



FIDELITY EUROPEAN TRUST PLC

Half-Yearly Report for the
six months ended 30 June 2024



FidelityTM
INTERNATIONAL

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 Trust PLC aims to be the cornerstone long-term investment of choice for those seeking European equity exposure across market cycles.

Sam Morse and Marcel Stötzel, your Portfolio Managers, continue to adopt a cautious investment approach, building a balanced portfolio which aims, among other things, to manage the risk of adverse developments. The focus on

attractively valued dividend growers with strong balance sheets and a track record of cash generation remains an appealing feature of the Company. The Portfolio Managers' rigorous approach to stock selection has proved beneficial to shareholders over the long-term and should continue to do so in the future.

AssetAllocator

100 CLUB

Winner 2023
European Equity:
Fidelity European Trust



Kepler
GROWTH
RATING

ii super
60

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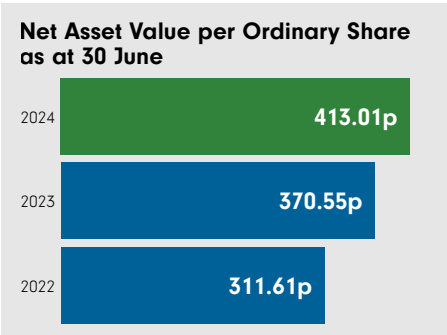
(Read more on pages 04 to 06)



Sam Morse, Portfolio Manager



Marcel Stötzel, Co-Portfolio Manager



Directors' Reports

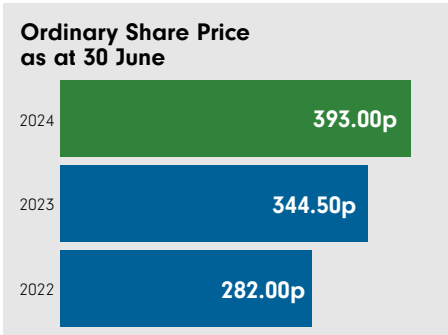
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At a Glance

Six months ended 30 June 2024

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

+7.6%

(30 June 2023: +11.1%)

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

+10.6%

(30 June 2023: +9.3%)

**FTSE World Europe (ex UK)
Index total return^{1,3}**

+7.1%

(30 June 2023: +9.3%)

**Interim Dividend per
Ordinary Share**

3.60p

(30 June 2023: 3.26p)

¹ Includes reinvested income.

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

³ The Company's Benchmark Index.

As at 30 June 2024

Shareholders' Funds

£1,688.1m

Market Capitalisation

£1,606.3m

Capital Structure

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

408,730,523

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. It is also able to use derivatives: for efficient portfolio management in order to gain additional market exposure (gearing) and for investment purposes.

The Investment Manager works within the guidelines set out in the Investment Policy.

Financial Highlights

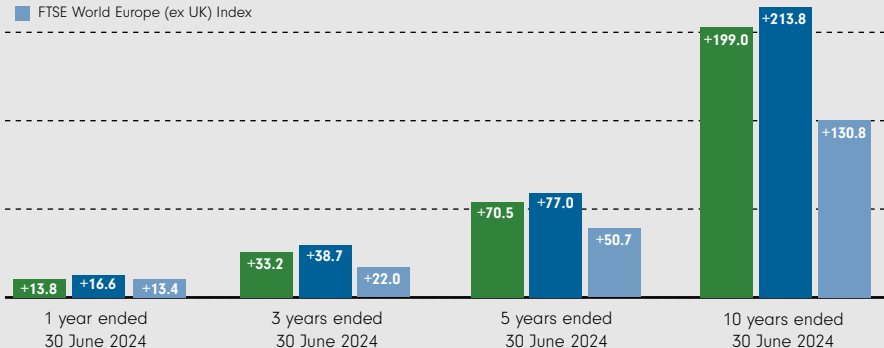
| | 30 June 2024 | 31 December 2023 |
|---|-----------------|---------------------|
| Assets | | |
| Gross Asset Exposure ¹ | £1,888.7m | £1,796.0m |
| Gross Gearing ² (see Note 13 on page 25) | 11.9% | 13.1% |
| Net Market Exposure | £1,862.7m | £1,770.6m |
| Net Gearing ² (see Note 13 on page 25) | 10.3% | 11.5% |
| Shareholders' Funds | £1,688.1m | £1,587.5m |
| Net Asset Value ("NAV") per Ordinary Share ² | 413.01p | 388.39p |
| Ordinary Share Price and Discount data | | |
| Ordinary Share Price at the period end | 393.00p | 360.00p |
| Discount at the period end ² | 4.8% | 7.3% |
| Results for the six months ended 30 June – see pages 12 and 13 | | |
| | 2024 | 2023 |
| Revenue Return per Ordinary Share ² | 8.38p | 7.38p |
| Capital Return per Ordinary Share ² | 21.22p | 29.91p |
| Total Return per Ordinary Share ² | 29.60p | 37.29p |
| Interim Dividend per Ordinary Share | 3.60p | 3.26p |

1 The value of the portfolio exposed to market price movements.

2 Alternative Performance Measures.

Total Return Performance¹ (%)

■ NAV per Ordinary Share
■ Ordinary Share Price
■ FTSE World Europe (ex UK) Index



1 See Glossary of Terms on page 34.

Sources: Fidelity and Datastream.

Past performance is not a guide to future returns.

Portfolio Managers' Half-Yearly Review

Performance Review

During the first six months of the year, the net asset value ("NAV") total return was +7.6% compared to a total return of +7.1% for the FTSE World Europe (ex UK) Index, which is the Company's Benchmark Index. The share price total return was +10.6%, which is above the NAV total return because of a narrowing of the share price discount to NAV. (All figures in UK sterling.)

Market Review

In the first half of this year, continental European markets were boosted by the resilience of global economic growth and the anticipation of interest rate reductions given lower rates of inflation. The European Central Bank (ECB) duly obliged with a quarter of a percentage point cut in its interest rate in early June, following cuts by the Swiss and Swedish central banks.

Despite the Labour Party having a big lead in the polls ahead of the UK general election, UK sterling appreciated by 2% against the Euro during the six month period. Therefore, in Euro terms, the continental European benchmark rose by more than 9%, with many of the constituent country markets hitting all time highs, before cooling off somewhat at the very end of the period when President Macron of France unexpectedly announced snap parliamentary elections.

The "growth" themes that had led markets higher last year continued to dominate performance in this period. The perceived long-term impact of generative Artificial Intelligence ("AI") remained an area of optimism, not only for specific technology providers, but also for corporate productivity in general. Obesity medications, which have to date seen strong launches, also continued to attract investors' admiration. In addition, some "value" sectors also performed very strongly, in particular the banking sector, which continued to report

substantial earnings and dividends, helped by high levels of net interest income and low levels of credit losses.

Portfolio Managers' Report

The company's NAV total return outperformed the Company's Benchmark over the six month reporting period. The gearing of the Company, given rising markets, was the main contributor to this outperformance. The contribution from stock-picking was mixed during this period.

Two of the largest holdings in the Company, namely ASML (AI) and Novo Nordisk (obesity), saw impressive gains as a result of the themes mentioned above. 3i Group also continued to climb following a positive presentation, highlighting the longer-term growth potential of its largest investment Action, its continental European discount retail group. Two of the Company's Southern European bank holdings – Intesa Sanpaolo and Bankinter – were also very strong performers, in keeping with the banking sector. Bankinter has recovered well from a poor twelve month period when investors' confidence was rattled by the regional banking crisis in the US.

Detractors from performance included a number of names in the consumer sector, such as L'Oréal, Nestlé and LVMH Moët Hennessy. Consumers in the US have been more restrained now that pandemic savings have been spent. The recovery in consumer spending in China has been more anaemic than expected, and has not been able to offset weaker trends elsewhere. Finally, there were a number of stock-specific disappointments. The most notable was Dassault Systèmes, which reported disappointing results and a muted outlook particularly relating to Medidata, a supplier of software for clinical trials, which they acquired in 2019.

| Top Five Stock Contributors (on a relative basis) | Sector | Country | % |
|--|------------------------|-------------|-----|
| ASML | Information Technology | Netherlands | 0.8 |
| Novo Nordisk | Health Care | Denmark | 0.8 |
| 3i Group | Financials | UK | 0.6 |
| SAP | Information Technology | Germany | 0.5 |
| Bankinter | Financials | Spain | 0.3 |

| Top Five Stock Detractors (on a relative basis) | Sector | Country | % |
|--|------------------------|-------------|------|
| Dassault Systèmes | Information Technology | France | -0.5 |
| L'Oréal | Consumer Staples | France | -0.5 |
| Partners Group | Financials | Switzerland | -0.4 |
| Nestlé | Consumer Staples | Switzerland | -0.4 |
| SIG Group | Materials | Switzerland | -0.3 |

Outlook

The COVID-19 global pandemic – a “once in a century” event – has set off a long-lasting chain reaction that is unpredictable and makes fools of forecasters (including the Company’s Portfolio Managers!). We thought the rapid and steep monetary tightening which followed the pandemic would end in recession, as it so often does, following an inversion of the yield curve. That has not, to date, been the case. Indeed, the global economy has been much more resilient than anticipated and corporate earnings have held up well supporting stock markets around the world. As highlighted above, many stock markets are reaching all-time highs. However, we are now seeing some signs of consumers reining in their spending, particularly in the US. Consumption is the main growth engine of developed economies. Is this an early warning sign that the dreaded recession is upon us just as the optimists declare victory? To add to this, there is considerable geopolitical uncertainty expected post the US elections, not least the potential changes in US foreign policy when it

comes to the tragic Ukraine war. In the event of a downturn, stubborn inflationary pressures could prevent a rapid easing in monetary policy. Continental European governments remain heavily indebted and are already running substantial budget deficits so fiscal easing would also be constrained. Valuations no longer discount an economic malaise. So, in short, we are cautious and see the stock market as being vulnerable if the outlook worsens and sentiment shifts to be more negative.

Whatever the constitution of the new French government following the result of the French parliamentary elections, we have little optimism regarding the short or long-term outlook for the French domestic economy, for the same reasons that we are gloomy about the outlook for the domestic economies of Europe (which represent about one third of the sales and profits of continental European companies). Ageing populations, low productivity, high and growing levels of government debt, etc., will mean that growth is likely to remain anaemic. Thankfully,

Portfolio Managers' Half-Yearly Review continued

domestic France represents a relatively small percentage of sales and profits for continental European companies.

However, whatever our views on the outlook, we will maintain gearing within the prescribed range and we will continue to focus on attractively valued companies with strong balance sheets that should be resilient, and able to grow dividends, even in a more difficult environment.

Sam Morse

Portfolio Manager

Marcel Stötzel

Co-Portfolio Manager

2 August 2024

Twenty Largest Holdings

as at 30 June 2024

The 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 Fair Value is the realisable value of the investments as reported in the Balance Sheet. Where a contract for difference ("CFD") is held, the Fair 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.

| | Asset Exposure | | Fair Value |
|--|----------------|----------------|------------|
| | £'000 | % ¹ | £'000 |
| Long Exposures – shares unless otherwise stated | | | |
| Novo Nordisk | | | |
| Pharmaceuticals & Biotechnology | 135,335 | 8.0 | 135,335 |
| ASML | | | |
| Technology Hardware & Equipment | 126,510 | 7.5 | 126,510 |
| Nestlé | | | |
| Food Producers | 92,647 | 5.5 | 92,647 |
| SAP (long CFD) | | | |
| Software & Computer Services | 76,830 | 4.6 | 4,792 |
| LVMH Moët Hennessy | | | |
| Personal Goods | 73,704 | 4.4 | 73,704 |
| TotalEnergies | | | |
| Oil, Gas & Coal | 73,565 | 4.4 | 73,565 |
| Roche | | | |
| Pharmaceuticals & Biotechnology | 67,402 | 4.0 | 67,402 |
| L'Oréal | | | |
| Personal Goods | 58,593 | 3.5 | 58,593 |
| EssilorLuxottica | | | |
| Medical Equipment & Services | 56,079 | 3.3 | 56,079 |
| 3i Group | | | |
| Investment Banking & Brokerage Services | 49,769 | 2.9 | 49,769 |
| Hermès International | | | |
| Personal Goods | 47,208 | 2.8 | 47,208 |
| Legrand (long CFD) | | | |
| Electronic & Electrical Equipment | 45,366 | 2.7 | (2,067) |
| Partners Group | | | |
| Investment Banking & Brokerage Services | 44,027 | 2.6 | 44,027 |
| Sanofi | | | |
| Pharmaceuticals & Biotechnology | 43,126 | 2.5 | 43,126 |

Twenty Largest Holdings continued

| | Asset Exposure | | Fair Value |
|--|------------------|----------------|------------------|
| | £'000 | % ¹ | £'000 |
| Long Exposures – shares unless otherwise stated | | | |
| Deutsche Börse Group | | | |
| Investment Banking & Brokerage Services | 42,980 | 2.5 | 42,980 |
| Assa Abloy | | | |
| Construction & Materials | 40,715 | 2.4 | 40,715 |
| Linde (long CFD) | | | |
| Chemicals | 39,348 | 2.3 | 25 |
| Sampo | | | |
| Non-Life Insurance | 36,380 | 2.1 | 36,380 |
| Kone | | | |
| Industrial Engineering | 34,975 | 2.1 | 34,975 |
| Intesa Sanpaolo | | | |
| Banks | 34,853 | 2.1 | 34,853 |
| Twenty largest long exposures | 1,219,412 | 72.2 | 1,060,618 |
| Other long exposures | 586,379 | 34.8 | 568,018 |
| Total long exposures before long futures^{2,3} | 1,805,791 | 107.0 | 1,628,636 |
| Long Futures | | | |
| EURO STOXX 50 Future September 2024 ³ | 69,923 | 4.1 | 531 |
| Total long exposures after long futures³ | 1,875,714 | 111.1 | 1,629,167 |
| Short Exposures | | | |
| Short CFDs (1 Holding) | 12,990 | 0.8 | (257) |
| Gross Asset Exposure^{3,4} | 1,888,704 | 111.9 | |
| Portfolio Fair Value⁵ | | | 1,628,910 |
| Net current assets (excluding derivative assets and liabilities) | | | 59,173 |
| Shareholders' Funds (per Balance Sheet on page 16) | | | 1,688,083 |

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

2 Total long exposures before long futures comprises investments of £1,626,177,000 and long CFDs of £179,614,000.

3 See Note 13 on page 25.

4 Gross Asset Exposure comprises market exposure to investments of £1,626,177,000 plus market exposure to all derivative instruments of £262,527,000. Derivative instruments comprise long CFDs of £179,614,000, long futures of £69,923,000 and short CFDs of £12,990,000.

5 Portfolio Fair Value comprises investments of £1,626,177,000 plus derivative assets of £5,348,000 less derivative liabilities of £2,615,000 (per the Balance Sheet, on page 16).

Interim Management Report and Directors' Responsibility Statement

Interim Dividend

As part of their investment process, the Portfolio Managers focus on companies capable of growing their dividends over time. The Board does not impose any income objective in any particular period, recognising that both capital and income growth are components of performance, as reflected in the investment objective of the Company. The Board does, however, have a policy whereby it seeks to pay a progressive dividend in normal circumstances, paid twice yearly in order to smooth dividend payments for the reporting year. Unlike open-ended funds such as OEICs, investment trusts can hold back some of the income they receive in good years, thereby building up revenue reserves that can then be used to supplement dividends during challenging times.

The Company's revenue return for the six months to 30 June 2024 was 8.38 pence per ordinary share (30 June 2023: 7.38 pence). The Board has declared an interim dividend of 3.60 pence per ordinary share which is an increase of 10.4% on the 3.26 pence per ordinary share paid as the interim dividend in 2023. This will be paid on 25 October 2024 to shareholders on the register at close of business on 20 September 2024 (ex-dividend date 19 September 2024).

Shareholders may choose to reinvest their dividends for additional shares in the Company.

Discount Management and Treasury Shares

The Board has an active discount management policy, the primary purpose of which is to reduce discount volatility. It seeks to maintain the discount in single digits in normal market conditions. Buying shares at a discount also results in an enhancement to the NAV per ordinary share.

In order to assist in managing the discount, the Board has shareholder approval to hold ordinary shares repurchased by the Company in Treasury, rather than cancelling them. Shares in Treasury are then available to be re-issued at NAV per ordinary share or at a premium to NAV per ordinary share, facilitating the management of and enhancing liquidity in the Company's shares.

In the reporting period and up to the date of this report, the discount remained in single digits and the Company did not repurchase any ordinary shares into Treasury or for cancellation.

Principal Risks and Uncertainties

The Board, with the assistance of the Manager (FIL Investment Services (UK) Limited), has developed a risk matrix which, as part of the risk management and internal controls process, identifies the key existing and emerging risks and uncertainties faced by the Company.

The Board considers that the principal risks and uncertainties faced by the Company continue to fall into the following categories: geopolitical, economic and market risks; investment performance (including the use of derivatives and gearing) risk; regulatory (including tax) risk; key person risk; environmental, social and governance (ESG) risks; cybercrime and information security risks; discount control risk; and business continuity risk. Information on each of these risks is given in the Strategic Report section of the Annual Report for the year ended 31 December 2023 which can be found on the Company's pages of the Manager's website at www.fidelity.co.uk/europe.

Interim Management Report and Directors' Responsibility Statement continued

While the principal risks and uncertainties remain the same as those at the last year end, the magnitude of their uncertainty continues to grow with the ongoing conflicts in Ukraine and the Middle East, deglobalisation trends and significant supply disruption, fears of global recession amid inflationary pressures and financial distress dominating political risks and industry concerns. Trade and technology concerns between the US and China, and China and Taiwan, are exacerbating economic headwinds, such as the cost of living crisis, inflation, high interest rates and the threat of cyberattacks on critical infrastructure. The Board remains vigilant about the changing scale of such risks.

Climate change continues to be a key principal risk confronting asset managers and their investors. Globally, climate change effects are already being experienced in the form of changing weather patterns. Climate change can potentially impact the operations of investee companies, their supply chains and their customers. Additional risks may also arise from increased regulations, costs and net-zero programmes which can all impact investment returns. The Board notes that the Manager has integrated ESG considerations, including climate change, into the Company's investment process. The Board will continue to monitor how this may impact the Company as a risk, the main risk being the impact on investment valuations and potentially shareholder returns.

The Board and the Manager are also monitoring the emerging risks posed by the rapid advancement of artificial intelligence (AI) and technology and how it may threaten the Company's activities and its potential impact on the portfolio and investee companies. Although advances in computing power mean that AI is a powerful tool that will impact

society, there are risks from its increasing use and manipulation with the potential to harm, including a heightened threat to cybersecurity.

Investors should be prepared for market fluctuations and remember that holding shares in the Company should be considered to be a long-term investment. Risks are mitigated by the investment trust structure of the Company which means that the Portfolio Managers are not required to trade to meet investor redemptions. Therefore, investments in the Company's portfolio can be held over a longer-time horizon.

The Manager has appropriate business continuity and operational resilience plans in place to ensure the continued provision of services. This includes investment team key activities, including those of portfolio managers, analysts and trading/support functions. The Manager reviews its operational resilience strategies on an ongoing basis and continues to take all reasonable steps in meeting its regulatory obligations, assess its ability to continue operating and the steps it needs to take to serve and support its clients, including the Board.

The Company's other third-party service providers also have similar measures in place to ensure that business disruption is 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 and its expenditure and cash flow projections. The Directors, having considered the liquidity of the Company's portfolio of investments (being mainly securities which are readily realisable) and the projected income and expenditure, are satisfied that the Company is financially sound and has adequate resources to meet all of its liabilities and ongoing expenses and can continue in operational existence for a period of at least twelve months from the date of this Half-Yearly Report.

This conclusion also takes into account the Board's assessment of the ongoing risks as outlined on pages 9 and 10.

Accordingly, the Financial Statements of the Company have been prepared on a going concern basis.

Continuation votes are held every two years and the next continuation vote will be put to shareholders at the Annual General Meeting in 2025.

By Order of the Board

FIL Investments International
2 August 2024

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 Portfolio Managers' Half-Yearly Review on pages 4 to 6 and the Interim Management Report on pages 9 to above, include 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 2 August 2024 and the above responsibility statement was signed on its behalf by Vivian Bazalgette, Chairman.

Income Statement

for the six months ended 30 June 2024

| | | Six months ended 30 June 2024 unaudited | | | |
|--|-------|--|------------------|----------------|--|
| | Notes | Revenue £'000 | Capital £'000 | Total £'000 | |
| Gains on investments | | - | 76,095 | 76,095 | |
| Gains on derivative instruments | | - | 21,012 | 21,012 | |
| Income | 4 | 41,081 | - | 41,081 | |
| Investment management fees | 5 | (1,437) | (4,311) | (5,748) | |
| Other expenses | | (521) | - | (521) | |
| Foreign exchange losses | | - | (1,577) | (1,577) | |
| Net return on ordinary activities before finance costs and taxation | | 39,123 | 91,219 | 130,342 | |
| Finance costs | 6 | (1,488) | (4,463) | (5,951) | |
| Net return on ordinary activities before taxation | | 37,635 | 86,756 | 124,391 | |
| Taxation on return on ordinary activities | 7 | (3,391) | - | (3,391) | |
| Net return on ordinary activities after taxation for the period | | 34,244 | 86,756 | 121,000 | |
| Return per ordinary share | 8 | 8.38p | 21.22p | 29.60p | |

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 2023 unaudited | | | Year ended 31 December 2023 audited | | |
|--|------------------|----------------|--|------------------|----------------|
| Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| - | 94,641 | 94,641 | - | 165,905 | 165,905 |
| - | 36,841 | 36,841 | - | 50,441 | 50,441 |
| 35,816 | - | 35,816 | 47,221 | - | 47,221 |
| (1,303) | (3,910) | (5,213) | (2,625) | (7,877) | (10,502) |
| (507) | - | (507) | (967) | - | (967) |
| - | (2,599) | (2,599) | - | (1,464) | (1,464) |
| 34,006 | 124,973 | 158,979 | 43,629 | 207,005 | 250,634 |
| (908) | (2,724) | (3,632) | (2,138) | (6,414) | (8,552) |
| 33,098 | 122,249 | 155,347 | 41,491 | 200,591 | 242,082 |
| (2,916) | - | (2,916) | (3,390) | - | (3,390) |
| 30,182 | 122,249 | 152,431 | 38,101 | 200,591 | 238,692 |
| 7.38p | 29.91p | 37.29p | 9.32p | 49.08p | 58.40p |

Statement of Changes in Equity

for the six months ended 30 June 2024

| | Notes | Share capital £'000 |
|---|-------|------------------------|
| Six months ended 30 June 2024 (unaudited) | | |
| Total shareholders' funds at 31 December 2023 | | 10,411 |
| Net return on ordinary activities after taxation for the period | | - |
| Dividend paid to shareholders | 9 | - |
| Total shareholders' funds at 30 June 2024 | | 10,411 |
| Six months ended 30 June 2023 (unaudited) | | |
| Total shareholders' funds at 31 December 2022 | | 10,411 |
| Net return on ordinary activities after taxation for the period | | - |
| Dividend paid to shareholders | 9 | - |
| Total shareholders' funds at 30 June 2023 | | 10,411 |
| Year ended 31 December 2023 (audited) | | |
| Total shareholders' funds at 31 December 2022 | | 10,411 |
| Net return on ordinary activities after taxation for the year | | - |
| Dividends paid to shareholders | 9 | - |
| Total shareholders' funds at 31 December 2023 | | 10,411 |

| Share premium account £'000 | Capital redemption reserve £'000 | Capital reserve £'000 | Revenue reserve £'000 | Total shareholders' funds £'000 |
|--------------------------------|-------------------------------------|--------------------------|--------------------------|------------------------------------|
| 58,615 | 5,414 | 1,472,587 | 40,452 | 1,587,479 |
| - | - | 86,756 | 34,244 | 121,000 |
| - | - | - | (20,396) | (20,396) |
| 58,615 | 5,414 | 1,559,343 | 54,300 | 1,688,083 |
| 58,615 | 5,414 | 1,271,996 | 34,559 | 1,380,995 |
| - | - | 122,249 | 30,182 | 152,431 |
| - | - | - | (18,883) | (18,883) |
| 58,615 | 5,414 | 1,394,245 | 45,858 | 1,514,543 |
| 58,615 | 5,414 | 1,271,996 | 34,559 | 1,380,995 |
| - | - | 200,591 | 38,101 | 238,692 |
| - | - | - | (32,208) | (32,208) |
| 58,615 | 5,414 | 1,472,587 | 40,452 | 1,587,479 |

Balance Sheet

as at 30 June 2024

Company Number 2638812

| | Notes | 30 June 2024 unaudited £'000 | 31 December 2023 audited £'000 | 30 June 2023 unaudited £'000 |
|---|-------|---------------------------------------|---|---------------------------------------|
| Fixed assets | | | | |
| Investments | 10 | 1,626,177 | 1,518,875 | 1,459,305 |
| Current assets | | | | |
| Derivative instruments | 10 | 5,348 | 886 | 3,919 |
| Debtors | | 13,404 | 11,449 | 12,141 |
| Amounts held at futures clearing houses and brokers | | 4,545 | 8,384 | 5,869 |
| Cash and cash equivalents | | 42,633 | 52,804 | 36,362 |
| | | 65,930 | 73,523 | 58,291 |
| Current liabilities | | | | |
| Derivative instruments | 10 | (2,615) | (3,521) | (1,681) |
| Other creditors | | (1,409) | (1,398) | (1,372) |
| | | (4,024) | (4,919) | (3,053) |
| Net current assets | | 61,906 | 68,604 | 55,238 |
| Net assets | | 1,688,083 | 1,587,479 | 1,514,543 |
| 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 | | 1,559,343 | 1,472,587 | 1,394,245 |
| Revenue reserve | | 54,300 | 40,452 | 45,858 |
| Total shareholders' funds | | 1,688,083 | 1,587,479 | 1,514,543 |
| Net asset value per ordinary share | 12 | 413.01p | 388.39p | 370.55p |

Notes to the Financial Statements

1 Principal Activity

Fidelity European Trust 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 2023 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 Accounting Policies

(i) 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 July 2022. 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 2023.

(ii) Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements. Accordingly, the Directors consider it appropriate 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 faced by the Company as detailed in the Interim Management Report on pages 9 and 10.

Notes to the Financial Statements continued

4 Income

| | Six months ended 30.06.24 unaudited £'000 | Six months ended 30.06.23 unaudited £'000 | Year ended 31.12.23 audited £'000 |
|---|--|--|--|
| Investment income | | | |
| Overseas dividends | 33,375 | 28,415 | 37,484 |
| Overseas scrip dividends | – | 957 | 957 |
| UK dividends | 957 | 965 | 1,679 |
| | 34,332 | 30,337 | 40,120 |
| Derivative income | | | |
| Income recognised from futures contracts | 1,659 | 1,797 | 2,392 |
| Dividends received on long CFDs | 3,536 | 3,339 | 3,570 |
| Interest received on CFDs | 180 | 61 | 333 |
| | 5,375 | 5,197 | 6,295 |
| Investment and derivative income | 39,707 | 35,534 | 46,415 |
| Other interest | | | |
| Interest received on collateral, bank deposits and money market funds | 1,342 | 276 | 798 |
| Interest received on tax reclaims | 32 | 6 | 8 |
| | 1,374 | 282 | 806 |
| Total income | 41,081 | 35,816 | 47,221 |

Special dividends of £nil have been recognised in capital during the period (six months ended 30 June 2023 and year ended 31 December 2023: £710,000).

5 Investment Management Fees

| | Revenue £'000 | Capital £'000 | Total £'000 |
|--|------------------|------------------|----------------|
| Six months ended 30 June 2024 (unaudited) | | | |
| Investment management fees | 1,437 | 4,311 | 5,748 |
| Six months ended 30 June 2023 (unaudited) | | | |
| Investment management fees | 1,303 | 3,910 | 5,213 |
| Year ended 31 December 2023 (audited) | | | |
| Investment management fees | 2,625 | 7,877 | 10,502 |

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 0.65% of net assets in excess of £400 million. Fees are payable monthly in arrears and are calculated on a daily basis.

Investment management fees have been allocated 75% to capital reserve in accordance with the Company’s accounting policies.

Notes to the Financial Statements continued

6 Finance Costs

| | Revenue £'000 | Capital £'000 | Total £'000 |
|--|------------------|------------------|----------------|
| Six months ended 30 June 2024 (unaudited) | | | |
| Interest paid on bank deposits | 7 | 22 | 29 |
| Interest paid on CFDs ¹ | 1,145 | 3,435 | 4,580 |
| Costs recognised from futures contracts | 336 | 1,006 | 1,342 |
| | 1,488 | 4,463 | 5,951 |

Six months ended 30 June 2023 (unaudited)

| | | | |
|---|-----|-------|-------|
| Interest paid on CFDs ¹ | 647 | 1,942 | 2,589 |
| Costs recognised from futures contracts | 261 | 782 | 1,043 |
| | 908 | 2,724 | 3,632 |

Year ended 31 December 2023 (audited)

| | | | |
|---|-------|-------|-------|
| Interest paid on CFDs ¹ | 1,601 | 4,803 | 6,404 |
| Costs recognised from futures contracts | 537 | 1,611 | 2,148 |
| | 2,138 | 6,414 | 8,552 |

¹ The interest paid on CFDs is higher in the current reporting period due to an increase of long CFDs exposures and interest rates. As a result, the Company has been exposed to higher interest charges.

Finance costs have been allocated 75% to capital reserve in accordance with the Company's accounting policies.

7 Taxation on Return on Ordinary Activities

| | Six months ended 30.06.24 unaudited £'000 | Six months ended 30.06.23 unaudited £'000 | Year ended 31.12.23 audited £'000 |
|-------------------|---|---|---|
| Overseas taxation | 3,391 | 2,916 | 3,390 |

8 Return per Ordinary Share

| | Six months ended 30.06.24 unaudited | Six months ended 30.06.23 unaudited | Year ended 31.12.23 audited |
|--|--|--|--------------------------------------|
| Revenue return per ordinary share | 8.38p | 7.38p | 9.32p |
| Capital return per ordinary share | 21.22p | 29.91p | 49.08p |
| Total return per ordinary share | 29.60p | 37.29p | 58.40p |

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 Treasury during the period, as shown below:

| | £'000 | £'000 | £'000 |
|---|----------------|---------|---------|
| Net revenue return on ordinary activities after taxation | 34,244 | 30,182 | 38,101 |
| Net capital return on ordinary activities after taxation | 86,756 | 122,249 | 200,591 |
| Net total return on ordinary activities after taxation | 121,000 | 152,431 | 238,692 |

| | Number | Number | Number |
|--|--------------------|-------------|-------------|
| Weighted average number of ordinary shares held outside Treasury during the period | 408,730,523 | 408,730,523 | 408,730,523 |

Notes to the Financial Statements continued

9 Dividends Paid to Shareholders

| | Six months ended 30.06.24 unaudited £'000 | Six months ended 30.06.23 unaudited £'000 | Year ended 31.12.23 audited £'000 |
|--|--|---|---|
| Final dividend of 4.99 pence per ordinary share paid for the year ended 31 December 2023 | 20,396 | – | – |
| Interim dividend of 3.26 pence per ordinary share paid for the year ended 31 December 2023 | – | – | 13,325 |
| Final dividend of 4.62 pence per ordinary share paid for the year ended 31 December 2022 | – | 18,883 | 18,883 |
| | 20,396 | 18,883 | 32,208 |

The Company has declared an interim dividend for the six month period to 30 June 2024 of 3.60 pence per ordinary share (2023: 3.26 pence). The interim dividend will be paid on 25 October 2024 to shareholders on the register at close of business on 20 September 2024 (ex-dividend date 19 September 2024). The total cost of this interim dividend, which has not been included as a liability in these Financial Statements, is £14,714,000 (2023: £13,325,000). This amount is based on the number of ordinary shares held outside 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 in 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 2024 (unaudited) | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investments | 1,626,177 | – | – | 1,626,177 |
| Derivative instrument assets | 531 | 4,817 | – | 5,348 |
| | 1,626,708 | 4,817 | – | 1,631,525 |
| Financial liabilities at fair value through profit or loss | | | | |
| Derivative instrument liabilities | – | (2,615) | – | (2,615) |

| 31 December 2023 (audited) | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|--|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investments | 1,518,875 | – | – | 1,518,875 |
| Derivative instrument assets | – | 886 | – | 886 |
| | 1,518,875 | 886 | – | 1,519,761 |

| | | | | |
|---|-------|---------|---|---------|
| Financial liabilities at fair value through profit or loss | | | | |
| Derivative instrument liabilities | (348) | (3,173) | – | (3,521) |

| 30 June 2023 (unaudited) | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investments | 1,459,305 | – | – | 1,459,305 |
| Derivative instrument assets | 1,120 | 2,799 | – | 3,919 |
| | 1,460,425 | 2,799 | – | 1,463,224 |
| Financial liabilities at fair value through profit or loss | | | | |
| Derivative instrument liabilities | – | (1,681) | – | (1,681) |

Notes to the Financial Statements continued

11 Share Capital

| | 30 June 2024 unaudited | | 31 December 2023 audited | | 30 June 2023 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 | 408,730,523 | 10,218 | 408,730,523 | 10,218 | 408,730,523 | 10,218 |
| Ordinary shares repurchased into Treasury | - | - | - | - | - | - |
| End of the period | 408,730,523 | 10,218 | 408,730,523 | 10,218 | 408,730,523 | 10,218 |
| Ordinary shares of 2.5 pence each held in Treasury¹ | | | | | | |
| Beginning of the period | 7,717,387 | 193 | 7,717,387 | 193 | 7,717,387 | 193 |
| Ordinary shares repurchased into Treasury | - | - | - | - | - | - |
| End of the period | 7,717,387 | 193 | 7,717,387 | 193 | 7,717,387 | 193 |
| 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.

During the period, no ordinary shares were repurchased into Treasury (year ended 31 December 2023 and six months ended 30 June 2023: nil shares).

12 Net Asset Value per Ordinary Share

The calculation of the net asset value per ordinary share is based on the total Shareholders' funds divided by the number of ordinary shares held outside of Treasury.

| | 30.06.24 unaudited | 31.12.23 audited | 30.06.23 unaudited |
|--|-----------------------|---------------------|-----------------------|
| Total shareholders' funds | £1,688,083,000 | £1,587,479,000 | £1,514,543,000 |
| Ordinary shares held outside of Treasury at the period end | 408,730,523 | 408,730,523 | 408,730,523 |
| Net asset value per ordinary share | 413.01p | 388.39p | 370.55p |

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 in the Balance Sheet on page 16, and any gearing, which is managed by 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 gross gearing and net gearing at the end of the period is shown below:

| | Gross gearing | | Net gearing | |
|---|------------------|----------------|------------------|----------------|
| | Asset exposure | | Asset exposure | |
| | £'000 | % ¹ | £'000 | % ¹ |
| 30 June 2024 (unaudited) | | | | |
| Investments | 1,626,177 | 96.3 | 1,626,177 | 96.3 |
| Long CFDs | 179,614 | 10.7 | 179,614 | 10.7 |
| Long futures | 69,923 | 4.1 | 69,923 | 4.1 |
| Total long exposures | 1,875,714 | 111.1 | 1,875,714 | 111.1 |
| Short CFDs | 12,990 | 0.8 | (12,990) | (0.8) |
| Gross asset exposure/net market exposure | 1,888,704 | 111.9 | 1,862,724 | 110.3 |
| Shareholders' funds | 1,688,083 | | 1,688,083 | |
| Gearing² | | 11.9 | | 10.3 |
| 31 December 2023 (audited) | | | | |
| Investments | 1,518,875 | 95.6 | 1,518,875 | 95.6 |
| Long CFDs | 199,945 | 12.6 | 199,945 | 12.6 |
| Long futures | 64,492 | 4.1 | 64,492 | 4.1 |
| Total long exposures | 1,783,312 | 112.3 | 1,783,312 | 112.3 |
| Short CFDs | 12,736 | 0.8 | (12,736) | (0.8) |
| Gross asset exposure/net market exposure | 1,796,048 | 113.1 | 1,770,576 | 111.5 |
| Shareholders' funds | 1,587,479 | | 1,587,479 | |
| Gearing² | | 13.1 | | 11.5 |

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

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

Notes to the Financial Statements continued

13 Capital Resources and Gearing continued

| | Gross gearing | | Net gearing | |
|---|------------------|----------------|------------------|----------------|
| | Asset exposure | | Asset exposure | |
| | £'000 | % ¹ | £'000 | % ¹ |
| 30 June 2023 (unaudited) | | | | |
| Investments | 1,459,305 | 96.4 | 1,459,305 | 96.4 |
| Long CFDs | 177,871 | 11.7 | 177,871 | 11.7 |
| Long futures | 60,659 | 4.0 | 60,659 | 4.0 |
| Total long exposures | 1,697,835 | 112.1 | 1,697,835 | 112.1 |
| Short CFDs | 18,101 | 1.2 | (18,101) | (1.2) |
| Gross asset exposure/net market exposure | 1,715,936 | 113.3 | 1,679,734 | 110.9 |
| Shareholders' funds | 1,514,543 | | 1,514,543 | |
| Gearing² | | 13.3 | | 10.9 |

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

² Gearing is the amount by which the gross asset exposure/net market 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 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 on page 19.

During the period, fees for portfolio management services of £5,748,000 (six months ended 30 June 2023: £5,213,000 and year ended 31 December 2023: £10,502,000) were payable to FIL. At the Balance Sheet date, fees for portfolio management services of £970,000 (31 December 2023: £925,000 and 30 June 2023: £866,000) 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 £116,000 (six months ended 30 June 2023: £160,000 and year ended 31 December 2023: £260,000). At the Balance Sheet date, marketing services of £55,000 were accrued and included in other creditors (31 December 2023: £14,000 and 30 June 2023: £nil).

As at 30 June 2024, 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 £48,000, the Audit Committee Chair an annual fee of £37,250, the Senior Independent Director an annual fee of £33,500 and each other Director an annual fee of £31,000. The following members of the Board hold ordinary shares in the Company: Vivian Bazalgette 30,000 shares, Fleur Meijs 28,970 shares, Milyae Park 10,000 shares, Sir Ivan Rogers 4,569 shares and Paul Yates 32,000 shares.

Shareholder Information

Investing in Fidelity European Trust PLC

Fidelity European Trust 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 the way that is best for you. Details of how to invest and the latest Key Information Document can be found on the Company's pages of the Manager's website at **www.fidelity.co.uk/europe**.

CONTACT INFORMATION

Shareholders and Fidelity's Platform Investors should contact the appropriate administrator using the contact details given below and in the next column. Links to the websites of major platforms can be found online at: **www.fidelity.co.uk/its**.

Shareholders on the main share register

Contact Link Group, Registrar to Fidelity European Trust PLC, Central Square, 29 Wellington Street, Leeds LS1 4DL.

Email: **shareholderenquiries@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 online 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).

Fidelity Platform Investors

Contact Fidelity, using the freephone numbers given below, or by writing to: UK Customer Service, Fidelity, PO Box 391, Tadworth KT20 9FU.

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.

Shareholder Information continued

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.fidelity.co.uk/its**

If you hold Fidelity European Trust 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.

ShareGift

You may donate your shares to charity free of charge through ShareGift. Further details are available at **www.sharegift.org.uk**.

Financial Calendar 2024/2025

The key dates in the Company’s calendar are:

| | |
|-------------------|--|
| 30 June 2024 | Half-Year End |
| August 2024 | Announcement of the Half-Yearly Results |
| August 2024 | Publication of the Half-Yearly Report |
| 19 September 2024 | Ex-dividend Date of the Interim Dividend |
| 20 September 2024 | Record Date of the Interim Dividend |
| 25 October 2024 | Payment of the Interim Dividend |
| 31 December 2024 | Financial Year End |
| March 2025 | Announcement of the Annual Results |
| March 2025 | Publication of the Annual Report |
| May 2025 | Annual General Meeting |
| May 2025 | Payment of the Final Dividend |

Directory

Board of Directors

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

Alternative Investment Fund Manager (AIFM/the Manager)

FIL Investment Services (UK) Limited
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey
KT20 6RP

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
Canary Wharf
London
E14 5JP

Financial Adviser and Stockbroker

Winterflood Investment Trusts
Riverside House
2 Swan Lane
London
EC4R 3GA

Independent Auditor

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Lawyer

Simmons & Simmons LLP
1 Ropemaker Street
London
EC2Y 9SS

Registrar

Link Group
Central Square
29 Wellington Street
Leeds
LS1 4DL

Data Protection

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 website at <https://investment-trusts.fidelity.co.uk/security-privacy/>

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.

Retention period

Personal data will be kept for as long as is necessary for these purposes and no longer than 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

AIC

The Association of Investment Companies ("AIC"). The Company is a member of the AIC.

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;
- Net Asset Value (NAV) per Ordinary Share;
- Ongoing Charges;
- Revenue, Capital and Total Returns; and
- Total Return Performance (Net Asset Value Total Return or Share Price Total Return).

Asset Exposure

The value of an underlying security or instrument to which the Company is exposed, whether through direct or indirect investment (including the economic value of the exposure in the underlying asset of derivatives).

Benchmark Index

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

Capital Gains Tax (CGT)

The tax that may be payable if shares are sold at a profit.

Collateral

Assets provided as security for the unrealised gain or loss under a contract for difference.

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 an 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 collateral. The Company may reason that the asset price will rise, by buying ("long" position) or fall, by selling ("short" position). If the Company holds long positions, dividends are received and interest is paid. If the Company holds short positions, dividends are paid and interest is received.

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 act as the Company's Depository.

Glossary of Terms continued

Derivatives

Financial instruments (such as [futures](#), [options](#) and [contracts for difference](#)) whose value is derived from the value of an underlying asset or other financial instrument.

Discount

The Company's shares are said to be trading at a [discount](#) when its share price is lower than the [net asset value per ordinary share](#). It is shown as a percentage of the [net asset value per ordinary share](#).

Fair Value

The [fair value](#) is the best measure of the realisable value of the investments, including [derivatives](#), at a point in time and is measured as:

- **Listed investments** – valued at bid prices or last market prices as available, otherwise at published price quotations;
- **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); and
- **Futures and options** – valued at the quoted trade price for the contract.

Fidelity International (Fidelity)

FIL Limited and its subsidiary group companies including FIL Investment Services (UK) Limited and FIL Investments International which act as [AIFM](#), Secretary and [Investment Manager](#).

Future

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

Gearing

The economic exposure of the portfolio to its underlying assets in excess of total net assets. It represents the additional exposure to the market above [Shareholders' Funds](#). The Company uses two measures of [gearing](#) ([Gross Gearing](#) and [Net Gearing](#)).

Gross Asset Exposure

The value of the portfolio to which the Company is exposed, whether through direct or indirect investment (including the economic value of the exposure in the underlying asset of the [derivatives](#). It is the sum total of all [Asset Exposures](#).

Gross Gearing

[Gross Asset Exposure](#) in excess of [Shareholders' funds](#).

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 under delegation from FIL Investment Services (UK) Limited (the appointed [AIFM](#)).

Manager

FIL Investment Services (UK) Limited is the appointed [Manager](#) under the [AIFMD](#). It has delegated the portfolio management of assets to the [Investment Manager](#).

Net Assets or Net Asset Value (NAV)

Also described as “Shareholders’ funds”, **net assets** represent 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 ordinary share basis.

Net Asset Value per Ordinary Share

The **net asset value** divided by the number of ordinary shares in issue.

Net Gearing

Net Market Exposure in excess of **Shareholders’ funds**.

Net Market Exposure

Net Market Exposure is the total of all long exposures, less short exposures and less exposures **hedging** the portfolio.

Ongoing Charges

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

Option

A contract which gives the right but not the obligation to buy or sell the underlying asset at an agreed 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.

Portfolio Managers

Sam Morse is the appointed Portfolio Manager of the Company and is responsible for managing the Company’s assets. He is assisted by the Co-Portfolio Manager, Marcel Stötzel.

Premium

The Company’s shares are said to be trading at a premium when the share price of the Company is higher than the **net asset value per ordinary share**. 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 Group.

Reserves

- **Share premium account** represents the amount by which the proceeds from the issue of ordinary shares have exceeded the cost of those ordinary shares. It is not distributable by way of dividends and it cannot be used to fund share repurchases.
- **Capital redemption reserve** maintains the equity share capital of the Company and represents the nominal value of shares repurchased and cancelled. It is not distributable by way of dividends and it cannot be used to fund share repurchases.
- **Capital reserve** represents realised gains or losses on investments and derivatives sold, unrealised increases and decreases in the fair value of investments and derivatives held and other income and costs recognised in the capital column of the Income Statement. It can be used to fund repurchases and issuance of shares from Treasury and it is distributable by way of dividends.
- **Revenue reserve** represents retained revenue surpluses recognised through the revenue column of the Income Statement. It is distributable by way of dividends.

Glossary of Terms continued

Return

The [return](#) generated in a given period from 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 as shown in the balance sheet.

Total Return Performance

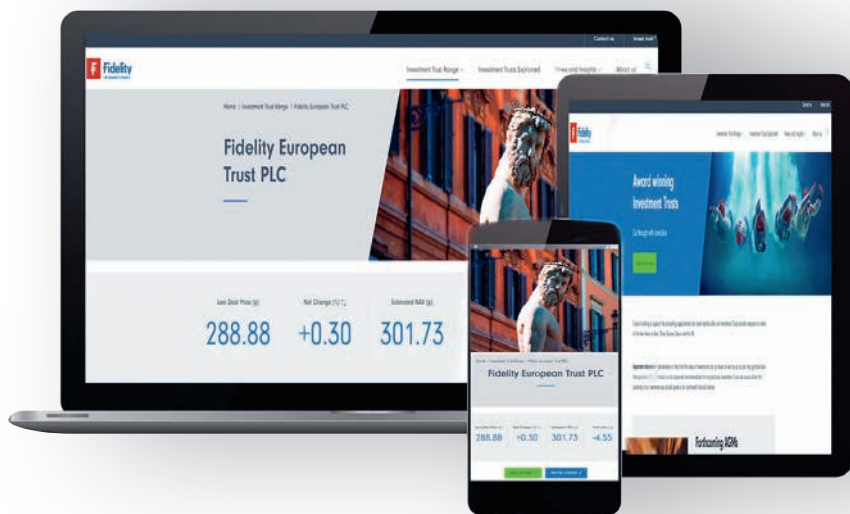
The return on the share price or [net asset value per ordinary share](#) taking into account the rise and fall of share prices and the dividends paid to Shareholders. Any dividends received by the Shareholder are assumed to have been reinvested for additional shares (for share price total return) or in 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 receive dividends, have no voting rights and are excluded from the [net asset value per ordinary share](#) calculation.

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To find out more about Fidelity European Trust PLC, visit our website at www.fidelity.co.uk/europe where you can read articles and watch videos on the Company.



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