

Periodic disclosure for financial products referred to in Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance.

The **EU Taxonomy** is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Fidelity UCITS ICAV - Fidelity Digital Health UCITS ETF

Legal entity identifier:
2549009TGHNMQ5F55O16

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective ?	
● ● <input type="checkbox"/> Yes	● ● <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: __% <ul style="list-style-type: none"> <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 made sustainable investments with a social objective: __%	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 77.8% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input 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 promoted E/S characteristics, but did not make any sustainable investments



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability Indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The sub-fund met the environmental and social characteristics it promoted as defined in the SFDR precontractual disclosure for the period. The sub-fund sought to track the performance of the Fidelity Digital Health ESG Tilted Index NR (the "Index") which integrates desirable ESG characteristics on an ongoing basis as part of the Index methodology and construction process. Desirable ESG characteristics were determined by reference to Sustainalytics ESG ratings.

Environmental characteristics included carbon intensity, carbon emissions, energy efficiency, water and waste management, biodiversity, while social characteristics include product safety, supply chain, health and safety and human rights.

The Index comprised of equity securities of companies providing healthcare records management, connected healthcare devices, surgical robotics, telemedicine, and other technology-enabled health care products and services.

Some of the investments made by the sub-fund during the period were sustainable investments. The sustainable investments figures in this periodic disclosure are as at 30 December 2022.

Where the sub-fund invested in economic activities that qualify as environmentally sustainable under the EU Taxonomy, this contributed towards the climate change mitigation and/or adaptation environmental objectives.

How did the sustainability indicators perform?

The performance of the sustainability indicators the sub-fund used to measure the attainment of the environmental or social characteristics that it promoted was:

- i) 84% of the sub-fund was invested in securities of issuers with desirable ESG characteristics;
- ii) in respect of its direct investments, 0% of the sub-fund was invested in securities of issuers with exposure to the Exclusions (as defined below);
- iii) 77.8% of the sub-fund was invested in sustainable investments; and
- iv) 77.8% of the sub-fund invested in sustainable investments with a social objective.

Principal adverse impacts are the most significant negative impact of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

... and compared to previous periods?

Not applicable as this is the first reporting period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

While it did not have as its objective a sustainable investment, it had a proportion of 77.8% of sustainable investments. The sustainable investments had an environmental and social objective. A sustainable investment was determined as follows:

- (a) issuers that undertake economic activities that contribute to one or more of the environmental objectives set out in the EU Taxonomy and qualify as environmentally sustainable in accordance with EU Taxonomy; or
- (b) issuers whereby the majority of their business activities (more than 50% of revenue) contribute to environmental or social objectives aligned with one or more of the United Nations Sustainable Development Goals (“SDGs”); provided they do no significant harm, meet minimum safeguards and good governance criteria.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments were screened for involvement in activities that caused significant harm and controversies, assessed through a check that the issuer meets minimum safeguards and standards that relate to adverse impacts. This included:

Norms-based screens - the screening out of securities identified under 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 ‘ Severe’ controversy (having a Sustainalytics score of 5) using controversy screens, including i) operational issues, ii) society and communities, iii) employee rights and supply chain, iv) customers, and v) governance.

How were the indicators for adverse impacts on sustainability factors taken into account?

For sustainable investments, as set out above, the Index applied a quantitative evaluation to identify issuers with challenging performance on adverse impact indicators. Issuers with a low score were ineligible to be sustainable investments.

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

Norms-based screens were applied: Issuers identified as failing to behave in a way which met 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 and the UN Guiding Principles on Business and Human Rights, UN Global Compact (UNGC), were 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.



How did this financial product consider principal adverse impacts on sustainability factors?

Consideration of the adverse impacts on sustainability factors were considered by the Index methodology through a variety of tools, including:

(i) ESG rating - The Index referenced Sustainalytics ESG ratings which incorporated consideration of material adverse impacts such as carbon emissions, employee safety and bribery and corruption, water management.

(ii) Exclusions - the Index applied the Exclusions to help mitigate the adverse impacts through excluding harmful sectors and prohibiting investment in issuers that breach international standards, such as the UNGC. The Index applied ESG screens and revenue thresholds (including norms-based screening and exclusions based screening):

1. exclusions based screens, which included weapons, certain fossil fuels and tobacco, and
2. a norms-based screening of issuers which Fidelity considered to have failed to conduct their business in accordance with international norms, including as set out in the UNGC.

The above exclusions and screens (the “Exclusions”) may be updated from time to time. Please refer to the Index methodology for further information (www.moorgatebenchmarks.com).

Fidelity also had discretion to implement enhanced, stricter sustainable requirements and exclusions within the Index methodology from time to time.

(iii) Engagement - Fidelity uses engagement as a tool to better understand principal adverse impacts and, in some circumstances, advocate for mitigating the adverse impacts. This includes the adoption of proxy voting guidelines designed to promote long-term shareholder value by supporting good corporate governance practices and engagement with investee companies, either directly or by means of collective engagement initiatives via third party providers that act as agent for a pool of investors in certain companies.

The specific adverse impacts that were taken into consideration were subject to data availability and may evolve with improving data quality and availability.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 2022-02-01 / 2023-01-31

Largest investments	Sector	% Assets	Country
DEXCOM INC	Health Care	5.54%	United States
INTUITIVE SURGICAL INC	Health Care	5.22%	United States
SIEMENS HEALTHINEERS AG	Health Care	4.96%	Germany
RESMED INC	Health Care	4.36%	United States
JD HEALTH INTERNATIONAL INC	Consumer Staples	4.10%	Cayman Islands
INSULET CORP	Health Care	4.07%	United States
VEEVA SYSTEMS INC-CLASS A	Health Care	3.44%	United States
ALIBABA HEALTH INFORMATION T	Consumer Staples	3.36%	Hong Kong
COCHLEAR LTD	Health Care	2.77%	Australia
FISHER & PAYKEL HEALTHCARE C	Health Care	2.75%	New Zealand
SONOVA HOLDING AG-REG	Health Care	2.66%	Switzerland
THE CIGNA GROUP	Health Care	2.63%	United States
MAXIMUS INC	Industrials	2.28%	United States
PRO MEDICUS LTD	Health Care	2.27%	Australia
BAXTER INTERNATIONAL INC	Health Care	2.18%	United States

The top investments table is populated based on the weighted average of the investment during the reference period.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

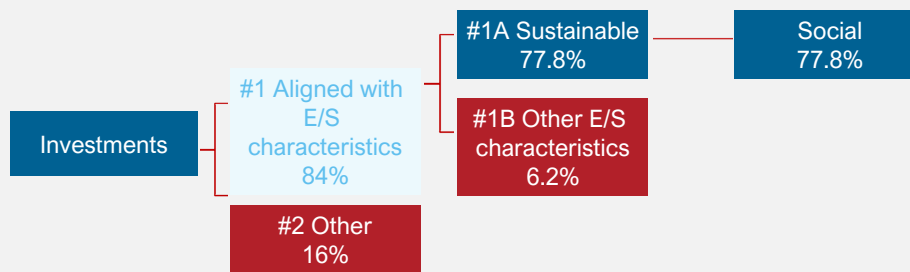
The sub-fund invested 77.8% in sustainable investments.

What was the asset allocation?

(#1 aligned with E/S characteristics) The sub-fund invested in:

1. 84 % of its assets in securities of issuers with desirable ESG characteristics;
2. 77.8% in sustainable investments (#1A sustainable) of which 0% have an environmental objective (which is aligned with the EU Taxonomy), 0% have an environmental objective (which is not aligned with the EU Taxonomy) 77.8% have a social objective.

(#1B Other E/S characteristics) Includes securities of issuers with desirable ESG characteristics 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.

In which economic sectors were the investments made?

Sector	Sub Sector	%of NAV as at January 31, 2023
Consumer Discretionary	Consumer Durables & Apparel	1.76%
Consumer Staples	Consumer Staples Distribution & Retail	11.08%
Health Care	Health Care Equipment & Services	76.23%
	Pharmaceuticals, Biotechnology & Life Sciences	1.46%
Industrials	Commercial & Professional Services	2.06%
Information Technology	Software & Services	5.47%
	Technology Hardware & Equipment	1.94%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund invested 0% in sustainable investments with an environmental objective aligned with the EU Taxonomy. This contributed towards the climate change mitigation and/or adaptation economic objectives.

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

The taxonomy alignment of the underlying investments of the sub-fund is measured by turnover.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

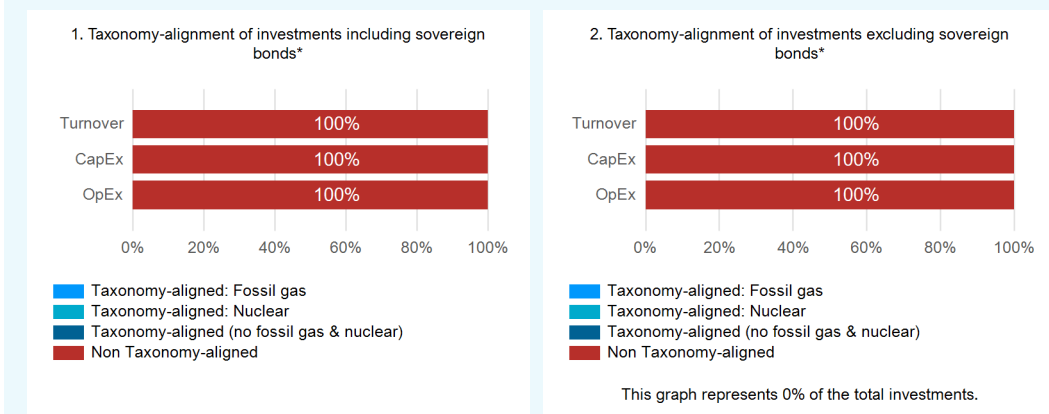
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

- 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 above charts display all investments in the portfolio that were taxonomy aligned as at 31 January 2023. The EU taxonomy figures disclosed may differ due to differences in the calculation methodology applied


What was the share of investments made in transitional and enabling activities?

This question is not applicable.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable as this is the first reporting period.

¹Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective **that do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The sub-fund invested 0% in sustainable investments with an environmental objective that was not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

The sub-fund invested 77.8% in sustainable investments with a social objective.



What investments were included under “#2 Other”, what was their purpose and were there any minimum environmental or social safeguards?

The remaining investments of the sub-fund were invested in assets aligned with the financial objective of the sub-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 Index applied the Exclusions.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The sub-fund promoted environmental and social characteristics by tracking the Index which integrates desirable ESG characteristics on an ongoing basis as part of the Index methodology and construction process. Desirable ESG characteristics are determined by reference to Sustainalytics ESG ratings.



How did this financial product perform compared to the reference benchmark?

An Index has been designated as a reference benchmark to determine whether this financial product is aligned with the environmental or social characteristics that it promotes. The Index methodology can be found [here](#).

How does the designated index differ from a broad market index?

The Index comprises of equity securities of companies providing healthcare records management, connected healthcare devices, surgical robotics, telemedicine, and other technology-enabled health care products and services.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental and social characteristics promoted?

As measured by the sustainability indicators, the sub-fund attained each of the environmental and social characteristics promoted by tracking the Index, which integrates desirable ESG characteristics on an ongoing basis as part of the Index construction process.

How did this financial product perform compared with the reference benchmark?

The sub-fund tracked the Index.

How did this financial product perform compared with the broad market index?

The sub-fund tracked the Index which integrates desirable ESG characteristics on an ongoing basis. A broad market Index does not integrate ESG characteristics.

Reference benchmarks are indexes to measure whether financial products attain the environmental or social characteristics that they promote.