



FidelityTM
INTERNATIONAL

FIDELITY EUROPEAN VALUES PLC

Half-Yearly Report for the
six months ended 30 June 2020

Investment Objective and Overview

The Company aims to achieve long term growth in both capital and income by predominantly investing in equities (and their related securities) of continental European companies.

“Fidelity European Values PLC (the “Company”) aims to be the cornerstone long term investment of choice for those seeking European exposure across market cycles.

The Company’s portfolio is built on companies with well-formed, long-standing foundations. Europe is home to the world’s largest

economy and some of the strongest, most stable and resilient companies. These global household names are famed for standing the test of time, even through periods of economic uncertainty.

Using Fidelity’s extensive research team, Portfolio Manager, Sam Morse, aims to select well-established

European companies with proven business models, attractive valuations and the ability to grow dividends both now and in the future. It’s these leaders with market-beating potential that have helped the Company outperform its Benchmark Index over the long term.”

Vivian Bazalgette, Chairman



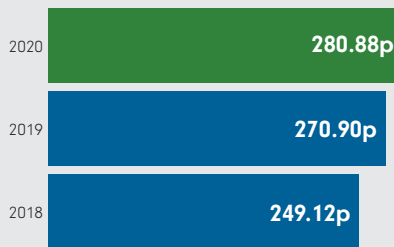
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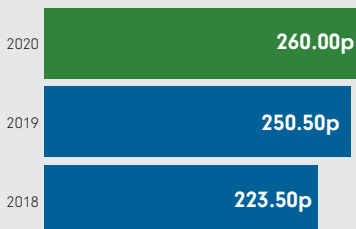
Portfolio Manager's Half-Yearly Review

Read more on pages 04 to 06

Net Asset Value per Ordinary Share as at 30 June



Ordinary Share Price as at 30 June



Directors' Reports

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At a Glance

Six months ended 30 June 2020

**Net Asset Value per
Ordinary Share
total return^{1, 2}**

+3.0%

(30 June 2019: +19.9%)

**Ordinary Share Price
total return^{1, 2}**

+1.7%

(30 June 2019: +24.5%)

**FTSE World Europe (ex UK)
Index total return
(Benchmark Index)¹**

-1.9%

(30 June 2019: +17.5%)

**Interim Dividend per
Ordinary Share**

2.60p

(30 June 2019: 2.59p)

1 Includes reinvested income.

2 Alternative Performance Measures (see Glossary of Terms on page 31).

As at 30 June 2020

Shareholders' Funds

£1,155.7m

Market Capitalisation

£1,069.8m

Capital Structure

**Ordinary Shares of 2.5 pence held outside
of Treasury**

411,466,049

Summary of the key aspects of the Investment Policy

The Investment Manager will typically focus on larger companies which show good prospects for sustainable long term dividend growth. The Investment Manager is not restricted in terms of size, industry or geographical split.

The Company predominantly invests in equities but may also invest into other transferable securities, investment companies, money market instruments, cash and deposits and is also able to use derivatives for efficient portfolio management, to gain additional market exposure (gearing) and for investment purposes.

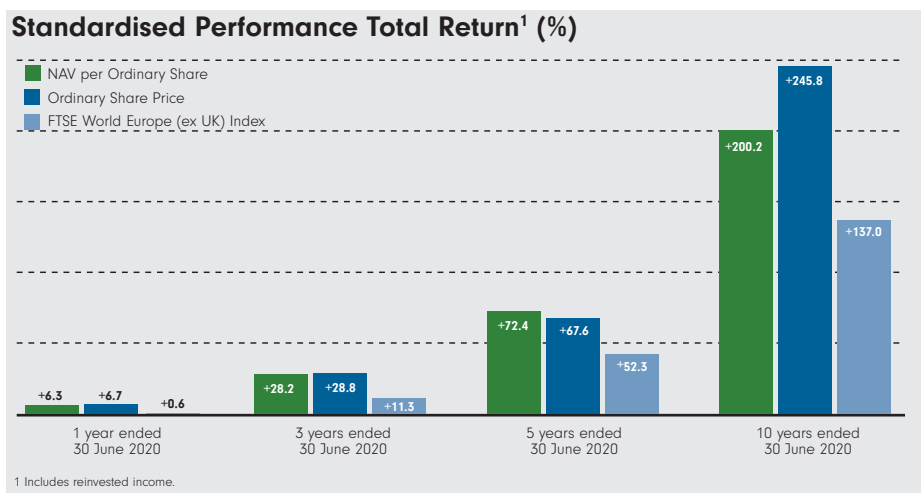
The Investment Manager must work within the guidelines set out in the Investment Policy.

Financial Highlights

| | 30 June 2020 | 31 December 2019 |
|--|-----------------|---------------------|
| Assets | | |
| Gross Asset Exposure ¹ | £1,245.9m | £1,221.6m |
| Gross Asset Exposure in excess of Shareholders' Funds (Gross Gearing – see Note 13 on page 25) ² | 7.8% | 7.1% |
| Net Asset Exposure | £1,245.9m | £1,193.7m |
| Net Asset Exposure in excess of Shareholders' Funds (Net Gearing – see Note 13 on page 25) ² | 7.8% | 4.7% |
| Shareholders' Funds | £1,155.7m | £1,140.6m |
| Net Asset Value ("NAV") per Ordinary Share | 280.88p | 277.19p |
| Ordinary Share Price and Discount data | | |
| Ordinary Share Price at the period end | 260.00p | 260.00p |
| Discount at the period end ² | 7.4% | 6.2% |
| Results for the six months ended 30 June – see pages 12 and 13 | | |
| | 2020 | 2019 |
| Revenue return per Ordinary Share | 3.99p | 6.04p |
| Capital return per Ordinary Share | 3.58p | 39.32p |
| Total return per Ordinary Share | 7.57p | 45.36p |
| Interim Dividend per Ordinary Share | 2.60p | 2.59p |

1 The total exposure of the investment portfolio, including exposure to the investments underlying the derivative instruments.

2 Alternative Performance Measures (see Glossary of Terms on page 31).



Sources: Fidelity and Datastream.

Past performance is not a guide to future returns.

Portfolio Manager's Half-Yearly Review

Performance Review

During the first six months of the year the net asset value ("NAV") total return was +3.0% compared to a total return of -1.9% for the FTSE World Europe (ex UK) Index which is the Company's Benchmark Index. The share price total return was +1.7%, which is below the NAV total return because of a widening of the share price discount to NAV. (All figures in UK sterling.)

Market Review

Continental European markets were very volatile in the first half of this year. The first quarter was one of the worst on record while the second was one of the best. Overall, share prices declined during the review period, although this was cushioned by the weakness of the pound which depreciated seven percent against the euro.

The catalyst of this volatility was, of course, the uncertainty caused by the Coronavirus (COVID-19) pandemic which brought much of the world to a standstill and caused markets to crash during the first quarter. Share prices recovered rapidly during the second quarter as central banks and governments responded to a looming economic crisis with an awesome barrage of monetary and fiscal easing.

Lockdowns, to control the spread of COVID-19, have, inevitably, resulted in significant downward revisions to economic growth forecasts. Encouragingly, however, this appears to have galvanised the European Union ("EU") into action with the announcement, among other fiscal remedies, of an euro 750bn "Recovery Fund" to support its members' economies with a range of infrastructure and renewable energy projects. As always, the substance of the package will be subject to scrutiny and ultimate implementation, but the initiative has been greeted as a step in the

right direction, particularly by investors wary of a new Eurozone crisis.

Shorter term earnings and dividends for European companies have suffered substantial cuts too in the wake of the pandemic. Indeed, dividends have, unusually, proven even less resilient than earnings for a range of reasons including regulatory constraints in the financial sectors and political pressure to restrain payments to shareholders, particularly in France. Some companies have also not been able to pay dividends due to fundamental pressure on liquidity as revenues ground to a halt. While the equity markets' resilience, despite these downgrades to earnings and dividends, may suggest that investors view these reductions as transitory, the reductions in long term bond yields, and the liquidity being pumped into markets by central banks, will support the valuation of equities for some time to come.

Sector returns, in general, have diverged dramatically over the review period. Although the pandemic's impact on activity was the main determinant of performance, other factors also played their roles. Most notably, the growing focus on environmental, social and governance (ESG) standards influenced fund flows and sector performance too. Sectors such as energy, that were on the wrong side of both, performed particularly poorly. Technology, at the other extreme, was the outstanding beneficiary as the pandemic appeared likely to accelerate structural trends such as the shift to on-line and the digitalisation of companies.

Portfolio Manager's Report

The Company's NAV increased slightly in the six months to 30 June 2020, performing better than the Benchmark Index which declined slightly.

The Company's focus on companies with strong balance sheets provided notable resilience

during the first quarter as equity markets fell precipitously. Pleasingly, the Company was able to keep pace with the Benchmark in the second quarter partly thanks to a slight increase in gearing after the Company closed all its short positions and went ex-dividend. Overall, relative performance was encouraging during the review period although absolute returns were lacklustre.

The relative outperformance was helped by stock-picking. Swedish Match was, once again, the stand-out performer reporting strong first quarter results as the company benefited from the on-going success of Zyn, the nicotine pouch business in the United States, and from consumers stocking up on their products as lockdowns began. At the other end of the spectrum, many of the Company's bank holdings performed poorly as investors worried about the outlook for bad debts. Traffic-related companies, such as MTU and Atlantia, also

performed poorly as did Sodexo, the contract caterer, which struggled given the closure of most offices and the cancellation of most events.

In terms of activity, two holdings were sold during the review period. Royal Dutch Shell was disposed early in the year after the company published disappointing fourth quarter results which made it clear that there was no prospect of dividend growth. Iliad, the French telecoms company, was also sold, partly in a tender offer by the majority share owner Xavier Niel.

Three new positions were acquired: Enel, an Italian utility company, which stands to benefit from the continued growth of renewable energy, SIG Combibloc, a Swiss packaging company and Zurich Insurance which should benefit from improved premium pricing after a difficult year for claims in 2020.

| Five Highest Contributors to NAV total return | Sector | Country | % |
|--|------------------------|----------------|----------|
| Swedish Match | Consumer Staples | Sweden | +1.2 |
| Deutsche Boerse | Financials | Germany | +0.6 |
| ASML | Information Technology | Netherlands | +0.5 |
| Airbus | Industrials | France | +0.5 |
| Fresenius Medical Care | Healthcare | Germany | +0.5 |

| Five Highest Detractors to NAV total return | Sector | Country | % |
|--|------------------------|----------------|----------|
| ABN AMRO Bank | Financials | Netherlands | -0.8 |
| Sodexo | Consumer Discretionary | France | -0.6 |
| DNB | Financials | Norway | -0.5 |
| MTU Aero Engines | Industrials | Germany | -0.5 |
| 3i Group | Financials | UK | -0.5 |

Portfolio Manager's Half-Yearly Review continued

Outlook

The second half of this year is likely to be testing; not least because the pandemic is not yet over. Herd immunity or a vaccine are distant on the horizon so further waves and lockdowns appear inevitable. Central banks and governments are doing their utmost to support economies, and markets, but in doing so are potentially creating new problems for the future. Many companies that would otherwise have gone out of business will limp along, with reduced levels of staffing, such that many industries will continue to be oversupplied. Consumers are likely to remain wary and companies will hesitate before investing. Any economic recovery is likely to be fitful and anaemic. Equity markets have already bounced back strongly in the second quarter of this year so further progress will rely on a recovery in earnings and dividends much stronger than your Portfolio Manager currently anticipates, given that valuations, in aggregate, are already full. Presidential elections in the United States, not to mention the negotiations around a new relationship between the United Kingdom and the EU, have the potential to create moments of panic or relief in the second half of this year.

Your Portfolio Manager will, however, as always, stay fully invested because, as has been demonstrated time and again, equities do well over the long term even through many crises and despite many bleak outlooks. Your Portfolio Manager will also continue to focus on attractively-valued companies which are able to sustain consistent dividend growth. As mentioned before, consistency in dividend growth has become more challenging for many continental European companies, including some of those held in the portfolio. Determining the best course of action will be decided on a case by case basis with an eye on valuation. Although execution of this investment

strategy has become more complicated, its merit will not diminish especially in what is likely to continue to be an unusually volatile environment.

By order of the Board

FIL Investments International

3 August 2020

Interim Management Report and Directors' Responsibility Statement

Company Name Change

As reported in the Annual Report for the year ended 31 December 2019, the Board announced its intention to change the Company's name from Fidelity European Values PLC to Fidelity European Trust PLC. The reason for this was to align the Company's name more closely to its objective, and to avoid confusion with value products. It had been expected that the name change would have been effective on 12 May 2020, the date of the Company's Annual General Meeting, and following the requisite statutory filings. However, the impact of COVID-19, and the resultant Government's Stay at Home Measures, have caused substantial delays in the usual statutory filing process. It is not currently possible to deliver the required documents in person to Companies House for action on the same day, which would provide shareholders and the market appropriate certainty about the date of the Company's name change. It still remains the Board's intention to change the name of the Company to Fidelity European Trust PLC. However, until this can be executed with Companies House at a planned future date, the Board has decided that the Company should continue as Fidelity European Values PLC at least until 30 September 2020. The delay in the name change was announced on the London Stock Exchange on 6 May 2020.

Whenever the change to the Company's name is made, it will retain its existing ticker (FEV.L), SEDOL (BK1PKQ9) and ISIN (GB00BK1PKQ95). An announcement will be made on the London Stock Exchange ahead of the change in name taking effect.

Introduction of Co-Portfolio Manager

The Board has agreed with Fidelity to appoint Marcel Stotzel as a Co-Portfolio Manager alongside Sam Morse, the Company's Portfolio Manager. Marcel and Sam have worked closely

together in recent years. Marcel is a very talented analyst and investor, with extensive experience in European companies. Marcel will help Sam with oversight of his different strategies and mandates and will assist in client servicing and marketing.

The move to a Co-Portfolio Manager structure should strengthen the investment process by introducing greater challenge and also increase the ability to meet more companies and, effectively, be in two places at once. Marcel as Co-Portfolio Manager, will have a permanent association with the Company, and will share a common investment approach and complementary investment experience.

Board Changes

Having served on the Board for ten years as a non-executive Director, Dr Robin Niblett stepped down from the Board at the conclusion of the Annual General Meeting on 12 May 2020. As Dr Niblett's successor, Sir Ivan Rogers was appointed on the Board as a non-executive Director on 1 January 2020.

Interim Dividend

The Board's dividend policy, which was updated last year, is to pay dividends twice yearly in order to smooth the dividend payments for the reporting year. The Company's revenue return for the six months to 30 June 2020 was 3.99 pence per share.

The Board has declared an interim dividend of 2.60 pence per share which is a modest 0.4% increase on the 2.59 pence per share paid as the interim dividend in 2019. This will be paid on 30 October 2020 to shareholders on the register on 25 September 2020 (ex-dividend date 24 September 2020). The Board's policy is to seek to pay a progressive dividend in normal circumstances. Owing to COVID-19 and its economic effects, however, some companies have cut or cancelled their dividend payments

Interim Management Report and Directors' Responsibility Statement continued

this year, and this pattern is likely to continue while the virus remains in broad circulation. Accordingly, the Board's present intention during this period is to pay nominal increases in total annual dividends, utilising reserves as necessary. Should company dividend practices be judged, once the crisis is over, to have changed on a permanent rather than temporary basis, then the Board will reconsider its dividend paying policy at that time.

Shareholders may choose to reinvest their dividends for additional shares in the Company. Details of the Dividend Reinvestment Plan can be found on page 28.

Discount Management and Treasury Shares

The Board operates an active discount management policy, the primary purpose of which is to reduce discount volatility. Buying shares at a discount also results in an enhancement to the NAV per share. As a consequence, the Board seeks to maintain the discount in single digits in normal market conditions. In order to assist in managing the discount, the Board has shareholder approval to hold in Treasury ordinary shares repurchased by the Company, rather than cancelling them. These shares are then available to re-issue at NAV per share or at a premium to NAV, facilitating the management of and enhancing liquidity in the Company's shares.

In the six months to 30 June 2020 and as at the date of this report, the Company has not repurchased any ordinary shares into Treasury or for cancellation.

Principal Risks and Uncertainties

The Board, with the assistance of the Alternative Investment Fund Manager (FIL Investment Services (UK) Limited (the "Manager")), has developed a risk matrix which, as part of the risk management and internal controls process, has identified the key risks and uncertainties

faced by the Company. These principal risks and uncertainties fall into the following categories: market risk; performance risk; key person risk; economic and political risk; discount control risk; gearing risk; derivatives risk; operational risks from cybercrime and other significant events such as the COVID-19 pandemic; tax and regulatory risks; and third party service providers operational risks. Information on each of these risks is given in the Strategic Report section of the Annual Report for the year ended 31 December 2019 which can be found on the Company's pages of the Manager's website at www.fidelityinvestmenttrusts.com.

These risks and uncertainties have not materially changed during the six months to 30 June 2020, with the exception of the impact of the risks arising from COVID-19, and are equally applicable to the remaining six months of the Company's financial year.

Coronavirus (COVID-19)

The risks arising from COVID-19 are being kept under constant review by the Board and the Manager. The Manager has contingency plans in place to allow for the continuation of Fidelity's operations and to look after the safety of their employees.

Investors should be prepared for market fluctuations and remember that holding shares in the Company should be considered to be a long term investment. These risks are somewhat mitigated by the investment trust structure of the Company which means that no forced sales will need to take place to deal with any redemptions. Therefore, investments in the Company's portfolio can be held over a longer time horizon.

The Manager is keeping its business continuity plans and operational resilience strategies under constant review and will take all

reasonable steps to continue meeting its regulatory obligations and to assess operational risks, the ability to continue operating and the steps it needs to take to serve and support its clients, including the Board. For example, to enhance its resilience, the Manager has mandated work from home arrangements and implemented split team working for those whose work is deemed necessary to be carried out in the office. The Manager has also imposed self-isolation arrangements on staff in line with Government recommendations and guidance. The Company's other third party service providers have also implemented similar measures to ensure business disruption can be kept to a minimum.

Transactions with the Manager and Related Parties

The Manager has delegated the Company's portfolio management and company secretariat services to FIL Investments International. Transactions with the Manager and related party transactions with the Directors are disclosed in Note 14 to the Financial Statements on page 26.

Going Concern Statement

The Directors have considered the Company's investment objective, risk management policies, liquidity risk, credit risk, capital management policies and procedures, the nature of its portfolio (being mainly securities which are readily realisable) and its expenditure and cash flow projections and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these Financial Statements.

This conclusion also takes into account the Board's assessment of the risks arising from COVID-19.

Continuation votes are held every two years and the next continuation vote will be put to shareholders at the Annual General Meeting in 2021.

By order of the Board

FIL Investments International

3 August 2020

DIRECTORS' RESPONSIBILITY STATEMENT

The Disclosure and Transparency Rules ("DTR") of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- a) the condensed set of Financial Statements contained within the Half-Yearly Report has been prepared in accordance with the Financial Reporting Council's Standard FRS 104: Interim Financial Reporting; and
- b) the Interim Management Report, together with the Portfolio Manager's Half-Yearly Review on pages 4 to 6, includes a fair review of the information required by DTR 4.2.7R and 4.2.8R.

In line with previous years, the Half-Yearly Report has not been audited or reviewed by the Company's Independent Auditor.

The Half-Yearly Report was approved by the Board on 3 August 2020 and the above responsibility statement was signed on its behalf by Vivian Bazalgette, Chairman.

Twenty Largest Holdings

as at 30 June 2020

The Gross Asset Exposures shown below and on the next page measure exposure to market price movements as a result of owning shares and derivative instruments. The Balance Sheet Value is the actual value of the portfolio. Where a contract for difference ("CFD") is held, the Balance Sheet Value reflects the profit or loss on the contract since it was opened and is based on how much the share price of the underlying share has moved.

| | Gross Asset Exposure | | Balance Sheet Value |
|---|----------------------|----------------|---------------------|
| Long Exposures – shares unless otherwise stated | £'000 | % ¹ | £'000 |
| Nestlé | | | |
| Packaged Food | 87,439 | 7.6 | 87,439 |
| Roche | | | |
| Pharmaceuticals | 70,525 | 6.1 | 70,525 |
| SAP | | | |
| Software | 52,873 | 4.6 | 52,873 |
| ASML | | | |
| Semiconductors | 49,890 | 4.3 | 49,890 |
| LVMH Moët Hennessy | | | |
| Personal Goods | 48,674 | 4.2 | 48,674 |
| Sanofi (long CFD) | | | |
| Pharmaceuticals | 46,974 | 4.1 | 7,259 |
| L'Oréal | | | |
| Personal Goods | 43,168 | 3.7 | 43,168 |
| Novo Nordisk | | | |
| Healthcare Services | 39,824 | 3.4 | 39,824 |
| Enel | | | |
| Electricity | 39,814 | 3.4 | 39,814 |
| Swedish Match | | | |
| Tobacco | 36,655 | 3.2 | 36,655 |
| Total | | | |
| Oil & Gas | 36,010 | 3.1 | 36,010 |
| Deutsche Boerse | | | |
| Financial Services | 34,997 | 3.0 | 34,997 |
| Linde (long CFD) | | | |
| Chemicals | 32,691 | 2.8 | 1,724 |
| Symrise | | | |
| Chemicals | 31,183 | 2.7 | 31,183 |

| Long Exposures – shares unless otherwise stated | Gross Asset Exposure | | Balance Sheet Value |
|--|----------------------|----------------|---------------------|
| | £'000 | % ¹ | £'000 |
| EssilorLuxottica | | | |
| Health Care Equipment & Services | 31,119 | 2.7 | 31,119 |
| 3i Group | | | |
| Financial Services | 27,689 | 2.4 | 27,689 |
| Legrand | | | |
| Electronic & Electrical Equipment | 27,026 | 2.4 | 27,026 |
| Telenor | | | |
| Mobile Telecommunications | 26,784 | 2.3 | 26,784 |
| Fresenius Medical Care | | | |
| Healthcare Services | 24,932 | 2.2 | 24,932 |
| Partners Group | | | |
| Financial Services | 24,505 | 2.1 | 24,505 |
| Twenty largest long exposures | 812,772 | 70.3 | 742,090 |
| Other long exposures | 392,679 | 34.0 | 392,679 |
| Total long exposures before long futures^{2,3} | 1,205,451 | 104.3 | 1,134,769 |
| Long Futures | | | |
| Euro Stoxx 50 Future September 2020 ³ | 40,438 | 3.5 | 1,051 |
| Gross Asset Exposure^{3,4} | 1,245,889 | 107.8 | |
| Portfolio Fair Value⁵ | | | 1,135,820 |
| Net current assets (excluding derivative assets and liabilities) | | | 19,913 |
| Shareholders' Funds (per the Balance Sheet on page 16) | | | 1,155,733 |

1 Gross Asset Exposure is expressed as a percentage of Shareholders' Funds.

2 Total long exposures before long futures comprises investments of £1,125,786,000 and long CFDs of £79,665,000.

3 See Note 13 on page 25.

4 Gross Asset Exposure comprises market exposure to investments of £1,125,786,000 plus market exposure to all derivative instruments of £120,103,000. Derivative instruments comprise long CFDs of £79,665,000 and long futures of £40,438,000.

5 Portfolio Fair Value comprises investments of £1,125,786,000 plus derivative assets of £10,034,000 (per the Balance Sheet on page 16).

Income Statement

for the six months ended 30 June 2020

| | | six months ended 30 June 2020 unaudited | | |
|--|-------|--|------------------|----------------|
| | Notes | revenue £'000 | capital £'000 | total £'000 |
| Gains on investments | | - | 12,987 | 12,987 |
| Gains on derivative instruments | | - | 5,215 | 5,215 |
| Income | 4 | 18,950 | - | 18,950 |
| Investment management fees | 5 | (1,061) | (3,182) | (4,243) |
| Other expenses | | (428) | - | (428) |
| Foreign exchange (losses)/gains | | - | (129) | (129) |
| Net return on ordinary activities before finance costs and taxation | | 17,461 | 14,891 | 32,352 |
| Finance costs | 6 | (57) | (173) | (230) |
| Net return on ordinary activities before taxation | | 17,404 | 14,718 | 32,122 |
| Taxation on return on ordinary activities | 7 | (986) | - | (986) |
| Net return on ordinary activities after taxation for the period | | 16,418 | 14,718 | 31,136 |
| Return per ordinary share | 8 | 3.99p | 3.58p | 7.57p |

The Company does not have any other comprehensive income. Accordingly the net return on ordinary activities after taxation for the period is also the total comprehensive income for the period and no separate Statement of Comprehensive Income has been presented.

The total column of this statement represents the Income Statement of the Company. The revenue and capital columns are supplementary and presented for information purposes as recommended by the Statement of Recommended Practice issued by the AIC.

No operations were acquired or discontinued in the period and all items in the above statement derive from continuing operations.

| six months ended 30 June 2019 unaudited | | | year ended 31 December 2019 audited | | |
|--|------------------|----------------|--|------------------|----------------|
| revenue £'000 | capital £'000 | total £'000 | revenue £'000 | capital £'000 | total £'000 |
| - | 157,063 | 157,063 | - | 183,944 | 183,944 |
| - | 7,806 | 7,806 | - | 17,516 | 17,516 |
| 28,016 | - | 28,016 | 34,201 | - | 34,201 |
| (1,010) | (3,030) | (4,040) | (2,119) | (6,357) | (8,476) |
| (406) | - | (406) | (857) | - | (857) |
| - | 505 | 505 | - | 199 | 199 |
| 26,600 | 162,344 | 188,944 | 31,225 | 195,302 | 226,527 |
| (140) | (419) | (559) | (254) | (760) | (1,014) |
| 26,460 | 161,925 | 188,385 | 30,971 | 194,542 | 225,513 |
| (1,587) | - | (1,587) | (2,155) | - | (2,155) |
| 24,873 | 161,925 | 186,798 | 28,816 | 194,542 | 223,358 |
| 6.04p | 39.32p | 45.36p | 7.00p | 47.26p | 54.26p |

Statement of Changes in Equity

for the six months ended 30 June 2020

| | Notes | share capital £'000 |
|---|-------|---------------------------|
| Six months ended 30 June 2020 (unaudited) | | |
| Total shareholders' funds at 31 December 2019 | | 10,411 |
| Net return on ordinary activities after taxation for the period | | - |
| Dividend paid to shareholders | 9 | - |
| Total shareholders' funds at 30 June 2020 | | 10,411 |
| Six months ended 30 June 2019 (unaudited) | | |
| Total shareholders' funds at 31 December 2018 | | 10,411 |
| Net return on ordinary activities after taxation for the period | | - |
| Repurchase of ordinary shares | 11 | - |
| Dividend paid to shareholders | 9 | - |
| Total shareholders' funds at 30 June 2019 | | 10,411 |
| Year ended 31 December 2019 (audited) | | |
| Total shareholders' funds at 31 December 2018 | | 10,411 |
| Net return on ordinary activities after taxation for the year | | - |
| Repurchase of ordinary shares | 11 | - |
| Dividends paid to shareholders | 9 | - |
| Total shareholders' funds at 31 December 2019 | | 10,411 |

| share premium account £'000 | capital redemption reserve £'000 | capital reserve £'000 | revenue reserve £'000 | total shareholders' funds £'000 |
|--------------------------------|-------------------------------------|--------------------------|--------------------------|------------------------------------|
| 58,615 | 5,414 | 1,037,007 | 29,115 | 1,140,562 |
| - | - | 14,718 | 16,418 | 31,136 |
| - | - | - | (15,965) | (15,965) |
| 58,615 | 5,414 | 1,051,725 | 29,568 | 1,155,733 |
| 58,615 | 5,414 | 844,043 | 36,828 | 955,311 |
| - | - | 161,925 | 24,873 | 186,798 |
| - | - | (1,591) | - | (1,591) |
| - | - | - | (25,872) | (25,872) |
| 58,615 | 5,414 | 1,004,377 | 35,829 | 1,114,646 |
| 58,615 | 5,414 | 844,043 | 36,828 | 955,311 |
| - | - | 194,542 | 28,816 | 223,358 |
| - | - | (1,578) | - | (1,578) |
| - | - | - | (36,529) | (36,529) |
| 58,615 | 5,414 | 1,037,007 | 29,115 | 1,140,562 |

Balance Sheet

as at 30 June 2020

Company Number 2638812

| | Notes | 30 June 2020 unaudited £'000 | 31 December 2019 audited £'000 | 30 June 2019 unaudited £'000 |
|---|-------|---------------------------------------|---|---------------------------------------|
| Fixed assets | | | | |
| Investments | 10 | 1,125,786 | 1,108,702 | 1,084,330 |
| Current assets | | | | |
| Derivative instruments | 10 | 10,034 | 16,576 | 8,856 |
| Debtors | | 11,490 | 5,134 | 9,535 |
| Amounts held at futures clearing houses and brokers | | 6,113 | 2,029 | 640 |
| Fidelity Institutional Liquidity Fund | | 106 | 46 | 38 |
| Cash at bank | | 6,576 | 9,444 | 15,252 |
| | | 34,319 | 33,229 | 34,321 |
| Creditors | | | | |
| Derivative instruments | 10 | - | (457) | (648) |
| Other creditors | | (4,372) | (912) | (3,357) |
| | | (4,372) | (1,369) | (4,005) |
| Net current assets | | 29,947 | 31,860 | 30,316 |
| Net assets | | 1,155,733 | 1,140,562 | 1,114,646 |
| Capital and reserves | | | | |
| Share capital | 11 | 10,411 | 10,411 | 10,411 |
| Share premium account | | 58,615 | 58,615 | 58,615 |
| Capital redemption reserve | | 5,414 | 5,414 | 5,414 |
| Capital reserve | | 1,051,725 | 1,037,007 | 1,004,377 |
| Revenue reserve | | 29,568 | 29,115 | 35,829 |
| Total shareholders' funds | | 1,155,733 | 1,140,562 | 1,114,646 |
| Net asset value per ordinary share | 12 | 280.88p | 277.19p | 270.90p |

Notes to the Financial Statements

1 Principal Activity

Fidelity European Values PLC is an Investment Company incorporated in England and Wales with a premium listing on the London Stock Exchange. The Company's registration number is 2638812, and its registered office is Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey, KT20 6RP. The Company has been approved by HM Revenue & Customs as an Investment Trust under Section 1158 of the Corporation Tax Act 2010 and intends to conduct its affairs so as to continue to be approved.

2 Publication of Non-statutory Accounts

The Financial Statements in this Half-Yearly Report have not been audited by the Company's Independent Auditor and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006 (the Act). The financial information for the year ended 31 December 2019 is extracted from the latest published Financial Statements of the Company. Those Financial Statements were delivered to the Registrar of Companies and included the Independent Auditor's Report which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Act.

3 Basis of Preparation

The Company prepares its Financial Statements on a going concern basis and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") and FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council. The Financial Statements are also prepared in accordance with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("SORP") issued by the Association of Investment Companies ("AIC") in October 2019. FRS 104: Interim Financial Reporting has also been applied in preparing this condensed set of Financial Statements. The accounting policies followed are consistent with those disclosed in the Company's Annual Report and Financial Statements for the year ended 31 December 2019.

Notes to the Financial Statements continued

4 Income

| | six months ended 30.06.20 unaudited £'000 | six months ended 30.06.19 unaudited £'000 | year ended 31.12.19 audited £'000 |
|--|--|---|--|
| Investment income | | | |
| Overseas dividends | 15,705 | 24,621 | 29,019 |
| Overseas scrip dividends | 219 | 347 | 795 |
| UK dividends | 673 | 1,145 | 2,058 |
| | 16,597 | 26,113 | 31,872 |
| Derivative income | | | |
| Income recognised from futures contracts | 675 | 428 | 567 |
| Dividends received on long CFDs | 1,615 | 1,431 | 1,658 |
| Interest received on long CFDs ¹ | 36 | 20 | 45 |
| | 2,326 | 1,879 | 2,270 |
| Investment and derivative income | 18,923 | 27,992 | 34,142 |
| Other interest | | | |
| Interest received on deposits and money market funds | 27 | 24 | 48 |
| Interest received on tax reclaims | - | - | 11 |
| | 27 | 24 | 59 |
| Total income | 18,950 | 28,016 | 34,201 |

¹ Due to negative interest rates during the reporting period, the Company received interest on its long CFDs.

No special dividends have been recognised in capital during the period (six months ended 30 June 2019: £nil and year ended 31 December 2019: £nil).

5 Investment Management Fees

| | revenue £'000 | capital £'000 | total £'000 |
|--|------------------|------------------|----------------|
| Six months ended 30 June 2020 (unaudited) | | | |
| Investment management fees | 1,061 | 3,182 | 4,243 |
| Six months ended 30 June 2019 (unaudited) | | | |
| Investment management fees | 1,010 | 3,030 | 4,040 |
| Year ended 31 December 2019 (audited) | | | |
| Investment management fees | 2,119 | 6,357 | 8,476 |

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management to FIL Investments International ("FIL"). Both companies are Fidelity group companies.

FIL charges investment management fees at an annual rate of 0.85% of net assets up to £400 million and 0.75% of net assets in excess of £400 million. Fees are payable monthly in arrears and are calculated on a daily basis.

Notes to the Financial Statements continued

6 Finance Costs

| | revenue £'000 | capital £'000 | total £'000 |
|--|------------------|------------------|----------------|
| Six months ended 30 June 2020 (unaudited) | | | |
| Interest paid on deposits ¹ | 18 | 54 | 72 |
| Interest paid on short CFDs ¹ | 7 | 21 | 28 |
| Dividends paid on short CFDs | 32 | 98 | 130 |
| | 57 | 173 | 230 |

Six months ended 30 June 2019 (unaudited)

| | | | |
|--|-----|-----|-----|
| Interest paid on deposits ¹ | 6 | 18 | 24 |
| Interest paid on short CFDs ¹ | 20 | 59 | 79 |
| Dividends paid on short CFDs | 114 | 342 | 456 |
| | 140 | 419 | 559 |

Year ended 31 December 2019 (audited)

| | | | |
|--|-----|-----|-------|
| Interest paid on deposits ¹ | 30 | 89 | 119 |
| Interest paid on short CFDs ¹ | 27 | 81 | 108 |
| Dividends paid on short CFDs | 197 | 590 | 787 |
| | 254 | 760 | 1,014 |

¹ Due to negative interest rates during the reporting period, the Company paid interest on its short CFDs and deposits.

7 Taxation on Return on Ordinary Activities

| | six months ended 30.06.20 unaudited £'000 | six months ended 30.06.19 unaudited £'000 | year ended 31.12.19 audited £'000 |
|-------------------|---|---|--|
| Overseas taxation | 986 | 1,587 | 2,155 |

8 Return per Ordinary Share

| | six months ended 30.06.20 unaudited | six months ended 30.06.19 unaudited | year ended 31.12.19 audited |
|--|--|--|-----------------------------------|
| Revenue return per ordinary share | 3.99p | 6.04p | 7.00p |
| Capital return per ordinary share | 3.58p | 39.32p | 47.26p |
| Total return per ordinary share | 7.57p | 45.36p | 54.26p |

The return per ordinary share is based on the net return on ordinary activities after taxation for the period divided by the weighted average number of ordinary shares held outside of Treasury during the period, as shown below:

| | £'000 | £'000 | £'000 |
|---|--------------------|-------------|-------------|
| Net revenue return on ordinary activities after taxation for the period | 16,418 | 24,873 | 28,816 |
| Net capital return on ordinary activities after taxation for the period | 14,718 | 161,925 | 194,542 |
| Net total return on ordinary activities after taxation for the period | 31,136 | 186,798 | 223,358 |
| | number | number | number |
| Weighted average number of ordinary shares held outside of Treasury during the period | 411,466,049 | 411,828,509 | 411,645,789 |

Notes to the Financial Statements continued

9 Dividends Paid to Shareholders

| | six months ended 30.06.20 unaudited £'000 | six months ended 30.06.19 unaudited £'000 | year ended 31.12.19 audited £'000 |
|---|--|---|--|
| Final dividend of 3.88 pence per ordinary share for the year ended 31 December 2019 | 15,965 | - | - |
| Interim dividend of 2.59 pence per ordinary share for the year ended 31 December 2019 | - | - | 10,657 |
| Final dividend of 6.28 pence per ordinary share for the year ended 31 December 2018 | - | 25,872 | 25,872 |
| | 15,965 | 25,872 | 36,529 |

The Company has declared an interim dividend for the six month period to 30 June 2020 of 2.60 pence per ordinary share (2019: 2.59 pence). The interim dividend will be paid on 30 October 2020 to shareholders on the register on 25 September 2020 (ex-dividend date 24 September 2020). The total cost of this interim dividend, which has not been included as a liability in these Financial Statements, is £10,698,000 (2019: £10,657,000). This amount is based on the number of ordinary shares held outside of Treasury at the date of this report.

10 Fair Value Hierarchy

The Company is required to disclose the fair value hierarchy that classifies its financial instruments measured at fair value at one of three levels, according to the relative reliability of the inputs used to estimate the fair values.

| Classification | Input |
|----------------|--|
| Level 1 | Valued using quoted prices in active markets for identical assets |
| Level 2 | Valued by reference to inputs other than quoted prices included within level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. |
| Level 3 | Valued by reference to valuation techniques using inputs that are not based on observable market data |

10 Fair Value Hierarchy continued

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset. The table below sets out the Company's fair value hierarchy:

| 30 June 2020 (unaudited) | level 1 £'000 | level 2 £'000 | level 3 £'000 | total £'000 |
|---|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investments | 1,125,786 | - | - | 1,125,786 |
| Derivative instrument assets | 1,051 | 8,983 | - | 10,034 |
| | 1,126,837 | 8,983 | - | 1,135,820 |
| Financial liabilities at fair value through profit or loss | | | | |
| Derivative instrument liabilities | - | - | - | - |

| 31 December 2019 (audited) | level 1 £'000 | level 2 £'000 | level 3 £'000 | total £'000 |
|---|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investments | 1,108,702 | - | - | 1,108,702 |
| Derivative instrument assets | - | 16,576 | - | 16,576 |
| | 1,108,702 | 16,576 | - | 1,125,278 |
| Financial liabilities at fair value through profit or loss | | | | |
| Derivative instrument liabilities | (137) | (320) | - | (457) |

| 30 June 2019 (unaudited) | level 1 £'000 | level 2 £'000 | level 3 £'000 | total £'000 |
|---|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investments | 1,084,330 | - | - | 1,084,330 |
| Derivative instrument assets | 242 | 8,614 | - | 8,856 |
| | 1,084,572 | 8,614 | - | 1,093,186 |
| Financial liabilities at fair value through profit or loss | | | | |
| Derivative instrument liabilities | - | (648) | - | (648) |

Notes to the Financial Statements continued

11 Share Capital

| | 30 June 2020 unaudited | | 31 December 2019 audited | | 30 June 2019 unaudited | |
|---|---------------------------|---------------|-----------------------------|--------|---------------------------|--------|
| | number of shares | £'000 | number of shares | £'000 | number of shares | £'000 |
| Issued, allotted and fully paid | | | | | | |
| Ordinary shares of 2.5 pence each held outside of Treasury | | | | | | |
| Beginning of the period | 411,466,049 | 10,286 | 412,172,826 | 10,304 | 412,172,826 | 10,304 |
| Ordinary shares repurchased into Treasury | - | - | (706,777) | (18) | (706,777) | (18) |
| End of the period | 411,466,049 | 10,286 | 411,466,049 | 10,286 | 411,466,049 | 10,286 |
| Ordinary shares of 2.5 pence each held in Treasury¹ | | | | | | |
| Beginning of the period | 4,981,861 | 125 | 4,275,084 | 107 | 4,275,084 | 107 |
| Ordinary shares repurchased into Treasury | - | - | 706,777 | 18 | 706,777 | 18 |
| End of the period | 4,981,861 | 125 | 4,981,861 | 125 | 4,981,861 | 125 |
| Total share capital | | 10,411 | | 10,411 | | 10,411 |

¹ Ordinary shares held in Treasury carry no rights to vote, to receive a dividend or to participate in a winding up of the Company.

There were no ordinary shares repurchased into Treasury during the period (year ended 31 December 2019: cost of £1,578,000 (net of stamp duty) and six months ended 30 June 2019: cost of £1,591,000).

12 Net Asset Value per Ordinary Share

The net asset value per ordinary share is based on net assets of £1,155,733,000 (31 December 2019: £1,140,562,000 and 30 June 2019: £1,114,646,000) and on 411,466,049 (31 December 2019: 411,466,049 and 30 June 2019: 411,466,049) ordinary shares, being the number of ordinary shares of 2.5 pence each held outside of Treasury at the period end. It is the Company's policy that shares held in Treasury will only be reissued at net asset value per ordinary share or at a premium to net asset value per ordinary share and, therefore, shares held in Treasury have no dilutive effect.

13 Capital Resources and Gearing

The Company does not have any externally imposed capital requirements. The financial resources of the Company comprise its share capital and reserves, as disclosed on the Balance Sheet above, and any gearing, which is achieved through the use of derivative instruments. Financial resources are managed in accordance with the Company's investment policy and in pursuit of its investment objective.

The Company's gearing at the end of the period is shown below:

| | gross asset exposure | | net asset exposure | |
|-----------------------------------|----------------------|----------------|--------------------|----------------|
| | £'000 | % ¹ | £'000 | % ¹ |
| 30 June 2020 (unaudited) | | | | |
| Investments | 1,125,786 | 97.4 | 1,125,786 | 97.4 |
| Long CFDs | 79,665 | 6.9 | 79,665 | 6.9 |
| Long futures | 40,438 | 3.5 | 40,438 | 3.5 |
| Total long exposures | 1,245,889 | 107.8 | 1,245,889 | 107.8 |
| Short CFDs | - | - | - | - |
| Gross/net asset exposure | 1,245,889 | 107.8 | 1,245,889 | 107.8 |
| Shareholders' funds | 1,155,733 | | 1,155,733 | |
| Gearing² | | 7.8 | | 7.8 |
| 31 December 2019 (audited) | | | | |
| Investments | 1,108,702 | 97.2 | 1,108,702 | 97.2 |
| Long CFDs | 72,774 | 6.4 | 72,774 | 6.4 |
| Long futures | 26,151 | 2.3 | 26,151 | 2.3 |
| Total long exposures | 1,207,627 | 105.9 | 1,207,627 | 105.9 |
| Short CFDs | 13,973 | 1.2 | (13,973) | (1.2) |
| Gross/net asset exposure | 1,221,600 | 107.1 | 1,193,654 | 104.7 |
| Shareholders' funds | 1,140,562 | | 1,140,562 | |
| Gearing² | | 7.1 | | 4.7 |

1 Exposure to the market expressed as a percentage of shareholders' funds.

2 Gearing is the amount by which the gross/net asset exposure exceeds shareholders' funds expressed as a percentage of shareholders' funds.

Notes to the Financial Statements continued

13 Capital Resources and Gearing continued

| | gross asset exposure | | net asset exposure | |
|---------------------------------|----------------------|----------------|--------------------|----------------|
| | £'000 | % ¹ | £'000 | % ¹ |
| 30 June 2019 (unaudited) | | | | |
| Investments | 1,084,330 | 97.3 | 1,084,330 | 97.3 |
| Long CFDs | 66,941 | 6.0 | 66,941 | 6.0 |
| Long futures | 9,082 | 0.8 | 9,082 | 0.8 |
| Total long exposures | 1,160,353 | 104.1 | 1,160,353 | 104.1 |
| Short CFDs | 15,453 | 1.4 | (15,453) | (1.4) |
| Gross/net asset exposure | 1,175,806 | 105.5 | 1,144,900 | 102.7 |
| Shareholders' funds | 1,114,646 | | 1,114,646 | |
| Gearing² | | 5.5 | | 2.7 |

1 Exposure to the market expressed as a percentage of shareholders' funds.

2 Gearing is the amount by which the gross/net asset exposure exceeds shareholders' funds expressed as a percentage of shareholders' funds.

14 Transactions with the Manager and Related Parties

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management services and the role of company secretary to FIL Investments International ("FIL"), the Investment Manager. Both companies are Fidelity group companies. Details of the fee arrangements are given in Note 5 above.

During the period, fees for portfolio management services of £4,243,000 (six months ended 30 June 2019: £4,040,000 and year ended 31 December 2019: £8,476,000) were payable to FIL. At the Balance Sheet date, fees for portfolio management services of £733,000 (31 December 2019: £752,000 and 30 June 2019: £705,000) were accrued and included in other creditors. FIL also provides the Company with marketing services. The total amount payable for these services during the period was £80,000 (six months ended 30 June 2019: £80,000 and year ended 31 December 2019: £189,000). At the Balance Sheet date, £16,000 (31 December 2019: £7,000 and 30 June 2019: £2,000) for marketing services was accrued and included in other creditors.

As at 30 June 2020, the Board consisted of five non-executive Directors (shown in the Directory on page 29), all of whom are considered to be independent by the Board. None of the Directors have a service contract with the Company. The Chairman receives an annual fee of £41,500, the Audit Committee Chair an annual fee of £32,500, the Senior Independent Director an annual fee of £29,500 and each other Director an annual fee of £27,000. The following members of the Board hold ordinary shares in the Company: Vivian Bazalgette 30,000 shares, Fleur Meijis 28,970 shares, Sir Ivan Rogers nil shares, Marion Sears 25,475 shares and Paul Yates 32,000 shares.

Shareholder Information

Investing in Fidelity European Values PLC

Fidelity European Values PLC is a company listed on the London Stock Exchange and you can buy its shares through a platform, stockbroker, share shop or bank. Fidelity also offers a range of options, so that you can invest in a way that is best for you. Details of how to invest and the latest Key Information Document can be found on Fidelity's website at **www.fidelityinvestmenttrusts.com**

CONTACT INFORMATION

Shareholders and Fidelity Platform Investors should contact the appropriate administrator using the contact details given below and on the next page. Links to the websites of major platforms can be found at **www.fidelityinvestmenttrusts.com**

Shareholders on the main share register

Contact Link Asset Services, Registrar to Fidelity European Values PLC, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

Email: **enquiries@linkgroup.co.uk**

Telephone: **0371 664 0300** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00 – 17:30, Monday to Friday excluding public holidays in England and Wales).

Details of individual shareholdings and other information can also be obtained from the Registrar's Share Portal at **www.signalshares.com**. Shareholders are able to manage their shareholding online by registering for the Share Portal, a free and secure online access service. Facilities include:

Account Enquiry – Shareholders can access their personal shareholding, including share transaction history, dividend payment history and obtain an up-to-date shareholding valuation.

Amendment of Standing Data – Shareholders can change their registered postal address and add, change or delete dividend mandate instructions. Shareholders can also download forms such as change of address, stock transfer and dividend mandates as well as buy and sell shares in the Company.

Should you have any queries in respect of the Link Share Portal, contact the helpline on **0371 664 0391** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00 – 17:30, Monday to Friday excluding public holidays in England and Wales).

Link Share Dealing Service

Link Asset Services offer a low cost share dealing service to buy or sell shares. Further information is available at **www.linksharedeal.com**, or by telephoning **0371 664 0445** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 8:00 – 16:30, Monday to Friday excluding public holidays in England and Wales). The Link Share Dealing Service allows you to deal in the shares of other companies for which Link Asset Services acts as Registrar, provided you are already a shareholder in the relevant company, and that company offers the Share Deal facility to its shareholders.

Shareholder Information continued

Dividend Reinvestment Plan

Link Asset Services offer a Dividend Reinvestment Plan which is a convenient way for shareholders to build up their shareholding by using the dividend money to purchase additional shares in the Company. The plan is provided by Link Asset Services, a trading name of Link Market Services Trustees Limited which is authorised and regulated by the Financial Conduct Authority.

For more information and an application pack call **0371 664 0381** between 9:00 – 17:30, Monday to Friday. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Alternatively you can email: **shares@linkgroup.co.uk** or log onto **www.signalshares.com**

Fidelity Platform Investors

Contact Fidelity, using the freephone numbers given opposite, or by writing to: UK Customer Service, Fidelity International, Oakhill House, 130 Tonbridge Road, Hildenborough, Tonbridge, Kent TN11 9DZ.

Website: **www.fidelity.co.uk**

Private investors: call free on **0800 41 41 10**, 9:00 – 18:00, Monday to Saturday.

Financial advisers: call free on **0800 41 41 81**, 8:00 – 18:00, Monday to Friday.

General Enquiries

General enquiries should be made to the Secretary at the Company's registered office: FIL Investments International, Investment Trusts, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Telephone: **01737 836347**

Email: **investmenttrusts@fil.com**

Website: **www.fidelityinvestmenttrusts.com**

If you hold Fidelity European Values PLC shares in an account provided by Fidelity International, you will receive a report every six months detailing all of your transactions and the value of your shares.

| Financial Calendar 2020/2021 | |
|------------------------------|---|
| 30 June 2020 | Half-Year End |
| August 2020 | Announcement of the Half-Yearly Results |
| August 2020 | Publication of the Half-Yearly Report |
| October 2020 | Payment of the Interim Dividend |
| 31 December 2020 | Financial Year End |
| March 2021 | Announcement of the Annual Results |
| March 2021 | Publication of the Annual Report |
| May 2021 | Annual General Meeting |
| May 2021 | Payment of the Final Dividend |

Directory

Board of Directors

Vivian Bazalgette (Chairman)
 Fleur Meijs (Chair of the Audit Committee)
 Sir Ivan Rogers
 Marion Sears (Senior Independent Director)
 Paul Yates

Alternative Investment Fund Manager (AIFM/the Manager)

FIL Investment Services (UK) Limited
 Oakhill House
 130 Tonbridge Road
 Hildenborough
 Tonbridge
 Kent
 TN11 9DZ

Investment Manager, Secretary and Registered Office

FIL Investments International
 Beech Gate
 Millfield Lane
 Lower Kingswood
 Tadworth
 Surrey
 KT20 6RP
 Email: investmenttrusts@fil.com

Banker and Custodian

JPMorgan Chase Bank (London Branch)
 125 London Wall
 London
 EC2Y 5AJ

Depository

J.P. Morgan Europe Limited
 25 Bank Street
 London
 E14 5JP

Financial Adviser and Stockbrokers

Winterflood Investment Trusts
 The Atrium Building
 Cannon Bridge
 25 Dowgate Hill
 London
 EC4R 2GA

Independent Auditor

Ernst & Young LLP
 25 Churchill Place
 London
 E14 5EY

Lawyer

Charles Russell Speechlys LLP
 5 Fleet Place
 London
 EC4M 7RD

Registrar

Link Asset Services
 The Registry
 34 Beckenham Road
 Beckenham
 Kent
 BR3 4TU

General Data Protection Regulation (“GDPR”)

What personal data is collected and how it is used

The Company is an investment trust which is a public limited company and has certain regulatory obligations such as the requirement to send documents to its shareholders, for example, the Annual Report and other documents that relate to meetings of the Company. The Company will therefore collect shareholders’ personal data such as names, addresses and identification numbers or investor codes and will use this personal data to fulfil its statutory obligations.

Any personal data collected will be kept securely on computer systems and in some circumstances on paper. Personal information is kept secure in line with Fidelity’s Information Security policies and standards. If you are unhappy with how we have used your personal data, you can complain by contacting the UK Data Protection Officer at Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Sharing personal data

In order to assist the Company in meeting its statutory requirements, the Company delegates certain duties around the processing of this data to its third party service providers, such as the Company’s Registrar and Printers. The Company has appointed Fidelity to undertake marketing activities for the Company and their privacy statement can be found on the Company’s website at <https://investment-trusts.fidelity.co.uk/privacy-policy/>

The Company’s agreements with the third party service providers have been updated to be compliant with GDPR requirements. The Company confirms to its shareholders that their data will not be shared with any third party for any other purpose, such as for marketing purposes. In some circumstances, it may be necessary to transfer shareholders’ personal data across national borders to Fidelity Group entities operating in the European Economic Area (“EEA”). Where this does occur, the European standard of protections will be applied to the personal data that is processed. Where personal data is transferred within the Fidelity Group, but outside of the EEA, that data will subsequently receive the same degree of protection as it would in the EEA.

How long will personal data be kept for?

We will keep the personal data for as long as is necessary for these purposes and no longer than we are legally permitted to do so.

Requesting access, making changes to your personal data and other important information

Shareholders can access the information that the Company holds about them or ask for it to be corrected or deleted by contacting Fidelity’s UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Glossary of Terms

AIF

Alternative Investment Fund (“AIF”). The Company is an AIF.

AIFM

Alternative Investment Fund Manager (“AIFM”). The Board has appointed FIL Investment Services (UK) Limited to act as the Company’s AIFM (the *Manager*).

AIFMD

The Alternative Investment Fund Managers Directive (“AIFMD”) is a European Union Directive implemented on 22 July 2014.

Alternative Performance Measures

The Company uses the following *Alternative Performance Measures* which are all defined in this Glossary of Terms:

- Discount/Premium;
- Gearing;
- Ongoing Charges;
- Revenue, Capital and Total Returns; and
- Total Return Performance (Net Asset Value Total Return or Share Price Total Return).

Benchmark Index

FTSE World Europe (ex UK) Index against which the performance of the Company is measured.

Contract For Difference (CFD)

A *contract for difference* is a *derivative*. It is a contract between the Company and an investment house at the end of which the parties exchange the difference between the opening price and the closing price of the underlying asset of the specified financial instrument. It does not involve the Company buying or selling the underlying asset, only agreeing to receive or pay the movement in its share price. A *contract for difference* allows the Company to gain access to the movement in the share price by depositing a small amount

of cash known as margin. The Company may reason that the asset price will rise, by buying (“long” position) or fall, by selling (“short” position). If the Company trades long, dividends are received. If the Company trades short, dividends are paid.

Custodian

An entity that holds (as intermediary) the Company’s assets, arranges the settlement of transactions and administers income, proxy voting and corporate actions. The Company’s *Custodian* is JPMorgan Chase Bank.

Depository

An entity that oversees the custody, cash arrangements and other *AIFM* responsibilities of the Company. J.P. Morgan Europe Limited acts as the Company’s *Depository*.

Derivatives

Financial instruments (such as *futures*, *options* and *contracts for difference*) whose value is derived from the value of an underlying asset.

Discount

If the share price of the Company is lower than the *net asset value* per ordinary share, the Company is said to be trading at a *discount*. The *discount* is shown as a percentage of the *net asset value* per ordinary share.

Fair Value

The *fair value* is the best estimate of the value of the investments, including *derivatives*, at a point in time and this is measured as:

- **Listed investments** – valued at bid prices, or last market prices, where available otherwise at published price quotations;
- **Unlisted investments** – valued using an appropriate valuation technique in the absence of an active market;
- **Futures and options** – valued at the quoted trade price for the contract; and

Glossary of Terms continued

- **Contracts for difference** – valued as the difference between the settlement price of the contract and the value of the underlying shares in the contract (unrealised gains or losses).

Futures

An agreement to buy or sell a fixed amount of an asset at a fixed future date and at a fixed price.

Gearing

Gearing is the amount of exposure the Company uses to invest in the market. The Company uses two key measures of **gearing**:

- **Gross gearing** which is the amount by which **gross asset exposure** exceeds **shareholders' funds** expressed as a percentage of **shareholders' funds**.
- **Net gearing** which is the amount by which **net asset exposure** exceeds **shareholders' funds** expressed as a percentage of **shareholders' funds**.

Gross Asset Exposure

A measure of the Company's total equity exposure. It is calculated as the sum of all long exposures, plus short exposures and less exposures **hedging** the portfolio.

Hedging

A strategy aimed at minimising or eliminating the risk or loss through adverse movements, normally involving taking a position in a **derivative** such as a **future** or an **option**.

Investment Manager

FIL Investments International acts as the Company's **Investment Manager** under delegation from FIL Investment Services (UK) Limited (the **AIFM**).

Manager

FIL Investment Services (UK) Limited was appointed as the **Manager** in accordance with the Alternative Investment Fund Managers Directive (**AIFMD**), and has delegated the investment management of the Company to the **Investment Manager**.

Net Asset Exposure

A measure of the Company's net equity exposure. It is calculated as the sum of all long exposures, less short exposures and less exposures **hedging** the portfolio.

Net Asset Value (NAV)

Net asset value is sometimes also described as "shareholders' funds" and represents the total value of the Company's assets less the total value of its liabilities. For valuation purposes it is common to express the **net asset value** on a per share basis.

Ongoing Charges

Total operating expenses (excluding finance costs and taxation) incurred by the Company as a percentage of the average daily **net asset values** for the reporting year.

Options

An **option** is a contract which gives the right but not the obligation to buy or sell an underlying asset at a specific price on or before an agreed date. **Options** may be calls (buy) or puts (sell) and are used to gain or reduce exposure to the underlying asset on a conditional basis, for example, the purchase of a call **option** provides exposure to the upside potential of an underlying stock, with the downside risk being limited to the premium paid.

Portfolio Manager

Sam Morse is the appointed **Portfolio Manager** of the Company and is responsible for managing the Company's assets.

Premium

If the share price of the Company is higher than the **net asset value** per ordinary share, the Company is said to be trading at a **premium**. The **premium** is shown as a percentage of the **net asset value** per ordinary share.

Registrar

An entity that manages the Company’s shareholder register. The Company’s **Registrar** is Link Asset Services.

Return

The **return** generated in a given period from the investments:

- **Revenue return** reflects the dividends and interest from investments and other income, net of expenses, finance costs and taxation;
- **Capital return** reflects the return on capital, excluding any revenue return; and
- **Total return** reflects the aggregate of revenue and capital returns.

Shareholders’ Funds

Shareholders’ funds are also described as “**net asset value**” and represent the total value of the Company’s assets less the total value of its liabilities.

Total Return Performance

The return on the share price or **net asset value** per ordinary share taking into account the rise and fall of share prices and the dividends paid to shareholders. Any dividends received by the shareholder are assumed to have been reinvested for additional shares (for share price total return) or the Company’s assets (for **net asset value** total return).

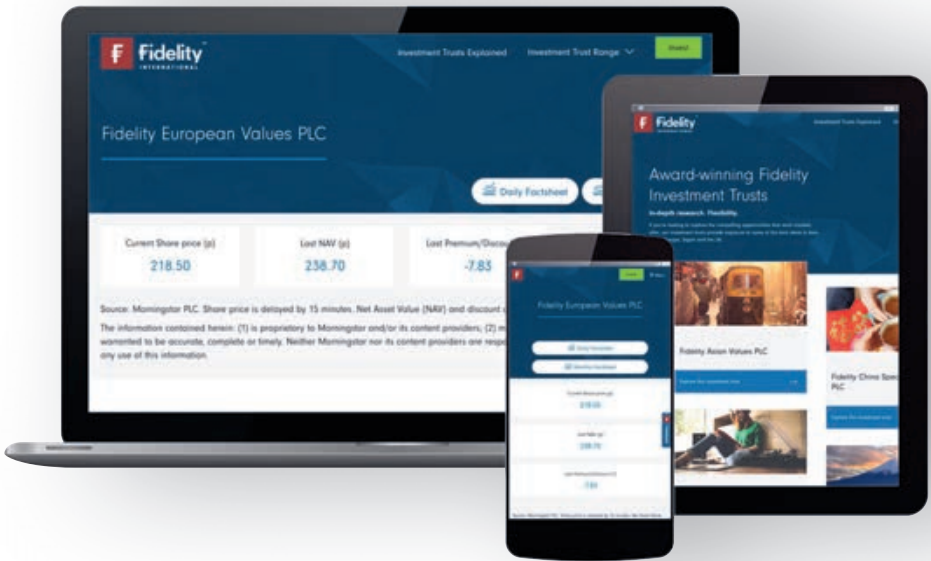
Treasury Shares

Ordinary shares of the Company that have been repurchased by the Company and not cancelled but held in Treasury. These shares do not pay dividends, have no voting rights and are excluded from the **net asset value** per ordinary share calculation.

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