

# Sustainable Investing and Environmental Social Governance (ESG) Overview

Q4 2022

# What Is Sustainable Investing?

Evaluation and analysis of ESG factors that impact a company's sustainability and long-term value

**SUSTAINABLE INVESTING:** Incorporates financially material **environmental**, **social**, and **governance** factors into the investment decision-making process.



## Environmental

- Climate Change
- Natural Resources
- Pollution and Waste
- Environmental Opportunities



## Social

- Human Capital
- Product Liability
- Data Privacy
- Social Opportunities



## Governance

- Corporate Governance
- Business Ethics
- Corruption and Instability
- Anti-Competitive Practices

# Industry Dynamics: Varied Approaches to Sustainable Investing

Sustainable investing is more than just excluding options based on values



## NEGATIVE/ EXCLUSIONARY SCREENING

Avoiding investments in sectors, industries, or companies deemed unacceptable or controversial, based on global standards or client preferences and values

## ESG INTEGRATION

The inclusion of ESG considerations within financial analysis and investment decisions; considers how ESG issues impact a security's risk and return profile

## THEMATIC INVESTING

Investing in companies that align to a sustainability-related theme such as climate or social issues

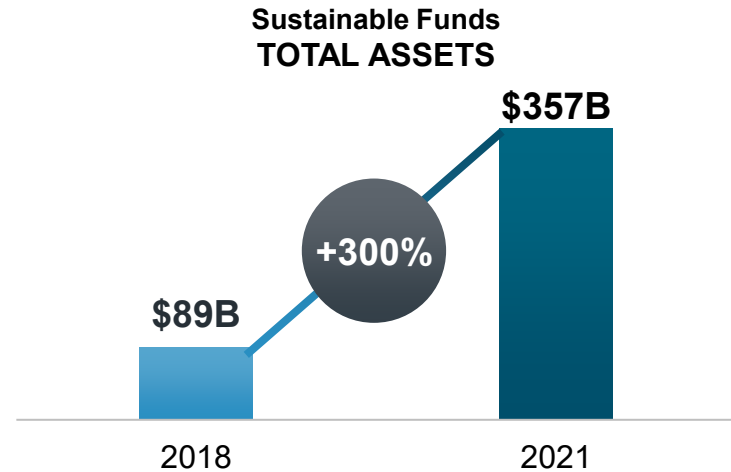
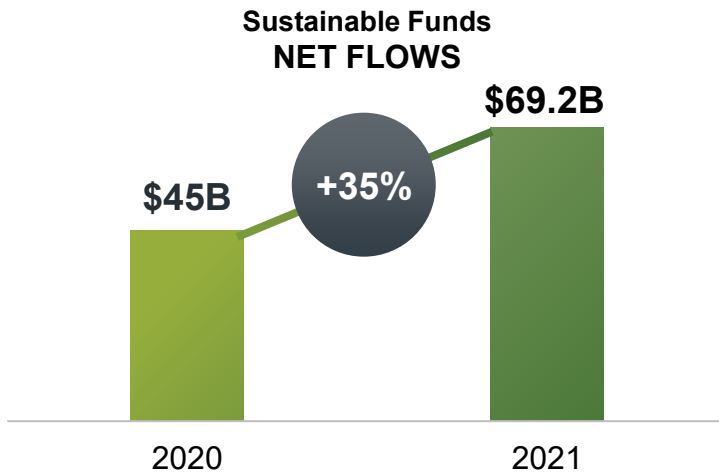
## IMPACT INVESTING

Investments made with the specific intent of generating positive, measurable social and environmental impact alongside a financial return, differentiating it from philanthropy

While environmental, social, and corporate governance (ESG) factors are made available to all investment teams, ESG assessments represent one of many pieces of research available to the portfolio managers, and the degree to which it impacts a strategy's holdings may vary strategy by strategy based on the portfolio manager's discretion. Investing based on ESG factors may cause a strategy to forgo certain investment opportunities available to strategies that do not use such criteria. Because of the subjective nature of sustainable investing, there can be no guarantee that ESG criteria used by Fidelity will reflect the beliefs or values of any particular client.

# What's Driving Sustainable Investing?

What was once a niche concern of certain investors has now grown significantly, expanding over the last decade



Source: Morningstar, as of 12/31/21.

# A Snapshot of Investment Sustainability and ESG at Fidelity

Fidelity's commitment to the space

## Industry and Firm Engagement

- Fidelity ESG Team established in 2017
- Adopted a formal ESG policy, revised proxy guidelines, and became a signatory of the UN PRI\* in 2017
- Ongoing engagement with industry and academic leaders driving ESG trends
- First annual Investment Sustainability Report, D&I Report, and Environmental Report published in 2021

## Investment Process

- Dedicated ESG research team leveraged across asset classes
- Proprietary ESG ratings complement traditional fundamental research
- Regular meetings with company management to build a complete picture of sustainability profiles
- Fund ESG scorecards reviewed during CIO risk oversight meetings

## Client Choice

- Dedicated sustainable portfolios across major asset classes
- Thematic strategies specializing in a particular Environmental, Social, or Governance theme
- Customization for institutional mandates

\* United Nations Principles for Responsible Investment

# Fidelity's Globally Integrated Investment Organization

## Global lens with regional expertise



Group	Investment Professionals	Boston	MMK	London	Asia-Pacific
Equity Portfolio Management	75 12 manage dedicated sustainable strategies	●		●	●
Fixed Income Portfolio Management	30 20 manage dedicated sustainable strategies	●	●	●	
Equity Research	178	●		●	●
Fixed Income Research	86	●	●	●	
Dedicated ESG**	21	●	●	●	●
Private Equity	10	●		●	
Equity Traders	41	●		●	●
Management	75	●		●	●

Tangible collaboration among ESG, equity, and fixed income analysts to evaluate ESG risks and opportunities.

\* Includes Strategic Advisers investment professionals

\*\* Figures for "ESG" include both ESG research analysts and the heads of ESG Investing for Equity and Fixed Income.

Source: Fidelity Investments, as of 12/31/22. Data is unaudited. Research professionals include both analysts and associates. • Fixed income professional head count includes investment-grade and non-investment-grade divisions of FMR.

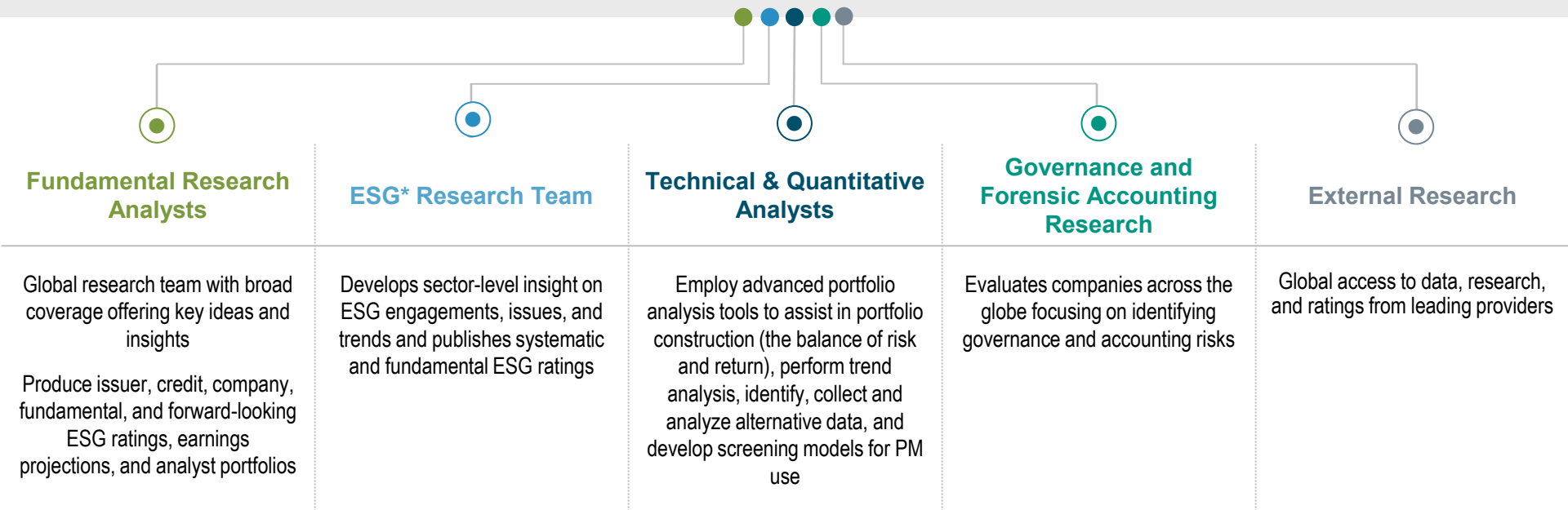
Notes: Equity Research category includes fundamental, derivatives, sector research, and direct data analysts. Private Equity includes research analysts and directors.

# Fidelity Investment Research and Resources

Since its founding, Fidelity has built a broad mosaic that seeks to identify investment opportunities and risks—across asset classes, investment styles, and geographies.




Investment teams have access to multiple insights and perspectives that can be used to inform investment decisions



# Demonstrating Fidelity's Commitment Externally


Fidelity has ongoing engagement with third parties that are advancing the ESG and sustainable investing discussion

 **Building visibility** in ESG standard setting

 **Developing insight** into ESG issues

 **Promoting better disclosure** from companies

 **Participating in the long-term evolution** of ESG

 **Demonstrating commitment** to PRI principles





# Fidelity Sustainable Mutual Fund Offering

Seeking to provide our investors with robust and differentiated ESG solutions

BROAD BASED			
Active	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity Sustainable U.S. Equity Fund	FSEBX: 1.88%/0.90%	Russell 3000 Index	6/15/21
Fidelity Sustainable International Equity Fund	FSYRX: 2.00%/1.05%	MSCI EAFE Index	2/10/22
Fidelity Sustainable Emerging Markets Equity Fund	FSYJX: 4.02%/1.30%	MSCI Emerging Markets Index	2/10/22
Fidelity Sustainable Core Plus Bond Fund	FIAEX: 0.45%/0.45%	Bloomberg US Aggregate Bond Index	4/13/22
Fidelity Sustainable Intermediate Municipal Income Fund	FSIKX: 1.57%/0.37%	Bloomberg Municipal Bond Index	4/13/22
Fidelity Sustainable Low Duration Bond Fund	FAPGX: 0.40%/0.35%	Bloomberg US Treasury Bill 6–9 Months Index	4/13/22
Passive	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity U.S. Sustainability Index Fund	FITLX: 0.11%/0.11%	MSCI USA ESG Leaders Index	5/9/17
Fidelity Sustainability Bond Index Fund	FNDSX: 0.10%/0.10%	Bloomberg MSCI US Aggregate ESG Choice Bond Index	6/19/18
Fidelity International Sustainability Index Fund	FNIDX: 0.20%/0.20%	MSCI ACWI ex USA ESG Leaders Index (Net MA)	5/9/17
Blend	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity Sustainable Multi-Asset Fund	FYMRX: 0.47%/0.42%	S&P 500 Index	2/10/22
THEMATIC			
Active	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity Environment & Alternative Energy Fund	FSLEX: 0.87%/0.87%	S&P 500 Index	6/29/89
Fidelity Women's Leadership Fund	FWOMX: 1.12%/1.00%	Russell 3000 Index	5/1/19
Fidelity Water Sustainability Fund	FLOWX: 1.23%/1.00%	S&P Global Water Index	4/16/20
Fidelity Climate Action Fund	FCAEX: 1.90%/1.05%	MSCI World Index	6/15/21
Fidelity Environmental Bond Fund	FFEBX: 0.45%/0.45%	Bloomberg US Aggregate Bond Index	6/15/21
Fidelity Healthy Future Fund	FAPHX: 2.32%/1.05%	MSCI AC World Index	5/24/22

# Fidelity Sustainable ETF Offering

Seeking to provide our investors with robust and differentiated ESG solutions

BROAD SUSTAINABLE			
Active	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity Sustainable U.S. Equity ETF <sup>1</sup>	FSST: 0.59%/0.59%	Russell 3000 Index	6/15/21
Fidelity Sustainable High Yield ETF	FSYD: 0.55%/0.55%	ICE BofA U.S. High Yield Constrained Index	2/15/22
Fidelity Sustainable Core Plus Bond ETF	FSBD: 0.36%/0.36%	Bloomberg US Aggregate Bond Index	4/19/22
Fidelity Sustainable Low Duration Bond ETF	FSLD: 0.30%/0.30%	Bloomberg US Treasury Bill 6–9 Months Index	4/19/22
THEMATIC			
Active	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity Women's Leadership ETF <sup>1</sup>	FDWM: 0.59%/0.59%	Russell 3000 Index	6/15/21
Passive	Expense Ratio (Gross/Net)	Benchmark	Inception Date
Fidelity Clean Energy ETF	FRNW: 0.39%/0.39%	Fidelity Clean Energy Index NR	10/5/21

<sup>1</sup> **These ETFs are different from traditional ETFs.** Traditional ETFs tell the public what assets they hold each day. These ETFs will not. This may **create additional** risks for your investment. For example: You may have to pay more money to trade the ETF's shares. These ETFs will provide less information to traders, who tend to charge more for trades when they have less information. The price you pay to buy ETF shares on an exchange may not match the value of the ETF's portfolio. The same is true when you sell shares. These price differences may be greater for these ETFs compared to other ETFs because they provide less information to traders. These additional risks may be even greater in bad or uncertain market conditions. The ETFs will publish on its website each day a "Tracking Basket" designed to help trading in shares of the ETFs. While the Tracking Basket includes some of the ETF's holdings, it is not the ETF's actual portfolio. The differences between these ETFs and other ETFs may also have advantages. By keeping certain information about the ETFs secret, these ETFs may face less risk that other traders can predict or copy its investment strategy. This may improve the ETF's performance. If other traders are able to copy or predict the ETF's investment strategy, however, this may hurt the ETF's performance. The objective of the actively managed ETF Tracking Basket is to construct a portfolio of stocks and representative index ETFs that tracks the daily performance of an actively managed ETF without exposing current holdings, trading activities, or internal equity research. The Tracking Basket is designed to conceal any nonpublic information about the underlying portfolio and only uses the Fund's latest publicly disclosed holdings, representative ETFs, and the publicly known daily performance in its construction. You can gain access to the Tracking Basket and the Tracking Basket Weight overlap on Fidelity.com or i.Fidelity.com.

## ADDITIONAL IMPORTANT INFORMATION ABOUT ACTIVE EQUITY ETFs:

The objective of the actively managed ETF Tracking Basket is to construct a portfolio of stocks and representative index ETFs that tracks the daily performance of an actively managed ETF without exposing current holdings, trading activities, or internal equity research. The Tracking Basket is designed to conceal any nonpublic information about the underlying portfolio and only uses the Fund's latest publicly disclosed holdings, representative ETFs, and the publicly known daily performance in its construction. You can gain access to the Tracking Basket and the Tracking Basket Weight overlap on Fidelity.com or i.Fidelity.com.

Although the Tracking Basket is intended to provide investors with enough information to allow for an effective arbitrage mechanism that will keep the market price of the Fund at or close to the underlying NAV per share of the Fund, there is a risk (which may increase during periods of market disruption or volatility) that market prices will vary significantly from the underlying NAV of the Fund; ETFs trading on the basis of a published Tracking Basket may trade at a wider bid/ask spread than ETFs that publish their portfolios on a daily basis, especially during periods of market disruption or volatility, and therefore, may cost investors more to trade, and although the Fund seeks to benefit from keeping its portfolio information secret, market participants may attempt to use the Tracking Basket to identify a Fund's trading strategy, which, if successful, could result in such market participants engaging in certain predatory trading practices that may have the potential to harm the Fund and its shareholders.

Because shares are traded in the secondary market, a broker may charge a commission to execute a transaction in shares, and an investor may incur the cost of the spread between the price at which a dealer will buy shares and the price at which a dealer will sell shares.



# Appendix

---

# Glossary

TERM	DEFINITION
<b>Bloomberg MSCI US Aggregate ESG Choice Bond Index</b>	A capitalization-weighted index that provides exposure to investment-grade, fixed-rate, taxable U.S. dollar-denominated bonds eligible for the Bloomberg Barclays US Aggregate Bond Index with strong positive environmental, social, and governance (MSCI ESG) ratings.
<b>Bloomberg Municipal Bond Index</b>	Considered representative of the broad market for investment-grade, tax-exempt bonds with a maturity of at least one year.
<b>Bloomberg U.S. Aggregate Bond Index</b>	A broad base, market capitalization-weighted bond market index representing intermediate term investment-grade bonds traded in the United States. Investors frequently use the index as a stand-in for measuring the performance of the U.S. bond market.
<b>Bloomberg US Treasury Bill 6–9 Months Index</b>	A market value-weighted index of investment-grade fixed-rate public obligations of the U.S. Treasury with maturities between six and nine months.
<b>Fidelity Clean Energy Index (NR)</b>	Designed to reflect the performance of a global universe of companies across the market capitalization spectrum that distribute, produce, or provide technology or equipment to support the production of energy from solar, wind, hydrogen, and other renewable sources. Index returns are adjusted for tax withholding rates applicable to U.S.-based mutual funds organized as Massachusetts business trusts (NR).
<b>Gross expense ratio</b>	The total annual fund or class operating expense ratio from the most recent prospectus (before waivers or reimbursements) and generally is based on amounts incurred during the most recent fiscal year.
<b>ICE BofA U.S. High Yield Constrained Index</b>	A modified market capitalization-weighted index of U.S. dollar-denominated below-investment-grade corporate debt publicly issued in the U.S. domestic market. Qualifying securities must have a below-investment-grade rating (based on an average of Moody's, S&P, and Fitch). The country of risk of qualifying issuers must be an FX-G10 member, a Western European nation, or a territory of the U.S. or a Western European nation. The FX-G10 includes all Euro members, the U.S., Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway, and Sweden. In addition, qualifying securities must have at least one year remaining to final maturity, a fixed coupon schedule, and at least \$100 million in outstanding face value. Defaulted securities are excluded. The index contains all securities of The ICE BofA US High Yield Index but caps issuer exposure at 2%.
<b>MSCI All Country World Index</b>	A market capitalization-weighted index that is designed to represent the performance of the full opportunity set of large and mid cap stocks across 23 developed and 24 emerging markets.
<b>MSCI EAFE Index</b>	A market capitalization-weighted index that is designed to measure the investable equity market performance for global investors in developed markets, excluding the U.S. and Canada.
<b>MSCI Emerging Markets Index</b>	A market capitalization-weighted index that is designed to measure the investable equity market performance for global investors in emerging markets.

# Glossary

TERM	DEFINITION
<b>MSCI USA ESG Leaders Index</b>	A capitalization-weighted index that provides exposure to companies with high Environmental, Social, and Governance (ESG) performance relative to their sector peers. MSCI USA ESG Leaders Index consists of large and mid cap companies in the U.S. market.
<b>MSCI ACWI ex USA ESG Leaders Index (NA)</b>	A capitalization-weighted index that provides exposure to companies with high Environmental, Social, and Governance (ESG) performance relative to their sector peers. Consists of large and mid cap companies across 22 developed-markets and 27 emerging-markets countries. Index returns are adjusted for tax withholding rates applicable to U.S.-based mutual funds organized as Massachusetts business trusts (MA).
<b>MSCI World Index</b>	A market-capitalization weighted index that is designed to represent the performance of developed stock markets throughout the world.
<b>Net expense ratio</b>	The total annual fund or class operating expense ratio from the most recent prospectus, after any fee waiver and/or expense reimbursements that will reduce any fund operating expenses for no less than one year from the effective date of the fund's registration statement.
<b>Russell 3000 Index</b>	A market capitalization-weighted equity index maintained by the FTSE Russell that provides exposure to the entire U.S. stock market. The index tracks the performance of the 3,000 largest U.S.-traded stocks.
<b>S&amp;P 500 Index</b>	A market capitalization-weighted index of the 500 largest U.S. publicly traded companies. The S&P is a float-weighted index, meaning company market capitalizations are adjusted by the number of shares available for public trading.
<b>S&amp;P Global Water Index</b>	Provides liquid and tradable exposure to 50 companies from around the world that are involved in water-related businesses. To create diversified exposure across the global water market, the 50 constituents are distributed equally between two distinct clusters of water-related businesses: Water Utilities & Infrastructure and Water Equipment & Materials.

# Important Information

**Information provided in, and presentation of, this document are for informational and educational purposes only and are not a recommendation to take any particular action, or any action at all, nor an offer or solicitation to buy or sell any securities or services presented. It is not investment advice. Fidelity does not provide legal or tax advice.**

Before making any investment decisions, you should consult with your own professional advisers and take into account all of the particular facts and circumstances of your individual situation. Fidelity and its representatives may have a conflict of interest in the products or services mentioned in these materials because they have a financial interest in them, and receive compensation, directly or indirectly, in connection with the management, distribution, and/or servicing of these products or services, including Fidelity funds, certain third-party funds and products, and certain investment services.

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

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

It is not possible to invest directly in an index. All market indices are unmanaged. Third-party trademarks and service marks are the property of their respective owners. All other trademarks and service marks are the property of FMR LLC or an affiliated company.

**Third parties mentioned are independent entities and not affiliated with Fidelity Investments.**

**Fidelity US Sustainability Index Fund:** Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The securities of medium-sized, less well-known companies can be more volatile than those of larger companies. The performance of the fund and its index may vary somewhat due to factors such as fees and expenses of the fund, transaction costs, sample selection, regulatory restrictions, and timing differences associated with additions to and deletions from its index.

**Fidelity Sustainability Bond Index Fund:** In general the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. The performance of the fund and its index may vary somewhat due to factors such as fees and expenses of the fund, transaction costs, sample selection, regulatory restrictions, and timing differences associated with additions to and deletions from its index. Leverage can increase market exposure and magnify investment risk.

**Fidelity International Sustainability Index Fund:** Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. The performance of the fund and its index may vary somewhat due to factors such as fees and expenses of the fund, transaction costs, sample selection, regulatory restrictions, and timing differences associated with additions to and deletions from its index.

**Fidelity Environment & Alternative Energy Fund, Fidelity Women's Leadership Fund/ETF, Fidelity Sustainable U.S. Equity Fund/ETF, Fidelity Water Sustainability Fund, Fidelity Environmental Bond Fund, Fidelity Climate Action Fund, Fidelity Sustainable Emerging Markets Equity Fund, Fidelity Sustainable International Equity Fund:** Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets.

**Fidelity Environment & Alternative Energy Fund, Fidelity Women's Leadership Fund/ETF, Fidelity Sustainable U.S. Equity Fund/ETF, Fidelity Water Sustainability Fund, Fidelity Environmental Bond Fund, Fidelity Climate Action Fund, Fidelity Sustainable Emerging Markets Equity Fund, Fidelity Sustainable International Equity Fund, Fidelity Sustainable Core Plus Bond Fund/ETF, Fidelity Sustainable Intermediate Municipal Income Fund, Fidelity Sustainable Low Duration Bond Fund/ETF, Fidelity Healthy Future Fund:** Application of FMR's ESG ratings process and/or its sustainable investing exclusion criteria may affect the fund's exposure to certain issuers, sectors, regions, and countries and may affect the fund's performance depending on whether certain investments are in or out of favor. This process may result in the fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so.



# Important Information

**In addition to the risks above, the below are additional risks for each fund as stated:**

**Fidelity Environment & Alternative Energy Fund:** Sector funds can be more volatile because of their narrow concentration in a specific industry. The environment and alternative energy industries can be significantly affected by government regulations and subsidies, changing supply and demand for traditional energy sources, and availability of funding for remedial cleanup efforts or development of new technologies and can be subject to risks associated with hazardous materials. The fund may have additional volatility because it can invest a significant portion of assets in securities of a small number of individual issuers.

**Fidelity Women's Leadership Fund/ETF:** Different parts of the market, including different market sectors, and different types of securities can react differently to these developments. Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. The value of securities of small to medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers. The Adviser's applications of the fund's strategy criteria may not achieve its intended results and the fund could underperform the market as a whole. Non-diversified funds that focus on a relatively small number of stocks tend to be more volatile than diversified funds and the market as a whole.

**Fidelity Water Sustainability Fund:** The water sustainability industry can be significantly affected by demographic, irrigation and industrial usage trends, viability of infrastructure projects, conservation practices, pollution, waste, and environmental factors, including weather, droughts, flooding, as well as the performance of the overall economy, interest rates, consumer confidence, and the cost of commodities. Regulations and policies of various domestic and foreign governments may affect water usage, contamination, and reusability. The fund may have additional volatility because of its narrow concentration in a specific industry. Non-diversified funds that focus on a relatively small number of stocks tend to be more volatile than diversified funds and the market as a whole.

**Fidelity Sustainable U.S. Equity Fund:** The fund's adherence to its ESG ratings process may affect the fund's exposure to certain companies, sectors, regions, and countries and may affect the fund's performance depending on whether such investments are in or out of favor. This process may result in the fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so. The value of securities of small to medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

**Fidelity Sustainable U.S. Equity ETF:** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market, including different market sectors, and different types of securities can react differently to these developments. Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. The fund's adherence to its ESG ratings process may affect the fund's exposure to certain companies, sectors, regions, and countries and may affect the fund's performance depending on whether such investments are in or out of favor. This process may result in the fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so. The value of securities of small to medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers. Non-diversified funds that focus on a relatively small number of stocks tend to be more volatile than diversified funds and the market as a whole.

**Fidelity Sustainable Core Plus Bond Fund/ETF:** In general the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. The municipal market is volatile and can be significantly affected by adverse tax, legislative, or political changes and the financial condition of the issuers of municipal securities. Lower-quality bonds can be more volatile and have greater risk of default than higher-quality bonds. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. Leverage can increase market exposure, magnify investment risks, and cause losses to be realized more quickly.

**Fidelity Sustainable Core Plus ETF:** Unlike certain ETFs, the fund may affect some or all creations and redemptions using cash, rather than in-kind securities. As a result, an investment in the fund may be less tax-efficient than an investment in an ETF that distributes portfolio securities entirely in-kind.

**Fidelity Sustainable Intermediate Municipal Income Fund:** In general the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. The municipal market is volatile and can be significantly affected by adverse tax, legislative, or political changes and the financial condition of the issuers of municipal securities.

# Important Information

**Fidelity Sustainable Low Duration Bond Fund/ETF:** In general the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. Changes in government regulation and interest rates and economic downturns can have a significant negative effect on issuers in the financial services sector, including the price of their securities or their ability to meet their payment obligations. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. Leverage can increase market exposure, magnify investment risks, and cause losses to be realized more quickly.

**Fidelity Sustainable Low Duration Bond ETF:** Unlike certain ETFs, the fund may effect some or all creations and redemptions using cash, rather than in-kind securities. As a result, an investment in the fund may be less tax-efficient than an investment in an ETF that distributes portfolio securities entirely in-kind.

**Fidelity Environmental Bond Fund:** In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. The fund normally invests in issuers whose products or services are intended or likely to have a positive environmental impact. Some industries and sectors might be more likely to issue environmental bonds, and events or factors impacting these sectors may have a greater effect on, and may more adversely affect, the fund than they would a fund that does not invest in issuers with a common purpose. The fund also will be affected by a decrease in governmental or other support for environmental initiatives. Leverage can increase market exposure and magnify investment risk.

**Fidelity Climate Action Fund:** Because the fund focuses its investments in equity securities of climate aware companies, it will be more susceptible to events or factors affecting these companies. The fund is particularly exposed to such developments as changes in global and regional climates, environmental protection regulatory actions, changes in government standards and subsidy levels, changes in taxation and other domestic and international political, regulatory, and economic developments. Scientific developments, such as breakthroughs in the remediation of global warming, and changes in governmental policies relating to the effects of pollution may affect investments in pollution control, which could in turn affect these companies. As a result of these and other factors, the market prices of securities of companies involved in climate aware-related industries tend to be considerably more volatile than those of companies in more established sectors and industries.

**Fidelity Sustainable Emerging Markets Equity Fund:** Because the fund concentrates its investments in China, the fund's performance is expected to be closely tied to social, political, and economic conditions in China and to be more volatile than the performance of more geographically diversified funds.

**Fidelity Sustainable International Equity:** Because the fund concentrates its investments in Japan, the fund's performance is expected to be closely tied to social, political, and economic conditions in Japan and to be more volatile than the performance of more geographically diversified funds.

**Fidelity Sustainable High Yield ETF:** In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. Lower quality bonds can be more volatile and have greater risk of default than higher-quality bonds. Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Unlike mutual funds, ETF shares are bought and sold at market price, which may be higher or lower than their NAV, and are not individually redeemed from the fund. Unlike certain ETFs, the fund may affect some or all creations and redemptions using cash, rather than in-kind securities. As a result, an investment in the fund may be less tax-efficient than an investment in an ETF that distributes portfolio securities entirely in-kind. Securities selected using quantitative analysis can perform differently from the market as a whole.

**Fidelity Sustainable Multi-Asset Fund:** The fund bears all risks of investment strategies employed by the underlying funds, including the risk that the underlying funds will not meet their investment objectives. Application of FMR's ESG ratings process and/or its sustainable investing exclusion criteria may affect the fund's exposure to certain issuers, sectors, regions, and countries and may affect the fund's performance depending on whether certain investments are in or out of favor. Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible. Leverage can increase market exposure, magnify investment risks, and cause losses to be realized more quickly.





**Fidelity Clean Energy ETF:** Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Sector funds can be more volatile because of their narrow concentration in a specific industry. Clean energy companies are subject to various risks, including fluctuations in commodity prices and/or interest rates, obsolescence of existing technology, short product cycles, changes in governmental and environmental regulations and enforcement policies, changes in U.S. and foreign government policies, including tax incentives and government subsidies, reduced availability of clean energy sources or other commodities, and extreme weather or other natural disasters. Foreign securities, particularly emerging markets, are subject to interest rate, currency exchange rate, economic, and political risks. The value of securities of small to medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers. The fund may have additional volatility because it can invest a significant portion of assets in securities of a small number of individual issuers. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its Net Asset Value (NAV).

**Fidelity Healthy Future Fund:** Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. The value of securities of small to medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers. Non-diversified funds that focus on a relatively small number of stocks tend to be more volatile than diversified funds and the market as a whole.

**Before investing, consider the fund's investment objectives, risks, charges, and expenses. Contact your investment professional or visit [fidelity.com](https://www.fidelity.com), [i.fidelity.com](https://www.i.fidelity.com), or [401k.com](https://www.401k.com) for a prospectus, or a summary prospectus if available, containing this information. Read it carefully.**

Fidelity Institutional® (FI) provides investment products through Fidelity Distributors Company LLC; clearing, custody, or other brokerage services through National Financial Services LLC or Fidelity Brokerage Services LLC, Members NYSE, SIPC; and institutional advisory services through Fidelity Institutional Wealth Adviser LLC.

Personal and Workplace brokerage products provided by Fidelity Brokerage Services LLC, Member NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917.

© 2023 FMR LLC. All rights reserved.