

# Fidelity<sup>®</sup> Contrafund<sup>®</sup> Commingled Pool

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Presentation to: Wisconsin Department of Employee Trust Funds

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**Not FDIC Insured • May Lose Value • No Bank Guarantee**

Fidelity Contrafund Commingled Pool is a commingled pool of the Fidelity Group Trust for Employee Benefit Plans and is managed by Fidelity Management Trust Company, a Massachusetts limited purpose trust company. It is not a mutual fund.

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# Strategy Overview

## Fidelity Contrafund Commingled Pool



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Investment objective is to provide capital appreciation over a market cycle relative to the S&P500<sup>®</sup> Index, through the active management of equities with a focus on companies having strong long-term growth prospects.



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Investment philosophy is to capitalize on the strength of Fidelity's internal research by selecting those stocks whose value the manager believes is not fully recognized by the public.



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The Portfolio may invest in domestic and foreign issuers in either "growth" or "value" stocks or both.

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# Strategy Process

## Fidelity Contrafund Commingled Pool

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Diversified domestic equity pool with a large-growth bias

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Seeks firms poised for durable multiyear earnings growth that have superior business models and are overseen by stewards of shareholder capital

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Emphasizes firms with high returns on capital, solid free cash flow generation, prudently managed balance sheets, and less economic sensitivity

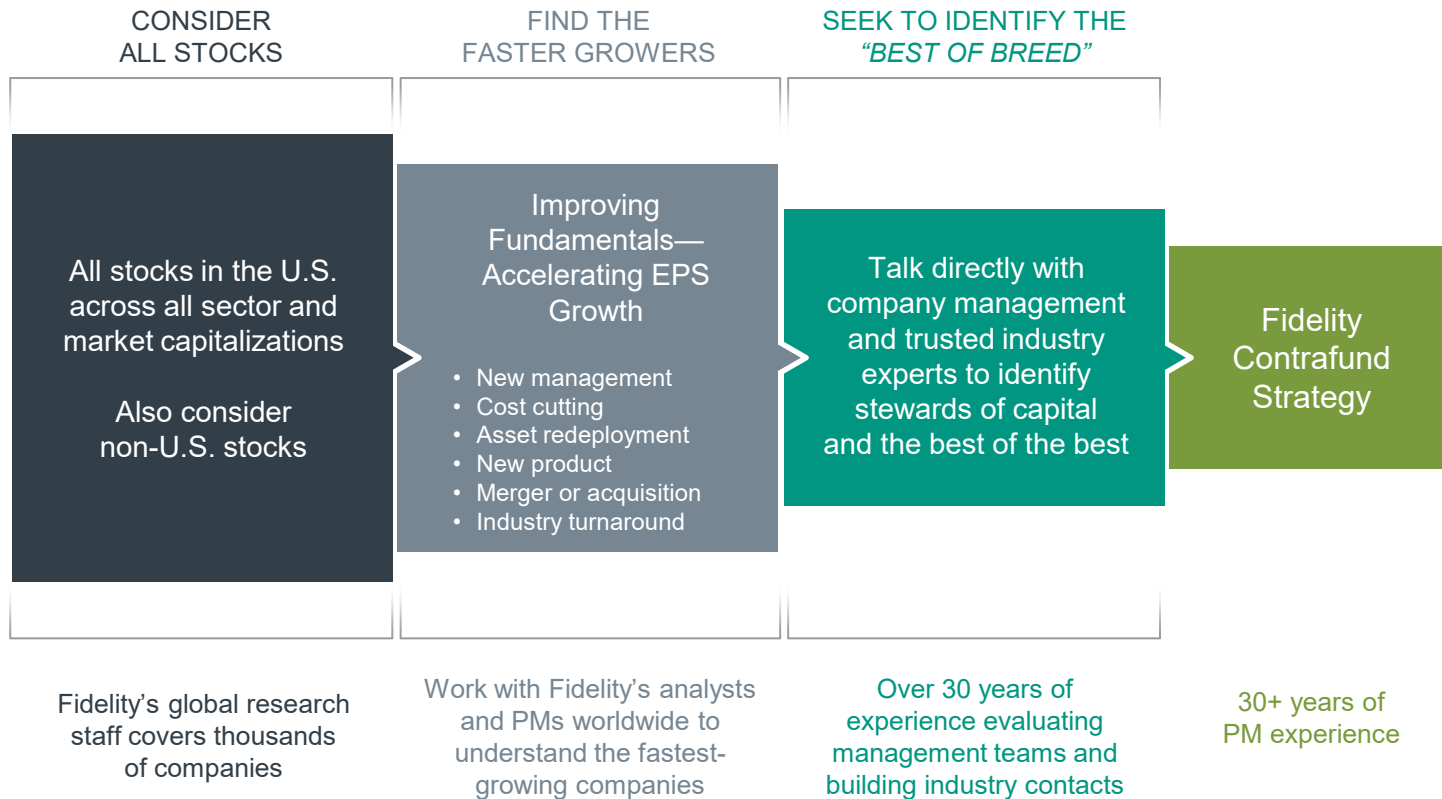
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Leverages Fidelity's global equity research platform and deep network to identify investment opportunities

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# Investment Process



Will Danoff has been the Portfolio Manager of Fidelity Contrafund since 1990, and Fidelity Contrafund Commingled Pool since its inception on 1/17/14.

# Fidelity's 24-Hour Company Access

We meet with many dozens of companies every day,  
in Boston and around the world.



For illustrative purposes only. Not intended to represent holdings of any Fidelity portfolio.  
Not an offer or recommendation to buy or sell any securities.

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# Buy-and-Sell Discipline

## 1 Buy Discipline

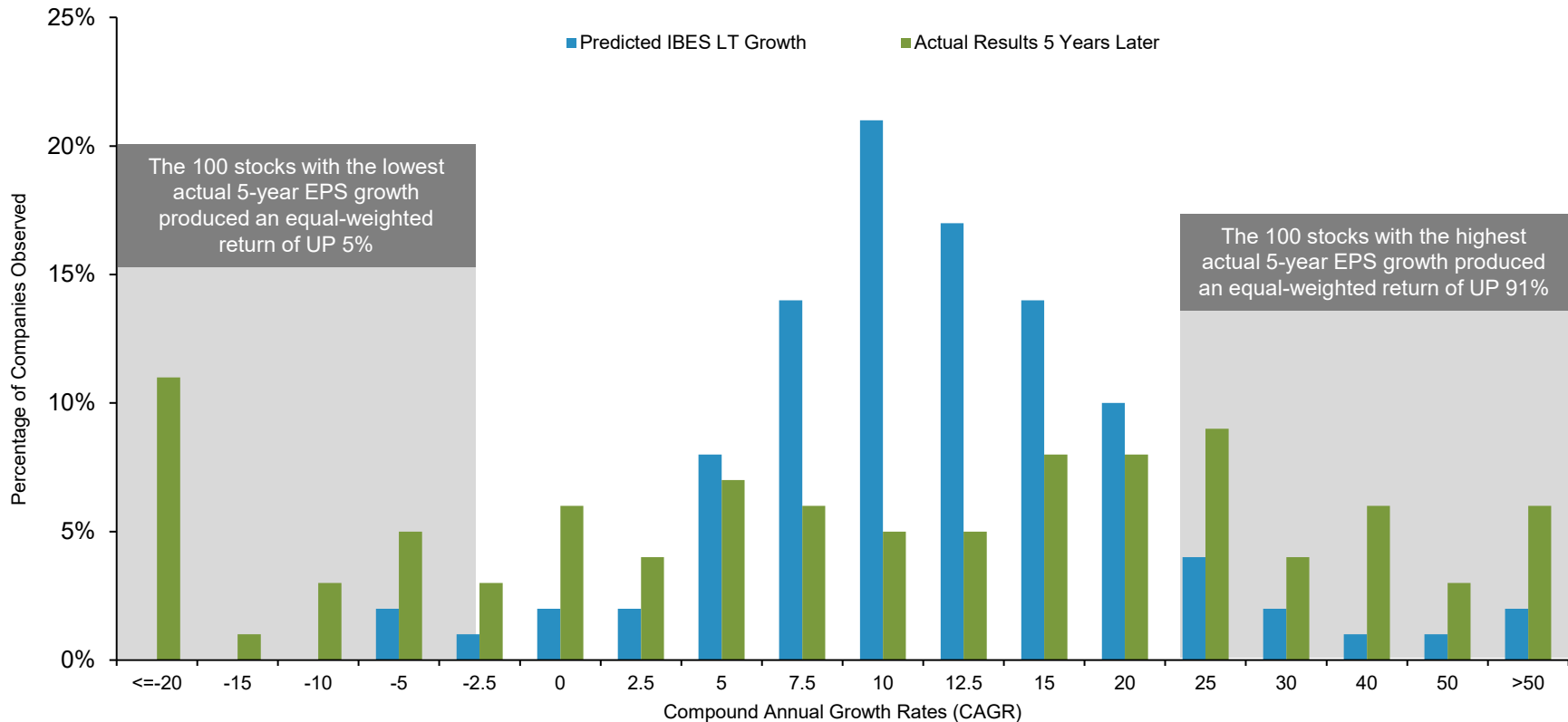
- Identify stocks poised for durable, above-average rates of earnings growth
- Seeks “Best of breed” qualities and sustainable competitive advantage
- Superior management teams that are good allocators of shareholder capital
- New growth companies with a positive 3–5 year runway

## 2 Sell Discipline

- Deteriorating fundamentals
- Increased competition
- Extreme valuation
- More attractive opportunities become available

# Earnings Matter

## THE S&P 500®—STREET EPS GROWTH FORECASTS IBES Estimates from 5 years ago versus actual results (Data from 12/31/17 to 12/31/22)



Past performance is no guarantee of future results.

Note: The universe of stocks had a cumulative, equal-weighted return of UP 57% in this time period.

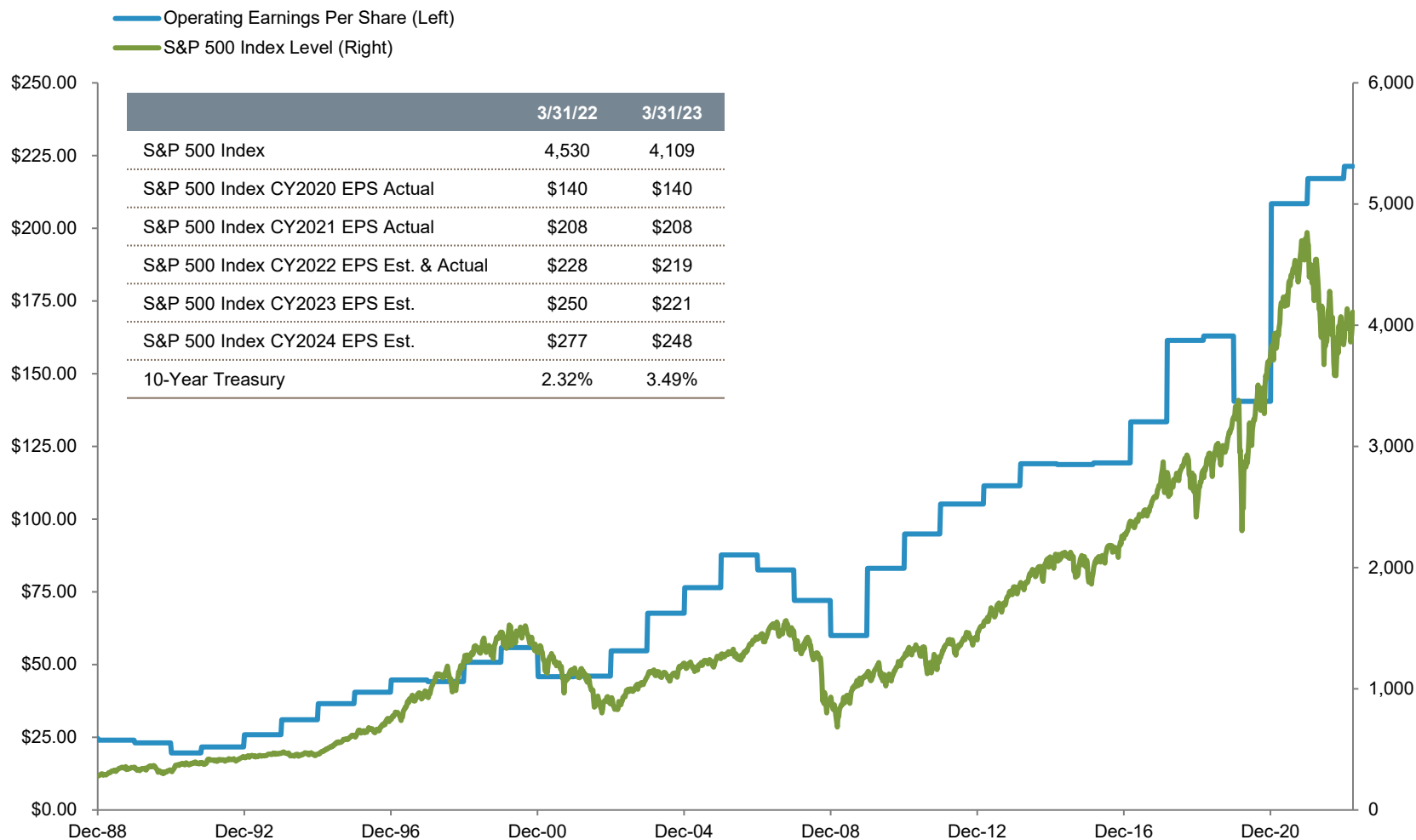
The rank order correlation between street estimated growth and total return is 14%.

The rank order correlation between actual growth and total return is 49%.

IBES—Institutional Brokers' Estimate System.

Source: Fidelity Investments and FactSet.

# Stocks Follow Earnings



Past performance is no guarantee of future results.

Note: The 2008 operating earnings per share of \$65 excludes the asset write-downs from financial companies. The earnings per share for 2008 would be \$52 with the inclusion of these write-downs.

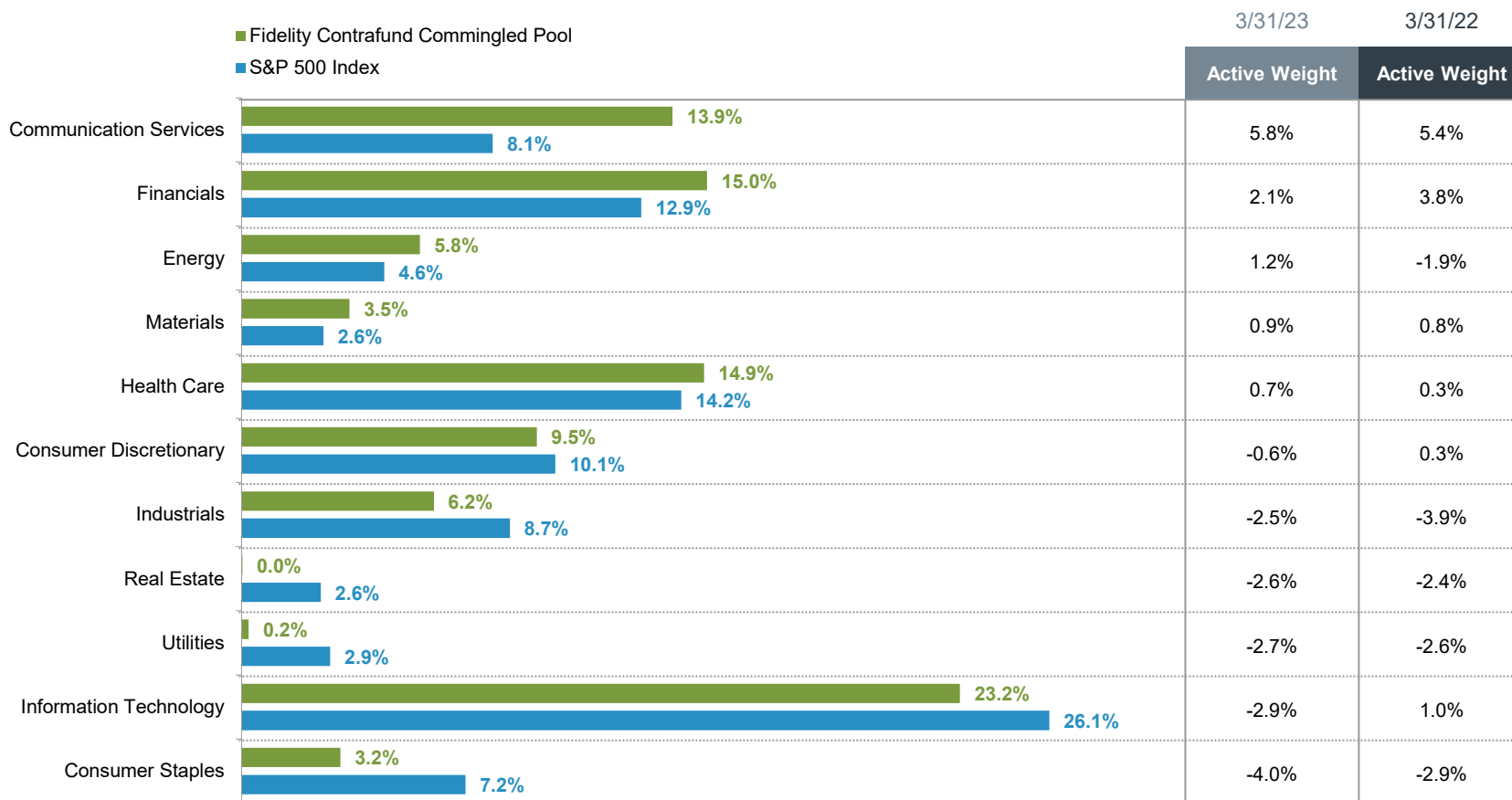
Source: FactSet, I/B/E/S, Haver Analytics, Standard & Poor's, and Empirical Research, as of 3/31/23.



# Fidelity Contrafund Commingled Pool

## Sector Weights

As of March 31, 2023



At the annual reconstitution, GICS implemented reclassifications that primarily impacted a few industries within technology, financials & industrials. This action may have led to changes in overall weights within these sectors.

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# Fidelity Contrafund Commingled Pool

## Top 10 Holdings

As of March 31, 2023

As of 3/31/23	Sector
Meta Platforms, Inc.	Communication Services
Berkshire Hathaway, Inc. Class A	Financials
Microsoft Corp.	Information Technology
Apple, Inc.	Information Technology
UnitedHealth Group, Inc.	Health Care
Amazon.com, Inc.	Consumer Discretionary
NVIDIA Corp.	Information Technology
Regeneron Pharmaceuticals, Inc.	Health Care
Eli Lilly & Co.	Health Care
Amphenol Corp. Class A	Information Technology
<b>Top 10 Holdings as % of Net Assets: 42.7%</b>	
<b>Total Number of Holdings: 358</b>	
<b>Foreign Holdings: 5.9%</b>	

As of 3/31/22	Sector
Amazon.com, Inc.	Consumer Discretionary
Berkshire Hathaway, Inc. Class A	Financials
Meta Platforms, Inc.	Communication Services
Microsoft Corp.	Information Technology
UnitedHealth Group, Inc.	Health Care
Apple, Inc.	Information Technology
NVIDIA Corp.	Information Technology
Alphabet, Inc. Class A	Communication Services
Alphabet, Inc. Class C	Communication Services
Salesforce, Inc.	Information Technology
<b>Top 10 Holdings as % of Net Assets: 47.2%</b>	
<b>Total Number of Holdings: 345</b>	
<b>Foreign Holdings: 6.1%</b>	

Not representative of manager's entire portfolio or all recommendations. Not a recommendation or offer to buy or sell securities. Holdings do not include money market investments or futures contracts.

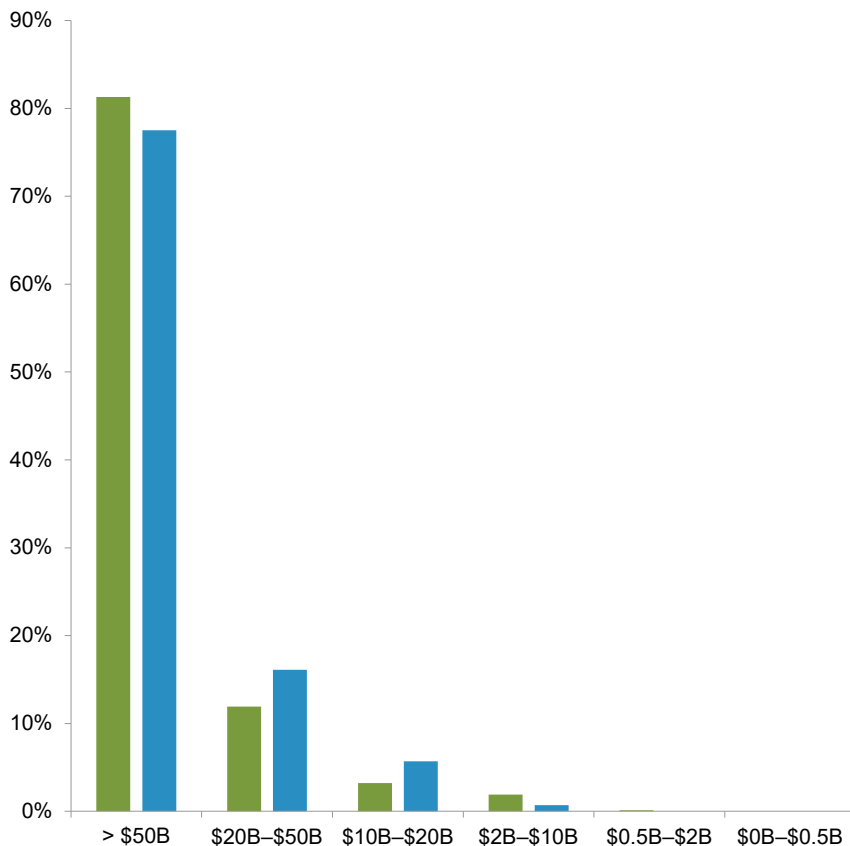
# Fidelity Contrafund Commingled Pool

## Portfolio Characteristics

As of March 31, 2023

### MARKET CAPITALIZATION

■ Fidelity Contrafund Commingled Pool  
■ S&P 500 Index



Portfolio Facts	Fidelity Contrafund Commingled Pool	S&P 500 Index
Total Net Assets (\$B)	\$36.0	-
Number of Holdings	358	-
Turnover Rate (9/22)	28%	-
<b>Asset Allocation</b>		
Domestic Equities	89.6%	-
International Equities	5.9%	-
Developed Markets	5.1%	-
Emerging Markets	0.9%	-
Bonds	0.0%	-
Cash and Other	4.5%	-
<b>Valuation</b>		
P/E (Trailing)	24.6x	21.5x
P/E (IBES 1-Year Forecast)	19.5x	18.4x
P/Book	4.0x	4.1x
Price/Cash Flow	15.4x	15.1x
ROE (1-Year Trailing)	16.1%	19.0%
<b>Growth</b>		
Sales Growth/Share 1-Year (Trailing)	14.5%	13.3%
EPS Growth 1-Year (Trailing)	-21.0%	-11.7%
EPS Growth 1-Year (IBES Forecast)	6.3%	4.8%
EPS Growth 5-Year (Trailing)	23.0%	18.3%
<b>Size</b>		
Weighted Average Market Cap (\$B)	533.9	537.8
Weighted Median Market Cap (\$B)	279.1	166.6
Median Market Cap (\$B)	37.8	30.3

# Fidelity Contrafund Commingled Pool—Class 3\*

## Performance

As of March 31, 2023

Average Annual Total Returns (%)	Q1 2023	YTD 2023	1-Year	3-Year	5-Year	10-Year	Since Inception <sup>1</sup>
Fidelity Contrafund Commingled Pool—CL 3* (Net)	10.82	10.82	-10.57	15.34	10.57	–	11.54
S&P 500 Index	7.50	7.50	-7.73	18.60	11.19	12.24	11.23
Gross Expense Ratio	0.35%						

Calendar Year Returns (%)	2022	2021	2020	2019	2018	2017
Fidelity Contrafund Commingled Pool—CL 3* (Net)	-27.14	24.77	31.44	31.17	-1.81	33.00
S&P 500 Index	-18.11	28.71	18.40	31.49	-4.38	21.83

<sup>1</sup> Inception Date of the pool is 1/17/14.

\* The inception date for Class 3 of this Pool was 6/29/18. The earliest class of this Pool had an inception date of 1/17/14. Performance between the inception date of the earliest class of this Pool and the inception date of Class 3 of this Pool was calculated by subtracting this Class's management fee for that period from the Pool's gross performance.

Net performance is less the highest advisory fee applicable to any FMTC client employing this strategy; other fees and expenses may reduce returns. Please see the GIPS Composite Report for composite performance that is net of the highest advisory fee applicable to any account in the composite, which includes accounts managed by FMTC and its affiliates. The net performance in the GIPS Composite report will be lower than the performance shown above if the composite includes an account of an FMTC affiliate that charges a higher fee.

Past performance is no guarantee of future results.

# Fidelity Contrafund Commingled Pool—Class 3\*

## Performance

As of May 31, 2023

Average Annual Total Returns (%)	YTD 2023	1-Year	3-Year	5-Year	10-Year	Since Inception <sup>1</sup>
Fidelity Contrafund Commingled Pool—CL 3* (Net)	16.84	7.89	10.03	10.58	–	11.95
S&P 500 Index	9.65	2.92	12.92	11.01	11.99	11.25
Gross Expense Ratio	0.35%					

Calendar Year Returns (%)	2022	2021	2020	2019	2018	2017
Fidelity Contrafund Commingled Pool—CL 3* (Net)	-27.14	24.77	31.44	31.17	-1.81	33.00
S&P 500 Index	-18.11	28.71	18.40	31.49	-4.38	21.83

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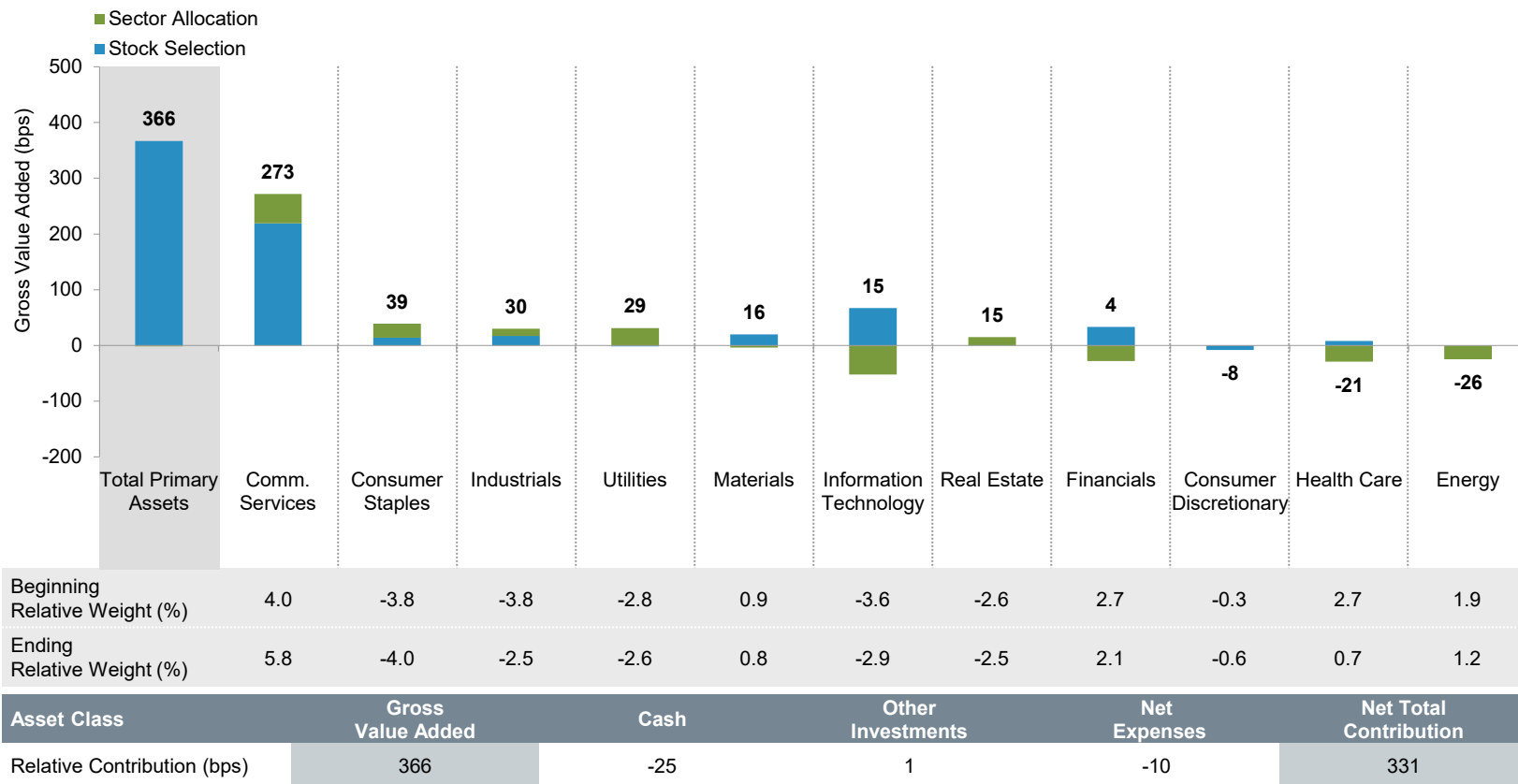
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# Fidelity Contrafund Commingled Pool

## Cumulative Performance Attribution: Q1 2023

### By sector, January 1, 2023–March 31, 2023



Gross Value Added is returns from primary assets, before cash, other and net expenses are deducted.

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# Fidelity Contrafund Commingled Pool

## Top 5 Relative\* Contributors and Detractors

January 1, 2023–March 31, 2023

Top 5 Contributors			
Company	Sector	Avg. Active Weight	Contribution to Rel. Return (bps)
Meta Platforms, Inc.	Communication Services	5.00	260
NVIDIA Corp.	Information Technology	0.89	53
Amazon.com Inc.	Consumer Discretionary	1.82	27
Pfizer Inc.	Health Care	-0.72	24
Johnson & Johnson	Health Care	-0.94	20

Top 5 Detractors			
Company	Sector	Avg. Active Weight	Contribution to Rel. Return (bps)
UnitedHealth Group, Inc.	Health Care	3.61	-78
Tesla, Inc.	Consumer Discretionary	-1.35	-63
Berkshire Hathaway Inc. Class A	Financials	5.74	-51
Apple Inc.	Information Technology	-2.27	-42
Eli Lilly & Co.	Health Care	1.52	-26

\* The Top 5 Contributors and Detractors to relative performance to the S&P 500 Index benchmark.

Past performance is no guarantee of future results. Holdings data shown does not represent all of the securities purchased, sold, or recommended and may change at any time.