

Fidelity® Select Industrials Portfolio

Investment Approach

- Fidelity® Select Industrials Portfolio is a sector-based equity-focused strategy that seeks to outperform its benchmark through active management.
- We believe that uncertainty provides investment opportunity. Stock prices can become disengaged from a company's intrinsic (fair) value at cyclical extremes because of investor overreaction.
- Cyclical stocks exhibit repeatable patterns. We believe this can present opportunities for a disciplined investor whose time horizon spans the next cycle.
- We strive to capitalize on these opportunities through intensive, academic-style research on cyclical drivers and company-specific fundamentals, along with disciplined portfolio construction. The fund's success is predicated on finding the right mix of undervalued cyclicals and more-consistent earnings growers throughout the cycle.
- Sector strategies could be used by investors as alternatives to individual stocks for either tactical- or strategic-allocation purposes.

PERFORMANCE SUMMARY

	Cumulative		Annualized			
	3 Month	YTD	1 Year	3 Year	5 Year	10 Year/ LOF ¹
Select Industrials Portfolio Gross Expense Ratio: 0.68% ²	1.86%	24.77%	24.77%	23.70%	14.67%	12.77%
S&P 500 Index	2.66%	17.88%	17.88%	23.01%	14.42%	14.82%
MSCI US IMI Industrials 25/50 Linked Index	1.04%	18.63%	18.63%	19.36%	13.48%	13.27%
Morningstar Fund Industrials	1.11%	26.37%	26.37%	18.93%	11.81%	12.95%
% Rank in Morningstar Category (1% = Best)	--	--	39%	26%	27%	58%
# of Funds in Morningstar Category	--	--	51	44	39	31

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 09/03/1996.

² This expense ratio is from the most recent prospectus and generally is based on amounts incurred during the most recent fiscal year, or estimated amounts for the current fiscal year in the case of a newly launched fund. It does not include any fee waivers or reimbursements, which would be reflected in the fund's net expense ratio.

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. Performance shown is that of the fund's Retail Class shares (if multiclass). You may own another share class of the fund with a different expense structure and, thus, have different returns. To learn more or to obtain the most recent month-end or other share-class performance, visit fidelity.com/performance, institutional.fidelity.com, or 401k.com. Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated.

For definitions and other important information, please see the Definitions and Important Information section of this Fund Review.

FUND INFORMATION

Manager(s):

Clayton Pfannenstiel

Trading Symbol:

FIDRX

Start Date:

September 03, 1996

Size (in millions):

\$1,624.52

Morningstar Category:

Fund Industrials

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Industrials industries can be significantly affected by general economic trends, changes in consumer sentiment and spending, commodity prices, legislation, government regulation and spending, import controls, and worldwide competition, and can be subject to liability for environmental damage, depletion of resources, and mandated expenditures for safety and pollution control. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. The fund may have additional volatility because of its narrow concentration in a specific industry. Non-diversified funds that focus on a relatively small number of stocks tend to be more volatile than diversified funds and the market as a whole.



Not FDIC Insured • May Lose Value • No Bank Guarantee

Market Review

For the fourth quarter of 2025, the industrials sector advanced 1.04%, as measured by the MSCI U.S. IMI Industrials 25/50 Index, while the S&P 500® index had a gain of 2.66%. Within the S&P 500®, industrials ended with the seventh-best result for the quarter among the 11 market sectors. Amid slowing upward momentum, only two sectors outperformed the S&P 500®: health care and communication services. For the full year, the sector outperformed the S&P 500®.

The sector's subdued performance for the fourth quarter reflected the results of some of the MSCI index's largest components. Aerospace & defense, representing approximately 24% of the sector index, on average, gained 2% in Q4. The second-biggest industry component, industrial machinery & supplies & components, did a little better, up about 4%. The best performers, including marine transportation (+28%), air freight & logistics (+21%) and passenger airlines (+18%), were all relatively small components of the MSCI index. The worst performers were passenger ground transportation (-16%) and human resource & employment services (-11%).

Themes of note driving this sector included the mismatch between the supply and demand of commercial jets, with the two major suppliers, Boeing and Airbus, looking at lengthy backlogs, and aftermarket companies expecting to benefit from older fleets requiring more frequent and more expensive servicing. Certain companies in the sector were also positioned to benefit from the build-out of data centers to support the growth of generative artificial intelligence. With that said, key surveys of purchasing managers continued to produce readings indicating contracting or slightly expanding manufacturing activity. Residential and commercial construction remained quite subdued overall, and consumers continued to favor spending on experiences over goods.

LARGEST CONTRIBUTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
Cummins Inc	Construction Machinery & Heavy Transportation Equipment	3.37%	64
Parker-Hannifin Corp	Industrial Machinery & Supplies & Components	2.80%	40
Knight-Swift Transportation Holdings Inc	Cargo Ground Transportation	1.18%	32
Dover Corp	Industrial Machinery & Supplies & Components	1.98%	30
Automatic Data Processing Inc	Human Resource & Employment Services	-1.74%	25

* 1 basis point = 0.01%.

Performance Review

For the fourth quarter, the fund's Retail Class shares gained 1.86%, topping the MSCI U.S. IMI Industrials 25/50 Index and trailing the broad-based S&P 500® index. For the full year, the fund's 24.77% return was well ahead of the 18.63% result of the MSCI sector index.

Versus the MSCI sector index, stock selection and an overweight in industrial machinery & supplies & components provided a boost to performance. Avoiding the lagging human resource & employment services category also helped.

Topping the list of individual relative contributors was an overweight position in Cummins, with a gain of roughly 22%. The diesel engine maker had a strong November, after market participants decided its quarterly results reported on November 6 were to their liking, despite year-over-year declines in revenue and earnings. We added aggressively to this position, which ended 2025 as a top-10 holding. In our view, there were two potential catalysts for the stock. First, the backup power business is exposed to the AI-driven data-center build out. Additionally, we felt the company should benefit if the market improves for commercial truck builds.

Outsized exposure to Parker Hannifin also helped, with the stock rising approximately 16%. The company sells motion control equipment and valves across several general industrial applications and the aerospace industry. The shares climbed to an all-time high in early November after the company announced it agreed to acquire privately held Filtration Group for \$9.25 billion. We added to this position, which put Parker Hannifin as a top-10 fund holding.

Conversely, stock picking in electrical components & equipment notably detracted for the quarter. In stock-specific terms, underweight exposure to index component Caterpillar (+20%) detracted the most on a relative basis. We were cautious about the stock, given what we thought was a stretched valuation.

LARGEST DETRACTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
Caterpillar Inc	Construction Machinery & Heavy Transportation Equipment	-2.10%	-41
Trane Technologies PLC	Building Products	3.71%	-33
United Rentals Inc	Trading Companies & Distributors	1.64%	-31
Eaton Corp PLC	Electrical Components & Equipment	1.49%	-24
RTX Corp	Aerospace & Defense	-2.27%	-23

* 1 basis point = 0.01%.

Outlook and Positioning

According to the Institute for Supply Management, economic activity in the manufacturing sector contracted in December for the 10th consecutive month, following a two-month expansion that was preceded by 26 straight months of contraction. This and similar surveys have been in depressed territory for quite a while, and yet the U.S. economy has not fallen into a recession. After such a protracted period of weak readings, we think it makes sense to look for areas of the industrials sector that could be poised for improvement.

The fund ended the year with its largest overweight in aerospace & defense, as we continue to see strong prospects in that area. After considerable delays and problems with quality control, Boeing is having some success ramping up production, but backlogs will continue to be a fact of life, at least for the foreseeable future. At the end of 2025, Boeing's backlog was down significantly from a year earlier, when its delivery numbers were very low. However, the 2025 number remains higher than the rates experienced before 2019.

The fund is overweight both the original equipment and the aftermarket segments of commercial aerospace. Significant overweights in aftermarket companies included GE Aerospace and TransDigm Group, whereas Boeing and Howmet Aerospace – the latter being the portfolio's top overweight overall at year-end – remained core positions in the original equipment segment.

Heavy electrical equipment also figured among the fund's largest industry overweights at quarter end.

In this case, the portfolio's positioning was due to a sizable stake in one stock: GE Vernova, the fund's No. 6 overweight at the end of 2025. The company is a global leader in the electric power industry; its largest division makes gas turbines, which are used to generate electricity. Amid the broad global push toward electrification and decarbonization – including supplying the world's increased power needs due to the advent of generative artificial intelligence – Vernova is well positioned, in our view.

Rail transportation ended the quarter as our biggest industry underweight. Mostly, this reflected our decision to exit our stake in Union Pacific. After thoroughly analyzing the proposed merger of the company with Norfolk Southern, first announced in late July, we concluded that the risk-reward was no longer favorable, and the stock would likely be driven mainly by merger dynamics rather than fundamentals.

Human resource & employment services – a group we avoided entirely – was also a sizable underweight. Individual stocks tied to this positioning included Automatic Data Processing and Paychex, two payroll processors in the MSCI index that the fund didn't own. We treaded lightly here in favor of other groups where we saw stronger growth potential or better valuations.

The portfolio's top-three individual overweights as of December 31 were Howmet Aerospace, Cummins and Boeing. The three largest underweights at year-end were Union Pacific, RTX and Caterpillar.

As always, we thank you for your confidence in Fidelity's investment-management capabilities. ■

10 LARGEST HOLDINGS

Holding	Market Segment
GE Aerospace	Aerospace & Defense
Boeing Co	Aerospace & Defense
GE Vernova Inc	Heavy Electrical Equipment
Howmet Aerospace Inc	Aerospace & Defense
Trane Technologies PLC	Building Products
Parker-Hannifin Corp	Industrial Machinery & Supplies & Components
Cummins Inc	Construction Machinery & Heavy Transportation Equipment
Eaton Corp PLC	Electrical Components & Equipment
Ingersoll Rand Inc	Industrial Machinery & Supplies & Components
ITT Inc	Industrial Machinery & Supplies & Components
10 Largest Holdings as a % of Net Assets	49.35%
Total Number of Holdings	48

The 10 largest holdings are as of the end of the reporting period, and may not be representative of the fund's current or future investments. Holdings do not include money market investments.

CHARACTERISTICS

	Portfolio	Index
Valuation		
Price/Earnings Trailing	37.0x	28.6x
Price/Earnings (IBES 1-Year Forecast)	27.6x	23.3x
Price/Book	7.1x	5.7x
Price/Cash Flow	28.3x	20.7x
Return on Equity (5-Year Trailing)	16.3%	19.8%
Growth		
Sales/Share Growth 1-Year (Trailing)	2.0%	3.3%
Earnings/Share Growth 1-Year (Trailing)	22.9%	10.6%
Earnings/Share Growth 1-Year (IBES Forecast)	22.1%	14.4%
Earnings/Share Growth 5-Year (Trailing)	17.6%	12.6%
Size		
Weighted Average Market Cap (\$ Billions)	106.0	95.0
Weighted Median Market Cap (\$ Billions)	82.6	70.5
Median Market Cap (\$ Billions)	44.9	4.8

LARGEST OVERWEIGHTS BY MARKET SEGMENT

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
Aerospace & Defense	29.88%	24.09%	5.78%	0.92%
Industrial Machinery & Supplies & Components	14.18%	9.63%	4.56%	1.05%
Heavy Electrical Equipment	5.94%	3.24%	2.71%	-0.49%
Cargo Ground Transportation	3.79%	1.58%	2.21%	0.25%
Building Products	8.07%	6.03%	2.04%	1.06%

LARGEST UNDERWEIGHTS BY MARKET SEGMENT

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
Rail Transportation	0.30%	4.34%	-4.04%	-2.45%
Human Resource & Employment Services	--	2.92%	-2.92%	0.47%
Environmental & Facilities Services	1.79%	4.09%	-2.30%	0.03%
Passenger Airlines	--	2.11%	-2.11%	-0.28%
Air Freight & Logistics	1.16%	2.99%	-1.83%	0.49%

LARGEST OVERWEIGHTS BY HOLDING

Holding	Market Segment	Relative Weight
Howmet Aerospace Inc	Aerospace & Defense	3.84%
Cummins Inc	Construction Machinery & Heavy Transportation Equipment	3.57%
Boeing Co	Aerospace & Defense	3.43%
Trane Technologies PLC	Building Products	3.43%
GE Aerospace	Aerospace & Defense	3.26%

LARGEST UNDERWEIGHTS BY HOLDING

Holding	Market Segment	Relative Weight
Union Pacific Corp	Rail Transportation	-2.21%
RTX Corp	Aerospace & Defense	-2.13%
Caterpillar Inc	Construction Machinery & Heavy Transportation Equipment	-2.03%
Honeywell International Inc	Industrial Conglomerates	-1.99%
Automatic Data Processing Inc	Human Resource & Employment Services	-1.68%

ASSET ALLOCATION

Asset Class	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
Domestic Equities	99.94%	100.00%	-0.06%	0.46%
International Equities	0.00%	0.00%	0.00%	0.00%
Developed Markets	0.00%	0.00%	0.00%	0.00%
Emerging Markets	0.00%	0.00%	0.00%	0.00%
Tax-Advantaged Domiciles	0.00%	0.00%	0.00%	0.00%
Bonds	0.00%	0.00%	0.00%	0.00%
Cash & Net Other Assets	0.06%	0.00%	0.06%	-0.46%

Net Other Assets can include fund receivables, fund payables, and offsets to other derivative positions, as well as certain assets that do not fall into any of the portfolio composition categories. Depending on the extent to which the fund invests in derivatives and the number of positions that are held for future settlement, Net Other Assets can be a negative number.

"Tax-Advantaged Domiciles" represent countries whose tax policies may be favorable for company incorporation.

3-YEAR RISK/RETURN STATISTICS

	Portfolio	Index
Beta	1.14	1.00
Standard Deviation	18.72%	16.09%
Sharpe Ratio	1.00	0.89
Tracking Error	4.39%	--
Information Ratio	0.99	--
R-Squared	0.96	--

Definitions and Important Information

Unless otherwise expressly disclosed to you in writing, the information provided in this material is for educational purposes only. Any viewpoints expressed by Fidelity are not intended to be used as a primary basis for your investment decisions and are based on facts and circumstances at the point in time they are made and are not particular to you.

Accordingly, nothing in this material constitutes impartial investment advice or advice in a fiduciary capacity, as defined or under the Employee Retirement Income Security Act of 1974 or the Internal Revenue Code of 1986, both as amended. Fidelity and its representatives may have a conflict of interest in the products or services mentioned in this material because they have a financial interest in the products or services and may receive compensation, directly or indirectly, in connection with the management, distribution, and/or servicing of these products or services, including Fidelity funds, certain third-party funds and products, and certain investment services. Before making any investment decisions, you should take into account all of the particular facts and circumstances of your or your client's individual situation and reach out to a professional adviser, if applicable.

CHARACTERISTICS

Earnings-Per-Share Growth Trailing measures the growth in reported earnings per share over trailing one- and five-year periods.

Earnings-Per-Share Growth (IBES 1-Year Forecast) measures the growth in reported earnings per share as estimated by Wall Street analysts.

Median Market Cap identifies the median market capitalization of the portfolio or benchmark as determined by the underlying security market caps.

Price-to-Book (P/B) Ratio is the ratio of a company's current share price to reported accumulated profits and capital.

Price/Cash Flow is the ratio of a company's current share price to its trailing 12-months cash flow per share.

Price-to-Earnings (P/E) Ratio (IBES 1-Year Forecast) is the ratio of a company's current share price to Wall Street analysts' estimates of earnings.

Price-to-Earnings (P/E) Ratio Trailing is the ratio of a company's current share price to its trailing 12-months earnings per share.

Return on Equity (ROE) 5-Year Trailing is the ratio of a company's last five years historical profitability to its shareholders' equity. Preferred stock is included as part of each company's net worth.

Sales-Per-Share Growth measures the growth in reported sales over the specified past time period.

Weighted Average Market Cap identifies the market capitalization of the average equity holding as determined by the dollars invested in the portfolio or benchmark.

Weighted Median Market Cap identifies the market capitalization of the median equity holding as determined by the dollars invested in the portfolio or benchmark.

IMPORTANT FUND INFORMATION

Relative positioning data presented in this commentary is based on the fund's primary benchmark (index) unless a secondary benchmark is provided to assess performance.

Initial offering of the Retail Class shares for Fidelity Select Industrials Portfolio was on 10/14/25. Prior returns are those of the advisor share classes and reflect the advisor expense ratio. Had the Retail Class expense ratios been reflected, total returns would have been lower.

INDICES

It is not possible to invest directly in an index. All indices represented are unmanaged. All indices include reinvestment of dividends and interest income unless otherwise noted.

MSCI U.S. IMI Industrials 25/50 Index is a modified market-capitalization-weighted index of stocks designed to measure the performance of Industrials companies in the MSCI U.S. Investable Market 2500 Index. The MSCI U.S. Investable Market 2500 Index is the aggregation of the MSCI U.S. Large Cap 300, Mid Cap 450, and Small Cap 1750 Indices.

MSCI U.S. IMI Industrials 25/50 Linked Index is a modified market capitalization-weighted index of stocks designed to measure the performance of Industrials companies in the MSCI US Investable Market 2500 Index. The MSCI US Investable Market 2500 Index is the aggregation of the MSCI US Large Cap 300, Mid Cap 450, and Small Cap 1750 Indices. Index returns shown for periods prior to January 1, 2010 are returns of the MSCI US Investable Market Industrials Index.

S&P 500 Index is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

MARKET-SEGMENT WEIGHTS

Market-segment weights illustrate examples of sectors or industries in which the fund may invest, and may not be representative of the fund's current or future investments. They should not be construed or used as a recommendation for any sector or industry.

RANKING INFORMATION

© 2026 Morningstar, Inc. All rights reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or redistributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Fidelity does not review the Morningstar data and, for mutual fund performance, you should check the fund's current prospectus for the most up-to-date information concerning applicable loads, fees and expenses.

% Rank in Morningstar Category is the fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1%. % Rank in Morningstar Category is based on total returns which include reinvested dividends and capital gains, if any, and exclude sales charges. Multiple share classes of a fund have a common portfolio but impose different expense structures.

RELATIVE WEIGHTS

Relative weights represents the % of fund assets in a particular

market segment, asset class or credit quality relative to the benchmark. A positive number represents an overweight, and a negative number is an underweight. The fund's benchmark is listed immediately under the fund name in the Performance Summary.

3-YEAR RISK/RETURN STATISTICS

Beta is a measure of the volatility of a fund relative to its benchmark index. A beta greater (less) than 1 is more (less) volatile than the index.

Information Ratio measures a fund's active return (fund's average monthly return minus the benchmark's average monthly return) in relation to the volatility of its active returns.

R-Squared measures how a fund's performance correlates with a benchmark index's performance and shows what portion of it can be explained by the performance of the overall market/index. R-Squared ranges from 0, meaning no correlation, to 1, meaning perfect correlation. An R-Squared value of less than 0.5 indicates that annualized alpha and beta are not reliable performance statistics.

Sharpe Ratio is a measure of historical risk-adjusted performance. It is calculated by dividing the fund's excess returns (the fund's average annual return for the period minus the 3-month "risk free" return rate) and dividing it by the standard deviation of the fund's returns. The higher the ratio, the better the fund's return per unit of risk. The three month "risk free" rate used is the 90-day Treasury Bill rate.

Standard Deviation is a statistical measurement of the dispersion of a fund's return over a specified time period. Fidelity calculates standard deviations by comparing a fund's monthly returns to its average monthly return over a 36-month period, and then annualizes the number. Investors may examine historical standard deviation in conjunction with historical returns to decide whether a fund's volatility would have been acceptable given the returns it would have produced. A higher standard deviation indicates a wider dispersion of past returns and thus greater historical volatility. Standard deviation does not indicate how the fund actually performed, but merely indicates the volatility of its returns over time.

Tracking Error is the divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, creating an unexpected profit or loss.



Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges, and expenses. For this and other information, call or write Fidelity for a free prospectus or, if available, a summary prospectus. Read it carefully before you invest.

Past performance is no guarantee of future results.

Views expressed are through the end of the period stated and do not necessarily represent the views of Fidelity. Views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund. The securities mentioned are not necessarily holdings invested in by the portfolio manager(s) or FMR LLC. References to specific company securities should not be construed as recommendations or investment advice.

Diversification does not ensure a profit or guarantee against a loss.

S&P 500 is a registered service mark of Standard & Poor's Financial Services LLC.

Other third-party marks appearing herein are the property of their respective owners.

All other marks appearing herein are registered or unregistered trademarks or service marks of FMR LLC or an affiliated company.

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

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

© 2026 FMR LLC. All rights reserved.

Not NCUA or NCUSIF insured. May lose value. No credit union guarantee.

657263.54.0