



Fidelity Investments Canada expands income solutions with launch of Fidelity Equity Premium Yield ETF Fund

New mutual fund aims to generate cash flows and long-term capital growth

TORONTO, July 29, 2025 – Today, Fidelity Investments Canada ULC (Fidelity) launched Fidelity Equity Premium Yield ETF Fund. This new mutual fund invests directly in Fidelity Equity Premium Yield ETF, which employs an options-based equity strategy for investors who are seeking cash flow and to potentially achieve long-term growth while mitigating portfolio volatility.

Fidelity Equity Premium Yield ETF Fund offers exposure to an equity and options-based investment strategy that can generate potentially higher levels of cash flow compared to equity-only strategies.

“Covered call strategies have become popular due to their potential to generate attractive cash flows, and today’s expansion provides investors with more opportunity to access this strategy in a mutual fund,” said Kelly Creelman, Senior Vice President, Products and Marketing, Fidelity. “Fidelity Equity Premium Yield ETF Fund aims to enhance income and mitigate overall portfolio volatility while still providing investors with another option to diversify their investment portfolios to help build their financial futures.”

Why consider this fund:

Fidelity Equity Premium Yield ETF Fund aims to provide cash flows and long-term capital growth. It invests in Fidelity Equity Premium Yield ETF, which implements a fundamental, quantitative and derivatives strategy aiming to create a portfolio that can provide enhanced cash flow, long term capital appreciation and reduced portfolio volatility.

- **Potentially enhanced cash flow:** Aims to enhance cash flow generation while allowing investors to remain invested in equity markets.
- **Equity growth potential:** Aims to provide some upside participation by providing exposure to equity markets.
- **Reduced volatility:** Seeks to moderately reduce its overall portfolio volatility relative to the S&P 500 index.
- **Tax-efficient cash flow:** Option premiums are distributed monthly and are generally taxed as capital gains or treated as return of capital.

Learn more and get expert insights:

- **Advisors and Investors:** Listen to the [FidelityConnects podcast](#) to learn more about this launch and the Fidelity Equity Premium Yield ETF:
 - [Diversifying: Call writing & options based strategies](#): With Portfolio Manager of Fidelity Equity Premium Yield ETF and Fidelity SmartHedge US Equity Fund, Eric Granat
 - The ETF roundup: With Director of ETF and Alternatives Strategy, Étienne Joncas-Bouchard
 - [Introducing Fidelity Equity Premium Yield ETF](#): With Portfolio Manager Eric Granat, and Director of ETFs Andrei Bruno

About Fidelity Investments Canada ULC

At Fidelity Investments Canada, our mission is to build a better future for our clients. Our diversified business serves financial advisors, wealth management firms, employers, institutions and individuals. As the marketplace evolves, we are constantly innovating and offering our clients choice of investment and wealth management products, services and technological solutions all backed by the global strength and scale of Fidelity. With assets under management of \$310 billion (as at July 22, 2025), Fidelity Investments Canada is privately held and committed to helping our diverse clients meet their goals over the long term. Fidelity funds are available through financial advisors and online trading platforms.

Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the mutual fund's or ETF's prospectus, which contains detailed investment information, before investing. Mutual funds and ETFs are not guaranteed. Their values change frequently and investors may experience a gain or a loss. Past performance may not be repeated.

Fidelity Equity Premium Yield ETF aims to provide income and long-term capital growth. In implementing an options-based strategy that aims to enhance cash flow and mitigate overall portfolio volatility, the ETF sells (writes) call options on an index representing the performance of companies with large market capitalizations, such as the S&P 500 Index. The ETF's ability to provide distributions to unitholders will depend on the yield available on the equity securities held by the ETF and the premiums received with respect to its written call options. There is no guarantee that the ETF will make regular distributions to its unitholders or that distributions to unitholders will remain consistent, and the amounts distributed to unitholders could vary based on the market or economic environment and other factors. Distributions in excess of the ETF's current and accumulated earnings and profits will be treated as a return of capital, which is a distribution from the unitholder's investment principal rather than net profits from the ETF's returns. Therefore, any portion of a distribution that is characterized as a return of capital should not be confused with the ETF's "yield" or "income." Writing call options also involves risks, including that the ETF may be required to sell the underlying asset or settle in cash an amount of equal value at a price below the market price at the time of exercise of an option. The premiums associated

with writing covered call options may not exceed the returns that would have resulted if the ETF had remained directly invested in the securities subject to call options. Please read the ETF's prospectus for more details of these and other risks.

For more information, please contact:

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