

Date of Initial Publication	Version	Date of latest update
01/01/2023	4	30/07/2024

Website product disclosure

Fidelity Funds - Emerging Markets Fund

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective <input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



A. Summary

The fund promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

The fund promotes environmental and social characteristics by aiming to achieve an ESG score of its portfolio greater than the ESG score of its benchmark.

ESG scores are determined by reference to ESG ratings. ESG ratings consider environmental characteristics including carbon intensity, carbon emissions, energy efficiency, water and waste management and biodiversity, as well as social characteristics including product safety, supply chain, health and safety and human rights.

ESG scores of individual securities are established by assigning set numerical values to Fidelity ESG ratings and ESG ratings provided by external agencies. These numerical values are aggregated to determine the average ESG score of the portfolio and that of the benchmark.

The fund partially intends to make sustainable investments.

The fund determines sustainable investments as investments in securities of:

(a) issuers making a substantial contribution through their economic activities (more than 50% for corporate issuers) to either:

(i) one or more of the environmental objectives set out in the EU Taxonomy and qualify as environmentally sustainable in accordance with EU Taxonomy; or

(ii) environmental or social objectives aligned with one or more of the United Nations Sustainable Development Goals (“SDGs”); or

(b) issuers which contribute towards a decarbonisation objective consistent with maintaining the global temperature rise to below 1.5 degrees; or

(c) bonds which intend to use the majority of proceeds for specific activities, assets or projects that contribute to environmental or social objectives;

provided they do not significantly harm any environmental or social objectives and that the investee companies follow good governance practices.

The fund:

- (i) aims to achieve an ESG score of its portfolio greater than that of its benchmark;
- (ii) will invest a minimum of 10% in sustainable investments of which a minimum of 0% have an environmental objective (which is aligned with the EU Taxonomy), a minimum of 1% have an environmental objective (which is not aligned with the EU Taxonomy) and a minimum of 1% have a social objective.

In respect of direct investments, the fund is subject to:

1. a firm-wide exclusions list, which includes cluster munitions and anti-personnel landmines, and
2. a principle-based screening policy which includes:
 - (i) norms-based screening of issuers which the Investment Manager considers have failed to conduct their business in accordance with international norms, including as set out in the UNGC; and
 - (ii) negative screening of certain sectors, issuers or practices based on specific ESG criteria where revenue thresholds may be applied.

The exclusions and screens (the “Exclusions”) may be updated from time to time.

Fidelity’s portfolio compliance team monitors the ESG score of the fund’s portfolio on a quarterly basis, using daily data points from Fidelity’s internal compliance monitoring system. The fund aims to achieve its ESG score targets by adjusting its portfolio on an ongoing basis.

Fidelity uses multiple internal and external data sources to assess environmental or social characteristics. The key ESG components used in the fund’s assessment of environmental or social characteristics are ESG ratings data, exclusions, activity screens and controversies data, principal adverse impact data, thematic alignment data and sustainable investments data.

While covering a diverse range of environmental, social and governance factors, the Fidelity ESG ratings methodology is used to identify the most financially material ESG risks and opportunities, and so may not be exhaustive. However, these limitations do not affect how the environmental or social characteristics promoted by the financial product are met as they are mitigated by aiming to ensure the integrity and appropriateness of the data used.

Due diligence on underlying assets is carried out by reference to ESG ratings and engagement.

Engagement does not form part of the fund’s environmental or social investment strategy.

No ESG reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted.

 **B. No sustainable investment objective**

The fund promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The fund determines sustainable investments as investments in securities of:

- (a) issuers making a substantial contribution through their economic activities (more than 50% for corporate issuers) to either:
 - (i) one or more of the environmental objectives set out in the EU Taxonomy and qualify as environmentally sustainable in accordance with EU Taxonomy; or
 - (ii) environmental or social objectives aligned with one or more of the United Nations Sustainable Development Goals (“SDGs”); or
- (b) issuers which contribute towards a decarbonisation objective consistent with maintaining the global

temperature rise to below 1.5 degrees; or
 (c) bonds which intend to use the majority of proceeds for specific activities, assets or projects that contribute to environmental or social objectives;

provided they do not significantly harm any environmental or social objectives and that the investee companies follow good governance practices.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments are screened for involvement in activities that cause significant harm and controversies, assessed through a check that the issuer meets minimum safeguards and standards that relate to principal adverse impacts (PAIs) as well as performance on PAI metrics. This includes:

- Norms-based screens - the screening out of securities identified under Fidelity’s existing norms-based screens (as set out below);
- Activity-based screens - the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment, including issuers that are considered to have a ‘Very Severe’ controversy using controversy screens, covering
 - 1) environmental issues,
 - 2) human rights and communities,
 - 3) labour rights and supply chain,
 - 4) customers,
 - 5) governance; and
- PAI indicators - quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

How does this financial product take into account principal adverse impacts on sustainability factors?

For sustainable investments, as set out above, Fidelity undertakes a quantitative evaluation to identify issuers with challenging performance on PAI indicators. All mandatory and selected optional indicators are taken into account (where data is available). Issuers with a low score will be ineligible to be ‘sustainable investments’ unless Fidelity’s fundamental research determines that the issuer is not breaching “do no significant harm” requirements, or is on the path to mitigate the adverse impacts through effective management or transition.

Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Norms-based screens are applied: Issuers identified as failing to behave in a way which meets their fundamental responsibilities in the areas of human rights, labour, environmental and anti-corruption as aligned with international norms including those set out by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the UN Global Compact (UNGC) and the International Labour Organisation (ILO) Conventions, are not considered sustainable investments.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



C. Environmental or social characteristics of the financial product

What are the environmental or social characteristics promoted by this financial product?

The fund promotes environmental and social characteristics by aiming to achieve an ESG score of its portfolio greater than the ESG score of its benchmark.

ESG scores are determined by reference to ESG ratings. ESG ratings consider environmental characteristics including carbon intensity, carbon emissions, energy efficiency, water and waste management and biodiversity, as well as social characteristics including product safety, supply chain, health and safety and human rights.

ESG scores of individual securities are established by assigning set numerical values to Fidelity ESG ratings and ESG ratings provided by external agencies. These numerical values are aggregated to determine the average ESG score of the portfolio and that of the benchmark.

The weighted average ESG score of the fund’s portfolio is measured against the ESG score of the benchmark using either a weighted average or equal weighted method of calculation. Further details on the calculation methodology are set out at [Sustainable investing framework \(fidelityinternational.com\)](https://www.fidelityinternational.com) and may be updated from time to time. The Investment Manager undertakes monitoring of the fund’s ESG score on a periodic basis and the fund aims to achieve its ESG score targets by adjusting its portfolio on an ongoing basis. In seeking to exceed the ESG score of the benchmark, the Investment Manager aims to invest in securities of issuers with higher ESG characteristics.

The fund partially intends to make sustainable investments.

No ESG reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted.



D. Investment strategy

What investment strategy does this financial product follow and how is the strategy implemented in the investment process on a continuous basis?

The fund aims to achieve an ESG score of its portfolio greater than that of its benchmark by investing in securities of issuers with, on average, better ESG characteristics than those in the benchmark.

In respect of direct investments, the fund is subject to:

1. a firm-wide exclusions list, which includes cluster munitions and anti-personnel landmines, and
2. a principle-based screening policy which includes:
 - (i) norms-based screening of issuers which the Investment Manager considers have failed to conduct their business in accordance with international norms, including as set out in the UNGC; and
 - (ii) negative screening of certain sectors, issuers or practices based on specific ESG criteria where revenue thresholds may be applied.

The above exclusions and screens (the “Exclusions”) may be updated from time to time. Please refer to the website for further information: [Sustainable investing framework \(fidelityinternational.com\)](https://www.fidelityinternational.com).

The Investment Manager also has discretion to implement additional exclusions.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The fund:

- (i) aims to achieve an ESG score of its portfolio greater than that of its benchmark;
- (ii) will invest a minimum of 10% in sustainable investments of which a minimum of 0% have an environmental objective (which is aligned with the EU Taxonomy), a minimum of 1% have an environmental objective (which is not aligned with the EU Taxonomy) and a minimum of 1% have a social objective.

In addition, the fund will systematically apply the Exclusions as described above.

What is the policy to assess good governance practices of the investee companies?

The governance practices of issuers are assessed using fundamental research, including ESG ratings, data regarding controversies and UN Global Compact violations.

Key points that are analysed include track record of capital allocation, financial transparency, related party transactions, board independence and size, executive pay, auditors and internal oversight, minority shareholder rights, among other indicators. For sovereign issuers, factors such as corruption and freedom of expression are included.

Is there a commitment to reduce by a minimum rate the scope of investments considered prior to the application of the strategy? (Including an indication of the rate)

This question is not applicable.

Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

Consideration of the principal adverse impacts on sustainability factors of investment decisions (referred to as principal adverse impacts) is incorporated through a variety of tools, including:

(i) *ESG rating* - Fidelity references ESG ratings which incorporate consideration of material principal adverse impacts such as carbon emissions, employee safety and bribery and corruption, water management and, for sovereign issued securities, ratings used incorporate consideration of material principal adverse impacts such as carbon emissions, social violations and freedom of expression.

(ii) *Exclusions* - When investing directly, the fund applies the Exclusions (as defined below) to help mitigate the principal adverse impacts through excluding harmful sectors and prohibiting investment in issuers that breach international standards, such as the UNGC. Such exclusions include PAI indicator 4: Exposure to Companies active in the fossil fuel sector, PAI indicator 10: Violations of UN Global Compact principles & OECD Guidelines for Multinational Enterprises and PAI indicator 14: Exposure to controversial weapons.

(iii) *Engagement* - Fidelity uses engagement as a tool to better understand principal adverse impacts and, in some circumstances, advocate for mitigating the principal adverse impacts. Fidelity participates in relevant individual and collaborative engagements that target a number of principal adverse impacts (i.e. Climate Action 100+, Investors Against Slavery and Trafficking APAC).

(iv) *Voting* - Fidelity's voting policy includes explicit minimum standards for board gender diversity and engagement with climate change for corporate issuers. Fidelity may also vote to help mitigate principal adverse impacts.

(v) *Quarterly reviews* - review of principal adverse impacts on a quarterly basis.

Fidelity takes into account specific indicators for each sustainability factor when considering whether investments have a principal adverse impact. These indicators are subject to data availability and may evolve with improving data quality and availability.

Information on principal adverse impacts will be available in the annual report of the fund.



E. Proportion of investments

What is the planned asset allocation for this financial product?

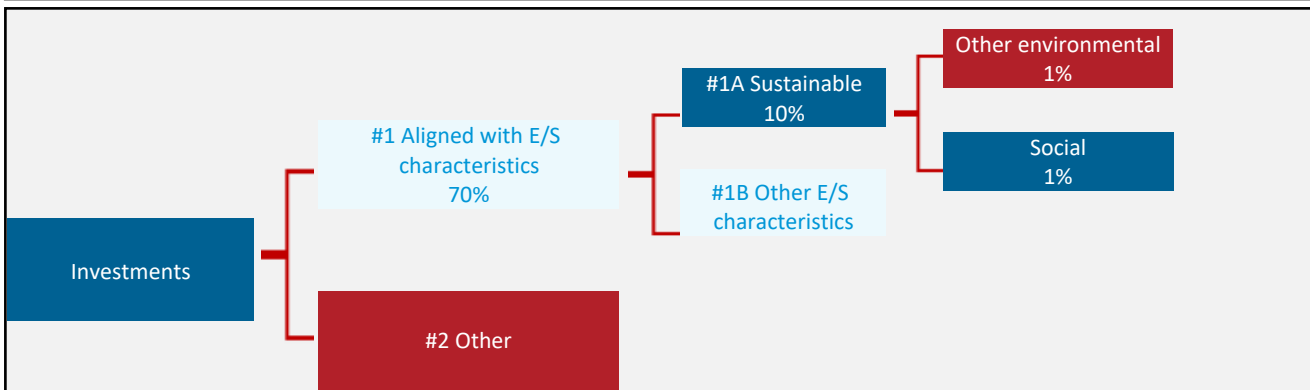
(#1 Aligned with E/S characteristics) The fund will invest:

(i) a minimum of 70% of the fund's assets in securities with an ESG rating. These securities will contribute to

the ESG score of the portfolio;

(ii) a minimum of 10% of its assets in sustainable investments (**#1A sustainable**) of which a minimum of 0% have an environmental objective (which is aligned with the EU Taxonomy), a minimum of 1% have an environmental objective (which is not aligned with the EU Taxonomy) and a minimum of 1% have a social objective. The remaining sustainable investments of the fund may have an environmental or social objective.

(#1B Other E/S characteristics) Includes securities of issuers which are used to attain the environmental or social characteristics promoted by the fund but are not sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Where the security underlying a derivative has an ESG rating, the exposure of the derivative may be included in determining the proportion of the fund dedicated to promotion of environmental or social characteristics.

What is the minimum share of investments with an environmental objective aligned with the EU Taxonomy? (including what methodology is used for the calculation of the alignment with the EU Taxonomy and why; and what the minimum share of transitional and enabling activities)

The fund invests a minimum of 0% in sustainable investments with an environmental objective aligned with the EU Taxonomy.

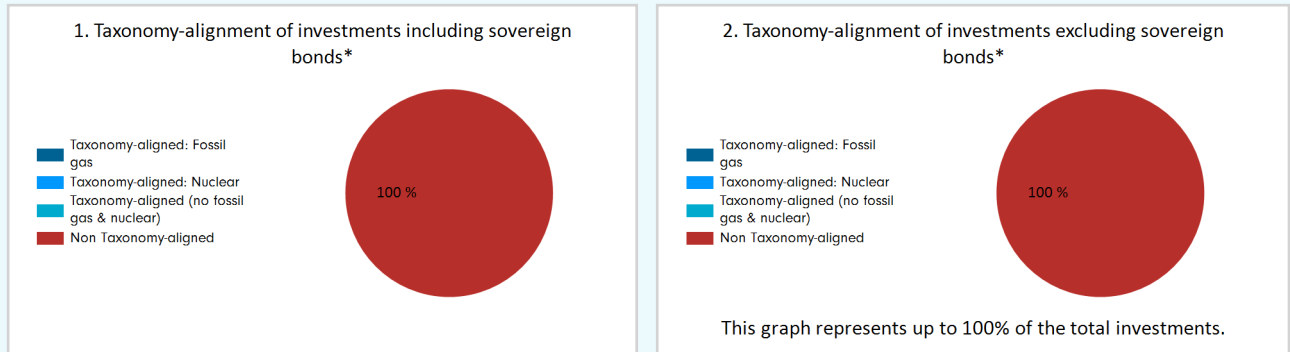
The compliance of the investments of the fund with the EU Taxonomy will not be subject to an assurance by auditors or a review by third parties.

The EU Taxonomy alignment of the underlying investments of the fund is measured by turnover.

Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy?

- Yes
- In fossil gas In nuclear energy
- No

The two graphs below show in dark blue the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

The fund invests a minimum of 0% in transitional activities and a minimum of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The fund invests a minimum of 1% in sustainable investments with an environmental objective that is not aligned with the EU Taxonomy.

These sustainable investments could be aligned with the EU Taxonomy, however, the Investment Manager is only able to specify the exact proportion of the fund's investments which are aligned with EU Taxonomy where relevant and reliable data is available.

What is the minimum share of socially sustainable investments?

The fund invests a minimum of 1% in sustainable investments with a social objective.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining investments of the fund will be invested in assets aligned with the financial objective of the fund, cash and cash equivalents for liquidity purposes and derivatives which may be used for investment and efficient portfolio management.

As a minimum environmental and social safeguard, the fund will adhere to the Exclusions.



F. Monitoring of environmental or social characteristics

What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?

The fund uses the following sustainability indicators in order to measure the attainment of the environmental or social characteristics that it promotes:

- (i) the ESG score of the fund's portfolio measured against the ESG score of its benchmark;
- (ii) the percentage of the fund invested in securities of issuers with exposure to the Exclusions (defined below);
- (iii) the percentage of the fund invested in sustainable investments;
- (iv) the percentage of the fund invested in sustainable investments with an environmental objective in economic activities (that do not qualify as environmentally sustainable under the EU Taxonomy); and
- (v) the percentage of the fund invested in sustainable investments with a social objective.

How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal/external control mechanism?

The fund promotes environmental and social characteristics by aiming to achieve an ESG score of its portfolio greater than that of its benchmark, this is a target only against which ESG performance is measured. The weighted average ESG score of the fund’s portfolio is measured against the ESG score of the benchmark using a weighted average or equal weighted method of calculation. Fidelity’s portfolio compliance team monitors the ESG score of the fund’s portfolio on a quarterly basis, using daily data points from Fidelity’s internal compliance monitoring system. To ensure the integrity of the monitoring, controls include the daily monitoring of the data coverage of ESG ratings. The fund aims to achieve its ESG score targets by adjusting its portfolio on an ongoing basis. Further details on the calculation methodology are set out at [Sustainable investing framework \(fidelityinternational.com\)](https://www.fidelityinternational.com) and may be updated from time to time.

Compliance with the fund’s exclusion policy and commitments to minimum percentages of sustainable investments are monitored by Fidelity’s portfolio compliance team aiming to ensure that the fund complies at all times throughout its lifecycle. The controls are semi-automated in the Fidelity’s internal compliance monitoring system. The relevant rules are coded as part of pre and post-trade monitoring and monitored on a daily basis in accordance with the net asset value frequency. Further details on the exclusions are set out at [Sustainable investing framework \(fidelityinternational.com\)](https://www.fidelityinternational.com) and may be updated from time to time.

As part of the fund’s Quarterly Sustainability Review, the environmental and social characteristics promoted and sustainability indicators are discussed on a quarterly basis.

As part of the fund annual report, the fund reports on the extent to which the fund has attained the environmental or social characteristics promoted and on the measurement of the sustainability indicators during the reference period. The last fund annual report is available on the fund section of our website.

In addition, the portfolio manager can view portfolio and asset level information related to the environmental or social characteristics promoted by the fund, as well as its sustainability indicators, through the Fidelity’s portfolio management systems on a daily basis.



G. Methodologies

What is the methodology to measure the attainment of the environmental or social characteristics promoted by the financial product using the sustainability indicators?

A combination of the Fidelity's ESG ratings methodology and/or third-party ratings data, along with exclusions, activity screens and controversies data, principal adverse impacts data and sustainable investments data are used as indicators to measure the attainment of the environmental and/ or social characteristics that the fund promotes.

Fidelity ESG Rating

The Fidelity ESG Ratings aims to provide a forward-looking assessment of the extent to which an issuer’s performance on material ESG issues either supports, or is likely to impair, long-term value creation for shareholders. The Fidelity ESG ratings are differentiated in their forward-looking emphasis and their use of issuer interaction and due diligence by Fidelity’s fundamental analysts as the main input to identify and assess the material ESG risks impacting an issuer. Fidelity’s ESG rating methodology reflects the evolution of Fidelity’s ESG integration approach, founded on the principle of ‘double materiality’, focusing on ESG both from a business risk perspective and in terms of the environmental and societal implications of the issuer’s operations.



H. Data sources and processing

What are the data sources used to attain each of the environmental or social characteristics including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?

Data Sources

Fidelity uses multiple internal and external data sources to assess environmental or social characteristics. Below is an overview of key ESG components used in the fund's assessment of environmental or social characteristics, with details of the data sources used for each.

- ESG rating data:

ESG ratings used are both Fidelity's ESG ratings, as well as third-party ESG ratings including MSCI's ESG ratings.

- Exclusions, activity screens & controversies data:

Exclusions data (including norms-based screens), activity screens and controversies data are sourced both from external sources including MSCI, Institutional Shareholder Services (ISS), Uргewald and Fidelity internal research and analysis.

- Principal Adverse Impact (PAI) data:

Fidelity use external data from MSCI, as well as from Institutional Shareholder Services (ISS) for carbon metrics.

- Thematic alignment data:

Fidelity use both internal research and external data sources for activity alignment data, which is used to assess eligibility under thematic strategies as well as under our sustainable investments assessment. External sources include Moody's for EU Taxonomy alignment data, and Factset RBICS for SDG revenue alignment data.

Some strategies use additional data sources to identify leaders or improvers under a given theme. These sources include CDP, the Transition Pathway Initiative (TPI), the Science-based Target Initiative (SBTi) and Fidelity's climate ratings.

- Sustainable investments data:

Fidelity's sustainable investments model relies on several internal and external data sources. Data sources include Factset RBICS for SDG revenue alignment data, Moody's for EU Taxonomy alignment data and the Climate Bonds Initiative (CBI) to assess sustainable use of proceeds bonds. To assess Paris-aligned decarbonisation, Fidelity use both external sources including the Science-based Target Initiative (SBTi) and internal sources with the Fidelity climate ratings.

For do no significant harm and good governance assessment, Fidelity's model uses the activity screens, controversies, PAI and ESG ratings data presented above.

Measures taken to ensure data quality

Fidelity regularly reviews its ESG data sources to ensure continued suitability to assess the environmental or social characteristics promoted by the fund. In addition, Fidelity continuously review third-party data providers capabilities and aim to introduce additional proprietary tools to help bridge data gaps and to provide alternative insights into an issuer performance on sustainability issues and will continue to evolve Fidelity's ESG ratings to reflect best practice.

- Third-party data:

Third-party data providers are subject to rigorous vendor selection criteria. Each service provider is considered carefully before the decision is taken to onboard them. When selecting and onboarding any new provider, Fidelity, including the Sustainable Investing team, conduct an in-depth evaluation of its capabilities, resourcing, costs and controls.

On an ongoing basis, Fidelity assesses the quality of externally provided ESG data, using broad statistics to check data points for completeness and accuracy. On a regular basis, Fidelity also performs certain manual checks on externally sourced data.

Where Fidelity considers data from investee companies or third-party ESG data providers may be outdated or inaccurate, they may work closely with the data provider to improve the data accuracy and timeliness.

- Fidelity ESG ratings data:

The Fidelity ESG ratings scores follow a dedicated methodology to ensure a certain level of homogeneity and comparability, while taking into account some issuers or industries specificities. The Fidelity ESG rating scores are subject to oversight and are transparent to all relevant investment team members through Fidelity's portfolio management systems. Oversight includes checks from directors of research and the sustainable investing team and the output may be subject to challenge by the investment teams.

How data is processed

The data are processed on Fidelity’s portfolio management and compliance systems. The systems standardize and enhance research, portfolio construction and risk management capabilities, including proprietary scores. Data is processed in accordance with applicable local laws on processing of data and in accordance with Fidelity’s policies on data processing.

Further details on how the data is integrated into Fidelity's ESG assessment tools (including ESG ratings, Fidelity climate ratings, exclusions, PAIs, sustainable investments model) are set out at [Sustainable investing framework \(fidelityinternational.com\)](https://www.fidelityinternational.com) and may be updated from time to time.

Proportion of data that is estimated

Fidelity does not generally estimate data, although may do so in certain circumstances. Third-party data providers may estimate data, for example carbon emissions maybe estimated by our data providers, where data is not available.

 **I. Limitations to methodologies and data**

What are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the environmental or social characteristics and the actions taken to address such limitations)

Limitations to methodologies and data sources

While covering a diverse range of environmental, social and governance factors, the Fidelity ESG ratings methodology is used to identify the most material ESG risks and opportunities, and so may not be exhaustive. The quality of ESG data may not be of comparable quality to that of financial reporting data.

Data inputs that are self-reported by issuers or supplied by third-party providers may be based on data sets and assumptions that may be insufficient, of poor quality or contain biased information.

With respect to third-party data, the criteria and rating systems used by third-party providers can differ significantly. Since there is no standard ESG scoring system, the methodology and conclusions reached by third-party providers may differ significantly from those that would be reached by other third-party providers or the Portfolio Manager. In case of insufficient data, these data providers may rely on estimates and approximations using internal methodologies that may be subjective. Fidelity has no control over the methodologies of third-party data providers.

While Fidelity seeks data inputs that it believes to be reliable, it cannot guarantee the completeness or accuracy of its proprietary system or third-party data.

Fidelity’s understanding of ESG, data, metrics and methodologies and its impact continue to evolve. Indeed, there are no clear market standards and regulations, and these are continuing to evolve.

How such limitations do not affect how the environmental or social characteristics promoted by the financial product are met

These limitations do not affect how the environmental or social characteristics promoted by the financial product are met as they are mitigated by aiming to ensure the integrity and appropriateness of the data used. Third-party data providers are subject to rigorous vendor selection criteria which may include analysis on data sources, coverage, timeliness, reliability and overall quality of the information. The evaluation of vendors continues on an ongoing, periodic basis during the term of subscriptions to the service to ensure that the provider is delivering on the agreed service. New providers are considered on an ongoing basis to determine if they would add benefit beyond the existing providers. The proprietary scores follow a dedicated homogeneous methodology, are transparently displayed internally and subject to oversight.

 **J. Due diligence**

What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?

Fidelity performs in-house investment research, which is produced by a team of fundamental and ESG analysts. ESG views on specific issuers are the product of data from third-party data providers, proprietary research and one-on-one engagements with companies. The Portfolio Manager’s research framework uses

several internally developed processes to assess the quality of a company including its ESG credentials. The due diligence or research on the underlying companies is conducted by research analysts and/or the Investment Manager and there are designated persons responsible for quality control of both fundamental and quantitative research.

Due diligence on underlying assets is carried out by reference to ESG ratings and engagement:

(i) ESG ratings which incorporate analysis of the environmental and social characteristics of an issuer and consideration of material principal adverse impacts such as carbon emissions, employee safety and bribery and corruption, water management and, for sovereign issued securities, ratings used incorporate consideration of material principal adverse impacts such as carbon emissions, social violations and freedom of expression. Fidelity ESG ratings for each issuer are reviewed on a regular basis in order to remain up to date, and are subject to oversight to ensure the quality of the rating compared to the pre-defined methodology.

(ii) Engagement - Fidelity uses engagement as a tool to better understand issuers and, in some circumstances, advocate for change. Fidelity participates in relevant individual and collaborative engagements that target a number of principal adverse impacts (i.e. Climate Action 100+, Investors Against Slavery and Trafficking APAC). Our engagement is driven by our publicly available engagement policy and sustainable investing voting principles and guidelines which are regularly updated to reflect the market evolution.

The Sustainable Investing frameworks and activities are overseen by the Fidelity Sustainable Investing Operating Committee (the 'SIOC'). The SIOC is responsible for setting the policies and objectives of Fidelity as they relate to sustainable investing and oversee the implementation and delivery of these policies and objectives. This committee is comprised of Fidelity senior executives from across Fidelity's business units, including the Chief Sustainability Officer. In addition, the SIOC is responsible for the conduct, oversight and execution of Fidelity's ownership rights in investee issuers, including engagement and proxy voting activities.

The Fidelity Sustainable Investing frameworks and Fidelity ESG Ratings have been reviewed and validated by Fidelity internal risk and internal audit teams.

 **K. Engagement policies**

Is engagement part of the environmental or social investment strategy?

Yes
 No

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)

Engagement and voting form part of the fund's consideration of principal adverse impacts on sustainability factors but are not part of the investment strategy.

The Fidelity's Sustainable Investing Principles, Engagement Policy and Sustainable Investing Voting Principles and Guidelines set out how it may integrate shareholder engagement in investment strategies. These documents can be found at [Sustainable investing framework \(fidelityinternational.com\)](https://www.fidelityinternational.com/sustainable-investing-framework).

 **L. Reference benchmark**

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

Yes
 No