color

42% of new hires in 2022 were women

\$350 million spent on diverse suppliers

86% of associates surveyed believe Fidelity creates a culture of inclusion



Fidelity supported **10 BIPOC (Black, indigenous, and people of color)-led/focused organizations** in skills-based volunteerism flash consulting events, engaging 60+ associates for \$100K+ in social return on investments. Projects focused on technology support, vendor review, and communications.



Fidelity launched **Invest in My Education (ME)SM**, a \$250 million social impact initiative that provides access to education and ongoing support to Black, Latino, and historically underrepresented students. The program combines student scholarships with ongoing support, including resources to complete degree programs and pathways to post-graduation employment.

ASSOCIATE QUICK FACTS

2,850+

roles filled in Q1

8,200

associates experienced internal job mobility in Q1¹⁰

¹⁰Mobility can occur when an associate fills an open role or when changes occur without an open role including lateral and promotion events.

AWARDS AND RECOGNITION

Fidelity's commitment to innovation and delivering best-in-class products to customers was recognized by a number of premier industry awards.



Best Places to Work 2023¹¹



#1 Overall Broker 2023¹²



Best Online Broker for Beginning Investors and IRA Investing 2023¹³



America's Most Innovative Companies in 2023¹⁴



Best Online Broker Overall¹⁵

Fidelity Asset Management won **24 Lipper Awards across 18 funds** recognizing funds and fund management firms that excel in providing strong risk-adjusted performance and consistent returns.¹⁶

VIEW PAST BUSINESS UPDATES

[Annual Report 2022](#)

[Q3 2022](#)

[Q2 2022](#)



¹¹ Glassdoor Best Places to Work 2023, January 2023: Fidelity was ranked No. 18 overall out of 100 companies evaluated in the Glassdoor Best Places to Work 2023. Based on U.S. employee feedback from 10/19/21 - 10/17/22. © 2008-2023, Glassdoor, Inc.

¹² StockBrokers.com 2023 Online Broker Review, January 2023: Fidelity was ranked No. 1 overall out of 17 online brokers evaluated in the StockBrokers.com 2023 Online Broker Review. Brokers were each assessed within eight primary categories: Commissions & Fees, Research, Platforms & Tools, Mobile Trading Apps, Investment Options, Education, Ease of Use, and Overall. Best in Class honors were awarded to the top five brokers in each of the following areas: Active Trading, Banking Services, Beginners, Customer Service, Futures Trading, Investor Community, IRA Accounts, Options Trading and Penny Stock Trading.

¹³ Fidelity was named NerdWallet's 2023 winner for Best Online Broker for Beginning Investors, Best Online Broker for IRA Investing and Best App for Investing. Results based on evaluating 17 brokers per category. ©2017-2023 and TM, NerdWallet, Inc. All Rights Reserved.

¹⁴ Fortune America's Most Innovative Companies 2023, March 2023: Fidelity was named one of America's Most Innovative Companies among the top 300 companies evaluated in Forbes Advisor's America's Most Innovative Companies 2023. © 2023 Fortune Media IP Limited. All Rights Reserved.

¹⁵ Forbes Advisor Best Online Brokers of 2023,* February 2023: Fidelity was named the overall best online broker out of 21 of the leading U.S. trading platforms evaluated in Forbes Advisor's Best Online Brokers of 2023. Products were tested side by side, across six major categories: commissions and fees, platform and technology, range of product offerings, research and education, account security, and customer service. © 2023 Forbes Media LLC. All Rights Reserved.

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¹⁶ Refinitiv Lipper Fund Awards 2023, March 2023: Fidelity mutual funds won 24 Lipper Awards for 18 mutual funds. The Refinitiv Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The Refinitiv Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the Refinitiv Lipper Fund Award. For more information, see lipperfundawards.com Although Refinitiv Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Refinitiv Lipper.

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